



Victorian Commission for
Gambling and Liquor Regulation

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29 OCT 2019

Our ref: CD/19/16874

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

By email: [REDACTED]

Dear Mr Preston

Sixth Casino Review Recommendations 5 and 17

I refer to Crown Melbourne Limited's (Crown's) submissions to the Victorian Commission for Gambling and Liquor Regulation (the Commission) dated 28 June and 1 July 2019, in relation to the completion of recommendations 5 and 17 of the Sixth Casino Review.

As advised in my letter dated 21 August 2019, the Commission deferred its decision on whether Crown has implemented recommendation 17, pending provision of a copy of the Initialism Pty Ltd report that supported Crown's review of its relevant internal control statements (ICSs). The Commission received a copy of that report on 28 August 2019 and has now considered that report.

At its meeting on 26 September 2019 the Commission noted that:

- in relation to implementation of recommendation 5, Crown has briefed key internal staff on the VCGLR's risk-based approach to regulation, with particular focus on how that approach relies on the integrity of Crown's internal processes at its quarterly Executive Risk and Compliance Committee meeting held on 21 May 2019, and
- in relation to implementation of recommendation 17, Crown has undertaken a review (with external assistance) of its relevant ICSs, to ensure that anti-money laundering risks have been addressed.

Although the Commission notes that Crown has implemented recommendation 17, as further advised in my letter dated 21 August 2019, the VCGLR will also be conducting an independent review of the relevant ICSs, with external assistance, to consider whether risks relating to money laundering and junket operations have been adequately considered by Crown and if further controls are required to address any risks identified.

Should you wish to discuss this matter, please contact Alex Fitzpatrick, Director Licensing, on [REDACTED]

