



Crown Melbourne Limited Compliance Committee

Tuesday, 6 August 2019 – 11.00am
Chairman's Office, Level 3, Crown Towers

Attendees: Professor John Horvath (Chair), John Alexander, Rowena Danziger

Also Invited: Barry Felstead, Michelle Fielding, Mary Manos, Joshua Preston,

AGENDA

1. Minutes of Previous Meetings

1.1. [Confirmation of Minutes of the meeting on 29 May 2019](#)

2. Compliance and Regulatory

2.1. [Compliance and Regulatory Update](#)

2.2. [Section 25 Recommendations Update](#)

RSG Recommendations

- [Response to VCGLR – Recommendation 10](#)
- [Response to VCGLR – Recommendation 11](#)
- [Response to VCGLR – Recommendation 13](#)
- [Response to VCGLR – Recommendation 14](#)

Operation & Governance Recommendations

- [Response to VCGLR – Recommendation 3](#)
- [Response to VCGLR – Recommendation 4](#)
- [Response to VCGLR – Recommendation 5](#)
- [Response to VCGLR – Recommendation 12](#)
- [Response to VCGLR – Recommendation 17](#)
- [Response to VCGLR – Recommendation 19](#)

Section 25 Recommendations Table as at 19 July 2019

3. [Compliance Committee Charter](#)

4. [Litigation Report \(Subject to Legal Professional Privilege\)](#)

5. [Anti-Money Laundering/Counter-Terrorism Financing](#)

5.1. [AML/CTF Update](#)

5.2. [AML/CTF Framework – Joint AML/CTF Program \(Subject to Legal Professional Privilege\)](#)

6. [Media Coverage](#)

7. [Other Business](#)



AGENDA ITEM 1:
Minutes of Meeting



MINUTES
CROWN MELBOURNE LIMITED COMPLIANCE COMMITTEE
HELD AT THE CHAIRMAN'S OFFICE, LEVEL 3, CROWN TOWERS
WEDNESDAY, 29 MAY 2019
13:48 PM

IN ATTENDANCE:

- Committee:** Professor John Horvath (Chairman)
 John Alexander
 Joshua Preston (Co-Company Secretary)
 Mary Manos (Co-Company Secretary)
- Invitees:** Michelle Fielding (GGM Regulatory & Compliance)
- Apologies:** Rowena Danziger
 Barry Felstead (CEO – Australian Resorts)
- Minutes of Meeting:** The Minutes of the Meeting of the Compliance Committee held on 11 February 2019 were approved.
- Compliance and Regulatory Update:** The Compliance and Regulatory Update was taken as read.
- The Committee discussed the number of compliance matters that had been reported in the period and requested statistical detail on the numbers of reports moving forward in order to assess whether there were any trends. Mr Preston advised that a reporting dashboard would look to be developed in this respect. Mr Preston also noted that an audit will be undertaken by Internal Audit of the Compliance Framework in F20 to independently review the framework in its infancy.
- Mr Preston noted that compliance trends and any material matters will be raised with the relevant executive to ensure the appropriate attention is placed on the issue.
- Regulatory Matters*
- Mr Preston updated the Committee on the closing out of the blanking plates matter. Crown complied with all of the Disciplinary Action obligations set by the VCGLR, culminating in a submission regarding Crown's Compliance Framework in December last year. However the VCGLR has now (5 months later), written to Crown advising that it will be monitoring the implementation of the framework, which will include reviewing a number Crown's

documents associated with its Framework, including the ERCC papers and CURA incidents reports.

China Matter

Mr Preston advised that there had been no material update on the China matter during the period.

Section 25 Recommendations Update

The Committee discussed the current status of each Recommendation and the update was otherwise taken as read.

Mr Preston did however note that he had received a letter from the VCGLR indicating that a concern had been expressed to the Commission regarding Crown's ability to comply with Recommendation 17. Mr Preston advised

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Litigation Update: The Litigation Update was taken as read.

Anti Money Laundering/Counter The AML/CTF Update was taken as read.

Terrorism Financing – Update: Mr Preston specifically noted the following matters in the Update:

As previously noted, Crown was to be invited to join the FINTEL Alliance, however, AUSTRAC has now indicated that they are reconsidering the direction of the Alliance and that Crown would not at this stage be invited, nor would any other entity in this regard. AUSTRAC emphasised that the change was not related to Crown, it was an issue regarding the strategic direction of the Alliance.

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29 May 2019

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Crown recently took members of AUSTRAC on a tour of the business and previewed Crown's new transaction monitoring system. AUSTRAC were pleased that it is being built in-house, giving Crown greater control over quicker updates for changing circumstances.

Ms Manos enquired about the progress of the Joint AML Program.

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Media Coverage: The Media Coverage Update was taken as read.

Other Business: There was no other business.

Closure: The meeting closed at 14:18pm.

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Chairman



AGENDA ITEM 2:
Compliance and Regulatory



Crown Melbourne Compliance Committee
Agenda Item 2.1: Compliance & Regulatory Update
May 2019 – July 2019

1. Compliance Framework Status

Business units who have been integrated to the business wide compliance framework to date include:

- | | |
|-------------------------------------|-----------------------------|
| ▪ AML/CTF | ▪ Hotels |
| ▪ Cage | ▪ Procurement |
| ▪ Events and Conferences | ▪ Property Services |
| ▪ F&B (3 distinct sections) | ▪ Responsible Gaming |
| ▪ Finance | ▪ Security |
| ▪ Gaming Machines | ▪ Surveillance |
| ▪ Gaming Machines Product | ▪ Table Games |
| ▪ Health and Safety | ▪ Human Resources |
| ▪ Regulatory and Compliance | ▪ Gaming Machines Technical |
| ▪ VIP International | |
| ▪ IT | |
| ▪ Marketing (Gaming and Non-Gaming) | |

These departments have prepared and are completing monthly compliance surveys and reporting into the Compliance Committee.

Material and other relevant matters from the Monthly Compliance meetings are reported on in Section 3 below.

2. Compliance Framework Next Steps

It is expected that Annual Compliance Plans and compliance surveys will be finalised for the following departments:

- Legal (drafted – to be signed)
- Projects
- Entertainment (drafted)

In addition, the Requirements Register (which prioritises from a compliance perspective all regulatory and legislative requirements) has been reviewed in conjunction with the Risk and Audit Department, and relevant departments, is **attached** for the Committee's reference.

Compliance surveys and Annual Compliance Plans for all departments will continue to evolve over time as a result of changes in the legislative and regulatory environment, changing business practices and enhancements from learnings. Departments are in the process of signing off their FY19 Annual Compliance Plans. New Annual Compliance Plans for each business unit will be drafted and signed-off in Q1 of FY20.



3. Compliance Issues

The table below presents new and existing alleged compliance breaches and other relevant issues which occurred during the period. These include breaches or issues identified either by a regulator or as reported internally via compliance surveys or other means.

Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
<i>Cage</i>				
New				
May 2019	It was reported that a note stacker (secured inside the Count Room) was not checked appropriately due to it having an old 'faulty' tag appended. The stacker was placed to the side in error, which resulted in a variance of approximately \$17,000.	None	Matter closed.	<p>The staff member involved received conduct counselling.</p> <p>A review of the process was undertaken. As a consequence 'faulty' stackers must be checked according to the process for non-faulty stackers.</p> <p>The process change was communicated to Count Room staff over multiple briefings.</p>

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
Existing				
June 2018	The VCGLR wrote to Crown on 1 June 2018, seeking footage of a Chip Rotation in the Main Cage on 25 May 2018 – as a VCGLR audit revealed that the log of rotations was not completed on that date. Footage from the day did not show the chips being rotated. ‘Rotation’ in the context of the Cage is not applied as moving chips to the front from the back, but rather as rippling the chips with the staff member’s hand in order to see if there are any discrepancies with the chips.	<i>Casino Control Act 1991</i> (Vic)	As at 22 July 2019, no contact from the VCGLR has been received on the matter.	An update to the Cage SOP has been made to change the language of the process from rotation to ‘verification and/or rotation’.

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
<i>Cage/Gaming Machines (Program Play)</i>				
New				
July 2019	On 4 July 2019, a Crown review of a Premium Player Program revealed that an EGM staff member in VIP Slots and a Cage employee failed to sign the Program Agreement.	Junket and Premium Player Program (including VIP Telephone Betting and the Introduction of Players) Internal Control Statement	The matter has been rectified and both relevant staff members have signed the Agreement as required.	<p>The matter was detected by Crown as part of its on-going daily due diligence. In response to the matter:</p> <ul style="list-style-type: none"> • Surveillance footage was reviewed to identify the relevant staff members; • A system audit was undertaken to identify potential staff involved; • The process of opening a Program has been reviewed to look for opportunities to mitigate recurrence; • All staff involved in the process were either spoken to and/or received disciplinary action; • Comms were sent to all Gaming Machines Senior Managers by the EGM of Gaming Machines,

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				<p>reinforcing the importance of the processes and procedures and emphasising that failure to comply can result in significant disciplinary action;</p> <ul style="list-style-type: none"> • The Group General Manager – Regulatory and Compliance attended the next VOSM monthly meeting to reiterate the importance of completing the forms accurately and delivered compliance training; • A process chart is being created by Gaming Machines, to review all areas of the buy-in/program process; • A review of current system access/functionality has been undertaken to remove non-Cage Managers' access to open Commission Programs; • A review of SOP 5.2.1

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
				<p>Premium Player Programs has been undertaken and a requirement proposed for all programs to only be opened within the system by the Cage, once all signatures are received;</p> <ul style="list-style-type: none"> • A change to SYCO is being made whereby a pop-up shows on the screen asking if the Agreement has been signed; and • A SYCO change has been proposed that requires the Cage staff to enter the staff member's ID in SYCO to force a check that it has actually been signed.
June 2019	On 27 June 2019, a Crown review of a Premium Player Program revealed a program had incomplete paperwork. The program was not signed by the patron and the EGM VIP Slots Manager.	Junket and Premium Player Program (including VIP Telephone Betting and the Introduction of Players) Internal Control Statement	Crown has rectified the matter and both the relevant staff member and the patron have signed the Agreement as required.	The matter was detected by Crown as part of its on-going daily due diligence. A number of additional reviews and changes were undertaken as a consequence of this matter - see detailed above in the previous

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
				remedial actions.
Finance				
New				
May 2019	On 21 May 2019, the VCGLR wrote to Crown advising of penalty interest on a late payment of gambling taxes. A jackpot configuration issue was detected by Crown, which had resulted in a miscalculation of the April 2018 tax assessment (Crown rectified the amount when identified). Taxes in relation to April 2018 were due and payable within 7 days, being on or before 7 May 2018 and as a result, the gaming tax due for the period was paid on 7 November 2018 (\$2279.90) resulting in penalty interest of \$117.86 being payable. The VCGLR have waived the penalty payment on this occasion, but have warned that any future penalties for late payments will be pursued.	<i>Casino Management Agreement Act 1993 (Vic)</i> <i>Penalty Interest Rates Act 1983 (Vic)</i>	Crown is not required to respond to the matter.	Crown rectified the discrepancy at the time of the incident.

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
<i>Food & Beverage</i>				
Existing				
April 2019	On 29 April 2019, the VCGLR issued Crown a 'Letter of Warning' for failing to display the correct liquor licence within The Waiting Room.	<i>Liquor Control Reform Act 1988 (Vic)</i>	Crown had displayed the General Licence rather than The Waiting Room licence. No further response to the VCGLR is required. Matter closed.	<p>REDACTED - PRIVILEGE</p> <p>REDACTED - PRIV The F&B HRM provided conduct counselling to the employee responsible. Further training was also provided.</p> <p>A change was also implemented to the displayed Liquor Licence audit checklist. The checklist now contains pre-recorded information in relation to:</p> <ul style="list-style-type: none"> - the area; and - Liquor Licence number. <p>In addition, the employee completing the check must now complete their name, ID number, signature and the date.</p>
April 2019	On 13 April 2019, a VCGLR Inspector	<i>Liquor Control</i>	The Liquor Licence was replaced with the	A change was implemented to

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	<p>attended Crown Aviary in relation to inspecting Crown's RSA obligations. It was noted that the Aviary had the incorrect Liquor Licence on display (Crown Events Licence, instead of the General Licence). It was explained at the time to the Inspector that Crown has the General Licence displayed across the complex. The F&B Manager dealing with the matter advised that the VCGLR Inspector agreed that this was therefore not a breach.</p>	<p><i>Reform Act 1988</i> (Vic)</p>	<p>correct Licence immediately.</p> <p>As at 22 July 2019, no further contact from the VCGLR has been received on the matter.</p>	<p>the displayed Liquor Licence audit checklist. The checklist now contains pre-recorded information in relation to:</p> <ul style="list-style-type: none"> - the area; and - Liquor Licence number. <p>In addition, the employee completing the check must now complete their name, ID number, signature and the date.</p>
<p>February 2019</p>	<p>The VCGLR noted a noise complaint under investigation from a resident located on the other side of the Yarra River.</p>	<p>Liquor Licence (Amenity)</p>	<p>The Snr Entertainment Manager reminded all Groove Bar bands of the importance of adhering to volume control.</p> <p>The VCGLR Inspector informed Crown that they consider the matter closed.</p>	<p>A VCGLR Inspector attended a meeting on site with Crown, Crown agreed to change the angle of some external speakers and is organising sound consultants to test sound rating compliance across a number of venues.</p> <p>Crown has engaged an acoustic consultant.</p>

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
Gaming Machines				
Existing				
May 2019	On 2 May 2019, the VCGLR wrote to Crown requesting an explanation as to what action had been taken by Crown in relation to Player Information Display (PID) access on the bank of D15 and D1603. The request relates to the PID not being available on the first tap of the 'i' button when the button panel is asleep (that is, it requires 2 x taps to activate the 'i' button – one to 'wake' the machine and again to activate the button).	<i>Gambling Regulations 2015</i> (Vic) s 20	On 21 May 2019, Crown responded to the letter, noting the PID was available at all times via the 'i' button located on the touch screen, and that the approved button panel was designed to time out after three (3) minutes of idle time. Crown's response detailed that Crown informed the VCGLR of its actions on the night and they considered the matter closed. On 6 June 2019, the VCGLR on-site Inspectorate verbally noted that no further action would be taken. The matter is now considered closed.	Crown has contacted the manufacturer and noted to them that although the EGM performed as approved by the VCGLR, none of Crown's other EGM brands required the double tap. The manufacturer is reviewing its technology.
February 2019	Patron Complaint – Rewards Card Activation. A Crown Rewards member was advised by a Crown employee that they must enter the gaming floor to activate their invalid loyalty card. When the staff member was questioned by the patron, the alleged response was that it was	<i>Casino Control Act 1991</i> (Vic)	On 11 February 2019, Crown Gaming Machines Operations Manager Brett McCallum contacted the Member to address the member's concerns and moved the Member to a 'Lifestyle' membership. As at 22 July 2019, no contact from the	Relevant Crown staff have been educated as to the correct manner of dealing with these types of enquiries. A SYCO change is expected to be made in Q2 that will allow for a PAS-T member to still be able to

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	VCGLR requirement. The patron made a complaint to the VCGLR, who in turn advised the member to make a complaint to Crown.		VCGLR has been received on the matter.	use their Rewards card (excluding gaming).
November 2018	On 30 November 2018, during a routine gaming machine audit an issue was identified with the AGT game base. The AGT game base permitted continuous play mode to be active for approximately 6 – 9 seconds after an eligible player card was removed from an unrestricted EGM. The lag in transition from Unrestricted to Restricted impacted 134 EGMs across the floor and meant that up to 2-3 more games could be played in Unrestricted Mode before the system registered that the card had been removed.	Ministerial Directions <i>Casino Control Act 1991</i> (Vic) ss 62AB and 62 AC <i>Gambling Regulation Act 2003</i> (Vic)	All AGT EGMs across the gaming floor were placed into 'maintenance mode' overnight. On 1 December 2018, the impacted EGMs were changed to Restricted Mode and switched back into game play. The VCGLR on site Inspectorate was notified of the issue by phone on 4 December 2018. A Significant Event Report was completed. As at 22 July 2019, no contact from the VCGLR has been received on the matter.	The matter escalated to the manufacturer for investigation. The manufacturer's investigation revealed that an issue exists within the game code. A fix has been developed which has been tested by Crown (successfully) and the ATF, for recommendation to the VCGLR. All six Game Recommendations were approved by the VCGLR and implemented.
September 2018	On 27 September 2018, the VCGLR issued Crown with a s 26(1) Notice pursuant to the <i>Casino Control Act 1991</i> (Vic), requesting information pertaining to EGM C8303 operating in continuous play mode (alleged as	<i>Casino Control Act 1991</i> (Vic) s 26(1) and s 62AB(2) <i>Gambling</i>	On 11 October 2018, Crown responded to the Notice. The cause was a wiring fault, which permitted the machine to imitate play in continuous mode if a particular button was held down.	A full audit of all machines has been carried out. An enhancement to the audit and checking procedures (EGM Commission Checklist) has now

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	<p>'unrestricted mode' in the Notice), when a Your Play card was not inserted.</p> <p>On 20 December 2018, the VCGLR (on-site Inspectorate) wrote to Crown requesting a clarification on several matters relating to this incident and an explanation as to why Crown breached s 62AB(2) of the <i>Casino Control Act 1991</i> (Vic).</p> <p>As a consequence of this matter; on 19 November 2018 the VCGLR (Director, Compliance) again wrote to Crown seeking further information as to whether regulation 18(6) of the <i>Gambling Regulation (Pre-commitment and Loyalty Scheme) Regulations 2014</i> had been complied with.</p>	<p><i>Regulation Act 2003</i> (Vic)</p> <p>Ministerial Directions</p> <p><i>Victorian Commission for Gambling and Liquor Regulation Act 2011</i> (Vic) Part 4 s 32(3)</p> <p>VCGLR</p>	<p>On 8 January 2019, Crown responded to the second VCGLR letter dated 20 December 2018, reinforcing its position as documented in Crown's initial response dated 11 October 2018.</p> <p>On 18 December 2018, Crown also responded to the VCGLR's letter dated 19 November 2018, asserting that no breach of Reg. 18(6) had occurred and attaching the VCGLR's approval of the current operating format.</p> <p>As at 22 July 2019, no further contact from the VCGLR has been received on the matter.</p>	<p>been implemented. A specific test is now required for all IGT AU1 cabinets upon installation, the result must be recorded (and pass) before the machine is placed into game play.</p>
December 2017	<p>The VCGLR issued a Notice to Show Cause in relation to the blanking button matter involving blanking plates for two weeks on 17 machines. The VCGLR determined that Crown required regulatory</p>	<p><i>Gambling Regulation Act 2003</i> (Vic)</p> <p><i>Casino Control Act 1991</i> (Vic)</p>	<p>Fine of \$300,000 paid.</p> <p>Crown met with Commission Officers regarding amendments to the ICS to mitigate a recurrence. Crown made its submission to the VCGLR on 26 July 2018, which was</p>	<p>Crown now requires a Gaming Initiatives Form be completed prior to any changes to gaming related products or services being implemented. The form is signed off by a number of</p>

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
	<p>approval. Crown was issued with (and has paid) a \$300,000 fine and received a letter of censure. Crown was also required to, within 6 weeks, arrange a meeting with the Commission officers to discuss whether amendments were required to the ICS to prevent a recurrence. This meeting occurred and proposed wording was framed and submitted.</p> <p>The second requirement was to present to the Commission within 6 months, on Crown’s regulatory framework and the changes that have been made.</p>	<p>VCGLR</p>	<p>approved on 31 December 2018.</p> <p>Crown prepared a presentation on Crown’s regulatory framework for Joshua Preston and Barry Felstead to present at a Commission meeting. However, the VCGLR then made contact and asked that Crown provide the update in the form of a written submission to the VCGLR instead.</p> <p>On 24 December 2018, Crown provided a submission to the Commission on its enhanced Compliance framework.</p> <p>On 10 May 2019, the VCGLR wrote to Crown stating that they have considered Crown’s Compliance Framework and intend to monitor its implementation and that they will be formally seeking records from Crown, including the minutes and papers of this Committee and reports from CURA. Note that a number of the documents and reports that will be requested are produced under legal professional privilege.</p> <p>As at 22 July 2019, no further contact from the VCGLR has been received on the matter.</p>	<p>departments, confirming their approval for the change (including RG, AML, Surveillance etc.) with the Regulatory and Compliance Department having the final sign-off.</p>

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
Marketing (non-gaming)				
New				
July 2019	On 10 July 2019, Crown became aware that an employee of Crown had entered a Crown F&B promotion 133 times and was the winner of 4 prizes.	Crown Group Policy on Gambling by Employees Breach of Competition T&Cs	The staff member had his employment with Crown terminated as this incident was in breach of the Crown Group Policy on Gambling by Employees and the Terms and Conditions of the promotion.	The prizes won by the employee were returned to the prize pool and redistributed to patrons (he had only collected one (a Crown Gift Card), which was returned). A staff reminder has been scheduled to go into Frontline to ensure staff are aware of their responsibilities around promotions and competitions.
July 2019	On 3 July 2019, Crown Melbourne became aware of a banned Crown Perth member receiving mail from Crown. The member attended the hotel at Crown Perth, and was informed that their ban is still in place. An investigation into the matter found that Crown Direct (Hotel Marketing) had used data that had not been screened against banned patron lists.		Marketing from Crown Direct has ceased until the cause of the matter is resolved.	As of 22 July 2019, the matter is still under investigation by Crown.

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Security				
New				
May 2019	On 15 and 16 April 2019, Crown Security Officer completed two (2) shifts whilst on an expired Crowd Controller Licence.	<i>Private Security Act 2004</i> <i>Private Security Regulations 2016</i>	The Security Officer was stood down until proof of a current licence was obtained. The obligation to have a current licence rests with the Security Officer; there is no obligation for Crown to report to the Licensing and Regulation Division (LRD).	Crown is currently testing a new reporting system, whereby Crown's Security Officers' Crowd Controller Licence details are washed through the LRD database on a daily basis. The report looks at licenses expired and due to expire within the next 7 days. Daily emails will be generated to the Operations Managers. This process is expected to go live within the week.

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
Existing				
August 2018	<p>Minor ██████████ was located on the gaming floor by a VCGLR inspector on 11 August 2018. ██████████ used his brother's ID to gain access. The VCGLR requested information from Crown related to the incident. ██████████ entry falls under one of the permitted defences in the <i>Gambling Regulation Act</i>, being that he is over the age of 14 and showed acceptable ID. However, the VCGLR has noted its intention to proceed with the matter as the ID presented had expired.</p>	<p><i>Gambling Regulation Act 2003</i> (Vic) Part 7 Reg. 10.7.7</p>	<p>Crown responded to the VCGLR's request on 8 November 2018.</p> <p>The on-site Inspectorate has informally notified Crown that this matter has been sent to their Richmond offices for further review.</p> <p>As at 22 July 2019, no further contact from the VCGLR has been received on the matter.</p>	<p>Crown has raised with the VCGLR that the expiry date of the ID should not be a relevant factor to the defence as a number of acceptable Victorian ID forms do not contain an expiry date (for example, the Victorian Proof of Age Card, which is issued by the VCGLR). The VCGLR has accepted this position in principle, but we await their determination.</p>
Surveillance				
New				
June 2019	<p>On 1, 2 and 5 June 2019, the Surveillance Daily Operations Reports (DOR) were not received by the VCGLR. An investigation identified that two new Surveillance Managers did not have</p>	<p>Surveillance DOR – various obligations.</p>	<p>The VCGLR contacted Crown to say that the reports were not received and they were immediately provided.</p> <p>As at 22 July 2019, no further contact from</p>	<p>Surveillance has provided copies of the sent emails to confirm that they were sent as required on the relevant dates. Surveillance has changed their processes to</p>

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	external email access granted prior to commencement into the role. They had sent the DORs as required, but didn't receive a bounce-back (Crown's system was set not to show a bounce-back for external emails) so were unaware that it wasn't received by the VCGLR.		the VCGLR has been received on the matter.	<p>ensure that all access is granted prior to commencement into more senior roles.</p> <p>An IT change has been requested and will be implemented the week beginning 22 July 2019. The change will generate a response to the user <i>"Your email was not delivered because you have not been granted access to send emails to external recipients."</i></p>
Table Games				
New				
July 2019	On 4 July 2019, the VCGLR wrote to Crown requesting an explanation in relation to a patron complaint. The matter relates to an allegation that on 14 May 2019, the Dealer on PK3311 exposed the cards too early on the River.	Poker Rules 14.9.5	As of 22 July 2019, Crown is yet to respond to the matter.	<p>Crown is awaiting the results of an internal investigation into the matter.</p> <p>As the result of a number of recent VCGLR letters, audits are being undertaken for greater scrutiny of ensuring dealers are dealing in line with SOPs and Rules.</p>

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				<p>During the audits, Area Managers (AMs) on the floor are being given direct feedback and asked to address all issues with the dealers in question. AMs are expected to have immediate coaching conversations (as soon as practical) and document each interaction.</p> <p>The following early signs of compliance improvement have been seen:</p> <ul style="list-style-type: none"> • Noticeable improvements seen in the Maple and Mahogany Rooms. • Immediate coaching discussions are occurring, there was more than 80 coaching conversations documented in a week. • Staff are also being rewarded for their positive efforts. <p>A full review by Crown Table</p>

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				Games of its SOPs is also underway in order to improve education.
June 2019	<p>On 4 June 2019, Crown became aware that a card was missing on BA0672 (8 of Diamonds).</p> <p>A new deck arrived sealed, the shuffler indicated a green light, and the deck was placed in the shoe and dealt. The deck was completed and returned to the shuffler, a red light indicated that the deck was not complete. The Dealer manually counted the cards. In line with the process, a second Dealer counted and sorted the deck, identifying the Red 8 Diamonds as the missing card. A rigorous search was conducted and the card was not discovered. At no stage were the cards in play once the red light appeared.</p>	Generic Table Games SOPs	Matter closed.	<p>The Dealer followed the Rules and Procedures accordingly.</p> <p>Surveillance performed an immediate review (and a review later).</p> <p>Maintenance attended to check the shuffler and re-check (this included removal from the table).</p> <p>The shuffler was checked with a complete deck, this produced a green light.</p> <p>The area was searched; this included the carpet, subfloor, table, shoe etc.</p> <p>Overall, all controls have been tested and confirmed to be functioning as intended.</p>

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
May 2019	On 22 May 2019, Crown became aware that a number of poker tournaments that were reported to the VCGLR as redacted (that is, not proceeding), were held.	Table Games Poker Rules	On 23 May 2019, Crown self-reported the matter to Stuart McClelland of the on-site Inspectorate. Mr McClelland advised Ms Fielding that it was not a material matter and saw no need for any further action. The matter is closed.	Managers who were responsible for failing to notify the VCGLR that the tournaments were proceeding, were spoken to. In both cases the managers were aware, however were complacent in this instance. Both were issued with verbal warnings. An email was sent to other relevant managers, reiterating the importance to notify VCGLR.
Existing				
May 2019	On 2 May 2019, the VCGLR wrote to Crown requesting an explanation as to what action Crown had taken regarding the bias/balance of Big Wheel Table BW3109. The matter relates to a VCGLR inspection of BW3109 on 19 April 2019, with an alleged finding of a 'significant bias'.	<i>Casino Control Act 1991</i> (Vic)	On 5 June 2019, Crown responded to the matter, noting the remedial action that was taken at the time. On 6 June 2019, the VCGLR on-site Inspectorate verbally advised Crown that the matter was closed.	Maintenance were called and balanced the wheel in accordance with the VCGLR requirements. As a response to this and other matters, Crown has engaged a team of Table Games managers to conduct audits across the floor (see detailed commentary above at the PK3311 matter).

2.1



Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
				The audits are being undertaken to ensure Dealers are constantly dealing in line with SOPs and Rules.
May 2019	On 2 May 2019, the VCGLR wrote to Crown requesting an explanation as to why on 18 February 2019, Roulette Rule 5.3 was not adhered to on AR2504. It is alleged that the Dealer failed to signal 'no more bets' prior to the ball dropping, on multiple occasions. It is also alleged that the Dealer failed to return the late bets.	<i>Casino Control Act 1991</i> (Vic) Roulette Rule 5.3	On 31 May 2019, Crown responded to the matter, noting that the Dealer believed that he was providing 'good customer service' by allowing late bets to stand. The Dealer failed to realise that his conduct may have caused a breach of the Rules, and was subsequently issued the appropriate disciplinary action. On 12 June 2019, Crown received a Letter of Warning for a breach under s 60(2)(c) of the <i>Casino Control Act 1991</i> (Vic). The matter is now considered closed.	The staff member was coached accordingly, the Roulette SOPs were reiterated. AR SOPs were focused on over the next period to ensure all Dealers were compliant. Emails to all managers to reinforce adherence to the SOPs. Surveillance monitoring has and continues to occur. As a response to this and other matters, Crown has engaged a team of Table Games managers to conduct audits across the floor (see detailed commentary above at the PK3311 matter). The audits are being undertaken to ensure Dealers are constantly dealing in line with SOPs and

2.1



Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
				Rules.
May 2019	On 2 May 2019, the VCGLR wrote to Crown requesting an explanation as to why on 18 February 2019, Roulette Rule 5.3 was not adhered to on AR0903. It is alleged that the Dealer failed to signal 'no more bets' prior to the ball dropping on a single occasion.	<i>Casino Control Act 1991</i> (Vic) Roulette Rule 5.3	<p>On 31 May 2019, Crown responded to the matter noting that upon review, Crown is satisfied that the Dealer dealt the game correctly and in accordance with the Rules. Crown provided that due to the nature of Roulette, a decision to allow or deny bets can at times be a split second decision. It was also noted that the Dealer signalled "no more bets" (inclusive of ringing the bell and extending his arms).</p> <p>On the night of the allegation, the TG AM on duty was approached by the VCGLR Inspector, the interaction resulted in the Dealer receiving on the spot coaching around the importance of the integrity of the game.</p> <p>On 12 June 2019, Crown received a Letter of Warning for a breach under s 60(2)(c) of the <i>Casino Control Act 1991</i> (Vic). The matter is now considered closed.</p>	<p>Surveillance has agreed to monitor clean hands and call down to the floor immediately.</p> <p>Dealers are receiving on the spot coaching around the importance of the integrity of the game.</p> <p>As a response to this and other matters, Crown has engaged a team of Table Games managers to conduct audits across the floor (see detailed commentary above at the PK3311 matter). The audits are being undertaken to ensure Dealers are constantly dealing in line with SOPs and Rules.</p>
March 2019	On 26 March 2019, the VCGLR requested that Crown provide footage of a patron who they allege was	<i>Casino Control Act 1991</i> (Vic) S 81AAC	<p>On 4 April 2019, Crown provided the VCGLR with the requested footage.</p> <p>On 3 May 2019, Crown became aware that</p>	Surveillance is working with the manufacturer to identify the cause of the corrupted file.

2.1



Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
	<p>gambling whilst intoxicated. It is alleged that the patron placed a bet on Roulette 3112 at approximately 05:28 hours. The VCGLR has also requested a statement from the Dealer and an F&B employee involved.</p>	<p>Gambling or betting by intoxicated persons prohibited</p>	<p>archived footage of the incident was corrupted. The VCGLR is aware that not all footage was provided. [REDACTED - PRIVILEGE]</p> <p>[REDACTED - PRIVILEGE]</p> <p>As of 22 July 2019, the VCGLR has been provided with all employee statements and available footage (inclusive of the corrupted file).</p>	<p>Crown is enhancing Dealer training regarding RSA matters.</p>

2.1



Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
March 2019	On 28 March 2019, the VCGLR wrote to Crown seeking an explanation as to why on 10 March 2019 an alleged breach of Poker Rule 17.4.1 and 17.6.1 occurred on PK17 between 04:30 and 05:44. It was alleged that the Dealer failed to activate the Jackpot Button on multiple occasions and did not alert the TG AM (or above) to remedy the situation.	<i>Casino Control Act 1991</i> (Vic) Poker Rule 17.4.1 and 17.6.1	On 15 April 2019, Crown responded to the matter. As at 22 July 2019, no further contact has been made by the VCGLR on this matter.	The Dealer received disciplinary action and the Poker team received additional extensive briefing to ensure adherence with Rule 17.4.1 and 17.6.1. Table Games has sent a note to all poker staff regarding this issue and has issued file notes and written warnings to relevant staff. The escalated response arose from the Compliance Framework identifying a negative trend in this area and rectification action was initiated to address the weakness. Automation of the Jackpot is being explored.
March 2019	On 18 March 2019, an alleged breach of the SOP occurred on MT0652 (Sic Bo). A job was logged with Maintenance to clean the dice, however, it was discovered that the seal was broken (a VCGLR Inspector was not in attendance when this	<i>Casino Control Act 1991</i> (Vic) Sic Bo	The VCGLR has asked Crown to review whether the VCGLR should be removed as part of the seal process. On 6 June 2019, the on-site Inspectorate verbally advised Crown that the matter is closed.	Compliance is making a change to the SOP to remove the VCGLR from the seal process, to be replaced by a Crown managed seal.

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
	occurred). It appears that the seal may have been inadvertently broken by a VCGLR Inspector on a previous inspection.			
January 2019	On 29 January 2019, the VCGLR wrote to Crown requesting an explanation as to why on 9 January 2019, Poker Rule 17.4.1 & 17.6.1 was disregarded by the Dealer on PK10. The VCGLR alleges that the Dealer did not activate the jackpot button at the commencement of play, nor notify the Area Manager to make the appropriate adjustment.	<i>Casino Control Act 1991</i> (Vic) Poker Rule 17.4.1 & 17.6.1	On 27 February 2019, Crown responded to the VCGLR noting the seriousness of the matter. As at 22 July 2019, no further contact has been made by the VCGLR on this matter.	The Dealer received disciplinary action and the Poker team received extensive briefing to ensure adherence with Rule 17.4.1 and 17.6.1. Table Games has sent a note to all poker staff regarding this issue and has issued file notes and written warnings to relevant staff. The escalated response arose from the Compliance Framework identifying a negative trend in this area and rectification action was initiated to address the weakness. Area Managers have closely monitored Rule adherence and ensure that Dealers are coached around this on a daily basis. For Dealers who are identified as

2.1



Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
				repeating the behaviour, disciplinary action follows in the form of verbal warnings and written warnings.
January 2019	On 29 January 2019, the VCGLR wrote to Crown requesting an explanation as to why on 8 January 2019, Poker Rule 17.4.1 was disregarded by the Dealer on PK16. The VCGLR allege that the Dealer activated the jackpot button multiple times during a single hand, thus manipulating the jackpot system.	<i>Casino Control Act 1991</i> (Vic) Poker Rule 17.4.1	On 27 February 2019, Crown responded noting human error as the cause and that this was not an intentional act to manipulate the jackpot or contravene the Rules. As at 22 July 2019, no further contact has been made by the VCGLR on this matter.	The Dealer received disciplinary action and the Poker team received extensive briefing to ensure adherence with Rule 17.4.1. Table Games has sent a note to all poker staff regarding this issue and has issued file notes and written warnings to relevant staff. The escalated response arose from the Compliance Framework identifying a negative trend in this area and rectification action was initiated to address the weakness. Area Managers have closely monitored this Rule for adherence and ensure that Dealers are coached around this on a daily basis.

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
				For Dealers who are identified as repeating the behaviour, disciplinary action follows in the form of verbal warnings and written warnings.
January 2019	On 29 January 2019, the VCGLR wrote to Crown requesting an explanation as to why on 1 December 2018, Poker Rule 7.7 was disregarded. The VCGLR allege that the Dealer on PK17 allowed additional commission to be collected.	<i>Casino Control Act 1991</i> (Vic) Poker Rule 7.7	On 18 February 2019, Crown responded to the matter. Crown noted human error as the cause, with the error being rectified immediately by the ACM on duty. As at 22 July 2019, no further contact has been made by the VCGLR on this matter.	Crown emphasised that the Dealer did not intentionally collect additional commission contrary to Poker Rule 7.7. The Dealer received a coaching note reiterating the importance of commission taking accuracy and received additional training. Muster notes were focused on this accuracy in the short term to ensure that the whole team were retrained of the importance of the Rule.
January 2019	On 15 January 2019, the VCGLR wrote to Crown requesting an explanation as to why on 21 August 2018, multiple (alleged) breaches of cl. 10.2.1 of the Pai Gow Rules (patrons talking to each other about their hands) occurred on	<i>Casino Control Act 1991</i> (Vic) Pai Gow Rules	On 7 February 2019, Crown responded to the matter. Crown asserted that the game had been dealt in accordance with the Rules of Pai Gow, with adequate supervision from the Area Manager. However, did agree that the Dealer could and should have been more	PG Rule 10.2.1 was re-iterated to the wider PG dealing group through team muster notes, AM catch ups and supervisory coaching.

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
	PG8910 (between 3:00am – 4:00am), being a breach s 60(2)(c) of the <i>Casino Control Act</i> .		assertive in ceasing the communication between the players. As at 22 July 2019, no further contact has been made by the VCGLR on this matter.	
January 2019	On 14 January 2019, the VCGLR wrote to Crown requesting an explanation as to why on 16 October 2018, Caribbean Stud Poker Rules 7.5.3 (63 alleged breaches) – including failing to increment the Jackpot amount, 7.6.2 (3 alleged breaches) and 7.5.1(a) (one alleged breach) were not followed by the Dealer on CS0718.	<i>Casino Control Act 1991</i> (Vic) Caribbean Stud Poker Rules 7.5.3, 7.51(a) and 7.6.2	On 7 February 2019, Crown responded to the matter. Crown accepted that the Dealer made errors when dealing the game and that the oversights were corrected by the Area Manager on duty. On 6 June 2019, Crown was advised that the matter was before the Commission.	The Dealer was issued with the appropriate disciplinary action and has undergone re-training in the Rules and procedures of Caribbean Stud Poker.
December 2018	On 6 December 2018, the VCGLR wrote to Crown stating that on 20 October 2018, Inspectors observed an alleged breach of Poker Rule 14.2.5 by the Dealer on PK16. The VCGLR has sought an explanation from Crown as to why the Dealer did not place the 'boxed card' in the 'muck'.	<i>Casino Control Act 1991</i> (Vic) Poker Rule 14.2.5	On 18 December 2018, Crown responded to the letter citing human error as the cause of the incorrect placement of the boxed card. The boxed card was isolated and unable to be used in play and therefore there was no risk to the integrity of the game or any players. As of 22 July 2019, no further comment has been received from the VCGLR.	The Poker management team and the Dealer have been advised of the importance of compliance with the Poker Rules and SOPs. All staff have been checked for understanding.

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Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
July 2018	Table Games closed a FATG in SYCO but left half of the terminals operating for approximately 6 hours on the gaming floor. There was no impact to reporting of revenue. The matter was self-reported to the VCGLR on 11 July 2018.	<i>Casino Control Act 1991</i> (Vic) VCGLR	Matter under review by the VCGLR. As of 22 July 2019, no further contact has been received from the VCGLR on this matter.	
VIP				
Existing				
November 2018	On 21 November 2018, a minor who was a guest in a Villa situated within Crown Towers, accessed a Salon on Level 29 after exiting the lift. The Salon door was open and the child walked in.	<i>Gambling Regulation Act 2003</i> (Vic) VCGLR	This matter was reported to the VCGLR in the Self-Reporting Quarterly Minors Report. As of 22 July 2019, no further comment has been received from the VCGLR.	VIP has confirmed that all Salon doors must now remain closed at all times.
February 2019	A Junket claimed a \$300K variance in their records. An investigation noted a TG AM was present at a computer terminal at the time of the adjustment and may have inadvertently adjusted the rating.		Matter Closed.	A SYCO change was requested to remove a SYCO menu item that facilitated the error. The change was implemented in May 2019.

2.1



Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
October 2018	<p>On 25 October 2018, the VCGLR wrote to Crown requesting an explanation in relation to the amount of commission paid on an International VIP program. The letter sought an explanation as to why commission was paid for play on Pai Gow, when clause 3 of the Program Agreement provided that it would be paid for play on Baccarat and Roulette only.</p> <p>On 12 November 2018, Crown responded to the request, advising that cl.14 of the Agreement permitted a change to the terms, if they are to the benefit of the patron. The VCGLR subsequently replied via writing on 6 December 2018, seeking further advice as to when cl.14 was applied and how was it documented. The VCGLR also reiterated that its initial calculation of accrued turnover was different to that of Crown's calculation.</p>	<p>Clause 3 of the Terms and Conditions of the Table Games Junket Program Agreement.</p> <p>Internal Control Statement</p> <p>VCGLR</p>	<p>A communication breakdown between VIP Operations and Table Games was originally thought to have led to an oversight. However, further review shows that the play on Pai Gow was requested by the Group.</p> <p>On 3 January 2019, Crown responded to the VCGLR's letter dated 6 December 2018, providing the information sought.</p> <p>As at 22 July 2019, no further contact has been made by the VCGLR on this matter.</p>	<p>A change has been made to clause 3 of the Agreement, to better clarify the discretion to be applied to the games that attract commission.</p>

2.1



Date of issue / Dept	Description of issue	Relevant legislation/regulation and Regulatory Authority	Status	Remedial Actions
October 2016	The VCGLR is investigating the detention of 19 Crown employees in China, charged and found guilty of offences relating to the promotion of gambling in the region.	<i>Casino Control Act 1991</i> (Vic) VCGLR	Investigation remains in progress.	

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4. Serious Security & Surveillance Matters

	Date Reported	Background: Details of Serious Incident	Comments: Including follow-up action, potential for media interest, litigation, etc.
1.	04/04/2019	<p>MEDICAL INCIDENT – SELF HARM INCIDENT</p> <p>Security attended a hotel room at Crown Towers to check on the welfare of a female guest, after information was received that she was suicidal. The female was awoken and appeared to be very distressed. Syringes were found inside the room and the female also confirmed that she had injected herself with Carfentanil, with the intention of ending her life.</p>	<p>A Security First Aid Officer attempted to conduct checks on the female; however she refused to be assessed. Police and an ambulance were requested to attend, and the female was later conveyed to hospital for further treatment.</p> <p>There was no media coverage of this incident.</p>
2.	07/04/2019	<p>SERIOUS ASSAULT – CODE ECHO</p> <p>Security attended Whiteman Street in response to a fight in progress in front of Kingpin that was reported by staff. Surveillance Communication Centre operators also reported that they had observed a knife being produced during the fight. On arrival, Security observed several males and females involved in the incident, with two males lying on the ground that appeared to be unconscious.</p>	<p>The Security Officers first on scene responded quickly to stop the fight. Additional Security and First Aid Officers also attended to manage crowd control, the crime scene and provide first aid.</p> <p>Police and Ambulance Victoria were immediately requested, and several Police units and two ambulances arrived at the scene shortly after. Several persons involved in the incident fled from the scene, with three suspects apprehended by Police and taken off-site for further questioning. Two males have been issued a Withdrawal of Licence by Crown in relation to this matter.</p> <p>Four persons were treated by paramedics and were later conveyed to hospital. None of the parties sustained injuries from a knife.</p> <p>There were several online and television media reports relating to this incident, which was noted to have occurred outside/near Crown.</p>

2.1



3.	25/04/2019	<p>ATTEMPTED ROBBERY FROM CROWN CAGE</p> <p>Security attended the Level 1 Sports Casino Cage in response to a duress alarm that was activated by a Cage Staff Member. It is alleged that a patron attended the Cage window and demanded that the staff member hand over \$200K, stating that he was carrying a gun.</p>	<p>The Cage Staff member remained calm and continued to speak to the patron until Security arrived, at which time the patron attempted to leave. The patron was detained by Security and Police were requested to attend. The male was searched by Police, and was not carrying a gun. He was subsequently arrested by Police, and has been issued a Withdrawal of Licence by Crown.</p> <p>The Cage Staff member was referred to Benestar for counselling if required.</p> <p>There was no media coverage of this incident.</p>
4.	19/05/2019	<p>MEDICAL INCIDENT – STAFF ASSAULT</p> <p>A Security Officer is alleged to have been assaulted by a patron whilst attending to a heated dispute between patrons at The Pub. He was later taken by ambulance to hospital for treatment.</p>	<p>The Officer was reported to have sustained a bruised face, cut lip and suspected concussion as a result of the alleged assault. The Officer was treated by the Crown First Aid Officer until paramedics arrived, and was later conveyed to hospital for further observation and treatment.</p> <p>The patron who is alleged to have struck the Officer was immediately restrained by Security, and was later arrested and taken off site by Police. He has been issued with a Withdrawal of Licence by Crown.</p> <p>There was no media coverage of this incident.</p>
5.	29/05/2019	<p>STAFF ASSAULT/ROBBERY</p> <p>A Cleaning staff member approached Security at the Multi Deck Car Park entry in a distressed state to report that he had been assaulted and robbed of personal items by three males near the Staff Car Park in Clarke Street. A Food and Beverage Attendant also witnessed what occurred and reported the incident to Security.</p>	<p>The alleged victim sustained a cut on his hand and swelling to his face, and was treated by Security and a Crown First Aid Officer at Staff Entry. Police were contacted, and several uniform officers and detectives attended and spoke with the victim. He then left site in the care of his spouse.</p> <p>The alleged offenders left in a vehicle after the incident, and are yet to be identified.</p> <p>There was no media coverage of this incident.</p>

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6.	02/06/2019	<p>MEDICAL INCIDENT – ASSISTED REMOVAL</p> <p>A patron waiting in a queue to attend the Sports Bar lost consciousness, and stopped breathing whilst being restrained by Security, after refusing to leave the complex due to his level of intoxication.</p>	<p>The patron was highly resistant once restrained by Security and was subsequently taken to the ground and cuffed. A First Aid Officer attended due to a laceration that was observed above the patron's eyebrow. Victoria Police were also advised. Security continued to communicate with the male whilst he was restrained, however the male's condition deteriorated as he continued to struggle, until the patron lost consciousness. The male was then placed on his side, cuffs were removed, and CPR was administered until the patron resumed breathing. Emergency Services then arrived to attend to the male, and he was later conveyed to hospital. The male left site in an alert, responsive and stable condition.</p> <p>There was no media coverage of this incident.</p>
7.	05/06/2019	<p>MEDICAL INCIDENT – ASSISTED REMOVAL</p> <p>A patron, who had been asked to leave the complex due to his level of intoxication, became violent and was subsequently restrained by Security. The patron displayed unusual strength whilst struggling with Security on the ground, and sustained a self-inflicted blood nose as a result of head-butting the carpet. The patron's condition was monitored closely, however due to the protracted struggle; the patron went into an altered state of consciousness.</p>	<p>Victoria Police and an ambulance attended the incident. As the patron began to recover, he exhibited strong resistance towards Police and Security. The patron was then sedated by paramedics, before being transported to hospital, accompanied by Police.</p> <p>He has been issued with a Withdrawal of Licence by Crown.</p> <p>There was no media coverage of this incident.</p>

2.1



Serious Security Incident Data	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
Headcount (Complex)	3,197,822	2,917,507	3,035,277	2,911,766	2,757,595	2,863,513
Serious assaults between patrons involving injuries (Medical Officer Involved)	2	0	1	2	0	1
Assaults between patrons	28	23	22	19	29	29
Assaults on Crown Melbourne employees	7	7	13	6	9	17
Intoxicated patrons refused entry	2,957	3,318	4,082	3,350	3,708	3,481
Intoxicated patrons removed	732	820	1,051	1,005	1,072	1,202
Assisted removals	31	30	46	45	50	69
Peaceful Removals	1,518	1,511	1,879	1,823	1,859	1,990
Weapons found on site	4	3	5	4	3	4
Minors on Gaming Floor	4	3	8	1	1	2

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5. Regulatory Matters

YourPlay

On 5 October 2018, the VCGLR (Compliance Director) wrote to Crown making enquiries of a preliminary nature, regarding the operation of the YourPlay Pre-commitment Scheme at the Casino. The queries concerned multiple cards; active YourPlay members; number of Casual Cards etc. and largely sought data, training and directions provided to staff and operational information; however, no allegations were made as to any wrong doing by Crown.

Crown responded to the VCGLR's letter on 26 October 2018, providing the information and data as requested.

As of 22 July 2019, no further comment has been received from the VCGLR.

Section 25 Review

The VCGLR concluded its Sixth Review of the Casino Operator and Licence, pursuant to s 25 of the *Casino Control Act 1991 (Vic)*, for the period covering 1 July 2013 to 30 June 2018 (the Review was undertaken by a team headed by Robert Chappell (ex-CEO of the South Australian Regulator)) (**VCGLR Report**). The VCGLR Report, with Crown's Response appended, was published on Friday, 3 August 2018.

The VCGLR's Report (as anticipated) had a significant focus on RSG and Crown's Risk, Governance and Compliance processes/frameworks. The VCGLR's Report also covered the outcome of the VCGLR's investigation of the Wilkie allegations, finding that (setting aside the Blanking Button issue) all allegations were unfounded and/or misconceived.

The VCGLR's Report contains 20 Recommendations, which Crown has accepted and is currently working through internally and is engaging with the VCGLR on. To date, 12 of the 20 Recommendations have been responded to by Crown. **Attached** at Agenda Item 5.2 is a table detailing the status of Crown's progress and commentary on the Recommendations.

China Matter

It is expected that the VCGLR will shortly be finalising its investigation at which time a copy of a draft report will be provided to Crown and Crown will be invited to make submissions. The finalised report is expected to be sent to the Minister for Gaming.

REDACTED - PRIVILEGE

April/May 2018 Wilkie Allegations

Allegations of compliance breaches were raised by Mr Andrew Wilkie MP relating to the use of Crown issued plastic picks to hold EGM buttons down for continuous play and multiple loyalty cards issued to patrons.

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On 7 March 2019, the VCGLR concluded that button picks are considered gaming equipment pursuant to the *Casino Control Act*, and that section 62 of the Act requires that all gaming equipment must be approved (but has determined not to take disciplinary action on this occasion). The VCGLR issued a Direction to Crown under s 23 of the Act, which requires Crown to: *1. Crown must not issue or supply to patrons any button picks or like items (being any item or device designed to hold down or continuously depress an electronic gaming machine button) for use on any electronic gaming machine in the Melbourne casino; 2. Crown must take all reasonable steps to ensure that button picks or like items (as described above) are not used by patrons for gaming on electronic gaming machines in the Melbourne casino.*

Crown was further required to provide a report to Mr Ockwell, Director, Compliance, by 8 April 2019 detailing the steps taken by Crown to comply with the Direction. On 8 April 2019, Crown responded to Mr Ockwell, outlining the measures in place to address the Direction. No feedback has been received from the VCGLR concerning Crown's report.

On 21 March 2019, the VCGLR wrote to Crown advising that it had concluded its investigation into the issue and use of multiple player cards and found that Crown had not contravened any Victorian laws. The VCGLR further noted that they have referred the matter to the Victorian Department of Justice and Community Safety to determine whether regulatory reform was necessary.

As at 22 July 2019, no further response has been received from the VCGLR or the Department of Justice.

Poker Tax

The VCGLR claims that Crown is required to pay Gross Gaming Revenue (**GGR**) gaming tax on the entry fee component of poker tournaments held at Crown. Crown has disputed that entry fees are subject to gaming tax, primarily based on:

- For a number of years in times past, the Rules for Poker Tournaments, approved by the VCGLR, specifically provided that GGR did not apply to the entry fee;
- The ATO has declared that the entry fee component is 'not a gambling supply' and is therefore subject to GST;
- The fee does not fit the definition of GGR or gambling, in that there is no possibility of a return from paying the fee as it is not wagered; and
- The VCGLR has determined that poker tournaments where the buy-in is returned to players as prizes which are permitted outside the casino, are not subject to gambling regulation or a casino licence and are not subject to a gaming tax.

The VCGLR has raised the matter periodically over more than 11 years and on 2 May 2018 served Crown with a Notice pursuant to s 26 of the *Casino Control Act* to provide



certain data for an assessment to be made. Crown responded to the Notice providing the first of two large tranches of data covering 2014 to 2018.

A second tranche of data, covering the period 2010 to 2014 was subsequently provided and Crown advised the VCGLR that no further data was available for the years preceding 2010, as it had either been destroyed and/or it is now unreadable, as Crown no longer had the historic systems required to read it (note that Crown is only required by the *Casino Control Act* to keep data going back 7 years (8 years of data was provided)).

On 6 September 2018, the VCGLR again wrote to Crown querying the circumstances of the destroyed and unreadable data. In preparing the response to this letter, further detail was sought from the IT Department and an experienced employee who had recently returned to the relevant IT team was able to write code to extract further data going back to 2003. Crown subsequently wrote to the VCGLR explaining that further data had become available and that data was provided.

On 5 December 2018, the VCGLR (Chairman) again wrote to Crown, seeking detail as to what steps would be required to recover the unreadable data; what would be the cost of rebuilding the system and what amount of time would it require (it is notable that the period for which this information was sought was for between 16 and 22 years ago – the *Casino Control Act* requires the retention of the material for 7 years). The letter sought a further tranche of data (under s 26 Notice) (for the period since data was last provided) and required Crown Melbourne to commence reporting the taking of Poker Tournament Entry Fees in its usual Gross Gaming Revenue (**GGR**) report. Crown replied on 19 December 2018, providing all of the information requested – Entry Fees will be reported in the GGR report, but will not form part of the calculation. Crown has not yet received a response to its letter.

As at 22 July 2019, no further response has been received from the VCGLR.

EGM Continuous Play

On 27 September 2018, the VCGLR served Crown with a Notice pursuant to s 26 of the *Casino Control Act* to answer questions and provide data concerning EGM C8308, which the VCGLR allege was identified by Government Inspectors as operating in 'Unrestricted Mode', without YourPlay functionality activated. Crown investigated the machine with its Approved Testing Facility (ATF) (BMM) and the machine's manufacturer (IGT). It was identified that the machine was not operating in unrestricted mode, however, it had a wiring fault, which meant that when a particular button was held down, it performed as if continuous play was in operation. It should be noted that s 62AB of the *Casino Control Act* provides:

(2) A casino operator must not allow a game to be played on a gaming machine unless each spin can be initiated only by a distinct and separate activation of the machine by the player (whether by pushing a play button, touching the screen or otherwise).

Crown responded to the Notice, advising that it was as a result of a machine hardware fault and also provided a copy of the manufacturer's report into the machine.



On 20 December 2018, the VCGLR (on-site Inspectorate) wrote to Crown requesting clarification on several matters relating to this incident and an explanation as to why Crown breached s 62AB(2) of the *Casino Control Act* [a casino operator must not allow a game to be played on a gaming machine unless each spin can be initiated only by a distinct and separate activation of the machine by the player]. On 8 January 2019, Crown responded to the letter dated 20 December 2018, reinforcing its position as documented in Crown's initial response dated 11 October 2018.

On 19 November 2018 the VCGLR (Director, Compliance) wrote to Crown advising that they are continuing to investigate the circumstances relating to the malfunction of EGM C8308. In this letter, the VCGLR sought further information from Crown as to whether regulation 18(6) of the *Gambling Regulation (Pre-commitment and Loyalty Scheme) Regulations 2014* have been complied with. On 18 December 2018, Crown responded asserting that no breach of Reg. 18(6) had occurred and attaching the VCGLR's approval of the current operating format. No response has yet been received from the VCGLR.

As a result of this issue, various audits and reviews of similar machines have been undertaken.

As at 22 July 2019, no further response has been received from the VCGLR.

6. Legislative Update

Proposal to Restrict Cash Transactions

As previously reported, the Federal Treasury Department issued a paper titled "Introducing an Economy-Wide Cash Payment Limit; Government Response to the Black Economy Taskforce Final Report" dated 23 May 2018 inviting submissions from the public.

Included in the resulting report was a proposal to restrict cash transactions for goods and services to under \$10,000, to address its concerns around the black economy. All transactions over \$10,000 are proposed to be by electronic transfer only.

Crown prepared a joint submission with The Star Group and Sky City to the Treasury Department seeking an exemption to the \$10,000 proposal on the basis they are already major reporters (with the banks and payment providers who are to be exempt) to AUSTRAC.

The Government, on 26 July 2019, released the exposure draft legislation and explanatory material for the introduction of an economy-wide cash payment limited of \$10,000 for payments made or accepted by businesses for goods and services. Transactions equal to or in excess of this amount will need to be made using the electronic payment system or by cheque.

The cash payment limited will commence from 1 January 2020 and for certain AUSTRAC reporting entities from 1 January 2021, which include casinos.



Submissions to the consultation are open until Monday, 12 August 2019. Responses to this consultation will inform the final Bill to implement the economy-wide cash payment limit.

Crown is considering its position.

2.1

Requirements Register FY20

Attachment 2.1

Legislation / Business Requirement	Description	Impact Rating	Primary Responsibility	Secondary Responsibility
	Description		Primary Responsibility Responsible for ensuring all business units or areas with secondary responsibility are aware of the obligations.	Secondary Responsibility One or more obligations affect a business unit and must ensure compliance with the obligations. Can be several.
Information Management				
Privacy Act 1988 (Cth)	An Act to protect the privacy of individuals.	Critical Impact	Legal	ALL
Health Records Act 2001 (Vic)	An Act to promote fair and responsible handling of Health Information and protecting privacy of same.	Critical Impact	Security, Human Resources, Health and Safety, Responsible Gaming	
Competition & Consumer Practices				
Competition & Consumer Act 2010 (Cth)	An Act relating to competition, fair trading and consumer protection designed to enhance the welfare of Australians through the promotion of competition and fair trading and provision for consumer protection.	Critical Impact	Legal, Marketing, Procurement, Hotel Sales, Entertainment	Regulatory & Compliance, Responsible Gaming
Australian Consumer Law and Fair Trading Act 2012 (Vic)	An Act to promote and encourage fair trading practices and a competitive and fair market; to protect consumers; to protect customers; to regulate trade practices; to promote uniformity with the consumer laws of other jurisdictions through the interpretation and application of the Australian Consumer Law in Victoria consistently with those laws; etc.	Moderate Impact	Legal, Marketing, Procurement, Hotel Sales, Entertainment	Regulatory & Compliance, Responsible Gaming
Customs Act 1901 (Cth)	An Act regulating the importation of goods.	Critical Impact	ALL	
Spam Act 2003 (Cth)	Prohibits the sending of unsolicited SPAM.	Critical Impact	Marketing, Hotels	Legal, Gaming
Group Policy - Procurement	Procedure required to be followed by all staff when purchasing all materials, supplies, equipment and services. Outlines the tendering process in chronological order and provides guidelines for the conduct of the tendering process.	Low Impact	Procurement	ALL
Procurement Guidelines v3 June 2017	To communicate the processes and procedures for buying and sourcing goods and services at Crown Perth and Crown Melbourne. To be read in conjunction with the Group Procurement Policy.	Low Impact	Procurement	ALL
Australian Association of National Advertisers Code of Ethics	Self-regulated Code to ensure that advertisements and other marketing communications are legal, decent, honest and truthful.	Low Impact	Marketing	Legal
Association for Data-driven Marketing & Advertising Code of Practice	Sets standards of conduct for direct marketers to minimise the risk of breaching legislation, promote a culture of best practice, serve as a benchmark in settling disputes and increase business and consumer confidence.	Low Impact	Marketing	
Copyright Act 1968 (Cth)	An Act relating to copyright and the protection of certain performances.	Low Impact	Legal	Marketing
Trade Marks Act 1995 (Cth)	An Act providing for the registration of trademarks and the rights deriving from registration.	Low Impact	Legal	Marketing
ACMA Commercial Television Industry Code of Practice	Australian Communications and Media Authority Code to regulate the content of commercial TV in accordance with current community standards.	Low Impact	Marketing	
Telecommunications Act 1997 (Cth)	An Act regulating telecommunications, including in relation to promoting responsible practices in relation to the sending of commercial electronic messages.	Moderate Impact	Marketing	
Business Names (Commonwealth Powers) Act 2011 (Vic)	An Act relating to business names.	Moderate Impact	Legal	Marketing
Operational Integrity				
Consolidated Casino Agreement	An agreement between the Authority (VCGLR) and Crown Melbourne (dated 21 September 1993). The Agreement is divided into Parts - Preliminary, Development and Completion, Completion, Corporate Structure and Related Matters, Grant of the Casino Licence, Encumbrances and Assignments, Termination, Complementary Agreements and General. Note: The State is not a party.	Critical Impact	Regulatory & Compliance	Legal, Table Games, Gaming Machines, Cage & Count, Surveillance, Security, Finance, IT, Gaming Product, VIP International, VIP Local, Credit Control, Marketing, Responsible Gaming
Casino Management Agreement	Means the agreement between the Minister acting for and on behalf of the State, and the Company entered into pursuant to section 15 of the Casino Control Act 1991 (Vic).	Critical Impact	Regulatory & Compliance	Legal, Table Games, Gaming Machines, Cage & Count, Surveillance, Security, Finance, IT, Gaming Product, VIP International, VIP Local, Credit Control, Marketing, Responsible Gaming
Casino Licence	Means a casino licence as defined in the Casino Control Act in the form of the licence set out in Schedule One.	Critical Impact	Regulatory & Compliance	Legal, Regulatory & Compliance, Table Games, Gaming Machines, Cage & Count, Surveillance, Security, Finance, IT, Gaming Product, VIP International, VIP Local, Credit Control, Marketing, Responsible Gaming
Fixed & Floating Charge	Means the second registered fixed and floating charge given by the Company in favour of the Minister on behalf of the State.	Critical Impact	Legal	Regulatory & Compliance, Table Games, Gaming Machines, Cage & Count, Surveillance, Security, Finance, IT, Gaming Product, VIP International, VIP Local, Credit Control, Marketing, Responsible Gaming

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Moderate Impact
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<i>Deed of Undertaking and Guarantee</i>	Means the agreement under which, amongst other, the Holding Company and other related companies guarantee to the Authority and the State, the due and punctual performance of certain obligations owed by members of the Group to the Authority and the State.	High Impact	Legal	Regulatory & Compliance, Table Games, Gaming Machines, Cage & Count, Surveillance, Security, Finance, IT, Gaming Product, VIP International, VIP Local, Credit Control, Marketing, Responsible Gaming
<i>Crown Lease (and Deed of Variation)</i>	The Melbourne Casino and facilities must be constructed on or located within the Site. An agreement on behalf of Her Majesty Queen Elizabeth II and Crown Melbourne.	High Impact	Legal	Regulatory & Compliance, Table Games, Gaming Machines, Cage & Count, Surveillance, Security, Finance, IT, Gaming Product, VIP International, VIP Local, Credit Control, Marketing, Responsible Gaming
<i>Casino Control Act 1991 (Vic)</i>	An Act to establish a system of supervision, licensing and control of casinos. This Act aims to ensure the management and operation of the casino remains free from criminal influence, that gaming is conducted honestly and promote tourism, employment and economic development.	High Impact	Regulatory & Compliance	Legal, Table Games, Gaming Machines, Cage & Count, Surveillance, Security, Finance, IT, Gaming Product, VIP International, VIP Local, Credit Control, Marketing, Responsible Gaming
<i>Gambling Regulation Act 2003 (Vic)</i>	An Act which re-enacted and consolidates the law relating to various forms of gambling to minimise harm, to ensure gaming on gaming machine is conducted honestly and ensure minors are neither encouraged to gamble nor allowed to do so, to regulate responsible gambling, to ensure that all gambling is conducted honestly and free from criminal influence and exploitation.	High Impact	Regulatory & Compliance, Gaming Machines	Legal, Marketing, Responsible Gaming
<i>Gambling Regulations 2015 (Vic)</i>	Regulations relating to gaming machines, wagering and betting, trade promotion lotteries, lighting and external views, player information standards and printed information, signage and advertising.	High Impact	Regulatory & Compliance, Gaming Machines	Legal, Marketing, Responsible Gaming
<i>Gambling Regulation Amendment (Pre-commitment) Act 2014 (Vic)</i>	To amend the GRA 2003 and to provide for a pre-commitment scheme to be imposed in relation to gaming machines (as of 1 December 2015).	High Impact	Regulatory & Compliance, Gaming Machines	Legal, Marketing, Responsible Gaming, IT
<i>Gambling Regulation (Pre-commitment and Loyalty Scheme) Regulations 2014</i>	To prescribe matters in relation to pre-commitment, player cards, player account equipment, conduct of loyalty schemes and provision of information relating to pre-commitment and loyalty schemes.	High Impact	Gaming Machines, Marketing	Regulatory & Compliance, IT
Technical Requirements for Gaming Machines and Electronic Monitoring Systems in the Melbourne Casino the "Technical Requirement Document" (TRD) (V 3.0). Appendix A - random number generators Appendix B - game fairness objectives Appendix C - information and equipment	To define minimum technical requirements for Electronic Gaming Machines (EGM) and Electronic Monitoring Systems (EMS) in the Melbourne Casino. The TRD does not take the place of any requirements of the CCA or Regulation made under the Act. The TRD address three main requirements, those being Security (interference, fraud), Financial and Operations (ensuring gaming is conducted fairly and within the law).	Moderate Impact	Gaming Machines	Regulatory & Compliance
Victorian Commission for Gambling and Liquor Regulation Rules - Casino (the Rules) (April 2016)	Under s 3.5.23(3) of the GRA, 'the rules' sets out player conduct in respect of EGMs and provides for Crown's rights in respect to patron payments and conduct (e.g. Syndicate Play, interfering with a machine).	High Impact	Regulatory & Compliance	Gaming Machines
Australia New Zealand Gaming Machine National Standard 2016 and VIC Appendix (March 2017)	Sets out the core requirements, common to all jurisdictions, for the design of gaming machines and games for operation throughout Australia and New Zealand and to guide testers in their testing for compliance with the Standard. Each jurisdiction has an Appendix setting out any additional or differing requirements for that jurisdiction.	Moderate Impact	Gaming Machines	Regulatory & Compliance
Table Games Rules and Procedures	Approved rules and procedures for table games.	Moderate Impact	Table Games	Regulatory & Compliance
Crown Melbourne RSG Code of Conduct	As required by s 69 of the <i>Casino Control Act (Vic)</i> , the casino must implement an RSG Code of Conduct which has been approved by the Commission.	High Impact	Responsible Gaming	ALL
Internal Control Statements	Documents approved by the VCGLR under s 121 and 122 of the <i>Casino Control Act 1991 (Vic)</i> to ensure the integrity and continuity of casino operations.	High Impact	Table Games, Gaming Machines, Cage & Count, Finance, Security, Surveillance, VIP International (&Local), Credit Control, IT, Internal Audit	Regulatory & Compliance, Legal
Standard Operating Procedures - VCGLR Approved document	SOPs approved by the VCGLR are being phased out and replaced by SOPs which are approved by the Compliance Department.	High Impact	Security, Internal Audit	Regulatory & Compliance, Legal
Standard Operating Procedures (inclusive of WPIs) - Compliance Dept. approved	Refer above.	High Impact	Table Games, Gaming Machines, Cage & Count, Finance, Surveillance, VIP International (&Local), Credit Control, IT	Regulatory & Compliance, Legal
<i>Casino (Management Agreement) Act 1993 Vic)</i>	An Act to ratify the management agreement for the Melbourne Casino.	High Impact	Regulatory & Compliance, Legal	Table Games, Gaming Machines, Cage & Count, Finance, Security, Surveillance, VIP International (& VIP Local), Credit Control, IT

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	Low Impact

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Casino and Gambling Legislation Amendment Act 2014 (Vic)	An act to amend the Casino Control Act 1991 to increase the maximum number of gaming machines permitted at Crown Melbourne; amend the Casino (Management Agreement) Act and amend the Gambling Regulation Act to provide further for the extinguishment of gaming machines entitlements.	Critical Impact	Regulatory & Compliance, Gaming Machines	
Interactive Gambling Act 2001 (Cth)	An Act prohibiting interactive gambling services being provided to customers in Australia and Australian based interactive gambling services being provided to customers in designated countries.	Critical Impact	Crown Resorts, Legal	Marketing, Regulatory & Compliance
ANZAC Day Act 1958 (Vic) / ANZAC Day Act 1995 (Cth)	Limits entertainment activity on ANZAC Day- addressed in Gambling Regulation Act and Liquor Control Reform Act.	Critical Impact	Security, F&B, Marketing, Gaming	Legal, Regulatory & Compliance
Security & Surveillance				
Crimes Act 1958 (Vic)	An Act to consolidate the Law relating to crimes and criminal offenders.	High Impact	Security, Legal	
Proceeds of Crime Act 2002 (Cth) Corporate Policy - Proceeds of Crime	An Act to establish a scheme to confiscate the proceeds of Crime.	Critical Impact	AML, Security	Legal
Surveillance Devices Act 1999 (Vic)	An Act to regulate the use of listening devices in respect of private conversations, optical surveillance devices in respect of private activities, and tracking devices in respect of the location of persons and objects.	Moderate Impact	Surveillance	Legal, IT, Gaming, Marketing
Telecommunications (Interception) Act 1979 (Cth) Telecommunications (interception) (State Provisions) Act 1988 (Vic)	An Act to prohibit the interception of, and other access to, telecommunications except where authorised in special circumstances or for the purpose of tracing the location of callers in emergencies.	Critical Impact	Security, Surveillance	IT, Legal
Private Security Act 2004 Private Security Regulations 2016	An Act to provide for licensing and regulation of participants in Private Security Industry. The objectives of these Regulations are to prescribe classes of person to whom certain requirements in the Act do not apply. To proscribe procedures for keeping of records and registers under the Act.	Critical Impact	Security, Surveillance	Legal
Australian Standard 3745-2010 Planning for Emergencies in Facilities	Emergency Planning, Exit signage etc.	Low Impact	Security, Property Services	
Liquor				
Liquor Control Reform Act 1998 (Vic) Liquor Control Reform Regulations 2009 (Vic)	Act to reform the law relating to the supply and consumption of liquor. The Regulations prescribes requirements for security cameras, standards of signs and information to be included in liquor applications.	Critical Impact	F&B, Events & Conferences, Hotels, Security, Entertainment	Legal, Surveillance,
Guidelines for responsible liquor advertising and promotions (issued by the VCGLR)	Guidelines to set clear standards for the conduct of licensees in relation to responsible advertising and promotions.	Moderate Impact	F&B, Events & Conferences, Hotels, Security, Entertainment	Legal, Surveillance,
Crown's RSG Code of Conduct	Covers Crown's commitment to RSG and list process for minimising harm and encouraging responsible gaming.	Moderate Impact	F&B, Events & Conferences, Hotels, Security, Entertainment	Legal, Surveillance,
Liquor Licence - Conditions of Licences	Conditions pertaining to a licence - opening days and hours, locations, Security, opened containers etc.	High Impact	F&B, Events & Conferences, Hotels, Security, Entertainment	Legal, Surveillance,
Anti Money Laundering				
Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) Anti-Money Laundering and Counter-Terrorism Financing Rules instrument 2007 (Cth)	An Act to combat money laundering and the financing of terrorism. Rules: Under section 229 of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act), the Chief Executive Officer (CEO) of AUSTRAC may, in writing, make Anti-Money Laundering and Counter-Terrorism Financing Rules (AML/CTF Rules). The AML/CTF Rules are legislative instruments and are therefore binding.	Critical Impact	AML/CTF	Legal, Regulatory and Compliance, Cage & Count, Table Games, Gaming Machines, Surveillance, Security, Gaming Machines, Hotels, RSG, VIP International (& VIP Local, Credit Control)
Cash Transactions Report Act 1988 (Cth)	An Act to provide for the reporting of certain transactions and transfers, to establish a Cash Transaction Reports Agency and to impose certain obligations in relation to accounts.	Critical Impact	AML/CTF	Legal, Regulatory and Compliance, Cage & Count, Table Games, Gaming Machines, Surveillance, Security, Gaming Machines, Hotels, RSG, VIP International (& VIP Local, Credit Control)
Crown Melbourne AML/CTF Program	Outlines Crown Melbourne's AML/CTF procedures as required by the Act.	Critical Impact	AML/CTF	Legal, Regulatory and Compliance, Cage & Count, Table Games, Gaming Machines, Surveillance, Security, Gaming Machines, Hotels, RSG, VIP International (& VIP Local, Credit Control)

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Health, Safety & Environment				
Occupational Health & Safety Act 2004 (Vic)	An Act to promote and improve standards for occupational safety and health, to establish the Commission for Occupational Safety and Health, to provide for a tribunal for the determination of certain matters and claims, to facilitate the coordination of the administration of the laws relating to occupational safety and health.	Critical Impact	Health and Safety	ALL
Public Health and Wellbeing Act 2008 (Vic)	An Act to promote and protect public health and wellbeing in Victoria.	High Impact	Property Services, F&B, Events and Conferences	ALL
Workplace Injury Rehabilitation and Compensation Act 2013 (Vic)	An Act relating to compensation for, and the management of, employment-related injuries, to provide for the WorkCover Western Australia Authority and the resolution of disputes.	High Impact	Health and Safety	ALL
Dangerous Goods Act 1985 (Vic)	An Act relating to the safe storage, transfer, transport and use of dangerous goods.	High Impact	Property Services, Procurement	ALL
Road Safety Act 1986 (Vic)	An Act to provide for safe, efficient and equitable road use and to set out the general obligations of road users in relation to responsible road use. Licensing of drivers and vehicle registration procedures are also set out in this Act.	High Impact	Hotels, Property Services, Security	
Transport Accident Act 1986	Act to establish a scheme of compensation for persons who did or are injured as a result of a transport accident.	High Impact	Legal	Health & Safety, Human Resources
Wrongs Act 1958 (Vic)	Act regulating occupiers liability, negligence, wrongful acts and personal injury damages.	High Impact	Legal	ALL
Food				
Food Act 1984 (Vic)	An Act to consolidate and amend the Law relating to the preparation and sale of food, to make provision for securing the wholesomeness and purity of and fixing Standards for Food, to prevent false or misleading packaging and labelling of food and false or misleading advertising in connection with food.	Critical Impact	Warehouse, Events & Conferences, F&B	Legal
Australia New Zealand Food Standard Code	Sets the required standards for food produced in New Zealand and Australia in relation to food sold and/or imported into both countries.	High Impact	Warehouse, Events & Conferences, F&B	
AS 4674: 2004 for construction and fit out of food premises.	This Standard is to provide criteria for architects, the construction industry and health and building regulators to cooperatively ensure that buildings used by food businesses are designed, constructed and fitted out in compliance with the requirements of the Australian Food Standards Code.	High Impact	Warehouse, Events & Conferences, F&B	
ISO 22000:2005 HACCP Crown's Food Safety Management System	A manual which describes the procedures and practices in place to ensure our customers are provided with a quality service and safe food. This plan complies with Victorian Food Act, Codex and the FSANZ Food Safety Standards.	High Impact	Warehouse, Events & Conferences, F&B	
Smoking				
Tobacco Act 1987 (Vic) and Tobacco Regulations 2017	An Act to prohibit certain sales or promotion of tobacco products and to create offences re smoking and possession of tobacco products.	High Impact	Legal	HR, VIP International, Security, F&B, Cage & Count, Gaming Machines, Property Services, Table Games, VIP International (VIP Local)
Tobacco Advertising Prohibition Act 1992 (Cth)	The Act is intended to limit the exposure of the public to messages and images that may persuade: smoking, or the continuation of smoking or to use, or continue to use products and to improve public health.	High Impact	Legal	HR, VIP International, Security, F&B, Cage & Count, Gaming Machines, Property Services, Table Games, VIP International (VIP Local)
Smoking Exemption granted	Areas granted exception to enable smoking to occur.	Critical Impact	Legal, Finance	HR, VIP International, Security, F&B, Cage & Count, Gaming Machines, Property Services, Table Games, VIP International (VIP Local)
Environment Protection Act 1970 (Vic)	An Act establishing the EPA and to make further provision for protection of the environment.	Critical Impact	Property Services, Construction & Development	Events & Conferences, Entertainment, Hotels, F&B,
State Environment Protection Policy (control of Music Noise from Public Premises) No.N-2	Sets indoor noise limits, outdoor musical entertainment noise limits, operation times etc.	High Impact	F&B	Property Services, Events & Conferences, Entertainment
Building & Structural				
Life Saving Victoria (LSV) Aquatic Risk Management Consultancy (move to Health and Safety)	Guideline for Water Safety best practice.	High Impact	Property Services, Hotels	Health & Safety
Code of Practice for Building and Construction Workplaces - Victoria	You will require this code if you intend to undertake construction work. This code relates to the health and safety of persons at a building and construction site. The provision of amenities, facilities, safety helmets and first aid are required (Occupational Health and Safety Act 2004 (Vic)).	High Impact	Construction & Development, Property Services	
Building Code of Australia/NCC	Contains technical provisions for the design and construction of buildings and other structures, covering such matters as structure, fire resistance, access and egress, services and equipment, and energy efficiency as well as certain aspects of health and amenity.	High Impact	Construction & Development, Property Services	

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<i>Building Act 1993 (Vic) and Regulations</i> <i>Building Regulations 2018</i>	To regulate building works and standards, building practitioners and plumbers (including plumbing work and plumbing standards), cooling tower systems. To provide an efficient and effective system for issuing building and occupancy permits and enforcing related building and safety matters. To prescribe standards for the construction and demolition of buildings, public entertainment, regulate matters relating to the use and maintenance of buildings and public entertainment, prescribe standards and matters relating to the maintenance of fire safety and safety measures, prescribe requirements for swimming pool and spa safety and prescribe qualifications and provide for other matters relating to registration of building practitioners.		Construction & Design, Property Services	
Disability (Access to Premises – Buildings) Standards 2010 (Cth)	To ensure that dignified, equitable, cost-effective and reasonably achievable access to buildings and facilities and services within buildings, is provided for people with disability.		Construction & Development	Property Services
<i>Illegal Logging and Prohibition Act 2012</i> and <i>Illegal Logging Prohibition Regulation 2012</i>	An Act to prevent the importing and use of illegal logged timber products.		Procurement, Construction & Development	
<i>Building Energy Efficiency Disclosure Act 2010</i> (Cth)	An Act to promote the disclosure of information about the energy efficiency of buildings.		Procurement, Construction & Development	
<i>Road Management Act 2004</i> (Vic)	Re: s 62 Obstruction of road (e.g. closure of Whiteman St for events (Brownlow, Logies).		Construction & Development, Property Services	
<i>Road Safety Act 1986</i> (Vic)	Private parking areas, Registration, number plates, Records of persons driving motor vehicles, disqualified persons, Licences (including O/S) and general duty of driver or person in charge of motor vehicle.		Construction & Development, Property Services, Hotels, Security, Warehouse	
Melbourne Planning Scheme - Capital City Zone Planning Scheme	To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies. To enhance the role of Melbourne's central city as the capital of Victoria and as an area of national and international importance. To recognise or provide for the use and development of land for specific purposes as identified in a schedule to this zone. To create through good urban design an attractive, pleasurable, safe and stimulating environment.		Construction & Development	
Retail				
<i>Retail Leases Act 2003</i> (Vic)	An Act to enhance the certainty and fairness of retail leasing arrangements between landlords and tenants including dispute resolution procedures.		Legal	Retail
Financial				
Taxation				
<i>A New Tax System (Goods And Services Tax) Act 1999</i> (Cth)	An Act about the calculation and collection of GST		Taxation, Finance	
<i>Fringe Benefits Tax Act 1986</i> (Cth)	An Act relating to the assessment and collection of the tax imposed by the Fringe Benefits Tax Act 1986.		Taxation	Finance
<i>Fringe Benefits Tax Assessment Act 1986</i> (Cth)	An Act relating to the assessment and collection of the tax imposed by the Fringe Benefits Tax Act 1986.		Taxation	Finance
<i>Income Tax Assessment Act 1997</i> (Cth)	An Act about income tax.		Taxation	Finance
<i>Superannuation Guarantee (Administration) Act 1992</i> (Cth)	An Act relating to the establishment and administration of the Superannuation Guarantee Scheme.		Finance	
<i>Payroll Tax Act 2002</i> (WA) <i>Payroll Tax Act 2007</i> (Victoria) <i>Payroll Tax Act 1971</i> (New South Wales) <i>Payroll Tax Act 1971</i> (Queensland) <i>Payroll Tax Act 2009</i> (South Australia)	An Act about the calculation and collection of Payroll Tax in the relevant state.		Finance	
<i>Payroll Tax Assessment Act 2002</i> (WA)	An Act relating to the assessment and collection of tax on wages paid by employers. The Taxation Administration Act 2003 and the Pay-roll Tax Act 2002 are to be read with this Act as if they formed a single Act.		Finance	
<i>Taxation Administration Act 2003</i> (WA)	An Act to provide for the administration and enforcement of legislation dealing with State taxation.		Finance	
<i>Casino Management Agreement Act</i>	Taxes		Finance	Regulatory and Compliance

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Accounting				
Australian Accounting Standard (ASB)	An accounting standard is a prescriptive guideline for financial accounting, such as how to prepares and presents its business income, expenses, assets and liabilities, and may be in accordance to standards set by the International Accounting Standards Board (IASB).		Finance	
Cheques				
Cheques Act 1986 (Cth)	An Act relating to cheques and certain other negotiable instruments.		Finance, VIP International	
Cheques and Payment Orders Act 1986 (Cth) & Cheques and Payment Orders Amendment Act 1998 (Cth)	An Act relating to cheques and certain other negotiable instruments.		VIP International, Finance	
Revenue & Cash				
Electronic Transactions Act 1999 (Cth)	An Act to facilitate electronic transactions.		Finance	
Unclaimed Moneys Act 1990 (Vic)	An Act to provide for the management of unclaimed money and other prescribed retained money.		Finance, Cage & Count.	
Employment				
Industrial Relations				
Fair Work Act 2009 (Cth) Enterprise Bargaining Agreements	An Act relating to workplace relations. A registered agreement to set out the terms and conditions of employment between a group of employees and their employer.		Human Resources, Legal	
Long Service Leave Act 2018 (Vic)	An Act to grant long service leave to certain Victorian employees.		Human Resources	Payroll (Finance)
Paid Parental Leave Act 2010 (Cth)	An Act to provide for the payment of parental leave pay.		Human Resources	Payroll (Finance)
Modern Slavery Bill 2018	Establishes a Modern Slavery Reporting Requirement to require certain large businesses and other entities in Australia to make annual public reports (Modern Slavery Statements) on their actions to address modern slavery risks in their operations and supply chains.		Crown Resorts, Procurement	ALL
Discrimination and Equal Opportunity				
Workplace Gender Equality Act 2012 (Cth)	An Act to improve and promote equality for both women and men in the workplace. Requires non-public sector employers with 100 or more staff (relevant employers) to submit a report to the Workplace Gender Equality Agency between 1 April and 31 May each year for the preceding 12 month period (1 April - 31 March).		Human Resources	ALL
Disability Discrimination Act 1992 (Cth)	An Act relating to discrimination on the ground of disability.		Human Resources	ALL
Equal Opportunity Act 2010 (Vic)	An Act to promote equality of opportunity in Vic and to provide remedies in respect of discrimination on the grounds of sex, marital status, pregnancy, sexual orientation, family responsibility or family status, race, religious or political conviction, impairment, or age, or involving sexual or racial harassment or on gender history grounds.		Human Resources	ALL
Racial Discrimination Act 1975 (Cth)	An Act relating to the elimination of racial and other discrimination.		Human Resources	ALL
Racial and Religious Tolerance Act 2001 (Vic)	An Act to promote racial and religious tolerance.		Human Resources	ALL
Sex Discrimination Act 1984 (Cth)	An Act relating to discrimination on the ground of sex, marital status, pregnancy, potential pregnancy, breastfeeding or family responsibilities or involving sexual harassment.		Human Resources	ALL
Age Discrimination Act 2004 (Cth)	An Act relating to discrimination on the ground of age.		Human Resources	ALL
Australian Human Rights Commission Act 1986 (Cth)	An Act to establish the Australian Human Rights Commission, to make provision in relation to human rights and in relation to equal opportunity in employment.		Human Resources	ALL
Immigration - Visas				
Migration Act 1958 & Migration Regulations 1994 (Cth)	This Act provides for visas permitting non-citizens to enter or remain in Australia and the Parliament intends that this Act be the only source of the right of non-citizens to so enter or remain.		Human Resources (Recruitment), Hotels, F&B	Legal
Aviation				
Civil Aviation Act 1988 Civil Aviation Safety Regulations 1988	Act regulating establishing Civil Aviation Authority and Safety of civil aviation. Regulates condition of Air Operators Certificate - Crown Melbourne Limited.		Flight Operations, VIP (Roland)	Legal

	Critical Impact
	High Impact
	Moderate Impact
	Low Impact

2.1

Requirements Register FY20

Attachment 2.1

Legislation / Business Requirement	Description	Impact Rating	Primary Responsibility	Secondary Responsibility
	Description		<i>Primary Responsibility</i> Responsible for ensuring all business units or areas with secondary responsibility are aware of the obligations.	<i>Secondary Responsibility</i> One or more obligations affect a business unit and must ensure compliance with the obligations. Can be several.
Governance & Risk				
<i>Corporations Act 2001</i> (Cth)	An Act in relation to corporations and financial products and services.	Critical Impact	Crown Resorts (via Legal), Finance	Regulatory and Compliance
Company Policy - Anti Bribery and Corruption (Crown Group)	Group policy provides guidance for establishing, implementing and improving an anti-Bribery management system.	High Impact	Crown Resorts (via Regulatory & Compliance, Legal), Risk and Audit	ALL
Company Policy - Electronic Communications Acceptable Use Policy	Outlines the acceptable use of electronic computer and communication equipment at Crown Melbourne.	Moderate Impact	Information Technology	ALL
Company Policy - Information Technology Telecommunications Policy	Outlines procedures to be followed with regard to the purchase and allocation of Telecommunication devices, the use of and securing these devices.	Moderate Impact	Information Technology	ALL
Corporate Policy - Regulatory & Compliance	Outlines the corporate framework for managing and ensuring compliance with legislation, regulation, business requirements.	Critical Impact	Regulatory & Compliance	ALL
Crown Melbourne Employee Code of Conduct	Self-imposed Code outlining the standard of ethics and behaviour expected of each Crown Melbourne employee.	High Impact	Human Resources	ALL
Company Policy - Mobile Device and Data Access Policy	Defines the standards, procedures and restrictions for users who have legitimate business uses from connecting mobile or remote devices to Crown Melbourne's corporate network and data.	Moderate Impact	Information Technology	ALL
<i>Insurance Act 1973</i> (Cth)	An Act to protect the interests of policyholders and prospective policyholders under insurance policies in ways that are consistent with the continued development of a viable, competitive and innovative insurance industry.	High Impact	Legal	Risk & Audit
<i>Insurance Contract Act 1984</i> (Cth)	An Act to reform the law relating to certain contracts of insurance so that a fair balance is struck between the interests of insurers, insured and other members of the public and so that the provisions included in such contracts, and the practices of insurers in relation to such contracts, operate fairly	High Impact	Legal	Risk & Audit
<i>Treasury Laws Amendment (Enhancing Whistleblower Protections) Act 2019</i> Company Policy - Protected Disclosures (Whistleblowing)	Outlines the avenues available to staff and contractors for making protected disclosures.	High Impact	Regulatory & Compliance	ALL

2.1

Critical Impact
High Impact
Moderate Impact
Low Impact



Crown Melbourne Compliance Committee

Memorandum

To: Crown Melbourne Compliance Committee

From: Joshua Preston

Date: 1 August 2019

Subject: **Crown Melbourne – Sixth Review of Casino Licence under Section 25 of the *Casino Control Act 1991* (Vic) – Update Report**

2.2

Dear Committee Members,

Since the last report, the Crown Resorts Responsible Gaming Committee has reviewed and considered Crown's draft responses to the following responsible gaming related recommendations made by the VCGLR. These responses have been subsequently finalised and lodged, and are attached for your information:

- Recommendation 10, response dated 28 June 2019: *The review of voluntary exclusion and revocation practices, including the review of voluntary exclusion orders more than 10 years old.*
- Recommendation 11, response dated 28 June 2019: *The implementation of a third party exclusion program.*
- Recommendation 13, response dated 29 June 2019: *The refresh of responsible gambling branding and associated messaging.*
- Recommendation 14, response dated 29 June 2019: *The development of a responsible gambling strategy.*

In addition, Crown has also now formally responded to Recommendations 3, 4, 5, 12, 17 and 19 and provided a submission on each to the VCGLR. Please find attached in this respect responses to the following recommendations, for your information:

- Recommendation 3, response dated 1 July 2019: *The assessment of Crown's risk framework and systems, including reporting lines.*
- Recommendation 4, response dated 1 July 2019: *The review of internal controls to ensure the Regulatory and Compliance department is aware of all projects and works in progress.*
- Recommendation 5, response dated 28 June 2019: *Annual roundtable discussions to brief key internal staff on the VCGLR's regulatory approach.*

- Recommendation 12, response dated 28 May 2019: *The expansion of facial recognition cameras to all casino entrances, and monitoring of effectiveness.*
- Recommendation 17, response dated 1 July 2019: *The review of relevant internal control statements, including input from AUSTRAC, to ensure that anti-money laundering risks are appropriately addressed.*
- Recommendation 19, response dated 27 May 2019: *The implementation of a policy to make an exclusion order in appropriate cases where a person has engaged in significant unacceptable conduct in the casino or is the subject of serious criminal charges.*

The lodgement of these recommendation responses has ensured that required timeframes have been met by Crown. We understand the VCGLR is currently assessing our responses in the usual manner. Further detail regarding each recommendation, including those which have previously been responded to, and those which are in progress/not yet due, are included in the attached the updated Section 25 Recommendations Table (as at 19 July 2019).

Regards



Joshua Preston
Chief Legal Officer – Australian Resorts



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Crown Melbourne's Prior Written
Consent.

Contact: Barry Felstead / Joshua Preston
Direct Line: [REDACTED]
E-mail: [REDACTED]
Document No: COMPLIANCE_488830.9

28 June 2019

Ms Catherine Myers
Chief Executive Officer
Victorian Commission for Gambling and Liquor Regulation
Level 3, 12 Shelley Street
RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 10

I refer to Recommendation 10 of the Sixth Review and our response dated 2 July 2018.
Recommendation 10 provides:

The VCGLR recommends that, by 1 July 2019, Crown Melbourne undertake a comprehensive review of its policy for the making and revocation of voluntary exclusion orders under section 72(2A) of the Casino Control Act. The comprehensive review should be undertaken in conjunction with the VCGLR, VRGF and other relevant external stakeholders. The review should be undertaken with a view to implementing policies that facilitate:

- *Crown Melbourne issuing short term exclusion orders for 3, 6, 12 or 24 months under section 72 of the Casino Control Act, considering the specific circumstances of the person and their preferred time period for exclusion, and conditional on the person undertaking to comply with the order and with other matters (such as obtaining treatment), and*
- *Crown Melbourne reviewing voluntary exclusion orders which are more than 10 years old to consider whether the continued operation of these orders serves a useful purpose, with a view to retaining only those orders that are beneficial to the persons who are subject to them, and can be adequately enforced. The VCGLR further recommends that the review of such orders occurs in an orderly manner between 1 July 2019 and 30 June.*

2.2

In addressing Recommendation 10, Crown Melbourne Limited (**Crown**) has now:

- conducted an internal, detailed review into literature and practice in relation to its self-exclusion and revocation practices;
- participated in six tripartite meetings involving both the Victorian Commission for Gambling and Liquor Regulation (**VCGLR**) and the Victorian Responsible Gambling Foundation (**VRGF**); and
- sought independent expert advice.

As a result of the above actions, which included the conclusion that there is currently no conclusive evidence that supported any specific model in terms of optimum banning length/s and re-entry processes, Crown's high level position is as follows:

- Crown will make certain adjustments to its current framework of self-exclusion and time out arrangements, to reflect the findings from our review, comments from the VCGLR and VRGF and advices from an independent expert. These adjustments are detailed below. We also note as discussed at the tripartite meetings, that there is no evidence in research that suggested that the concept of a combination of self-exclusion and time out arrangements was unsound;
- The revocation process framework will be adjusted to provide added support to customers who return to gaming, including undertaking additional monitoring to further assist customers; and
- Self-excluded customers who have been excluded for ten years or more will remain on Crown's database.

Crown acknowledges and appreciates the input of the VCGLR and the VRGF during this process.

Please find following a more detailed explanation of Crown's position on the recommendation.

Short Term Self-Exclusion Orders

The comprehensive review process undertaken by Crown identified that there is no industry or research consensus on optimal self-exclusion order length, and self-exclusion order lengths put in place in other jurisdictions and venues. In this respect, independent expert advice received, provides that '*... ban lengths have been established predominantly on the basis of opinion in the absence of any comparative long-term empirical evaluation of the minimal duration required.*'

The table below sets out the results of the review of literature that Crown has carried out regarding the different self-exclusion ban lengths across international jurisdictions:

Length of ban	Jurisdictions	Reference
An absolute minimum of 1 month	International	Global Gambling Guidance Group, 2018
3 months - 5 years	Canada-Quebec casinos	Verlik, 2008
6 months, 1-5 years, or lifetime bans	Australia	Gainsbury, 2014

Length of ban	Jurisdictions	Reference
6 months, 1 , 2 and 3 years	British Columbia Lottery Corporation	Centre for The Advancement of Best Practice, 2016
6 months, 1 year, 5 years, indefinite	South Africa	RGC, 2016
6 months and five years	UK	RGC, 2016
3, 6 and 9 months, 1 and 2 years	Auckland – SkyCity	SkyCity, 2017. SkyCity Auckland Host Responsibility Program (Policies and Procedures manual)
2 years, Life ban	Kansas USA	RGC, 2016
1 year, 5 years, or life-time	New Jersey, USA	RGC, 2016
5 years, indefinite	FEO (Singapore)	
5 years, 10 years to life-time	Mississippi, USA	RGC, 2016
Indefinite	Missouri, Illinois, Louisiana (USA), Nova Scotia Provincial Lotteries and Casino Corporation, and Crown Australia	RGC, 2016

Taking into account the recommendation, relevant information from Crown’s review and independent expert advices, Crown has determined to adjust its position so that there will no longer be an ‘indefinite’ self-exclusion.

As an alternative, customers will be able to elect a period to self-exclude (with the minimum period being twelve months). To return to gaming, self-excluded customers will still be required to undertake Crown’s revocation process. This minimum period of self-exclusion is supported by independent expert advices, which provide that *‘...evidence derived from self-reports and retrospective interviews of gamblers and self-excluded individuals, respectively, suggest that a twelve month ban is a reasonable balance between allowing sufficient time for change to occur and minimising barriers to entry ... Crown’s position that a twelve-month minimum ban length should be the standard duration for self-exclusion is reasonable and supported until such time that evidence accrues to suggest otherwise.’*

In respect of the concept of other short term exclusions, as you are aware, Crown has for a period of time offered a three month Time Out Program as an option for shorter term breaks from gaming. This option is put to the customer where they have indicated that a shorter time period is preferred for their circumstances, and/or where the formalities associated with a self-exclusion order (for example, legal documentation, fines and prosecutions) are a deterrent to taking any type of break.

Crown is of the view that the Time Out Program has been and will continue to be a positive option for customers experiencing problems with their gambling behaviours, particularly in circumstances where customers are reluctant to self-exclude at all, or for an extended period. Further, the Time Out Program is seen as a positive option for customers in taking an incremental step toward addressing any problem gaming behaviours and towards self-exclusion if appropriate.

Crown also notes that with the relatively recent introduction of Facial Recognition Technology (which the Commission has now had the benefit of seeing in practice), the instances of detection initially increased, however in the fullness of time we would expect the number to stabilise or decrease as the risk of detection becomes more widely known and customers cease trying to re-enter the Casino. This strengthening of the gaming floor perimeter detection is of paramount importance in acting as a deterrent for self-excluded and Time Out customers from breaching. Further, with easier detection of breaching or attempted breaching, Crown has the opportunity to assist persons in keeping with their commitments to not enter the Casino. Easier detection also provides greater opportunity, where possible, for responsible gaming staff to interact with those individuals to offer them information and referral.

Therefore Crown, as described above, supports in principle the recommendation regarding the concept of other shorter term banning options. In this respect, Crown's independent expert advice provides that in addition to the twelve month exclusion option, *'...the patrons should be offered shorter time periods if they indicate reluctance to take up the option of the twelve-month length ... From a responsible gambling perspective, the over-riding principle is that it is preferable to have someone agree to temporarily suspending play as opposed to declining entry into a program due to its length and consequently leading the patron to persist in problem gambling behaviours.'*

To facilitate Crown's position and to enhance its self-exclusion, Time Out and revocation framework, Crown will be amending its existing relevant policies and practices to accommodate the following:

Self Exclusion Periods

- Customers will now be able to choose to enter a self-exclusion agreement with a finite term subject to a minimum term of 12 months. Independent advice received by Crown confirmed that 12 months is a *'...reasonable balance between allowing sufficient time for change to occur and minimizing barriers to entry.'* Following the expiry of the 12 month period, customers will be able to apply to have the exclusion revoked and follow Crown's revocation process.
- In this respect, customers will, for example, also be offered an option to select a longer term self-exclusion period, for example a two or three year period, which will preclude a customer from applying to have their self-exclusion revoked during that time.
- Crown's Time Out Program will be revised to offer customers shorter term periods to ban themselves via agreement, being for 3 or 6 month terms, with an option to only renew the period one time, after which self-exclusion will be the option available to the customer. It should be noted however that each request to extend a Time Out Program will be dealt with on a case by case basis in order for the Responsible Gaming team to assess each applicant to determine whether an extension is appropriate in the circumstances. Time Out Programs will only be offered to customers who are reluctant to enter into a 12 month self-exclusion agreement. As a deterrent for customers to breach their Time Out commitment, customers will be advised that any breach may result in an exclusion order being made.

- Crown's revised Time Out Program will be implemented on a trial basis for 12 months and evaluated thereafter.
- Customers will be informed at the time of self-excluding or entering into a Time Out Program Agreement that Crown has facial recognition technology and that there is a strong probability that if they try and re-enter the Casino, they will be detected.

Revocation

- Customers will now be able to choose to enter into a longer term self-exclusion agreement with automatic expiry (for example, after seven years) to remove the need for the revocation process to be undertaken. It will also be made clear to those customers who elect an automatic expiry after seven years that their carded play will be monitored and assessed on an ad hoc basis where appropriate. Independent expert advices support this position in that '*... it is reasonable to offer, at the time of taking out a seven year ban or longer, that they be offered a choice of indicating in writing an extension or have the ban 'expire'. For those electing to take the latter course of action, they should be informed that their behaviour may be monitored by RGLO members, particularly if they are loyalty card holders. Periods of under seven years ... should follow the same revocation procedure as for the twelve-month period.*'
- The existing revocation requirements, which include a customer obtaining support from a medical professional or counsellor for twelve month (or longer) self-exclusion orders, or an interview with a Responsible Gaming Advisor for Time Out Programs, will continue to be required. However, the following adjustments will be made:
 - As part of the revocation process, patrons will be required to agree to a Responsible Gaming Advisor observing, interviewing and/or tracking loyalty card play at ad hoc post revocation visits, for at least a further twelve months; and
 - Persons who are permitted to return from either a self-exclusion, or a Time Out Program, will be randomly selected and periodically monitored, as far as any observable signs and data can allow. This will be communicated to the customer to assist them with maintaining control of their gambling behaviours.

Crown will now undertake the relevant steps, such as updating the applicable responsible gaming policies, brochures and related collateral and training of relevant staff, in order for the adjusted processes to commence in practise.

It is important to note that Crown's policies and programs with respect to self-exclusion are based on current literature and will continue to be revised. As there is no ideal benchmark in place, Crown will use the opportunity it has to continue to evaluate the effectiveness of its Self-Exclusion Program, Time Out Program and revocation processes, seeking independent expert advices as and when required.

10 Year Self Exclusion Orders

As part of the above mentioned detailed review of Crown's self-exclusion and revocation processes, Crown has also considered, and sought independent expert advice, regarding the VCGLR's recommendation to review self-exclusion orders which are greater than ten years old with a view to either retaining or ending these orders, depending on the individual circumstances of the customer.

The independent expert advice obtained concluded that after a ten year period of exclusion, the following scenarios are likely to apply:

- the customer has resolved their gambling problem;
- the customer has continued to gamble elsewhere; or
- the customer is continuing to experience the desire to return to the Casino, but the exclusion order in place is assisting them in not returning.

Changes to older self-exclusion orders would require contact or notification being made to the customer. The independent expert advice concluded that contacting these customers in each of the above circumstances:

- is not commensurate with responsible gambling practices;
- may increase the customer's 'propensity to resume gambling at Crown'; and
- despite the potential for photographs to become obsolete, the benefits of contacting customers in these circumstances do not outweigh the risks.

Crown agrees with the independent expert's conclusion. Accordingly, based on the above advice, Crown is of the respectful opinion that self-exclusions that are older than ten years should continue to remain in place. Should the Commission have a firm position otherwise, please so advise. Please note that where customers in this category come to our attention, they will be engaged with and managed accordingly. Please also note that as described above, moving forward this issue will be less relevant as customers will now be able to choose to enter into a long term self-exclusion agreement with automatic expiry (for example, after seven years).

Conclusion

Crown is of the firm belief that the adjustments to be made to its responsible gaming framework resulting from the review carried out and independent expert advice will see an enhancement of its practices, which will be evaluated over time with other necessary adjustments being made as evidence becomes available supporting any appropriate change.

Please do not hesitate to contact me or Joshua Preston if you have any queries.

Yours sincerely



Barry Felstead
Chief Executive Officer – Australian Resorts



Contact: Barry Felstead / Joshua Preston
 Direct Line: [REDACTED]
 E-mail: [REDACTED]
 Document No: COMPLIANCE_488735.8

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28 June 2019

Ms Catherine Myers
 Chief Executive Officer
 Victorian Commission for Gambling and Liquor Regulation
 Level 3, 12 Shelley Street
 RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 11

I refer to Recommendation 11 of the Sixth Review and our response dated 2 July 2018.
 Recommendation 11 provides:

The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a policy and procedure to facilitate Crown Melbourne issuing involuntary exclusion orders under section 72(1) of the Casino Control Act at the request of family members and friends in appropriate cases. The policy and procedure should be developed in conjunction with the VCGLR, VRGF and other external stakeholders. Crown Melbourne should include information about this option in all its responsible gambling publications, website and regularly provide information to relevant stakeholders, such as Gambler's Help and other similar organisations, about this option.

Crown Perth, a wholly owned subsidiary of Crown Resorts Limited, has operated a Third Party Exclusion Program (TPEP) for over ten years. As such, Crown Melbourne Limited (Crown) was able to seek information from Crown Perth in the formulation of the TPEP.

In considering this recommendation, Crown also conducted its own internal, detailed review into literature and practice in relation to TPEPs. The review of literature notes the absence of robust data regarding the use and effectiveness of TPEPs and the various TPEP models in different jurisdictions.

Additionally, Crown has sought independent expert advice in relation to this recommendation, with advice being provided that 'Conceptually, third party exclusions (TPE) are an excellent responsible gambling tool for family members and significant others. In practice, the conduct and application of

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a TPE is a complex matter requiring careful consideration of the application process and impact on families and the index person.'

In developing Crown's TPEP, our own internal detail and research was considered along with that of independent expert advices. Further, in accordance with the recommendation, Crown met with and took input from the Victorian Commission for Gambling and Liquor Regulation (VCGLR) and the Victorian Responsible Gambling Foundation (VRGF) on the draft TPEP.

In this respect, there have been six 'Tripartite' meetings between Crown, the VCGLR and the VRGF where this recommendation was discussed. We acknowledge and appreciate the input from the VCGLR and the VRGF.

Please find attached the relevant documentation as discussed between Crown, the VCGLR and the VRGF. Crown is now in the process of taking the necessary steps to implement this new process, including developing and amending the relevant and related documents and training our staff.

Please do not hesitate to contact me or Joshua Preston if you have any queries.

Yours sincerely



Barry Felstead
Chief Executive Officer – Australian Resorts

Encl.

2.2



SUBJECT: Responsible Gaming Department Policy and Procedure

POLICY TITLE: Third Party Exclusion

APPROVED BY: Sonja Bauer

REVIEWED: June 2019

VERSION: 1.0

ISSUE DATE: June 2019

2.2

Policy

The principal aim of the Third Party Exclusion (TPE) program is to offer concerned parties (or **Applicant**) (such as a family member, friend or other person) the opportunity to initiate an exclusion process to protect and safeguard an individual (or **Customer**) whose gambling at Crown Melbourne (**Crown**) may be causing harm to themselves or significant others. Through the process, Crown demonstrates a support to concerned third parties who are adversely affected by someone's gambling behaviour.

The TPE provides a process where a concerned family member, friend or other person, can apply to have Crown consider excluding a Customer involuntarily as a direct consequence of their gambling behaviour. This is a policy that is being developed as a part of Crown's commitment to minimising harm to their customers and those significant to them, whilst respecting and treating with dignity all parties concerned.

Crown takes steps to ensure all reasonable care is taken to minimise harm to relevant individuals, as well as protecting the Customer from a process that may cause embarrassment or be inappropriately motivated.

Purpose:

The purpose of this document is to explain key processes of the TPE. This document contains:

1. Scope
2. Responsibilities
3. Procedure
4. Decision Making Processes
5. Promotion of TPE
6. Revocation of TPE
7. Breaches
8. Appeal

9. Appendices:

- i. Letter/s to the Applicant
- ii. Third Party Application for Customer Exclusion Form (including a copy of a Statutory Declaration and Authorised Witnesses)
- iii. Third Party Exclusion Committee (**TPEC**) Members
- iv. Relevant Documentation Provided by the Applicant
 - i. Subjective
 - ii. Objective
- v. Withdrawal of Licence (**WOL**) Information

To assist Crown in identifying the presence of adverse gambling behaviours, the Applicant will be required to provide relevant information in support of their Application (Appendix iv). Additionally, Crown will access the Customer's recorded history to use in its assessment. This will enable Crown to take the most reasonable steps necessary to either exclude the Customer, or to make any other appropriate decision.

TPEs may not be appropriate for every circumstance and individual. The assessment needs to be applied on a case by case basis. Crown's responsible gaming programs and services, including the Responsible Gaming Psychologists (**RGPs**), as well as government funded support services and programs will be offered to the Applicant and the customer.

1. Scope

TPE enquiries and/or applications will be administered by the Responsible Gaming Department facilitated at the Responsible Gaming Centre (**RGC**). Applications are to be addressed by the Department in a timely, consistent and professional manner and may be made via a telephone call or email, as well as face to face.

This policy applies to all members of the Responsible Gaming Department. The procedure provides general guidelines to be applied when a TPE enquiry or application is received.

2. Responsibilities

Responsible Gaming Operations Manager (**RGOM**) has responsibility for:

- Ensuring that all procedures related to the Responsible Gaming Department are complied with;
- Ensuring that all Responsible Gaming Advisors are trained in the process and that uniformity is achieved;
- Raising awareness of the TPE Program amongst Crown staff; and
- Obtaining relevant information, as far as practicable, regarding the Customer's personal and gambling behaviour, through feedback provided by the business and/or Customer observations.

Responsible Gaming Advisor (**RGA**) has responsibility for:

- Raising awareness of the TPE program amongst Crown staff;

- Responding to enquiries related to the TPE, providing Applicants with relevant information regarding the TPE process and external support services available to them; and
- Providing the Applicant with a discreet environment where they can feel comfortable discussing their circumstances.

Responsible Gaming Office Coordinator (RGO) has responsibility for:

- Providing the TPE Application paperwork to an Applicant when requested; and
- Compiling all of the information contained in the Application and any other relevant information to be considered by the TPEC.

The TPEC has responsibility for:

- Convening in a timely manner, that is, as soon as practicable following the compilation of all the relevant supporting information and completed TPE Application Form; and
- Considering the Application and relevant information in line with Part 4 of this document, 'Information to be Assessed'.

Responsibility of the Applicant:

- As the TPE process has the potential to create a negative impact on the Customer, the Applicant is required to demonstrate and substantiate their concerns clearly to Crown. The option of a Withdrawal of Licence (WOL) - Welfare may be considered a more suitable alternative (see Appendix v).

Process for the Applicant:

- Participate in a detailed discussion with a member of the Responsible Gaming (RG) team (either in person, or by telephone);
- Complete the TPE Application and return it to the RGC, either in person, via email or mail;
- Provide supporting evidence/documentation;
- Attend meetings (in person or over the phone) with the RGOM if required;
- Decide if they want to contact external support services such as Gambler's Help, medical practitioners, psychologist or counsellors as appropriate;
- Determine if they need to seek independent legal advice before proceeding with the TPE;
- Determine whether to talk to the Customer about the process and their decision; and
- Determine whether they need to make contact with other relevant parties (for example the Victoria Police if they suspect that they are the victim of a crime or treating physicians or counsellors).

3. Procedure

1. When receiving a TPE enquiry, the RGA explains the process involved to the Applicant. The Applicant can be directed to the information on Crown's website, available brochures, and/or send a letter or email outlining the details of the process together with an Application Form. The Applicant may also obtain a hard copy from the RGC.
2. Should the Applicant express the intention to submit a TPE Application, the RGA may invite the Applicant to contact the RGC to further discuss their concerns and assist them with any queries they may have regarding the completion of the Application.
3. To progress the TPE, the Applicant is required to submit a completed Application Form with supporting documentation, including provision of acceptable identification of the Applicant.

4. When an Application Form is received, the RGOM is to ensure that all relevant paperwork, including the signature of the Applicant and the Statutory Declaration, has been received and completed in full.
5. The RGOM will obtain relevant information regarding the Customer's personal and gambling behaviour, through feedback provided by the business and/or Customer observations.
6. If the material forms a substantive case, the Customer is contacted and given a chance to respond. Their response is part of the material that is considered by the TPEC.
7. Should the Applicant decline to submit an Application Form, the RGA will offer the Applicant the opportunity to contact the RGC to further discuss their reservations and assist them with any queries they may have regarding the Customer.
8. The RGOM will prepare and submit all documentation including the Application Form and attendant documents, gambling history, observations etc. to the TPEC.
9. If consent is given by the Applicant, the RGOM will contact the Customer and request attendance at the RGC for a meeting to discuss the concerns raised. In the case that a Customer is unwilling to attend the meeting, an Exclusion Order under section 72 (1) of *Casino Control Act 1991 (Vic) (the Act)* may be issued until such time as the Customer meets with the RGOM and alleviates all concerns
10. The TPEC will consider all information and determine the following:
 - a. If the recommendation is to exclude the Customer, please refer to point 11 below; or
 - b. If the recommendation is that there is insufficient information to make a determination, the RGOM will undertake further inquiries; or
 - c. If the recommendation is to decline the Application, all RGC programs and services, including counselling with a RGP and referral to Gambler's Help and other government funded help services, will be offered to the Applicant and Customer.
11. Where the TPEC determines a TPE is to be issued, the RGOM will take the necessary steps to issue the TPE. The Customer will be contacted and furnished with the Exclusion Order under section 72 (1) of the Act, including information regarding their right to appeal and the revocation process.
12. The RGOM will take the necessary steps to update the relevant Crown systems, including the Responsible Gambling Register and the Facial Recognition database, and notify all relevant departments of the Exclusion Order.
13. The RGOM will notify the Applicant that the process has been completed. Outcomes may not be discussed due to restrictions in the Act, as well as Privacy Principles.

4. Decision Making Processes

Third Party Exclusion Committee (TPEC)

Members of the TPEC will be comprised of representatives from each of the Legal, Regulatory & Compliance and Responsible Gaming Departments (Appendix iii).

This will ensure that the TPEC is able to meet in a responsive and timely manner.

Frequency of meetings will be on an as needs basis to ensure all Applications are handled expediently.

Information to be assessed:

Sources of Information include (where available):

- TPE Application information;
- Crown database of Customer's gambling history;
- Where possible to ascertain – ability for the Customer to afford the level of gambling, family responsibilities;
- The Responsible Gambling Register;
- Objective and subjective information/documentation (Appendix iv);
- Clinical considerations such as decision making ability, general welfare issues for Customer /Applicant, co-morbid conditions, any counselling history;
- Assess motivation of TPE Applicant;
- Risk and seriousness of harms to Customer and Applicant;
- Response of Customer to proposed exclusion; and
- RGA input.

The TPEC will consider all relevant material to determine whether the making of the TPE is appropriate in all the circumstances.

Whilst some cases may be of similar nature, the TPEC will be conducting an individualised process that requires unique factors to be considered in each case. However, all cases will be assessed against evidence that the gambling behaviour is causing significant harm to the Customer or those close to them. This will ensure consistency in assessments of harm occurring at a level where the risk or existing level of harm warrants the issuing of a TPE.

The problem gambling behaviour must directly cause or be related to the harm that is being alleged by the Applicant. However, if there is reasonable apprehension that moderate to significant harm will occur or has occurred to the Customer or Applicant as a result of their gambling, then a TPE will be issued.

Harms are multifaceted; they include but are not limited to the effect on finances, relationships, health (physical, psychological, emotional), family, businesses, work, study and social.

5. Promotion of TPE

A wide ranging education campaign will be utilised to raise awareness of the TPE program amongst Crown staff. This will include information provided to Crown staff via Employee Induction, the employee Intranet, staff musters and briefings.

Customers and external provider communication includes but is not limited to:

- Third Party Exclusion Brochure
 - The Third Party Exclusion brochure will be made available throughout the casino gaming floor and at the RGC.
 - The Responsible Gaming department conducts regular audits as the availability of responsible gaming related brochures.

- Crown Website
 - Extensive Responsible Gaming information is prominently available on Crown's website
 - The TPE Brochure and Application Form will be made available, along with a 'flowchart' depicting key points in the process
- Notification and supply of brochures to Gambler's Help
 - Crown will engage with the Victorian Responsible Gambling Foundation to ensure TPE brochures can be made available to Gambler's Help offices.
 - Crown will also offer Gambler's Help staff the opportunity to participate in information sessions – at Gambler's Help offices or at Crown as part of general meetings or specifically for the TPE process information.

2.2

6. Revocation of TPE

What is the process of revoking the TPE?

The process for the revocation for a TPE will follow the same procedure as a Self Exclusion Revocation.

7. Breaches

Persons who are subject to a TPE will be treated in the same manner as a person who is self excluded. This means that any detected entry onto the casino gaming floor will be considered a breach of an Exclusion Order, and the consequences will include:

- Any application for revocation of the Exclusion Order will require a further 12 month breach free period;
- Forfeiture of Winnings; and
- An offence against the Act, which may result in an Infringement Notice or Fine (as determined by the VCGLR).

8. Appeal

Should a TPE be issued, the Customer will be advised of their right of appeal to The Victorian Commission for Gambling and Liquor Regulation.

Appendix I (a)**Letter for Query/Request for Application Form**

Given and Surname
Address
VIC P/C

Dear Mr/Ms Surname,

As per your contact with a member of the Responsible Gaming Team on *date* please find enclosed a Third Party Exclusion Application Form. Please note Crown Melbourne encourages Applicants to first discuss voluntary self exclusion with the relevant person prior to lodging a Third Party Exclusion Application, if possible.

Crown Melbourne recognises that applying for a Third Party Exclusion is a serious undertaking. With this in mind, we will respond to your application as quickly as possible. However, the process provides no guarantee that the person you are seeking to exclude will be excluded from Crown Melbourne.

It is important that you complete the Third Party Exclusion Application with as much detail as possible, including any documents that support your Application, for example, evidence of your attendance at Gambler's Help for supportive or financial counselling.

We will give consideration to documented evidence, such as material relating to financial issues, difficulties at their place of work (including a threat to their employment or loss of job) or absence from significant family events as a result of time spent gambling. We are unable to give consideration to applications that cannot substantiate claims.

You will also be required to complete the attached Statutory Declaration; a list of authorised witnesses is attached. Once you have completed the application and the Statutory Declaration, please return both to the Responsible Gaming Centre at Crown Melbourne, either via mail, in person or via email.

In accordance with the Privacy Act, once you have submitted your application we are unable to discuss any further aspects of the application with you. This includes whether we have met with the relevant person and whether they have been excluded from the Casino as a result of your application. We may only disclose this information when the relevant person has given written consent.

You will, however, be notified that the Third Party Exclusion process has been completed.

We appreciate that changing another individual's gambling behaviour can be difficult, which can make a difference to their success and your ability to assist them throughout the process. We recommend you access professional support such as:

- Gambler's Help – 1800 858 858 or online at www.gamblershelp.com.au
- Gambler's Help Financial Counselling - 1800 858 858 or online at www.gamblershelp.com.au
- Your General Practitioner

If you have any questions, you may contact the Responsible Gaming Centre on 1800 801 098, which operates 24 hours a day, seven days a week.

Please find enclosed some brochures you may find useful.

You are welcome to contact us at any time during the application process and we will endeavour to support you in any way we can by offering you our services, including contact with the Crown Responsible Gaming Psychologists.

Yours sincerely,

Leon Pillai
Responsible Gaming Operations Manager, Crown Melbourne
8 Whiteman St, Southbank - 3006

2.2

Appendix I (b)**Letter for Applicant Who has Completed Application Form**

Given and Surname
Address
VIC P/C

Dear Mr/Ms Surname,

Thank you for your Application for a Third Party Exclusion received on ***date***.

In order to progress your Application, it will be useful to speak with you to discuss the matters raised. Please contact me on tel. 03 – 9292 5362 during business hours. Do feel free to speak with one of our Responsible Gaming Advisors at any time. They are available on tel. 1800 801 098, 24 hours a day, seven days a week.

Crown Melbourne recognises that applying for a Third Party Exclusion is a serious undertaking. With this in mind, we will process your Application as quickly as possible. However, the process provides no guarantee that the person you are seeking to exclude will be excluded from Crown Melbourne.

We will give consideration to documented evidence, such as material relating to financial issues, difficulties at their place of work (including a threat to their employment or loss of job) or absence from significant family events as a result of time spent gambling. We are unable to give consideration to applications that cannot substantiate claims.

In accordance with the Privacy Act, now that you have submitted your application we are unable to discuss any further aspects of the application with you. This includes whether we have met with the relevant person and whether they have been excluded from the Casino as a result of your application. We may only disclose this information when the relevant person has given written consent.

You will, however, be notified that the Third Party Exclusion process has been completed.

We appreciate that changing another individual's gambling behaviour can be difficult, which can make a difference to their success and your ability to assist them throughout the process. We recommend you access professional support such as:

- Gambler's Help – 1800 858 858 or online at www.gamblershelp.com.au
- Gambler's Help Financial Counselling - 1800 858 858 or online at www.gamblershelp.com.au
- Your General Practitioner

If you have any questions, you may contact the Responsible Gaming Centre on 1800 801 098, which operates 24 hours a day, seven days a week.

Please find enclosed some brochures you may find useful.

You are welcome to contact us at any time during the application process and we will endeavour to support you in any way we can by offering you our services, including contact with the Crown Responsible Gaming Psychologists.

Yours sincerely,

Leon Pillai
Responsible Gaming Operations Manager, Crown Melbourne
8 Whiteman St, Southbank - 3006

2.2

Appendix I (c)**Letter for Applicant Who has Completed Application Form**

Given and Surname
Address
VIC P/C

Dear Mr/Ms Surname,

Thank you for your Application for a Third Party Exclusion received on ***date***.

We have given consideration to your application, and as indicated in previous correspondence, in accordance with the Privacy Act, we are unable to discuss any further aspects of the application with you. This includes whether we have met with the relevant person and whether they have been excluded from the Casino as a result of your application.

We do however, now notify you that the Third Party Exclusion process has been completed.

We appreciate that changing another individual's gambling behaviour can be difficult, which can make a difference to their success and your ability to assist them throughout the process. We recommend you access professional support such as:

- Gambler's Help – 1800 858 858 or online at www.gamblershelp.com.au
- Gambler's Help Financial Counselling - 1800 858 858 or online at www.gamblershelp.com.au
- Your General Practitioner

If you have any further questions or believe you have further documented evidence that was not included in your original application, you may contact the Responsible Gaming Centre on 1800 801 098, which operates 24 hours a day, seven days a week to discuss.

Please find enclosed some brochures you may find useful.

Yours sincerely,

Leon Pillai
Responsible Gaming Operations Manager, Crown Melbourne
8 Whiteman St, Southbank - 3006

2.2

Appendix ii

THIRD PARTY APPLICATION FORM

**2.2****Third Party Application for Customer Exclusion**

Applying for a Third Party Exclusion is a serious undertaking. Please provide as much detail and factual information to Crown Melbourne as possible.

A Statutory Declaration is attached and forms part of the Third Party Application for Customer Exclusion. The Statutory Declaration must be signed by you and witnessed by an authorised witness; a list of authorised witnesses is attached.

I _____

(Name of Applicant)

Of _____

(Address of Applicant)

(Contact details)

Request that Crown Melbourne Ltd consider excluding

(Name of Customer)

(Address of Customer)

(Contact details)

(Date of Birth)

(Relationship to Applicant)

I understand that this Third Party Application for Customer Exclusion does not place any obligation, duty or responsibility on any person. I release and indemnify Crown Melbourne against any claim, liability, loss, damages, costs, fines, penalties, causes of action and expenses including legal costs that Crown Melbourne may incur because of this Application.

Please either complete this form, or attach additional pages, to answer the questions on the pages that follow. This application must then be attached to the Statutory Declaration, which must be signed and witnessed by an authorised witness. Please note when the term 'the Customer' is used throughout this document it refers to the individual you are requesting to have excluded from the Casino.

1. Is the Customer aware that you are seeking to have them excluded from the Casino?

Yes No

2. Do you consent to Crown Melbourne advising the Customer that you have contacted us?

Yes No

3. In seeking to raise these concerns with the Customer, are we able to discuss with them the information that you have provided to us?

Yes No

4. Are you concerned about how the Customer may react if they learn about your application?

Yes No

If yes, please describe your concerns:

5. Are you concerned about your safety in regards to the Customer's current behaviour (for example, has their gambling caused changes in their behaviour, such as irritability, aggression etc.)?

Yes No

If yes, please describe your concerns:



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6. Are you concerned about **the Customer's** safety and/or welfare in regards to their current behaviour (for example, has their gambling caused depression, stress or anxiety, do they owe people money they cannot repay etc.)?

Yes No

If yes, please describe your concerns:

7. Does the Customer believe that he/she has problematic gambling behaviours?

Yes No Unsure

Please describe what you believe to be the customer's view of their own gambling:

8. Has the Customer ever been excluded (either voluntarily or involuntarily) from Crown Melbourne or any other Casino that you are aware of?

Yes No Unsure

If yes, please provide details of the exclusion that you are aware of, including which Casino, the period of the exclusion and the reasons for the exclusion:

2.2

2.2

9. Please provide some history and background information regarding the Customer's gambling (for example, when you believe their gambling problems began, what may have caused them to have problems with their gambling, how often do they gamble etc.):

10. How does the Customer's gambling affect you, your family or those close to you (consider financially, emotionally, socially, physically, medically)?

11. Do you believe the Customer's gambling is negatively impacting their life (again consider financially, emotionally, socially, physically, and medically)?

Yes No

If yes, please describe:

12. Is the Customer's gambling negatively impacting any other individuals (for example, children, friends, their employer, etc.)?

Yes No

If yes, please describe who it is impacting and how:

2.2

13. Has the Customer taken any steps that you are aware of to deal with his/her gambling behaviours in the past (for example, attempting to stop or reduce gambling, placing financial limits on credit cards, etc.)?

Yes No Unsure

Please provide details:

14. Have you taken any steps to reduce the negative effects of the Customer's gambling (for example, reducing their access to funds, etc.)?

Yes No

If yes, please describe:

15. Have you or the Customer sought or received any counselling or financial support in relation to gambling?

Yes No Unsure

If yes, please provide details (for example, number of sessions, any positive impacts of counselling):

2.2

16. How does the Customer afford his/her gambling? Please provide details such as employment, pensions, money borrowed to fund gambling, assets sold to fund gambling, etc.:

17. Are there other issues that the Customer is dealing with that may be affecting their gambling behaviour (for example, grief, loss of job, separation etc.)?

Yes No

If yes, please describe:

18. Please provide any further information you believe may be useful for Crown Melbourne to assess the extent to which the Customer’s gambling is a problem:

2.2

19. The following information can assist us in monitoring the Customer’s gambling, so please provide as much information as you can:

a) What days does the Customer frequent the casino? _____

b) What times does the Customer frequent the casino? _____

c) What games does the Customer play? _____

d) Where in the casino does the Customer normally play? _____

e) Does customer have a Crown Loyalty Program card? _____

**** Please also attach a recent photo of the Customer to this application. This will assist confirmation of the customer's identity.**

Signed this _____ day of _____ 20

Signature of Applicant

Print Name of Applicant

Checklist:

- Completed Application Form
- Photo of Customer
- Photo ID (Applicant)
- Completed and witnessed
- Statutory Declaration
- Other documentation

Important Note – Crown Melbourne should only be provided with documents you are legally entitled to access and that have not been obtained surreptitiously.

Privacy Collection Statement: Crown Melbourne collects your personal information for purposes directly related to our functions or activities, including providing responsible gaming services. If you do not provide this information, we may not be able to provide you with these services. Your personal information may be disclosed to related entities, other companies acting on Crown Melbourne's behalf and other casinos, which may include those located overseas. Please refer to Crown Melbourne's privacy policy at www.crownmelbourne.com.au for full details including how you may access your personal information and/or complain about a privacy breach, or contact Crown Melbourne at 8 Whiteman Street, Southbank VIC 3006, +61 3 9292 8888.

2.2

State of Victoria

Statutory Declaration

I, _____
 [full name]

of _____
 [address]

 [occupation]

do solemnly and sincerely declare that:-

2.2

I acknowledge that this declaration is true and correct, and I make it with the understanding and belief that a person who makes a false declaration is liable to the penalties of perjury.

Declared at _____

this _____ day of _____ 20 _____

.....
 Signature of person making this declaration
 [to be signed in front of an authorised witness]

Before me,

.....
 Signature of Authorised Witness

The authorised witness must print or stamp his or her name, address and title under section 107A of the *Evidence (Miscellaneous Provisions) Act 1958* (as of 1 January 2010), (previously *Evidence Act 1958*), (eg. Justice of the Peace, Pharmacist, Police Officer, Court Registrar, Bank Manager, Medical Practitioner, Dentist)

Authorised witnesses for statutory declarations *Oaths, Affidavits and Statutory Declarations Act 2005*

		[s 12(6)(a)]
Item	Formal description	Informal description
1.	A member of the academic staff of an institution established under any of the following Acts— <ul style="list-style-type: none"> • <i>Post-Secondary Education Act 1980</i> • <i>Victorian Post-Secondary Education Commission (VPSEC)</i> • <i>The Tertiary Education Act 1993</i> • <i>University of Melbourne Act 2009</i> • <i>Monash University Act 2009</i> • <i>Deakin University Act 2009</i> • <i>La Trobe University Act 2009</i> 	Academic (post-secondary institution)
2.	A member of any of the following bodies – <ul style="list-style-type: none"> <i>Association of Taxation and Management Accountants (ACN 002 876 208);</i> <i>CPA Australia (ACN 008 392 452);</i> <i>The Institute of Chartered Accountants in Australia (ARBN 084 642 571);</i> <i>National Institute of Accountants (ACN 004 130 643); National Tax & Accountants;</i> <i>Association Limited (ACN 057 551 854).</i> 	Accountant
3.	A person who is registered under the <i>Architects Act 2004</i> .	Architect
4.	An Australian Consular Officer within the meaning of the <i>Consular Fees Act 1955</i> of the Commonwealth.	Australian Consular Officer
5.	An Australian Diplomatic Officer within the meaning of the <i>Consular Fees Act 1955</i> of the Commonwealth.	Australian Diplomatic Officer
6.	A bailiff appointed under the <i>Civil Judgments Enforcement Act 2004</i> .	Bailiff
7.	A person appointed to be in charge of the head office or any branch office of an authorised deposit-taking institution carrying on business in the State under the <i>Banking Act 1959</i> of the Commonwealth.	Bank manager
8.	A member of Chartered Secretaries Australia Limited (ACN 008615950).	Chartered secretary
9.	A pharmaceutical chemist within the meaning of the <i>Pharmacy Act 1964</i> .	Chemist .
10.	A chiropractor within the meaning of the <i>Chiropractors Act 1964</i> .	Chiropractor
11.	A person registered as an auditor or a liquidator under the <i>Corporations Act 2001</i> of the Commonwealth.	Company auditor or liquidator
12.	A judge, master, magistrate, registrar or clerk, or the chief executive officer, of any court of the State or the Commonwealth.	Court officer
13.	A member of the Australian Defence Force who is – <ul style="list-style-type: none"> <i>an officer within the meaning of the Defence Force Discipline Act 1982 of the Commonwealth; .</i> <i>a non-commissioned officer within the meaning of that Act with 5 or more years of continuous service; or</i> <i>a warrant officer within the meaning of that Act.</i> 	Defence force officer
14.	A dentist within the meaning of the <i>Dental Act 1939</i> .	Dentist
15.	A medical practitioner within the meaning of the <i>Medical Act 1894</i> .	Doctor
16.	A member of the Institution of Engineers, Australia, other than at the grade of student.	Engineer
17.	The secretary of an organisation of employees or employers that is registered under one of the following Acts – <ul style="list-style-type: none"> <i>Industrial Relations Act 1979;</i> <i>Workplace Relations Act 1996 of the Commonwealth.</i> 	Industrial organisation secretary
18.	A member of the National Insurance Brokers Association of Australia (ACN 006 093 849).	Insurance broker
19.	A Justice of the Peace.	Justice of the Peace
20.	A legal practitioner within the meaning of the <i>Legal Practice Act 2003</i> .	Lawyer

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Item	Formal description	Informal description
21	The chief executive officer or deputy chief executive officer of a local government.	Local government CEO or deputy CEO
22.	A member of the council of a local government within the meaning of the <i>Local Government - Act 1995</i> .	Local government councillor
23.	A member of the Australasian Institute of Chartered Loss Adjusters (ACN 074 804167).	Loss adjuster
24.	An authorised celebrant within the meaning of the <i>Marriage Act 1961</i> of the Commonwealth	Marriage celebrant
25.	A member of either House of Parliament of the State or of the Commonwealth.	Member of Parliament
26.	A minister of religion registered under Part IV Division 1 of the <i>Marriage Act 1961</i> of the Commonwealth.	Minister of religion
27.	A nurse within the meaning of the <i>Nurses Act 1992</i> .	Nurse
28.	A registered optometrist within the meaning of the <i>Optometrists Act 1940</i> .	Optometrist
29.	A registered patent attorney under the <i>Patents Act 1990</i> of the Commonwealth.	Patent attorney
30.	A physiotherapist within the meaning of the <i>Physiotherapists Act 1950</i> .	Physiotherapist
31.	A podiatrist within the meaning of the <i>Podiatrists Registration Act 1984</i> .	Podiatrist
32.	A police officer.	Police officer
33.	The person in charge of an office established by, or conducted by an agent of, Australia Post within the meaning of the <i>Australian Postal Corporation Act 1989</i> of the Commonwealth.	Post office manager
34.	A registered psychologist within the meaning of the <i>Psychologists Registration Act 1976</i> .	Psychologist
35.	A public notary within the meaning of the <i>Public Notaries Act 1979</i> .	Public notary
36.	An officer of the Commonwealth public service.	Public servant (Commonwealth)
37.	A person who is employed under the <i>Public Sector Management Act 1994</i> Part 3.	Public servant (State)
38.	The holder of a licence under the <i>Real Estate and Business Agents Act 1978</i> .	Real estate agent
39.	The holder of a licence under the <i>Settlement Agents Act 1981</i> .	Settlement agent
40.	The Sheriff of Western Australia and any deputy sheriff appointed by the Sheriff of Western Australia.	Sheriff or deputy sheriff
41.	A licensed surveyor within the meaning of the <i>Licensed Surveyors Act 1909</i> .	Surveyor
42.	A person employed as a member of the teaching staff within the meaning of the <i>School Education Act 1999</i> or as a teacher of a non-government school within the meaning of that Act.	Teacher
43.	A member, registrar or clerk, or the chief executive officer, of any tribunal of the State or the Commonwealth.	Tribunal officer
44.	A registered veterinary surgeon within the meaning of the <i>Veterinary Surgeons Act 1960</i> .	Veterinary surgeon

2.2

Appendix iii

Third Party Exclusion Committee Members

Responsible Gaming Department

Responsible Gaming Psychologist
Responsible Gaming Operations Manager
Group General Manager Responsible Gaming

Regulatory and Compliance Department

Group General Manager Regulatory & Compliance
Manager – Compliance Reporting

Legal Department

Senior Legal Counsel
Legal Counsel

2.2

Confidential Draft

Appendix iv

Relevant information/documentation to be provided by Applicant:

Subjective:

Discussions with RGD personnel
Personal experiences
Relationship with the relevant person

Objective:

Photo ID
Work history
Financial statements
Completed Application Form
Statutory Declaration
Evidence of any sessions with Gamblers Help/ Financial Counsellors
Statements from Gambler's Help/Financial Counsellors
Evidence of having taken out Self Exclusion elsewhere
Evidence of accessing a Recovery Assistance Program
Other documentation considered relevant by the Applicant

2.2

Important Note – Crown Melbourne should only be provided with documents the Applicant is legally entitled to access and that have not been obtained surreptitiously.

Appendix v

Withdrawal of Licence - Welfare

Withdrawal of Licence (WOL)

Withdrawal of Licence (WOL) is the Common Law right of an owner and occupier of land to restrict a person from entering or remaining on his/her property.

This process may also be considered if there is a safety concern for a Third Party Exclusion (TPE) Applicant and allows family or other significant stakeholders to initiate a 'watch' situation by the Responsible Gaming Advisor (RGA).

The third party will be offered support by the Responsible Gambling Department (RGD), including a conversation with the Responsible Gaming Psychologist (RGP).

A WOL - Welfare may be implemented as follows:

1. The Third Party (**Applicant**) has a conversation with a member of the RG team, discussing their relationship with the individual and their safety concerns.
2. The Customer (**Customer**) needs to be clearly identified by the Applicant, including date of birth and any other relevant information that would allow the RGA to establish their identity.
3. The RGA does a thorough search of the Customer's history with Crown Melbourne (**Crown**), including all recorded information available on them, to establish if the Customer is found to have a history with Crown indicating historical issues regarding welfare
4. The RGA will approach the Customer as part of a welfare check, where a conversation regarding their gambling behaviour is initiated.
5. If the Customer has a history of recorded behavioural indicators of problem gambling, a WOL - Welfare will be considered.

If the Customer does not have such a history, they will be watched discreetly by the RGA when on the premises. A decision on whether to issue a WOL - Welfare will be made based on all the available material.

Note: A WOL - Welfare covers the whole of the Crown Melbourne Complex. TPE only covers the casino gaming floor.



Contact: Barry Felstead / Joshua Preston
 Direct Line: [REDACTED]
 E-mail: [REDACTED]
 Document No: COMPLIANCE_488727.6

29 June 2019

Ms Catherine Myers
 Chief Executive Officer
 Victorian Commission for Gambling and Liquor Regulation
 Level 3, 12 Shelley Street
 RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 13

I refer to Recommendation 13 of the Sixth Review, which provides:

The VCGLR recommends that, as part of developing a new responsible gambling strategy, by 1 July 2019, Crown Melbourne rebrand or refresh its responsible gambling messaging and publish new responsible gambling messages throughout the casino, in all Crown Melbourne publications, including online and social media platforms.

As part of the extensive and comprehensive processes undertaken in developing its Responsible Gaming Strategic Plan (refer Recommendation 14), Crown Melbourne (**Crown**) assessed and reviewed its responsible gaming logo and tagline and it has been determined that a new brand will be adopted at Crown.

The new design and tagline took into account a number of elements from the Responsible Gaming Strategic Plan, including:

- Play/pause button circles
 - A universal symbol, easily recognised and representing the operationalisation of playing and pausing for breaks and the opportunity to reflect on gambling behaviours;
 - The circles echo the previous logo to maintain some continuity and logo recognition, leveraging this brand equity; and
 - The colour element will assist with the visibility of the logo when applied on applicable backgrounds.

➤ Tagline

- The tagline 'Awareness Assistance Support' represents the Responsible Gaming Department operating model three pillars as highlighted in the Responsible Gaming Strategic Plan; and
- The intention is a simplified message about the responsible gaming programs and services available at Crown. This is analogous to the Gambling Harm Awareness Week messaging 'Talk Share Support'.

In this respect, below is the current logo and tagline together with the new logo and tagline for responsible gaming at Crown:

Original Logo and Tagline



New Logo and Tagline



As outlined in the Responsible Gaming Strategic Plan, which has now been approved by the Crown Resorts Responsible Gaming Board Committee, the rollout of the new responsible gaming brand forms part of actions listed for Strategic Priority 1: 'Enhance our existing externally-facing services, initiatives and communications'. These actions include:

- collating an inventory of existing responsible gaming and casino related brochures, and other marketing collateral which include a responsible gaming logo and messaging. This ensures that collateral requiring reprinting when inventory levels are low, are reprinted with the new branding; and
- replacing current digital logos and messaging in use across all of Crown's digital assets including the Crown website and the Crown App.

With the approval of the new branding by the Committee, this work will now commence as detailed in the Strategic Plan.

To allow for sufficient time to update the new logo and message in the many locations at Crown, both physically and in various documentation, Crown will operate both responsible gaming messages for a period of time. This will be reflected in the updated Responsible Gambling Code of Conduct, which will also require amendment to accommodate the change.

Please do not hesitate to contact me or Joshua Preston if you have any queries.

Yours sincerely



Barry Felstead
Chief Executive Officer – Australian Resorts



Contact: Barry Felstead / Joshua Preston
 Direct Line: [REDACTED]
 E-mail: [REDACTED]
 Document No: COMPLIANCE_488724.5

29 June 2019

Ms Catherine Myers
 Chief Executive Officer
 Victorian Commission for Gambling and Liquor Regulation
 49 Elizabeth Street
 RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 14

I refer to Recommendation 14 of the Sixth Review and our response dated 2 July 2018. Recommendation 14 provides:

"The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a responsible gambling strategy focusing on the minimisation of gambling related harm to persons attending the casino. The strategy should address:

- (a) *early proactive intervention initiatives*
- (b) *player data analytics*
- (c) *proactive engagement with pre-commitment*
- (d) *intervening with local players with continuous play based on shorter timeframes which are more reflective of responsible gambling*
- (e) *the role of all staff in minimising harm*
- (f) *the effective use and monitoring of exclusion orders*
- (g) *internal reporting arrangements*
- (h) *integrating responsible gambling into proposals for trialing or introduction of new products and equipment*
- (i) *performance measures to assess the performance of the RGLOs, RGSC and casino staff in relation to harm minimisation*
- (j) *the roles of the Crown Resorts Responsible Gambling Committee and the Responsible Gambling Management Committee in driving harm prevention strategies based on world's best practice*

- (k) *the objectives of the RGSC in relation to minimising harm to patrons, and*
- (l) *the responsible service of gambling as a fundamental core business consideration when making strategic decisions regarding casino operations.*

Over the past several months, Crown Melbourne's (**Crown**) Responsible Gaming team has undertaken a broad research and industry analysis to assess its programs and processes. This research and analysis provided a strong foundation on which to develop the Responsible Gaming Strategic Plan.

The Strategic Plan was developed with a wide-ranging current state analysis as the foundation for setting the direction. Multiple lenses of analysis were provided by internal workshops, operating data analysis, external best-practice and expert advisor input on a range of concepts, helping to frame the current challenges and identify the most relevant strategic priorities. Action and execution planning was developed by the Responsible Gaming Team and refined by senior management. Across all phases of the strategy development, the recommendations of the Sixth Review have been considered and incorporated in alignment with Crown's stated position and response.

The Strategic Plan has been approved by the Crown Resorts Responsible Gaming Board Committee, and is attached as **Appendix A**.

The Strategic Plan incorporates and references the responsible gambling recommendations raised by the Sixth Review, and addresses the points listed at (a) to (l) of the Recommendation as either initiatives or actions. However, in considering point (j), we note the following:

- The Crown Resorts Responsible Gaming Board Committee's Charter currently articulates the role of this Committee in driving harm minimisation.
- As detailed in the Strategic Plan, this Committee is responsible for overseeing the execution of strategies and monitoring the progress of initiatives against key outcomes for each strategic priority.
- A strategic priority in the Strategic Plan is currently listed as 'Maintain and continue to enhance our culture of governance and proactive management' and as the Strategic Plan is implemented, the role of this Committee will continue to be reviewed, with the Charter updated as required accordingly.
- The role of the Responsible Gambling Management Committee will be reviewed and considered as part of the implementation of Recommendation 16, which recommends the development of a charter for this Committee. This is included as an action in the Strategic Plan and will include a reference to harm minimisation.
- The relationship between these two committees, and other committees, is presented in the Strategic Plan.

Crown is strongly of the view that the completion of the key priorities referenced in the Strategic Plan will enhance our existing responsible gaming framework.

Please do not hesitate to contact me, or in my absence Joshua Preston, if you require any further information with respect to the above.

Yours sincerely



Barry Felstead
Chief Executive Officer – Australian Resorts

Encl

2.2



CROWN MELBOURNE
RESPONSIBLE GAMING STRATEGIC
PLAN 2018 2020



AWARENESS.ASSISTANCE.SUPPORT

Gambler's/Gambling Help 1800 858 858
Responsible/Gaming Centre 1800 801 098



Responsible Gaming

Strategic Plan 2018 – 2020

The practice of the Responsible Service of Gaming at Crown Melbourne Limited (**Crown**) has been in place since the opening of the casino in 1994. It is an integral part of our casino operations, and a core part of maintaining our social licence to operate in Victoria.

Crown established itself as a strong early leader with the conceptualisation and implementation of its Responsible Gaming Centre (**RGC**) in 2002 and the voluntary introduction of a pre-commitment scheme in 2003. Since then, Crown's Responsible Gaming Framework has continued to build and strengthen Crown's commitment to harm minimisation through practice and technology, community engagement and employee education.

Crown's commitment is to the continual improvement of its responsible gaming practices and will continue to evolve its thinking and practices, continually basing its decisions on a sound foundation of evidence and global best-practice. This strategy sets out Crown's Vision to meet this commitment for the coming years.

1.0 Vision

Crown Resorts will be an industry leader in delivering the gaming experience in a responsible environment.

2.0 Current State

2.1 Overview of the Team

The Responsible Gaming Department's focus is on providing services and programs to individuals who may experience gambling harm. The Responsible Gaming Department works closely with other Crown departments, organisations and stakeholders across Victoria, to provide free and confidential services.

The Responsible Gaming Department at Crown is an integral component of customer, business and governance areas of the business.

Responsible Gaming Governance Structure



Responsible Gaming Team Structure



2.2

Led by the Group General Manager Responsible Gaming, the multidisciplinary responsible gaming team applies the Responsible Gaming Framework in a range of different ways:

- **Responsible Gaming Psychologists:** applying a clinical perspective, employee training, customer facing assistance, support, counselling and referral and responsible gaming employee supervision and support.
- **Responsible Gaming Advisors:** responsible for customer-facing assistance, support and referral, employee information and record keeping.
- **Chaplaincy Support Service:** provision of support, assistance, referral and counselling for customers and employees as part of the Employee Assistance Program.

Members of the team and governance committees have important external linkages to a range of stakeholders including:

- Victorian Responsible Gambling Foundation;
- Victorian Commission for Gambling and Liquor Regulation;
- Victorian Department of Justice and Community Safety;
- Australasian Gaming Council;
- National Association for Gambling Studies;
- Responsible Gambling Ministerial Advisory Council and Working Groups; and
- Support Services/Counselling Providers such as Gambler's Help and Peer Connection Programs.

As needed, Crown will seek advices from relevant experts to support strategic decision making with respect to the responsible service of gaming.

The Responsible Gaming Department operating model is based on the following three pillars:

**2.2**

2.2 Current Performance

The below charts illustrate some of the key data areas in relation to self exclusion and RGC contacts in the past five calendar years. This information was included in the Sixth Review of the Casino Operator and Licence (s 25 Review), and all data for the 2018 calendar years has been derived using the same inputs as used for the data for the s 25 Review.

2.2

CHART 2.2.1 Self Exclusions (note that Breach Detection uses the RH scale)

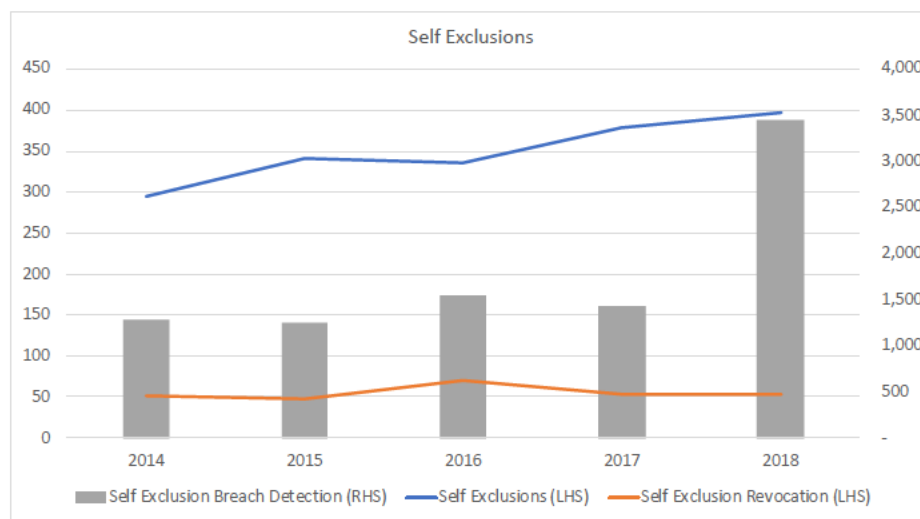


CHART 2.2.2 RGC Contacts (note that Total uses RH scale)

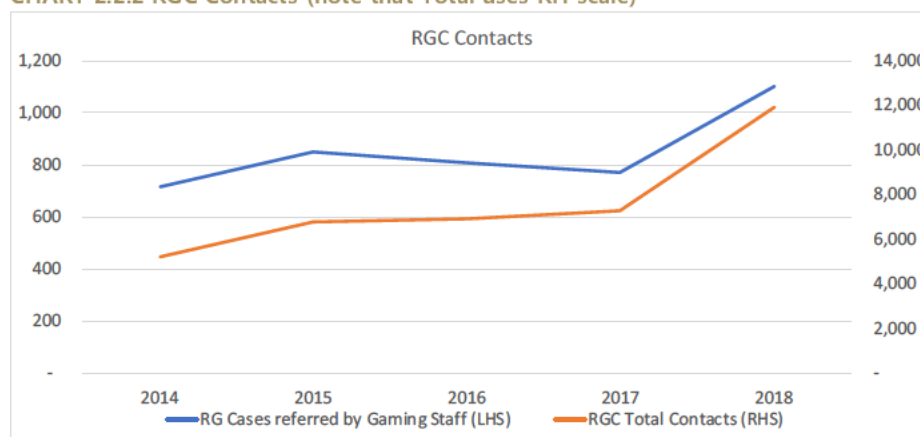


CHART 2.2.3 Weekly Average of RG Signs

2.2

The upward trends seen across all metrics in recent years can be attributed to the combined impact of a range of initiatives, including Facial Recognition Technology, more reliable Play Period monitoring and ongoing engagement and training of floor staff to encourage reporting of behaviours.

2.3 External Context

In the global land based casino industry, the concept of a Responsible Gaming Framework to deliver gaming product with a view to harm minimisation has been developing in two main areas – technology and data, and formalised programs.

Technology and Data

The most recent harm minimisation measures to gather more interest from operators and researchers are in technology. These include Facial Recognition Technology – to detect a self excluded person; and time and/or predictive modelling, where loyalty program data is used to monitor time on product and via predetermined inputs, predictive modelling to ascertain potential problematic gambling behaviours.

In terms of player analytics where time and/or predictive modelling in overseas land based jurisdictions are employed, the following is evident:

Jurisdiction	Time (not observable only)	Predictive modelling analytics
UK	Evident in some casinos	Currently being trialled in some casinos
Scandinavia	Visit frequency and time	Not in place
Central Europe (i.e. Holland, Switzerland, Austria)	Visit frequency and time	Not in place
Macau	Not in place	Not in place
Singapore	Visit frequency	Not in place
Canada	Evident in some casinos	Not in place
New Zealand - Auckland and Christchurch	In place	In place

The above table is reflective of the challenges involved with the effective and reliable use of player data analytics. Accordingly, external advices will be sought and relied upon throughout Crown's assessment of player data analytic options (for both carded and uncarded).

Formalised Programs

In South East Asia, Macau operators are investing more heavily in responsible gaming measures, with operators including responsible gaming as part of its Corporate Social Responsibility structures, and operationally, reviewing Facial Recognition Technology. Singaporean operators must observe strict laws in terms of entry, exclusion and interaction with relevant government bodies.

A review has established that there are no RGCs, or equivalents, in Europe or South East Asia.

In Canada and the USA, a number of jurisdictions over the years have introduced a model not dissimilar to the Crown context, in that a focal point for delivering responsible gaming services and programs is delivered by specially trained staff, supported by employee training and links to support services. An example of this is 'GameSense', which is a program developed by the British Columbia Lottery Corporation and usually takes the form of information pods, staffed by government employees who can provide game information, assistance, support and referral and deliver the self exclusion program. This concept was recently adopted by MGM in the USA. In Ontario, Canada, the Responsible Gambling Council has established RGCs in casinos, offering some of the same services as is offered by those at Crown Resorts.

The larger New Zealand based casinos, SkyCity Auckland and Christchurch casinos include as part of their responsible gaming framework specially trained and dedicated staff, similar to the role of a Responsible Gaming Advisor.

In Australia, both Crown Melbourne and Crown Perth have had for many years a framework of self exclusion programs, dedicated staff, 24/7 operation to assist customers and a dedicated RGC. Other Australian casinos are not as developed as Crown's, with The Star in Sydney only recently introducing a dedicated Responsible Gaming Resource Centre, however this is not staffed 24/7.

The Australian Landscape – Technology, Data and Formalised Programs

The table below summarises the prevalence of some key harm minimisation measures across Australian casinos.

Casino	Self Exclusion	RGC	Dedicated Staff	Third Party Exclusion	Facial Recognition Technology	Time (not observable only)	Predictive Modelling Analytics
Crown Melbourne	Yes	Yes	Yes (including Psychologists)	By July 2019	Yes	Yes	Trialling
Crown Perth	Yes	Yes	Yes	Yes	Currently Trialling	Yes	No
The Star Sydney	Yes	Yes (not 24/7)	Not 24/7	Yes	Yes, recently installed	Yes	No
The Star Qld	Yes	No	Not 24/7	Yes	No	Yes	No
SkyCity Adelaide	Yes	No	Yes	Yes		Yes	No
Federal Group Tasmania	Yes	No	Not 24/7	Yes	No	Yes	No
NT	Yes	No	No	Yes		Yes	No
ACT	Yes	No	No	No	No	Unsure	Unsure
KEY	Fully implemented	Partial implementation or trialling	Not implemented				

Key Principles in Delivering Responsible Gaming Services

Crown's Responsible Gaming Framework balances responsible practices, harm minimisation, regulatory and policy requirements along with an internal perspective based on regular review and incorporation of relevant global benchmarks.

Two key benchmarks that have helped to inform the key principles of our framework are the Canada-based Responsible Gambling Council (**Council**)'s 'RG Check' accreditation framework, and

the 'Reno Model'.¹ The Reno Model is a position paper, developed in 2004 by Alex Blaszczynski, Robert Ladouceur and Howard J. Shaffer, for key stakeholders, which presents some guiding principles for a number of stakeholders, including operators, to action in order to limit gambling related harm.

The relevant areas of each model are shown in the diagram below.



2.2

¹ 'A Science-Based Framework for Responsible Gambling: The Reno Model' Alex Blaszczynski, Robert Ladouceur, Howard J. Shaffer; *Journal of Gambling Studies*, Vol. 20, No. 3, Fall 2004

2.4 SWOT Analysis

The SWOT analysis below was developed by consolidating a wide range of inputs, including:

- The findings and recommendations of the s25 Review;
- Internal workshops and executive review; and
- Consultation with external advisors.

Strengths	Weaknesses
<ul style="list-style-type: none"> ➤ Longstanding, robust responsible gaming framework with developments throughout Crown's history ➤ Recognition in the s25 Review in relation to progress made since the last Review, focus on increasing flexibility (time out, remote self exclusion, joint self exclusion) ➤ Acknowledgement in the s25 Review of the work of the RGC; the VIP/RG meetings; Code of Conduct compliance ➤ Crown Resorts Responsible Gaming Committee ➤ RGC and the services and programs, and as the focal point for responsible gaming ➤ The referral model ➤ Core and stable multi-disciplinary team ➤ Employee training and information programs in relation to responsible gaming ➤ Crown's long-standing commitment to responsible gaming, including from Board down to senior management representation on the Executive and Business Operational teams – part of the operational and strategic DNA ➤ RG is well entrenched within the structure 	<ul style="list-style-type: none"> ➤ s25 Review noting an observation of operational shortfalls in areas including: <ul style="list-style-type: none"> ▪ Resourcing and data analysis ▪ Not enough responsible gaming program and service evaluation ▪ Non-participation in research ▪ Lack of clearly articulated strategy ▪ Cross property policy weaknesses ▪ No external review of responsible gaming ▪ Customer awareness of responsible gaming programs and services ▪ Perceived lack of recent proactivity in objectively evaluating the responsible gaming framework – there are strong elements, but there is also a range of enhancements that are yet to be engaged with

2.2

Opportunities	Threats
<ul style="list-style-type: none"> ➤ External advisors to guide innovation and evolution of the responsible gaming framework ➤ Properly defined responsible gaming strategy ➤ Leveraging existing and evolving technology and greater use of dedicated Crown IT team ➤ Technology benefits ➤ Responsible gaming data collection, analysis and reporting ➤ Responsible gaming's relationship with broader governance frameworks being implemented in Crown Melbourne 	<ul style="list-style-type: none"> ➤ Changes in community behaviour and preferences ➤ Failure to properly implement Strategic Plan ➤ Changes in regulatory and governance expectations and policy framework ➤ Adequacy of resourcing to support an enhanced framework ➤ Loss of key experienced staff

2.2

2.5 Summary of Key Enhancement Opportunities

After considering the SWOT analysis, it is clear that there are several core opportunities for improvement and enhancement that our Strategy must address:

- Externally, working with increasing expectations from the community, regulator and government in terms of our role in Responsible Gaming.
- Internally, continuing to embed awareness and operational inclusion of our Responsible Gaming Framework with staff across Crown Melbourne, both operationally and strategically through management and governance frameworks.
- Continuing to objectively and proactively evaluate our Framework with a view to ongoing improvement, with innovation informed by a strong evidence base.
- Working within and through our existing technology limitations to better leverage existing data and create new insights through different analytical models.

3 Our Strategic Priorities

Based on our key enhancement opportunities, we have identified four strategic priorities which will guide our activity and focus over the next three years:

- 1 Enhance our existing externally-facing services, initiatives and communications through benchmarking against best practice;
- 2 Continue to build and sustain cultural awareness and internal capability for Responsible Gaming;
- 3 Create a relevant, accurate, embedded and effective information ecosystem that supports our overall objectives; and
- 4 Maintain and continue to enhance our culture of governance and proactive management.

It is important to note that the s 25 Review recommendations are addressed through these four priorities – for a more detailed mapping refer to Section 5.

2.2

4 Executing Against our Strategic Priorities

This section outlines the key initiatives that have either already been progressed or will be undertaken to address each of our strategic priorities. *For more detailed action plans, please refer to Appendix A.*

Priority 1: Enhance existing externally-facing services, initiatives and communications through benchmarking against best practice

Desired Outcome

Our Responsible Gaming (RG) Framework to be consistently seen as a leader in delivery of RG services and programs that are effective and well-communicated to their target audiences.

Key Initiatives

- 1.1 Conduct a detailed benchmarking review of key local, national and international RG programs and services.
- 1.2 Design and implement an evaluation and monitoring program of Crown's RG services and programs.
- 1.3 Rebrand or refresh logo/look and feel of RG brand.
- 1.4 Review and update responsible gaming customer communications.
- 1.5 Promote the availability of the Play Safe Program and the Your Play Scheme.
- 1.6 Monitor and consider the developments of technology based harm minimisation resources.

Priority 2: Continue to build and sustain cultural awareness and internal capability for Responsible Gaming

Desired Outcome

A culture where RG is fully embedded into culture, process, strategic and operational decisions, thereby maintaining our social licence to operate in a responsible manner.

Key Initiatives

- 2.1 Appropriately resource the RG team by increasing FTEs and review the RG department Position Descriptions and Performance Evaluation Plans.
- 2.2 Continuing to support the resources and team and recognise their specialist and critical role in the organisation through support, development, training and succession opportunities.
- 2.3 Strong and robust training programs – including collaboration with external advisors.
- 2.4 Develop annual internal communications strategy to embed into the operational dynamic, including calendar of initiatives and leader-led change.

2.2

Priority 3: Create a relevant, accurate, embedded and effective information ecosystem that supports our overall objectives

Desired Outcome

There are two key elements to our desired outcome. Firstly, data analytics that are working effectively and aligned to our overall objectives in terms of relevance, accuracy and integration into our forward thinking. Second, our internal reporting data is robust, well understood, accurately recorded and intelligently applied.

Key Initiatives

- 3.1 The Crown Model for historical and real-time analysis.
- 3.2 Design, test, implement and evaluate the Play Period reporting.
- 3.3 Scope current availability of commercially available products and conduct a literature review on the efficacy of Play Period Data Analytics for un-carded play.
- 3.4 Develop reports and dashboards to inform the RG department for operational analysis and to update the Crown Resorts Responsible Gaming Board Committee.

Priority 4: Maintain and continue to enhance our culture of governance and proactive management

Desired Outcome

RG's place at the core of structure, process, strategy and values across the Group (and in particular in Melbourne) is maintained and enhanced.

Key Initiatives

- 4.1 Review of information into the Crown Resorts Responsible Gaming Board Committee.
- 4.2 Review of structure to ensure RG remains front of mind and embedded in Crown's culture.
- 4.3 Continual application of governance related frameworks to responsible gaming such as compliance and risk.

Managing and reporting on progress

The Crown Resorts Limited Responsible Gaming Committee will be responsible for overseeing the execution of the strategy and monitoring progress of the initiatives against key outcomes for each priority.

Throughout the execution of the Strategy, external advices from relevant experts will be sought where necessary to ensure the priorities, outcomes and initiatives remain relevant.

The Strategy execution progress and outcomes will be a standing agenda item for all meetings of the Committee, with formal reporting provided by the Group General Manager Responsible Gaming.

2.2

5 Addressing the s25 Review – Initiatives to Recommendations Matrix

The table below shows how each of the initiatives is aligned to the specific recommendations of the s25 Review.

		s25 Review Recommendations by Number										
		6	7	8	9	10	11	13	14	15	16	
		Review allocation of staffing	Observable signs - data analytics	Data analytics tools incorporating historical and real time data	Independent assessment of real-time tool	Review of voluntary exclusion policy	Involuntary exclusion policy	Brand refresh	Responsible Gambling strategy	Regular reporting on strategy	Responsible Gambling Committee Charter	
Strategic Priority	Initiatives											
1. Enhance our existing externally facing services, initiatives and communications	1.1 Conduct a benchmarking review of key local, national and international RG programs and services											
	1.2 Design and implement an evaluation and monitoring program of Crown's RG services and programs											
	1.3 Rebrand or refresh logo/look and feel of RSG brand											
	1.4 Review and update responsible gambling customer communications											
	1.5 Promote the availability of the Play Safe Program and Your Play Scheme											
	1.6 Monitor and consider the developments of technology based harm minimisation resources											
2. Continue to build and sustain cultural awareness and internal capability for Responsible Gambling	2.1 Appropriately resource the RG team by increasing FTEs and review the RG department PDs and PEPs											
	2.2 Continuing to support the resources and team and recognise their specialist and critical role in the organisation through support, development, training and succession opportunities											
	2.3 Strong and robust training programs –including review by external advisors											
	2.4 Develop annual internal communications strategy to embed into the operational dynamic, including calendar of initiatives and leader-led change											
3. Create a relevant, accurate, embedded and effective information ecosystem that supports our overall objectives	3.1 Crown model for historical and real-time analysis											
	3.2 Design, test, implement and evaluate the Play Period reporting											
	3.3 Scope current availability of commercially available product and conduct a literature review on the efficacy of Play Period Data Analytics for uncarded play											
	3.4 Develop reports and dashboards to inform the Responsible Gambling Department for operational analysis and to update the Crown Resorts Responsible Gaming Board Committee											
4. Maintain and continue to enhance our culture of governance and proactive management	4.1 Review of information into the Crown Board											
	4.2 Review of structure to ensure responsible gambling remains front of mind and embedded in Crown's culture											
	4.3 Continual application of governance related frameworks to responsible gambling such as compliance and risk											





APPENDIX A

Priority 1: Enhance our existing externally-facing services, initiatives and communications

Desired Outcome

For our RG Framework to be consistently seen as a leader in delivery of RG services and programs that are effective and well-communicated to their target audiences.

Key Initiatives

- 1.1 Conduct a benchmarking review of key local, national and international RG programs and services.
- 1.2 Design and implement an evaluation and monitoring program of Crown's RG services and programs.
- 1.3 Rebrand or refresh logo/look and feel of RG brand.
- 1.4 Review and update responsible gaming customer communications.
- 1.5 Promote the availability of the Play Safe Program and the Your Play Scheme.
- 1.6 Monitor and consider the developments of technology based harm minimisation resources.

DETAILED ACTIONS

Priority	Initiative	Action	Owner	Timing
1	1.1	1.1.1 Identify relevant Australasian casinos to benchmark RG services and commence work	SB	Q1F19
		1.1.2 Finalise report	MO	Q4F19
		1.1.3 Identify relevant international casinos to benchmark and commence work	SB	Q4F19
		1.1.4 Finalise report	MO	Q4F19
		1.1.5 Analyse benchmarking reports for services and programs that may suit the Crown environment to improve harm minimisation practices – including self exclusion and third party exclusion programs	CMRG and CPRG	Q1F20
	1.2	1.2.1 Commence work on RG program and service framework mapping (current)	TO	Q2F19

Priority	Initiative	Action	Owner	Timing
		1.2.2 Engage with and seek input from VCGLR, VRGF, independent experts and other stakeholders into program changes	SB	Q2 F19 to Q4F19
		1.2.3 Based on findings of the benchmarking report analysis, add relevant service and program updates to the framework	CMRG and CPRG	Q2F20
		1.2.4 Develop monitoring and evaluation framework	TO and MO	Q4F19
		1.2.5 Finalise the combined framework for implementation	CMRG	Q1F20
		1.2.6 Implement updated framework	CMRG and CPRG	Q1F20
	1.3	1.3.1 Collating an inventory of existing responsible gaming and casino related brochures, and other marketing collateral which include a responsible gaming logo and messaging	CM and CP and marketing	Q3F19
		1.3.2 Settle logo and style guide	CM and CP and marketing	Q3F19
		1.3.3 Commence use of new logo and style guide for responsible gaming materials and brochures, the Crown website, the Crown App; when inventory levels are low for other brochures containing the logo, replace with the new branding	CM and marketing	Q1F20
	1.4	1.4.1 Compile a listing of all customer information materials, including responsible gaming/gambling terminology (inclusive of staff titles and centre nomenclature). Review and update customer information – review content after framework implemented	CMRG	Q1F19
		1.4.2 Soft launch staff title and RGC name update	CMRG	Q4F19
		1.4.3 Review and update collateral to incorporate new RG logo and program changes- liaise with Studio/Marketing; print new collateral as inventory runs low; monitor progress of replacement of collateral	CMRG and Marketing	Q4F19

2.2

Priority	Initiative	Action	Owner	Timing
		1.4.5 Launch new look and feel and customer content	CMRG and Marketing	Q1F20
		1.4.6 Evaluation	CMRG and Marketing	Q2F21
	1.5	1.5.1 Review existing promotion of Play Safe Program and Your Play Scheme availability and implement updates	CMRG	Q1F19
		1.5.2 Review program/scheme promotion in line with Research report	CMRG	Q1F20
		1.5.3 Implement relevant updates	CMRG	Q1F20
		1.5.4 Evaluation	CMRG	Q1F21
	1.6	1.6.1 Refer to Strategic Priority 3		

2.2

Priority 2: Continue to build and sustain cultural awareness and internal capability for Responsible Gaming

Desired Outcome

A culture where RG is fully embedded into culture, process, strategic and operational decisions, thereby maintaining our social licence to operate in a responsible manner.

Key Initiatives

- 2.1 Appropriately resource the RG team by increasing FTEs and review the RG department Position Descriptions (**PDs**) and Performance Evaluation Plans (**PEPs**).
- 2.2 Continuing to support the resources and team and recognise their specialist and critical role in the organisation through support, development, training and succession opportunities.
- 2.3 Strong and robust training programs – including review by external advisors.
- 2.4 Develop annual internal communications strategy to embed into the operational dynamic, including calendar of initiatives and leader-led change.

DETAILED ACTIONS

Priority	Initiative	Action	Owner	Timing
2	2.1	2.1.1 Resource increase commenced May 2018, finalise additional resources	CMRG and HR	Q2F19
		2.1.2 Review and implement updated PDs and PEPs	CMRG and HR	Q4F19
		2.1.4 Establish a gaming staff PD and PEP update in relation to harm minimisation working group (RG and HR)	SB, SM and HR	Q3F19
		2.1.5 Finalise and implement updates to gaming staff PDs and PEPs	SB, SM and HR	Q4F19
	2.2	2.2.1 Establish an RG employee training working group	CMRG and Crown College	Q1F20

Priority	Initiative	Action	Owner	Timing
		2.2.2 Develop a training gap analysis	CMRG and Crown College	Q1F20
		2.2.3 Identify a training plan	CMRG and Crown College	Q1F20
		2.2.4 Develop training sessions including internal and external advices	CMRG and Crown College	Q2F20
		2.2.5 Commence sessions	CMRG and Crown College	Q3F20
	2.3	2.3.1 Commence review of RG training and information sessions	CMRG and CC	Q4F19
		2.3.2 Commence review of VCGLR approved RSG training with VCGLR and VRGF	CMRG	Q4F19
		2.3.3 Update and implement interim training and information session material following new look and feel update	CMRG	Q1F20
		2.3.4 Instigate review by External Advisors	CMRG	Q1F20
		2.3.4 Update training and information session material following finalisation of VCGLR approved RSG training	CMRG and CC	Q2F20
		2.3.5 Build and test VCGLR approved RSG training	CMRG and CC	Q2F20
		2.3.6 Implement VCGLR approved RSG training	CMRG and CC	Q3F20
		2.3.7 Evaluation of all updated materials	CMRG and CC	Q3F21
	2.4	2.4.1 Establish an RG employee communications working group to establish effective comms methods using various comms channels	CMRG and Emp Comms	Q4F19
		2.4.2 Set employee comms strategy	CMRG and Emp Comms	Q1F20
		2.4.2 Develop and implement relevant comms and set frequency	CMRG	Q1F20
		2.4.3 Evaluate updated comms	CMRG	Q1F21

2.2

Priority 3: Create a relevant, accurate, embedded and effective information ecosystem that supports our overall objectives

Desired Outcome

There are two key elements to our desired outcome. Firstly, data analytics that are working effectively and aligned to our overall objectives in terms of relevance, accuracy and integration into our forward thinking. Second, our internal reporting data is robust, well understood, accurately recorded and intelligently applied.

Key Initiatives

- 3.1 Crown Model for historical and real-time analysis.
- 3.2 Design, test, implement and evaluate the Play Period reporting.
- 3.3 Scope current availability of commercially available product and conduct a literature review on the efficacy of Play Period Data Analytics for un-carded play.
- 3.4 Develop reports and dashboards to inform the Responsible Gaming Department for operational analysis and to update the Crown Resorts Responsible Gaming Board Committee.

DETAILED ACTIONS

Priority	Initiative	Action	Owner	Timing
3	3.1	3.1.1 Commence trial of the Crown Model	SB LP KH	Q4F18
		3.1.2 Prepare six month review	SB LP KH	Q3F19
		3.1.3 Conclude 12 month trial and seek external advice as to operation and methodology	SB LP KH	Q1F20
		3.1.4 Prepare 12 month review along with external recommendation	SB KH	Q1F20
		3.1.5 Senior Management (and Board Committee) to review ongoing efficacy	CR CM	Q2F20

Priority	Initiative	Action	Owner	Timing
	3.2	3.2.1 Establish a Play Periods – carded specifications working group	SB	Q1F19
		3.2.2 Review current data sources and establish parameters	CMRG	Q1F19
		3.2.3 Commence work with IT and RG working groups	IT and CMRG	Q1F19
		3.2.4 Commence operational trial	IT and CMRG	Q1F19
		3.2.5 Socialise product and operational trial details with senior management	IT and RG	Q2F19
		3.2.6 Commence operational trial for CP	IT and CPRG	Q3F19
		3.2.7 Commence work on phone based alerts	IT and CMRG	Q3F19
		3.2.8 Prepare initial review document and evaluation parameters	IT and CMRG	Q1F20
		3.2.9 Finalise implementation decision	Senior mgmt.	Q2F20
		3.2.10 External Independent Review conducted	IT and CMRG	Q2F21
	3.3	3.3.1 Establish a Play Periods – uncarded specifications working group	SB	Q2F19
		3.3.2 Commence study of practical options and availability of research and commercial availability of tools <ul style="list-style-type: none"> • Commencing a literature review in relation to existing systems in place and the evidence in relation to harm reduction • Engaging with Focal Research, who are developing this functionality for gaming machines, to understand the triggers and efficacy • Contemplating system parameters to be considered for the Crown Melbourne environment • Reviewing existing system capability and technical and methodological matters 	CMRG	Q3F19
		3.3.3 Review capability of Play Periods – carded system as a basis for uncarded	IT and CMRG	Q3F19
		3.3.4 Finalise literature and external product review	CMRG	Q1F20
		3.3.5 Dependent on 3.3.3, commence operational trial	IT and CMRG	Q1F20

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REDACTED - PRIVILEGE



Priority 4: Maintain and continue to enhance our culture of governance and proactive management

Desired Outcome

Responsible Gaming's place at the core of structure, process, strategy and values across the Group (and in particular in Melbourne) is maintained and enhanced.

Key Initiatives

- 4.1 Review of form and nature of information into the Crown Resorts Responsible Gaming Board Committee.
- 4.2 Review of structure to ensure Responsible Gaming remains front of mind and embedded in Crown's culture.
- 4.3 Continual application of governance related frameworks to responsible gaming such as compliance and risk.

DETAILED ACTIONS

Priority	Initiative	Action	Owner	Timing
4	4.1	4.1.1 Analyse existing data for input into RG Board Committee reporting	CMRG	Q3F19
		4.1.2 Define target reporting outcomes	CMRG	Q3F19
		4.1.3 Identify data gaps	CMRG	Q3F19
		4.1.4 Assess process for gathering missing data	CMRG	ongoing
		4.1.5 Prepare draft for review and discussion by the RG Board Committee	CMRG	Q3F19 and ongoing
		4.1.6 Implement reporting	CMRG	Q4F19
	4.2	4.2.1 Review existing RG Function Structure and RG Management Committee Charter	CMRG	Q1F19
		4.2.2 Align existing structure with strategic objectives	CMRG	Q3F19

Priority	Initiative	Action	Owner	Timing
		4.2.3 Assess the contact points of RG across key areas of the business	CMRG	Q1F20
		4.2.4 Identify additional opportunities for operational engagement by RG	CMRG	Q1F20
		4.2.5 Make necessary adjustments to ensure effective delivery of strategic objectives	CMRG	Q2F20
	4.3	4.3.1 Review the effectiveness of the RG Board Committee and RGMC structure	CMRG	Q1F20
		4.3.2 Review the effectiveness of reporting and management escalation systems	CMRG	Q2F20
		4.3.3 Engage with Risk and Compliance departments to identify opportunities for leverage between respective frameworks	CMRG	Q2F20
		4.3.4 Identify key operational and strategic gaming processes and assess level of embeddedness of RG practices	CMRG	Q2F20
		4.3.5 Settle with senior management and ensure continuous monitoring of effectiveness	CMRG	Q3F20

2.2



Contact: Barry Felstead / Joshua Preston
 Direct Line: [REDACTED]
 E-mail: [REDACTED]
 Document No: COMPLIANCE_489188.2

1 July 2019

Ms Catherine Myers
 Chief Executive Officer
 Victorian Commission for Gambling and Liquor Regulation
 Level 3, 12 Shelley Street
RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers,

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 3

I refer to Recommendation 3 of the Sixth Review and to our response dated 2 July 2018. Recommendation 3 provides:

The VCGLR recommends that, by 1 July 2019, Crown assess the robustness and effectiveness of its risk framework and systems, including reporting lines in the chain of command, and upgrade them where required. This assessment should be assisted by external advice.

An extensive review of Crown's Risk Management Framework has been undertaken since mid-2017, which commenced with the recruitment of a Group General Manager - Risk and Audit. The recruitment process targeted a risk and audit professional with extensive and proven experience in Risk Management, including the development and implementation of effective and robust risk management frameworks in complex environments. The new Group General Manager – Risk and Audit joined Crown in December 2017.

Between December 2017 and March 2018, an extensive review of existing processes and practices was undertaken. The review included not only the formal and documented processes and framework in place, but also an extensive assessment of the depth of understanding and management of risk across the operation.

This review found that although the formalisation of the risk framework presented a number of opportunities for enhancements, risk was fundamentally well understood and managed within the business and operations. There were also very effective escalation mechanisms that ensured

effective risk-based decision-making and an overall low materialisation of risks in a very large scale, significantly human/manual labour reliant business, with a strong and well embedded risk culture that supported integrity, compliance and customer focus. The review led to a number of recommendations presented to the relevant Executive and Board committees, recommending enhancements across many aspects of the risk framework.

The recommendations for enhancement targeted a number of key framework elements, including:

1. Enhancement of the fundamental risk tools (risk matrix and risk map, system);
2. Enhancement of the Executive risk governance framework, with the creation of a Melbourne Executive Risk and Compliance Committee (**ERCC**);
3. Enhancement of the formalisation of the Board's expectations around risk management, including the documentation of a formal risk appetite and introduction of the three lines of defence model;
4. Formalisation and enhancement of the bottom-up and top-down risk profiling process; and
5. Enhancement of the reporting framework.

At the time PwC came to perform a review of Crown's Risk Management Framework for the VCGLR as part of the Sixth Review in April 2018, item 1 above had been completed and items 2 to 3 were well advanced.

PwC's review confirmed the internal assessment that overall risk management was effective at Crown, noting that 'core fundamentals of a risk management framework are in place and applied across the business', but that there were 'areas of enhancement and maturity possible relative to best practice'. PwC in particular noted the formalisation of a risk appetite and reporting against that appetite as a key item for consideration. That recommendation was in alignment with item 3 above.

Following PwC's review, and taking their input into account, Crown continued its enhancement program and the following elements have now been undertaken and/or implemented:

- A review of the Board Governance Structure, and the existence of a dedicated Audit Sub-committee of the Board, which also includes reporting on risk, that ensures adequate focus of these two material areas of responsibilities of the Board, which confirmed that it is in line with best practice for reporting lines and chain of command.
- The formalisation of the Risk and Audit Team's second and third line roles, with enhanced reporting lines, separation and chain of command.
- The structure and resourcing of the risk team has been enhanced, with the recruitment of a Risk Analyst, that supports the effective reporting of risk to relevant layers of management and governance, and the recruitment of two Risk Managers, embedded in the business, that facilitate the identification, analysis, reporting, communication and management of risks within key business areas (see organisational chart in **Appendix A**).
- The first Melbourne ERCC meeting was held in July 2018 (see ERCC Charter in **Appendix B**).
- The creation of risk categories, to facilitate the creation of a risk appetite and the reporting against it (see Board paper in **Appendix C**).
- The Risk Appetite was extensively deliberated and it received final approval by the Board in November 2018 (see **Appendix C**).

- As aligned with Crown's risk profile, Responsible Service of Gaming is recognised as a material risk to the organisation, and as such has been specifically called out in the formulation of the Risk Appetite (see **Appendix C**).
- The Enterprise Risk Management system CURA has been rolled-out to Crown Melbourne, as the IT system for reporting, recording and management of risks.
- The enhancement of risk reporting to the relevant Executive and Board Committees.
- The consolidated documentation of the Board's expectations in relation to risk management in a 'Risk Management Strategy' document, that was endorsed by the Crown Resorts Risk Management Committee on 29 May 2019, and was approved by the Crown Resorts Board on 12 June 2019. The Risk Management Strategy was immediately applicable to all Crown majority owned entities, including Crown Melbourne (see Risk Management Strategy document in **Appendix D**).


To further ensure the robustness of the enhancements being introduced within the risk management framework, Crown Melbourne sought advice from an external advisory firm on the major elements of the program. The third party review considered that *'Crown's risk management framework and its design is consistent with the risk management standard ISO 31000:2018 Risk Management'* and that *'Crown has a risk management program with the key elements for effective risk management either in place or under development.'* A number of their recommendations were incorporated into the Risk Management Strategy document that was presented to the Crown Resorts Board and approved in June 2019.

Additional comments were provided for future and longer term enhancements, which will be incorporated and/or considered as to their relevance/appropriateness for the longer term continuous improvement program of Risk Management at Crown.

Crown considers that the completion of the assessment of the robustness and effectiveness of its Risk Framework and systems, including reporting lines in the chain of command, and upgrade of them where required, has been completed in satisfaction of Recommendation 3 of the Sixth Review. Crown notes however, that it will continue to enhance its risk framework over time. Further, as noted by the external advisors, *'enhancements to the risk management framework have been made since the PwC review, which will need to be in place for a period of time before their operation and the degree to which they are embedded is assessed.'*

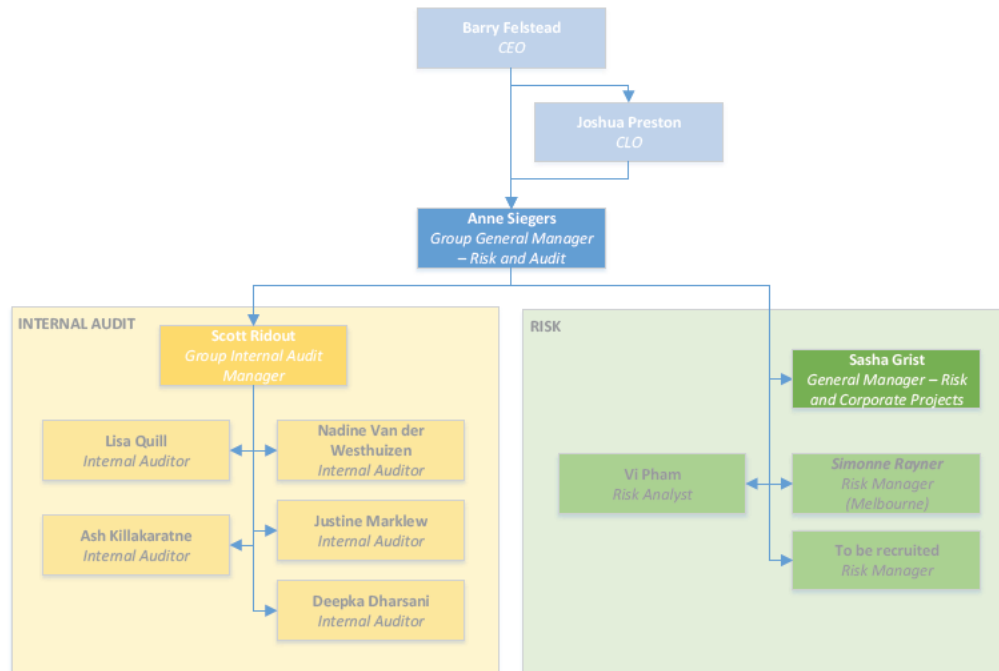
Please do not hesitate to contact me or Joshua Preston if you have any queries.

Yours sincerely


Barry Felstead
Chief Executive Officer – Australian Resorts

Encl.


Appendix A – Risk and Audit Organisational Chart



2.2

Please note, all roles are Group roles unless otherwise specified.

Appendix B

	<p>Crown Melbourne Executive Risk and Compliance Committee Charter</p>
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Purpose

The Executive Risk and Compliance Committee (**Committee**) shall assist the Chief Executive Officer – Australian Resorts, Board of Directors of Crown Melbourne Limited (**Crown Melbourne**) and relevant Crown Melbourne Board Sub-Committees in:

1. Assessing and providing oversight for the identification and evaluation of material risks involved in the business operations of Crown Melbourne (**Company**);
2. Reviewing and evaluating the Company's actions to mitigate and manage business and compliance/regulatory risks;
3. Assessing and providing oversight for the effective implementation and ongoing maintenance of the Company's compliance program; and
4. Fulfilling their responsibilities relating to legal compliance matters and practices of the Company.

The Committee will also assist the Board of Directors of Crown Resorts Limited (**Crown Resorts**), the Company's parent company in meeting its responsibilities listed in the ASX *Corporate Governance Principles and Recommendations*, in particular Principle 7 "Recognise & Manage Risk".

The Committee is supported by a number of senior management committees related to risk, compliance, responsible service of alcohol, responsible service of gambling, health & safety and any other relevant committee.

The Executive Committees will supply the Committee with information relevant to the Committee's functions to allow the Committee to oversee Crown Melbourne's achievement of effective management of material business and compliance risks.

Composition

The Committee shall comprise:

- Chief Legal Officer – Australian Resorts (Chair);
- Chief Executive Officer – Australian Resorts;
- Chief Financial Officer – Australian Resorts;
- Chief Operating Officer;
- Chief Operating Officer – Hotels, Retail & F&B;
- Group Chief Information Officer – Crown Resorts;
- Chief Marketing Officer;
- Executive General Manager – F&B;
- Executive General Manager – Table Games;
- Executive General Manager – Gaming Machines;
- Executive General Manager – Human Resources;
- Group General Manager – Risk & Audit; and
- Group General Manager – Regulatory & Compliance (**Committee Executive Officer**).



The Committee may request that any other employee of the Company, or such other invited guests as may be required, attend any meeting of the Committee.

Meetings

The Committee shall meet quarterly or at such other time as agreed by the Committee.

Minutes of meetings will be recorded, retained and approved as being an accurate record of Committee meetings.

Responsibilities and Duties

To fulfil its purpose, the Committee shall:

- Provide risk and compliance oversight to the Company;
- Determine the objectives of the Enterprise Risk Management (**ERM**) and Compliance frameworks at Crown Melbourne;
- Oversee the Company's implementation and ongoing administration of the ERM and Compliance program, and monitor performance;
- Review and evaluate management's identification of all major compliance and business risks to the business and their relative weight;
- Review and assess any material risks or exposures, and the steps management has taken to minimise such risks and exposures;
- Review and assess any significant compliance breaches or issues, and the steps management has taken to address those breaches or issues to ensure ongoing compliance with obligations;
- Assess the effectiveness of management policies, procedures and practices relating to risk and compliance;
- Review and approve the Corporate Risk Profile, prior to presentation to the Chief Executive Officer – Australian Resorts and Board of Directors;
- Monitor the progress of actions plans identified in the Corporate Risk Profile;
- Monitor and assess the Company's adherence to its Compliance Manual (and annual Compliance Plans);
- Review a summary of Internal Audit report findings and recommendations regarding the adequacy and effectiveness of internal controls, at each meeting;
- Provide a legal, risk and compliance update to each meeting of the Board of Directors (and/or applicable Board sub-committee), reporting on instances of material non-compliance, changes to the corporate risk profile, emerging risks, and the status of the Company's ERM and Compliance programs;
- Report as required to applicable sub-committees of the Crown Resorts Board of Directors; and
- Conduct a review of this Charter on an annual basis to ensure it remains consistent with its objectives and existing regulatory requirements.

31 July 2018



Risk Management Committee

Memorandum

To: Risk Management Committee
From: Mary Manos
Date: 7 November 2018
Subject: Risk Management Policy

2.2

Dear Committee Members

Overview

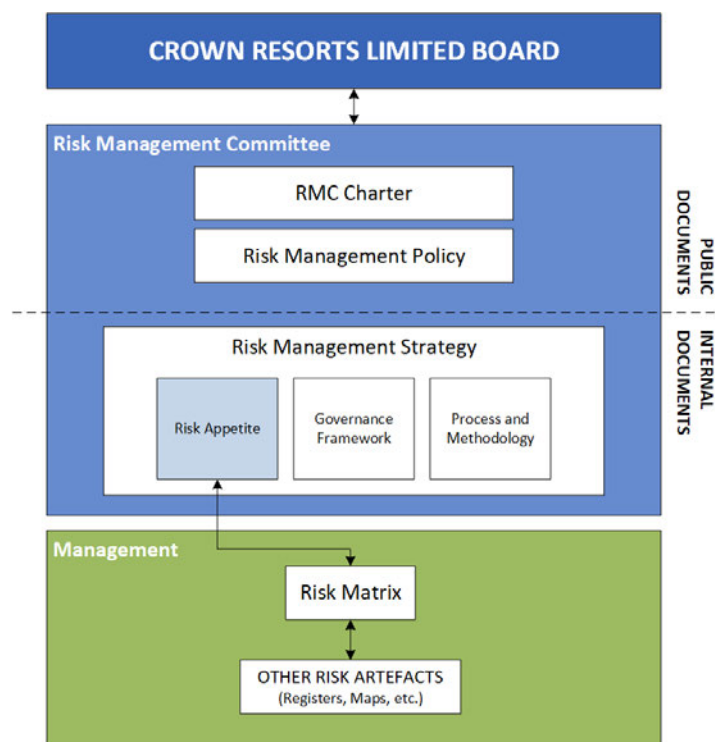
Fundamental to the implementation of an effective risk management framework is the articulation, by the Board, of its Risk Appetite (**Risk Appetite**). This process allows the Board to communicate to management its expectation with regards to the degree of losses that it is willing to absorb in the pursuit of its strategy.

The Risk Appetite, as defined by the Board, will guide management's risk taking activities and communicates the Board's expectations of risk culture by establishing:

- a high level statement of the Board's risk philosophy and the expected risk culture and behaviours of the organisation;
- qualitative statements and quantitative metrics triggering Risk Management Committee (**RMC**) reporting for each material risk category; and
- the requirements for the monitoring and reporting of Crown's risk profile relative to quantitative parameters (**risk tolerances**) against these risk categories.

The Risk Appetite is a key building block to the broader Risk Management Strategy, which will be finalised once the appetite is approved, and presented to the Board for approval at the next meeting of the RMC.

Below is a representation of the different elements of the risk framework:



2.2

- The RMC Charter and Risk Management Policy are publicly available documents. They articulate the general principles of the risk management framework, but at a high level. These documents are in place and reviewed annually.
- The Risk Management Strategy (**RMS**) will be a Board approved document, aimed at management (internal document), which provides articulation of the expectations of the Board, in relation to risk management. It includes a definition of its Risk Appetite, as well as articulation of the governance structure (including the three lines of defence operating model), and the overarching risk processes and methodology the Board expects to see implemented throughout the organisation.

Both governance principles and processes and methodologies are already in place operationally, and have been for some time. The development of the RMS will mostly document and formalise those elements, and allow the formal approval by the Board.

- Once the Board elements are in place, they are translated into operational tools and processes that ensure the Risk Appetite is understood and the business operates within those parameters. These include the Risk Matrix and Risk Map.

Once the Risk Appetite is articulated, delegations schedules will also be recalibrated to align to the approved Risk Appetite.

Background

Up until now, an expression of the Board's Appetite has been captured in the tools that the organisation has used to discuss and rate risks. This Risk Appetite was articulated in the **risk matrix**,

and the 'High' risks were presented to the RMC on an ongoing basis. Each of the key reporting entities had its own risk matrix.

As part of the review of the Risk Management Framework, a more overt expression of the Risk Appetite is proposed. This approach considers PWC's recommendations made during the VCGLR's Section 25 *Sixth Review of the Casino Operator and Licence* report.

As part of our review of the Risk Appetite, the limits, particularly the financial limits, were materially adjusted to align closer to the business practices and provide relevant guidance to the business. Extensive consultation took place with the business to identify those limits that are inherently in place and document them into the attached table.

Going forward, all reporting entities will be using the same risk matrix to achieve consistency.

Risk Categories

In structuring its appetite, Crown has considered the range of consequences that any event could trigger, and it has organised its Risk Appetite against these seven impact categories, which are:

- Financial
- Brand / Reputation
- Regulatory / Legal
- People
- Customers / Patrons
- Infrastructure
- Strategy /Business Sustainability

Risk Appetite Statements and Reporting Tolerances

The following qualitative statements and quantitative metrics define the Board's Risk Appetite and its tolerance for individual risk events. Quantitative metrics trigger reporting requirements to the RMC.

Category	Qualitative Statement	Quantitative Metrics – RMC Reporting Triggers	
Financial	Protect and deliver shareholder value	Outside normal trading EBITDA losses (per event)/ and or adverse to the current (normalised) forecast	>\$10M
		Large capital, equity or treasury transaction	>\$10M
Brand / Reputation	Maintain shareholder confidence	Internal event creating a sustained share price loss	>5%
	Retain public confidence in the Crown brand	Sustained negative national or international media coverage	Any event
Regulatory/ legal	Maintain systematic compliance with regulatory, legal, statutory and contractual obligations	Significant breaches that may have a financial or reputational impact	Any event
		Material legal action or class action	Any event

Category	Qualitative Statement	Quantitative Metrics – RMC Reporting Triggers	
	Build and maintain professional and collaborative relationship with regulators and relevant government bodies	Significant breach or event that has the potential to damage the relationship	Any event
	Deliver gaming and alcohol services responsibly	Material RSG issues including adverse media	Any event
		Integrity of liquor licences	Any loss of licence and/or points
People	Maintain a safe and healthy workplace	Significant notifiable incidents under the Workplace Health and Safety Act	Any event
	Maintain corporate culture and performance	Sustained staff turnover and/or unplanned absences above average	>5% point increase
		Loss or potential loss of key management personnel	Any event
	Maintain healthy engagement with Unions	Imminent industrial action	Any event
Customers/ Patrons	Ensure our services are available to our target customers	Negative event affecting segment of patrons (ex VIP, F&B, Hotel)	Over 20% or 20,000 patrons of segment type, or \$100M in revenue
Infrastructure	Maintain appropriate security and surveillance across the properties	Security incident that threatens people or property	Any event
	Maintain high levels of critical IT Infrastructure availability and reliability	Loss of core IT infrastructure or multiple key systems	>24 hrs
	Protect customer information	External or internal security breaches resulting in unauthorised access to, or loss of, customer data likely to result in serious harm	Any event
	Maintain high quality physical infrastructure to deliver our world class services	Loss of critical physical infrastructure	>24 hrs
	Maintain strong Business Continuity and Disaster Recovery capabilities and facilities	Unplanned loss of gaming floor in one property	>10% for up to 24 hrs
Unplanned loss of non-gaming front of house facilities in one property		> 1 hotel or 50% F&B for over 24hrs	
Strategy / Business Sustainability	Maintain 24/7 operations	Critical event requiring mobilisation of resources and CMT/EMT activation	Any event
	Ensure strategic projects are delivered to provide medium to long term business sustainability and	Key strategic project delayed by 12 months or more	Any event

Category	Qualitative Statement	Quantitative Metrics – RMC Reporting Triggers	
	competitiveness		
	Make strategic investment and divestment decision that enhance business value and sustainability	Change in ownership share of related or third party entity	Any event

Reporting Triggers - Board Reporting Mechanisms

At each meeting of the RMC, a report against this Risk Appetite table will be prepared by the GGM – R&A. It will highlight events against reporting triggers by exception.

In most circumstances, reporting trigger events at the regular RMC meeting will be sufficient, but at times, special meetings of the RMC or other Board forums may be required based on the magnitude of the event, as well as the requirement for a timely Board decision.

The requirement for a special meeting will be decided on a case-by-case basis by consultation between the CEO, CLO, General Counsel and the GGM – R&A, as well as any relevant key management personnel.

Please find attached as Appendix 1 an example of the Quarterly Risk Appetite Dashboard Statement Report that will form part of the RMC papers moving forward.

Operationalisation of the Risk Appetite

Risk Appetite is a high-level and qualitative concept, and needs to be translated into quantifiable and measurable thresholds to allow the business to operate within that articulated level of risk. It also needs to be relevant and understandable for day-to-day activities across the whole organisation.

This translation is facilitated through the **Risk Matrix** (see Appendix 2 for information), which defines likelihood and consequence thresholds. The combination of a likelihood rating with a consequence rating provides a risk rating. This rating can be either inherent or residual.

The Risk Matrix is updated by the Risk Management Function and is approved by the CEO – Australian Resorts and the Executive Chairman.

The residual risk ratings guide the delegated responsibilities for the management and acceptance of risk. The Board's risk appetite is represented as the line between the 'orange' and the 'red' as follows:

LIKELIHOOD	Almost certain					
	Likely					
	Possible					
	Unlikely					
	Rare					
		Insignificant	Minor	Moderate	Major	Severe
CONSEQUENCE						

2.2

Legend:

	Critical risk – <i>Oversight by the RMC/Board</i>
	High risk – <i>Managed by CEO and relevant EGMs</i>
	Moderate risk – <i>Managed by BOT members</i>
	Low risk – <i>Managed as part of BAU</i>

Recommendations:

It is recommended that the Risk Management Committee:

1. Discuss the proposed Risk Appetite; and
2. Recommend to the Board that it approve the Risk Appetite.

Regards

Anne Siegers
Group General Manager – Risk and Audit



Crown Melbourne Board

Memorandum

To: Crown Melbourne Board

From: Anne Siegers
Group General Manager – Risk & Audit

Date: 20 November 2018

Subject: Risk Appetite

2.2

Dear Directors,

The Crown Resorts Limited Risk Management Committee (**RMC**) has met to consider the enhanced articulation of the company's Risk Appetite. The Risk Appetite is to apply to Crown Resorts, Crown Melbourne and Burswood Limited. In this respect, the RMC is recommending that the Crown Resorts Board approve the risk appetite as presented in the paper below. The paper attached is as presented to the RMC.

It is requested that the Crown Melbourne Board also consider the Risk Appetite in the context of Crown Melbourne, and if it sees fit, adopt the Risk Appetite, subject to Crown Resorts and Crown Perth also ultimately adopting the Risk Appetite.

Please note the following clarifications:

- any relevant risk event pertaining to Crown Melbourne that would trigger reporting to RMC would also be reported to the Crown Melbourne Board (via the Audit Committee); and
- the reporting triggers in the Risk Appetite table can be either a single event, or a series of events cumulating to the thresholds.

PROPOSED RESOLUTION

It is proposed that the Crown Melbourne Board approve the Risk Appetite, subject to the Crown Resorts Limited Board and Burwood Limited Board also approving the Risk Appetite.

Regards,

Anne Siegers
Group General Manager – Risk and Audit



Crown Resorts Limited Risk Management Strategy

Crown Resorts Limited ACN 125 709 953
A public company limited by shares

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Document History:

Document Changes	Author(s)	Date	Approval Authority
Document created	Anne Siegers - GGM –R&A Joshua Preston - CLO	Xx May 2019	Crown Resorts Board

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1. Executive Summary

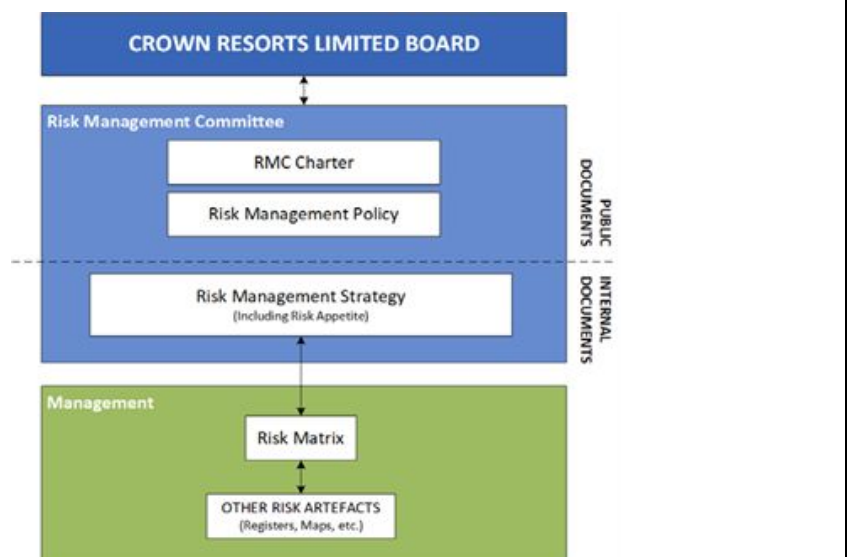
As an ASX listed company, Crown must consider the ASX Corporate Governance Principles. Principle 7 relates to how an organisation must recognise and manage risk: 'A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework'. Fundamentally, that principle articulates the following concepts:

- The Board of a listed entity is ultimately responsible for deciding the nature and extent of the risks it is prepared to take to meet its objectives.
- It is the role of the Board to set the risk appetite for the entity, to oversee its risk management framework, at least annually, and to satisfy itself the framework is sound.
- Ultimate responsibility for a listed entity's risk management framework rests with the full Board, although it can have in place a committee to oversee risk.
- The organisation should have an independent internal audit function and articulate its structure and role.

The Crown Resorts Limited (**Crown**) Risk Management Strategy (**RMS**) is an internal document, which sets out the fundamentals of what the Crown Resorts Limited Board (**Board**) expects from its risk management framework across all entities of the group. The RMS articulates the following:

- the risk management principles that underline Crown's management of risk;
- roles and responsibilities around risk across the organisation, starting with the Board;
- the risk management framework;
- the risk appetite of the Board; and
- the basic principles, aligning to *ISO31000:2018 Risk Management*, that support the identification and management of risk at Crown.

It aligns with other corporate risk documents as follows:



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2. Background

The Board, being ultimately responsible for the effective management of risk at Crown, has established and approved this RMS.

Risk is inherent in all Crown's products, activities, processes and systems used in day-to-day operations. The Board also acknowledges that in order to operate and fulfil its objectives, Crown needs to take risks.

The purpose of this RMS is to describe Crown's approach to ensuring that it maintains a risk management framework that supports the effective management of its material risks in a manner consistent with its risk appetite and strategic objectives.

2.1. Document Owner

The Board owns and approves this document.

2.2. Confidentiality

This document is intended for internal use only and should not be distributed outside Crown without the express permission of the General Counsel.

2.3. Definitions

The following key definitions apply to the RMS:

- 'Australian Resorts' means Crown Melbourne, Crown Perth and Crown Sydney.
- 'Board' means Crown Resorts Limited Board.
- 'BOT' refers to the Business Operations Teams for Crown Perth and Crown Melbourne.
- 'CEO' refers to the Executive Chairman of Crown Resorts and/or the Chief Executive Officer of Australian Resorts or equivalent of any relevant wholly-owned subsidiary. .
- 'Crown' means Crown Resorts Limited and its material wholly owned subsidiaries. This includes Crown Melbourne, Crown Perth, Crown Sydney, Crown Aspinalls and Betfair.
- 'Executives' refers to the Crown Resorts' Executive team as well as the Australian Resorts' Executive team and any other senior executives of the wholly owned subsidiaries.
- 'Inherent risk' means the risk assessment prior to consideration of mitigating factors.
- 'Key management personnel' means Executives and General Managers for critical business functions.
- 'Residual risk' means the risk assessment after consideration of existing mitigating factors and/or controls.
- 'Risk' is defined as the effect of uncertainty on an objective. It is an event or possible deviation from plan, characterised by reference to the likelihood of the potential event and the impact of that event occurring.

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- ‘Risk appetite’ is the amount of risk that the organisation is willing to accept in pursuit of its strategic objectives and in the interest of protecting its stakeholders.
- ‘Risk culture’ means the system of values and behaviour that shapes the decisions and actions of staff in relation to risk taking.
- ‘Risk governance framework’ refers to the formal structure that supports risk-based decision-making and oversight across all operations of Crown and to support the Board’s desired risk culture.
- ‘Risk tolerance’ is the quantitative application of risk appetite, and represents the operational boundary for the relevant risk exposure.
- ‘Risk management framework’ is the totality of systems, structures, policies, processes and people that Crown uses to identify, measure, monitor, report and control all internal and external sources of material risk.
- ‘Senior Management’ refers to all members of the Business Operations Team (for Crown Melbourne and Crown Perth) and other key management personnel of Crown Resorts and the wholly owned subsidiaries.

2.2**3. Risk Management Principles**

Crown’s culture, and more specifically its risk culture, is built around a number of core pillars, including its service standards philosophy, integrity and compliance focus, and safety of staff and patrons. These elements underpin all other elements of the risk framework and are fundamentally embedded across the organisation.

Crown’s strategy for managing risk is based on the following fundamental principles:

- the fundamental purpose of risk management is to provide a framework within which Crown and its employees can take well informed risks that support its strategic objectives and add value to the organisation;
- effective risk management requires a robust and effective risk governance framework that includes clearly defined risk management responsibilities, accountabilities and mechanisms for independent oversight, review, challenge and assurance;
- effective risk management requires a strong, robust and pervasive risk culture that is consistent with Crown’s values and risk appetite; and recognises that risk management is the responsibility of all staff;
- effective risk management requires clear articulation and documentation of risk appetite by the Board and effective communication of that appetite to all relevant levels of the organisation; and
- effective risk management requires consistent risk identification, assessment, measurement, management, monitoring and reporting processes that are integrated into and support strategic and business processes.

To give effect to these fundamental principles, Crown has developed a comprehensive risk management framework.

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4. Risk Management Framework

The risk management framework is the totality of systems, structures, policies, processes and people that Crown uses to identify, measure, monitor, report and control all internal and external sources of material risk.

The purpose of the risk management framework is to provide a structure for identifying and managing each material risk in a manner consistent with Crown's strategic objectives and risk appetite.

The key elements of the Risk Management Framework that give effect to the RMS include:

- the Crown Risk Governance Framework (Section 5);
- the Risk Appetite (Section 6);
- How the risk appetite is operationalised (Section 7); and
- Crown's risk management processes and methodology (Section 8).

The Risk Management Framework is an overarching framework that sets the basic principles within which other, more specific risk management policies and procedures are developed, and which other corporate frameworks follows. Some of these other frameworks include:

- Compliance
- Responsible Service of Gaming (RSG)
- IT Change Management
- Work Health and Safety
- AML/CTF
- Procurement
- Security and Surveillance

5. Risk Governance Framework

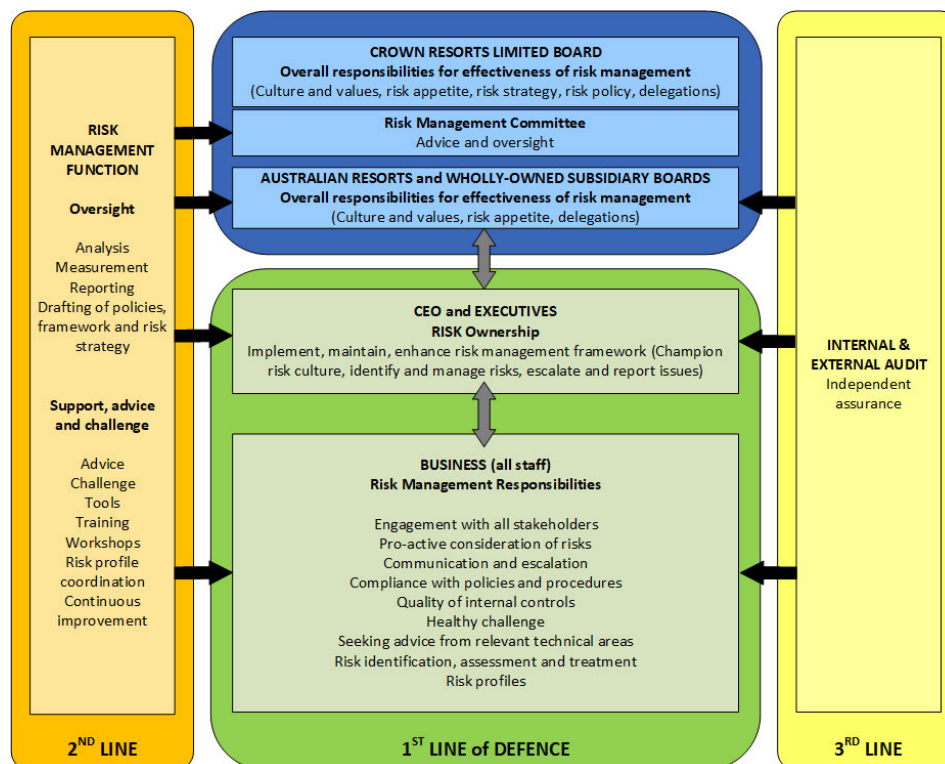
The Risk Governance Framework refers to the formal structure to support risk-based decision-making and oversight across all operations of Crown and to support the Board's desired risk culture.

An effective Risk Governance Framework requires:

- risk ownership and risk management accountability to be clearly defined and assigned to those responsible to support the consideration of risk in all decision making. This supports the integration of risk identification and assessment into organisational decision making processes;
- independent oversight, challenge, reporting and monitoring of the risk culture, risk profile, risk management framework and material business decisions that have the potential to impact the organisations risk profile; and
- independent assurance regarding the appropriateness, effectiveness and adequacy of, and compliance with, the risk management framework.

For this reason, the Board has endorsed a "three lines of defence" risk governance model. An overview of Crown's Risk Governance Framework is illustrated below:

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2.2

The following sections outline the roles and responsibilities of each of the key components of the Risk Governance Framework illustrated above.

5.1. The role of the Board

The Board is ultimately responsible for the establishment and implementation of a risk management framework that enables Crown to appropriately develop and implement strategies, policies, procedures and controls to identify and manage its material risk exposures.

To fulfil its obligations, the Board:

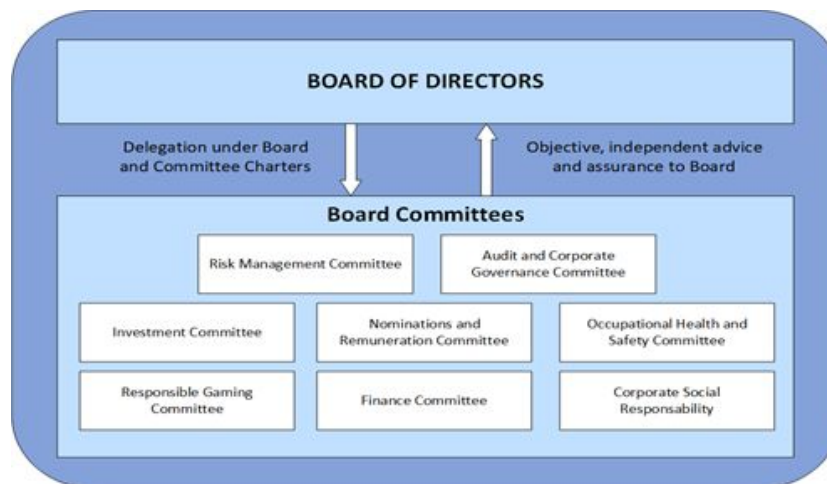
- clearly defines Crown's risk appetite;
- establishes and approves this RMS to clearly articulate Crown's risk culture and strategy for managing risk;
- ensures that senior management monitors, reports and manages all material risks consistent with the strategic objectives and risk appetite approved by the Board;
- ensures that Crown maintains an independent Risk Management and Internal Audit Function across its operational entities that have the appropriate reporting lines, resourcing, authority and access to the Board and organisation to fulfil their responsibilities outlined in Section 5.4 and 5.5 below;
- recognises uncertainties, limitations and assumptions attached to the measurement of material risk; and
- ensures that the Risk Management Framework is reviewed at least annually and approves any material changes to the RMS and the appetite.

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The Board has established a number of Board Committees having regard to the risk profile of Crown, the complexity of Crown's business operations as well as the experience and expertise of the directors.

While some duties of directors may be delegated to Board Committees, as appropriate, the Board retains ultimate responsibility for ensuring that those duties are performed.

The following diagram illustrates the Board sub-committees in place at Crown Resorts:



Each of these Board Committees forms part of, and plays an integral role in, the governance framework and supporting the Board to fulfil its responsibilities in respect of the Risk Management Framework. The primary Committee responsible for assisting the Board in overseeing the Risk Management Framework is the Risk Management Committee (**RMC**). Section 5.2 outlines the responsibilities and role of the RMC and its interaction with the Board.

5.2. The role of the Risk Management Committee

The RMC has been delegated responsibility for overseeing Crown's Risk Management Framework and assists the Board by providing objective oversight of the implementation and operation of Crown's Risk Management Framework.

The Chair of the RMC provides a report to the Board following each RMC meeting to ensure adequate communication between the Committee and the Board.

The role of the RMC is articulated in the RMC Charter. In particular, the RMC's responsibilities include:

- overseeing and advising the Board on Crown's overall risk appetite, risk culture and Risk Management Strategy;
- establishing a view of Crown's current and future risk position relative to its Risk Appetite;
- overseeing the establishment, review, ratification and implementation of a Risk Management Framework that identifies and addresses the material risks faced by the organisation and is consistent with the strategic objectives and the RMS;

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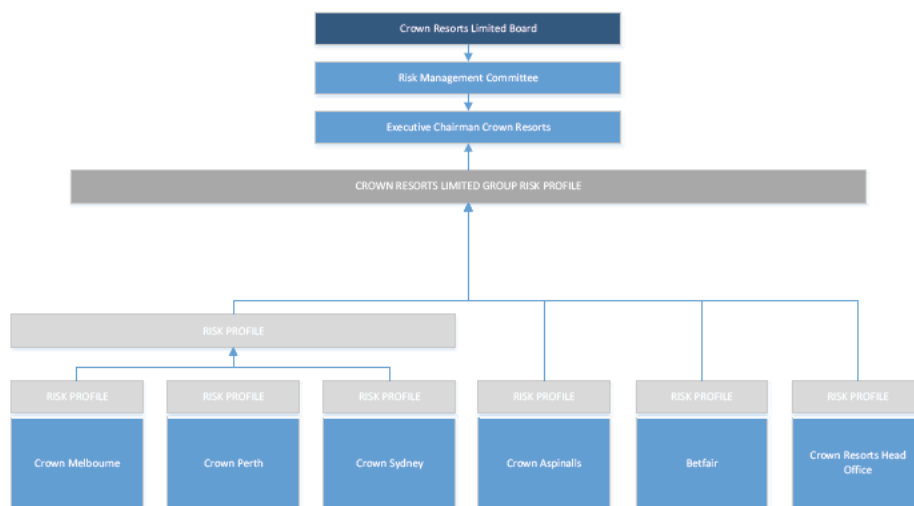
- overseeing the development of risk management policies, systems and processes to facilitate a consistent approach to the identification, assessment and management of risks;
- constructively challenging senior management's proposals and decisions on all aspects of risk management; and
- reviewing regular reports on Crown's risk profile and the adequacy and effectiveness of the Risk Management Framework and internal control systems.

5.3. The consolidation of entities within Crown

The Crown organisation is comprised of a number of wholly owned subsidiaries.

To ensure visibility and transparency across the organisation, the following steps are in place:

- each material entity is responsible for updating its own corporate risk profile, reflecting the material risks of its business, and operating in line with this RMS;
- On at least an annual basis, those profiles are analysed by the risk department as a key input into the annual update of the consolidated Crown Resorts risk profile, which is presented to the RMC.
- Consolidation of risk profiles will take place against the following path:



5.4. The first line of defence

Central to Crown's Risk Management Framework is the concept that risk is best understood, identified, assessed, managed and integrated into decision making processes by assigning risk ownership and risk management responsibility to those responsible for making material business decisions. This supports the integration of risk identification and assessment into organisational decision-making processes.

The Board has delegated, subject to Board oversight and within the confines of the strategic objectives and this RMS, to the Executive Chairman the responsibility of management oversight of risk for Crown Resorts and its wholly owned subsidiaries. The Executive Chairman in turn has delegated to the CEOs or equivalent of each wholly owned subsidiary the day-to-day management of the Risk Framework for each respective business.

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The CEOs, under authorised delegation from the Board and Executive Chairman, have sub-delegated business management responsibilities to Executives, Senior Management and to specific management committees.

The CEOs, Executives and Senior Management form the first line defence and assume ownership of, and accountability for the management of, the material risks faced and effective implementation of the Risk Management Framework.

All other Crown staff support the implementation of the Risk Management Framework under direction and delegation from the CEOs, Executives and Senior Management.

(a) CEOs, Executives and Senior Management responsibilities

CEO, Executives and Senior Management assume ownership of the material risks faced by the organisation and are charged with the responsibility for the implementation of the Risk Management Framework. Specifically, this includes:

- establishing, maintaining and championing an effective risk culture throughout the organisation;
- ensuring that policies, processes, systems and internal controls are developed to effectively identify, assess, manage and monitor the risks faced by the organisation in a manner consistent with the Risk Management Framework;
- ensuring that these policies, processes, systems and internal controls are integrated into, and support, business decision making processes and the ongoing maintenance and enhancement of the risk management framework;
- managing Crown's risk profile within the Board's risk appetite and tolerances defined in the RMS;
- ensuring that appropriate reporting and monitoring processes are developed and implemented to escalate relevant information to CEO, Executives, Senior Management, the Risk Management Function and, if necessary, the Board; and
- developing and implementing timely remediation strategies to address material risk exposures that are outside of the Board's Risk Appetite.

(b) All other Crown staff

Although the CEOs, Executives and Senior Management are assigned risk ownership, all staff play an integral role in the effective implementation of the Risk Management Framework and in the management of risk. All Crown's staff are responsible for:

- performing their role in a manner consistent with the expected organisational culture and Code of Conduct;
- implementing and complying with all Crown's policies, processes, systems and internal controls that have been developed to effectively identify, assess, manage and monitor the risks faced by the organisation; and
- managing, and being accountable for risks particular to their area of responsibility as delegated by the CEO, Executives and Senior Management.

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5.5. The second line of defence

Crown maintains an independent Risk Management Function that is responsible for assisting the Board, RMC, CEOs, Executives and Senior Management to develop and maintain the Risk Management Framework.

The Group General Manager – Risk and Audit (**GGM – R&A**) is designated as being the person responsible for the risk management function for Crown. To ensure that the risk management function has the appropriate authority and operational independence to perform its role and responsibilities, the GGM – R&A and Risk Management Function:

- reports directly to the CEO and the Chief Legal Officer (**CLO**) for Australian Resorts, is a member of BOT, and provides functional support to Crown wholly-owned subsidiaries as required and appropriate. This ensures that the GGM – R&A has appropriate authority and opportunity to challenge activities and decisions that may materially affect the risk profile of Crown;
- is an invited participant of the RMC meetings. This ensures that the GGM – R&A and Risk Management Function has regular and unfettered access to the RMC; and
- has no operational business reporting line or revenue generating responsibilities (1st line).

The responsibilities of the Risk Management Function and GGM – R&A include:

- assisting the Board, RMC, CEOs, Executives and Senior Management to develop and maintain a risk management framework that adequately addresses the material risks faced by Crown;
- providing independent and objective guidance, challenge and advice to the RMC and Board in respect of the development and regular review of the risk management framework including the Board approved risk appetite and RMS;
- developing risk management policies, systems and processes that facilitate a consistent approach to the identification, assessment and management of material risks across the organisation and that build risk management capabilities;
- providing independent and objective challenge to the CEOs, Executives and Senior Management's implementation of the risk management framework and to the effectiveness of risk management practices;
- participating in, and providing effective challenge to, decision making processes that could materially affect the risk profile of the organisation;
- oversight of the processes and methodologies used to identify, measure, monitor and report material risks;
- encouraging subject matter experts within, or external to, the business to be engaged when necessary;
- providing independent, objective and timely reporting of Crown's risk profile relative to the Board's Risk Appetite and escalation to the RMC, Board, CEO, Executives and/or Senior Management of actual or potentially material risk matters;
- effectively supporting the communication of the Risk Management Framework, Risk Appetite, Risk Management Strategy and Board's desired risk culture throughout the organisation;

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- providing guidance, advice and training to the relevant staff on risk related matters and the application of the Risk Management Framework.

The second line of defence also includes Compliance, AML/CTF and Legal functions which, together, assist in the management of each Crown entity's compliance, regulatory and legal risks.

5.6. The third line of defence

To provide independent assurance to the Board in respect of the Risk Management Framework, Crown has established an independent Internal Audit function for its operational entities.

To ensure the independence of the Internal Audit function from the first line of defence the person designated as being responsible for the Internal Audit function (the GGM – R&A) has:

- a direct reporting line to the CEO – Australian Resorts;
- a functional reporting line to the RMC;
- an operational reporting line to the CLO – Australian Resorts, who in turn has a direct reporting line to the CEO - Australian Resorts and the Boards of each Australian resorts entity; and
- no operational business reporting line or revenue generating responsibilities (1st line).

In respect of the Risk Management Framework, the third line is responsible for:

- developing an Internal Audit Plan that provides assurance over the material operational risks of the organisation and is appropriate to test the effectiveness of the policies, controls and procedures implemented to manage those risks as documented in the Corporate Risk Profile; and
- at least every three years, facilitating an independent review of the appropriateness, effectiveness and adequacy of the Risk Management Framework.

6. Risk Appetite

Fundamental to the implementation of an effective Risk Management Framework is the articulation, by the Board, of its Risk Appetite. This process allows the Board to communicate to management its expectation with regards to the degree of losses that it is willing to absorb in the pursuit of its strategy.

The appetite definitions guide management risk taking activities and communicates the Board's expectations of risk culture by establishing:

- a high level statement of the Board's risk philosophy and the expected risk culture and behaviours of the organisation;
- qualitative statements and quantitative metrics triggering RMC reporting for each material risk category; and
- the requirements for the monitoring and reporting of Crown's risk profile relative to quantitative parameters (risk tolerances) against these risk categories.

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6.1. Risk Categories

In structuring its Risk Appetite, Crown has considered the range of consequences that any event could trigger, and it has organised its Risk Appetite against these seven (7) impact categories, which are:

- Financial
- Brand / Reputation
- Regulatory / legal
- People
- Customers / Patrons
- Infrastructure
- Strategy /Business Sustainability

6.2. Risk Appetite Statements and Reporting Tolerances

The following qualitative statements and quantitative metrics define the Board's appetite and its tolerance for individual risk events. Quantitative metrics trigger reporting requirements to the RMC. The trigger can be either a single event or a series of events cumulating to the below thresholds.

Category	Qualitative Statement	Quantitative Metrics – RMC Reporting Triggers	
Financial	Protect and deliver shareholder value	Outside normal trading EBITDA losses (per event)/ and or adverse to the current (normalised) forecast	>\$10M
		Large capital, equity or treasury transaction	>\$10M
Brand / Reputation	Maintain shareholder confidence	Internal event creating a sustained share price loss	>5%
	Retain public confidence in the Crown brand	Sustained negative national or international media coverage	Any event
Regulatory/ legal	Maintain systematic compliance with regulatory, legal, statutory and contractual obligations	Significant breaches that may have a financial or reputational impact	Any event
		Material legal action or class action	Any event
	Build and maintain professional and collaborative relationship with regulators and relevant government bodies	Significant breach or event that has the potential to damage the relationship	Any event
	Deliver gaming and alcohol services responsibly	Material RSG issues including adverse media	Any event
Integrity of liquor licences		Any loss of licence and/ or points	

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Category	Qualitative Statement	Quantitative Metrics – RMC Reporting Triggers	
People	Maintain a safe and healthy workplace	Significant notifiable incidents under the Workplace Health and Safety Act	Any event
	Maintain corporate culture and performance	Sustained staff turnover and/or unplanned absences above average	>5% point increase
		Loss or potential loss of key management personnel	Any event
	Maintain healthy engagement with Unions	Imminent industrial action	Any event
Customers/ Patrons	Ensure our services are available to our target customers	Negative event affecting segment of patrons (ex VIP, F&B, Hotel)	Over 20% or 20,000 patrons of segment type, or \$100M in revenue
Infrastructure	Maintain appropriate security and surveillance across the properties	Security incident that threatens people or property	Any event
	Maintain high levels of critical IT Infrastructure availability and reliability	Loss of core IT infrastructure or multiple key systems	>24 hrs
	Protect information	External or internal security breaches resulting in unauthorised access to, or loss of, customer, employee and company data likely to result in serious harm	Any event
	Maintain high quality physical infrastructure to deliver our world class services	Loss of critical physical infrastructure	>24 hrs
	Maintain strong Business Continuity and Disaster Recovery capabilities and facilities	Unplanned loss of gaming floor in one property	>10% for up to 24 hrs
		Unplanned loss of non-gaming front of house facilities in one property	> 1 hotel or 50% F&B for over 24hrs
Strategy / Business Sustainability	Maintain 24/7 operations	Critical event requiring mobilisation of resources and CMT/EMT activation	Any event
	Ensure strategic projects are delivered to provide medium	Key strategic project delayed by 12 months or more	Any event

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Category	Qualitative Statement	Quantitative Metrics – RMC Reporting Triggers	
	to long term business sustainability and competitiveness		
	Make strategic investment and divestment decision that enhance business value and sustainability	Change in ownership share of related or third party entity	Any event

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6.3. Reporting Triggers – Board Reporting Mechanisms

At each meeting of the RMC, a report against this risk appetite table will be prepared by the GGM – R&A. It will highlight events against reporting triggers by exception.

In most circumstances, reporting trigger events at the regular RMC meeting will be sufficient, but at times, special meetings of the RMC or other Board forums may be required based on the magnitude of the event, as well as the requirement for a timely Board decision.

The requirement for a special meeting will be decided on a case-by-case basis by consultation between the CEO, CLO, General Counsel and the GGM – R&A, as well as any relevant key management personnel.

6.4. When a risk materialises: issues management

Risks identified in the risk profile are future focused, but a risk that is rated possible, for example, still means that it is expected to occur every 2 to 5 years. Therefore, on a regular basis, risks that are rated within the appetite of the Board will materialise and the impact will be incurred by Crown.

When one of them materialises, two key actions will take place:

1. the risk rating will be reviewed to ensure that it is still relevant and as accurate as possible, taking into account the recent materialisation of the risk and the potential change in risk context. In that review, consideration of the effectiveness of the relevant control framework will also take place; and
2. the specific event will be managed and operational procedures will be applied within the appetite of the Board: if the consequences are within the thresholds described in section 6.2, management will handle the event; otherwise, the RMC/Board will have oversight of the resolution.

6.5. Operationalisation of the Risk Appetite

Risk Appetite is a high-level and qualitative concept, and needs to be translated into quantifiable and measurable thresholds to allow the business to operate within that articulated level of risk. It also needs to be relevant and understandable for day-to-day activities across the whole organisation.

This translation is facilitated through the **Risk Matrix** which defines likelihood and impact thresholds. The combination of a likelihood rating with a consequence rating provides a risk rating. This rating can be either inherent or residual.

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The Risk Matrix is the cornerstone of the risk identification and assessment processes detailed in Section 7 of this document and supports a consistent understanding of operational risk appetite, assessment and management across the business.

The Risk Matrix is updated by the Risk Management Function and is approved by the Executive Chairman for Crown Resorts and the CEOs or equivalent for the wholly owned subsidiaries.

The residual risk ratings guide the delegated responsibilities for the management and acceptance of risk within the boundaries of the delegations schedules.

They are expressed on the Risk Map by colour, which represent escalation levels as follows:

LIKELIHOOD	Almost certain					
	Likely					
	Possible					
	Unlikely					
	Rare					
		Insignificant	Minor	Moderate	Major	Severe
IMPACT						

Legend:

	Critical risk – Oversight by the RMC/Board
	High risk – Managed by CEO and relevant EGMs
	Moderate risk – Managed by BOT members
	Low risk – Managed as part of BAU

Oversight by the RMC and/or Board means that:

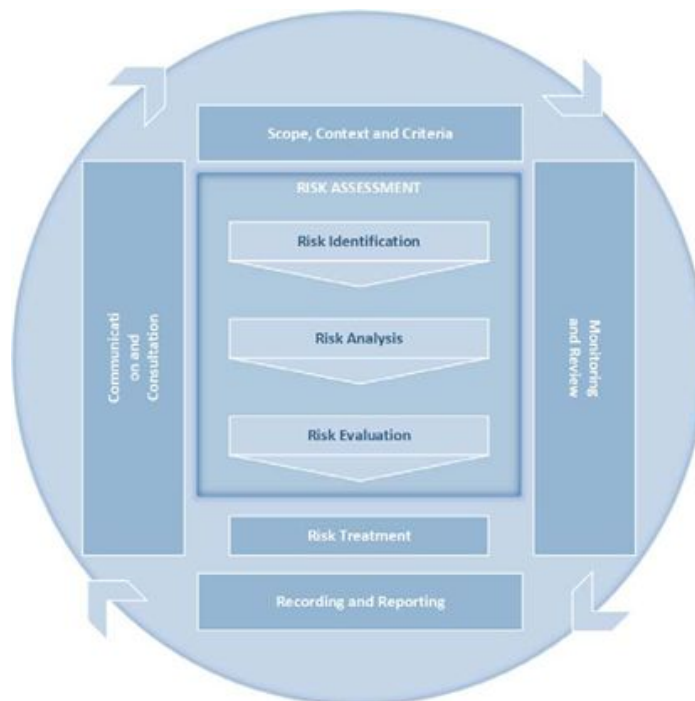
- the risk or issue is presented to the RMC and/or Board,
- remediation actions (including acceptance of the risk) are discussed and
- approval is obtained where required.

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7. Risk Management Process and Methodology

7.1. Risk Methodology

The risk management process is a systematic, recorded and regularly reviewed process. Crown follows the key principles and guidelines of *AS/NZS ISO 31000:2018 Risk Management – Principle and Guidelines* in identifying, assessing, evaluating, controlling and monitoring risk. This process is illustrated in the diagram below:



Source: AS/NZS ISO 31000:2018

These steps are the basis for any risk management activity at Crown and are outlined below.

(a) Scope, Context and Criteria

By establishing the context, the organisation articulates its objectives, defines the external and internal parameters to be taken into account when managing risk, and sets the scope and risk criteria for the remaining process.

(b) Risk Identification

This step includes identifying sources of risk, areas of impacts, events (including changes in circumstances), causes and potential consequences. The aim of this step is to generate a comprehensive list of risks based on those events that might create, enhance, prevent, degrade, accelerate or delay the achievement of objectives.

(c) Risk Analysis

Risk analysis involves developing an understanding of the risk. Risk analysis provides an input into risk evaluation and to decisions on whether risks need to be treated, and on the most appropriate risk treatment strategies and methods. Risk analysis involves consideration of the causes and sources of risk, their positive and negative consequences, and the likelihood that

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those consequences can occur. Factors that affect consequences and likelihood are identified. Existing controls and their effectiveness and efficiency are also taken into account.

(d) Risk Evaluation

The purpose of risk evaluation is to assist in making decisions, based on the outcomes of risk analysis, about which risks need treatment and the priority for treatment implementation.

It involves comparing the level of risk found during the analysis process with risk criteria established when the context was considered. Based on this comparison, the need and prioritisation for treatment can be considered.

(e) Risk Treatment

Risk treatment involves selecting one or more options for modifying risks, and implementing those options. Risk treatment options are not necessarily mutually exclusive or appropriate in all circumstances. The main treatment options are:

- Accept: deciding that the risk is acceptable in its current state of likelihood and impact.
- Avoid: deciding the risk is unacceptable for Crown and the actions or circumstances giving rise to the risk should be ceased.
- Monitor: the level of residual risk is currently appropriate, but monitoring is required to ensure the context or control effectiveness does not change.
- Optimise: taking actions to increase the likelihood and/or the consequence of an opportunity or improve the efficiency of the control framework in place for the risk.
- Reduce: taking action by changing the control environment to reduce the likelihood and/or the consequence of the risk materialising.
- Transfer: This involves transfer of risk at a cost to a third party. For Crown, this transfer occurs primarily through insurance policies.

(f) Communication and Consultation

Communication and consultation with external and internal stakeholders takes place during all stages of the risk management process. Effective external and internal communication and consultation ensures that those accountable for implementing the risk management process and stakeholders understand the basis on which decisions are made, and the reasons why particular actions are required.

(g) Monitoring and Review

Crown's monitoring and review processes are carried out for the purposes of:

- informing Crown's understanding of its operational risk profile relative to the Board's Risk Appetite;
- ensuring that appropriate controls are established, effective and are efficient in both design and operation;
- monitoring the progress in implementing risk treatment or remediation plans;
- detecting changes in the external and internal context, including changes to risk criteria and the risk itself which can require revision of risk treatments and priorities; and

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- identifying emerging risks.

(h) Recording and reporting

This part of the process is about ensuring that both the risk management process as well as the outcomes are documented and reported to the right levels of the organisation that will ensure risk-based decisions are made in line with appetite.

7.2. Risk Identification

Crown's strategy for identifying, analysing and evaluating its risks consists of two key processes, which include:

- a "top-down" risk assessment process that is embedded into the ongoing engagement process with the Board.

This process focuses on risks arising from the strategic objectives and the environmental uncertainties arising from the context of the organisation (i.e. economic and operating environment); and.

- a "bottom-up" risk assessment process that originates at each business unit and is aggregated up into Executive and finally a Corporate Risk Profile.

The bottom-up approach focuses on the short term strategic and operational risks of Crown. These risks are identified via an annual risk profiling mechanism that requires each business unit to review and update its risk profile.

The outcomes of the top-down and bottom-up processes are analysed and reconciled by the Risk Management Function to ensure alignment, identify gaps and seek appropriate management action to rectify any identified gaps.

Together, these processes serve to identify the material risks of the organisation and inform the CEO, Executives and the Board's view of the aggregated risk profile of Crown. They also assist to ensure that appropriate management strategies are implemented to manage that risk profile within risk appetite and inform the ongoing review and enhancement of the risk management framework.

The Risk Management Function is responsible for co-ordinating and facilitating the completion of these processes, preparing the aggregated Corporate Risk Profile and reporting the outcomes to the RMC.

Formal reviews are facilitated on an annual basis by the Risk Management Function. Each Executive is required to review and approve their business unit and aggregated Executive level risk profiles. The aggregated Corporate Risk Profile is reviewed and approved by the CEO and reported to the RMC at least annually.

These risk profiles form the basis for the development of the Internal Audit Plan. This ensures that the assurance processes in place through the third line of defence are aligned to the material risks of the organisation and assess the effectiveness of the internal control environment established to manage each risk.

Material findings from audit reviews are reviewed by the Risk Management Function to re-evaluate risk ratings and processes for each risk. This process assists in the ongoing review and enhancement of the Risk Management Framework.

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7.3. Monitoring and Reporting

The Risk Management Function is primarily responsible for monitoring compliance with the Board's articulated Risk Appetites and risk tolerances and escalating material risk issues to the Board.

The reporting and monitoring processes of the Risk Management Function do not negate the responsibility of the CEOs, Executives and Senior Management to monitor and report risk matters in a manner consistent with Board expectations. The Executives and Senior Management are responsible for reporting to the Risk Management Function and CEO material actual or potential risk matters in an open, transparent and honest manner.

The monitoring of risks against the Board's defined risk tolerances is performed by the Risk Management Function on an ongoing basis and is reported to the RMC at each meeting. In addition, the Risk Management Function will monitor key performance and risk indicators that provide insight into the different risk categories, and inform risk-taking activities for management.

8. Review

The RMS will be reviewed annually by the GGM – R&A and any changes proposed will be recommended to the RMC for consideration and the Board for approval.

In addition to the internal review process, Crown will ensure that its RMS and Risk Management Framework is subject, at least every three years, to an external review. The results of these reviews will be reported to the RMC.

Crown Resorts Limited
June 2019

2.2



Contact: Barry Felstead / Joshua Preston
 Direct Line: [REDACTED]
 E-mail: [REDACTED]
 Document No: COMPLIANCE_492306.3

1 July 2019

Ms Catherine Myers
 Chief Executive Officer
 Victorian Commission for Gambling and Liquor Regulation
 Level 3, 12 Shelley Street
 RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 4

I refer to Recommendation 4 of the Sixth Review and our response dated 2 July 2018.
 Recommendation 4 provides:

The VCGLR recommends that, by 1 July 2019, Crown undertake a robust review of internal controls to ensure that Crown's regulatory and compliance department is aware of all projects and works in progress for which regulatory approvals might be required.

To ensure both ownership of new gaming related initiatives and formal consultation with the Regulatory & Compliance Department, a 'Gaming Initiatives Form' (**Form**) was implemented in 2018, to obtain and record sign-off from the Regulatory & Compliance Department (along with the Responsible Gaming, AML, Security, IT and Surveillance Departments), for all new gaming initiatives.

The Form must be completed and approved in advance of any proposed gaming initiative being introduced at Crown Melbourne, and must be completed for any new (or approved variation to existing) gaming initiatives, games, technology, programs or procedures, to ensure any requirements of, or risks to: regulatory requirements, RSG, gaming integrity and social responsibility (along with anti-money laundering and counter terrorism financing regulation and security and surveillance) can be identified, assessed, mitigated and managed appropriately. The Forms, including all sign-offs (final sign-off being from the Regulatory & Compliance Department) are stored in Crown Melbourne's electronic filing system. A copy of the Gaming Initiative Form is attached for your information at **Appendix A**.

Another important element which supports our awareness of projects that require regulatory consideration and/or approval, is Crown's business wide Compliance Framework. In this respect, please find attached for your ease of reference at **Appendix B**, our Compliance Framework

submission dated 24 December 2018, which outlines the structure and robustness of the framework, which continues to be embedded within our business units.

Compliance System

As previously reported, as part of the Compliance Framework, a new system based compliance recording and reporting tool (known as CURA) was implemented at Crown Melbourne in January 2018, in support of the Compliance Framework.

The main function of CURA is to automate self-assessment surveys for departments, create a documented log of compliance related obligations and provide a system based tool to monitor issues, trends and progress. For key high priority compliance obligations, departments are required to confirm compliance on either a: monthly, quarterly, six monthly or annual basis. For example, the Gaming Machines Product department's Compliance Officer now completes a periodic (monthly) survey, which includes the following questions:

- *Confirm that all gaming machine types have not been varied from the approval.*
- *Confirm that no game has been varied from the approval.*
- *Have all gaming machines purchased during the period been of a type approved by the Commission?*
- *Have any new (or variation to existing) initiatives, games, technology, programs or procedures been incorporated without a Gaming Initiatives Form being completed and approved in advance?*

The use of such a system ensures there is clear accountability on confirmation of compliance, and allows the Regulatory & Compliance Department to easily monitor and track the completion of surveys, as well as monitor rectification of issues that arise.

Further, the system acts as a health check of compliance, the process also continuously reminds each department of what their compliance and regulatory obligations are, which is essential to such a complex and highly regulated business. Further, the surveys can continue to evolve as new compliance related issues arise, that is, if an issue arises, the survey can be adjusted to add a specific compliance question, which is to be considered each month when the Compliance Officers are completing the surveys.

The Compliance Framework now enhances the structure, education processes and accountability of Crown's overall compliance process and culture. In addition to the overall Compliance Framework implementation, as required by Recommendation 4, Crown has completed its robust review of its internal controls, a summary of which is attached at **Appendix C**.

For each relevant ICS where a change has been proposed, amended versions will be submitted to the VCGLR in the usual manner, seeking approval.

Crown considers that the completion of its robust review of internal controls to ensure that Crown's Regulatory and Compliance Department is aware of all projects and works in progress for which regulatory approvals might be required, has been completed, in satisfaction of Recommendation 4 of the Sixth Review.

Please do not hesitate to contact me or Joshua Preston if you have any queries.

Yours sincerely



Barry Felstead
Chief Executive Officer – Australian Resorts

Encl

2.2



GAMING INITIATIVES FORM

NEW OR VARIED GAMES, PROGRAMS, TECHNOLOGIES OR PROCEDURES

AML/CTF, REGULATORY & COMPLIANCE, RESPONSIBLE GAMING, SECURITY AND SURVEILLANCE APPROVAL

This Gaming Initiative Form must be completed to introduce to Crown Melbourne any new (or variations of existing) games, technology, programs or procedure, to ensure any requirements of, or risks to: anti-money laundering and counter terrorism financing regulation; security & surveillance; gaming integrity; regulatory requirements and social responsibility, can be identified, assessed, mitigated and managed appropriately.

*This Form must be completed and approved **in advance** of the proposed new initiative being introduced.*

To be completed by Originating Department:

Is this a new game/program/technology/procedure or a variance to an existing one?

New Variation

Have you considered and assessed all H&S risks? Yes - or contact H&S

Game / Service:

Detailed description of change and areas of impact:

Proposed date of change:

Completed by:

Department Representative Name (& ID #)

Department Representative Signature (& Date)

Approved for forwarding to the Regulatory Departments to review:

Department GM (Initiative Owner) Name (& ID #)

Department GM (Initiative Owner) Signature (& Date)



GAMING INITIATIVE APPROVAL FORM

To be completed by the AML Representative

ML/TF Risk Identified?

Yes No N/A

If Yes or N/A, please describe controls in place to mitigate and manage the risk:

[Empty text box for ML/TF risk controls]

Change to AML/CTF Program Required?

Yes No N/A

If Yes or N/A, please describe:

[Empty text box for AML/CTF program changes]

Update to Designated Services Risk Register attached?

Yes No N/A

If Yes or N/A, please describe:

[Empty text box for Designated Services Risk Register updates]

Approved for Implementation:

(Conditions apply: Yes No)

If yes, provide detail:

[Empty text box for implementation details]

[Empty text box for representative name]

AML/CTF Representative Name (& ID #)

[Empty text box for representative signature]

AML/CTF Representative Signature (& Date)

2.2



GAMING INITIATIVE APPROVAL FORM

To be completed by the Responsible Gaming Representative

Impact on RSG?

Yes No N/A

Please describe:

Approved for Implementation:

(Conditions apply:

Yes No)

If yes, provide detail:

Responsible Gaming Representative Name (& ID #)

Responsible Gaming Representative Signature (& Date)

2.2


GAMING INITIATIVE APPROVAL FORM
To be completed by the Surveillance Representative
Impact on Surveillance?

Yes

No

N/A

Please describe:

Approved for Implementation:

(Conditions apply:

Yes

No)

If yes, provide detail:

Surveillance Representative Name (& ID #)

Surveillance Representative Signature (& Date)

To be completed by the Security Representative
Impact on Security?

Yes

No

N/A

Please describe:

Approved for Implementation:

(Conditions apply:

Yes

No)

If yes, provide detail:

Security Representative Name (& ID #)

Security Representative Signature (& Date)

2.2


GAMING INITIATIVE APPROVAL FORM
To be completed by the IT Governance Representative

Impact on current IT Policies or IT Frameworks? Yes No N/A

If Yes or N/A, please describe:

Impact on current IT (MIS) ICS/SOP/WPIs etc.? Yes No N/A

If Yes or N/A, please describe:

Approved for Implementation: (Conditions apply: Yes No)

If yes, provide detail:

IT Governance Representative Name (& ID #)

IT Risk Governance Representative Signature (& Date)

2.2


GAMING INITIATIVE APPROVAL FORM
To be completed by Regulatory and Compliance Representative

Impact on current Regulatory Framework or Approvals? Yes No N/A

If Yes or N/A, please describe:

Impact on current ICS/SOP/Rules etc.? Yes No N/A

If Yes or N/A, please describe:

Controlled Contract? Yes No

Boundary Impact? Yes No

ATM Impact? Yes No

Recommendations to be actioned? Yes No N/A

If yes, provide detail:

Approved for Implementation: (Conditions apply: Yes No)

If yes, provide detail:

Regulatory & Compliance Representative Name (& ID #)

Regulatory & Compliance Representative Signature (& Date)



Contacts: Joshua Preston / Barry Felstead
Direct Line: [REDACTED]
Email: [REDACTED]

24 December 2018

Mr Ross Kennedy PSM
Chair
Victorian Commission for Gambling and Liquor Regulation
Level 3, 12 Shelley Street
RICHMOND VIC 3121

By email and mail

Dear Mr Kennedy,

Crown Melbourne Compliance framework update

We refer to the letter from the Victorian Commission for Gambling and Liquor Regulation (**Commission**) regarding the outcome of the button panel disciplinary matter, dated 26 April 2018, which required Crown Melbourne Limited (**Crown**) to present to the Commission, details of its updated compliance framework.

The Commission further requested that Crown articulate the 'lessons learned' from the button panel matter and how the framework will prevent a recurrence of such a matter in the future.

Subsequently we were requested to write to the Commission as opposed to presenting to the Commission on this matter. Please find following our submission in this regard.

Although we have not been requested to attend the Commission meeting to present on this issue on this occasion, we reiterate our request to be invited to the Commission meetings on a semi-regular basis to update the Commission on any current matters, or respond to the Commission on any matters it would like to hear from us on. We are of the respectful opinion that keeping the Commission apprised of business activities on a semi-regular basis would be of assistance to the Commission and also greatly assist Crown.

1. Executive Summary

Over the past 12 months, in our respectful opinion, Crown has made significant progress in the implementation of its business wide compliance framework and key elements of the framework are now embedded within Crown's operations. At a high level, these elements include the following:

- Governance and oversight:
 - An Executive Risk and Compliance Committee (ERCC) has been formed, comprising all members of the Crown Melbourne Executive Team, as well as senior representatives from Compliance and Risk. The formation of this Committee demonstrates strong Executive leadership and means that compliance activities and potential issues are given Executive level focus and scrutiny.
 - The Committee meets on an approximately quarterly basis, and two meetings have been held to date.
 - Reporting to the Crown Melbourne Limited Board Compliance Committee has been reviewed and substantially enhanced for the Committee's awareness of compliance and other related matters from a broader cross section of Crown's business units.
 - The new role of Group General Manager Regulatory & Compliance was created, to elevate the importance of compliance within the organisation, drive the implementation of the new framework and to ensure consistency between all of Crown's properties. The resources within the Regulatory & Compliance department have also since been realigned to ensure the framework is adequately supported.
 - Compliance related responsibilities are articulated in the Crown Melbourne Compliance Program (Manual), together with a description of how the compliance framework operates at Crown. Further, departmental-specific compliance obligations and activities are articulated in department Annual Compliance Plans. The majority of Annual Compliance Plans have now been drafted for all departments and have been signed off by departmental management.
 - A formal company Regulatory & Compliance Requirements Policy was drafted and issued in January 2018.
- Compliance Officers: The nomination of designed Compliance Officers within each operational department is largely complete. Compliance Officers are responsible for championing compliance activities and behaviours within their departments and reporting on compliance issues. Compliance Officers attend monthly Compliance Committee Meetings convened by the Group General Manager Regulatory & Compliance. These monthly meetings have occurred since February 2018.
- Compliance Requirements: The comprehensive identification of the compliance requirements of Crown Melbourne was completed in late 2017 and documented in a Requirements Register. These were prioritised to ensure compliance activities are directed to the compliance requirements, which are considered the highest priority. These requirements are currently subject to the first annual review process and thereafter will continue to be updated and re-assessed.
- Compliance System: a compliance system (CURA) was implemented at Crown Melbourne in January 2018. The system is used for compliance incident reporting, with self assessment compliance surveys completed by the Compliance Officers.

Further detail with respect to the compliance framework is provided in Section 2 below.

Specifically in relation to 'lesson's learned' from the button panel matter, the compliance framework addresses the following issues which were identified:

- an absence of a documented articulation of machine approvals as a compliance obligation: now articulated in the Requirements Register, and assessed as a high compliance priority.
- a lack of clarity over who was responsible for managing the compliance obligation relating to machine approvals: the new framework now articulates who is responsible for compliance with each key obligation; and
- a lack of reporting/compliance reporting against the obligation to comply with machine approvals: departments are required to complete periodic surveys to confirm compliance with key obligations. Importantly, where there are any compliance failings or issues, they are reported, escalated when necessary and rectified.

Further, this matter identified the absence of clear designed ownership of new gaming related initiatives and the lack of a formal consultation process with the Regulatory & Compliance department. To address this, a new 'Gaming Initiatives Form' has been created and implemented, to obtain and record sign-off from the Regulatory & Compliance and Responsible Gaming departments (together with the AML, Security, IT and Surveillance departments), for all new gaming initiatives.

Further detail is provided on this initiative in Section 3 below.

2. Compliance Framework

In the first half of 2017, a high level review of the governance frameworks in place across Crown Melbourne and Crown Perth identified the opportunity to operate a group compliance framework.

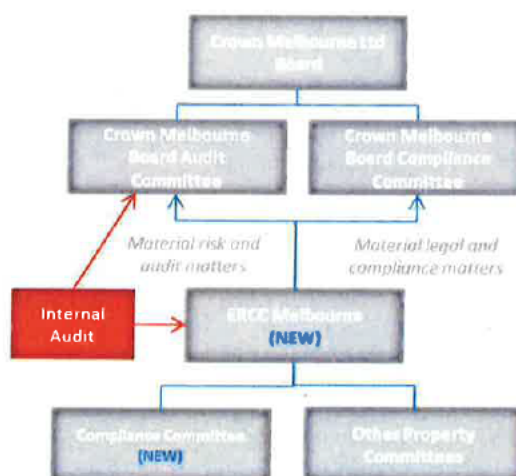
Following that review, the new position of Group General Manager Regulatory & Compliance was created with this position now overseeing the operation of the compliance frameworks in both properties.

Further, the development and implementation of a business wide compliance framework at Crown Melbourne, based largely on the framework currently in place at Crown Perth, was initiated and is now largely complete. The business wide compliance framework will assist in ensuring consistency in compliance practices within Crown Melbourne and also aims to increase awareness and accountability of compliance obligations.

Each of the main components of the framework, and the status of the implementation, is described further below.

Governance Structure

The following diagram shows changes made to the governance structure of Crown Melbourne, to further elevate and reinforce the importance of compliance (and risk) related activities:



The new elements of the structure include:

- An ERCC for Crown Melbourne, comprising all members of the Executive Team. No such committee existed previously. The ERCC meets quarterly and a formal Charter has been developed and endorsed.

The documented purpose of the ERCC, as outlined in the ERCC Charter, is to assist the CEO and Board of Directors in:

1. *“Assessing and providing oversight for the identification and evaluation of material risks involved in the business operations of Crown Melbourne (Company);*
2. *Reviewing and evaluating the Company’s actions to mitigate and manage business and compliance risks;*
3. *Assessing and providing oversight for the effective implementation and ongoing maintenance of the Company’s compliance program; and*
4. *Fulfilling their responsibilities relating to legal compliance matters and practices of the Company.”*

To date, two meetings of the ERCC have been held.

- A Compliance Committee, comprising all designated departmental Compliance Officers (refer below for further detail on Compliance Officers). The purpose of this Committee is to:
 - discuss any compliance matters or issues that were reported during the month, and whether corrective actions are needed;
 - communicate to Compliance Officers any new company policies;
 - communicate to Compliance Officers any new or amended legislative or regulatory requirements; and
 - monitor any actions arising from previous meetings.

The Compliance Committee is also used as an educative forum for the Compliance Officers where the Compliance Officers are expected to take their learnings back to their departments to continue knowledge sharing and promote a positive compliance culture.

The Committee is chaired by the Group General Manager Regulatory & Compliance. Significant matters or trends that have arisen through this process are reported to the ERCC.

These meetings commenced in February 2018 and have been (and will continue to be) held monthly.

Compliance Officers

As referred to above, each relevant department is required to nominate a Compliance Officer, who is tasked with completing the monthly surveys and attending monthly Compliance Committee Meetings.

Compliance Officer duties include leading a culture of compliance and regulatory awareness and providing regulatory and compliance advice and support to their departments, to ensure adherence to procedures and processes. Specifically, Compliance Officers duties comprise:

- monitoring changes in legislation and other obligations impacting on the operations of their department (in liaison with Regulatory & Compliance / Legal);
- requesting amendments to operating policies and procedures to ensure obligations are embedded into the department's operating systems;
- organising education and training in compliance, within the department;
- monitoring and reporting incidents and any incidence of non-compliance;
- submitting a monthly compliance certificate, certifying compliance within the department;

- periodically auditing the compliance system within the department to ensure embedded processes are effective (in accordance with the Annual Compliance Plan);
- identifying and remediating any problem areas; and
- ensuring the Annual Compliance Plan is completed for the department.

To date, Compliance Officers exist for 20 departments, with approximately 3 more to incorporate within the compliance framework. Compliance Officers for the Table Games, Gaming Machines, Gaming Product and VIP International departments were nominated as a priority and these Compliance Officers have been attending Compliance Committee Meetings and completing compliance surveys for at least 10 months.

Annual Compliance Plans

Each department is required to have an Annual Compliance Plan drafted, which articulates the department's prioritised compliance obligations and compliance activities, which will be undertaken during the year. The Annual Compliance Plans are:

- signed off at the beginning of the year by the Compliance Officer and Department General Managers/Executive General Managers; and
- signed off at the end of the year by the Compliance Officer and Department General Managers/Executive General Managers, confirming completion (or otherwise).

Annual Compliance Plans for departments will continue to evolve over time as a result of learnings, the legislative and regulatory environment and changing business practices.

To date, Annual Compliance Plans have been developed and finalised for the following departments:

- | | |
|-----------------------------|----------------------|
| ▪ AML/CTF | ▪ Hotels |
| ▪ Cage | ▪ Procurement |
| ▪ F&B (3 distinct sections) | ▪ IT |
| ▪ Finance | ▪ Responsible Gaming |
| ▪ Gaming Machines | ▪ Security |
| ▪ Gaming Machines Product | ▪ Surveillance |
| ▪ Regulatory and Compliance | ▪ Table Games |

The remaining departments will progressively be incorporated over the coming months.

Compliance System

A compliance system (CURA) was implemented in Crown Melbourne in January 2018, in support of the compliance framework.

Its main role is to automate self assessment surveys for departments, create a documented log of compliance related obligations and provide a system based tool to monitor issues, trends and progress. For key high priority compliance obligations, departments are required to confirm compliance on either a monthly, quarterly, six monthly or annual basis.

The use of such a system ensures there is clear accountability on confirmation of compliance, and allows the Regulatory & Compliance department to easily monitor and track the completion of surveys, as well as monitor rectification of issues that arise.

Further the system acts as a health check of compliance, the process also continuously reminds each department of what their compliance and regulatory obligations are, which is essential to such a complex and highly regulated business. Further the surveys can continue to evolve as new compliance related issues arise, that is, if an issue arises, the survey can be adjusted to add a specific compliance question, which is to be considered each month when the Compliance Officers are completing the surveys.

This compliance system will continue to evolve and enhance the historic compliance structures at Crown Melbourne as well as further embedding a culture of compliance within the various departments across Crown Melbourne.

2.2

3. Lessons Learned

As referred to above in Section 1, Crown conducted an extensive internal review of its processes following the button panel matter.

The review identified certain issues, and these are detailed below together with commentary on how these issues are addressed by the implementation of the compliance framework:

- absence of articulation of machine approvals as a compliance obligation: although this requirement was generally understood by all who are involved in the operation of gaming machines, noting that Crown has had a very long history of compliance, the specific obligation of the need to follow a process to document compliance with gaming machine approvals is now detailed in the Requirements Register, and assessed as a high compliance priority.
- lack of clarity over who specifically was responsible for managing the compliance obligation relating to machine approvals: The new framework now articulates who is responsible for compliance obligations and in particular:
 - The Gaming Product department's Annual Compliance Plan includes this as its obligation to manage and report against. The Annual Compliance Plan has been signed off by Gaming Product management.
- Lack of reporting/compliance reporting against the obligation to comply with machine approvals:
 - The Gaming Product department's Compliance Officer now completes a periodic (monthly) survey, which includes the following questions:

- *Confirm that all gaming machine types have not been varied from the approval.*
 - *Confirm that no game has been varied from the approval.*
 - *Have all gaming machines purchased during the period been of a type approved by the Commission?*
 - *Have any new (or variation to existing) initiatives, games, technology, programs or procedures been incorporated without a Gaming Initiatives Form being completed and approved in advance?*
- The survey is completed by the department's Compliance Officer, and reviewed/approved by the department's General Manager.

Further, this matter identified the absence of clear designated ownership of new gaming related initiatives and the lack of a formal consultation process with the Regulatory & Compliance department. To address this, a new 'Gaming Initiatives Form' has been implemented, to obtain and record sign-off from the Regulatory & Compliance and Responsible Gaming departments (together with the AML, Security, IT and Surveillance departments), for all new gaming initiatives.

The Gaming Initiatives Form must be completed and approved in advance of any proposed initiative being introduced at Crown Melbourne, and must be completed for any new (or approved variation to existing) initiatives, games, technology, programs or procedures, to ensure any requirements of, or risks to: regulatory requirements, RSG, gaming integrity and social responsibility (along with anti-money laundering and counter terrorism financing regulation and security and surveillance) can be identified, assessed, mitigated and managed appropriately. The Forms, including all sign-offs (final sign-off being from the Regulatory & Compliance Department) are stored in Crown Melbourne's electronic filing system. A copy of the Gaming Initiative Form is attached for your information.

To further reinforce compliance responsibilities and expectations, the bi-annual Compliance Education Memo was issued as the Crown Regulatory and Compliance Requirements Policy.

Both the Gaming Initiatives Form and the Regulatory and Compliance Requirements Policy are living documents, which are regularly varied, updated and improved upon.

4. Summary

We appreciate the opportunity to provide an update on the implementation of the new business wide Compliance Framework at Crown Melbourne. As shown above, in our respectful opinion, significant progress has been made in the implementation of the framework.

The Compliance Framework now enhances our structure, education processes and accountability to Crown's overall compliance process and culture. The change management process has been embraced by the business and we look forward to its continuing development.

Over the coming months, the Compliance Framework will continue to be enhanced, with the remaining departments being incorporated and the related processes maturing.

Mr Ross Kennedy PSM
Victorian Commission for Gambling and Liquor Regulation

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24 December 2018

Again, thank you for the opportunity to update the Commission on our progress on the enhanced Compliance Framework and please do not hesitate to contact Joshua Preston or myself if you have any queries, or alternatively we would be more than happy to attend a Commission meeting to discuss our developing framework or any other relevant matters to the Commission.

Yours sincerely



Barry Felstead
Chief Executive Officer – Australian Resorts



Joshua Preston – Australian Resorts

Encl

2.2



GAMING INITIATIVES FORM

NEW OR VARIED GAMES, PROGRAMS, TECHNOLOGIES OR PROCEDURES

AML/CTF, REGULATORY & COMPLIANCE, RESPONSIBLE GAMING, SECURITY AND SURVEILLANCE APPROVAL

This Gaming Initiative Form must be completed to introduce to Crown Melbourne any new (or variations of existing) games, technology, programs or procedure, to ensure any requirements of, or risks to: anti-money laundering and counter terrorism financing regulation; security & surveillance; gaming integrity; regulatory requirements and social responsibility, can be identified, assessed, mitigated and managed appropriately.

*This Form must be completed and approved **in advance** of the proposed new initiative being introduced.*

To be completed by Originating Department:

Is this a new game/program/technology/procedure or a variance to an existing one?

New Variation

Have you considered and assessed all H&S risks?

Yes - or contact H&S

Game / Service:

Detailed description of change and areas of impact:

Proposed date of change:

Completed by:

Department Representative Name (& ID #)

Department Representative Signature (& Date)

Approved for forwarding to the Regulatory Departments to review:

Department GM (Initiative Owner) Name (& ID #)

Department GM (Initiative Owner) Signature (& Date)



CROWN GAMING INITIATIVE APPROVAL FORM

To be completed by the AML Representative

ML/TF Risk Identified?

Yes No N/A

If Yes or N/A, please describe controls in place to mitigate and manage the risk:

[Empty text box for ML/TF risk controls]

Change to AML/CTF Program Required?

Yes No N/A

If Yes or N/A, please describe:

[Empty text box for AML/CTF program change]

Update to Designated Services Risk Register attached?

Yes No N/A

If Yes or N/A, please describe:

[Empty text box for Designated Services Risk Register update]

Approved for Implementation:

(Conditions apply: Yes No)

If yes, provide detail:

[Empty text box for implementation details]

[Empty text box for implementation details]

AML/CTF Representative Name (& ID #)

[Empty text box for representative name]

AML/CTF Representative Signature (& Date)

2.2

**CROWN GAMING INITIATIVE APPROVAL FORM****To be completed by the Responsible Gaming Representative****Impact on RSG?**

Yes

No

N/A

Please describe:

Approved for Implementation:**(Conditions apply:**

Yes

No)

If yes, provide detail:

Responsible Gaming Representative Name (& ID #)

Responsible Gaming Representative Signature (& Date)

2.2



GAMING INITIATIVE APPROVAL FORM

To be completed by the Surveillance Representative

Impact on Surveillance?

Yes No N/A

Please describe:

[Empty text box for description]

Approved for Implementation:

(Conditions apply:

Yes No

If yes, provide detail:

[Empty text box for detail]

[Empty text box for detail]

Surveillance Representative Name (& ID #)

[Empty text box for name]

Surveillance Representative Signature (& Date)

To be completed by the Security Representative

Impact on Security?

Yes No N/A

Please describe:

[Empty text box for description]

Approved for Implementation:

(Conditions apply:

Yes No

If yes, provide detail:

[Empty text box for detail]

[Empty text box for detail]

Security Representative Name (& ID #)

[Empty text box for name]

Security Representative Signature (& Date)

2.2


CROWN GAMING INITIATIVE APPROVAL FORM
To be completed by the IT Governance Representative

Impact on current IT Policies or IT Frameworks? Yes No N/A

If Yes or N/A, please describe:

Impact on current IT (MIS) ICS/SOP/WPIs etc.? Yes No N/A

If Yes or N/A, please describe:

Approved for Implementation: (Conditions apply: Yes No)

If yes, provide detail:

IT Governance Representative Name (& ID #)

IT Risk Governance Representative Signature (& Date)

2.2


GAMING INITIATIVE APPROVAL FORM
To be completed by Regulatory and Compliance Representative

Impact on current Regulatory Framework or Approvals? Yes No N/A

If Yes or N/A, please describe:

Impact on current ICS/SOP/Rules etc.? Yes No N/A

If Yes or N/A, please describe:

Controlled Contract? Yes No

Boundary Impact? Yes No

ATM Impact? Yes No

Recommendations to be actioned? Yes No N/A

If yes, provide detail:

Approved for Implementation: (Conditions apply: Yes No)

If yes, provide detail:

Regulatory & Compliance Representative Name (& ID #)

Regulatory & Compliance Representative Signature (& Date)

APPENDIX C

Name of Internal Control Statement	Date approved by VCGLR	Purpose of Internal Control (as noted in the ICS)	Recommended amendment(s)	Comments
Table Games Operations	8 March 2016	To ensure the integrity and continuity of Table Games Operations in accordance with regulatory requirements.	ICS reviewed. Change proposed.	It is proposed that the following text will be inserted into the Table Games Operations ICS and submitted for approval: <i>Any initiative and/or proposed variation to a table game (that is, not business as usual changes¹), not covered by an existing or proposed VCGLR approval, must be provided to Crown's Regulatory and Compliance Department prior to implementation, to determine whether regulatory approval is required.</i>
Cage Operations	2 March 2015	To ensure the integrity and continuity of Cage Operations through processes and procedures which ensure all transactions relating to the conduct of gaming at the Melbourne Casino are accounted for and correctly reported via the operation of the Cage.	ICS reviewed. Change proposed.	It is proposed that the following text will be inserted into the Cage Operations ICS and submitted for approval: <i>Any change initiative project (that is, not business as usual changes), not covered by an existing or proposed VCGLR approval, must be provided to Crown's Regulatory and Compliance Department prior to implementation, to determine whether regulatory approval is required.</i>
Cheque Cashing and Credit Facilities (Incorporating Debt Collection and the Discharge of Patron Debts)	26 October 2016	To ensure the application and documentation of effective processes and procedures for: <ul style="list-style-type: none"> - Assessing the identity and creditworthiness of applicants for cheque cashing and/or credit facilities; and - Collecting and discharging patron debts 	ICS reviewed. No change necessary.	Cheque Cashing and Credit Facilities are not generally the subject of projects or works in progress, but rather a uniformed process to be followed. Additionally, the discharges of any debts are processed through the VCGLR (either approval is sought or notification provided) by the Regulatory and Compliance Department, any changes affecting these processes would therefore necessarily be known to the Regulatory and Compliance Department.
Contracts	27 February 2018	To ensure Crown operates in accordance with the provisions of Division 2 – Contracts of the <i>Casino Control Act 1991</i> (Vic), ensuring the practice of	ICS reviewed. No change necessary.	Controlled Contracts are not generally the subject of projects or works in progress, but rather a uniformed process to be followed. Additionally, Controlled Contracts processes are managed by the Regulatory and Compliance Department, any initiatives would therefore necessarily be known by the Regulatory and Compliance Department.

¹ Business as usual changes might include for example: change of table layout, the movement of cameras, movement of gaming product, maintenance, increasing security or surveillance operator numbers etc. (Note for the avoidance of doubt, this footnote applies across all of the proposed ICS changes).

APPENDIX C

		good corporate governance and that relevant contractual supply arrangements and associated purchasing activities are adequately assessed, documented and supported.		
Surveillance	4 April 2018	To provide integrated Surveillance Operations across the Casino complex.	ICS reviewed. Change proposed.	It is proposed that the following text will be inserted into the Surveillance ICS and submitted for approval: <i>Any change initiative project (that is, not business as usual changes) not covered by an existing or proposed VCGLR approval and which impacts gaming operations, must be provided to Crown's Regulatory and Compliance Department prior to implementation, to determine whether regulatory approval is required.</i>
Count Room and Drop Box, Drop Bucket and Note Stacker Collection	13 October 2017	To complete the authorised, systematic collection and the accurate counting, of all cash and cash equivalent items, accumulated during the course of gaming.	ICS reviewed. No change necessary.	Count Room and Drop Box, Drop Bucket and Note Stacker Collection are not generally the subject of projects or works in progress, but rather a uniformed process to be followed.
Employee Appointments (Licensed and Unlicensed Positions)	12 April 2017	To ensure effective processes, procedures and reporting (where applicable) for the appointment of licensed and unlicensed employees.	ICS reviewed. No change necessary.	Employee Appointments are not generally the subject of projects or works in progress, but rather a uniformed process to be followed. Additionally, Employee Appointments are managed by the Regulatory and Compliance Department, any initiatives would therefore necessarily be known by the Regulatory and Compliance Department.
Gaming Equipment	12 July 2018	To ensure the accountability and integrity of gaming equipment.	ICS reviewed. No change necessary.	Clause 2.4 of the Gaming Equipment ICS already covers the matters the subject of this review, it provides: <i>Prior to activation and use on the gaming floor, confirmation that gaming equipment is approved by the VCGLR and complies with the relevant approval and where applicable, the seal/version/model number or other form of relevant identification is verified.</i>
Gaming Machines Operations	31 December 2018	To ensure effective processes and procedures for the operation of electronic gaming machines, including but not limited to: - Electronic gaming	ICS reviewed. No change necessary.	A change has already been made to cover the matters the subject of this review and approved by the VCGLR. In this respect see 2.11 <i>Any initiative and/or proposed variation to a gaming machine game or type not covered by a gaming machine approval must be provided to Crown's Regulatory and Compliance Department prior to implementation, to determine whether regulatory approval is required.</i>

APPENDIX C

		<p>machine configuration (including jackpot configuration);</p> <ul style="list-style-type: none"> - Electronic gaming machine payouts; and - Issue resolution. <p>Segregated approval and verification of key processes and procedures.</p>		
Internal Audit	11 November 2008	To ensure the ongoing operation of an effective and independent Internal Audit function.	ICS reviewed. No change necessary.	<p>Internal Audit is not generally the subject of projects or works in progress, but rather a process and policy to be adhered to. As noted in the current approved Internal Audit ICS, the <i>'Internal Control Statement together with the provisions of the Casino Agreement including reporting requirements set out in Schedule 5 provide sufficient framework for the Internal Audit function.'</i></p> <p>As discussed with the VCGLR, a review has been undertaken of this ICS to ensure that its few remaining relevant controls were moved to alternate ICSs. This ICS will be the subject of a submission for it to be revoked.</p>
Introductory Chapter	24 December 2015	Defines Crown's system of internal controls.	ICS reviewed. No change necessary.	The Introductory Chapter is not generally the subject of projects or works in progress, but rather a uniformed process to be followed. Additionally, as the Introductory Chapter is managed by the Regulatory and Compliance Department, any initiatives would necessarily be known to the Regulatory and Compliance Department. Further, clause 8.1 provides that <i>'All amendments to an ICS require the prior written approval of the VCGLR.'</i>
IT Operations	1 May 2019	To ensure the application and documentation of effective processes and procedures to safeguard the data and system integrity, stability, security, auditability, accountability and recoverability of IT gaming systems.	ICS reviewed. No change necessary.	<p>IT does not generally initiate projects or works for the commercial business, but rather are the recipients and processors of projects initiated by other departments. Nonetheless, the IT Operations ICS is subject to significant monitoring, notification, approval and auditing by the VCGLR. These include: a requirement for independent review and authorisation processes for tasks referenced in the Appendix, and goes on to note that changes to the Appendix require notification to the VCGLR; independent verification of gaming system software changes, pre and post-installation ensuring compliance with the version approved by the VCGLR; approval by the VCGLR (accompanied by a recommendation from an ATF) of: gaming software applications, gaming system documentation updates (including the Baseline Documents), the Network Policy Document and the Storage Area Policy Document. Notification is required to the VCGLR of: emergency gaming system software change installations, together with an updated CRC value; and gaming system operating system and platforms patches, including security patches. System Incident Reports must also be submitted to the VCGLR, including notifications of unresolved issues. These extensive VCGLR approvals and notifications leave little scope for the necessity of an assessment by the Regulatory and Compliance Department as to whether regulatory approval is required. Additionally, each of these approvals and</p>

APPENDIX C

				notifications are either made by the Regulatory and Compliance Department or would be reported to the Regulatory and Compliance Department through the CURA reporting system – accordingly, each becomes known to the Regulatory and Compliance Department.
Revenue Audit and Reporting	1 April 2019	To ensure the integrity of gaming activity and the accurate reporting of monthly GGR for the purpose of calculating taxes and fees payable by Crown. To ensure the security and accountability of gaming cheques and gaming vouchers through the operation of an efficient and effective revenue audit function. To ensure the application and documentation of effective processes and procedures for the establishment and use of patron deposit taking bank accounts.	ICS reviewed. Change proposed.	It is proposed that the following text will be inserted into the Revenue Audit and Reporting ICS and submitted for approval: <i>Any change initiative project (that is, not business as usual changes) not covered by an existing or proposed VCGLR approval and which impacts the reporting of revenue to the VCGLR, must be provided to Crown's Regulatory and Compliance Department prior to implementation, to determine whether regulatory approval is required.</i>
Security	8 December 2009	To ensure the safety of Crown staff, contractors and visitors to the casino complex. To safeguard Crown's assets and property. To prevent and detect unacceptable behaviours within the casino complex and surrounds. To support all gaming activity conducted within the casino complex and other activities as required.	ICS reviewed. Change proposed.	The Security ICS is currently under review with the VCGLR and once settled, it is proposed that the following text will be inserted and the ICS resubmitted for approval: <i>Any change initiative project (that is, not business as usual changes) not covered by an existing or proposed VCGLR approval and which impacts gaming operations, must be provided to Crown's Regulatory and Compliance Department prior to implementation, to determine whether regulatory approval is required.</i>
Junket and Premium Player Programs (including VIP Telephone Betting and the Introduction of Players)	24 December 2015	Ensure that Crown remains free of criminal influence and exploitation through the application of effective processes and the	ICS reviewed. Change proposed.	It is proposed that the following text will be inserted into the Junket and Premium Player Programs ICS and submitted for approval: <i>Any gaming change initiative project (that is, not business as usual changes), not covered by an existing or proposed VCGLR approval, must be provided to Crown's Regulatory and Compliance Department prior to implementation, to determine</i>

APPENDIX C

		maintenance of detailed and accurate documentation relating to Junket and Premium Player Program activity, the introduction of players and VIP International Telephone betting.		<i>whether regulatory approval is required.</i>
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Contact: Barry Felstead / Joshua Preston
 Direct Line: [REDACTED]
 E-mail: [REDACTED]
 Document No: COMPLIANCE_491145.4

28 June 2019

Ms Catherine Myers
 Chief Executive Officer
 Victorian Commission for Gambling and Liquor Regulation
 Level 3, 12 Shelley Street
 RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 5

I refer to Recommendation 5 of the Sixth Review, which provides:

'The VCGLR recommends that Crown convene annual roundtable sessions briefing key internal staff on the VCGLR's risk-based approach to regulation, with a particular focus on how that approach relies on the integrity of Crown's internal processes.'

Crown Melbourne has addressed and completed this recommendation through various means, and at various levels, as follows:

1. Education of Executive Management at Crown Melbourne regarding the Victorian Commission for Gambling and Liquor Regulation's (VCGLR's) risk based approach, reiterating the importance of the effectiveness and robustness of Crown's internal controls and processes. This briefing will occur on an annual basis at an Executive Risk and Compliance Committee meeting. Refer below for further detail on this briefing.
2. Continual education and discussion of VCGLR expectations at Crown Melbourne's monthly Compliance Committee meetings, comprising nominated Compliance Officers from key business units including gaming.
3. The above two forums assist in ensuring the ongoing oversight and effectiveness of Crown Melbourne's compliance framework, by clearly articulating (amongst other matters) corporate expectations regarding regulatory awareness and compliance activities; thereby continuing to encourage a culture of compliance.
4. As previously reported, Crown Melbourne's compliance framework now comprises a requirements register, whereby all gaming (and liquor) related legislation and regulatory requirements have been assessed for compliance priority. This is reflected in all applicable

Crown Melbourne Limited ABN 46 006 973 262

8 Whiteman Street Southbank Victoria 3006 Australia Telephone +61 3 9292 8888 Facsimile +61 3 9292 6600
 crownmelbourne.com.au

department compliance plans and reinforces the importance of strong internal controls and operating procedures in these areas throughout the business.

5. Crown Melbourne's recently introduced compliance reporting system ensures that all compliance related matters are reviewed, analysed, and where necessary, escalated to ensure that, save for any genuine human errors, any underlying weakness in controls can be addressed on a timely basis. In this regard, it is relevant to note *ISO 19600: 2015 Compliance Management Systems, 9.1.7 – Compliance Reporting*, which states that '*...employees should be encouraged to respond and report noncompliance with the law and other incidents of noncompliance, and to see reporting as a positive and non-threatening action without fear of retaliation.*'
6. Crown's recently enhanced '3 lines of defence' governance model highlights the Compliance and Risk Departments' roles in the second line of defence, with Internal Audit as the third line of defence.

In our respectful opinion, the above actions (together with the implementation of all other aspects of Crown Melbourne's Compliance Framework as reported separately), has appropriately reinforced the VCGLR's regulatory approach and expectations throughout the organisation, and the importance of strong internal controls to ensure ongoing compliance with gaming related legislation. Ultimately, this is further strengthened by Crown Melbourne's culture of compliance, supporting the VCGLR's objective to achieve high levels of voluntary compliance.

Executive Management Education

With respect to point 1 above, Crown Melbourne's Executive Risk and Compliance Committee (ERCC) was briefed on 21 May 2019, on the VCGLR's risk-based approach to regulation. Attendees at this meeting comprise all members of Crown Melbourne's Executive, along with the Group General Managers from the Risk and Compliance Departments.

It was noted to the ERCC that both Crown and the VCGLR, through a risk-based approach, aim for Crown Melbourne to manage its compliance issues in a proactive manner as opposed to requiring a rule-based approach with VCGLR enforcement.

To assist the ERCC in its appreciation of the VCGLR's risk-based approach, a full copy of the VCGLR's 'Regulatory Approach' and 'Regulatory Approach Short Summary' documents were provided to all attendees. Referencing the Regulatory Approach document, it was noted that the VCGLR's risk-based approach:

- Guides the VCGLR's priorities and use of resources in discharging their statutory functions;
- Infiltrates their licensing, information and education, monitoring and enforcement functions;
- Acknowledges a tolerance of risk is necessary to meet their regulatory objectives; and
- Is applied in an integrated manner in conjunction with the VCGLR's additional principles for regulation, which include being: targeted; proactive; collaborative and transparent.

The Committee was also informed that the VCGLR's regulatory approach places important reliance on Crown's Compliance Framework, including internal controls.

As the Commission has been informed, Crown Melbourne's Compliance Framework is designed to assist departments understand their legal and regulatory obligations, provide a tool for recording and reporting Compliance issues, provide a platform for escalation and discussion, as well as a process to

enhance education and to take rectification actions as required, to mitigate recurrences. For further detail on the risk and compliance frameworks, we refer you to our response to Recommendation 3 (Risk) and our letter to the Chairman of the Commission dated 24 December 2018 (Compliance Framework).

Please do not hesitate to contact me or Joshua Preston if you have any queries.

Yours sincerely

A black rectangular redaction box covering the signature of Barry Felstead.

Barry Felstead
Chief Executive Officer – Australian Resorts

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Contact: Barry Felstead / Joshua Preston
 Direct Line: [REDACTED]
 E-mail: [REDACTED]
 Document No: COMPLIANCE_461955.3

28 May 2019

Ms Catherine Myers
 Chief Executive Officer
 Victorian Commission for Gambling and Liquor Regulation
 49 Elizabeth Street
 RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 12

I refer to Recommendation 12 of the Sixth Review, which provides:

'The VCGLR recommends that, by 1 July 2019, Crown Melbourne expand facial recognition technology to cameras on all entrances to the casino and that Crown Melbourne provide written updates on a quarterly basis on its effectiveness to the VCGLR.'

Crown Melbourne Limited (**Crown**) confirms that it has now completed the installation of Facial Recognition Cameras at all public entrances to the casino. Please also note that in addition to the Recommendation, Crown has commenced installation of a number of Facial Recognition Cameras to external entrances to the Complex.

Pursuant to Recommendation 12, Crown is also to commence providing quarterly written updates to the VCGLR on the effectiveness of Facial Recognition Technology. In this respect Crown will provide its first update to the VCGLR for the quarter commencing 1 July 2019 in October 2019 and quarterly thereafter.

Please let myself, or in my absence Joshua Preston, know if you would like to discuss this matter or if there is any further information that can be provided to assist.

Yours sincerely

[REDACTED]
 Barry Felstead
 Chief Executive Officer – Australian Resorts

Crown Melbourne Limited ABN 46 006 973 262
 8 Whiteman Street Southbank Victoria 3006 Australia Telephone +61 3 9292 8888 Facsimile +61 3 9292 6600
crownmelbourne.com.au

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Contact: Barry Felstead / Joshua Preston
 Direct Line: [REDACTED]
 E-mail: [REDACTED]

Document No: COMPLIANCE_496047.2

1 July 2019

Ms Catherine Myers
 Chief Executive Officer
 Victorian Commission for Gambling and Liquor Regulation
 Level 3, 12 Shelley Street
 RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 17

I refer to Recommendation 17 of the Sixth Review and our response dated 2 July 2018.

Recommendation 17 provides as follows:

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

Crown Melbourne Limited (**Crown**) has completed its robust review of the relevant Crown Internal Control Statements (**ICSSs**), to ensure that money laundering risks are appropriately addressed. This robust review included assistance from external advisory firm Initialism Pty Ltd (**Initialism**) and input from AUSTRAC (the **Relevant ICS Review**).

In conducting the Relevant ICS Review, Crown reviewed all ICSSs to assess:

- which ICSSs are potentially relevant to the assessment and management of money laundering risks (specifically, those ICSSs of business units directly or indirectly involved in the provision of designated services (as that term is defined by the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act)* and the *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No 1) (AML/CTF Rules)* to patrons) (**relevant ICSSs**); and
- with reference to the relevant ICSSs, whether any amendments are appropriate to ensure that anti-money laundering risks are appropriately addressed.

An overview of the Relevant ICS Review is **enclosed** with this letter.

As a reporting entity under the AML/CTF Act, Crown is required by law to have a risk-based AML/CTF Program in place that is compliant with the requirements of the AML/CTF Act and AML/CTF Rules. The AML/CTF Rules specify that the primary purpose of Part A of an AML/CTF Program is to identify, manage and mitigate money laundering or terrorism financing risks that a reporting entity reasonably faces in the provision of designated services under the AML/CTF Act.

Crown notes in this respect that it has such an AML/CTF Program in place that is regularly assessed by AUSTRAC.

Crown's review of the relevant ICSs was conducted concurrently with Crown's annual ML/TF risk assessment under its risk-based AML/CTF Program. Crown's annual ML/TF risk assessment involved a consideration by Crown's AML Team, in conjunction with the relevant business units, of the potential money-laundering and/or terrorism financing risks (**ML/TF risk**) that may be presented by the designated services Crown provides (and how these services are provided), the risks presented by its customer types, and the controls in place to manage those risks.

External Assistance

Crown provided a copy of the Relevant ICS Review and Crown's annual ML/TF risk assessment, together with details of Recommendation 17 (and access to the Sixth Review Report) to Initialism seeking:

- its advice on the changes to the relevant ICSs proposed by Crown; and
- any other input or commentary Initialism might have regarding the relevant ICSs.

In its advice, Initialism noted that Crown has adopted a methodology for the assessment of risk that is internationally recognised as being appropriate for an entity such as Crown and that Crown's application of ISO 31000 and Crown's approach to risk assessment is aligned to the approach recommended by AUSTRAC in its guidance on ML/TF risk assessments.

Initialism also noted that Crown obtains 'know your customer' information on Junket Operators, Junket Representatives and Junket Players in advance of their play; conducts enhanced customer due diligence (including through external searches) in respect of Junket Operators and that, as part of its transaction monitoring program, Crown monitors the transactions of Junket Operators and Junket Players.

Initialism's recommendations have been adopted by Crown, as noted further below.

AUSTRAC Consultation

Following the issuance of the Sixth Review Report, Crown consulted with AUSTRAC (both informally and formally) in respect of Recommendation 17 and its proposed changes to the relevant ICSs, including meeting with senior AUSTRAC staff responsible for AUSTRAC Regulatory Operations.

In seeking AUSTRAC's input, Crown provided AUSTRAC with an overview of Recommendation 17 (together with access to the Sixth Review Report), as well as:

- a copy of the contemplated amendments to the relevant ICSs; and
- following the receipt of advice from Initialism, an updated position regarding the proposed amendments to the relevant ICSs to take account of Initialism's advice (specifically, the inclusion of the AML/CTF Program as a control in each relevant ICS).

AUSTRAC has now formally advised Crown that its treatment of Recommendation 17 "*is a matter for Crown and that it is not appropriate for AUSTRAC to provide comment on ICSs*". AUSTRAC has also advised Crown that its role is to supervise Crown's compliance with the AML/CTF Act and AML/CTF Rules (including via Crown's AML/CTF Program) and that it will continue to supervise Crown in that capacity to ensure that Crown adheres to laws designed to identify and mitigate its money laundering and terrorism financing risks.

We note in this respect that Crown's AML/CTF Program was most recently reviewed by AUSTRAC in November 2017, with no non-compliances identified. AUSTRAC did however make several recommendations, which Crown considered and, where required, adopted into its AML/CTF Program.

Additional Initiatives

Crown understands that, notwithstanding its compliant AML/CTF Program, it is critical that Crown remain vigilant in the identification, mitigation and management of any new or emerging ML/TF risks that might be presented by the services it provides, how they are provided and to whom it provides them.

In this respect, Crown has taken, and continues to take, steps to review and enhance its broader AML/CTF risk-based framework. These steps include:

- a comprehensive review of Crown's existing AML/CTF risk-based framework, which will upon finalisation include:
 - a new Corporate Policy Statement to apply to all employees; and
 - an independently reviewed, newly developed Joint AML/CTF Program to be adopted by Crown Melbourne, Crown Perth and, in due course, Crown Sydney;
- an external review of Crown's transaction monitoring program by Initialism, confirming Crown's compliance with the requirements of the AML/CTF Act and AML/CTF Rules. Initialism confirmed that Crown Melbourne has the systems and controls in place to identify the transactions of its customers that appear to be suspicious and that its AML/CTF Program seeks to identify complex, unusual large transactions or patterns of transactions that have no apparent economic or visible lawful purpose;
- the enhancement of the existing approval process for any new product or service to be introduced to the gaming floor, which includes the approval by the AML Team of the contemplated product or service;
- following the appointment of the Group General Manager – AML in November 2017, the additional appointment of two manager-level resources to the AML Team to increase resourcing levels in order to assist the business units in the identification, mitigation and management of ML/TF risk;
- the enhancement of Crown's screening of its Customers to detect if they are 'politically exposed', sanctioned or otherwise a person of special interest, with many Customers screened on an ongoing basis for any change in their status (with an alert generated for AML Team review accordingly); and
- the maintenance by Crown of regular, ongoing dialogue with law enforcement, AUSTRAC and other relevant bodies to ensure Crown remains abreast of any new or emerging ML/TF risks, or any factors that might impact the inherent or residual ratings of existing ML/TF risks identified by Crown.

We note in this regard that AUSTRAC has advised Crown that it does not provide training to reporting entities, but has encouraged Crown to review the money laundering typologies and other guidance produced by AUSTRAC and to build these into its internal training programs, an approach already adopted by Crown.

Results of Relevant ICS Review

Following Crown's robust review, and taking into account input from Initialism and AUSTRAC, Crown proposes the following changes to the relevant ICSs: :


- the inclusion of Crown's AML/CTF Program as a control in the "Minimum Standards and Controls" section of each relevant ICS; and
- the inclusion of a specific risk of "Criminal influence and exploitation" (which captures potential money laundering or terrorism financing activities) in each relevant ICS Risk Assessment Matrix where that risk is not already directly or indirectly included.

Crown considers that the completion of its review of the relevant ICSs, with the input of Initialism and AUSTRAC, has been completed in satisfaction of Recommendation 17 of the Sixth Review.

Crown will be shortly submitting for the VCGLR's approval updated relevant ICSs to reflect the results of Crown's robust review of the relevant ICSs, as noted above.

Please do not hesitate to contact me or Joshua Preston if you have any queries.

Yours sincerely



Barry Felstead
Chief Executive Officer – Australian Resorts

Encl

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Contact: Barry Felstead / Joshua Preston
Direct Line: [REDACTED]
E-mail: [REDACTED]
Document No: COMPLIANCE_477137.3

27 May 2019

Ms Catherine Myers
Chief Executive Officer
Victorian Commission for Gambling and Liquor Regulation
49 Elizabeth Street
RICHMOND VIC 3121

cc: Rowan Harris

By Email

Dear Ms Myers

Sixth Review of the Casino Operator and Licence (Sixth Review) - Recommendation 19

I refer to Recommendation 19 of the Sixth Review, which provides:

'The VCGLR recommends that, by 1 July 2019, Crown Melbourne implement a policy to make an exclusion order under s 72 of the Casino Control Act in appropriate cases where a person has engaged in significant unacceptable conduct in the casino or is the subject of serious criminal charges.'

Crown Melbourne Limited (**Crown Melbourne**) replied to this Recommendation in its response to the s 25 Review, dated 2 July 2018:

'Crown notes that it has had a policy in place to issue Exclusion Orders for unacceptable behaviour for over ten years and does issue Exclusion Orders for this purpose in appropriate circumstances. Crown also notes that it issues withdrawal of licence notices to persons in appropriate circumstances, as it is entitled to do as a common law right, as those notices cover broader areas of the Crown property than the more limited area covered by Exclusion Orders.'

Please find attached Crown Melbourne's Unacceptable Behaviour Policy (which is currently in DRAFT to highlight the relevant changes to you, but a signed final version will be posted to Crown Melbourne's Intranet for staff), with slight modifications to align its language with that of Recommendation 19. Crown respectfully considers that the requirement to have an Unacceptable Behaviour Policy, which includes provision to make an exclusion order in appropriate cases where a person has engaged in significant unacceptable conduct in the casino or is the subject of serious criminal charges, has been completed in satisfaction of Recommendation 19 of the Sixth Review.

Please do not hesitate to contact me or Joshua Preston if you would like to discuss this matter or if there is any further information that can be provided to assist.

Yours sincerely



Barry Felstead
Chief Executive Officer – Australian Resorts

Encl.

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SUBJECT: Corporate Policy Statement
POLICY TITLE: Unacceptable Behaviour
APPROVED BY: Craig Walsh **REVIEWED:** ## May 2019
VERSION: Version 10.1 **ISSUE DATE:** July 2005

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1. Statement of Purpose

1.1 The aim of this Policy is to provide an understanding of what constitutes unacceptable behaviour and what action may be taken.

2. Policy Statement

2.1 The term "unacceptable behaviour" includes but is not limited to:

- 2.1.1 Theft;
- 2.1.2 Assault;
- 2.1.3 Begging/Scrounging;
- 2.1.4 Employee Abuse or Harassment;
- 2.1.5 Loyalty Program Abuse;
- 2.1.6 Syndicate Play/Associated Activities;
- 2.1.7 Card Counting/Breach of Restrictions;
- 2.1.8 Recidivist Breach of Exclusion/Self Exclusion Order;
- 2.1.9 Prostitution/Soliciting/Sexual Misconduct;
- 2.1.10 Loan Sharking/Incidents Arising from Money Lending;
- 2.1.11 Illicit Commerce – Selling Goods;
- 2.1.12 Urinating/Spitting/Other;
- 2.1.13 Unattended Children;
- 2.1.14 Recidivist Intoxication;
- 2.1.15 Violent or Threatening Behaviour;
- 2.1.16 Criminal Damage;
- 2.1.17 Cheating at Gaming or use of Counterfeit: Chips, Vouchers or Money;
- 2.1.18 Known or suspected Gang Membership (i.e. known or suspected of being involved in outlaw motorcycle gangs) including known or suspected association with such Gangs or Gang Members;
- 2.1.19 Known or suspected to currently have, or to have had involvement or association with any organised crime figures, members and/or groups;

- 2.1.20 The customer is known to be the subject of serious criminal charges;
- 2.1.21 Drug offences; and
- 2.1.22 Any other behaviour deemed by Crown Melbourne Limited (**Crown**) in its discretion to be unacceptable.

3. Procedure

- 3.1 Crown employees are encouraged to report incidents of unacceptable behaviour to their Manager or to a Security Services representative for appropriate action.
- 3.2 Depending on the nature and/or severity of the unacceptable behaviour a Manager or Security Services representative involved in the incident may:
 - 3.2.1 Ask the customer to modify his/her behaviour;
 - 3.2.2 Ask the customer to leave the premises;
 - 3.2.3 If necessary remove the person from the premises; or
 - 3.2.4 Detain the person pending the arrival of the police.
- 3.3 Where deemed necessary, the Security Services Manager (or above) may issue a Withdrawal of Licence. A Withdrawal of Licence is a common law right to refuse someone entry to property.
- 3.4 Follow-up action
 - 3.4.1 Where the immediate action taken does not adequately deal with the situation, further action may be required and could include:
 - (a) Reporting of the matter to the Security Investigation Unit (**SIU**) for further investigation; and
 - (b) Preparation of a file containing relevant information or evidence.
 - 3.4.2 Submission of the completed file, together with any recommendation from any relevant department for further action that may be necessary-appropriate, including any one or a combination of the following:
 - (a) Advice to customer/s;
 - (b) Preparation of a Person of Interest (**POI**) file;
 - (c) A Letter of Warning;
 - (d) Withdrawal of Licence;

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- (e) Exclusion Order¹ (where appropriate, including for significant unacceptable conduct or serious criminal conduct);
- (f) Referral to police; or
- (g) Formal legal action.

3.4.3 As a general rule Exclusion Orders are issued where the activity, behaviour or incident impacts on the integrity of the game (although there can be overlap with other unacceptable behaviours).

3.5 Assistance

3.5.1 At the time of an incident the attending personnel should provide whatever assistance may be required to the victim or complainant and/or employee.

3.5.2 Follow-up support will be offered to individuals (employees or customers) involved in an incident as deemed appropriate. Support may be in the form of medical assistance, counselling or referral to the Employee Assistance Program.

3.5.3 Any customer complaint, or appeal from an Exclusion Order can be made to the Victorian Commission for Liquor and Gambling Regulation (**VCGLR**) and Crown will assist the customer in providing the contact details for the VCGLR.

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¹ Exclusion Order means a written or oral order under section 72 of the Casino Control Act or a written order under section 74 of the Casino Control Act, prohibiting a person from entering, or remaining in, a casino or the casino complex.

4. Revision History

Issue Date	Version	Author Initials	Section changed	Change Details
19 May 2016	7.0	JC	No changes	No changes
10 May 2017	8.0	JC	2.1	Additional definitions
10 January 2018	9.0	JC	3.2	Addition of Manager
18 June 2018	10.0	CW	No changes	No changes
**** 2018	11.0	JC	<u>3.4.2</u>	General tidying and insert for <u>Recommendation 19 of the 6th s 25 Review</u>

5. Certification

Responsibility	Name	Business Unit	Signature	Date
Prepared By	Jacqueline Couch	Regulatory and Compliance		
Approved By	Craig Walsh	Security		

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Section 25 – Recommendations Table At 19 July 2019

Attachment 02.2

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
<p>Recommendation 1</p> <p>The VCGLR recommends that, by 1 January 2019, Crown develop, and submit to the VCGLR for approval, a change program to fully engage its independent directors in proactive strategic oversight of the operations of the Melbourne Casino. Particular consideration should be given to -</p> <ul style="list-style-type: none"> formulating a charter for the Crown Melbourne board fully documenting, for visibility to the VCGLR, the reporting and decision-making relationships between all of the boards, committees and executive meetings with responsibility for, or oversight of, Melbourne Casino functions, and elevation of governance to the group board and committees. <p>The submission should identify any changes to regulatory frameworks and how these will be addressed.</p>	<p>Recommendation Accepted</p> <p>Crown will, in conjunction with its parent company, review its governance framework, taking into account the matters recommended by the Commission for consideration. A new framework for reporting has already been designed and is being worked through. Crown will continue to review its corporate structure moving forward with any proposed changes brought to the attention of the Commission.</p> <p>We also note that the current Crown Melbourne Framework has been considered by the Commission in times past, with some of the current structures in place as a result of regulatory obligations.</p>	<ul style="list-style-type: none"> A submission addressing all points referenced in Recommendation 1 was submitted to the VCGLR on 24 December 2018. The submission included a Crown Melbourne Board Charter. Although not specifically related to Recommendation 1, Crown is drafting a new updated Company Constitution, which will require the approval of the Commission in due course. 	1 January 2019	Yes
<p>Recommendation 2</p> <p>The VCGLR recommends that, by 1 January 2019, Crown undertake a review of the required qualifications for committee chairs set out in the charters, and ensure that the appointees' actual qualifications match.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> Review undertaken and letter outlining actions taken by Crown submitted to the VCGLR on 24 December 2018. In March 2019, the VCGLR wrote to Crown stating that '<i>Crown will also undertake a review of the required qualifications for committee chairs set out in the charters, and ensure that the appointees' actual qualifications match for Crown Resorts Ltd committees.</i>' 	1 January 2019	Yes

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Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
		<ul style="list-style-type: none"> Crown Melbourne responded that the Recommendation applied to Crown Melbourne only (the Licence Holder and Operator) and that Crown Resorts was not contemplated, but in any event, noted that the VCGLR's letter had been forwarded to Crown Resorts. In this respect, Crown Resorts' responded by setting set out that its Committee requirements are governed by the ASX's Corporate Governance Council's Principles and that its compliance with them is publicly available information (in the Annual Report). 		
<p><u>Recommendation 3</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown assess the robustness and effectiveness of its risk framework and systems, including reporting lines in the chain of command, and upgrade them where required. This assessment should be assisted by external advice.</p>	<p>Recommendation Accepted</p> <p>It should be noted that the risk framework has already been reviewed and an enhanced framework is currently being implemented, which is supported by an IT based reporting, recording and management framework.</p> <p>Also, a Group General Manager – Risk and Audit was appointed in 2017 to oversee the group function of risk and audit. Additional resources have also been committed to support the enhanced framework.</p>	<ul style="list-style-type: none"> The Group General Manager Risk & Audit has reviewed Crown's risk framework and commenced enhancements to the framework and systems in early 2018. In this respect the enhanced risk framework has started to be rolled out across the business and is being embedded into work processes and systems. A new "Risk Appetite" was presented to, and ultimately approved, in December 2018 by the relevant Crown Boards and Committees. The supporting risk matrix was revised, approved by the business and embedded into the risk system to ensure the capture of risk profile data. Risk reporting has been restructured, and organised around seven risk categories, including the development of a key risk indicator (KRI) dashboard. An external firm was engaged to carry out a review of the risk framework elements. The relevant observations provided by the external firm were included in the Risk Management Strategy document and approved by the Board. The risk system has been updated to reflect the updated framework elements, and implemented across Crown Melbourne. 	1 July 2019	Yes

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Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
		<ul style="list-style-type: none"> Assessment undertaken and letter outlining actions taken by Crown submitted to the VCGLR on 1 July 2019. 		
<p><u>Recommendation 4</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown undertake a robust review of internal controls to ensure that Crown's regulatory and compliance department is aware of all projects and works in progress for which regulatory approvals might be relevant.</p>	<p>Recommendation Accepted</p> <p>In this respect, a new business-wide compliance framework has been designed and the roll out has commenced across the business. Further a new process has been implemented to address any proposed changes to the regulatory environment.</p>	<ul style="list-style-type: none"> A Gaming Initiatives Form was developed and implemented into processes in the business and is the key action in satisfying this recommendation; along with the new Regulatory and Compliance Requirements Policy. A submission was made for an amendment to the EGM ICS to provide for the Gaming Initiative Form – VCGLR approval has been received. Review was undertaken to determine whether additional Internal Controls require amendment. Although not specifically in response to this Recommendation, a new business wide compliance framework has been developed and rolled out to the business (95% of relevant departments are now integrated into the new framework). This included the commissioning of a reporting system (known as CURA) to support the new compliance framework. A detailed submission on the Compliance Framework was sent to the Chairman of the Commission on 24 December 2018, related to the Blanking Buttons matter. Following the review of internal controls, Crown will include a reference in relevant ICSS to Compliance being consulted prior to new initiatives being implemented. Review undertaken and letter outlining actions submitted to the VCGLR on 1 July 2019. 	1 July 2019	Yes

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Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
<p><u>Recommendation 5</u></p> <p>The VCGLR recommends that Crown convene annual roundtable sessions briefing key internal staff on the VCGLR's risk-based approach to regulation, with a particular focus on how that approach relies on the integrity of Crown's internal processes.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> An annual briefing will be provided to Management at the Crown Melbourne Executive Risk and Compliance Committee (ERCC) meeting on the VCGLR's risk-based approach and its impact on Crown and its processes. On 21 May 2019, the Chairman presented to the ERCC, the VCGLR's risk-based approach and how it relies on the integrity of Crown's internal processes. Each member of the Committee was also provided with a copy of the VCGLR's Regulatory Approach document as well as the summary version, for future reference. The minutes will reflect that the VCGLR's Risk Based Approach was presented at this meeting (and will be annually thereafter). A letter outlining the actions taken by Crown was submitted to the VCGLR on 28 June 2019. 	<p>Annual, ongoing.</p>	<p>Yes</p>
<p><u>Recommendation 6</u></p> <p>The VCGLR recommends that, by 1 January 2020, Crown Melbourne review its allocation of staffing resources to increase the number of work hours actually available to responsible gambling and intervention with patrons. This might be achieved by training more gaming staff to undertake assessments and then approach patrons identified as at risk, without the need to contact a RGLO. However, this will only be effective if those staff have sufficient time aside from their gaming duties.</p>	<p>Recommendation Accepted</p> <p>Crown has already commenced the process of employing an additional five Responsible Gaming staff members. Additionally, there will be a review of training for gaming and other related staff</p>	<ul style="list-style-type: none"> The recruitment of 5 extra Responsible Gaming Liaison Officers has been completed. We now have 12 RGLOs which has assisted in having a greater presence on the gaming floor. The roles and responsibilities of RGLOs are being reviewed to accommodate new Responsible Gaming (RG) initiatives. Currently reviewing the concept of gaming staff undertaking some RG specific activities. The Gaming Machines and Table Games staff training framework has been reviewed - Crown remains of the view that the referral to expert RG staff remains a corner stone of its RG model. However, additional training for relevant gaming staff was reviewed and adjustments will be made. 	<p>1 January 2020</p>	<p>In Progress</p>
<p><u>Recommendation 7</u></p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> Crown has developed a data analytics program called the "Crown Model", which has been 	<p>Ongoing</p>	<p>In Progress</p>

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Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
<p>The VCGLR further recommends that Crown Melbourne use observable signs in conjunction with other harm minimisation measures such as data analytics to identify patrons at risk of being harmed from gambling.</p>	<p>A new data analytics trial has commenced in relation to carded players.</p>	<p>developed from data and behaviours of former patrons who have self-excluded from Crown Melbourne. The Crown Model is designed as a predictive tool to assist in proactively identifying patrons who may be gambling in a manner which could be an indicator of potential harm.</p> <ul style="list-style-type: none"> The trial of the Crown Model commenced on 25 June 2018 with operational procedures developed to respond to players of interest that are identified. The Crown Model has just completed the 12 month trial with the results being reviewed. The first 12 month review is complete and the team is meeting regularly to discuss refinements. Crown is also in the process of obtaining a separate external review of the methodology. 		
<p><u>Recommendation 8</u></p> <p>The VCGLR recommends that Crown Melbourne proceed with development and implementation of comprehensive data analytics tools for all patrons, to proactively identify for intervention patrons at risk of harm from gambling. These tools would utilise both historical data (with parameters developed from the second player model), and real-time monitoring of play periods. Crown Melbourne should look to models in other jurisdictions, and consult with external data analytics experts, with a view to implementing world-class, proactive approaches with real-time (or near-real time) operational effectiveness. In particular—</p> <p>(a) for carded play (that is, player activity which can be systematically tracked), Crown Melbourne will have in operation a comprehensive real-time player data analytics tool by 1 January 2020, and</p> <p>(b) for uncarded play (that is, all other player activity), Crown Melbourne will, by 1 January 2019,</p>	<p>Recommendation Accepted</p> <p>As referenced above, Crown has commenced a data analytics trial in relation to carded players.</p> <p>Further, work will be undertaken on systems to explore and implement real-time concepts by 1 January 2020.</p> <p>Crown also supports reviewing the extent to which further data analytics tools might enhance the framework into the future. In this respect, the use and reliability of data from uncarded play is new ground for the land based gaming industry which is not yet supported by reliable research and evidence.</p> <p>Crown will commit to carrying out a study of the options available and assess and analyse the research and expert evidence available with a view to exploring appropriate tools and options available to it for uncarded play.</p>	<p>Rec 8(a)</p> <ul style="list-style-type: none"> Crown Melbourne has commenced its Crown Model trial. Crown has commenced its review of relevant literature and other jurisdictional experiences. The “real time monitoring” of play periods is currently under consideration and development including the recent adjustment of Crown’s own “Play Periods” whereby RG, in conjunction with IT, is developing a reporting system, that identifies if a carded patron has been on the property for 12 hours or more and play has been recorded. A tool for monitoring Play Periods has been developed. Considering development of an app based alert and case management system. 	<p>Recommendation 8(a) 1 January 2020</p> <p>Recommendation 8(b) Commence study by 1 January 2019</p> <p>Report to the VCGLR by 1 January 2020</p> <p>Commence operation by 1 July 2022</p>	<p>In Progress</p>

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Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
<p>commence a comprehensive study of all the practical options for a real time player data analytics tool, with a view to reporting in detail (including legal, technical and methodological issues) to the VCGLR by 1 January 2020 and the tool being in operation by 1 July 2022.</p>		<p>Rec 8(b)</p> <ul style="list-style-type: none"> We refer to our letter dated 24 December 2018 and subsequent email correspondence with Mr Rowan Harris dated 18 January 2019. Undertaking regular meetings with Gaming senior management to discuss possible approaches. Crown is in discussions with external parties regarding possible solutions. 		
<p>Recommendation 9</p> <p>The VCGLR recommends that Crown Melbourne arrange, at its expense, for an independent assessment of the real-time player data analytics tool for carded play (see Recommendation 8(a)), to be completed 12 months after implementation of the tool. The independent assessment is to be undertaken by a person approved by the VCGLR, after consultation with Crown.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> Will be progressed in due course 	<p>1 July 2023</p>	<p>No</p>
<p>Recommendation 10</p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne undertake a comprehensive review of its policy for the making and revocation of voluntary exclusion orders under section 72(2A) of the <i>Casino Control Act</i>. The comprehensive review should be undertaken in conjunction with the VCGLR, VRGF and other relevant external stakeholders. The review should be undertaken with a view to implementing policies that facilitate:</p> <ul style="list-style-type: none"> Crown Melbourne issuing short term exclusion orders for 3, 6, 12 or 24 months under section 72 of the <i>Casino Control Act</i>, considering the specific circumstances of the person and their preferred time period for exclusion, and conditional on the person undertaking to comply with the order and with other matters 	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> Literature review completed. The VCGLR, VRGF and Crown had their first meeting on 29 November 2018 to commence discussions on this recommendation. Six tripartite meetings were held with the VCGLR/VRGF. Crown obtained external opinion on its proposals for recommendation 10. Crown has amended its Self-Exclusion Program to allow patrons to determine the number of years they will be Self-Excluded for (minimum of 12 months) and has amended its Time-Out Program to include a 6 month (together with the existing 3 month) Agreement. A letter outlining the actions taken by Crown 	<p>1 July 2019</p>	<p>Yes</p>

2.2

Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
<p>(such as obtaining treatment), and</p> <ul style="list-style-type: none"> • Crown Melbourne reviewing voluntary exclusion orders which are more than 10 years old to consider whether the continued operation of these orders serves a useful purpose, with a view to retaining only those orders that are beneficial to the persons who are subject to them, and can be adequately enforced. The VCGLR further recommends that the review of such orders occurs in an orderly manner between 1 July 2019 and 30 June 2020. 		<p>was submitted to the VCGLR on 28 June 2019.</p>		
<p><u>Recommendation 11</u></p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a policy and procedure to facilitate Crown Melbourne issuing involuntary exclusion orders under section 72(1) of the <i>Casino Control Act</i> at the request of family members and friends in appropriate cases. The policy and procedure should be developed in conjunction with the VCGLR, VRGF and other external stakeholders. Crown Melbourne should include information about this option in all its responsible gambling publications, website and regularly provide information to relevant stakeholders, such as Gambler's Help and other similar organisations, about this option.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> • The Crown Perth Third Party Exclusion Policy and Procedure was reviewed and adjusted, in draft, to suit Crown Melbourne. • The VCGLR, VRGF and Crown had their first meeting to commence discussions on 29 November 2018 regarding this recommendation. • Crown provided the draft of the Crown Melbourne Policy and Procedure adapted from the Crown Perth Policy and procedure to the group. • The VCGLR, VRGF and Crown met for the second tripartite meeting on 18 December 2018, with undertakings to provide further material for the literature review. The VCGLR requested that Crown Melbourne provide Third Party Exclusion statistics from Crown Perth. • The VCGLR scheduled a tripartite meeting with the South Australian Regulator to discuss its processes. • Six tripartite meetings were held with VCGLR/VRGF. • The final version of the Policy & Procedures was settled on 6 June 2019 and circulated back to the tripartite group, as well as internally. 	<p>1 July 2019</p>	<p>In Progress</p>

2.2

Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
		<ul style="list-style-type: none"> The Third Party Exclusions Program has now been implemented. A letter outlining the actions taken by Crown was submitted to the VCGLR on 28 June 2019. 		
<p>Recommendation 12</p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne expand facial recognition technology to cameras on all entrances to the casino and that Crown Melbourne provide written updates on a quarterly basis on its effectiveness to the VCGLR.</p>	<p>Recommendation Accepted</p> <p>Crown notes that it has already expanded its facial recognition capabilities and proposes to continue to do so in FY20.</p>	<ul style="list-style-type: none"> Facial recognition cameras are now operating on all entrances to the casino. A letter to the VCGLR confirming that all entrances to the Casino (including salons) are covered by facial recognition cameras was sent to the VCGLR on 28 May 2019 to close out the Recommendation. Crown will commence providing quarterly updates from October 2019 (which will cover the period 1 July 2019 to 30 September 2019) on the effectiveness of its Facial Recognition Technology. 	1 July 2019 (and ongoing quarterly reports)	Yes
<p>Recommendation 13</p> <p>The VCGLR recommends that, as part of developing a new responsible gambling strategy, by 1 July 2019, Crown Melbourne rebrand or refresh its responsible gambling messaging and publish new responsible gambling messages throughout the casino, in all Crown Melbourne publications, including online and social media platforms.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> Crown, with Marketing, finalised the new marketing design and refresh (including logo). Nomenclature to change from Responsible Gambling Support Centre to Responsible Gaming Centre and Responsible Gambling Liaison Officer to Responsible Gaming Advisors. Brochures and on-line material are currently being refreshed. A letter outlining the actions taken by Crown was submitted to the VCGLR on 29 June 2019. 	1 July 2019	Yes
<p>Recommendation 14</p> <p>The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a responsible gambling strategy focusing on the minimisation of gambling related harm to persons attending the casino. The strategy should address:</p> <p>(a) early proactive intervention initiatives</p> <p>(b) player data analytics</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> A draft Strategy was prepared and ratified by the Crown Resorts Limited Responsible Gaming Committee and is now being implemented. A letter outlining the actions taken by Crown was submitted to the VCGLR on 29 June 2019. 	July 2019	Yes

2.2

Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
(c) proactive engagement with pre-commitment (d) intervening with local players with continuous play based on shorter timeframes which are more reflective of responsible gambling (e) the role of all staff in minimising harm (f) the effective use and monitoring of exclusion orders (g) internal reporting arrangements (h) integrating responsible gambling into proposals for trialing or introduction of new products and equipment (i) performance measures to assess the performance of the RGLOs, RGSC and casino staff in relation to harm minimisation (j) the roles of the Crown Resorts Responsible Gambling Committee and the Responsible Gambling Management Committee in driving harm prevention strategies based on world's best practice (k) the objectives of the RGSC in relation to minimising harm to patrons, and (l) the responsible service of gambling as a fundamental core business consideration when making strategic decisions regarding casino operations.				
<u>Recommendation 15</u> The VCGLR recommends that, within three months of implementing the new responsible gambling strategy (Recommendation 14), there is regular reporting to the Crown Resorts Responsible Gambling Committee for it to maintain oversight of Crown Melbourne's harm minimisation strategy for responsible gambling. Regular reports every two months should include numbers and types of interventions and other harm minimisation activities	Recommendation Accepted	<ul style="list-style-type: none"> Revised reporting to be developed in due course. Reporting drafts have been prepared for senior management review. 	1 October 2019	In Progress

2.2

Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
<p>of RGSC and other staff, details of the number and nature of referrals to external service providers, exclusion orders, breaches, revocation and appeals, as well as results from player data analytics and other initiatives to minimise gambling related harm. These reports should also be made available to the VCGLR for monitoring purposes. (The VCGLR intends to share this information, as appropriate, with the VRGF).</p>				
<p>Recommendation 16</p> <p>The VCGLR recommends that within three months of implementing the strategy, a charter is developed for the Crown Melbourne Responsible Gambling Management Committee (staff committee) which includes reference to the role and responsibility of driving a harm minimisation culture.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> • Management is currently reviewing all Australian Resorts RG Committees to align processes where appropriate. • Draft Charter is in progress. 	<p>1 October 2019</p>	<p>In Progress</p>
<p>Recommendation 17</p> <p>The VCGLR recommends that, by 1 July 2019, Crown undertake a robust review (with external assistance) of relevant internal control statements, including input from AUSTRAC, to ensure that anti-money laundering risks are appropriately addressed.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> • Crown communicated with AUSTRAC, starting in approximately July 2018 to discuss this recommendation. A new joint AML Program across Crown's Australian Resorts is being developed and will be reviewed by an external party. AUSTRAC is being kept informed of progress. • In March – May 2019, Crown conducted its annual ML/TF Risk Assessment of the designated services it provides, its delivery methods, the technology used and its customers. The ML/TF Risk Assessment includes a consideration of Junket Operators and Junket Players, and potential ML/TF risks arising in respect thereof. • Crown examined all relevant Internal Control Statements and Standard Operating Procedures, in light of the ML/TF Risk Assessment above, to ensure that we reflect in the relevant ICs, the seriousness with which Crown focuses upon, and addresses, potential ML/TF risks that might be presented by its 	<p>1 July 2019</p>	<p>Yes</p>

2.2

Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
		<p>business.</p> <ul style="list-style-type: none"> We have also had regard to the language adopted for the Internal Control Manuals in NSW, which were accepted and approved by Liquor & Gaming NSW. Crown has recently had further conversations with AUSTRAC regarding Recommendation 17. Crown sent its proposed review position to AUSTRAC during the week commencing 27 May 2019, seeking its input. Crown also sent its proposed review position to an external AML expert during the week commencing 27 May 2019, seeking its input. Crown has received input/responses from both AUSTRAC and the independent expert, which it has incorporated into proposed ICS changes, which will be submitted to the VCGLR for approval. A letter outlining the actions taken by Crown was submitted to the VCGLR on 1 July 2019. 		
<p><u>Recommendation 18</u></p> <p>The VCGLR recommends, in all future submissions by Crown Melbourne to the VCGLR for approvals under the <i>Casino Control Act</i> or <i>Gambling Regulation Act</i>, that Crown document:</p> <ul style="list-style-type: none"> the purpose obligations under relevant provisions of legislation, the Transaction Documents, and existing approvals what changes the grant of the approval would make to products, rules and procedures, etc risks associated with the approval and how they will be treated how responsible gambling considerations have been taken into account in the process and the 	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> A new template for submissions to the VCGLR for seeking approvals has been drafted and in use since July 2018. Crown Management and VCGLR Officers will continue dialogue on the form of the submission and develop it where required. 	<p>Immediate effect</p>	<p>In Progress</p>

2.2

Section 25 – Timeline – Implementation of Recommendations

Recommendation	Crown's Response	Proposed Action/Progress Update	Target/Action Dates	Completed Yes/No
<p>measures Crown will implement to mitigate the risk of gambling related harm, and which areas of Crown will be responsible for managing implementation.</p>				
<p><u>Recommendation 19</u> The VCGLR recommends that, by 1 July 2019, Crown Melbourne implement a policy to make an exclusion order under section 72 of the <i>Casino Control Act</i> in appropriate cases where a person has engaged in significant unacceptable conduct in the casino or is the subject of serious criminal charges.</p>	<p>Recommendation Accepted Crown notes that it has had a policy in place to issue Exclusion Orders for unacceptable behaviour for over ten years and does issue Exclusion Orders for this purpose in appropriate circumstances. Crown also notes that it issues withdrawal of licence notices to persons in appropriate circumstances, as it is entitled to do as a common law right, as those notices cover broader areas of the Crown property than the more limited area covered by Exclusion Orders.</p>	<ul style="list-style-type: none"> The existing 'Unacceptable Behaviour' policy statement has been reviewed and amended to strengthen the use of exclusion orders either instead of or as well as withdrawal of licences (in appropriate cases). Policy is currently under review by management. Management feedback was received and the policy was updated. A letter to the VCGLR to close out the Recommendation was sent on 27 May 2019. 	<p>1 July 2019</p>	<p>Yes</p>
<p><u>Recommendation 20</u> The VCGLR recommends that, between November 2019 and March 2020, VCGLR Commissioners and directors of the Crown Resorts Board meet to review the implementation of the recommendations set out in this report.</p>	<p>Recommendation Accepted</p>	<ul style="list-style-type: none"> To be actioned in due course 	<p>Between November 2019 and March 2020</p>	<p>No</p>

2.2



AGENDA ITEM 3:
Compliance Committee Charter



**CROWN MELBOURNE LIMITED
COMPLIANCE COMMITTEE MEMORANDUM**

To: Compliance Committee
From: Joshua Preston
Date: 1 August 2019
Subject: **Crown Melbourne Limited Compliance Committee Charter**

Pursuant to Clause 1 of the Crown Melbourne Limited Compliance Committee Charter; the "Committee will review the Charter at least annually and refer any proposed changes to the Board of the Company for approval."

A review has been undertaken with proposed amendments made to reflect:

- reference to the annual Australian Standards against which the compliance framework was developed;
- a specific reference to Anti-Money Laundering & Counter-Terrorism Financing in section 4;
- removal of references to ASX Listing Rules due to the nature of the Company; and
- that not all compliance issues are required to be reported to the Committee, only those which are material or where there is a negative trend in compliance performance.

Attached for the Committee's consideration and approval is a copy of the amended Charter.

Kind regards



Joshua Preston
Chief Legal Officer – Australian Resorts



Crown Melbourne Limited (the “Company”) Compliance Committee Charter

1. Purpose

The purpose of this Charter is to govern the operations of the Company’s Board Compliance Committee (“**Committee**”). The Committee will review the Charter at least annually and refer any proposed changes to the Board of the Company for approval.

2. Functions

- (a) The primary function of the Committee is to ensure that Clause 19.2 of the Company’s Articles of Association (Duty to Maintain Casino Licence) is fulfilled.
- (b) The Committee also has the responsibility to:
 - (i) assist the Board to monitor compliance by the Company with all other legislative and regulatory requirements; and
 - (ii) deal with compliance or related issues that are brought before it.

3. Constitution and Membership

- (a) The Board will appoint Committee members (“**members**”). Periodically, membership of the Committee will be assessed by the Board and alternate members considered;
- (b) The Committee will comprise a minimum of three Directors of which at least two must be independent of the management of the Company;
- (c) The Chief Executive Officer ~~– Australian Resorts; Chief Financial Officer~~ and such other persons, if any, at the invitation of the Chairman may attend meetings but shall not be entitled to vote;
- (d) The Board will appoint an independent Director as Chairman of the Committee. The Chairman will have an understanding of the Company’s regulatory framework and obligations. The Chairman may in turn appoint a Deputy Chairman;
- (e) The quorum for any meeting is two members;
- (f) The Committee will procure direct lines of communication between its members and senior management; and
- (g) At the request of the Committee, management may periodically engage independent advisers and consultants to assist the Committee.



Crown Melbourne Limited (the "Company") Compliance Committee Charter

4. Roles and Responsibilities

- (a) The Members will ensure the Company's management provides the Committee with an awareness and understanding of all appropriate and relevant information in connection with the regulatory requirements applicable to the Company under:
- (i) the disclosure, reporting and notification provisions of the Corporations Act ~~and ASX Listing Rules~~;
 - (ii) gaming legislation and regulations, including the *Casino Control Act 1991* and *Gambling Regulation Act 2003*;
 - (iii) the Management Agreement with the State and Casino Agreement with the Victorian Commission for Gambling Regulation;
 - (iv) Anti-Money Laundering & Counter-Terrorism Financing legislation;
 - (v) liquor licensing legislation;
 - (vi) fire, safety, smoking and security legislation and regulations;
 - (vii) food handling legislation together with Hazards Analysis Critical Control Point (HACCP) systems;
 - (viii) employment, environmental and privacy legislation;
 - (ix) tenancy matters including tenant's compliance with the lease with the Company;
 - (x) the ~~Australian Standard on Compliance Programs 1998 AS3806~~ Australian Standards Compliance Management Systems – Guidelines AS ISO 19600:2015; and
 - (xi) all other legislation and regulations, as appropriate.
- (b) The Committee will:
- (i) receive reports as follows:
 - (1) Confirmation that all disclosures, reports and notifications have been made to comply with the Corporations Act ~~and ASX Listing Rules~~, if applicable;
 - (2) An exception report (Board Compliance Report) on all material compliance issues, or negative trends in compliance issues, concerning:
 - (A) gaming legislation and regulations, including the *Casino Control Act 1991*; and



Crown Melbourne Limited (the "Company") Compliance Committee Charter

- (B) the Management Agreement and the Casino Agreement as it applies to the conduct of gaming and ancillary matters related to the supervision and monitoring of casino operations by the VCGR;
- (3) An exception report (Board Compliance Report) on ~~all~~ **material** compliance issues, **or negative trends in compliance issues**, concerning:
 - (A) liquor licence legislation;
 - (B) fire, safety, smoking and security regulations;
 - (C) food handling legislation including HACCP;
 - (D) employment, environmental and privacy legislation;
 - (E) tenancy matters including security, safety, non-compliance and breaches of leases; and
 - (F) all other relevant compliance matters not expressly otherwise mentioned or dealt with by the Board.
- (4) Litigation to which the Company is a party or on threatened or potential litigation involving the Company.
- (ii) ~~Re~~ **review** compliance with specific financial covenants contained in any of the above documents;
- (iii) review and suggest amendments to announcements, reports and notifications made in compliance with or in respect of regulatory requirements as appropriate.

5. Meetings

- (a) The Committee will meet at least three times a year or more frequently as considered necessary by the Committee or the Board.
- (b) Minutes of meetings will be recorded, retained and approved by the Committee as being an accurate record of Committee meetings.
- (c) A copy of the minutes of each Committee meeting will be given to the Board for noting at the next Board meeting.

August 2019

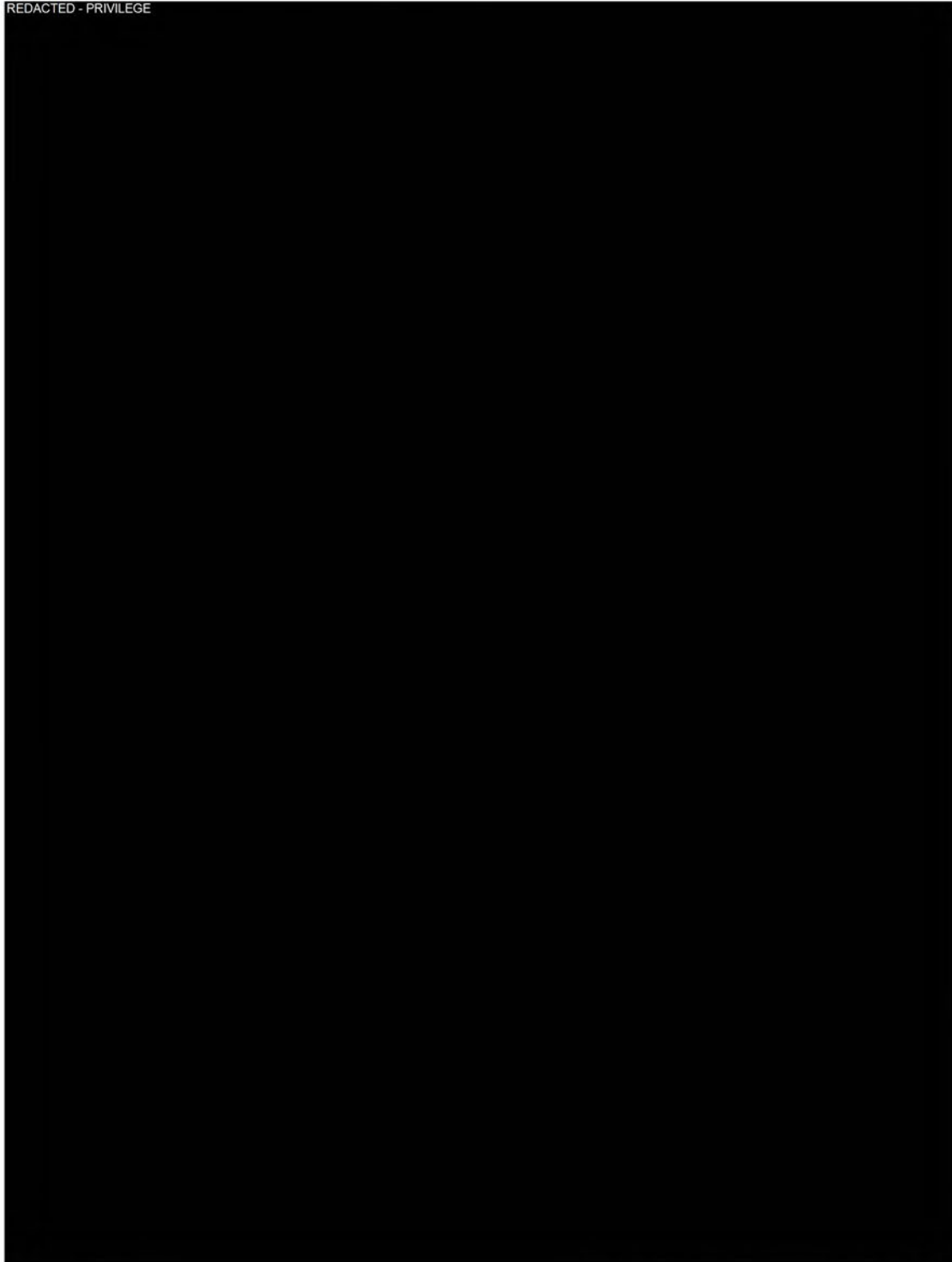


AGENDA ITEM 4:
Litigation Report



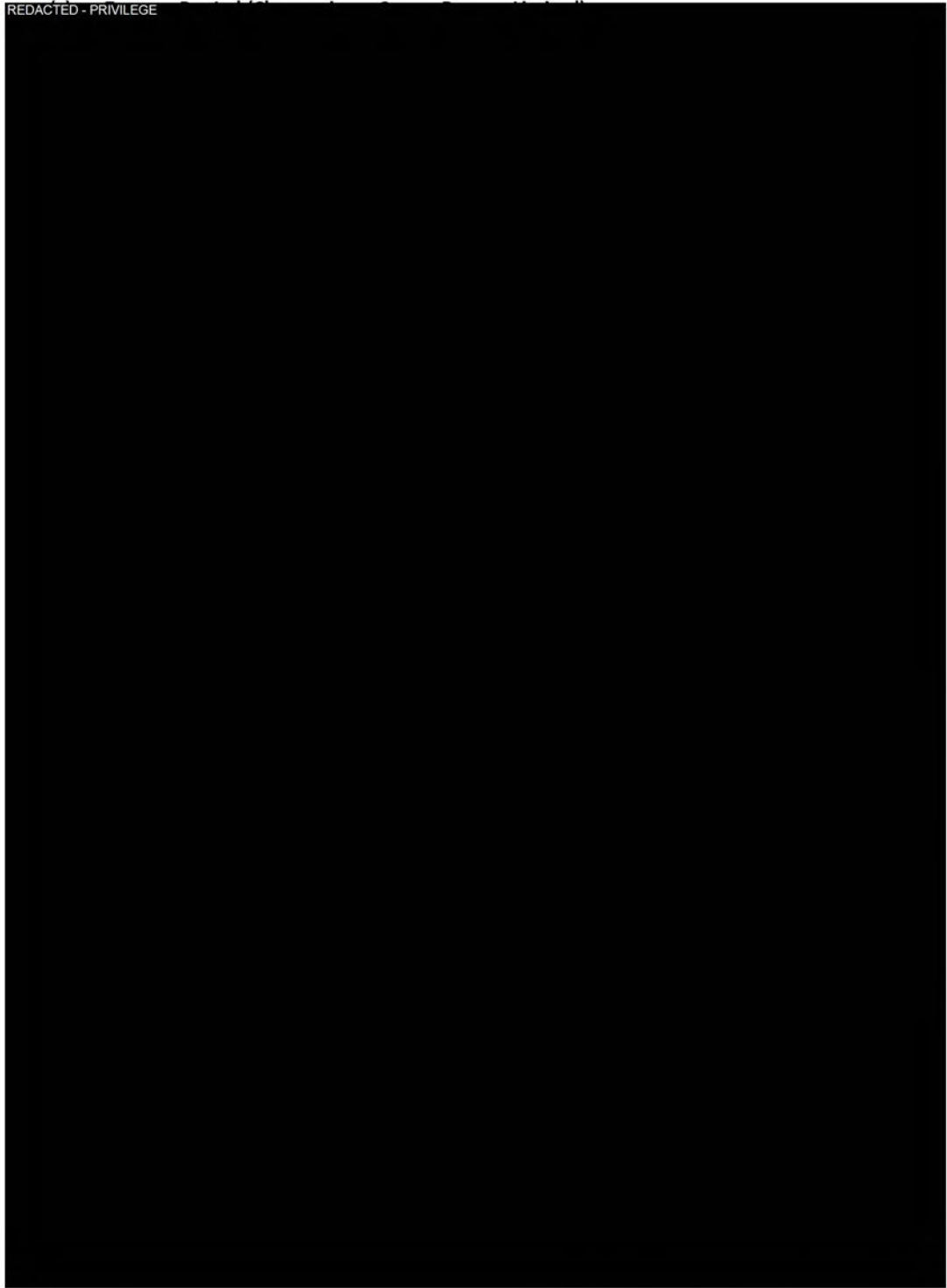
Crown Melbourne Compliance Committee
Agenda Item 4: Litigation Report
May 2019 – July 2019

REDACTED - PRIVILEGE





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AGENDA ITEM 5:
Anti-Money Laundering / Counter Terrorism
Financing – Update

	<p>Crown Melbourne Compliance Committee Agenda Item 5.1: AML/CTF Update July 2019</p>
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1. AUSTRAC

(a) AUSTRAC Compliance Assessments

As foreshadowed at our last meeting, AUSTRAC has advised Crown that it will be conducting a Compliance Assessment on Crown Perth in October 2019 (having deferred the June assessment following discussion with Crown). We have received no further update on this Compliance Assessment since our last meeting.

Whilst this Compliance Assessment is to be largely focused on the Crown Perth operations, we should expect AUSTRAC to also carry out a Compliance Assessment on Crown Melbourne in due course.

(b) Section 167 Notices – Risk Assessment of Junkets

Crown Melbourne and Crown Perth have received and responded to formal AUSTRAC s 167 notices requesting detailed information (including funds flow and customer due diligence information) about Junket Operators, Junket Representatives and Junket Players for Junket Programs during the period 1 April 2018 to 31 March 2019.

These notices were issued casino industry wide, with AUSTRAC indicating in its notice that its aim is to provide our sector with insights into the potential threats and vulnerabilities we (the casino industry) might face with respect to junkets.

Crown has received further notices on 15 July 2019 seeking additional information as to AUSTRAC reporting on Junket Operators (TTRs, SMRs, IFTIs), amongst other matters. Crown is preparing a response to these notices in accordance with AUSTRAC's deadline.

(c) Changes to AUSTRAC Enforcement Team

Following a departure and an internal restructure at AUSTRAC, Jack Haldane (Acting Director, Regulatory Operations) and Vicky Orshansky (Compliance Manager) will now be Crown's key contacts at AUSTRAC.

(d) Joint Program and AML/CTF Framework

As previously reported, Crown has drafted, in conjunction with independent external advisers, a new AML/CTF Program for Crown Melbourne and Crown Perth (and for Crown Sydney in due course).

Refer to agenda item 5.2.



2. AUSTRAC Reporting and Program Matters

(a) Reporting statistics (January 2019 – June 2019)

The below table details the number of Suspicious Matters Reports (**SMR**), Threshold Transactions (**TTR**) and International Funds Transfer Instructions (**IFTI**) reported to AUSTRAC by Crown Melbourne since 1 January 2019 (reported by transaction date):

Month	Jan-19	Feb-19	Mar 19	Apr-19	May-19	Jun-19	YTD
TTRs	3,574	3,960	3,444	3,476	3,781	3,952	22,187
SMRs	183	149	176	190	203	161	1,062
IFTIs	195	140	82	79	80	69	645

3. Customer Information

An update on existing projects relevant to AML/CTF follows:

- merging Crown Rewards memberships (or “merge and close”) – the bulk merge foreshadowed in January / February 2019 is now occurring in two stages. Stage one has occurred, with the transposition of data from the “merged from” number into the “merged to” number has been deferred to September 2019;
- the ‘enhancement’ of the Deposit Account (**DAB**) customer experience – enabling customers to open DABs at both properties through the one form and through the one process - is under user acceptance testing and is expected to be released into production at or about September 2019; and
- Crown Melbourne will shortly move its Customer Risk Register into CURA, aligning largely to the Crown Perth model. Further, Crown is investigating the integration of the CURA Customer Risk Register with Crown’s source system Crown Connect, to be implemented in 1H20 and allowing automated updates on KYC and risk information in CURA, replacing the existing manual process. This model will also be used for Crown Sydney in due course.

4. Customer Due Diligence

(a) Sanctions and PEP Screening (as well as other official lists)

Crown Melbourne and Crown Perth continue to screen new and active customers against the Dow Jones system, in compliance with our AML/CTF Program and our AML/CTF Act and Rules obligations.

(b) AML/CTF Customer Risk Register

As foreshadowed above, Crown Melbourne is presently implementing the export of relevant customer data from SYCO to enable the capturing of Customer Risk Information (for money laundering / terrorism financing risk) across our casino reporting entities.



Following appropriate User Acceptance Testing (currently underway), Crown Melbourne will import the data in August 2019.

Following implementation, Crown will run appropriate post-implementation checks (referable to the questions posited in the Annual Compliance Report) to ensure that information on our Customer risk levels is easily extractable from the system for both Crown Melbourne and Crown Perth.

(c) Enhanced Customer Due Diligence

No matters to report on in this reporting period.

The Credit Control Team has recently increased its headcount, acknowledging the role the Team plays in procuring additional reports for the AML Team where Crown conducts external searches on Customers under its AML/CTF Program.

5. Existing Designated Services – Risk Assessment

The annual risk assessment of Crown Melbourne’s ML/TF risks, conducted by the AML Team in conjunction with the Business Units (and this year, looking at the ML/TF risks presented across both Crown Melbourne and Crown Perth on a group basis) was completed in May 2019.

The updated register and assessment was shared with the relevant Business Units in June 2019.

6. New Designated Services (or new methods of delivery of existing) – Risk Assessment

One Gaming Initiative Form during the period (in respect of a new quartz cabinet for FATG and SATGs).

As this initiative has no impact on a designated service (or its delivery), the Gaming Initiative Form was approved accordingly.

7. Employee Due Diligence

Work continues on alignment of the Employee Due Diligence Policies with Crown Melbourne to adopt a version of the existing Crown Perth Policy.

8. IT Matters

(a) AML Sentinel Project

AML Sentinel, developed by the IT and AML Teams utilising the SPLUNK software system, has completed quality assurance and user acceptance testing by IT and the AML Team in respect of three of the five modules (AUSTRAC Reporting, Cage, Table Games) and is now in live



testing, alongside our existing Transaction Monitoring Program system (being largely a manual system).

These three modules allow for automated alerts (referrable to rules generated by Crown according to identified money laundering / terrorism financing risk) on the following:

- all threshold transactions at Crown (cash transactions of \$10k or more);
- all International Funds Transfer Instructions at Crown;
- the issuance of Crown cheques;
- activity on a Customer's DAB;
- wire transfers in and out of Crown to Customer DABs; and
- carded activity at a Table Games Booth, Table or Pit.

The AML Sentinel Project Team throughout the 2019 financial year undertook the following:

- a review of the existing Transaction Monitoring Program and an assessment of the existing transaction monitoring rules (implemented over time at both Melbourne and Perth) against Crown's identified money laundering / terrorism financing risks;
- a review of the data comprised in Crown's existing manual system and what additional data / data sources would be available to Crown (and how Crown might source it);
- the creation of transaction logs (or carbon copies) of certain of Crown's existing transaction data, to allow for real-time ingestion into the SPLUNK Engine and over which Crown could run its rules to then be 'alerted' to potential suspicious behaviour. The use of logs then avoids any extraction of information from source systems that could otherwise impact operations; and
- the development of set reports and aggregation of Customer data, to allow the AML Team to quickly and easily extract information on its Customers to assist it in investigating potential suspicious activity (or patterns of activity) for reporting to AUSTRAC.

The final two modules – EGMs/ETGs and Customer Other, are presently under development, with the latter to offer the capability of an 'internal federated search' functionality across Crown dependent upon the log input.

In addition, Crown is presently undergoing an RFP in respect of a case management solution to enable Crown to receive these alerts and in a more automated manner report, retain and upload potentially suspicious matters to AUSTRAC.



(b) Duplicate patron accounts: roll out of CPP

Deferred to September 2019.

Both projects remain subject to appropriate Business Unit approvals.

9. Countries

The AML/CTF Program provides that the risk of particular jurisdictions is considered (once known) by utilising recognised lists published by relevant Government authorities.

During the period no new countries have been added to the following:

- Department of Foreign Affairs (**DFAT**) – Australia’s Implementation of UN Security Council sanctions;
- DFAT – Autonomous Sanctions; or
- FATF – Non Co-Operative Countries & Territories / High Risk Jurisdictions.

The AML Team has the discretion to undertake further investigation of a customer and/or gaming activity as and when required.

10. Compliance Breaches

AML/CTF Program compliance breaches are reported:

- on the monthly Legal Compliance Certificates to the Crown Melbourne Compliance Committee by the AML Team and by each individual Business Unit (as applicable); and
- directly to the Group General Manager – AML, which is then escalated to the AML/CTF Compliance Officer.



Compliance breaches for the period of 1 January 2019 – 30 June 2019 are as follows:

Type of Breach	Jan	Feb	Mar	Apr	May	Jun	YTD
Failure to obtain residential address for a Threshold Transaction from a Customer	-	1	-	-	-	-	1
Expired ID obtained from Customer at time of Threshold Transaction	-	1	-	-	3	-	4

Crown Melbourne is seeking to address non-compliance matters in the form of training 'Alerts' to the relevant Business Units.

The three instances of accepting expired IDs for TTRs in May 2019 were all identified as originating from Table Games. All TTRs were filed with AUSTRAC meeting Crown's AUSTRAC reporting requirements.

In early June, the AML Team provided training to Table Games Management on this matter, and has seen a marked improvement in reporting following that training (and the corresponding messaging provided by Table Games Management to staff).

In respect of the failure to obtain the residential address in February, the Customer has not returned to Crown and this remains outstanding. Crown has placed appropriate notifications on its Customer Management System to obtain this information upon her return to Crown.

11. Training

Crown Melbourne's compliance rates for the AML online course is 97%.

To maintain these compliance rates, a list of the employees who have not completed their on-line courses is sent to the department managers each month for actioning, which is occurring.

In addition to our AML/CTF Risk Awareness Training, Crown Melbourne has provided (and will continue to provide) focused AML/CTF training or communications to particular departments, referable to identified potential ML/TF risks as well as on identified areas for improvement (for example, IFTI and TTR reporting). This will include a targeted series of alerts for the Table Games team across both Melbourne and Perth.



12. Legislative Changes and other relevant information

(a) Updates to the AML/CTF Act

There has been no update to the AML/CTF Act (or any potential changes thereto) since the last meeting of the Committee.

(b) Updates to the AML/CTF Rules

A new compilation of the AML/CTF Rules was released on 1 May 2019. This new compilation does not impact upon Crown Melbourne's operations.



Crown Melbourne Compliance Committee

Memorandum

To: Crown Melbourne Compliance Committee

From: Joshua Preston

Date: 2 August 2019

Subject: **AML/CTF Framework**

Dear Committee Members,

BACKGROUND

As foreshadowed at previous Committee meetings, the Crown AML Team has undertaken a robust review of the AML/CTF Framework (**AML Review**), with the view to consolidating and standardising the approach taken across the casino reporting entities (in advance of Sydney), and communicate that approach across the organisation.

As you will be aware, Crown Melbourne and Crown Perth, each reporting entities under Australia's AML legislative framework, presently have in place AML/CTF Programs which address each entity's obligations to, amongst other matters, identify, manage and mitigate potential money laundering / terrorism financing risks presented by our businesses. These AML/CTF Programs have been in place since the inception of the AML/CTF Act (2006-2007), and have been the subject of regular independent review, by Crown's internal audit functions, third party reviewers (EY) and by AUSTRAC over a number of compliance assessments.

These AML/CTF Programs, whilst originating as largely the same template in 2007, have evolved slightly differently from one another in accordance with business requirements over time. The result of this is that, whilst both businesses provide the same 'designated services' (and have largely the same delivery methods and customer types), we have slightly different approaches to how we address our obligations under the AML legislation.

Following discussions with AUSTRAC (including queries from them on differences in disclosures made by Crown Melbourne and Crown Perth), and following an internal review, it became apparent that adopting a consistent AML/CTF Program across our designated business group (which is common) would provide the best means for Crown to ensure it continues to meet its obligations under the AML/CTF Act, and provide an opportunity to thoroughly revisit and refresh the AML Programs.

AML REVIEW

The AML Review was conducted both internally and with the assistance of:

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➤ REDACTED - PRIVILEGE

- Initialism (an independent expert in AML) in respect of our Transaction Monitoring Program (TMP) and contemplated bespoke automation system.

External Advices

REDACTED - PRIVILEGE

Initialism, in concluding that Crown's existing TMP is compliant with the AML/CTF Act and Rules, provided various recommendations to assist Crown to refine and enhance the way the program is implemented.

New framework documentation

As a result of the AML Review, the following documents have been developed and/or updated:

1. **A new AML/CTF Corporate Policy Statement** which, subject to any views of this Committee and the Boards, is to be adopted by each of Crown Melbourne and Crown Perth, which outlines to all staff our obligations under the AML/CTF Act, Rules and our Joint AML/CTF Program.

This Corporate Policy Statement replaces existing AML/CTF policies in place at Crown Melbourne and Crown Perth which, whilst similar, were not the same, notwithstanding Crown's attitude to compliance in this space is the same across properties.

2. **A new Joint AML/CTF Program** which is to be adopted by each of Crown Melbourne and Crown Perth.

REDACTED - PRIVILEGE

3. **A new AML Operations Manual.** The AML Operations Manual sets out for our staff, in a detailed manner, how Crown ensures it meets its obligations under the Joint Program under relevant headings:

- Risk Management;
- Risk Awareness Training;
- Employee Due Diligence;
- AUSTRAC Reporting; and
- Know Your Customer procedures (i.e. collect information, verify against Appropriate ID, record).

The AML Operations Manual contains the detail on *how* Crown Melbourne and Crown Perth will implement the various obligations under the AML/CTF Program, but sits outside the Program terms (in this way, a breach of the Manual is not a breach of the Program, and thus not a breach of the AML/CTF Act).

For example, the Joint AML/CTF Program sets out that Crown Melbourne and Crown Perth will have measures in place to collect, capture, assess and report Threshold Transactions (cash transactions of A\$10k or more on the gaming floor), International Funds Transfer Instructions and Suspicious Matter Reports to AUSTRAC. These measures have obviously been in place for some time. The AML Operations Manual explains *what those measures are*.

4. **A new standard form set of Procedures for each Business Unit,** setting out the Business Unit's obligations under the AML/CTF Act and AML/CTF Rules.

The new form of simplified Procedures has been prepared to provide greater clarity for each Business Unit in executing their specific AML responsibilities.

5. To assist in understanding the AML Framework and our obligations, we have prepared a set of presentation slides summarising each "limb" of Crown's obligations under the AML/CTF Program as follows. These presentation slides, which will be used as a source document to educate and drive awareness of the AML framework across relevant sections of the business, comprises detail on:

- How Crown reviews money laundering / terrorism financing risk – from a designated services (delivery method) perspective, as well as from a Customer perspective (**ML/TF Risk Assessment**);
- How Crown trains its employees on the types of money laundering / terrorism financing risks presented by the services it provides (and to whom), and what our reporting obligations are under relevant AML legislation (**AML/CTF Risk Awareness Training**);
- How Crown ensures that the people it hires are suitable and do not give rise to additional risk (**Employee Due Diligence**);

- How Crown ensures that Senior Management are abreast of the Program (**Governance**) – the implementation of a bottom-up, top-down communication chain, and that this communication is documented properly;
- How Crown conducts ongoing customer due diligence – in essence, its Transaction Monitoring Program (**OCDD**) and how and when Crown conducts ‘enhanced’ due diligence on its Customers (**ECDD**);
- How Crown makes sure its AML/CTF Program remains appropriate and up-to-date through the use of independent, expert reviewers both internal and external to the organisation (**Independent Review**); and
- How Crown ensures it reports correctly to AUSTRAC (**AUSTRAC Reporting**) and appropriately takes into account AUSTRAC feedback and guidance.

Impact on processes/operations

Whilst this review has resulted in some changes to the overarching AML/CTF Framework (largely comprising new and/or enhanced documentation), we expect minimal impact upon the underlying operations, save for where we will be enhancing processes largely associated with more material matters such as:

- the introduction of automated transaction monitoring (as data permits), referable to Crown’s ML/TF Risk Register, allows Crown to more quickly identify, mitigate and manage potential ML/TF risk or strange patterns of behaviour by its Customers. Crown’s TMP, and the contemplated system, have both been reviewed by Initialism who, as referred to above, formed the view that they are appropriate for Crown; and.
- centralised Customer Risk Rating information across the casino reporting entities, allowing for expedited reporting on Customers to Senior Management on a per-casino basis (but with the capacity to compare and contrast risk profiles across properties).

DOCUMENTATION

Please find attached for your consideration and/or information the following key documents from the AML Review:

- Draft AML/CTF Corporate Policy Statement (**Attachment 1**);
- Draft Joint AML/CTF Program (**Attachment 2**); and
- AML Framework presentation slides (**Attachment 3**).

NEXT STEPS

Implementation

Upon adoption by each of Crown Melbourne and Crown Perth, it is contemplated that the following will occur in August 2019 onwards, led by the AML/CTF Compliance Officer and AML Team:

- **Existing Programs replaced:** each of the Crown Melbourne and Crown Perth existing AML/CTF Programs will be revoked in accordance with the AML/CTF Act and documented accordingly on Crown's systems;
- **Distribution of Corporate Policy Statement:** a short communication will be prepared, attaching the Corporate Policy Statement, for distribution to staff outlining the importance of AML/CTF compliance;
- **Risk Awareness Training for the BOTs:** the Joint AML/CTF Program and AML Operations Manual is to be made available to the BOTs of each of Crown Melbourne and Crown Perth, with training provided to the BOTs on the AML/CTF Framework, the AML landscape and the results of the recent ML/TF risk assessment;
- **Adoption of Processes:** each of the Business Units adopt their AML Standard Processes in conjunction with the AML Team, and communicate same to staff through a short set of alerts;
- **Update to Customer Risk Ratings – AML Team:** the AML Team update the Customer Risk Ratings to align with the new AML/CTF Framework as part of the CURA Risk Register project for Melbourne (August/September 2019);
- **Update AML/CTF Training Module:** the AML Team make appropriate changes to its learning and development modules for AML, to take account for the updated Joint AML/CTF Programs, to standardise the training across properties and in preparation for the launch of Crown Sydney (by November 2019). In the interim period, a short note will be included on Crown Learn advising of the updates to the module.
- **Standardise reporting format:** where appropriate, align record retention and reporting across properties, automating wherever possible for expedient reporting to Senior Management.

Approvals

Subject to any feedback received from the Committee, it is proposed that the Committee recommend the AML/CTF Corporate Policy Statement and the Joint AML/CTF Program to the Board for approval.

Regards



Joshua Preston
Chief Legal Officer – Australian Resorts



SUBJECT: Corporate Policy Statement
POLICY TITLE: Crown's AML Joint Program – Crown Melbourne | Crown Perth
APPROVED BY: AML/CTF Compliance Officer **REVIEWED:** [insert] August 2019
VERSION: Version 1 **ISSUE DATE:** [insert] August 2019
APPLICABLE TO: Crown Melbourne Limited
 Burswood Nominees Limited (ATF Burswood Property Trust)

1 STATEMENT OF PURPOSE

1.1 This Corporate Policy Statement applies to Crown Melbourne Limited (**Crown Melbourne**) and Burswood Nominees Limited (as trustee for the Burswood Property Trust) (**Crown Perth**).

In this Corporate Policy Statement, the two companies are referred to collectively as the **Crown Entities** and each, a **Crown Entity**.

1.2 Crown Melbourne and Crown Perth provide 'designated services' under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)* (**AML/CTF Act**) and its Rules (the **AML/CTF Rules**).

These services include, but are not limited to:

- (a) receiving bets on table games and gaming machines;
- (b) paying out winnings;
- (c) exchanging cash for gaming chips, and vice versa;
- (d) allowing Customers to open deposit accounts;
- (e) remittance services, as licensed casinos; and
- (f) allowing Patrons and Customers to exchange foreign currency.

Where a company provides 'designated services', it is a 'reporting entity' under the AML/CTF Act.

1.3 Crown Melbourne and Crown Perth are reporting entities under the AML/CTF Act. As reporting entities, Crown Melbourne and Crown Perth are required to adopt an AML/CTF Program which will set out, amongst other matters, how each company:

- (a) meets its obligation to report large cash transactions (**'threshold'** transactions), international funds transfer instructions and suspicious matters to AUSTRAC;
- (b) identifies, mitigates and manages potential money laundering or terrorism financing risks arising from the designated services the company provides to its patrons and customers;
- (c) provides training to its staff members on how to identify suspicious behaviors;
- (d) conducts due diligence on its employees;
- (e) knows its customers; and
- (f) takes into account guidance materials provided to it by AUSTRAC.

1.4 Crown Melbourne and Crown Perth have adopted a Joint Program and an AML Operations Manual.

The Joint Program has been approved by the Boards and senior management of each Crown Entity, and is subject to the ongoing oversight of each Crown Entity's Board and senior management.

The AML Operations Manual has been approved by the Chief Executive Officer – Australian Resorts.

- 1.5 The purpose of this Corporate Policy Statement is to set out the obligations of each Crown Entity under the AML/CTF Program, ensuring that the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)* (**AML/CTF Act**) and its Rules (the **AML/CTF Rules**) is adhered to by Crown Melbourne and Crown Perth.
- 1.6 The Crown Entities face significant risk if they (or their employees) knowingly facilitate or fail to put in place the appropriate training, processes and systems to prevent the facilitation of money laundering or terrorism financing.
- 1.7 A failure to comply with any of the requirements of the AML/CTF Act and AML/CTF Rules (including but not limited to reporting, customer identification and record keeping obligations) may involve the imposition of fines:
 - (a) for employees – up to \$3.6 million; and
 - (b) for companies – up to \$18 million.

Penalties also apply to notifying others of the filing of a suspicious matter report (also referred to as 'tipping off'):

 - (c) a fine of up to \$21,600; and/or
 - (d) a term of imprisonment of up to two years for an individual.
- 1.8 This Corporate Policy Statement should be read alongside each Crown Entity's policy as to the use by Patrons and Customers of Proceeds of Crime.

2 REPORTING

2.1 Overview

The AML/CTF Act places certain obligations on reporting entities to report matters to AUSTRAC, including the requirement to report Threshold Transactions, Suspicious Matters, International Funds Transfer Instructions and annual compliance reporting.

Each Crown Entity's commitment to reporting in accordance with the AML/CTF Act and AML/CTF Rule is set out in the AML/CTF Program and AML Operations Manual, and is addressed below.

2.2 Threshold Transaction Report:

- 2.2.1 A Threshold Transaction is a transaction between a Crown Entity and a Customer involving currency (i.e. coin and paper money of Australia or a foreign country) of the equivalent of A\$10,000 or more.
- 2.2.2 A Threshold Transaction can include, but is not limited to, the following transactions, where the transaction includes a cash amount of A\$10,000 or more:
 - (a) Chip exchange for cash at the Cage;
 - (b) Purchase of gaming chips for cash at the Cage, at a table or at a booth;
 - (c) Cash purchase of TITO Tickets for machine play in certain areas of the casino (Crown Melbourne only);
 - (d) Foreign currency exchange; and
 - (e) Machine payouts in cash at the Cage.
- 2.2.3 All Threshold Transaction Reports are to be filed by each Crown Entity no later than 10 Business Days after the date of the transaction.

2.3 Suspicious Matter Report:

- 2.3.1 A Suspicious Matter Report (**SMR**) must be completed when a Crown Entity, as a reporting entity, has reasonable grounds to suspect that a transaction of any amount may be of an unusual nature or the customer may be trying to avoid the transaction being reported under the Threshold Transaction reporting requirement of the AML/CTF Act.
- 2.3.2 A suspicious matter does not necessarily need to involve cash or for the transaction to have occurred. A report may be completed simply based on discussions held with a customer or other person regardless of whether a transaction was completed, or on something observed by a Crown Entity.
- 2.3.3 The Crown Entities prepare and file SMRs in one of two ways:
- (a) by Crown staff members identifying a potentially suspicious transaction or activity on a live basis; and
 - (b) by Crown staff members, for any particular transactions or behaviours identified through the application of the Crown Entities' Transaction Monitoring Program.

Where unusual or suspicious behavior is identified, an Internal SMR is completed and provided to the AML Team.

The AML Team considers the report and, with any further additional information available to it, files an SMR with AUSTRAC.

- 2.3.4 Suspicious Matter Reports are to be filed by Crown:
- (a) in the case of potential money laundering activity, within 3 Business Days of the Crown Entity forming the suspicion; or
 - (b) in the case of potential terrorist financing activity, within 24 hours of the Crown Entity forming the suspicion.
- 2.3.5 The fact a suspicion has arisen, or an SMR has been filed, **must never, in any circumstances, be communicated to the patron upon whom the suspicion has arisen (or any other person external to Crown). You must also never tell any other person (external to Crown) that an SMR has been filed.** The consequences of 'tipping off' are severe, including fines and imprisonment.
- 2.3.6 Crown therefore encourages persons with a suspicion or filing an SMR to only notify persons on a 'need-to-know' basis. If in doubt, refer the Internal SMR directly to the AML team at Crown-AML@crownebourne.com.au.

2.4 International Funds Transfer Instruction Report:

- 2.4.1 Any reporting entity, including the Crown Entities, that make or receive instructions to transfer funds to or from overseas are required under the AML/CTF Act and AML/CTF Rules to report each instruction – no later than 10 Business Days after the date of the instruction.
- 2.4.2 If a customer advises you that a transfer is coming from, or to, an overseas country, then this must be documented in SYCO.
- 2.4.3 All IFTI transactions will be communicated to AUSTRAC no later than 10 business days after the date of the Transfer Request (in the case of an outbound instruction) or the Transfer Acknowledgment (in the case of an inbound instruction).
- 2.4.4 The Crown Entities are exempted from the requirement to register as a remittance service provider with AUSTRAC due to the application of Chapter 69 of the AML/CTF Rules.

2.5 Annual Compliance Report:

2.5.1 Any reporting entity must, on or before the end of March each calendar year, report to AUSTRAC on its compliance with the AML/CTF Act and the AML/CTF Rules.

2.5.2 The annual compliance report applies to a reporting period – generally, the prior calendar year and will be in the approved form to AUSTRAC.

2.6 Reporting Entities Roll:

2.6.1 The Crown Entities review the information included on the Reporting Entities roll on an annual basis.

2.6.2 Any update to the Reporting Entities Roll will be conducted through an update to the Business Profile Form on AUSTRAC Online.

3 KNOW YOUR CUSTOMER

3.1 The Crown Entities will collect, verify and record information for its Customers.

3.2 The Crown Entities will **collect**, at a minimum:

- (a) Full name, including middle name;
- (b) Date of Birth; and
- (c) Residential address,

of its Patrons, where the Patron is provided with a designated service requiring Crown to conduct identification under the AML/CTF Act and AML/CTF Rules.

Identification must be obtained in the following circumstances:

- | | |
|--|-----------------------------------|
| Opening a Deposit Account | Opening a CCF or FAF |
| Opening a Card Play Extra Account | For a Threshold Transaction |
| Accepting an instruction to transfer funds | Forex cash transaction >= \$1,000 |
| Accepting an instruction to receive funds | |

3.3 The Crown Entities may collect additional information supplied by the Patron.

3.4 The Crown Entities will **verify** the information provided by the Patron against a form of valid, current Appropriate ID.

Subject to section 3.5 below, this verification will require, at a minimum, the Appropriate ID affirming the Patron's:

- (a) Full name; and
- (b) **Either** the Patron's Date of Birth **or** Residential Address.

3.5 Where a Patron is conducting a Threshold Transaction, an international funds transfer instruction or in respect of a suspicious matter, each Crown Entity must verify (a) **and** (b) **and** (c) of section 3.2 above.

3.5 The Crown Entities will record the collection of the information from the Patron in each Crown Entity's SYCO system. This will include a record of the identification documentation used by the Crown Entity to verify the information provided by the Patron.

3.6 Where possible, the Crown Entities will scan and upload the Appropriate ID provided by the Patron securely in Crown's systems.

3.7 Following the application of this section 3, the Patron is a Customer of Crown.

3.8 Where this section 3 has been implemented, the Customer does not then need to have "KYC" conducted on the Customer again except where:

- (a) the Customer's identification has expired; or
- (b) otherwise by operation of the Joint Program.

4 EMPLOYEE DUE DILIGENCE

- 4.1 The Crown Entities have conducted an ML/TF assessment of employee roles at each Crown Entity. This review will be conducted every third year, or more regularly as required.
- 4.2 All Crown Employees involved in the provision of Designated Services within the casino are required to be licensed by the applicable state-based casino Regulator. This licensing process is supplemented by Crown's internal employee processes which include, amongst other checks, reference enquiries.
- 4.3 In certain circumstances, the Crown Entities will conduct further due diligence on employees in accordance with Human Resources policies. These checks may include the screening of employees through the Dow Jones Risk & Compliance system.
- 4.4 Management of each Business Unit are responsible for ensuring:
 - (a) new and existing employees fully understand their obligations under the AML/CTF Program through departmental induction and training processes;
 - (b) standard operating procedures govern each Business Units' AML/CTF responsibilities and processes and are communicated to all applicable staff members;
 - (c) the AML Team is advised of identified breaches of the AML/CTF Act, AML/CTF Rules, the Joint Program, the AML Operations Manual or related departmental procedures; and
 - (d) Disciplinary procedures outlined in the AML Operations Manual are applied in all circumstances.

5 AML/CTF RISK AWARENESS TRAINING

- 5.1 The Crown Entities provide AML/CTF risk awareness training to all relevant employees upon induction, on a refresher basis and then as required (for example, upon the contemplated release of a new product or service).
- 5.2 This training focuses upon the identification, mitigation and management of potential money laundering or terrorism financing risks presented by the Designated Services provided by the Crown Entities.
- 5.3 The training also provides Crown Entity employees with an understanding of the Crown Entities' obligations under the Joint Program and under the AML/CTF Act and AML/CTF Rules.

6 ML/TF RISK ASSESSMENT

- 6.1 The Crown Entities review any new product or service in advance of the product or service being implemented by the Crown Entities. This review is documented in the Approval Form, signed by the AML/CTF Compliance Officer or his delegate.
- 6.2 The Crown Entities review the ML/TF Risks presented by the Crown Entities business on an annual basis, or more regularly as required.
- 6.3 When considering the potential risk presented, the Crown Entities will consider the customer types (including any politically exposed persons); the types of Designated Services provided; the methods by which the Designated Services are delivered (i.e. is the service face-to-face) and the foreign jurisdictions from which our Customers originate.

7 INDEPENDENT REVIEW

- 7.1 The Crown Entities ensure that regular audits are conducted to ensure compliance with the AML/CTF Act requirements and its AML/CTF Program. These audits are conducted by either internal or external independent parties.
- 7.2 From time to time AUSTRAC may conduct an audit or assessment of the Crown Entities' processes to ensure compliance with the AML/CTF Act requirements.

8 AML/CTF COMPLIANCE OFFICER AND AML/CTF COMMITTEE

- 8.1 The Crown Entities have designated Mr. Joshua Preston, the Chief Legal Officer, as the AML/CTF Compliance Officer.
- 8.2 Crown undertakes regular AML/CTF Committee meetings to ensure compliance with the Joint Program and the AML/CTF Operations Manual, and to consider any required changes to the Joint Program.

9 EMPLOYEE OBLIGATIONS

- 9.1 All Crown Entity employees must comply with this Corporate Policy Statement.
- 9.2 Report suspicious matters or behavior as required by departmental procedures.
- 9.3 Be aware that the AML/CTF Act includes a section on disclosure of information. This section includes the offence of tipping off. Crown Entity staff may not disclose to someone other than AUSTRAC that a Suspicious Matter Report has been lodged with AUSTRAC.
- 9.4 Follow procedures in relation to any other reports required under departmental procedures (e.g. threshold transaction reports).
- 9.5 Follow procedures in relation to accurately identifying patrons (including by ensuring that all information input into Crown's system is accurate and complete).
- 9.6 Follow procedures in relation to accurately conducting due diligence on Customers.
- 9.7 Attend and complete AML/CTF training courses as required by the AML/CTF Compliance Officer or his delegate.
- 9.8 It is each employee's responsibility to understand this Corporate Policy Statement and how it applies to them as an employee. If you are uncertain about anything in this document, employees are advised to speak with their supervisor or manager.
- 9.9 Any employees found not to be in compliance with this Corporate Policy Statement, the Joint Program or related departmental procedures, will be disciplined, up to and including loss of employment.
- 9.10 If an employee is aware of or believes another employee is not complying with this Corporate Policy Statement, they should advise their supervisor/manager or the AML/CTF Compliance Officer. Alternatively, a confidential and/or anonymous concern can be raised via the processes in the Crown Whistleblower Policy.

10 QUESTIONS OR ISSUES

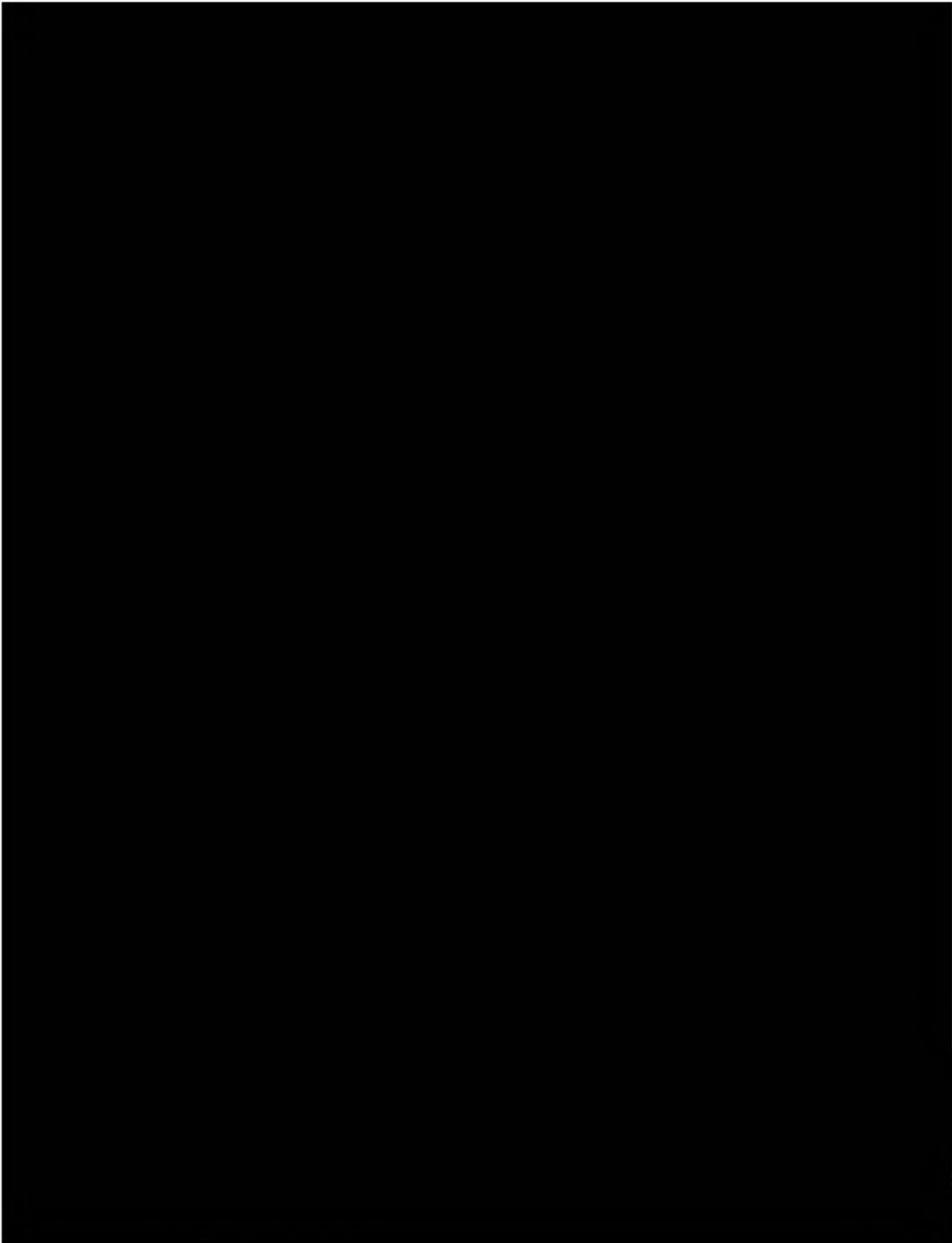
All employees are encouraged to ask questions of the AML Team by email on Crown-AML@crownmelbourne.com.au.

1. Revision History

Issue Date	Version	Author Initials	Section changed	Change Details

2. Certification

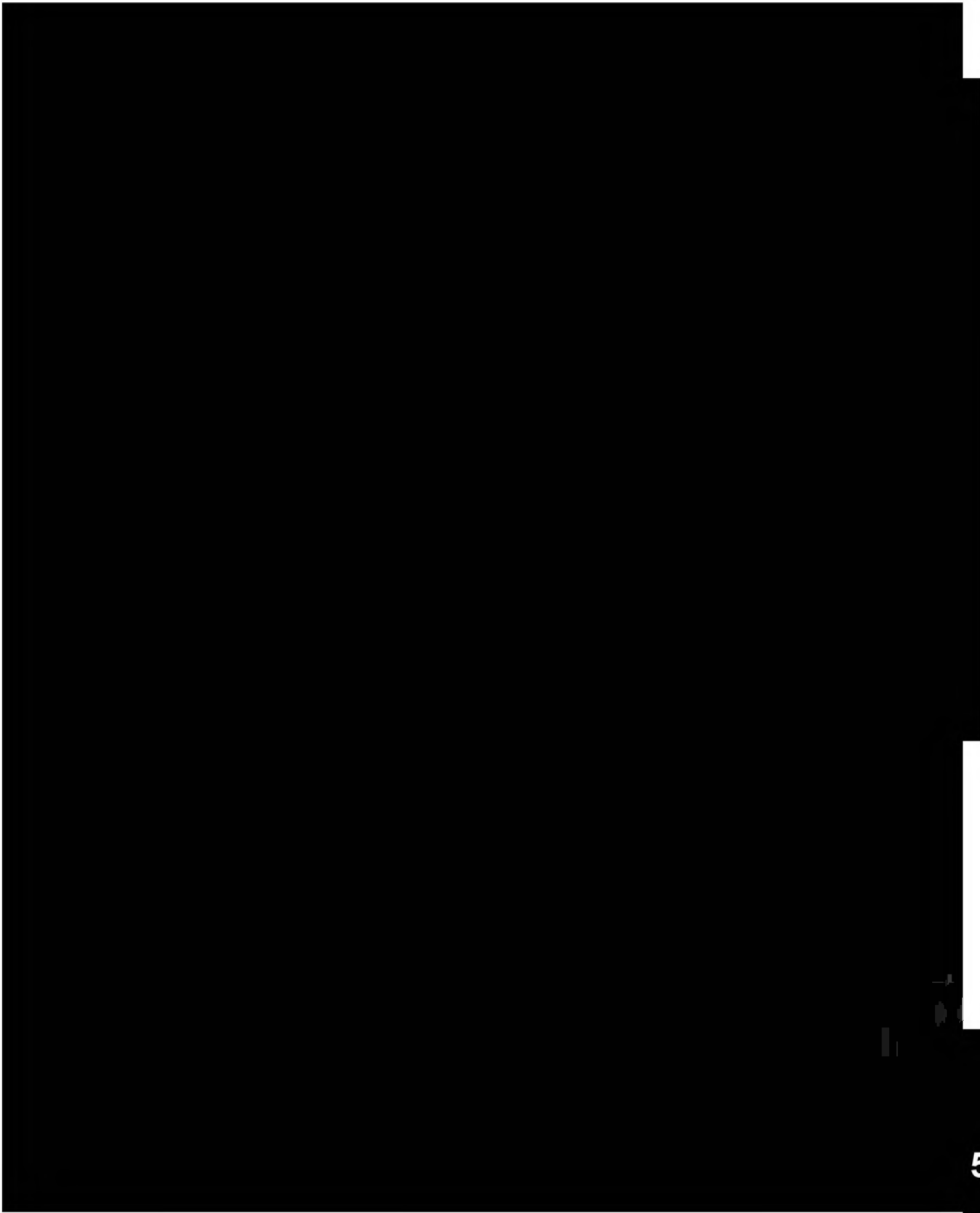
Responsibility	Name	Business Unit	Signature	Date



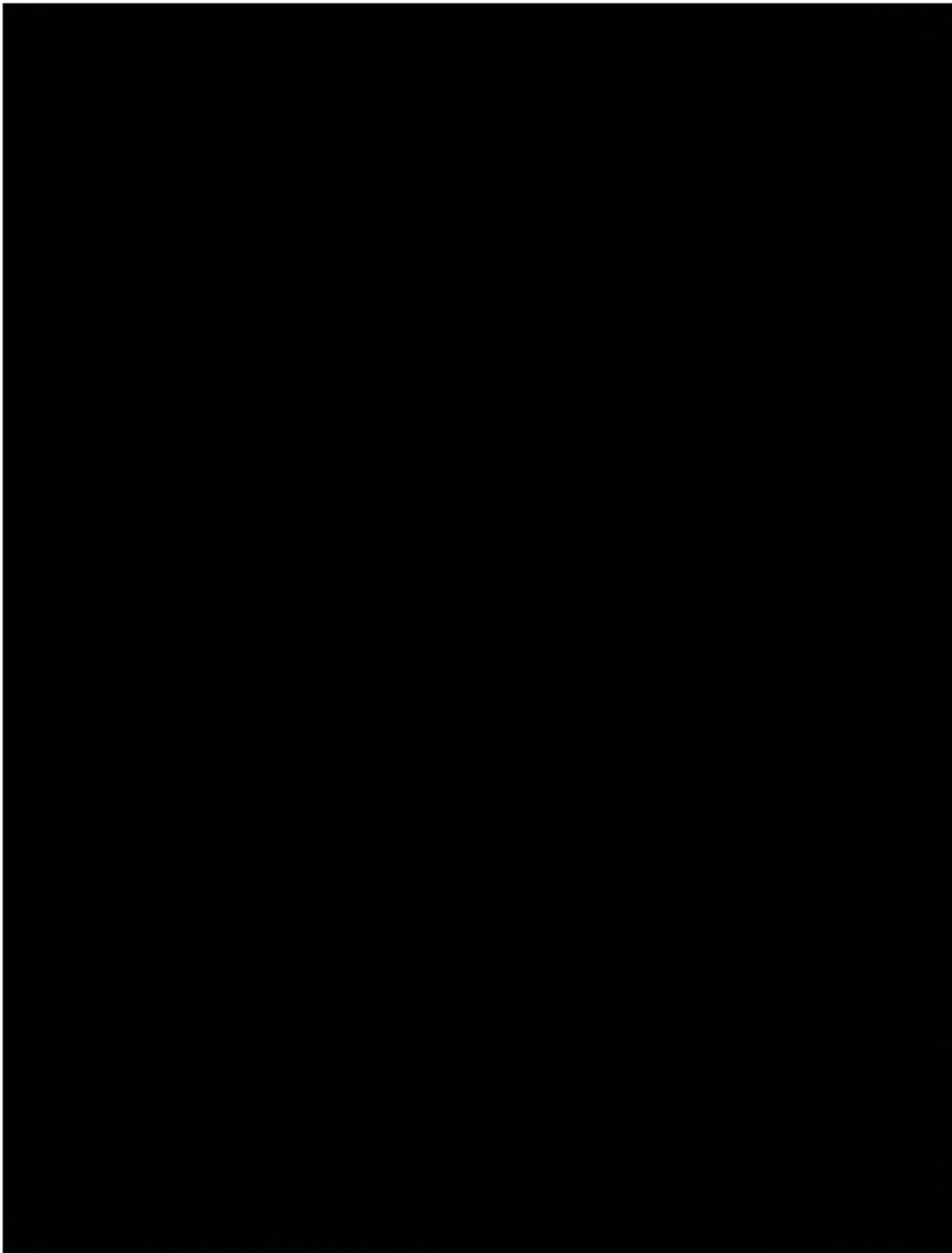
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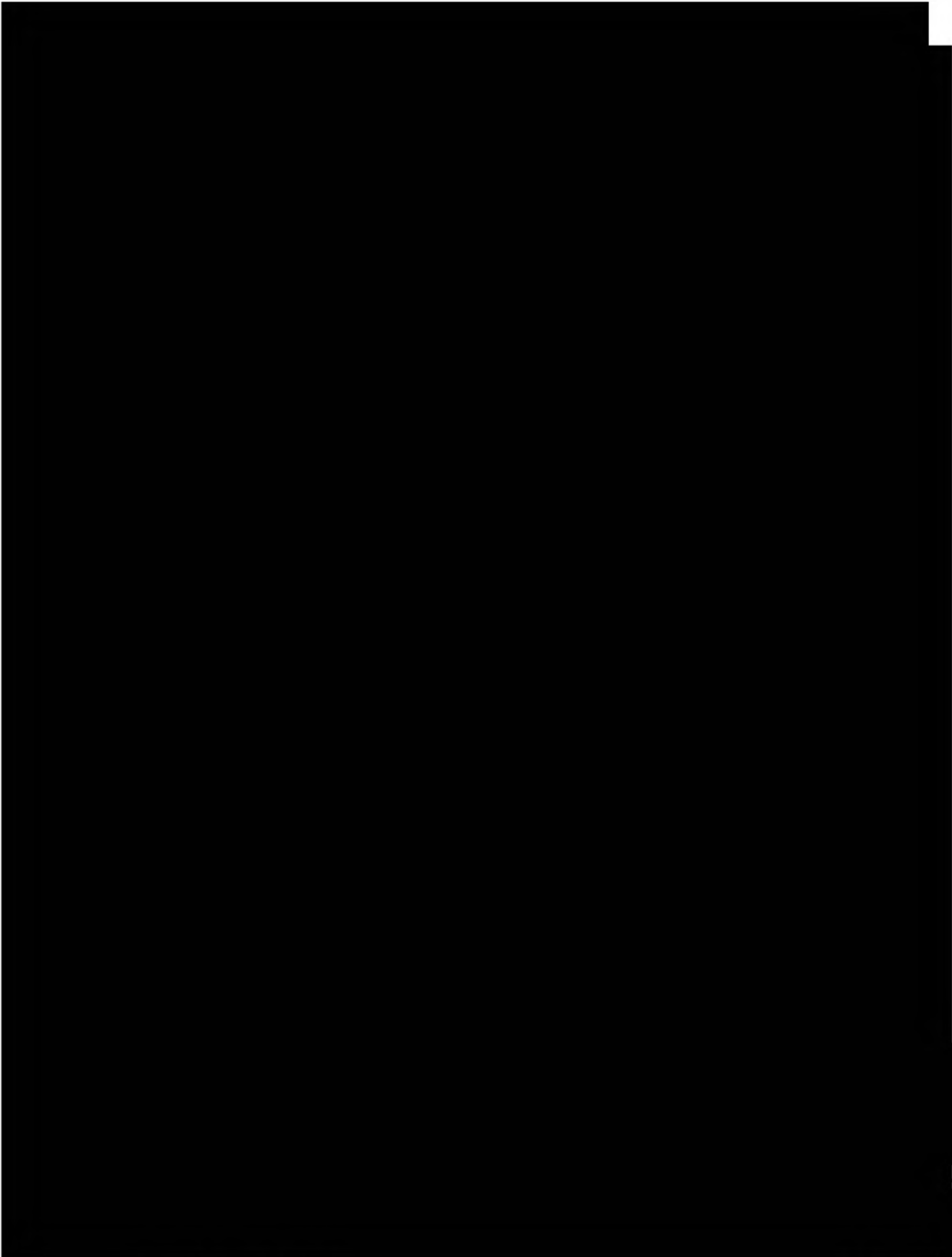
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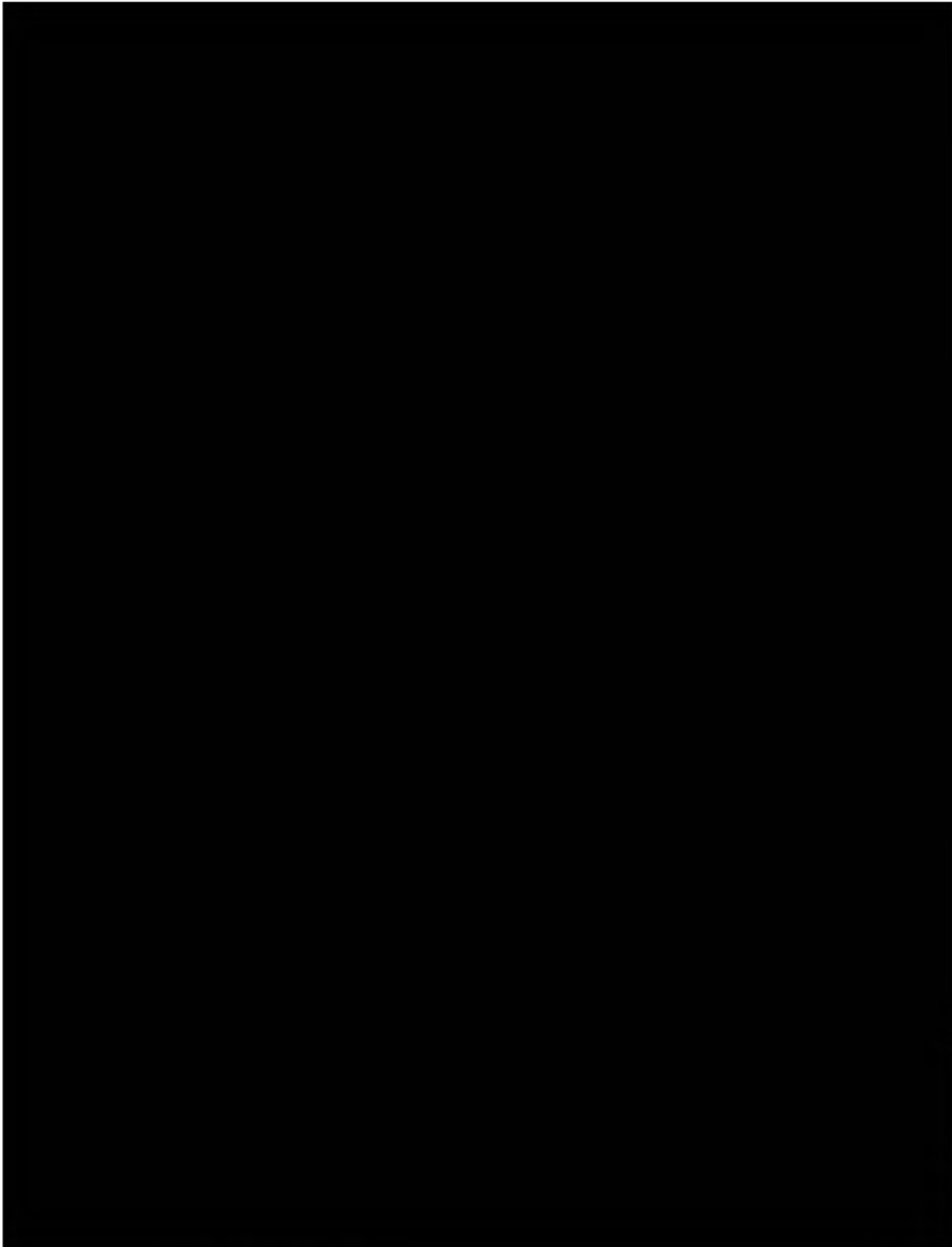
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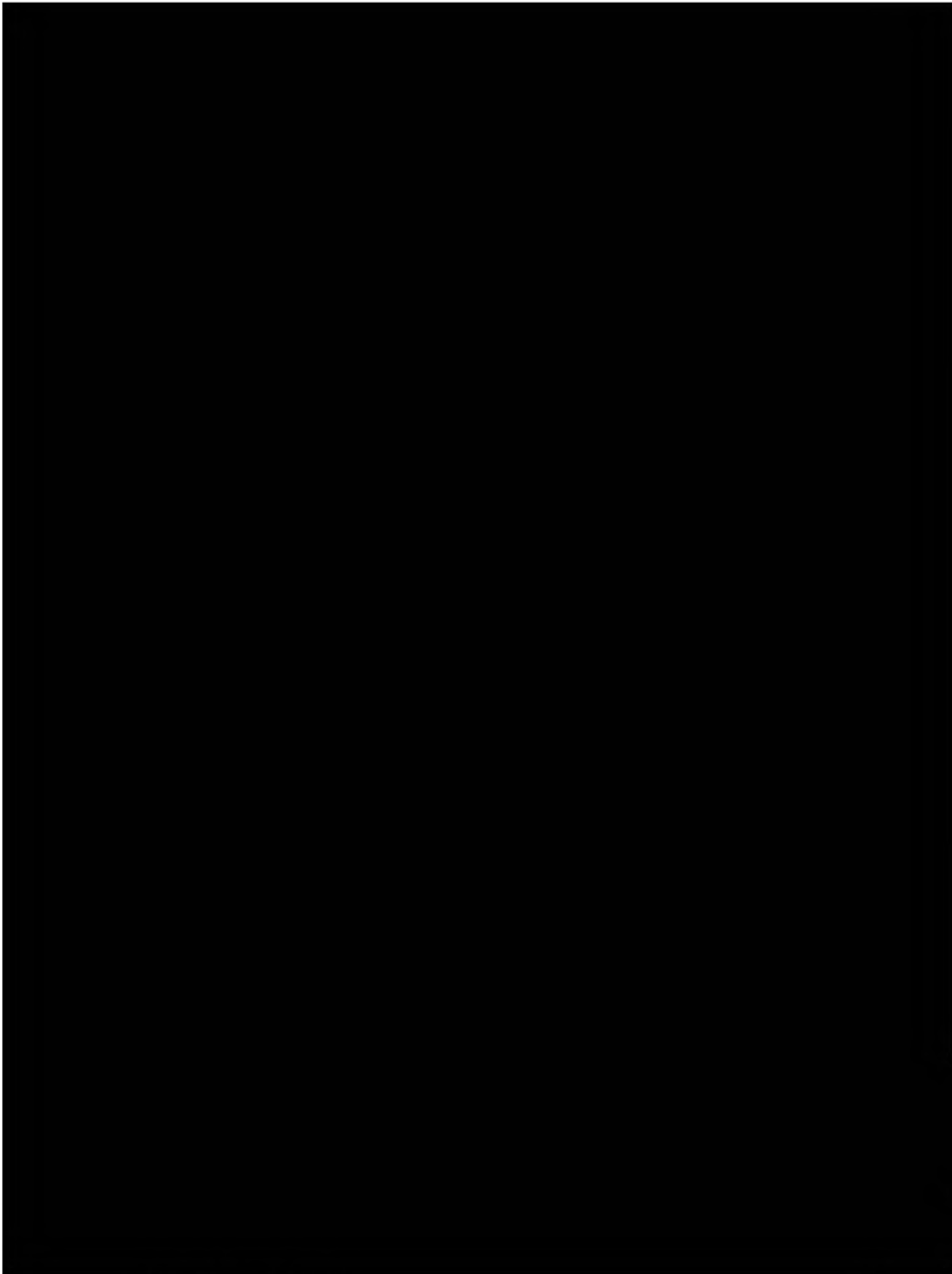
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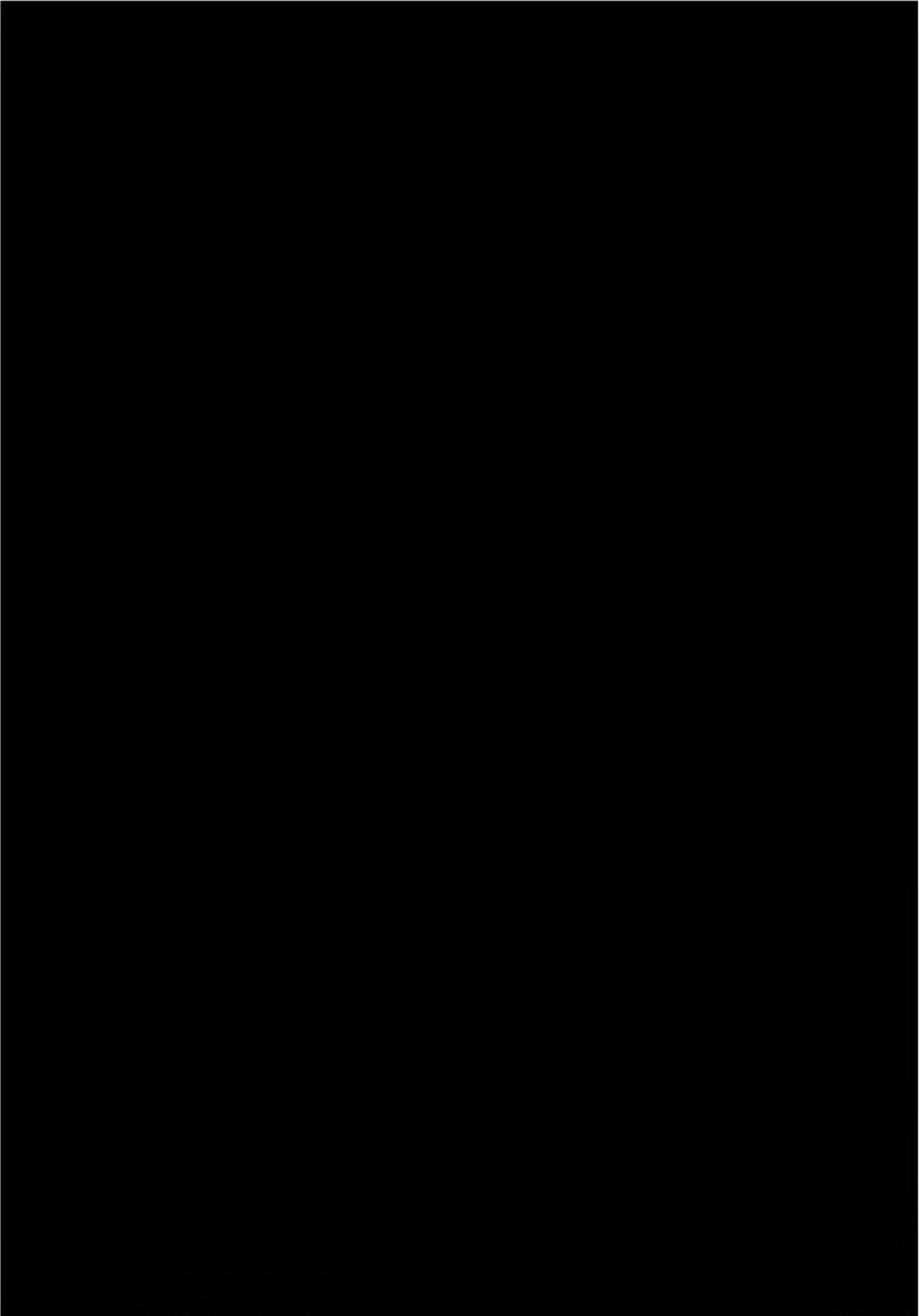
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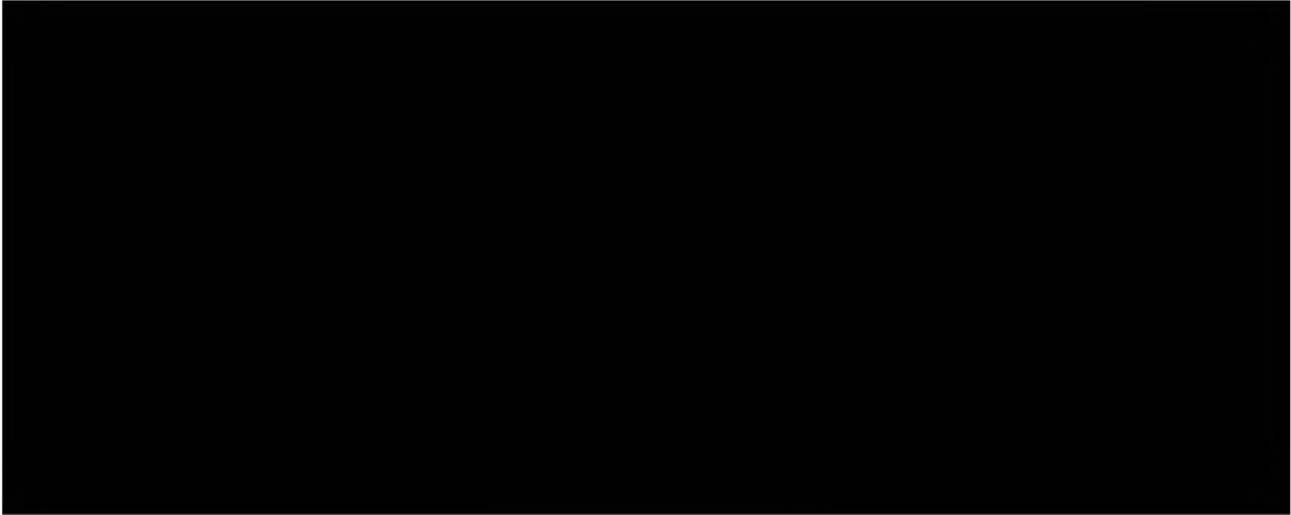
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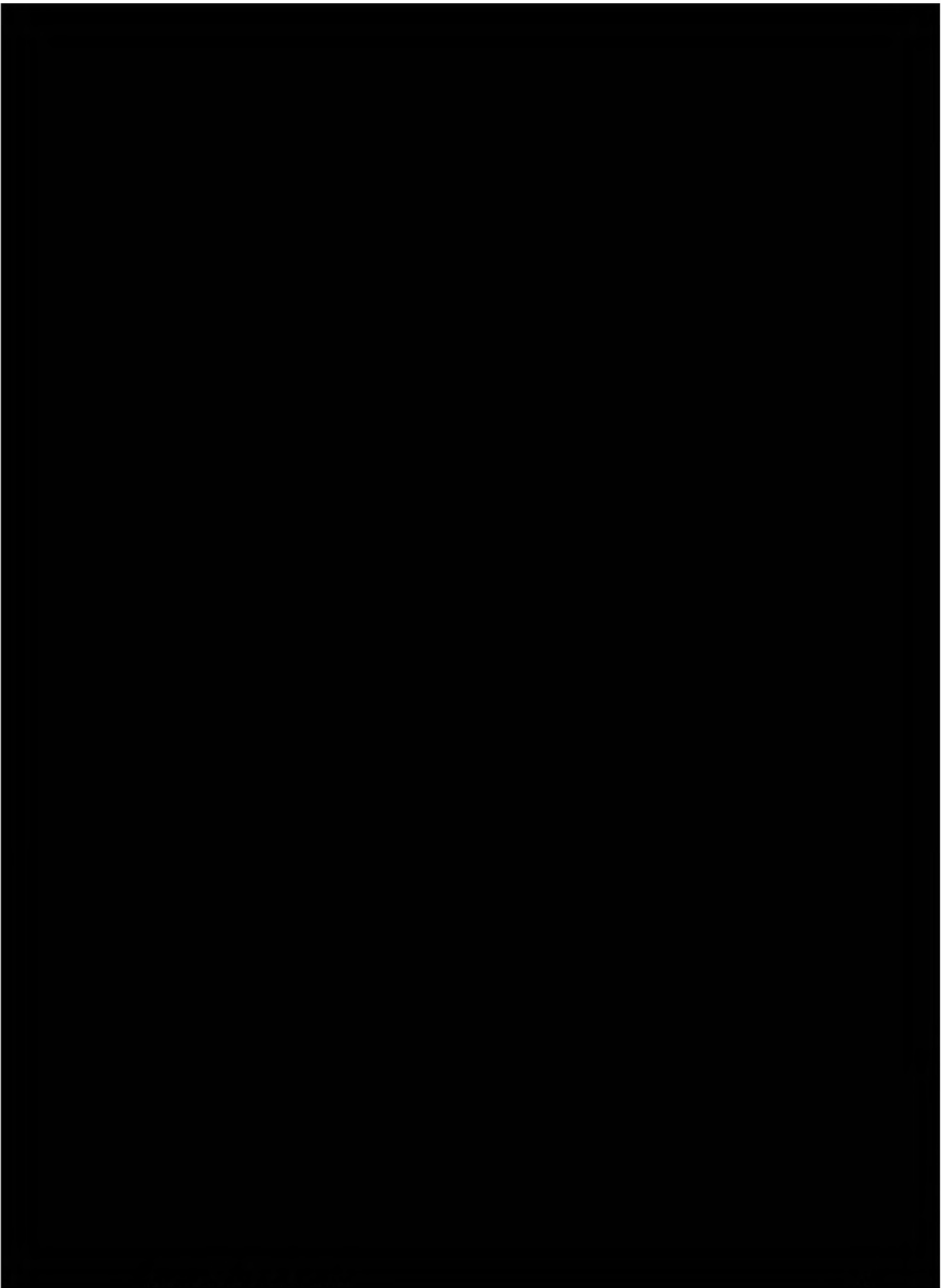


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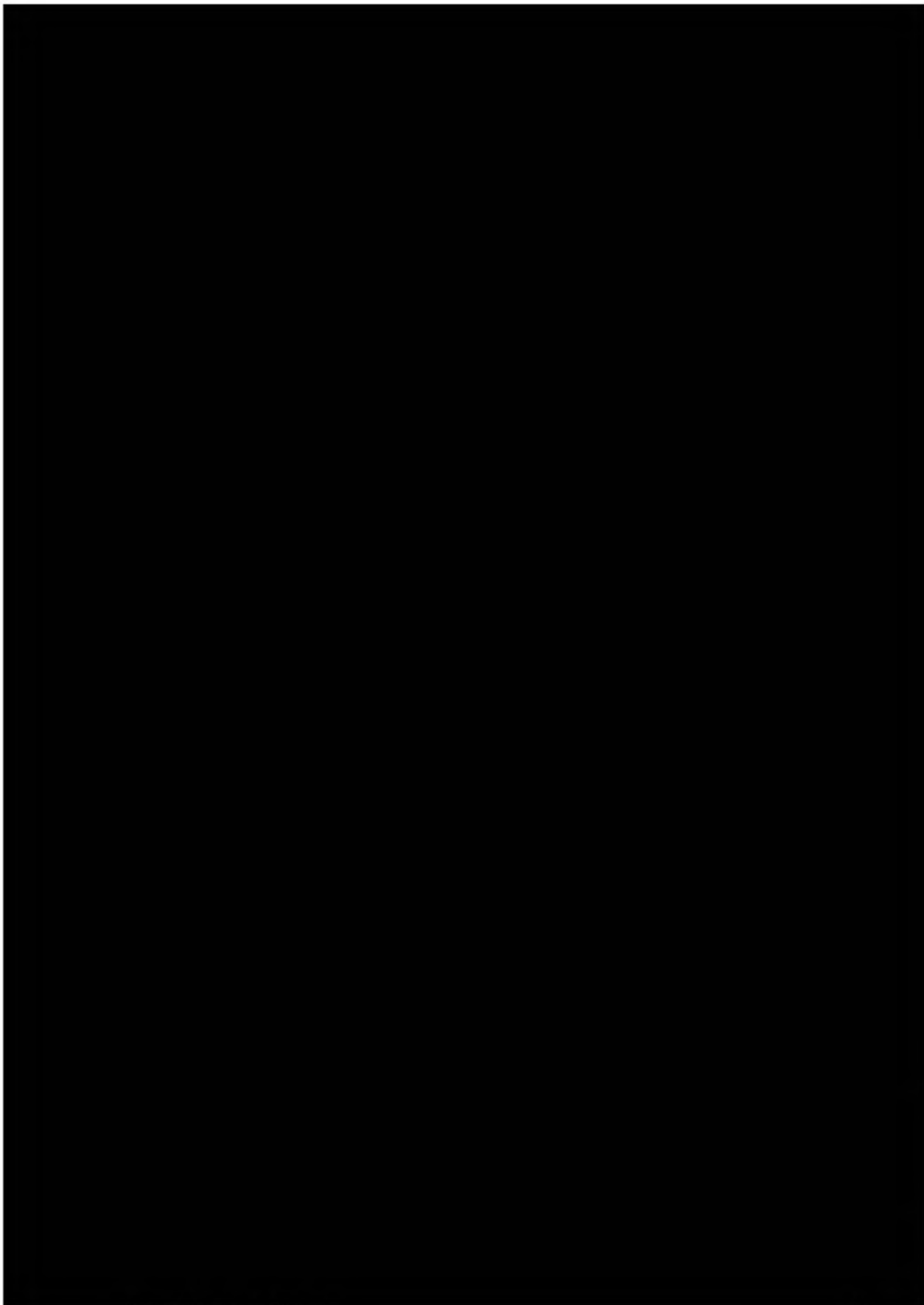


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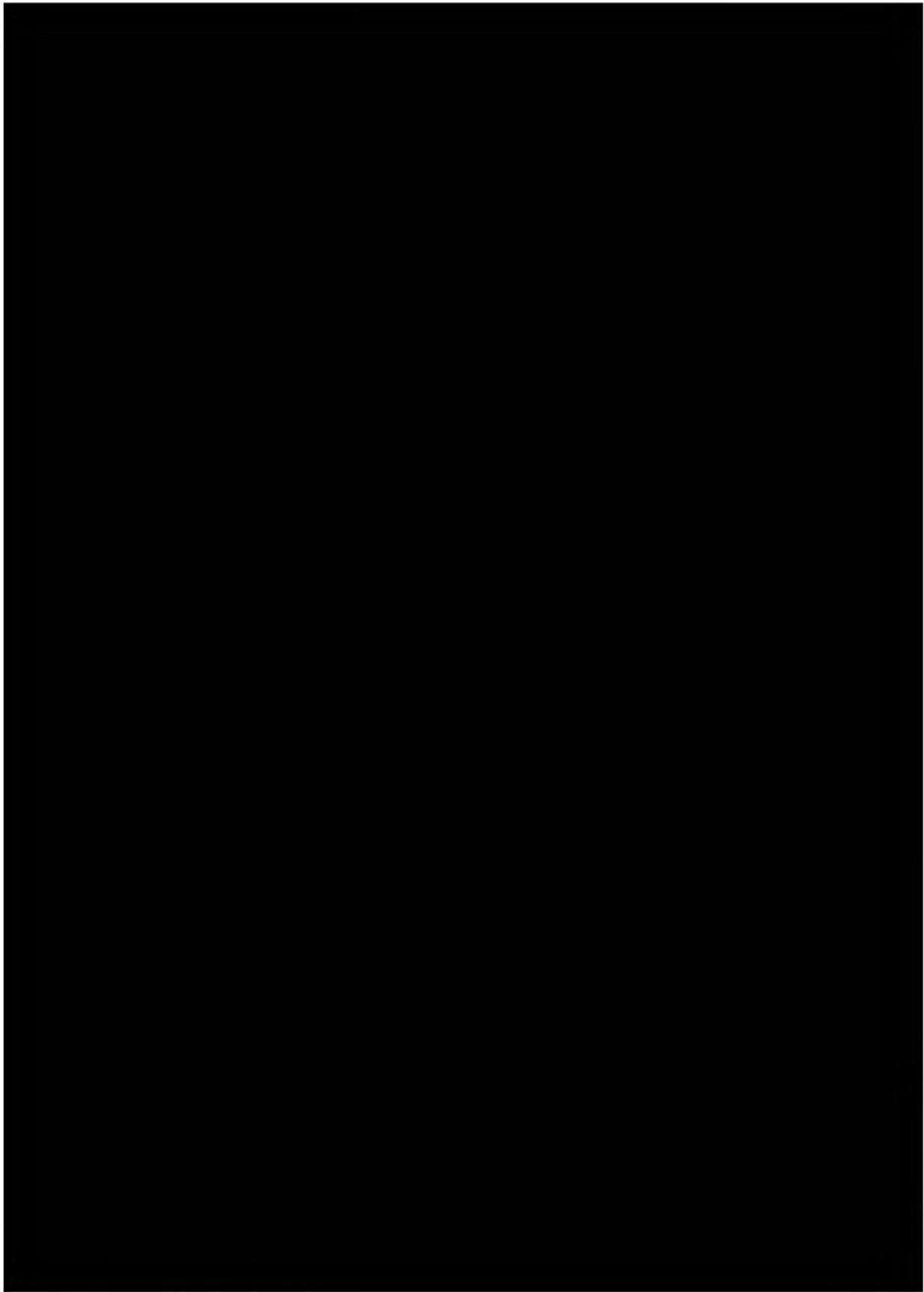
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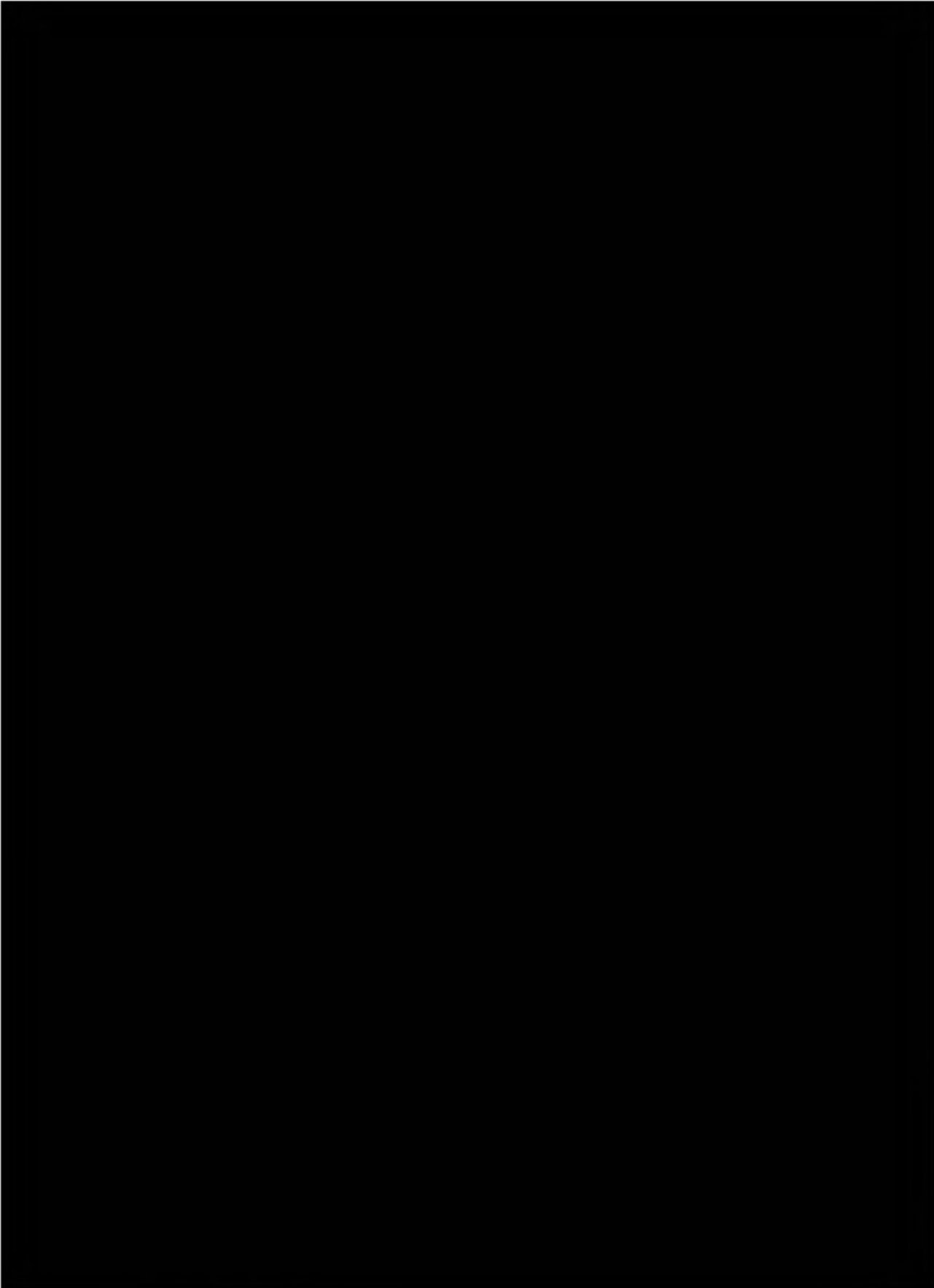
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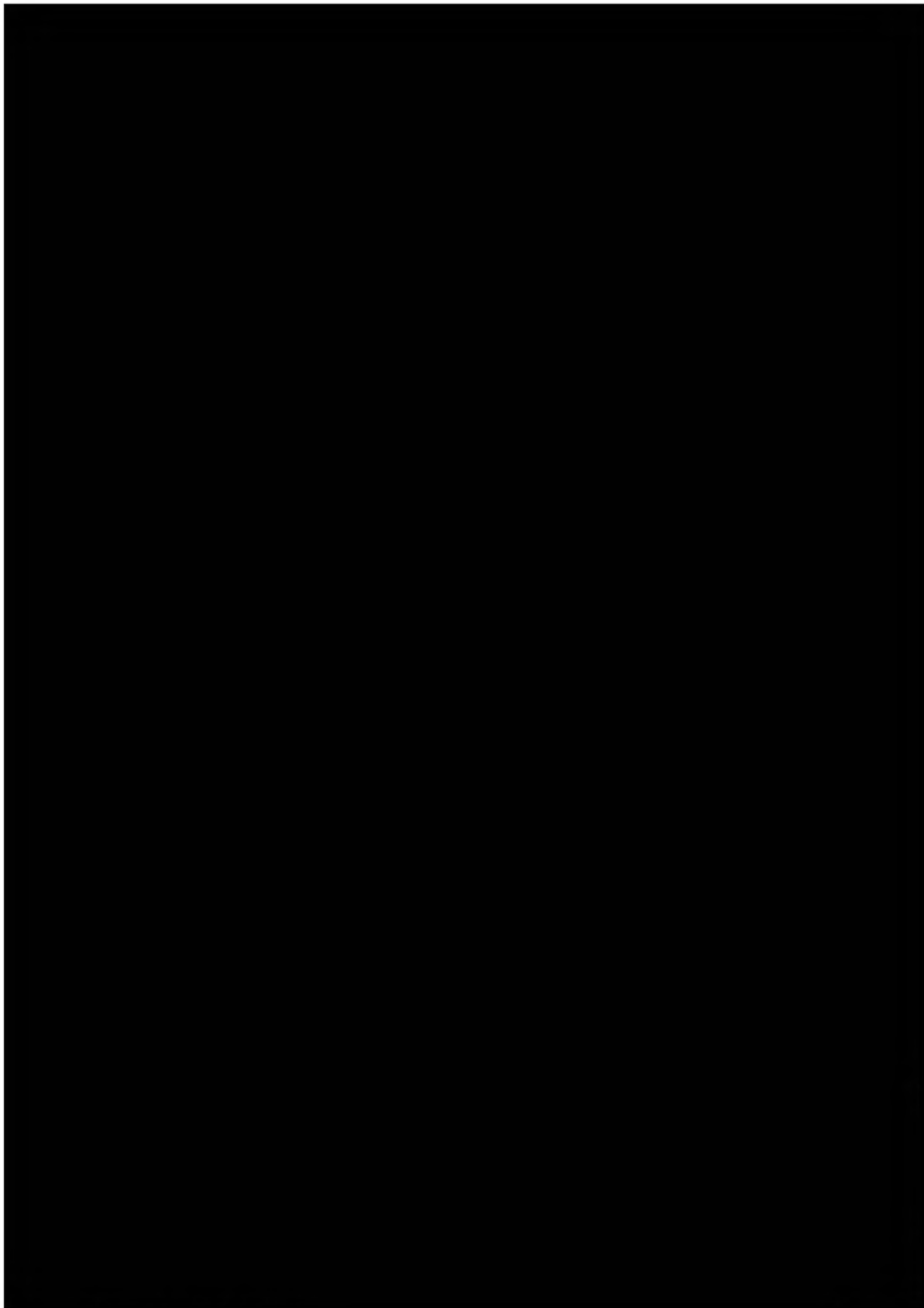
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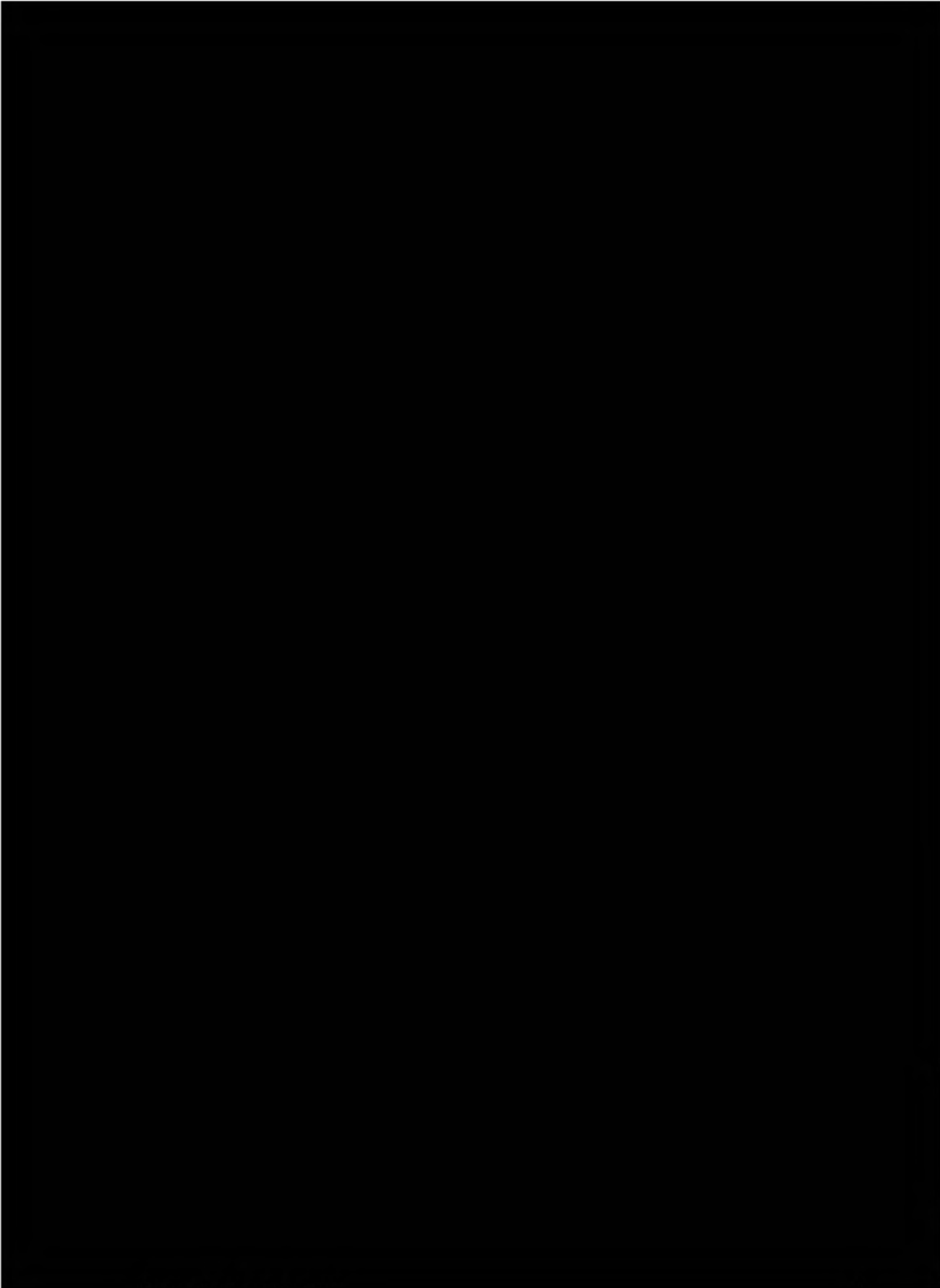
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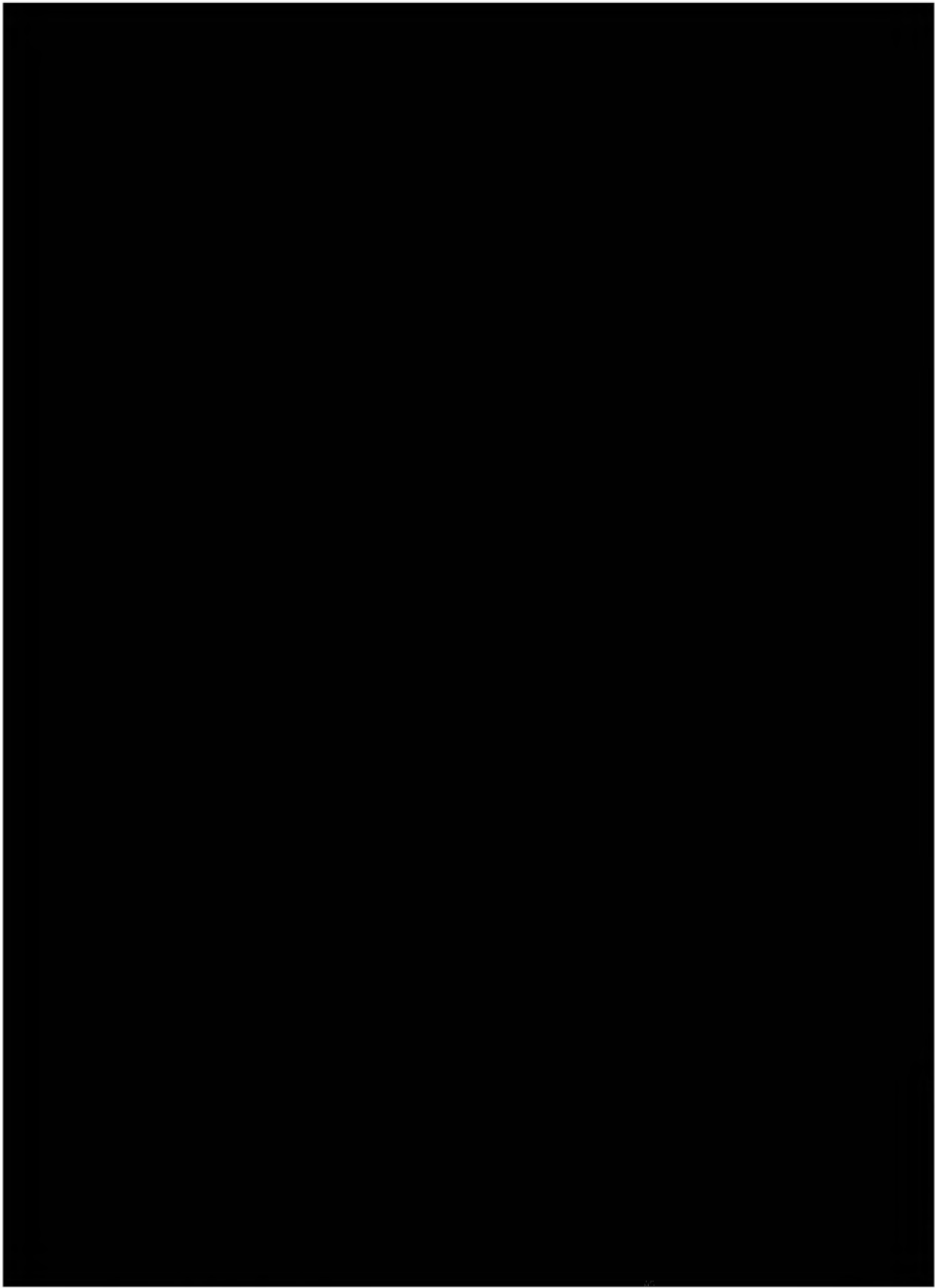
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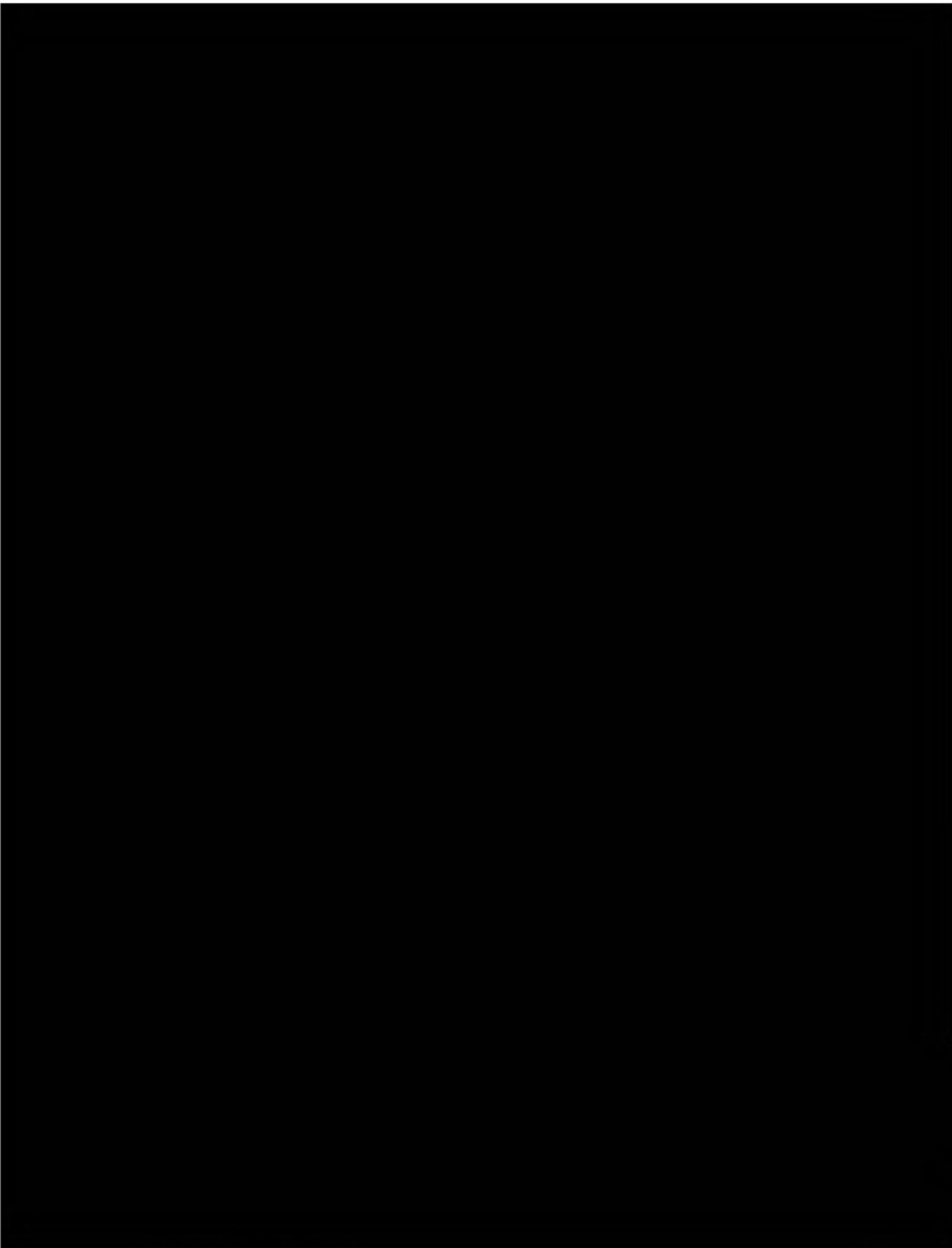
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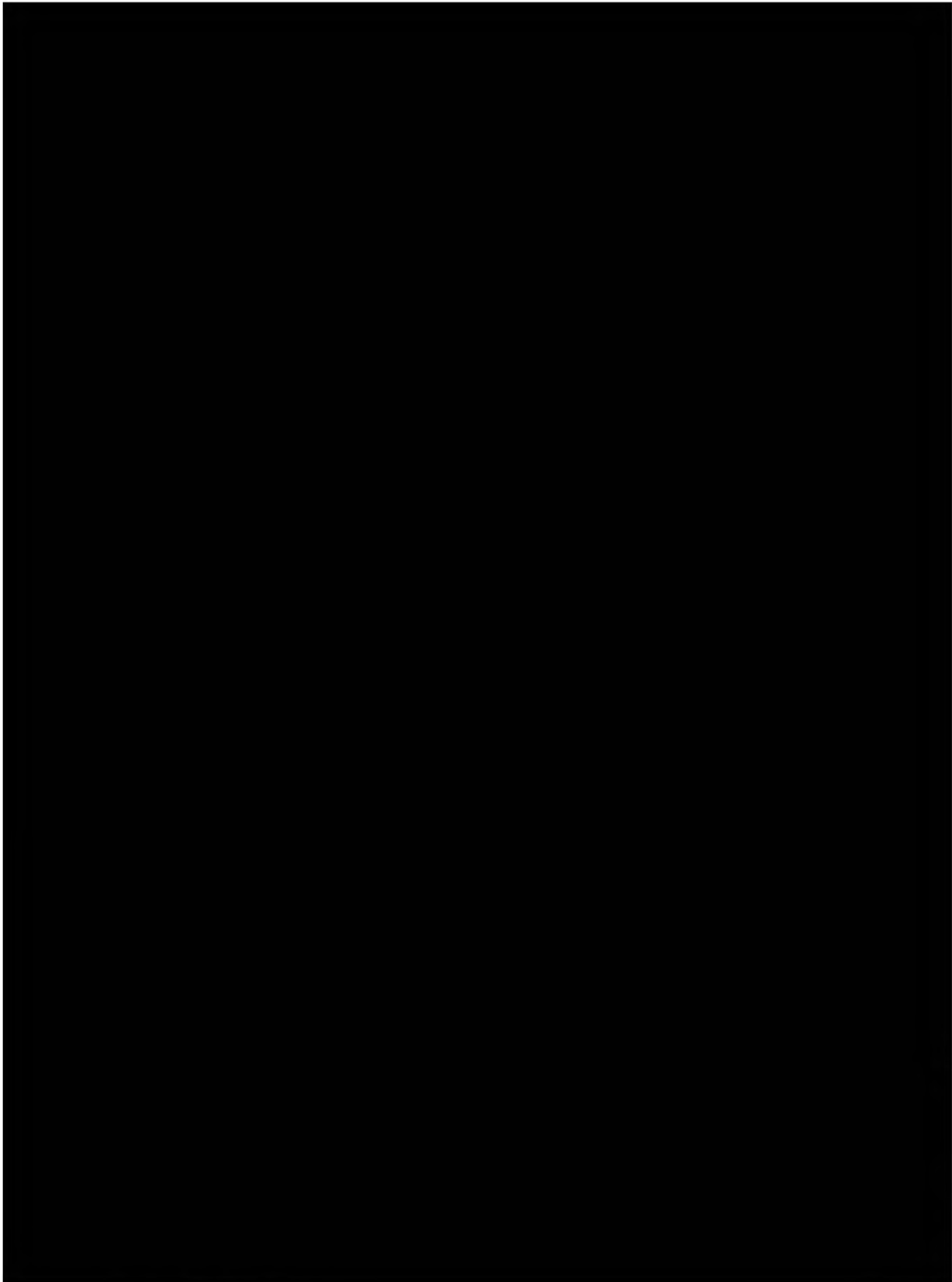
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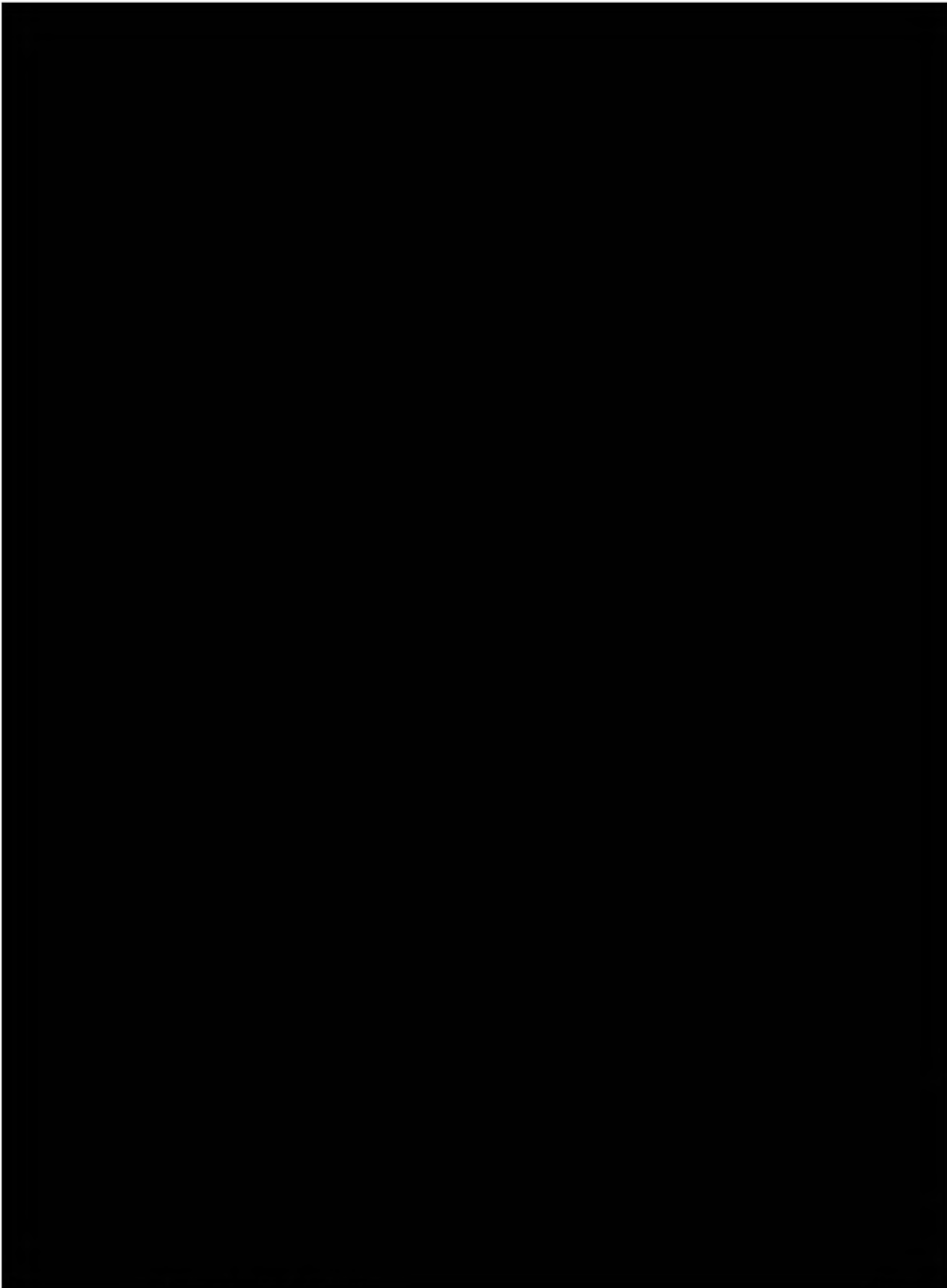
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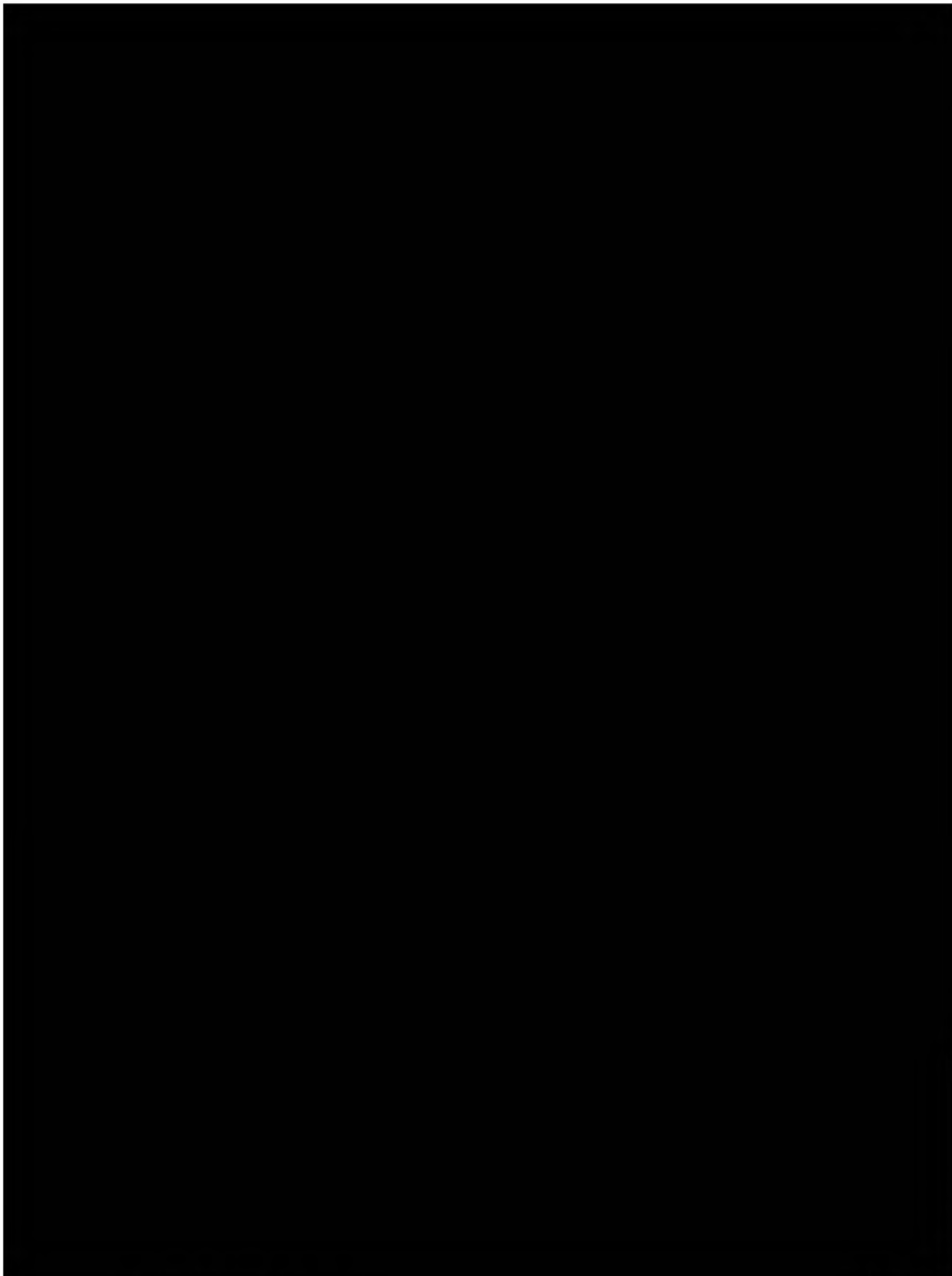
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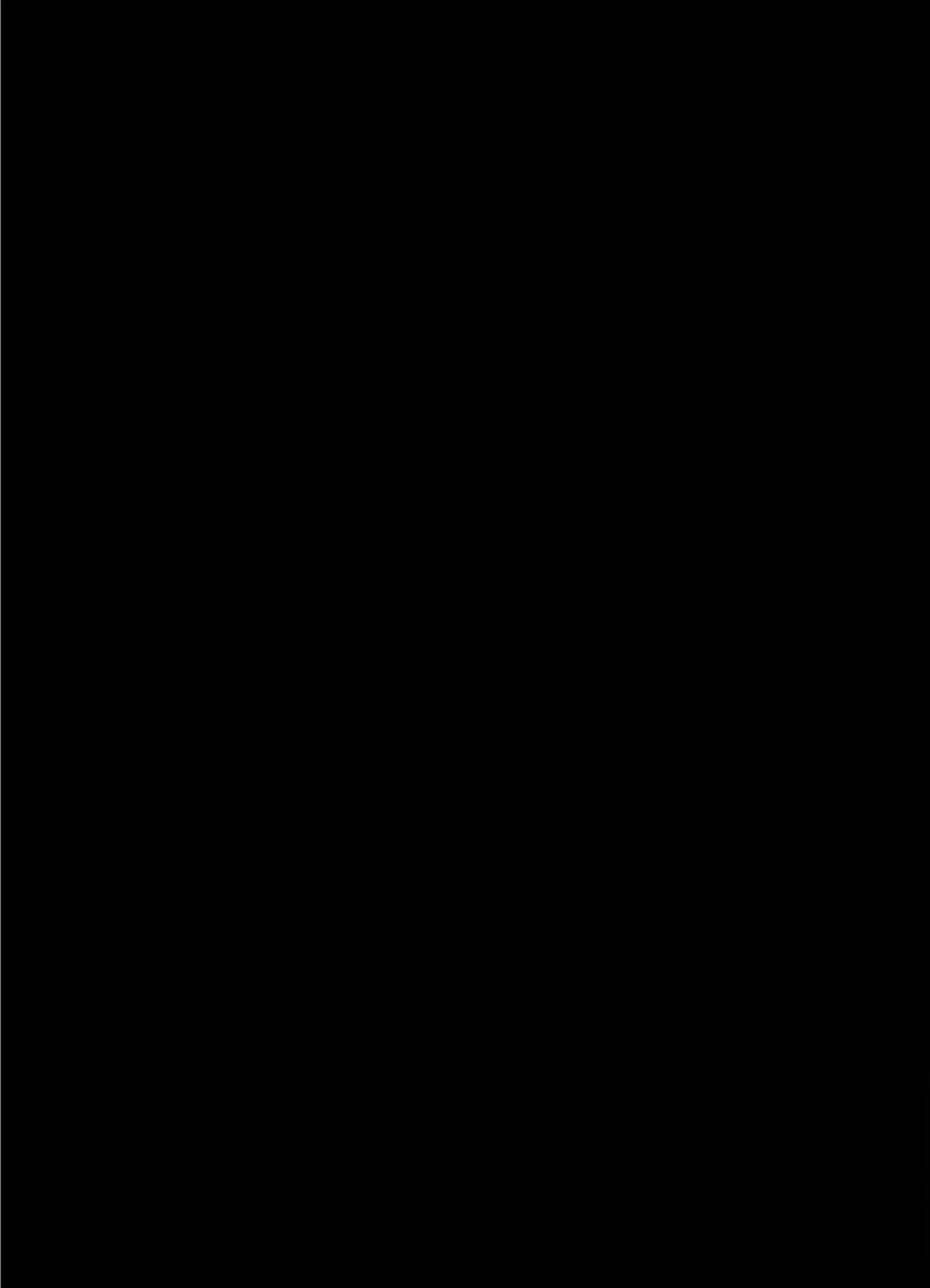
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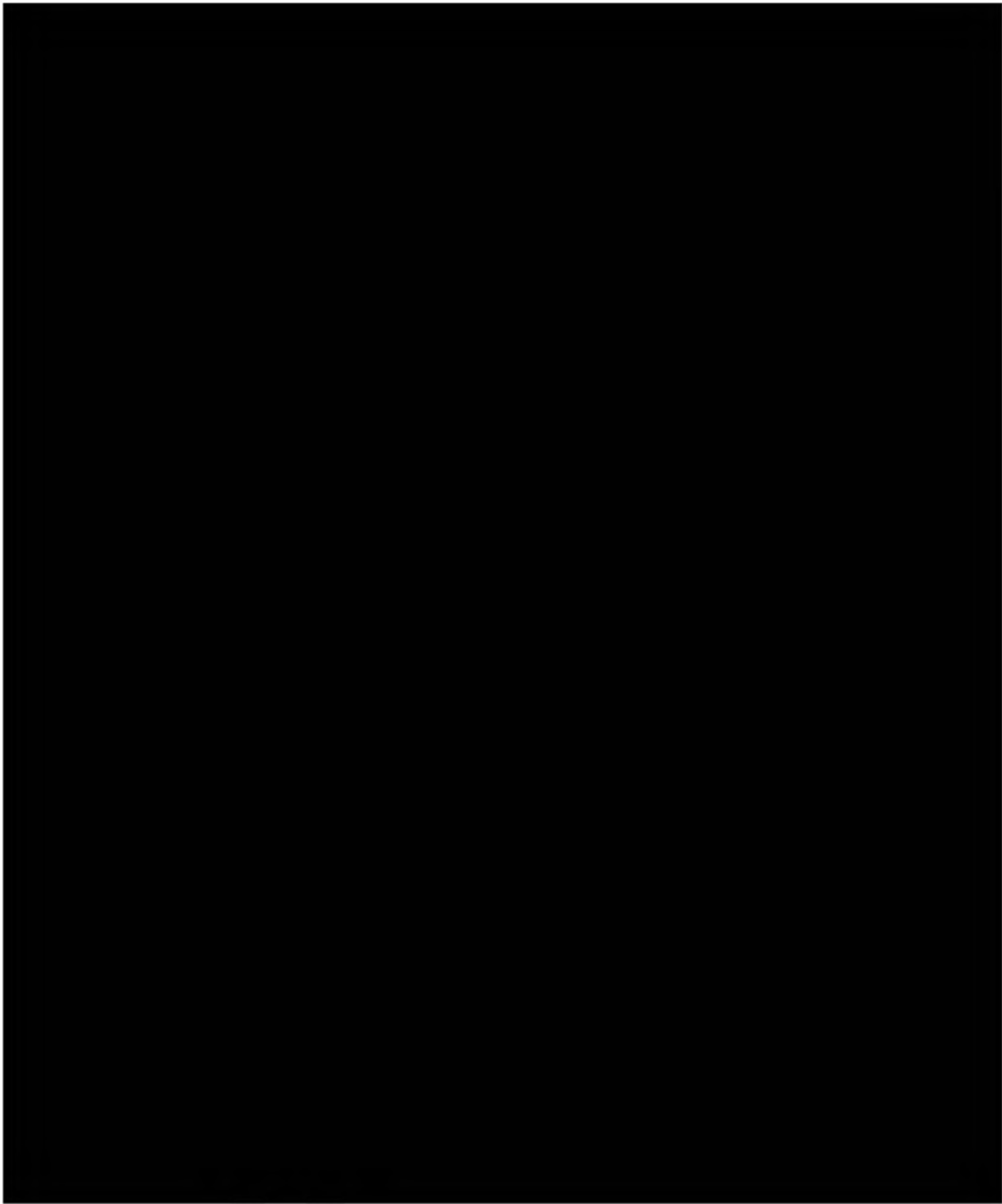
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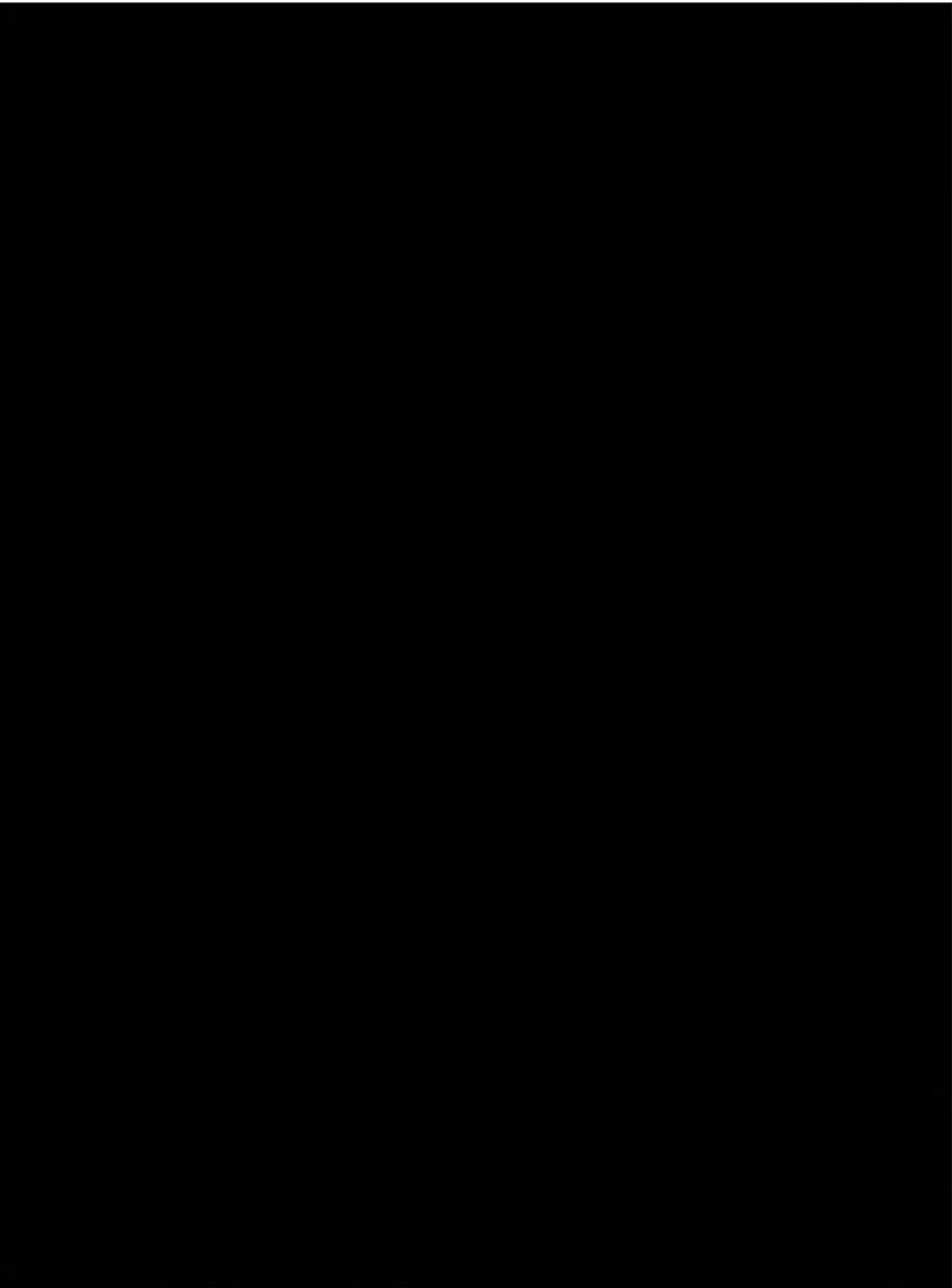
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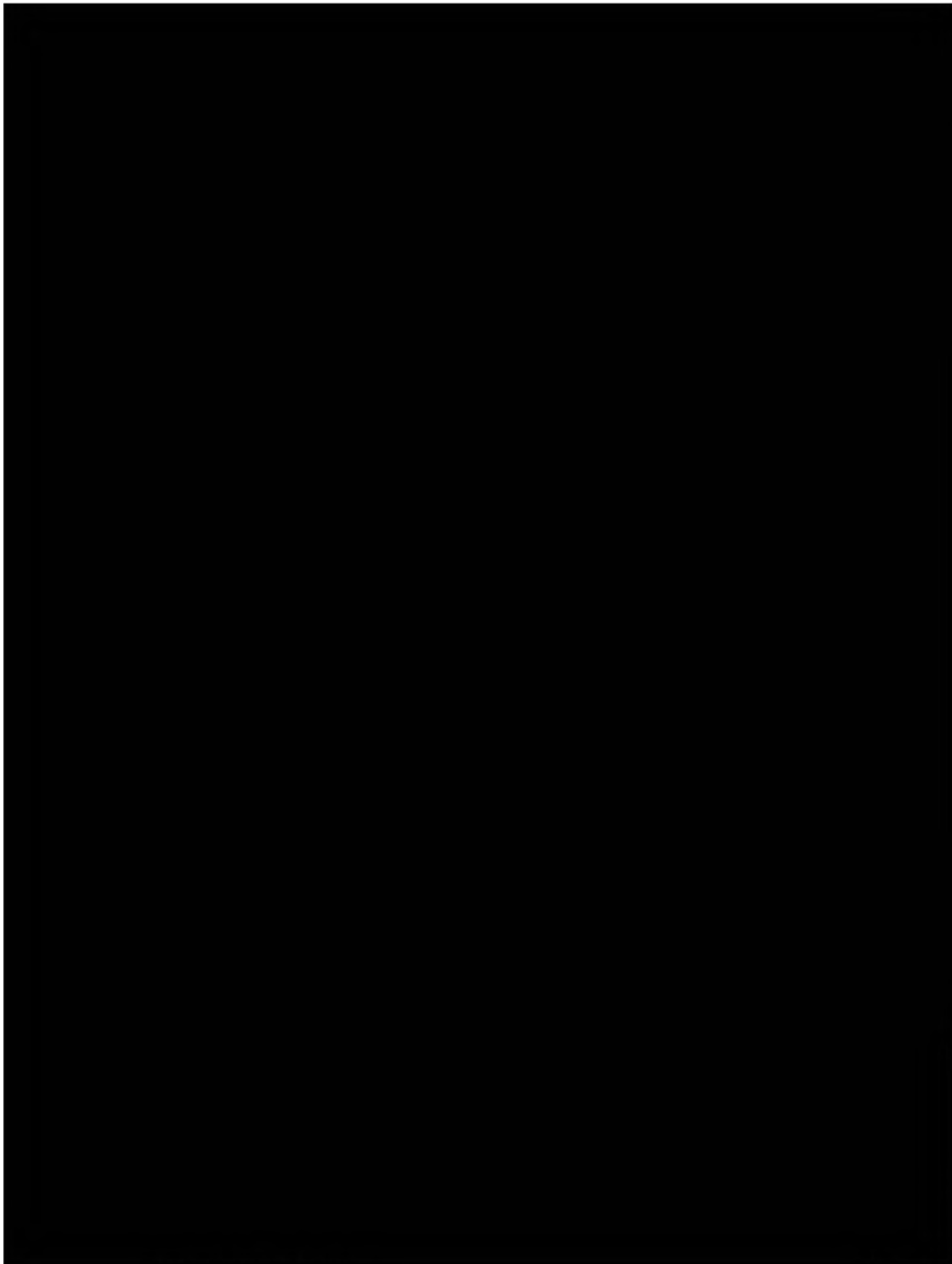
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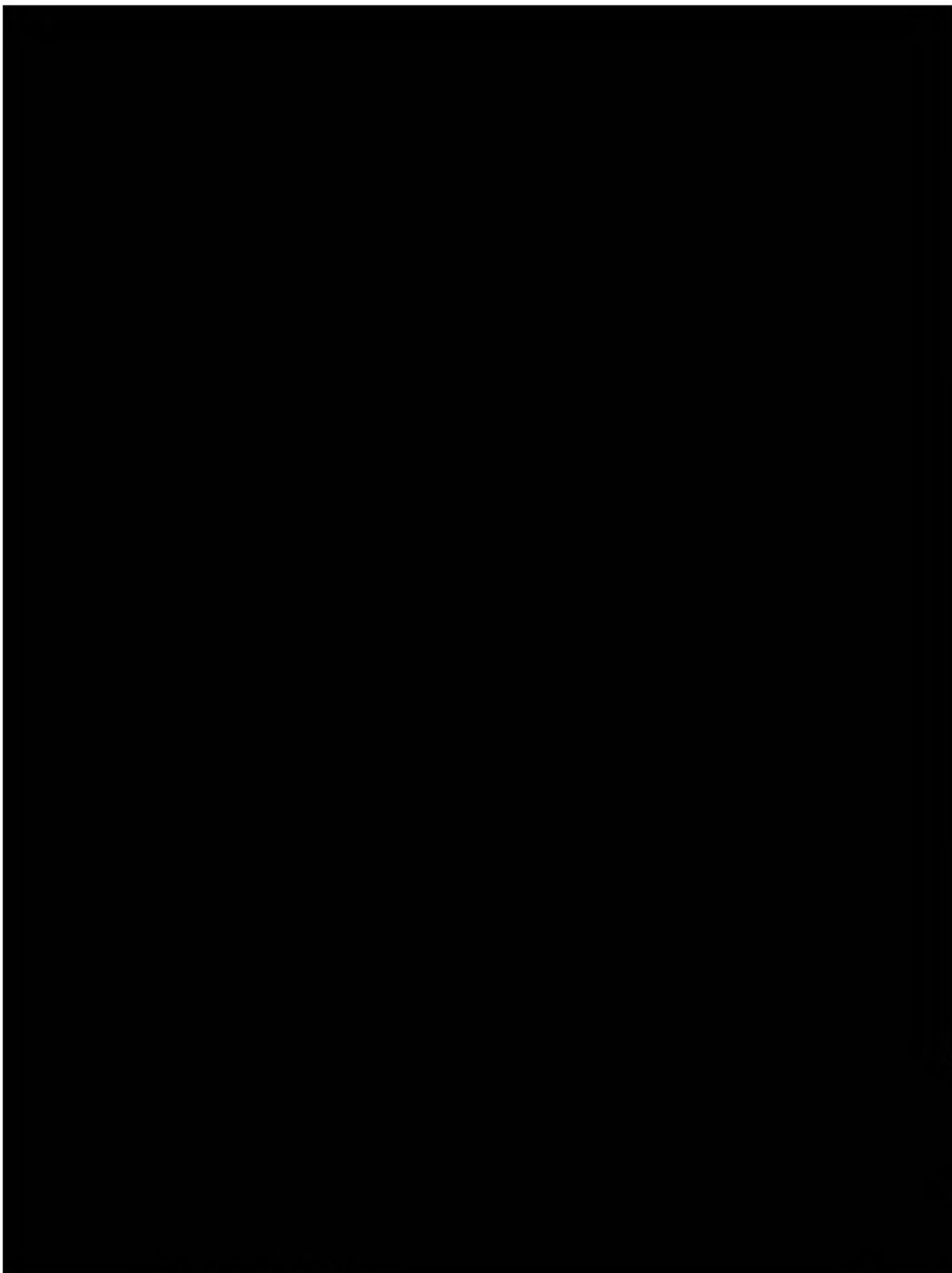
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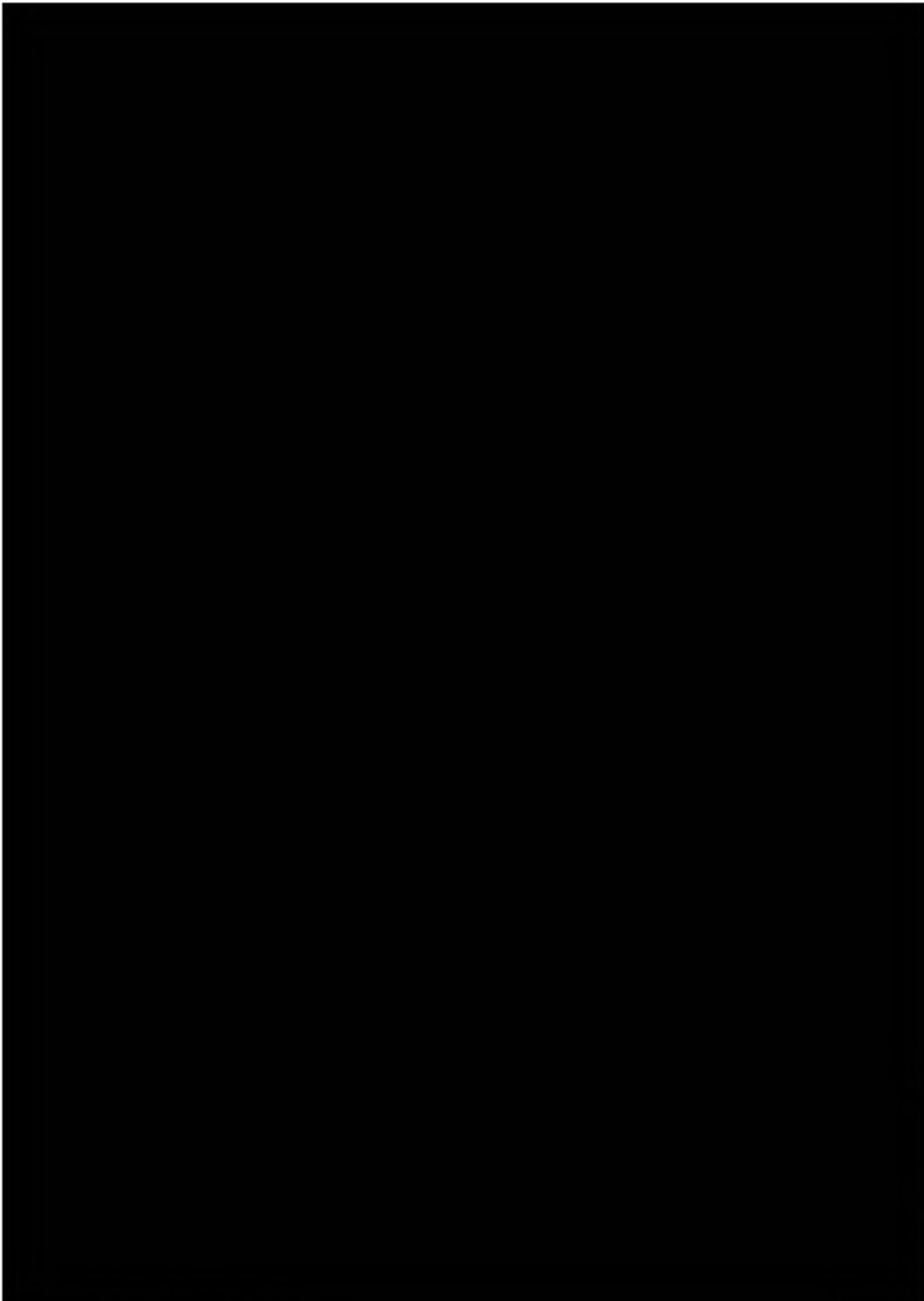
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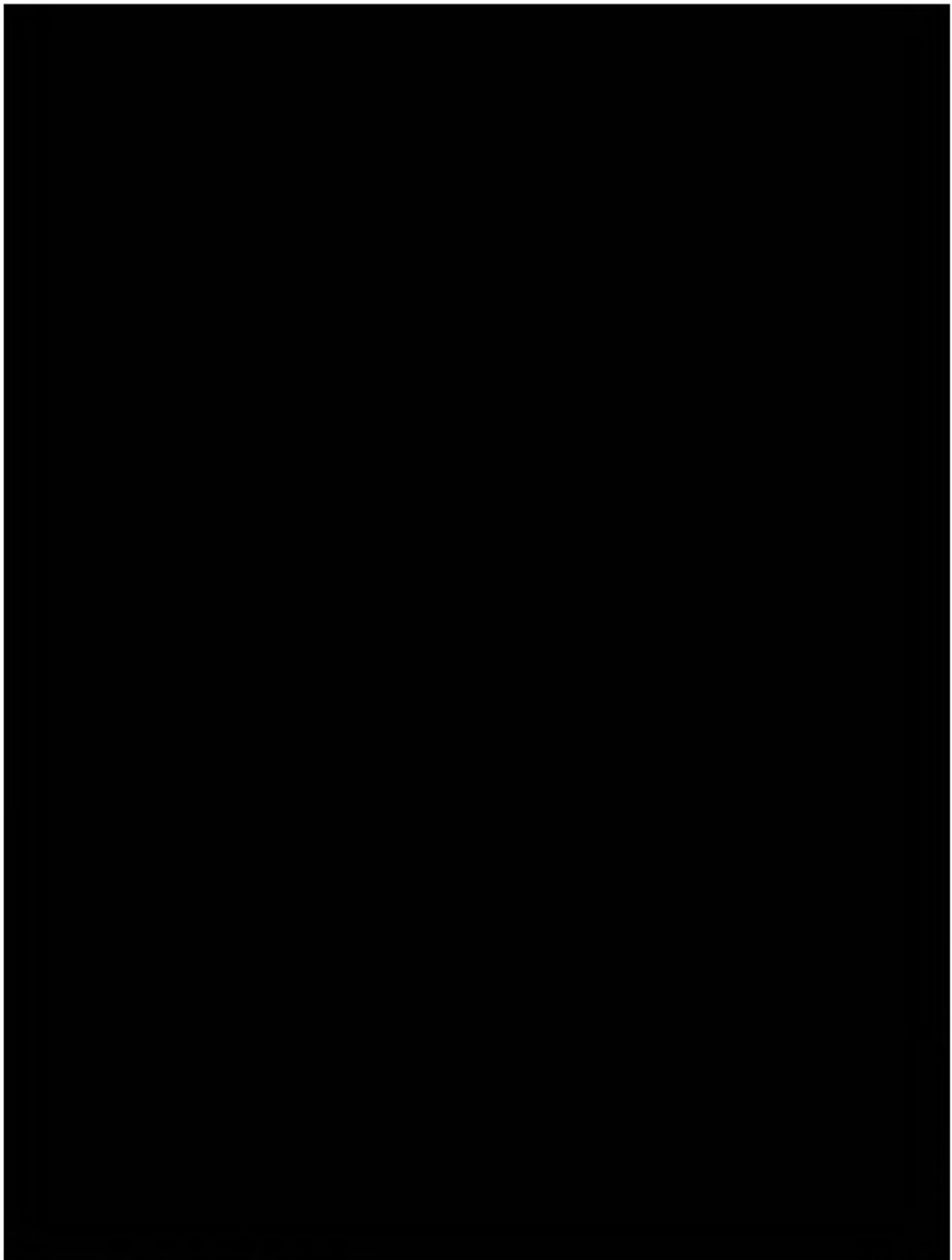
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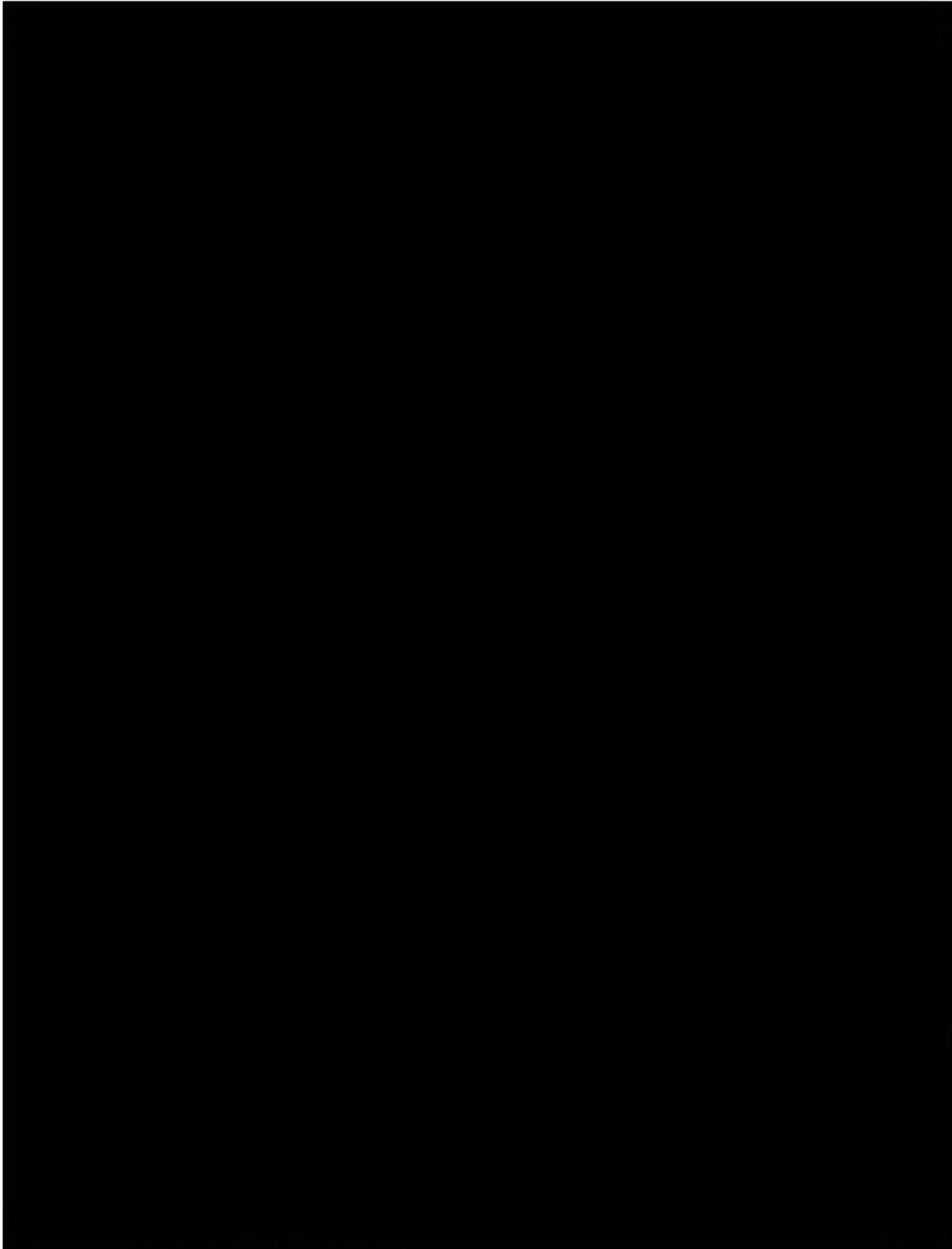
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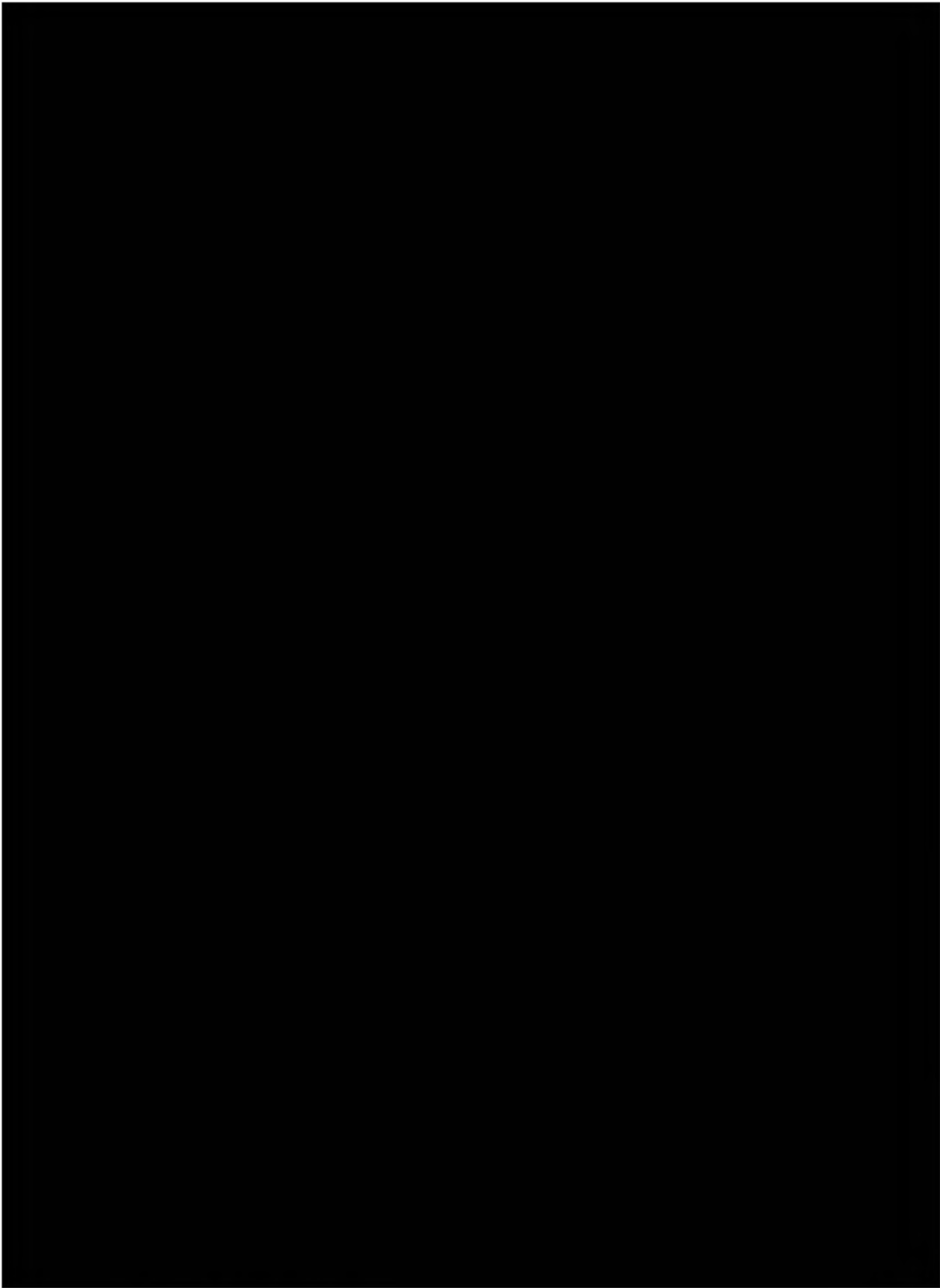
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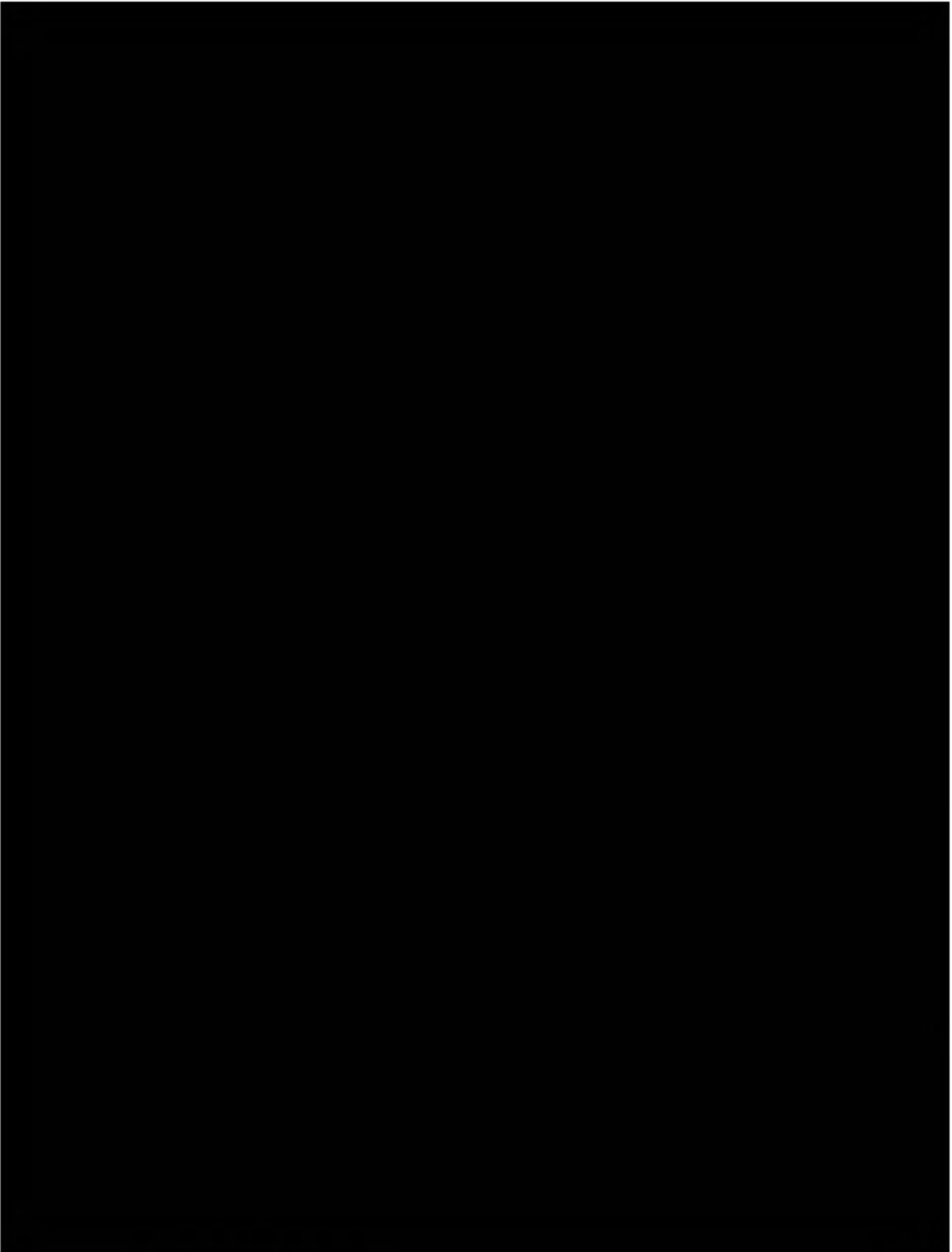
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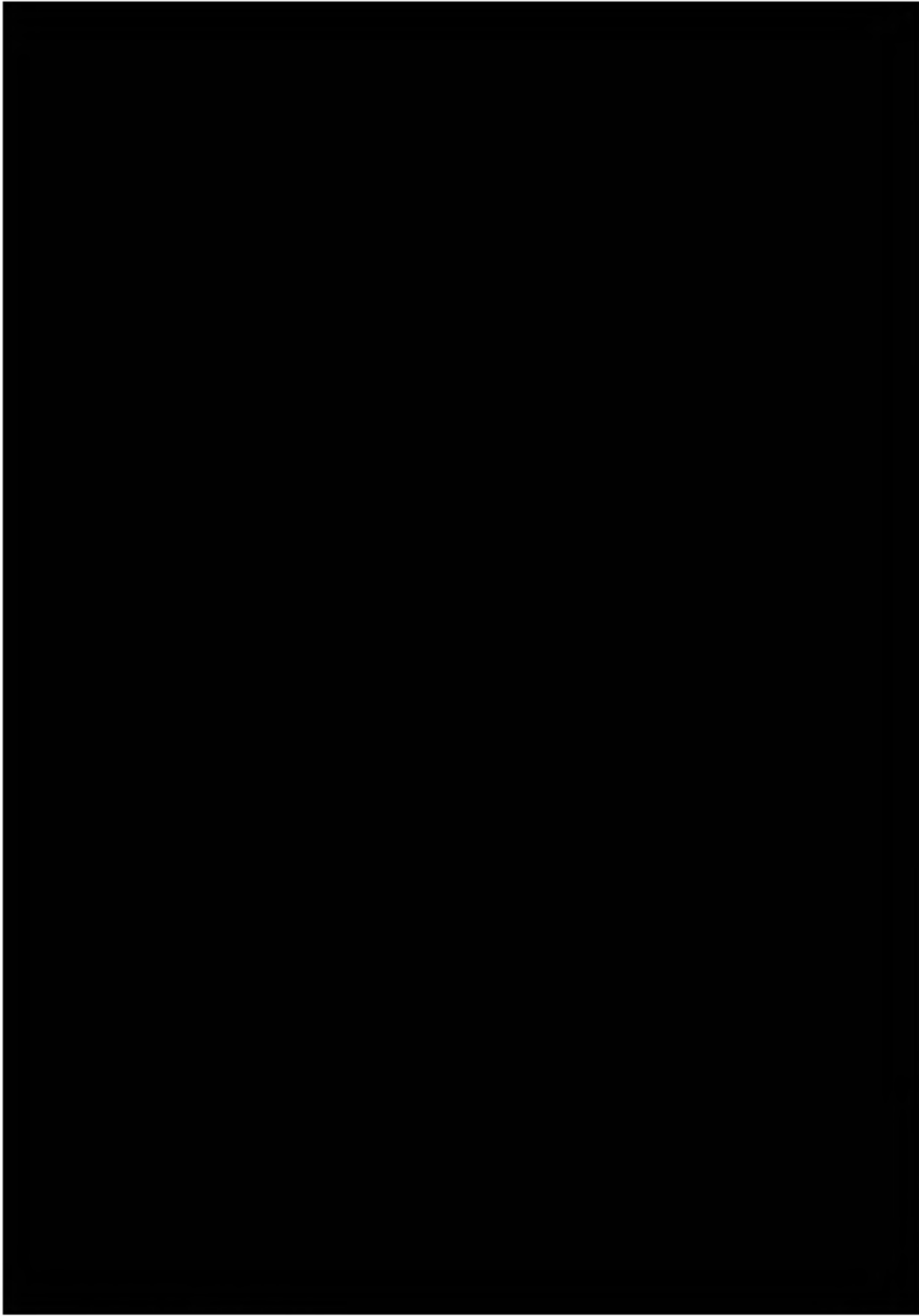
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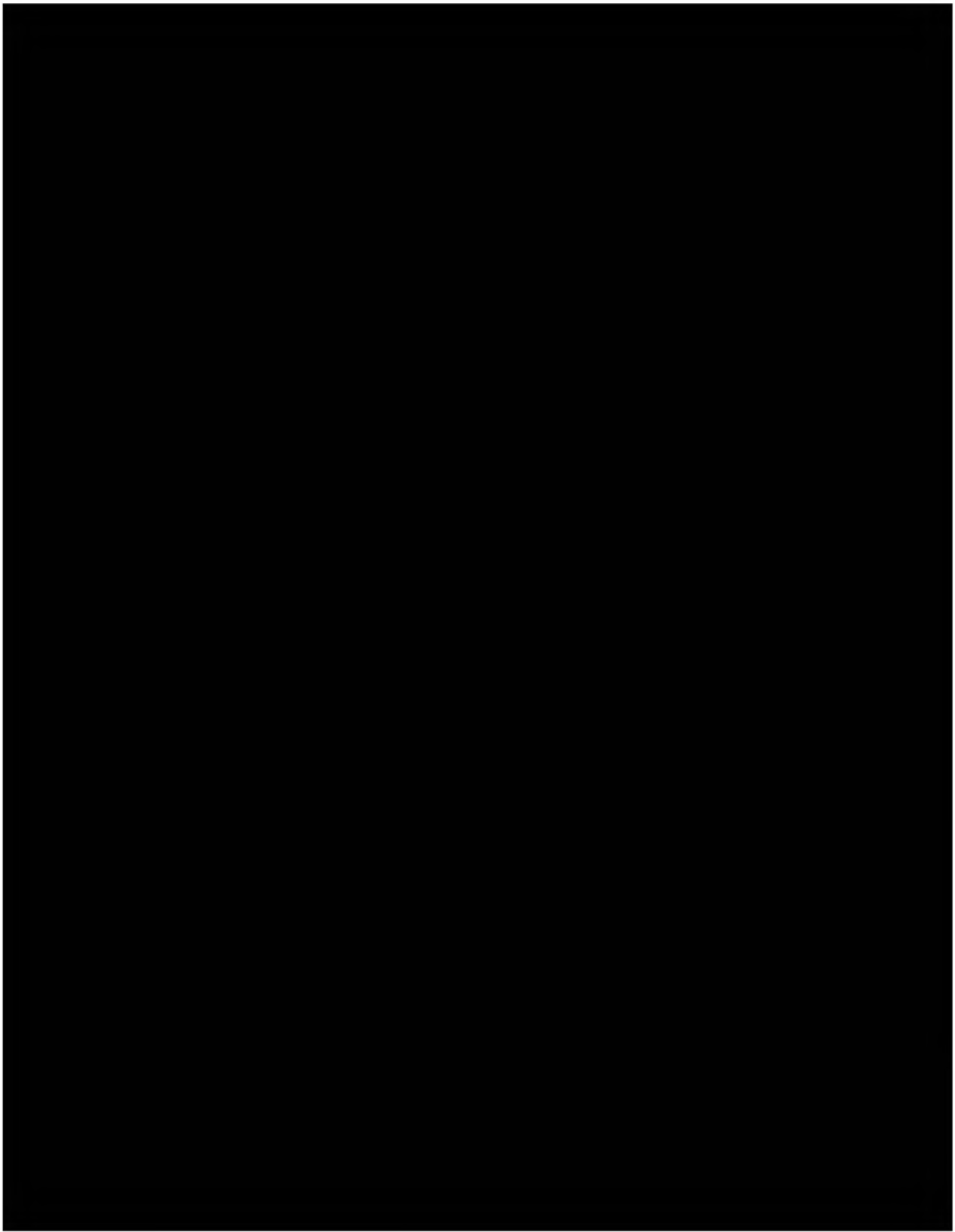
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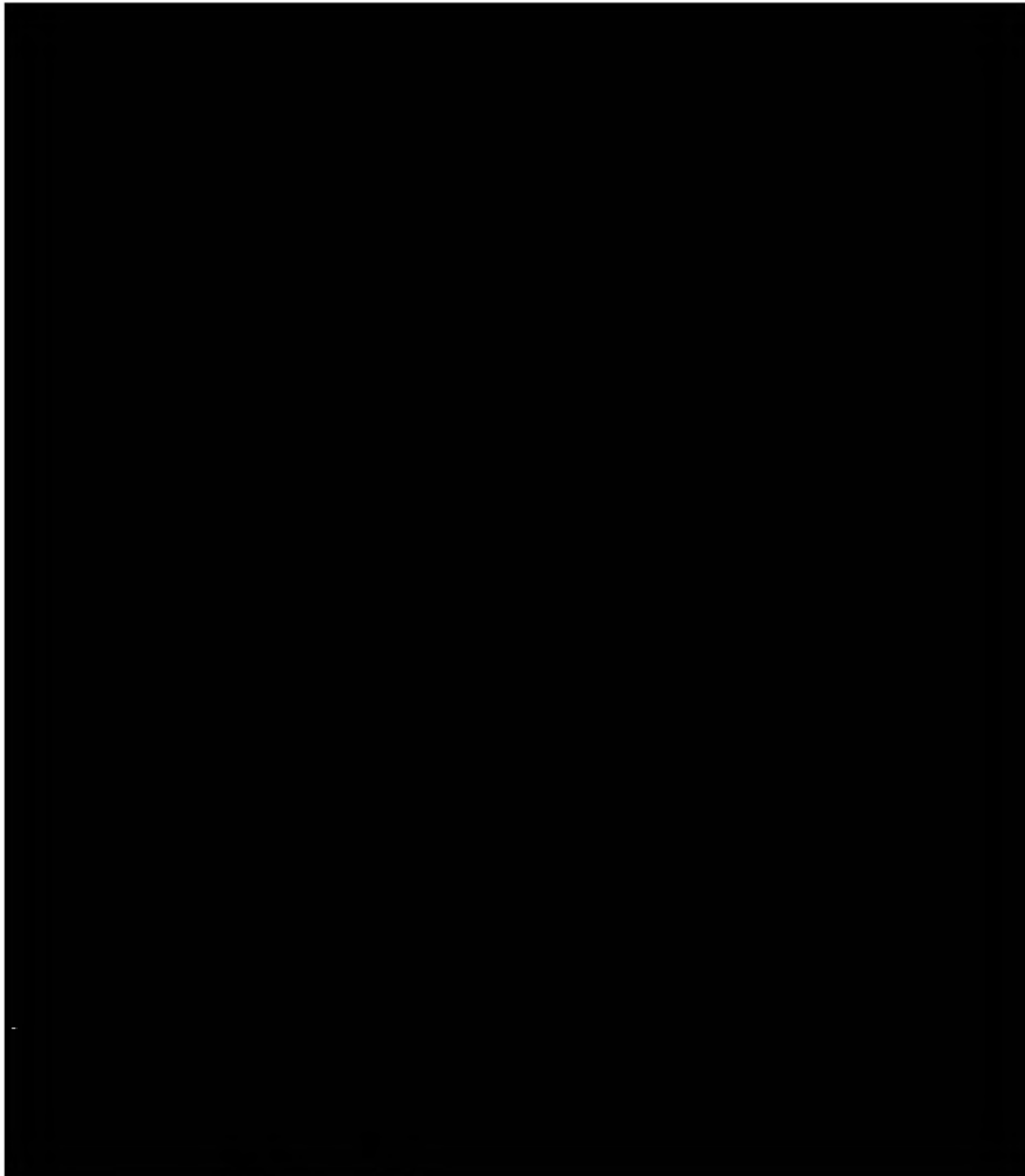
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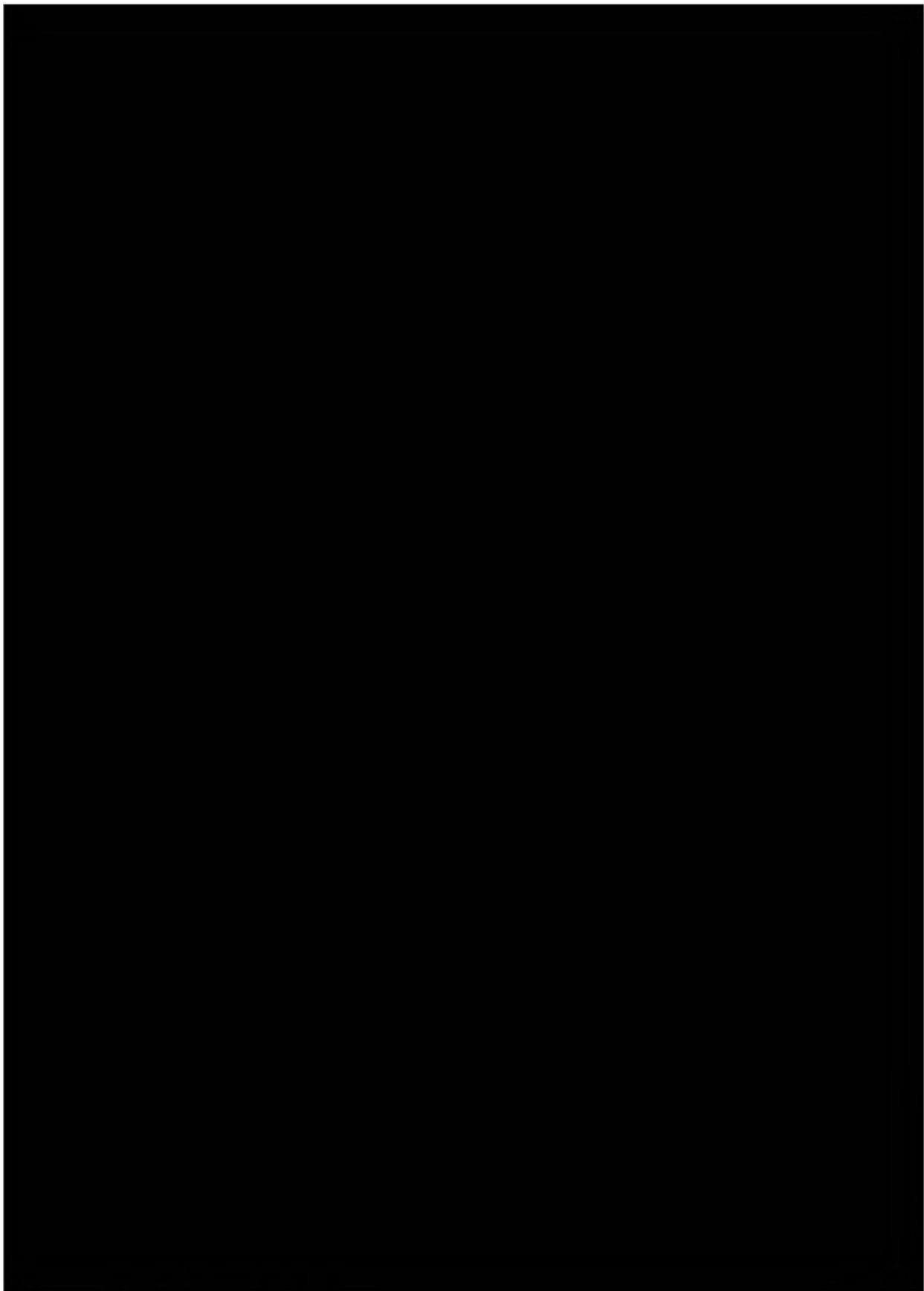
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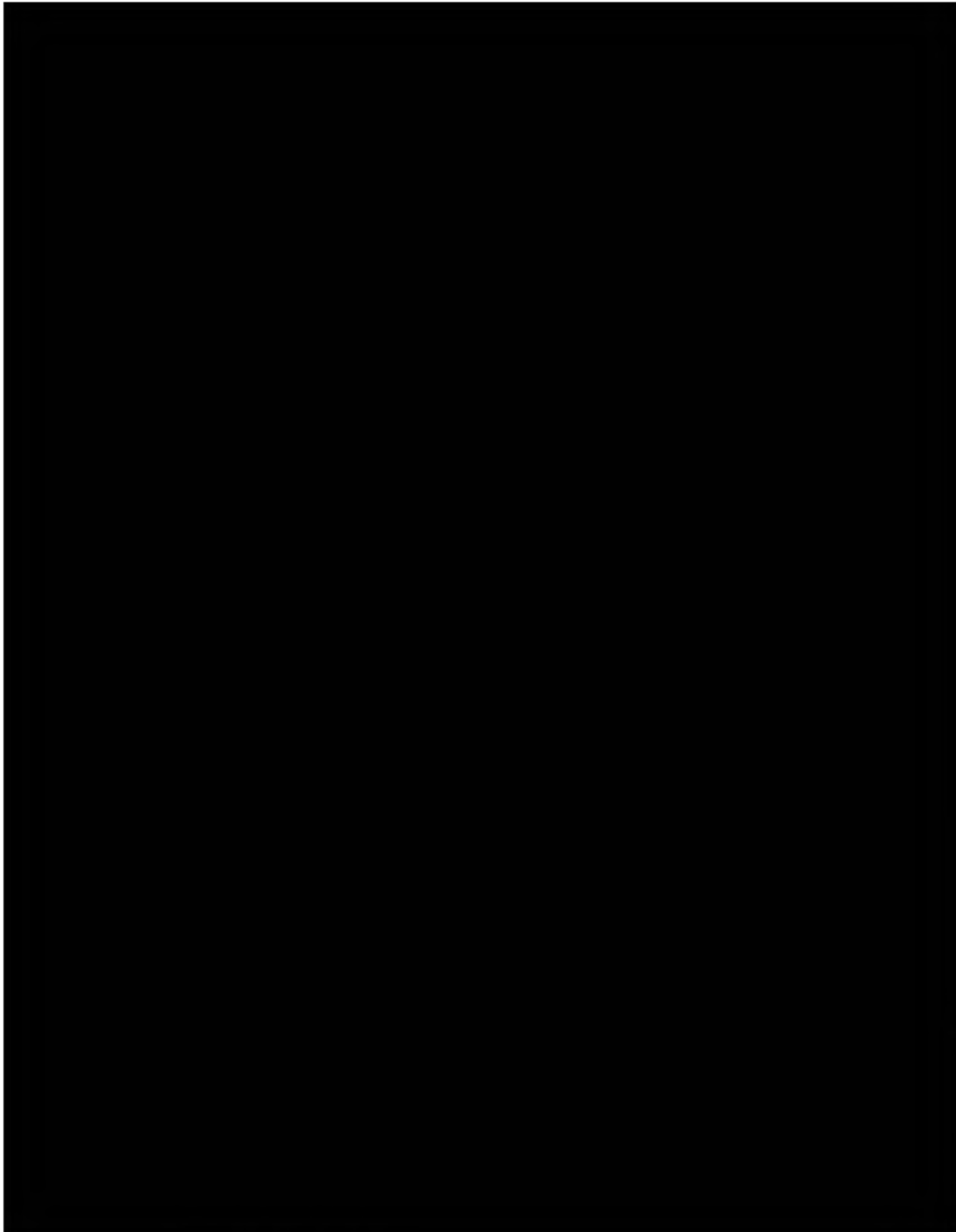
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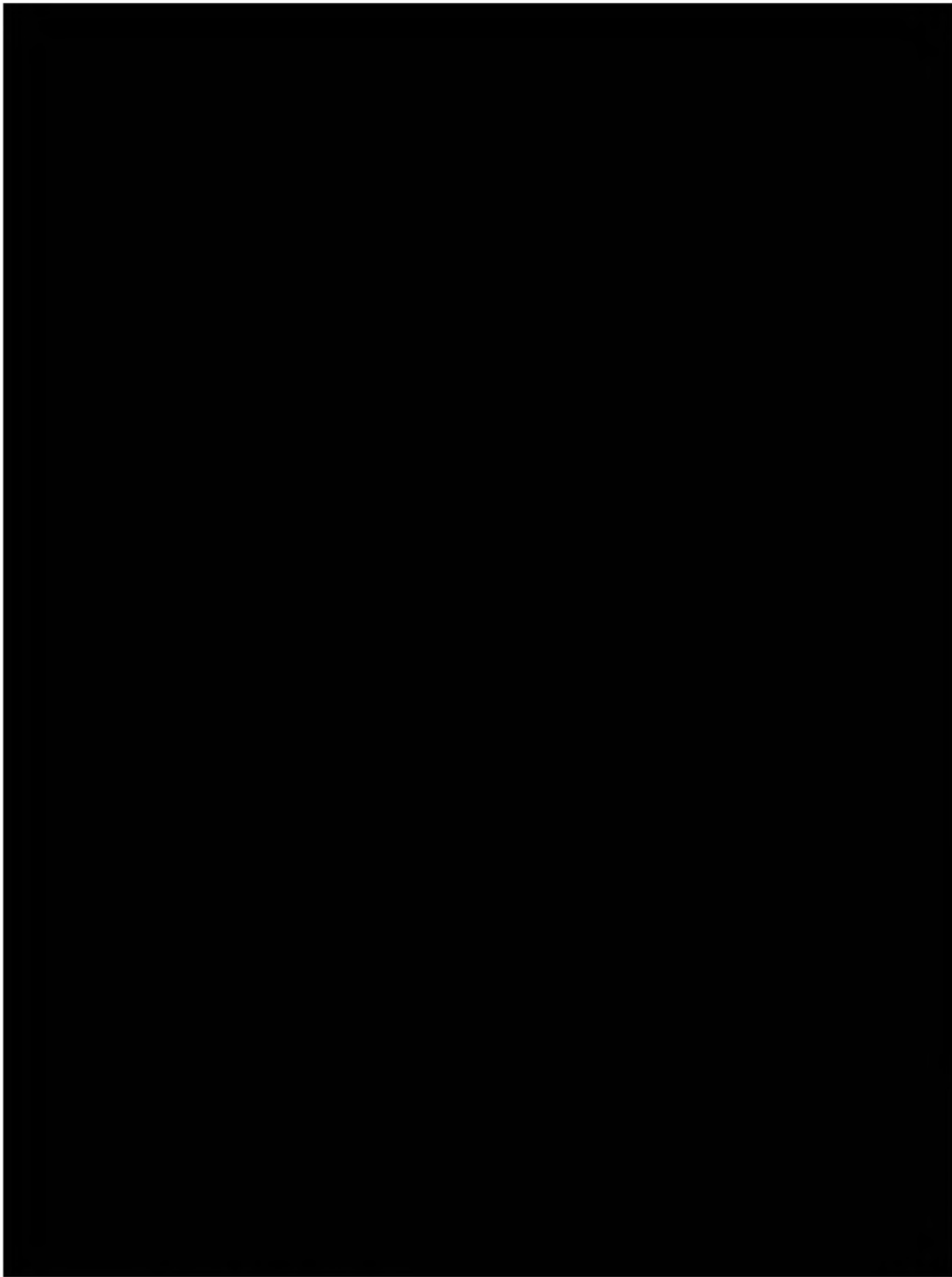
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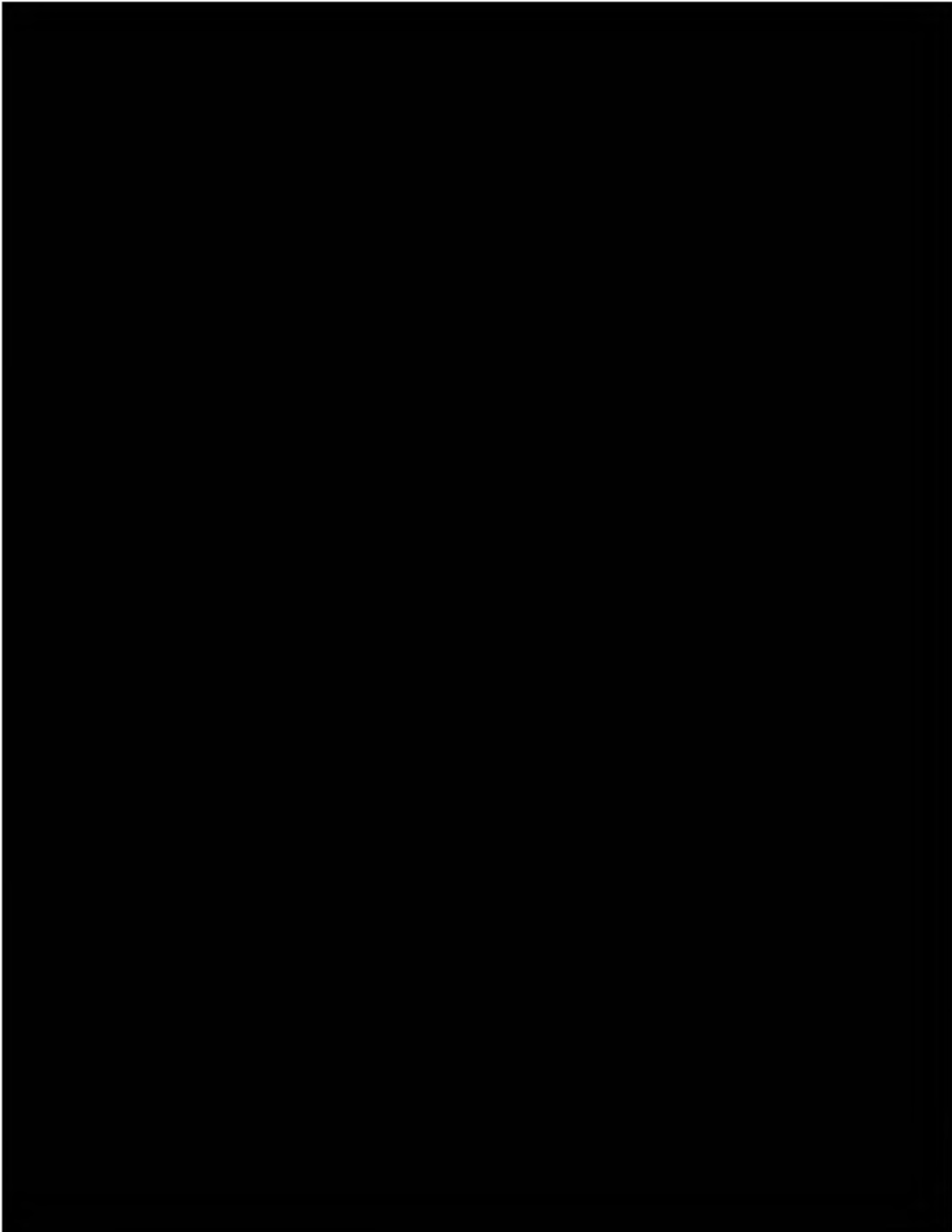
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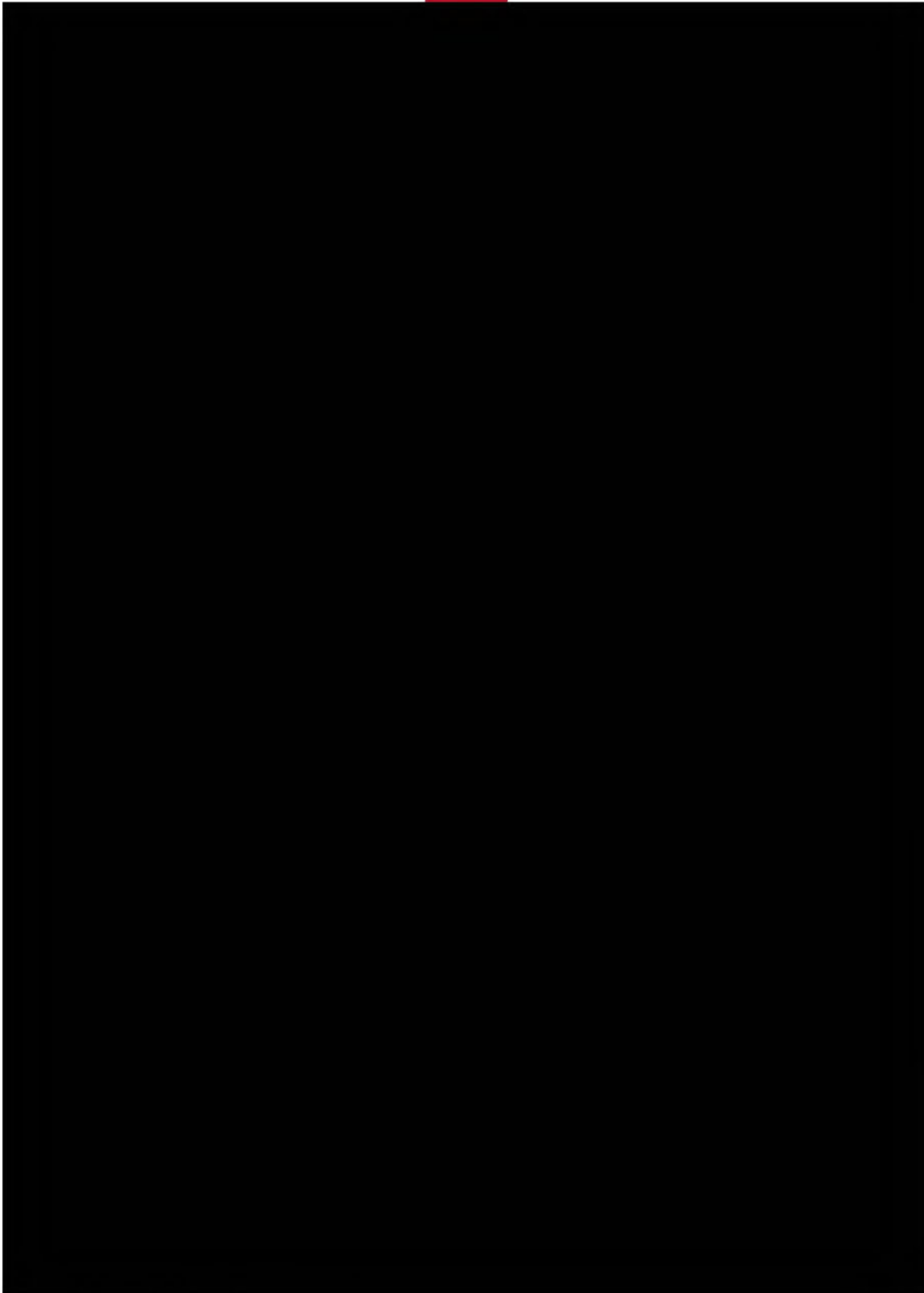
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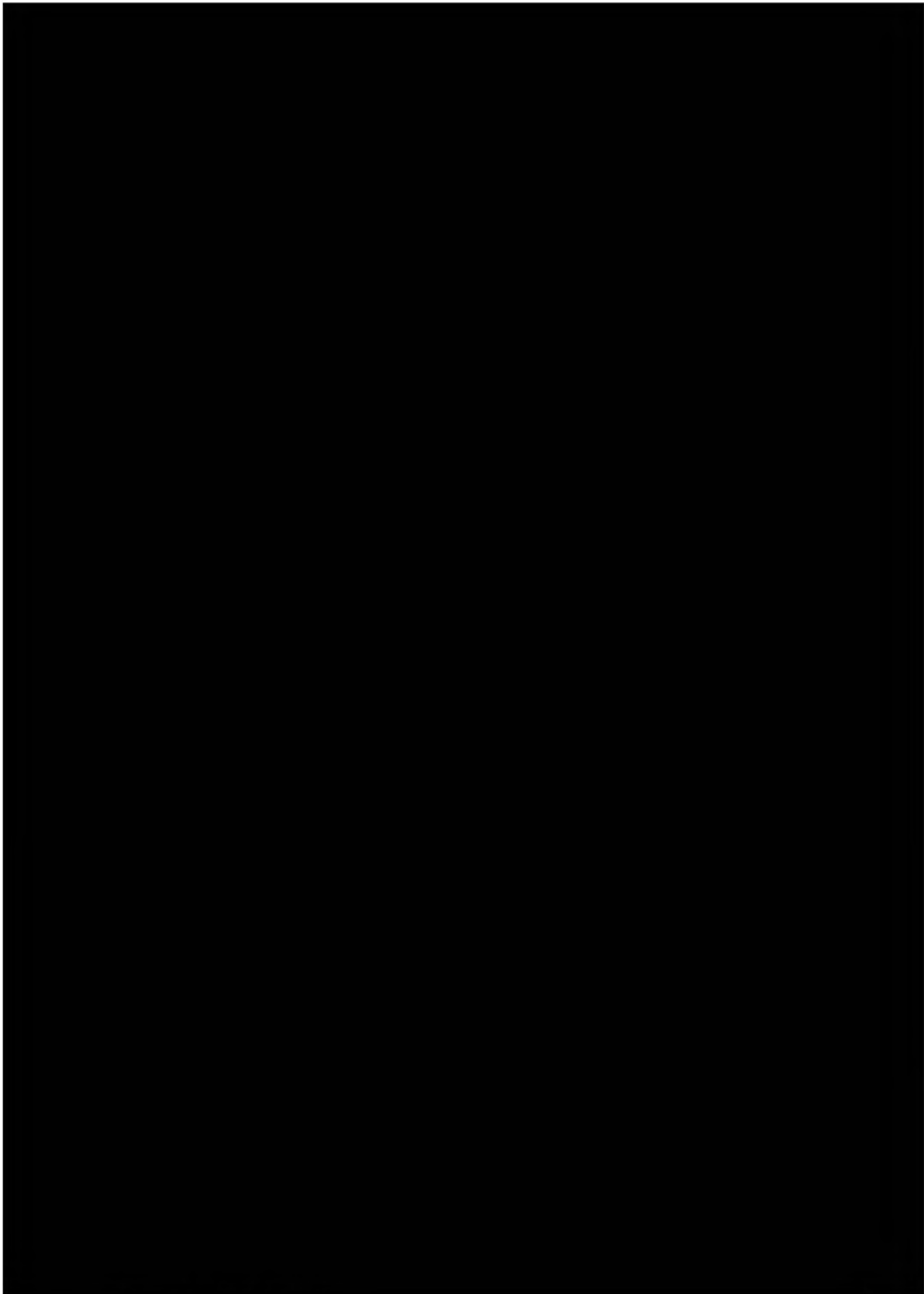
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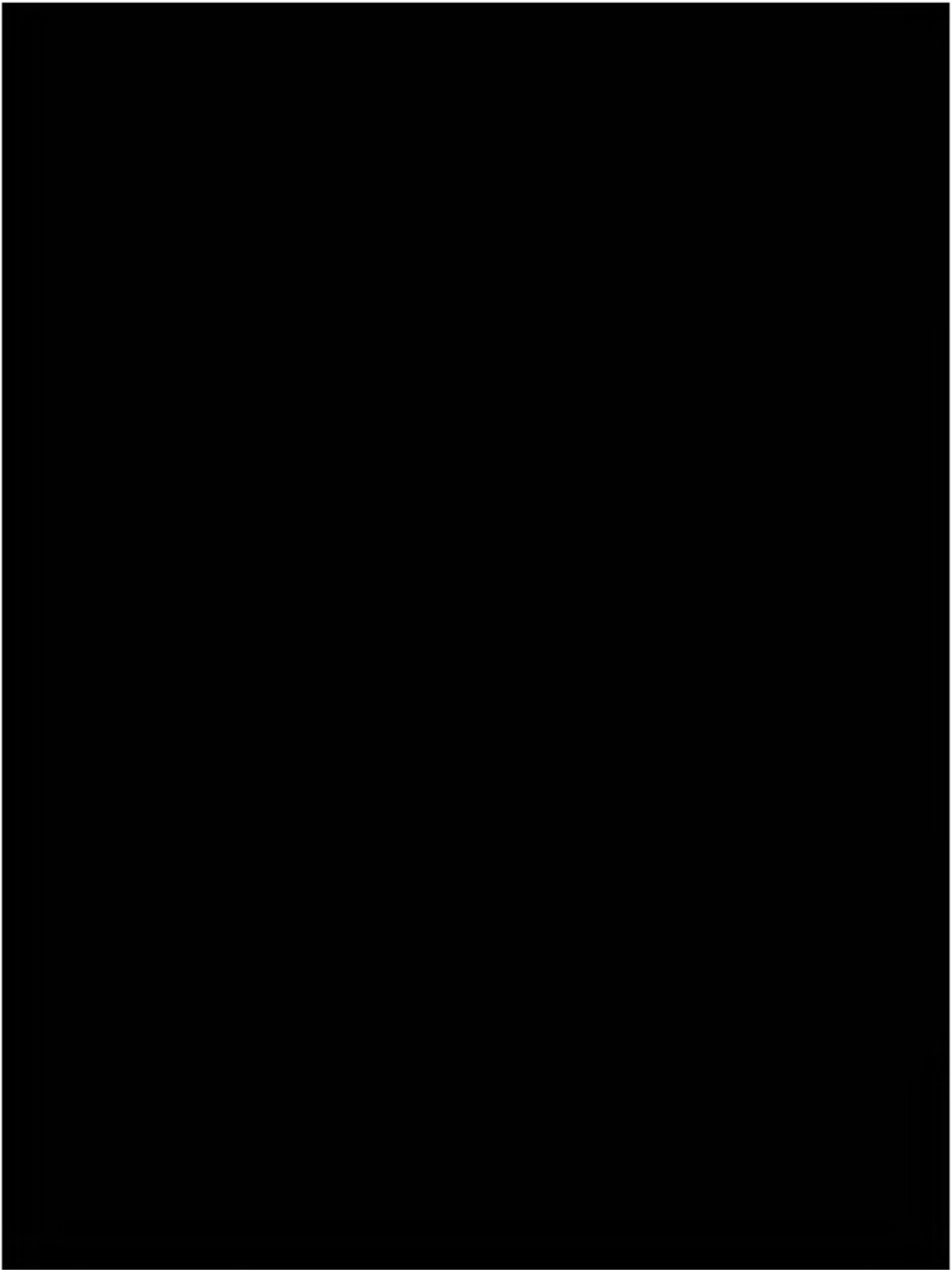
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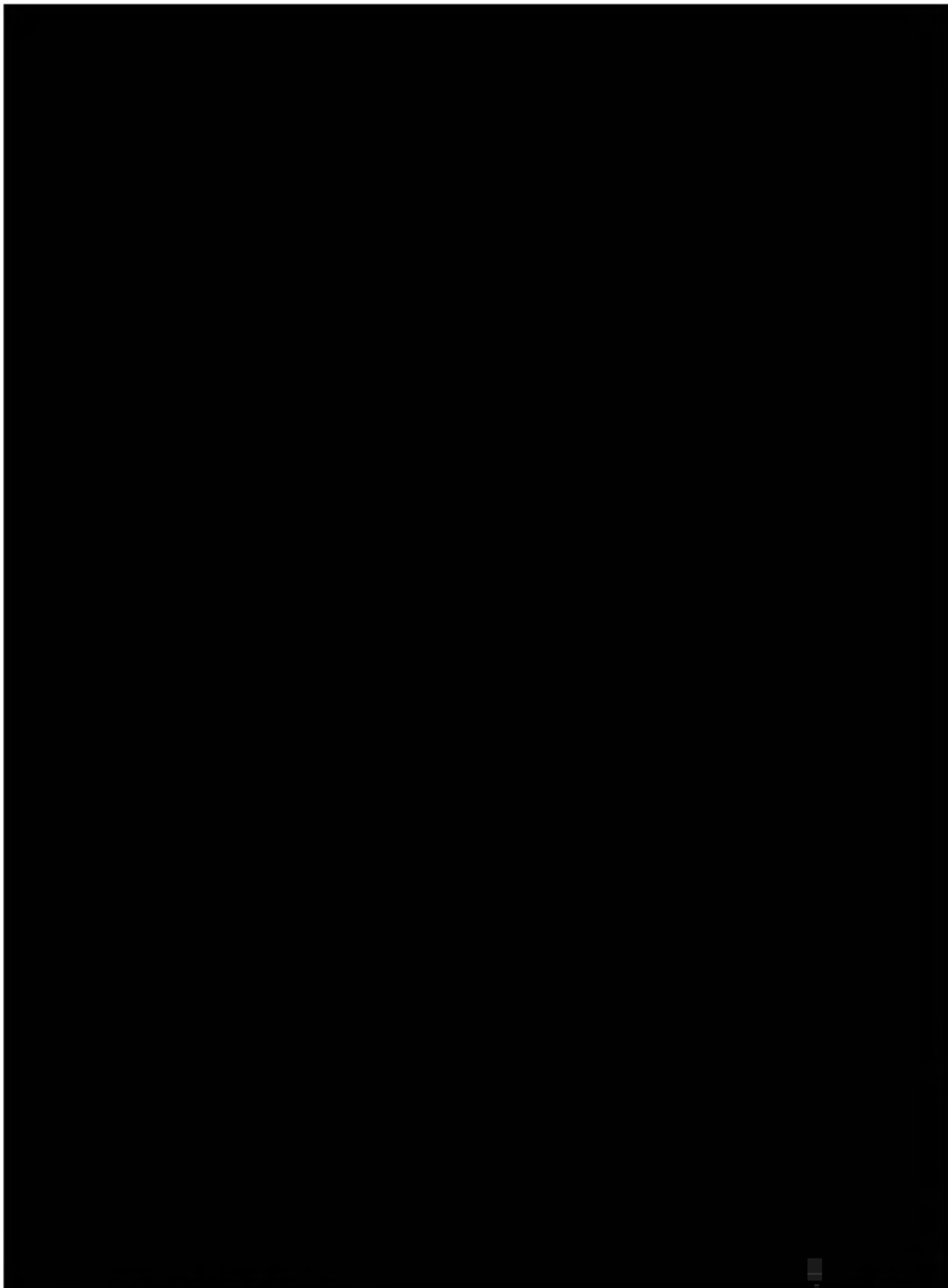
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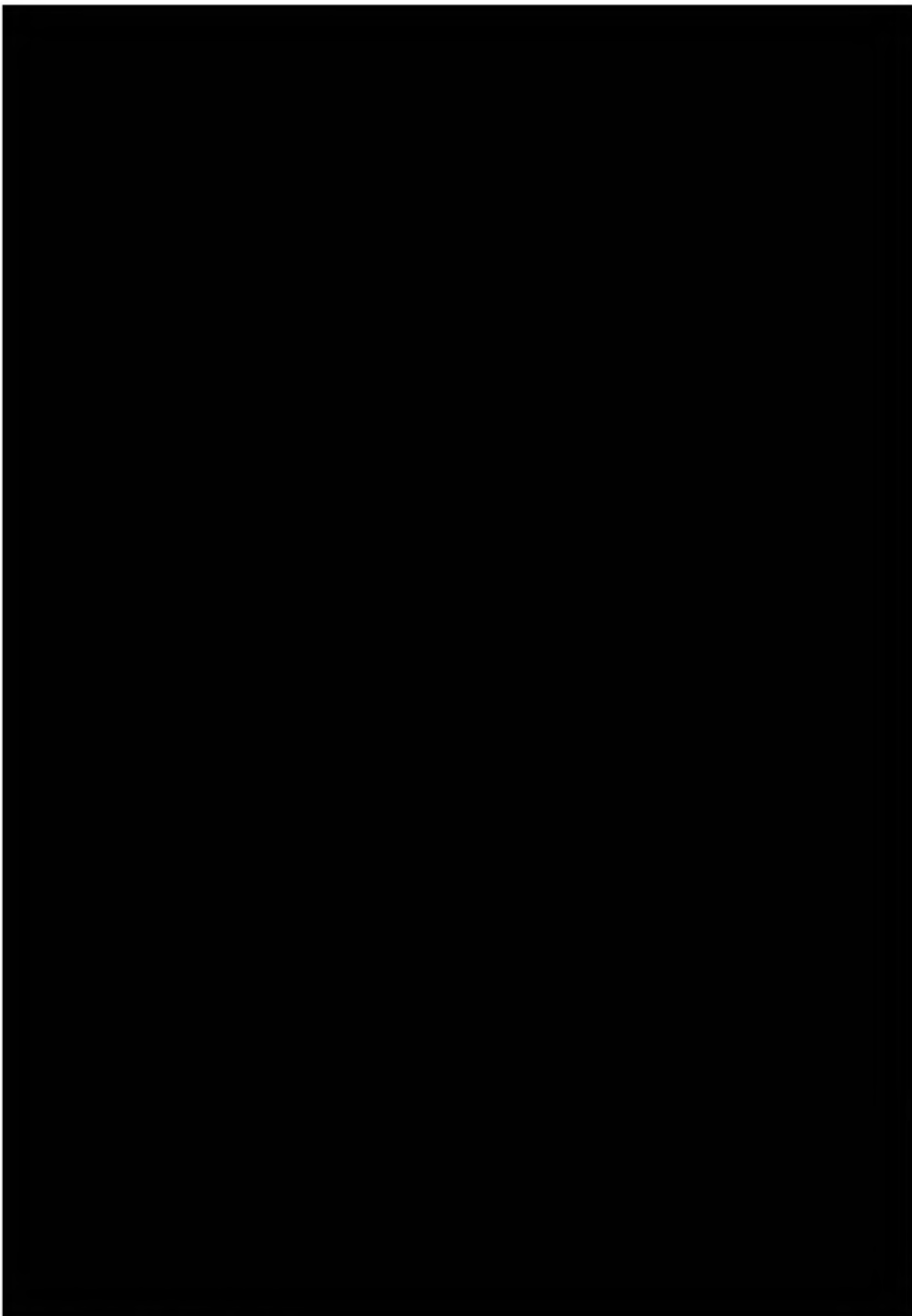
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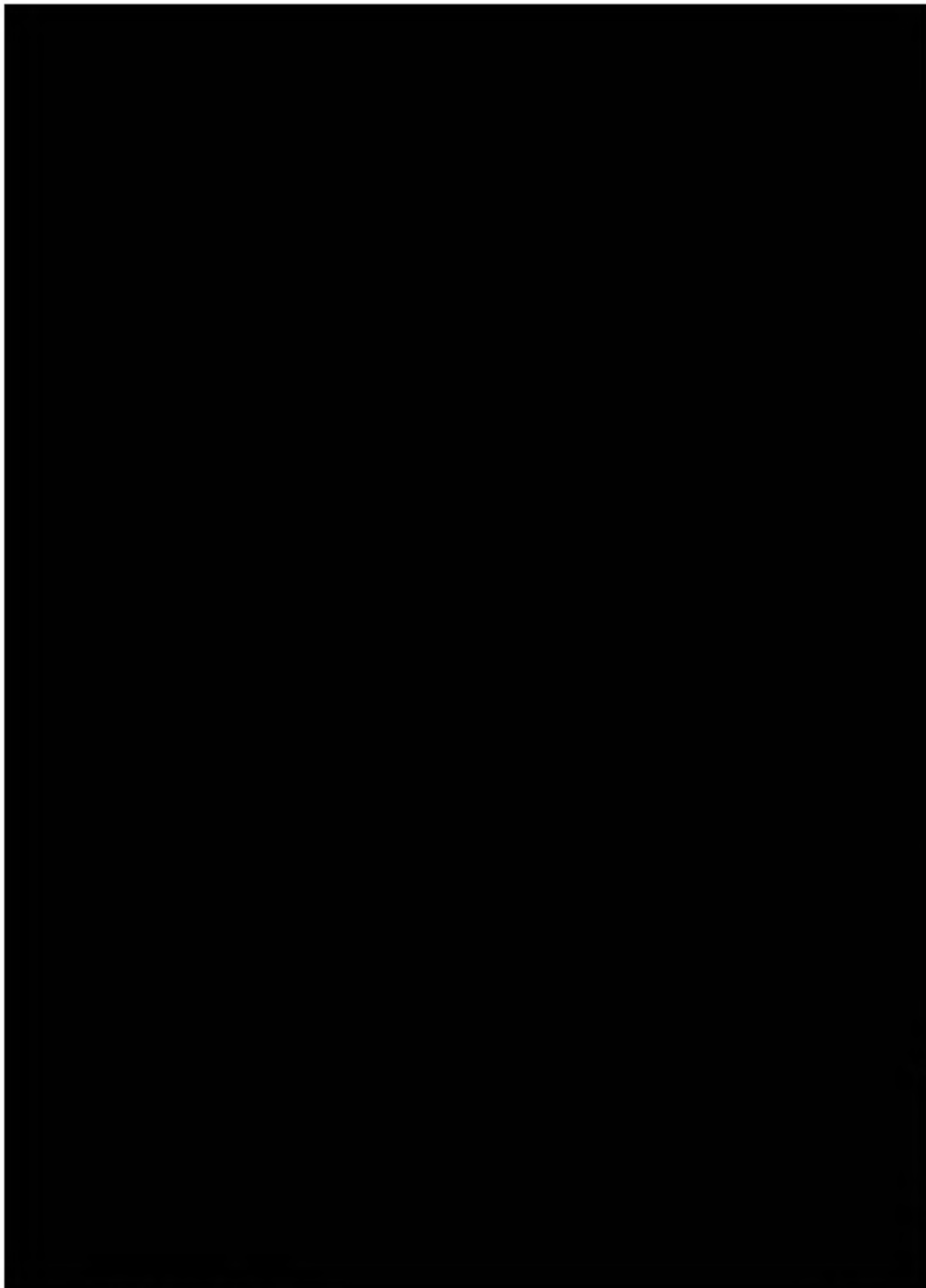
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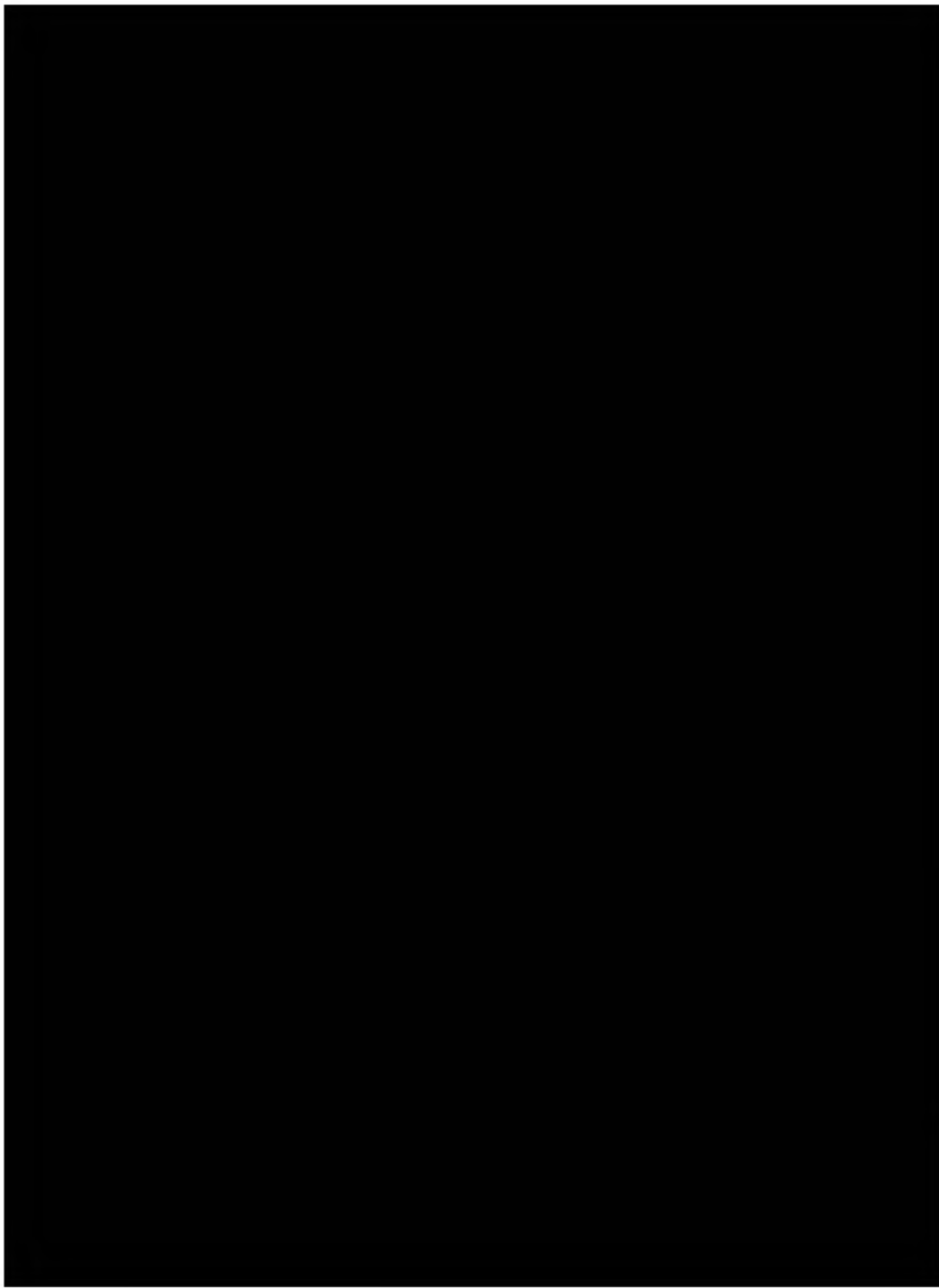
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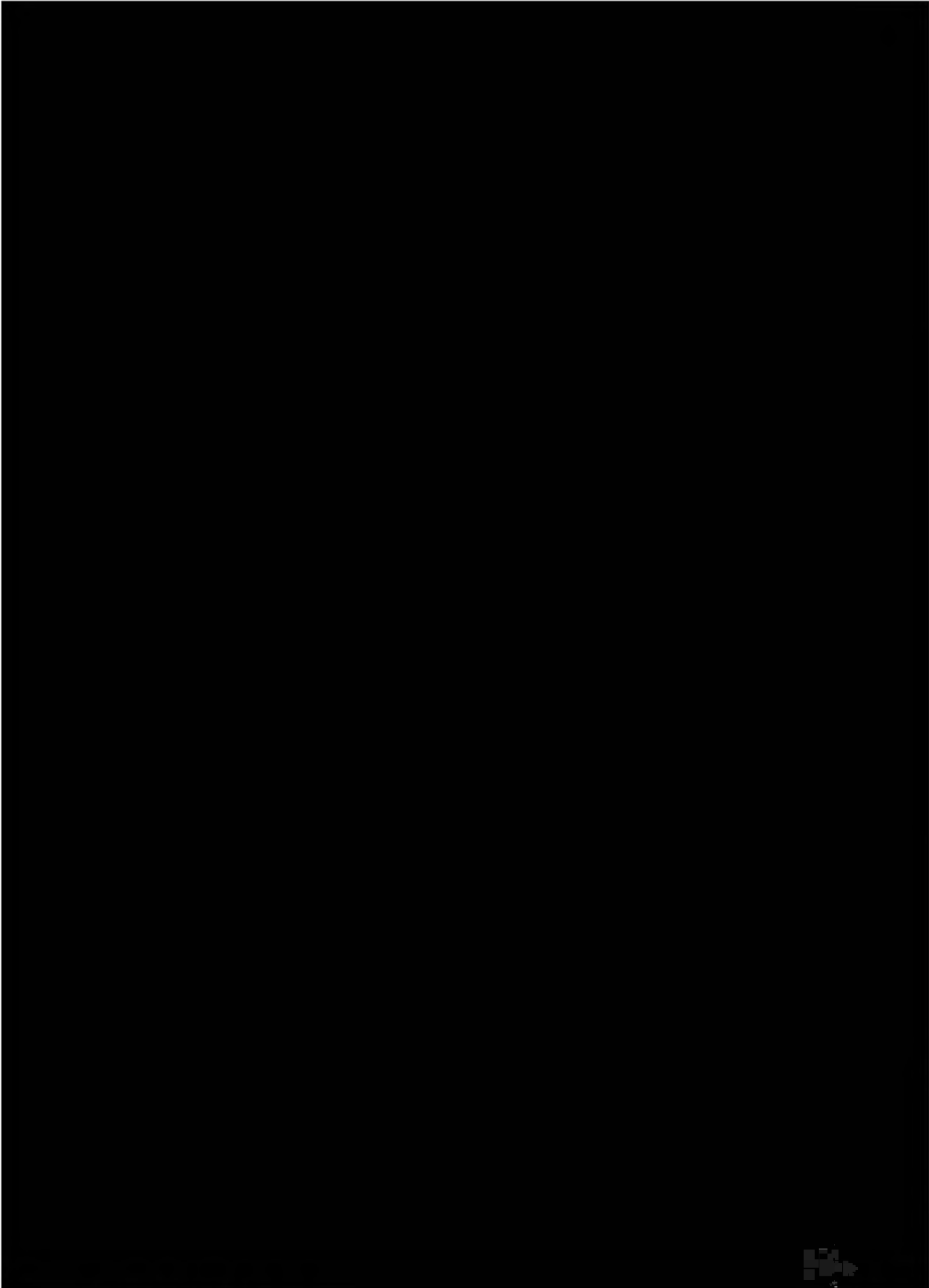
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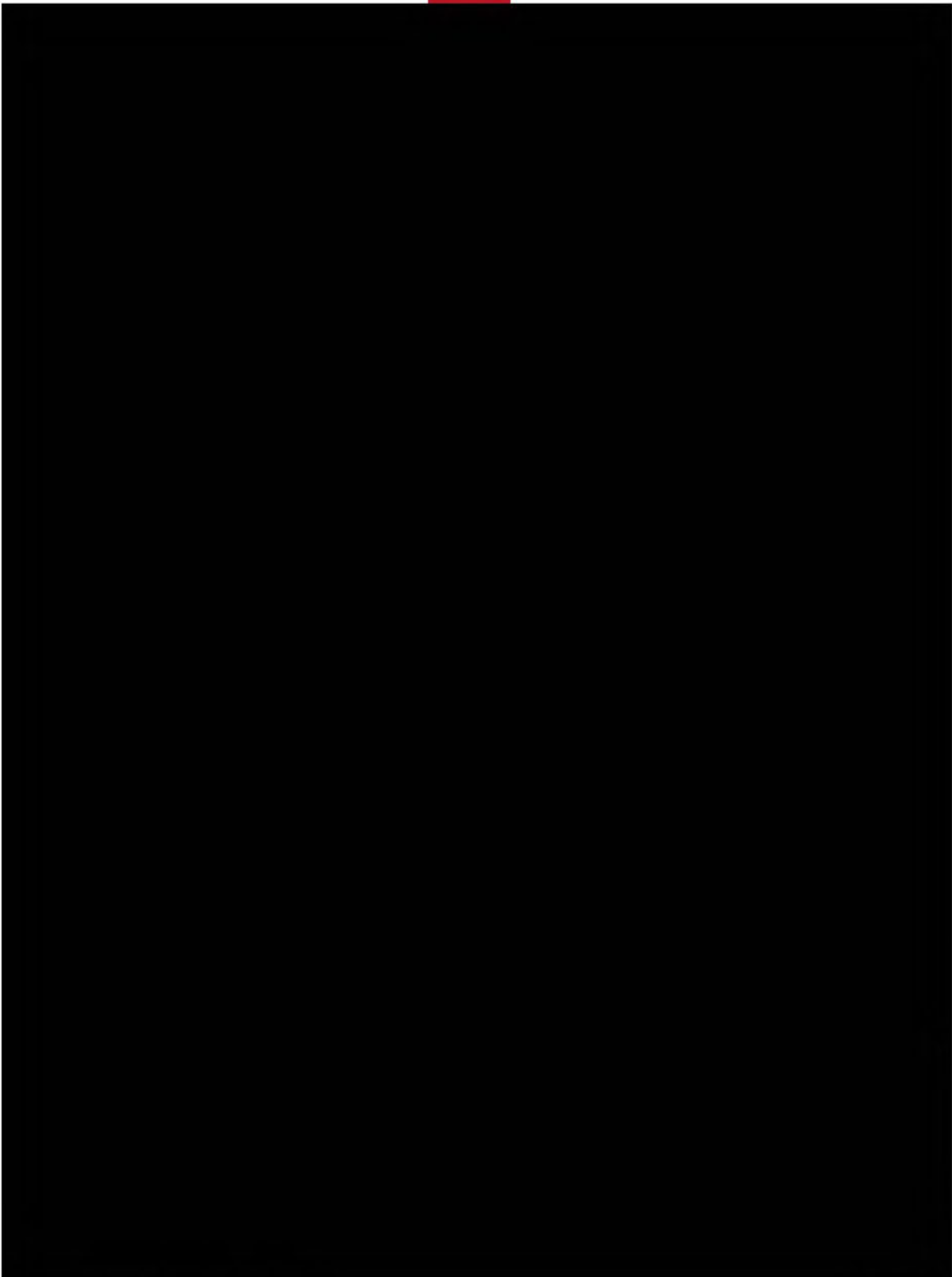
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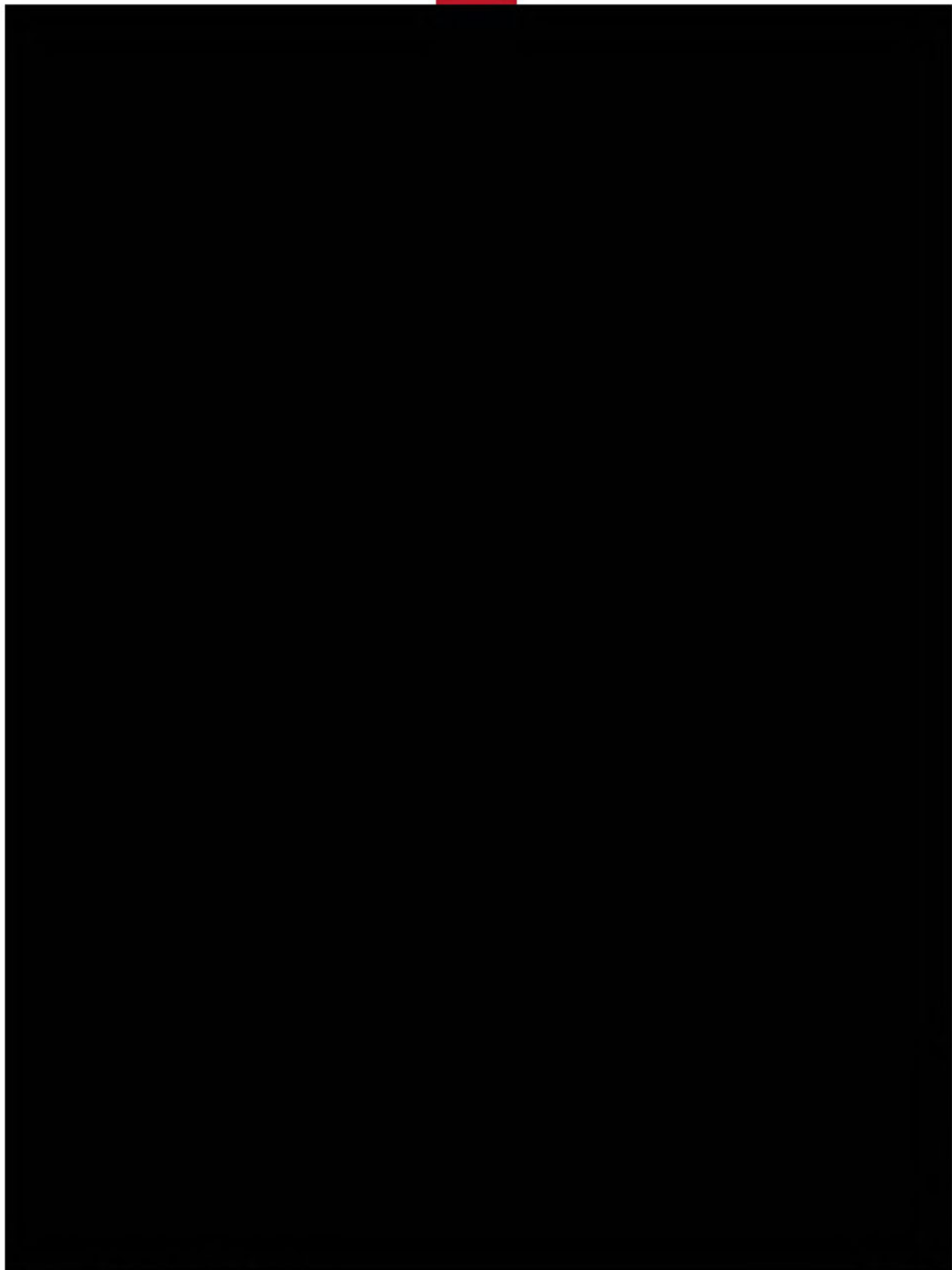
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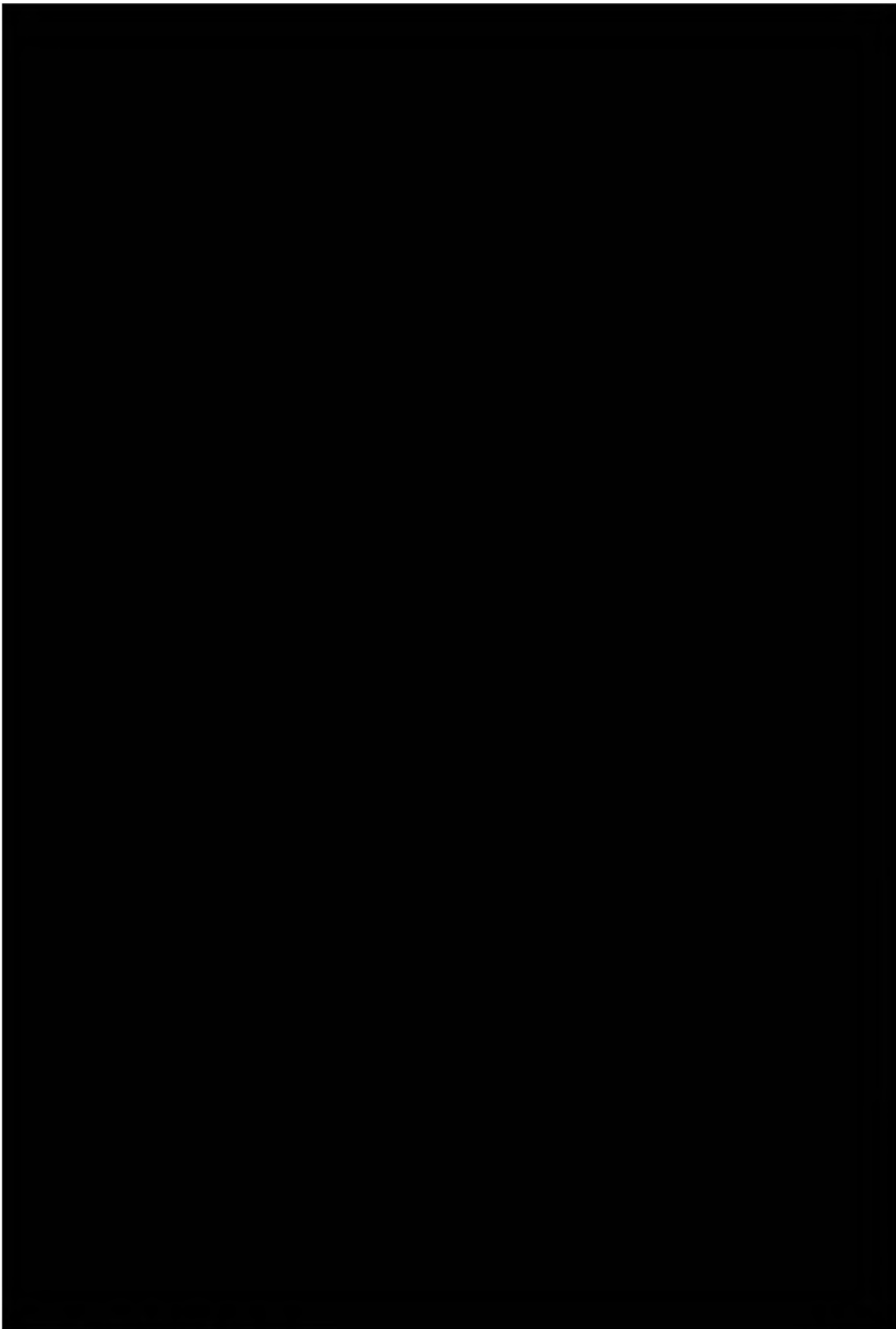
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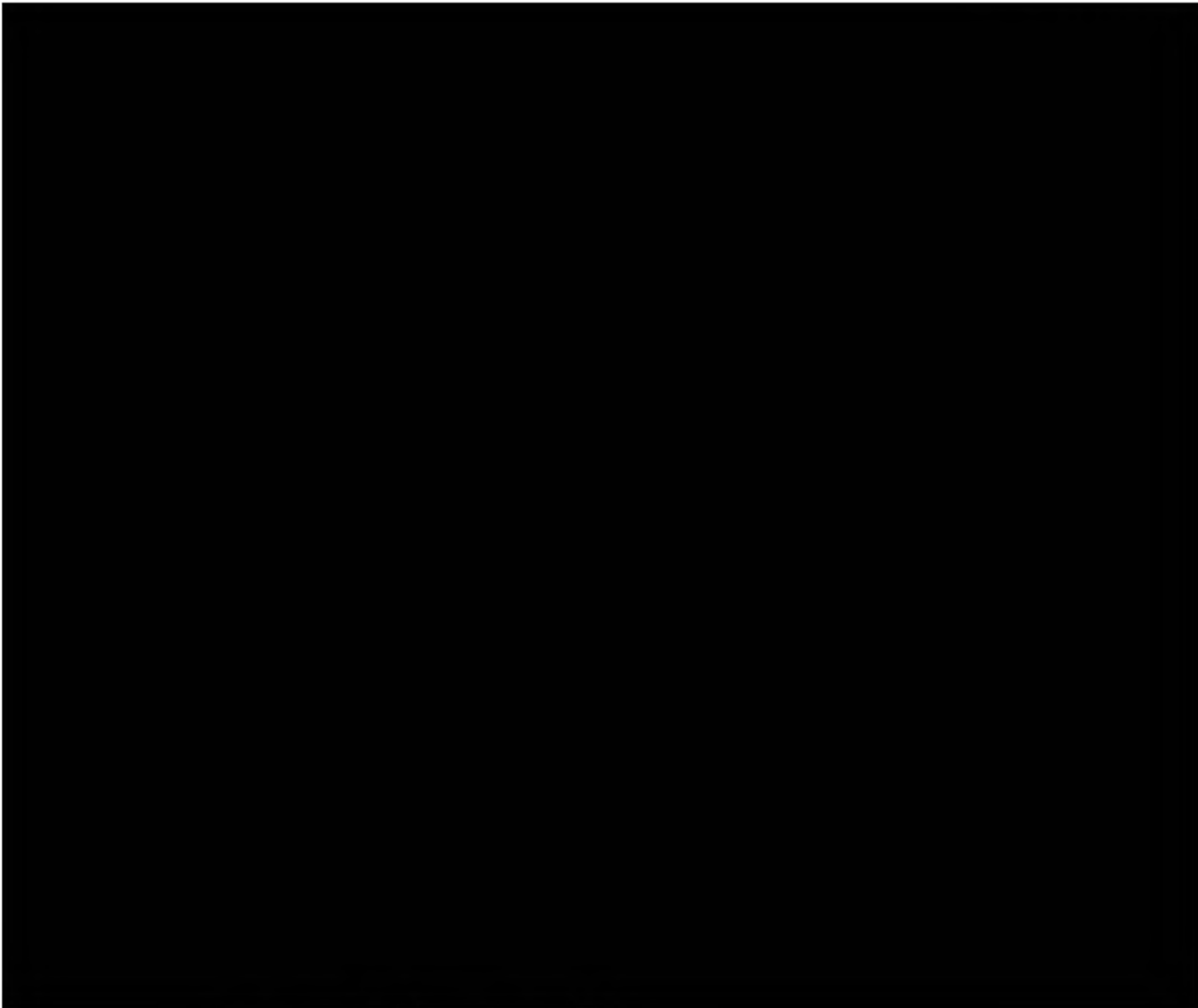
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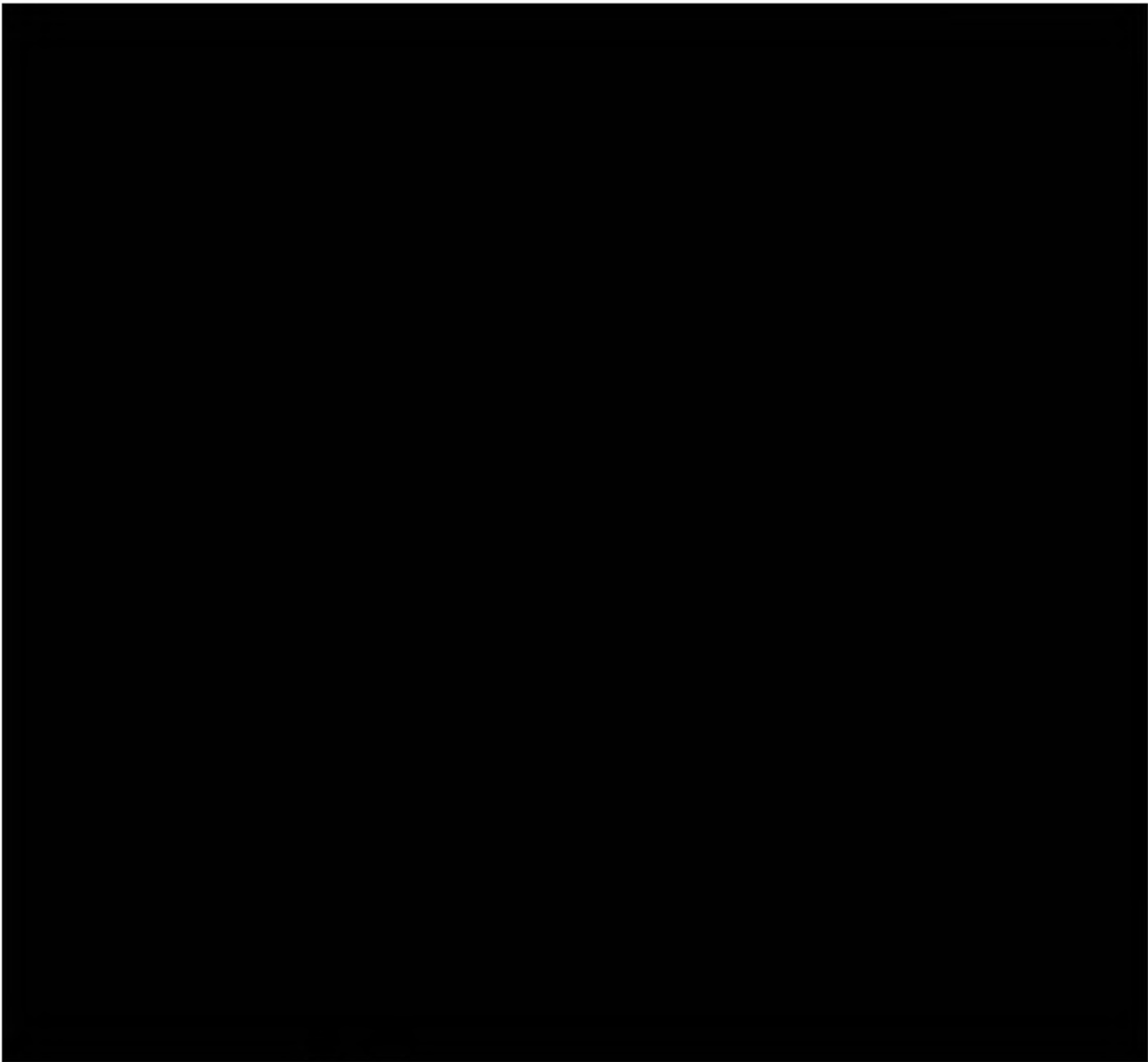


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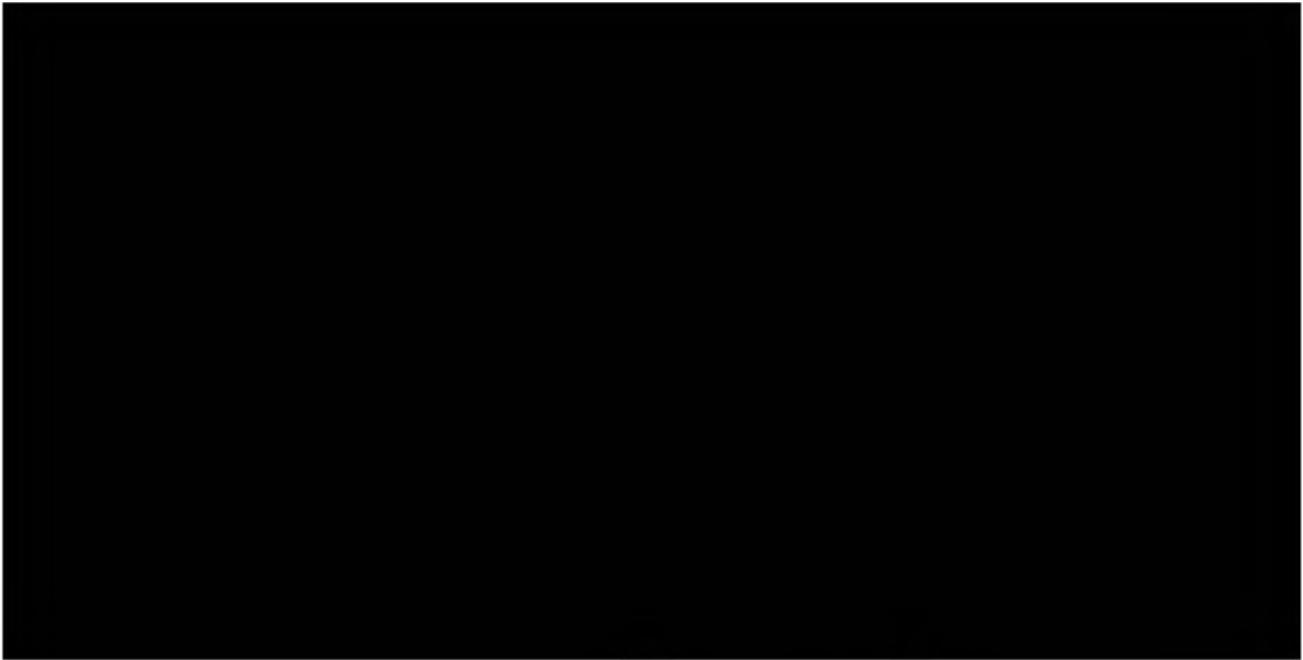


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AML

ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING

5.2

CROWN'S AML/CTF FRAMEWORK

JULY 2019



AML

ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING

JOINT AML/CTF PROGRAM

REPORTING ENTITIES:

CROWN MELBOURNE LIMITED

BURSWOOD NOMINEES LIMITED
(AFT BURSWOOD PROPERTY TRUST)

CROWN SYDNEY GAMING PTY LTD
(IN FUTURE)

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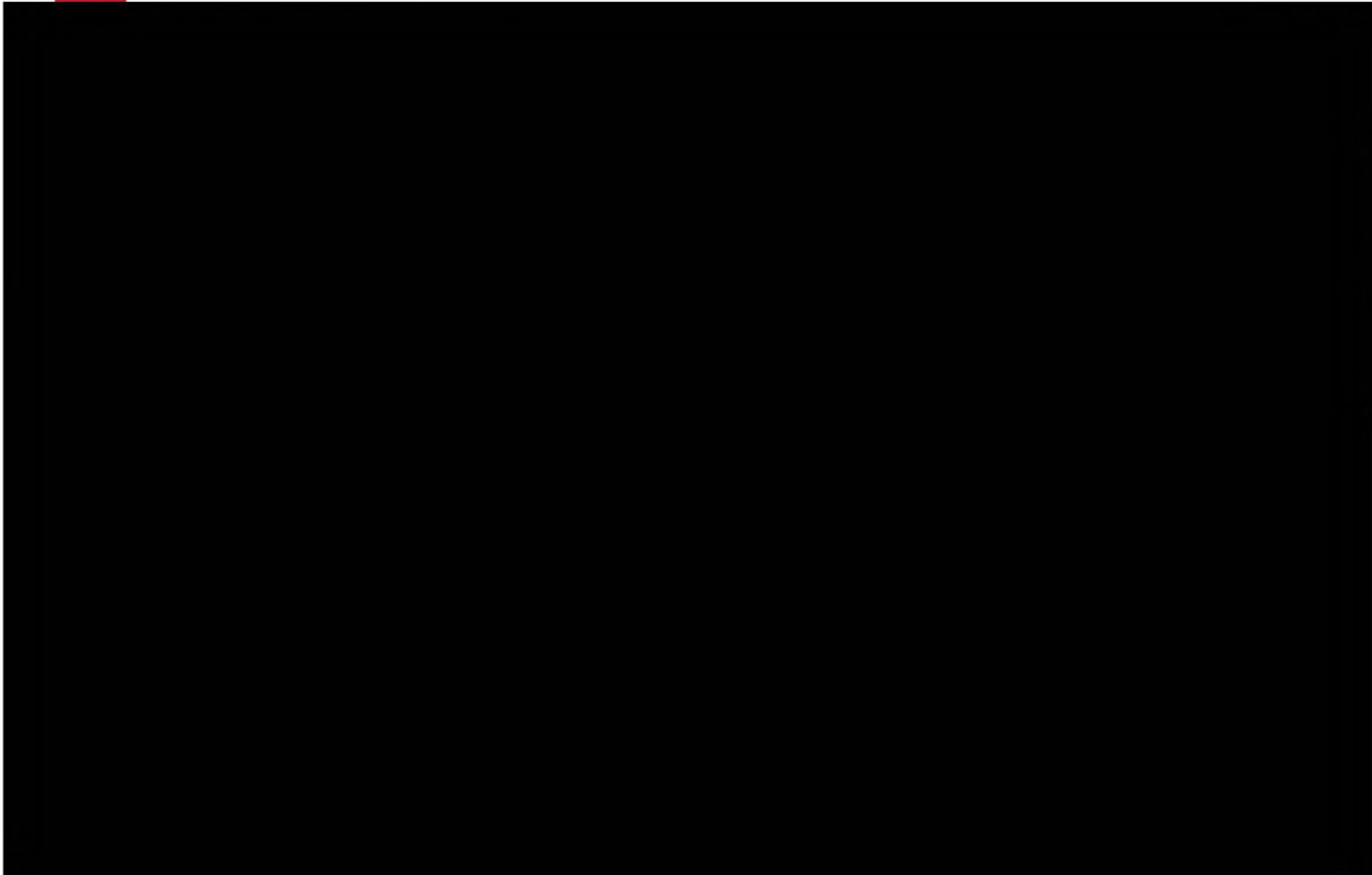


ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING

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PROGRAM COMPONENTS:
GOVERNANCE





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PROGRAM COMPONENTS:
INDEPENDENT REVIEW



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PROGRAM COMPONENTS:

EMPLOYEE DUE DILIGENCE



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PROGRAM COMPONENTS:

AML/CTF TRAINING



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PROGRAM COMPONENTS:
RISK MANAGEMENT



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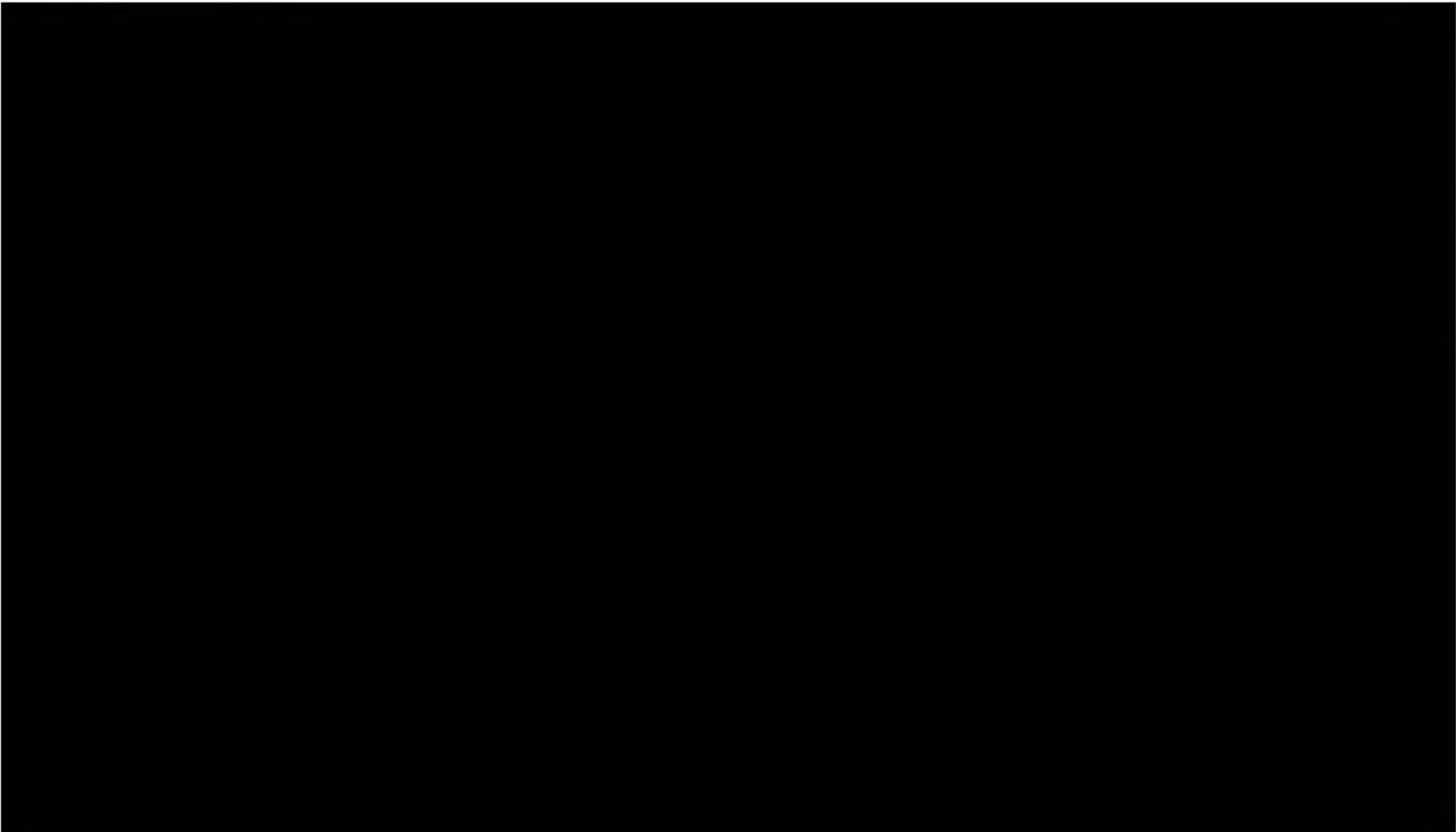
PROGRAM COMPONENTS:
**ONGOING CUSTOMER
DUE DILIGENCE**
(TRANSACTION MONITORING)





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PROGRAM COMPONENTS:
AUSTRAC REPORTING



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PROGRAM COMPONENTS:

CUSTOMER IDENTIFICATION
“KNOW YOUR CUSTOMER”
ENHANCED DUE DILIGENCE



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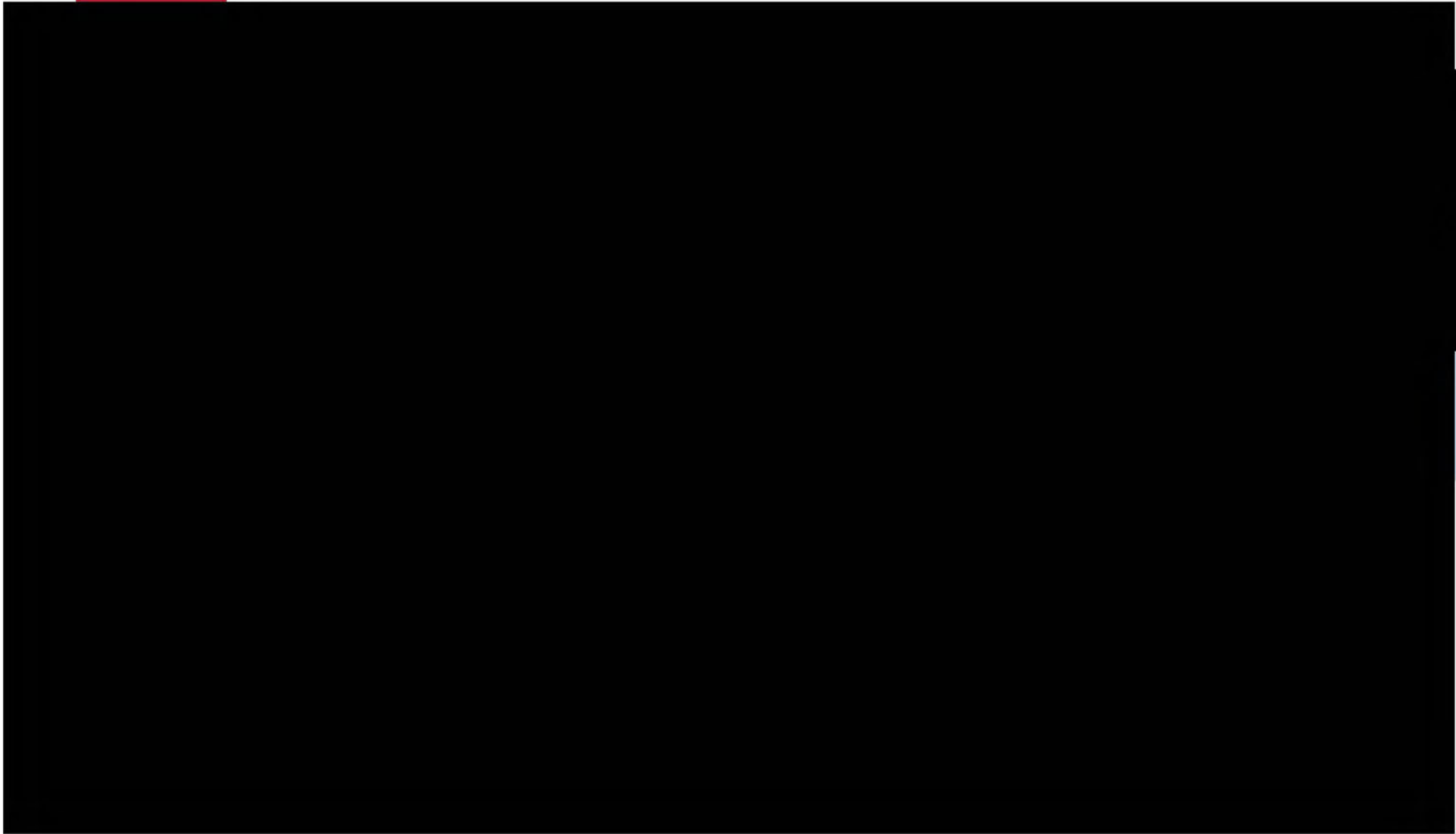
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AGENDA ITEM 6:
Media Coverage

7/22/2019 Brawl near Melbourne Crown Casino complex leaves three in hospital as Victorian police arrest three - ABC News (Australian Broadcastin...

6

W NEWS

Brawl near Melbourne Crown Casino complex leaves three in hospital as Victorian police arrest three

Updated Sun 7 Apr 2019, 2:04pm

Three people have been taken to hospital and three men arrested following a brawl outside the Crown Casino complex early this morning.

Police said up to 16 people were involved in the fight outside the complex at Whiteman Street, Southbank about 2:45am.

Two men and a women in their 20s received non-life-threatening facial injuries and were taken to hospital in stable conditions.



PHOTO Up to 16 people were involved in the fight outside the Crown entertainment complex, police said. (ABC News)

Three men — a 22-year-old and a 26-year-old from Deer Park and a 24-year-old from St Albans — were arrested at the scene.

The trio was released pending further inquiries.

Detectives are continuing to investigate the incident.

Anyone with information is urged to contact Crime Stoppers on 1800 333 000.

Topics law-crime-and-justice, crime, assault, vic, southbank-3006, melbourne-3000

7/22/2019

Melbourne Crown Casino brawl: Four injured in fight outside

news national

Four in hospital after huge brawl erupts at Melbourne's Crown Casino

A massive fight involving up to 16 people outside Melbourne's Crown Casino overnight has left four people in hospital.

APRIL 7, 2019 9:54AM



Paramedics load one of the injured into an ambulance. Picture: Nine News Source: Supplied

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Up to 16 people were involved in the fight at the Southbank entertainment complex on Whiteman St about 2.45am on Sunday, Victoria Police said.

START NOW

3 Easy Steps:

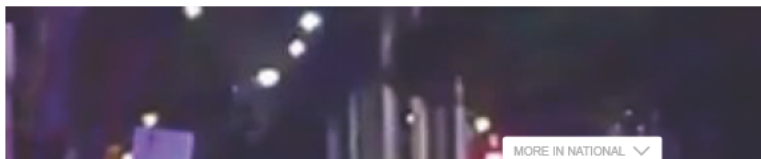
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2. Download on our website
3. Enjoy free directions

7/22/2019

Melbourne Crown Casino brawl: Four injured in fight outside



Police are appealing for witnesses to the massive fight. Picture: Nine News Source:Supplied



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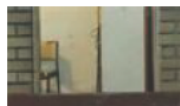
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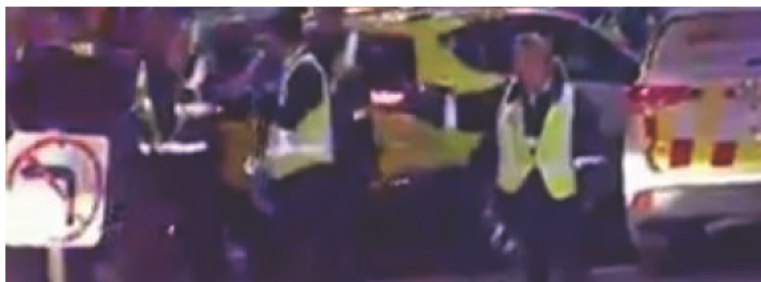
'Coward' killer's heartless decisions



Photos inside motel murder room



Hoons in Snapchat road rage crash



The fight involving up to 16 people saw four people rushed to hospita. Picture: Nine News Source:Supplied

Two women and two men, all in their 20s, were taken to hospital with face injuries.

Two Deer Park men, aged 22 and 26, and a 24-year-old from St Albans were arrested at the scene.

The trio have since been released pending further inquiries.

Anyone who witnessed the brawl is urged to contact Crime Stoppers on 1800 333 000 or submit a confidential report at www.crimestoppersvic.com.au.