

# Royal Commission into Casino Operator and Licence

Forensic review – AML/CTF

5 July 2021

Appendices to Report dated 5 July 2021



McGrathNicol

## **APPENDIX A**   Engagement terms



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This document revisits the scope set out in the Workplan dated 19 April 2021 (**the Workplan**) which forms the basis of McN's work.

The Workplan was prepared under the then assumption that unfettered access to Crown would be obtained. The blue text identifies those aspects of the Workplan which were dependent on this access. Subsequently, the modus operandi has changed and McN's work is being conducted via Interviews, Survey, Questionnaires and Focus Groups.

The table below replicates in the first 4 columns the scope as set out in the Workplan and in the final column identifies how the scope is to be covered by the current methodology and notes any variations the the scope arising from the change of methodology or matters of information which has arisen since the Workplan was agreed.

Issue	Summary of Task		Key actions	Comment on how covered by current methodology or variations required
A: Preparatory	Review key available background material	A.1	Review of Bergin and Sixth Review Reports for identified AML issues including <ul style="list-style-type: none"> <li>▪ Unreported ML indicators (to inform issue B below)</li> <li>▪ Framework, policy, governance issues (to inform issue C below)</li> </ul>	No change
		A.2	Review Project Libby <sup>1</sup> scope and methodology and Crown's progress report to ILGA <sup>2</sup> and identify any concerns regarding how it responds to Bergin and regulatory concerns identified including in terms of coverage, timing and interim exposure to ML risks.	No change

<sup>1</sup> Understood to the project being undertaken by Crown to remediate its business as recommended by the Bergin Report with a view to obtaining a licence to operate the Barangaroo casino

<sup>2</sup> Doc CRW.521.003.0075 Letter from ILGA to Crown 1 April 2021



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Issue	Summary of Task	Key actions	Comment on how covered by current methodology or variations required
<b>B: Indications of money laundering in patron accounts post 2019</b>	Review Deloitte engagement letter and report re patron accounts audit	B.1 Review Deloitte engagement letter, Phase 3 preliminary scope (memo), draft Phase 1 report and Crown's progress reports to regulators. Consider: <ul style="list-style-type: none"> <li>▪ Alignment of scope to ILGA/Bergin's requirements and the Commission's requirements to identify indications of money laundering through patron accounts post December 2019</li> <li>▪ Time period covered, accounts covered, nature of analysis, time to complete</li> <li>▪ Progress reports and whether findings indicate additional investigation appropriate</li> </ul> Identify any matters of potential interest for the Commission arising from any limitations of scope or from findings to date and provide recommendations for additional work to be undertaken, if required to meet the Commission's objectives.	Also considering Deloitte evidence of 26 May 2021.  No additional forensic work (on transactions in bank accounts) by McN recommended. Acting on basis that Deloitte will report on Phase 2 by 25 June and McN will review those findings
	<a href="#">Discussion with relevant Crown personnel regarding the advent and use of Riverbank and Southbank accounts</a>	Obtain full briefing from relevant Crown personnel of Crown's investigations into Southbank and Riverbank accounts including: <ul style="list-style-type: none"> <li>▪ Scope of any investigations undertaken</li> <li>▪ When, why and how accounts opened</li> <li>▪ Usage by patrons – transaction volumes in number and value through life of accounts; details of patron usage</li> <li>▪ Accessibility – how account details were made known to patrons</li> </ul>	To be addressed through interviews with: <ul style="list-style-type: none"> <li>▪ Nick Stokes</li> <li>▪ Adam Sutherland</li> <li>▪ Steven Hancock</li> <li>▪ Mart Gioras</li> <li>▪ Review of GT reports</li> <li>▪ GT and Consideration of GT and Initialism documents and evidence to Commission</li> </ul>



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Issue	Summary of Task	Key actions	Comment on how covered by current methodology or variations required
<p><b>B: Indications of money laundering in patron accounts post 2019 cont'</b></p>	<p>Discussion with relevant Crown personnel regarding the advent and use of Riverbank and Southbank accounts cont'</p>	<p>B.2</p> <ul style="list-style-type: none"> <li>▪ Record keeping by Crown – including into SYCO system or such other systems which subject transactions to AML monitoring and reporting</li> <li>▪ Details of the sweeping of accounts to Crown accounts – basis, frequency and value</li> <li>▪ Responses to bank inquiries / escalation of issue within Crown</li> <li>▪ Measures taken to prevent similar ML indicative activity by other means once Riverbank and Southbank accounts were closed</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
	<p>Investigate patron activity subsequent to the closure of Riverbank and Southbank accounts for patron accounts which indicated ML activity through those accounts.</p>	<p>B.3</p> <p>Identify the patron accounts which GT/Initialism/Deloitte found showed indication of ML activity in the Riverbank and Southbank accounts (<b>R&amp;S Patrons</b>).</p> <p>Review any analysis, investigation or other actions carried out by Crown in respect of patrons whose activity within Riverbank and Southbank was indicative of ML.</p> <p>If not already analysed by Crown:</p> <ul style="list-style-type: none"> <li>▪ Obtain from Crown data of all transactions for R&amp;S Patrons post December 2019</li> <li>▪ Analyse this data to identify any ongoing indications of ML involving the same patrons</li> </ul>	<p>To be progressed following interview with Stokes and Finance/cage and count team –</p> <ul style="list-style-type: none"> <li>▪ to confirm understanding of patron account and DAB account intersections</li> <li>▪ to understand patron review project</li> </ul> <p>Understood that exemption to access SYCO information is required for this to occur.</p> <p>Consider whether doing this work will add to findings from Deloitte analysis or stand as illustrative that:</p> <ol style="list-style-type: none"> <li>a) Deloitte scope was informed solely as a path to the Sydney licence; and</li> <li>b) Little appetite on Crown's part to truly inquire as to the activities of patrons found to be implicated</li> </ol>



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Issue	Summary of Task	Key actions	Comment on how covered by current methodology or variations required
	<p>Review and observe controls implemented under New AML Regime in respect of Patron Accounts</p>	<p>B.4</p> <p>Using the review of patron account controls within the New AML Regime as identified by Deloitte<sup>3</sup>, undertake review, inquiry of relevant staff, observation and sample testing in relation to the following matters:</p> <ul style="list-style-type: none"> <li>▪ Nature and extent of training provided to staff regarding controls</li> <li>▪ Staff understanding of the controls</li> <li>▪ Compliance with processes to give effect to controls</li> <li>▪ Completeness of controls and any vulnerabilities within processes</li> <li>▪ Resolution of identified issue of transactions aggregation</li> <li>▪ Issues which have arisen as controls have been implemented and how they have been addressed</li> <li>▪ Staff empowerment issues – including both:               <ul style="list-style-type: none"> <li>– ability and willingness to escalate observed issues or shortcomings; and</li> <li>– capacity to override controls</li> </ul> </li> <li>▪ Reporting of control effectiveness (eg incidences of funds not accepted, incidences of discretionary override and reasons)</li> <li>▪ Quality control / audit processes applied to new controls over patron accounts and review the QC results.</li> <li>▪ Governance oversight of implementation of New AML Regime in regard to patron accounts</li> <li>▪ Processes for extension of credit to patrons and application of New AML Regime to such accounts</li> <li>▪ Other matters which come to our attention in the course of discussion and observation</li> </ul>	<p>Addressed by combination of interviews, questionnaires and focus groups</p>

<sup>3</sup> In its draft report dated 26 March 2021



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Issue	Summary of Task	Key actions	Comment on how covered by current methodology or variations required
	Assess sustainability of patron account controls	B.5 Identify the extent of, and time required to implement, manual controls and the volume being managed at present. Determine the current transaction levels and forecast transaction levels as COVID eases. Consider sustainability of current manual approach to controls and review plans to mitigate this risk and any plans to resolve through automation; consider timing and effectiveness.	Addressed by combination of interviews, questionnaires and focus groups
	Discuss and observe KYC controls and processes for patrons (those with patron accounts)	B.6 Identify KYC processes embodied in New AML Regime as they relate to patron accounts and through discussion with relevant personnel, review of records, observation of implementation of controls consider: <ul style="list-style-type: none"> <li>▪ KYC policies and procedures applied to patron accounts including due diligence procedures and the documents used for each customer category</li> <li>▪ Process for KYC data collection</li> <li>▪ Use and effectiveness of SYCO system</li> <li>▪ Other tools and processes used for KYC and patron identification purposes</li> <li>▪ Process for identifying PEP's or sanctioned persons</li> <li>▪ Criteria for customer risk assessment and categorisation</li> <li>▪ DD and EDD and ongoing DD processes and triggers for escalation of DD</li> </ul>	Addressed by combination of interviews, questionnaires and focus groups covering both patron accounts and on the floor processes.  KYC actions processes will be addressed in focus groups but direct observations will not be undertaken.



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Issue	Summary of Task	Key actions	Comment on how covered by current methodology or variations required
	<p>Discuss and observe KYC controls and processes for patrons (those with patron accounts) cont</p>	<p>B.6</p> <ul style="list-style-type: none"> <li>▪ External providers for conducting KYC checks</li> <li>▪ Processes where high risk results are returned</li> <li>▪ Processes where identify cannot be verified</li> <li>▪ Reporting of KYC issues and actions taken</li> <li>▪ Basis and extent of multiple patron account numbers – effect of multiple patron accounts on AML risk or ML indicator analyses</li> <li>▪ Reporting of KYC issues and actions taken</li> <li>▪ Basis and extent of multiple patron account numbers – effect of multiple patron accounts on AML risk or ML indicator analyses</li> <li>▪ Reporting of KYC issues and actions taken</li> <li>▪ Basis and extent of multiple patron account numbers – effect of multiple patron accounts on AML risk or ML indicator analyses</li> <li>▪ DD and EDD processes and triggers for escalation of DD</li> <li>▪ Reporting of KYC issues and actions taken</li> <li>▪ Nature and frequency of review of KYC program effectiveness</li> </ul>	
<p><b>C: Assessment New AML Regime</b></p>	<p>Gain understanding of New AML Regime and key changes</p>	<p>C.1</p> <p>Discuss with Crown personnel the changes that have been made to AML policies and processes in response to the inquiry and changes that are planned to be implemented, including:</p> <ul style="list-style-type: none"> <li>▪ Review documentation outlining scope of changes</li> <li>▪ Review ML risk assessment and Crowns Risk Appetite statements and documentation</li> <li>▪ Review AML compliance plan</li> <li>▪</li> </ul>	<p>Addressed by combination of interviews, questionnaires and focus groups</p> <p>Specific focus on the Blackburn plan accepted by the Board on 24 May 2021 and interviews focussing on risks to its implementation.</p> <p>Reduced focus on internal audit activity given Blackburn’s assessment, accepted by Board, that this was lacking.</p>





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Issue	Summary of Task	Key actions	Comment on how covered by current methodology or variations required
	Gain understanding of New AML Regime and key changes cont'	<ul style="list-style-type: none"> <li>▪ Review timeline of changes / improvements to be implemented</li> <li>▪ Consideration of the capability of Crown personnel to effectively and efficiently implement the planned improvements and to gap fill pending implementation</li> <li>▪ Identification of methods and programs in place to test internal controls (including for example penetration testing or "mystery shopper" programs)</li> </ul> Review of internal audit programs and recent internal audit reports insofar as they relate to ML risks and New AML Regime controls	
<b>D: Money laundering on the floor</b>	Assess controls to deter, identify and report ML indicative activity on the floor including in respect of known ML typologies	D.1 Through interviews with Crown (AML Team) and on-site review of documentation: <ul style="list-style-type: none"> <li>▪ identify the controls and processes in place to deter, detect and report ML generally</li> <li>▪ identify the controls and processes in place to deter, detect and report specific ML typologies to which casinos are vulnerable on the floor</li> </ul> Obtain evidence of the existence and effectiveness of controls by: <ul style="list-style-type: none"> <li>▪ discussion with internal audit (or other appropriate personnel) and review of Crown's internal audit or other testing of control compliance and effectiveness; and</li> <li>▪ observation and discussion with relevant floor personnel.</li> </ul>	Addressed by combination of interviews, questionnaires and focus groups and reviews of Deloitte (Phase 1), Promontory and Initialism reports and evidence.  Evidence to be obtained through Deloitte (Phase 1) work and focus group. Reduced focus on internal audit given Blackburn's assessment, accepted by Board, that this was lacking.



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Issue	Summary of Task	Key actions	Comment on how covered by current methodology or variations required
	Floor walkthroughs and observation of implementation of controls	D.2 Conduct walkthroughs of relevant transactions on the floor with Crown staff addressing: <ul style="list-style-type: none"> <li>▪ Access and surveillance activities – of staff and customers (security)</li> <li>▪ Cash / chip handling procedures (dealers, cage staff)</li> <li>▪ KYC processes at the cage</li> <li>▪ Incident escalation procedures (floor staff)</li> <li>▪ Gaming machine supervision</li> </ul>	Addressed to a degree in surveys and situational hypotheticals to be “walked through” in in focus groups.
	Employee integrity	D.3 Gain understanding, through discussion with Crown staff (HR and training) and on-site review of relevant materials, information and reports, of: <ul style="list-style-type: none"> <li>▪ Hiring processes – sourcing, vetting and risk management.</li> <li>▪ Staff training including in regard to cash handling, AML and integrity risks</li> <li>▪ Disciplinary processes and tolerance policy</li> <li>▪ Record of disciplinary actions in respect of control failures</li> <li>▪ Performance management and detection/prevention of employee corruption</li> </ul>	Group interview with HR and customer integrity personnel.



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Issue	Summary of Task	Key actions	Comment on how covered by current methodology or variations required
<p><b>E:</b> <b>Know Your Customer (KYC)</b></p>	<p>Review KYC policies and procedures</p>	<p>E.1 Identify KYC processes embodied in New AML Regime as they relate to customers (other than patron accounts which is addressed at B.6) and <a href="#">through discussion with relevant personnel, on-site inspection of records, and observation</a> of implementation of controls consider:</p> <ul style="list-style-type: none"> <li>▪ KYC policies and procedures including due diligence procedures and the documents used for each customer category</li> <li>▪ Process for KYC data collection</li> <li>▪ Use and effectiveness of SYCO system</li> <li>▪ Other tools and processes used for KYC and patron identification purposes</li> <li>▪ Process for identifying PEP's or sanctioned persons</li> <li>▪ Criteria for customer risk assessment and categorisation</li> <li>▪ DD and EDD and ongoing DD processes and triggers for escalation of DD</li> <li>▪ External providers for conducting KYC checks</li> <li>▪ Processes where high risk results are returned</li> <li>▪ Processes where identify cannot be verified</li> <li>▪ Reporting of KYC issues and actions taken</li> <li>▪ Ongoing internal testing of KYC processes that take place</li> <li>▪ Nature and frequency of review of KYC program effectiveness</li> </ul>	<p>Same actions here for other floor as undertaken for patron accounts (Issue B- action B.6).</p> <p>Covered by actions outlined for B.6</p>



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Issue	Summary of Task	Key actions	Comment on how covered by current methodology or variations required
<p><b>F: 'Sentinel' ML data analytics</b></p>	<p>Ascertain whether the automated 'Sentinel' program is fit for purpose using data analytics and testing</p>	<p>F.1</p> <p>Review, assess and understand the 'rules' within Sentinel which are used to detect indications of money laundering. This will include but is not limited the following:</p> <ul style="list-style-type: none"> <li>▪ ascertain whether the Sentinel 'rules', if properly applied, identify all behaviour which is required to be identified and reported under the AML/CTF Act and Crown's compliance plan</li> <li>▪ analyse the code for each rule to confirm that it properly gives effect to the rule</li> <li>▪ identify the processes for ingesting data into the Sentinel system to ensure the data sets subject to Sentinel analysis is complete</li> <li>▪ review Crown's processes for testing and interpreting results</li> </ul> <p>Whilst undertaking the above work we will identify practical ways to test the Sentinel system, which may include testing the system by:</p> <ul style="list-style-type: none"> <li>▪ deliberately (potentially covertly) inputting transactions into the live data which ought to be identified by Sentinel and assessing the results; and/or</li> <li>▪ obtaining sample replica data set(s) and adding transactions which ought to be identified by Sentinel, then running Sentinel over both data sets and comparing the results and/or</li> <li>▪ obtaining sample replace data set(s) and subjecting it to testing using code we write to replace or augment the Sentinel rules and comparing the results returned by Sentinel</li> </ul>	<p>Interviews with Sentinel team – strategic, technical and operational.</p> <p>Having gained a more detailed understanding of the system, stage of implementations and potential vulnerabilities; recommendations as to testing options will be discussed with RCCOL solicitors and counsel.</p>



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Issue	Summary of Task		Key actions	Comment on how covered by current methodology or variations required
<b>G: Reporting</b>	Draft report of findings and recommendations for further investigations	G.1	Report on investigations and identify areas of concern or weakness and, as appropriate, formulate recommendations for and scope of further investigations (as Phase 2)	

## **APPENDIX B**      **McGrathNicol Review of Patron Bank Accounts and DAB Accounts**

The data analytics work undertaken is provided in a separate electronic document (pdf) which includes the following output.

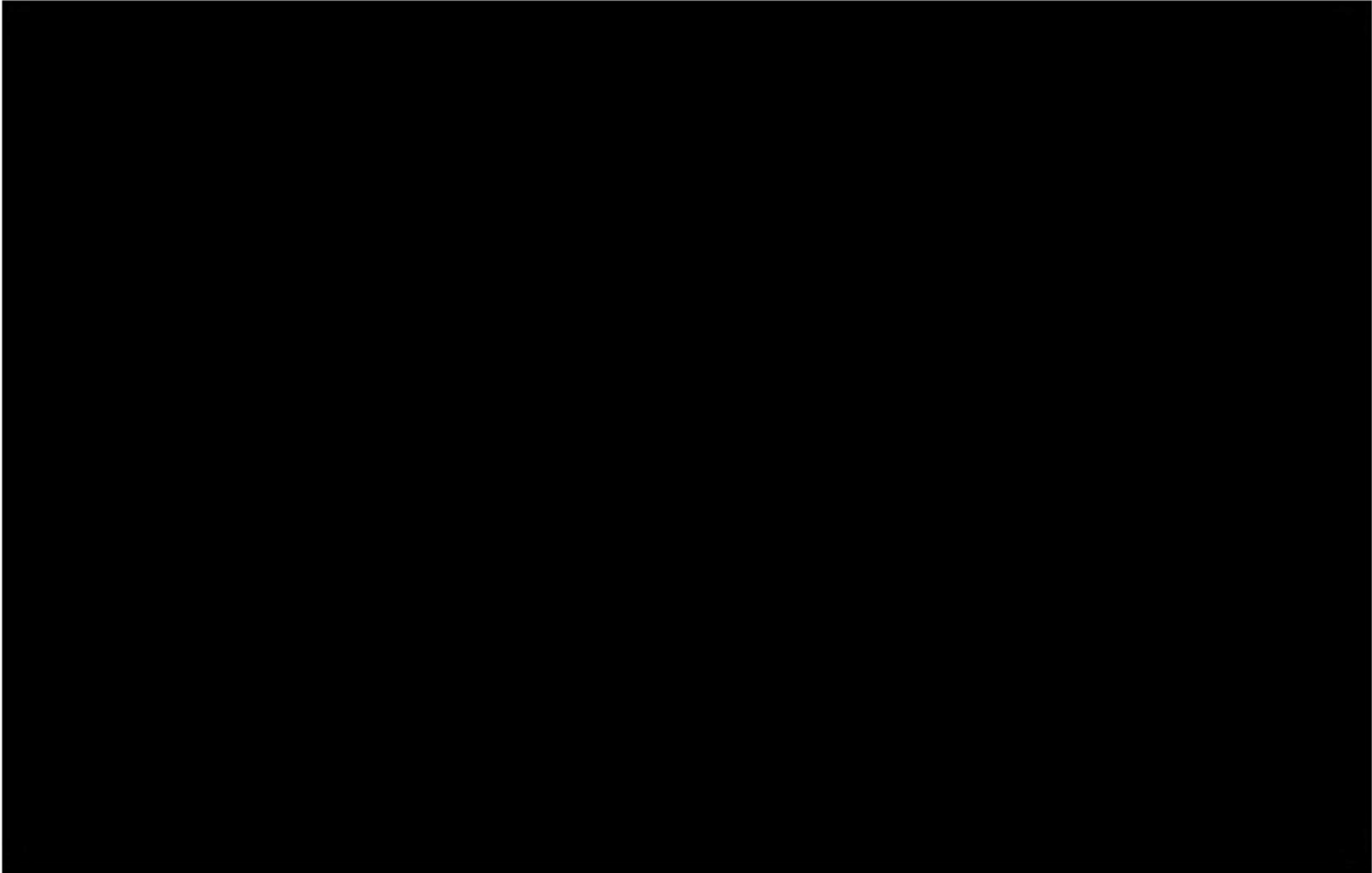
- B1**    **METHODOLOGY**
- B2**    **PARKING OF FUNDS DATASET**
- B3**    **TRANSACTIONS INDICATIVE OF STRUCTURING DATASET: 24 HRS**
- B4**    **TRANSACTIONS INDICATIVE OF STRUCTURING DATASET: 48 HRS**
- B5**    **TRANSACTIONS INDICATIVE OF STRUCTURING DATASET: 72 HRS**
- B6**    **THIRD PARTY TRANSFER RISK DATASET: ALL INSTANCES**
- B7**    **THIRD PARTY TRANSFER RISK DATASET: POST 8 APRIL 2020**
- B8**    **THIRD PARTY TRANSFER RISK DATASET: POST 21 OCTOBER 2020**
- B9**    **THIRD PARTY TRANSFER RISK DATASET: POST 16 NOVEMBER 2020**
- B10** **TITO BEHAVIOUR EXAMPLES**

## APPENDIX C Summary of ML Vulnerabilities and weaknesses of Crown's controls

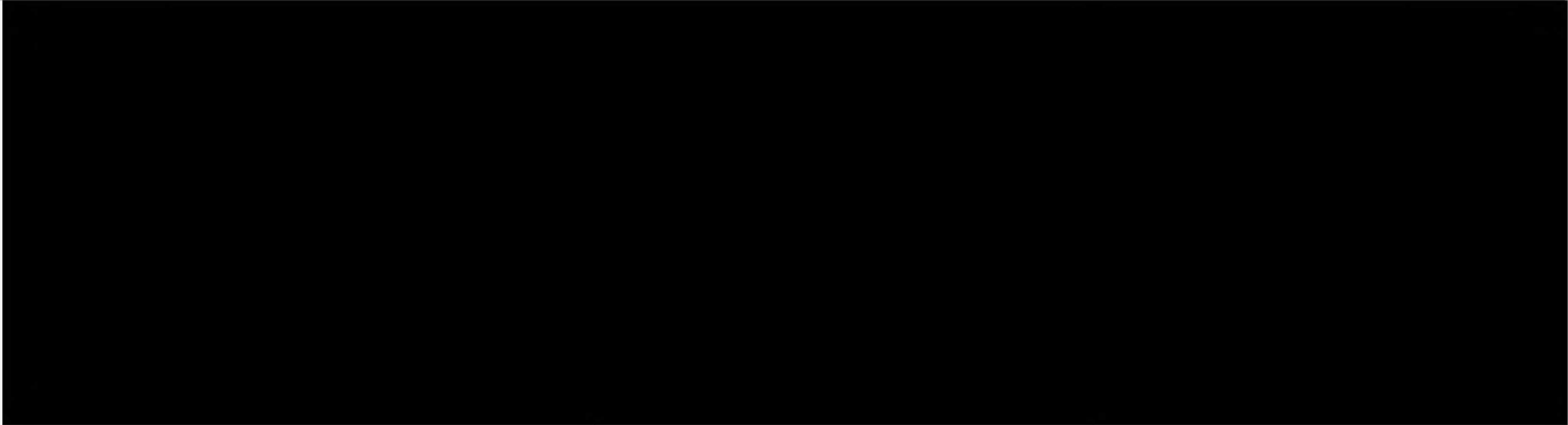
Method <sup>151</sup>	Crown Current Controls <sup>152</sup>	Current Weakness
[Redacted content]		

<sup>151</sup> Vulnerabilities of Casinos and Gaming Sector, Financial Action Task Force, 2019

<sup>152</sup> CRW.512.112.0034: Annexure B: Crown's Response to Recommendations and Findings in Promontory Vulnerability Assessment dated 24 May 2021







## APPENDIX D Sentinel Rules

### Automatic Transaction Monitoring Rules

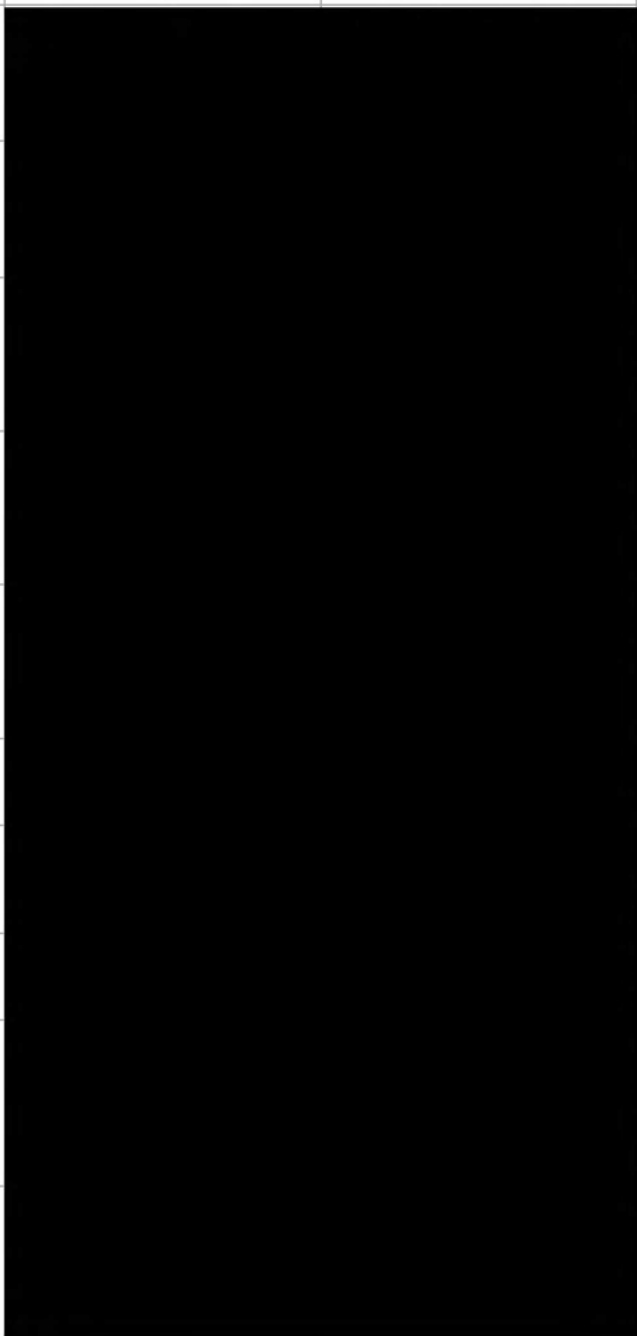

Below is a table outlining the proposed automatic transaction monitoring rules along with the logic behind the rule, the relevant ML/TF risk assessment the rule is aiming to address, and the implementation status. This data is drawn from Initialism's assessment of the proposed rules<sup>1</sup>.

Crown Rule Reference	Logic	ML / TF Risk Objective	Implementation Status
AL1			Deployed <sup>2</sup>
AL2			Deployed <sup>2</sup>
AL3			Deployed <sup>2</sup>
AL4			Deployed <sup>2</sup>
AL5			Deployed <sup>2</sup>
AL6			Deployed <sup>2</sup>
AL7			Deployed, phase 2 proposed update and merge with AL8 forming Crown Rule Reference AL24 <sup>2</sup>
AL8			Deployed, phase 2 proposed update and merge with AL7 forming Crown Rule Reference AL24 <sup>2</sup>

<sup>1</sup> Initialism Crown Resorts Transaction Monitoring Review May 2021 (CRW.512.072.0128)

<sup>2</sup> As noted in the Sentinel Overview v0.5 (CRW.510.047.1038)

Crown Rule Reference	Logic	ML / TF Risk Objective	Implementation Status
AL9			Deployed <sup>2</sup>
AL10			Deployed <sup>2</sup>
AL11			Deployed <sup>2</sup>
AL12			Deployed <sup>2</sup>
AL13			Deployed, phase 2 proposed change and update Crown Rule Reference to AL25 <sup>2</sup>
AL14			Deployed, phase 2 proposed change and update Crown Rule Reference to AL23 <sup>2</sup>
AL15			Deployed <sup>2</sup>
AL16			Deployed <sup>2</sup>
AL17			Deployed <sup>2</sup>

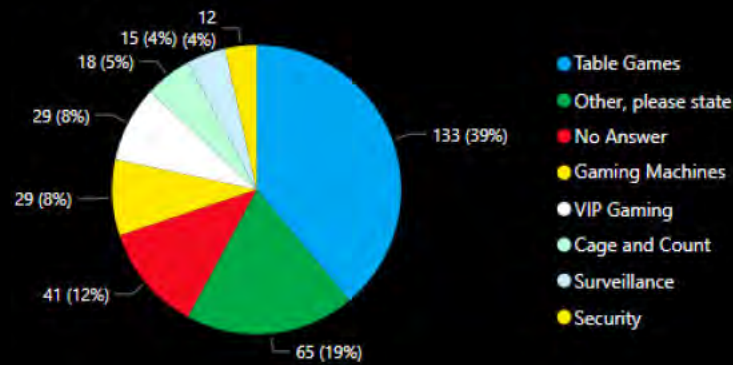
Crown Rule Reference	Logic	ML / TF Risk Objective	Implementation Status
AL18			Deployed <sup>2</sup>
AL19			Planned for phase 3 deployment <sup>1</sup>
AL20			Planned for phase 3 deployment <sup>1</sup>
AL21			Planned for phase 3 deployment <sup>1</sup>
AL22			Planned for phase 3 deployment <sup>1</sup>
AL27			Planned for phase 3 deployment <sup>1</sup>
AL28			Planned for phase 3 deployment <sup>1</sup>
AL29			Planned for phase 3 deployment <sup>1</sup>
TBD			Planned for phase 3 deployment <sup>1</sup>
TBD			Planned for phase 3 deployment <sup>1</sup>
<b>Risk Metrics – Cash Transactions</b>			
			Deployed <sup>2</sup>
			Deployed <sup>2</sup>

## APPENDIX E Survey of First line of Defence employees

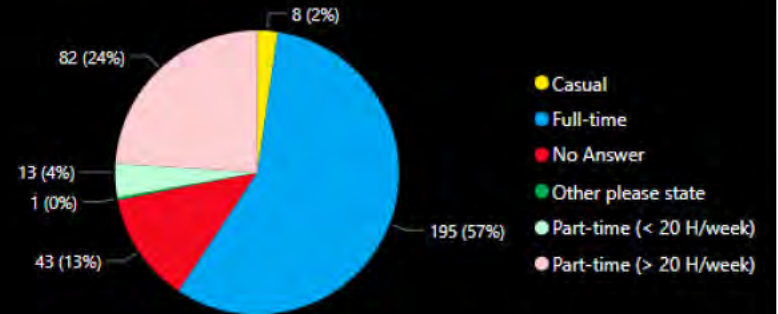
In this appendix we set out the results of the survey of employees in roles across the Cage, Table Games, Electronic Games, Surveillance, VIP Services and Security teams to gain their views in relation to AML/CTF matters. The results include all quantitative responses. A balanced selection of qualitative responses has been provided together with McGrathNicol's assessment of the themes of the comments made by respondents.

Section 1: Demographics

Department Breakdown



Employment Type Breakdown



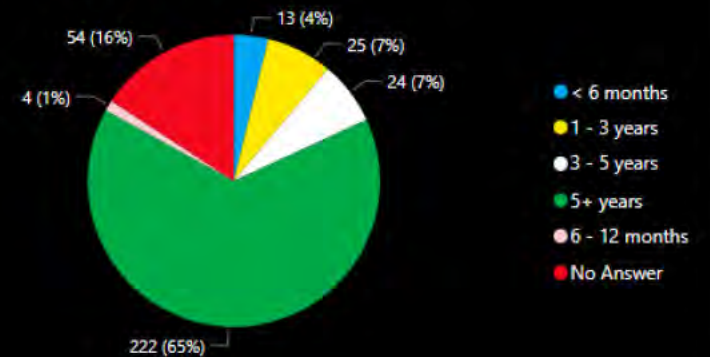
**342**  
# of Respondents

**62.20**  
Average % Answered

Answer rate by Department

Department	Average % Answered
Surveillance	81.96
Gaming Machines	75.71
VIP Gaming	74.99
Security	73.69
Cage and Count	70.47
Table Games	70.39
Other, please state	60.57
No Answer	0.13
<b>Total</b>	<b>62.20</b>

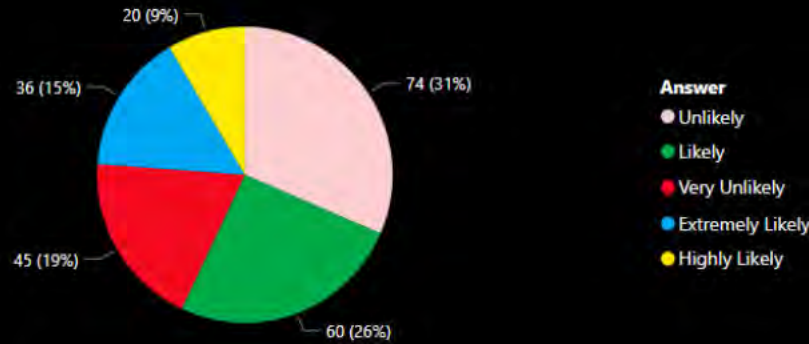
Gaming Industry Experience Breakdown



Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 2.1: Money Laundering	<p>In your own words please describe your understanding of the term "money laundering".</p>	<p>229 respondents answered this question.</p> <p><b>Sample of comments from respondents<sup>1</sup>:</b></p> <ul style="list-style-type: none"> <li>▪ <i>When a criminal exchanges illegally earned money for clean money through a legitimate business</i></li> <li>▪ <i>It's a person or patron that has obtained money illegally and attempts to clean the money onw way or another to make it look like it has been earned legitimately</i></li> <li>▪ <i>Taking money from unethical sources (crime/theft/drugs) and converting into clean money through various means.</i></li> <li>▪ <i>Concealing origin of illegally acquired money</i></li> <li>▪ <i>Money laundering is an illegal act of transferring or borrowing money through foreign/local banks to use for gambling or any other illegal transactions.</i></li> <li>▪ <i>Channeling criminally acquired funds through a financial system by depositing and/or exchanging funds for other forms of currency.</i></li> <li>▪ <i>Use difference way which seems legally to washout the dirty money ( which from criminal behaviour, ) become the legal money</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Overall is appears that staff understand the general concept of money laundering. Some staff were able to explain the concept in more detail than others were.</li> </ul>

At the current time, in your own opinion, how likely is it that money laundering is occurring at Crown Melbourne?

235 respondents answered this question



Sample of comments from respondents:

- *"Have often seen people force feeding small notes into electronic gaming machines without playing and cashing out, usually late on a Friday or Saturday night presumably form drug sales"*
- *"It is the easiest place to launder cash and the number one place in Melbourne to do so. Crown deals with enormous volumes of cash in their daily business operations. And because of that a member of the public who walks into the casino with large amounts of cash does not raise red flags."*
- *"A number of ways a cash transaction can be made unsupervised. And a loyalty program that allows allows a member to put money on there membership card."*
- *"Money laundering can happen on a small scale, for eg, under the \$10,000 ID check laws, people know this."*
- *"I see patrons make \$5k cash changes in premium areas without placing bets. This is more small-scale than other alleged money laundering that has occurred."*
- *"There is still a lot of people changing multiple \$5,000 cash changes on multiple tables without any play."*
- *"It happen all the time, some patrons change a few thousands at each table, then walk away. Patrons eventually just change all the chips to cash (clean money). Patrons are smart too, they would change less than 10000, and move on to change at another cage or come back to change every few hours. Most table game managers/supervisors would do nothing about it, when they were reported to."*
- *"If I opened a business ... I would turn a blind eye if I was raking in the dough. It's just human nature, Greed!"*

- ~50% of on-the-floor survey respondents indicated they believe money laundering is occurring through Crown Melbourne at the current time
- Staff who rated this risk as "unlikely" focused on the new systems, processes and procedures, which have been implemented since the Bergin Inquiry and Royal Commission. Main procedures include Source of Wealth and improved UAR reporting.
- Due to the new processes implemented and increased scrutiny surrounding ML some survey participants thought it was unlikely the ML is currently occurring.
- Multiple participants referred to lockdown, COVID, no junkets, no international visitors and the use of SOF and SOW procedures.

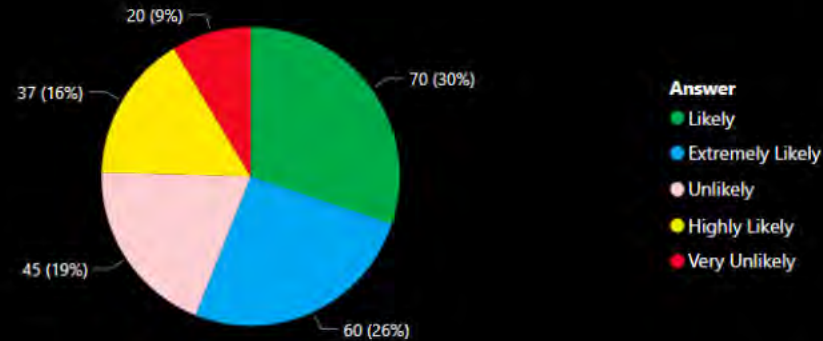
- *"Groups of gamblers buying in individually under the \$10k reporting threshold then playing and swapping chips amongst each other as a group"*
- *"I have witnessed, been involved in and directed to knowingly circumvent AusTrac/AML laws and policies."*
- *There are some gaming locations at Crown where patron can play without identifying themselves. They then attend the cage to cash out their chips which can't be verified as the patrons don't have any ratings. this makes it very difficult to follow our AML processes as not having rated play makes it very difficult to confirm the ownership of the chips. This then can lead to patrons structuring their cashouts."*
- *"Due to the large amount of cash transactions and countless combinations of places for cash to change hands it would be naive so assume it does not happen."*
- *"Crown bends the rules for big players"*
- *"I believe that with all the proactive work Crown has been doing, money laundering has definitely decreased. However I don't believe it is able to ever be completely wiped out anywhere - not just the casino."*
- *"At the current time there is a greater focus on patrons and staff. Many patrons are likely choosing to find other options to launder their finances. With that said, we are still seeing many of the same regulars 5-7 days a week for extended periods each day. I consider this suspicious behaviour that is likely not being tracked."*
- *"Patrons knew the rule of under \$10k payment does not require to provide ID and they can always claim I give half of the money to my friend if it is split payout between two people which combine more than \$10k"*
- *"There are no checks being done from a dealers position"*
- *The scrutiny that Crown has been placed under means that everyone takes concerns more seriously than before. Any questions of money laundering are being looked at seriously*
- *I think the way things currently are right now, it would be very hard for instances of money laundering to slip through undetected as everyone is hyper vigilant right now.*
- *I believe it's unlikely because Crown is under investigation. Crown is taking extra precaution to prevent it from happening. Crown is more strict with large amounts of money and looking into the source.*
- *I think SOW and SOF does their job to scare away people who are money laundering*
- *Currently all staff are focused on identifying money laundering, it would be unlikely it would go unnoticed.*
- *The checks we are doing now make it very difficult for patrons to bring in large amounts of cash and very hard for them to get verified winners cheques.*
- *Strict protocols have been implemented to minimise money laundering risk. Relationships with high risk customers are being reviewed and ended where necessary.*
- *A very robust AML process is now in place with all staff having been trained*



Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
		<ul style="list-style-type: none"><li>▪ <i>Our new AML and SOF policies make it extremely difficult to launder money.</i></li><li>▪ <i>I think it's more unlikely at the moment given that there are no international players due to the COVID situation worldwide.</i></li><li>▪ <i>Training, policy and procedure changes and strict adherence to policy and AML guidelines.</i></li></ul>	

Thinking back to the times before COVID, in your opinion, how likely is it that money laundering activities were then being undertaken at Crown?

232 respondents answered this question

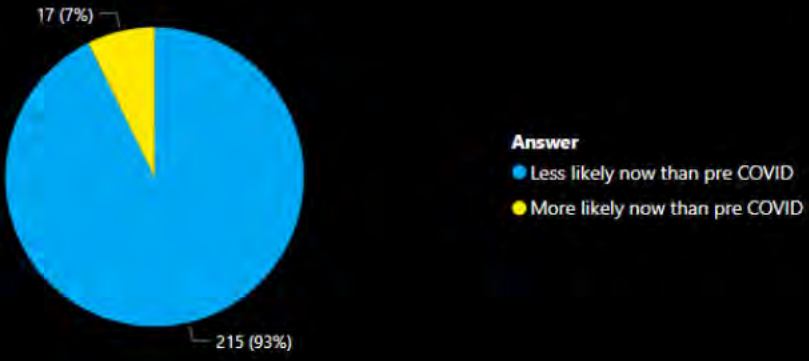


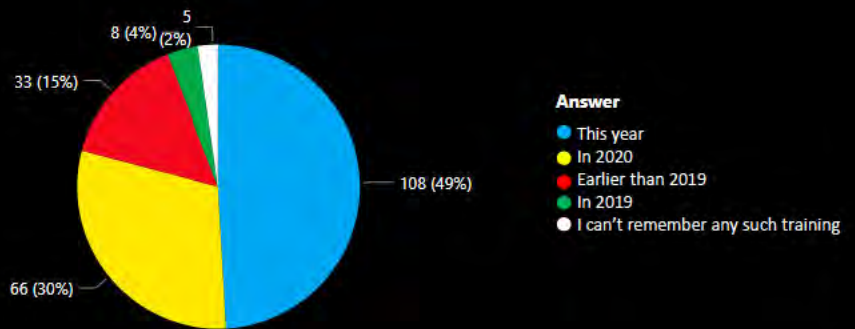
Sample of comments from respondents:

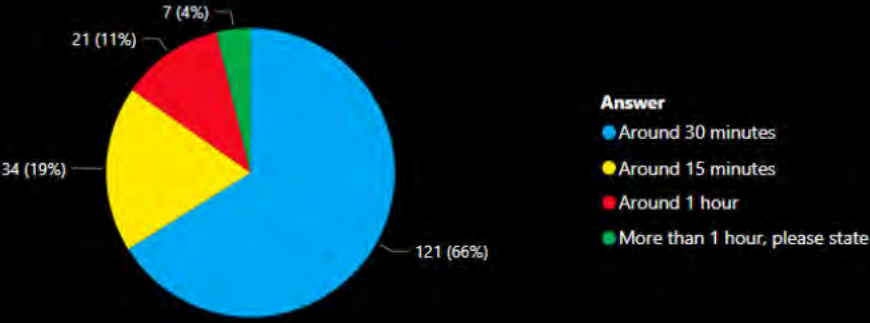
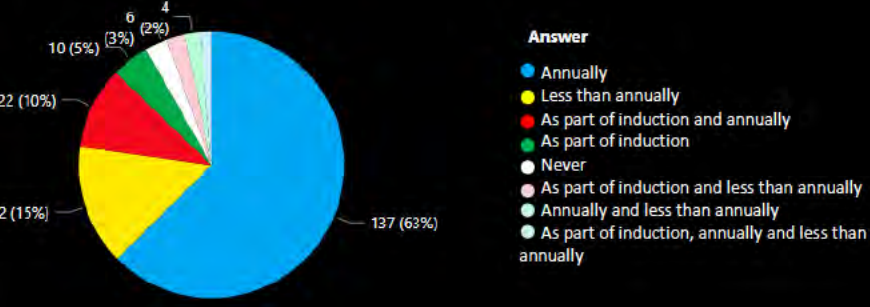
- *You could ask a cleaner and they'd tell you they knew of active laundering! I was once told to ignore suspicious activities like loan sharking as there was "no way to prove it". I was not aware of the rules regarding exchanging funds within the Sun City Pit 86 gaming area and yet often witnessed large sums of money being processed by staff. They would keep the door open and there was no fear of being caught out.*
- *It happened daily*
- *While I highly doubt it was being done BY Crown, there was not enough due diligence made to discover where funds were coming from, nor was there much attempt to stop any sources that seemed suspicious.*
- *Prior to COVID there was a sense of apathy when it came to the understand and investigation of ML. I think, when it was reported, it was investigated, but staff were just as likely to look the other way as they were to actually report what they saw.*
- *An example of how money laundering occurs. Members of the public walk into the casino with a large amount of cash in small denominations such as \$10 and \$20 notes. The average person does not carry large sums of money in this manner. I have witnessed this type of activity on a weekly basis, usually on a Monday or Tuesday.*
- *Cash Pits like maple or pit 17 are extremely lucrative to Crown as we call them the cash pits for all the small businesses in Melbourne to launder cash / none taxed monies. Also other unsavoury characters visit these main Gaming floor venues to hid if you like, ie not seen in more exposed areas like Mahogany Room for example. We see many questionable things working in and around these place and we are from another department.*

- 72% of on-the-floor survey respondents indicated that they believe money laundering was occurring through Crown Casino prior to COVID.
- Staff have either personally witnessed, been told by colleagues, sensed it was accepted or assumed it must happen due to the nature of Casinos.
- A small number of participants believe that Crown's procedures would not allow any money laundering to occur (pre-covid)

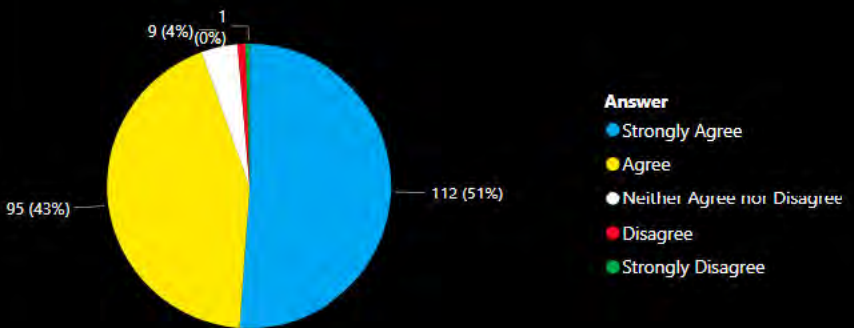
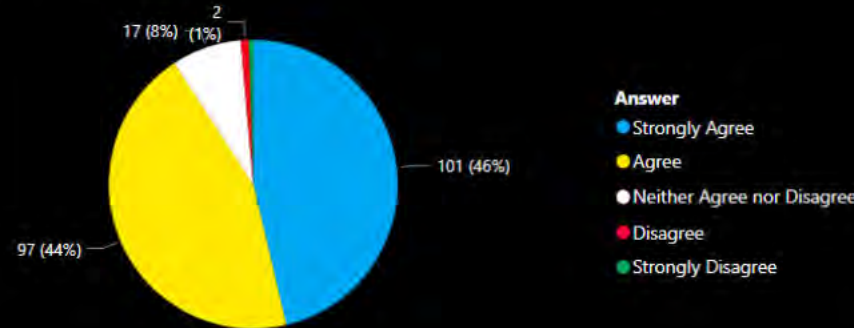
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
		<ul style="list-style-type: none"> <li>▪ <i>I once brought to attention suspicious behaviour of a patron with multiple cash exchanges but not playing. The manager told me not to worry about it and didn't take any action. We did training on the subject, but when on the floor live, told to ignore it.</i></li> <li>▪ <i>often id see people coming in, with large amounts of cash and never play. easily just walk out the door again. Informing management never worked.</i></li> <li>▪ <i>I have seen the same people do large cash changes. All of which are under the threshold of 10,000. Even when they have been 10,000 the were offered to take \$100 back if they didn't have ID.</i></li> <li>▪ <i>It happen all the time. Some managers/supervisors would just turn a blind eye because it is not their job to stop patrons from changing cash to chips and chips to cash.</i></li> <li>▪ <i>It was very common practise in Premium rooms to assist patrons avoid AusTrac requirements</i></li> <li>▪ <i>We followed the rules but no one really cared to do more then the minimum</i></li> <li>▪ <i>I have observed players inserting significant amount of money into ETG and then cash out without playing. I did report it but i believe nothing was done about it.</i></li> <li>▪ <i>Lax attitude towards enforcing some policies unless the situation was 'blatantly obvious'. Using the term 'Grey Area' repeatedly</i></li> <li>▪ <i>Dealers were taught ways to help players to avoid austrec declaration when they changed cash to chips.</i></li> <li>▪ <i>At on floor level all rules were adhered to however there was some questionable things allowed at a much higher level</i></li> </ul>	

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 2.4: Money Laundering	<p>Do you think that money laundering is more or less likely to be occurring now than before COVID?</p>	<p>232 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>● Less likely now than pre COVID</li> <li>● More likely now than pre COVID</li> </ul> <p>Sample of comments from respondents:</p> <ul style="list-style-type: none"> <li>▪ <i>No junkets, less high rollers &amp; foreign punters</i></li> <li>▪ <i>Less international players now</i></li> <li>▪ <i>Staff are more aware across the property. Plus less patrons means it is more noticeable.</i></li> <li>▪ <i>There is more of a focus now due to resent media coverage</i></li> <li>▪ <i>Stricter protocols after reviews. Funds TT'd in can only come from the patrons personal account. No third party transfers in or out. No transfer of funds between patron Casino accounts. Source of Funds for any accumulative cash buy ins of \$25k and above</i></li> <li>▪ <i>There is a lot of attention on the casino now because of the royal commission, plus there is less money around for small businesses.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ 93% of survey respondents indicated they believe money laundering is less likely to be occurring now than during pre-COVID</li> <li>▪ Consensus amongst survey participants is that money laundering is less likely to be occurring now than before COVID. The main reasons used for this response were in relation to: <ul style="list-style-type: none"> <li>▪ No junkets</li> <li>▪ No international visitors</li> <li>▪ Casino closed</li> <li>▪ Higher scrutiny from the media</li> <li>▪ Inquiries and Royal Commissions</li> <li>▪ Less patrons</li> </ul> </li> </ul>

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																					
Section 3.1: Training	When did Crown most recently provide you with formal anti-money laundering (AML/CTF) training?	<p>220 respondents answered this question</p>  <table border="1"> <caption>When did Crown most recently provide you with formal anti-money laundering (AML/CTF) training?</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>This year</td> <td>108</td> <td>49%</td> </tr> <tr> <td>In 2020</td> <td>66</td> <td>30%</td> </tr> <tr> <td>Earlier than 2019</td> <td>33</td> <td>15%</td> </tr> <tr> <td>In 2019</td> <td>8</td> <td>4%</td> </tr> <tr> <td>I can't remember any such training</td> <td>5</td> <td>2%</td> </tr> </tbody> </table>	Answer	Count	Percentage	This year	108	49%	In 2020	66	30%	Earlier than 2019	33	15%	In 2019	8	4%	I can't remember any such training	5	2%	<ul style="list-style-type: none"> <li>49% of survey respondents indicated they have received AML training in 2021</li> </ul>			
Answer	Count	Percentage																						
This year	108	49%																						
In 2020	66	30%																						
Earlier than 2019	33	15%																						
In 2019	8	4%																						
I can't remember any such training	5	2%																						
Section 3.2: Training	What was the format of the anti-money laundering (AML/CTF) training most recently provided to you?	<p>217 respondents answered this question</p>  <table border="1"> <caption>What was the format of the anti-money laundering (AML/CTF) training most recently provided to you?</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>e-Learning (including a test of knowledge which I had to pass)</td> <td>140</td> <td>64%</td> </tr> <tr> <td>Face to face training (less than one hour)</td> <td>36</td> <td>16%</td> </tr> <tr> <td>Face to face training (more than one hour)</td> <td>20</td> <td>9%</td> </tr> <tr> <td>Other</td> <td>12</td> <td>5%</td> </tr> <tr> <td>e-Learning (with no test)</td> <td>9</td> <td>4%</td> </tr> <tr> <td>Not applicable</td> <td>9</td> <td>4%</td> </tr> </tbody> </table>	Answer	Count	Percentage	e-Learning (including a test of knowledge which I had to pass)	140	64%	Face to face training (less than one hour)	36	16%	Face to face training (more than one hour)	20	9%	Other	12	5%	e-Learning (with no test)	9	4%	Not applicable	9	4%	<ul style="list-style-type: none"> <li>64% of survey respondents indicated the most recent AML training they have received was e-Learning with a knowledge test.</li> </ul>
Answer	Count	Percentage																						
e-Learning (including a test of knowledge which I had to pass)	140	64%																						
Face to face training (less than one hour)	36	16%																						
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Not applicable	9	4%																						

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 3.3: Training	<p>If your most recent AML/CTF training was in the form of e-Learning, approximately how long did it take to complete?</p>	<p>183 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>● Around 30 minutes</li> <li>● Around 15 minutes</li> <li>● Around 1 hour</li> <li>● More than 1 hour, please state</li> </ul>	<ul style="list-style-type: none"> <li>66% of survey respondents indicated the AML training they have most recently received took around 30 minutes to complete.</li> </ul>
Section 3.4: Training	<p>How often have you had training in AML/CTF matters? Select all that apply.</p>	<p>211 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>● Annually</li> <li>● Less than annually</li> <li>● As part of induction and annually</li> <li>● As part of induction</li> <li>● Never</li> <li>● As part of induction and less than annually</li> <li>● Annually and less than annually</li> <li>● As part of induction, annually and less than annually</li> </ul>	<ul style="list-style-type: none"> <li>63% of survey respondents indicated they receive AML training on an annual basis.</li> </ul>

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 3.5: Training	<p>How would you rate the quality and quantity of the AML training provided to you by Crown?</p>	<p>219 respondents answered this question</p> <table border="1"> <caption>Response Distribution</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Good</td> <td>86</td> <td>39%</td> </tr> <tr> <td>Excellent</td> <td>78</td> <td>36%</td> </tr> <tr> <td>Average</td> <td>34</td> <td>16%</td> </tr> <tr> <td>Other, please comment</td> <td>8</td> <td>4%</td> </tr> <tr> <td>Poor</td> <td>13</td> <td>6%</td> </tr> </tbody> </table> <p>Sample of comments from respondents:</p> <ul style="list-style-type: none"> <li>No supervision, training can be easily passed by rapidly clicking 'next' without paying attention. This was encouraged by staff to save time</li> <li>The test is multi-choice and you just keep repeating it until you pass</li> <li>The AML training offered by Crown just covers the basics. My knowledge of money laundering comes from my own research rather the training offered by Crown.</li> <li>In person training would be better and absorbed more easily.</li> <li>Rely too much on e-learning. Same old program year after year.</li> <li>We are given this training with many other information sessions and it is not given any importance</li> </ul>	Answer	Count	Percentage	Good	86	39%	Excellent	78	36%	Average	34	16%	Other, please comment	8	4%	Poor	13	6%	<ul style="list-style-type: none"> <li>74% of survey respondents indicated they believe the AML training they receive is good or excellent.</li> <li>Main points to note from the training free text responses was that more face-to-face training would be preferable. There is an over reliance on e learning.</li> </ul>
Answer	Count	Percentage																			
Good	86	39%																			
Excellent	78	36%																			
Average	34	16%																			
Other, please comment	8	4%																			
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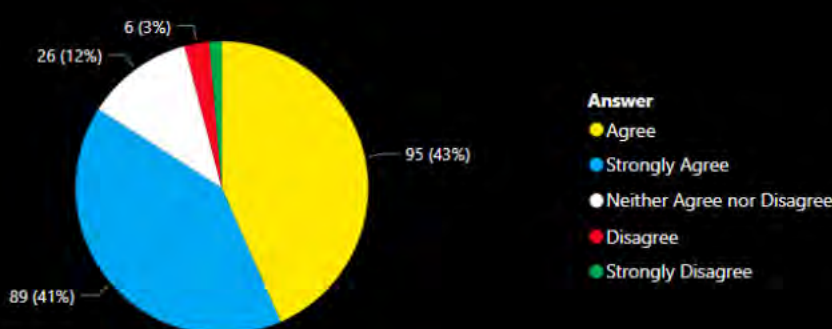
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 3.6: Training	I believe I have a good understanding of what money laundering is.	<p>217 respondents answered this question</p>  <table border="1"> <caption>Survey Responses for Question 1</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>112</td> <td>51%</td> </tr> <tr> <td>Agree</td> <td>95</td> <td>43%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>0</td> <td>0%</td> </tr> <tr> <td>Disagree</td> <td>9</td> <td>4%</td> </tr> <tr> <td>Strongly Disagree</td> <td>1</td> <td>1%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly Agree	112	51%	Agree	95	43%	Neither Agree nor Disagree	0	0%	Disagree	9	4%	Strongly Disagree	1	1%	<ul style="list-style-type: none"> <li>94% of survey respondents indicated they believe they have a good understanding of what money laundering is.</li> </ul>
Answer	Count	Percentage																			
Strongly Agree	112	51%																			
Agree	95	43%																			
Neither Agree nor Disagree	0	0%																			
Disagree	9	4%																			
Strongly Disagree	1	1%																			
Section 3.7: Training	I believe I have a good understanding of the ways in which people might try to launder money in the casino.	<p>217 respondents answered this question</p>  <table border="1"> <caption>Survey Responses for Question 2</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>101</td> <td>46%</td> </tr> <tr> <td>Agree</td> <td>97</td> <td>44%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>17</td> <td>8%</td> </tr> <tr> <td>Disagree</td> <td>2</td> <td>1%</td> </tr> <tr> <td>Strongly Disagree</td> <td>0</td> <td>0%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly Agree	101	46%	Agree	97	44%	Neither Agree nor Disagree	17	8%	Disagree	2	1%	Strongly Disagree	0	0%	<ul style="list-style-type: none"> <li>90% of survey respondents indicated they believe they understand the ways in which money laundering may be carried out within a casino.</li> </ul>
Answer	Count	Percentage																			
Strongly Agree	101	46%																			
Agree	97	44%																			
Neither Agree nor Disagree	17	8%																			
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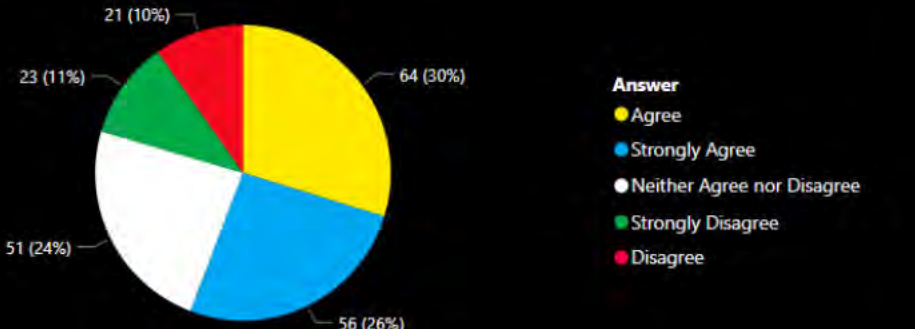
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 3.8: Training	I feel confident that I would be able to identify indications of potential money laundering or related suspicious behaviour whilst doing my job.	<p>218 respondents answered this question</p>  <table border="1"><thead><tr><th>Answer</th><th>Count</th><th>Percentage</th></tr></thead><tbody><tr><td>Strongly Agree</td><td>106</td><td>48%</td></tr><tr><td>Agree</td><td>83</td><td>38%</td></tr><tr><td>Neither Agree nor Disagree</td><td>25</td><td>11%</td></tr><tr><td>Disagree</td><td>4</td><td>2%</td></tr><tr><td>Strongly Disagree</td><td>0</td><td>0%</td></tr></tbody></table>	Answer	Count	Percentage	Strongly Agree	106	48%	Agree	83	38%	Neither Agree nor Disagree	25	11%	Disagree	4	2%	Strongly Disagree	0	0%	<ul style="list-style-type: none"><li>86% of survey respondents indicated they feel confident in their ability to identify potential indications of money laundering.</li></ul>
Answer	Count	Percentage																			
Strongly Agree	106	48%																			
Agree	83	38%																			
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Disagree	4	2%																			
Strongly Disagree	0	0%																			
Section 3.9: Training	I am confident that I know how to report potential money laundering or related suspicious behaviour that I have noticed.	<p>218 respondents answered this question</p>  <table border="1"><thead><tr><th>Answer</th><th>Count</th><th>Percentage</th></tr></thead><tbody><tr><td>Strongly Agree</td><td>115</td><td>53%</td></tr><tr><td>Agree</td><td>82</td><td>37%</td></tr><tr><td>Neither Agree nor Disagree</td><td>19</td><td>9%</td></tr><tr><td>Disagree</td><td>2</td><td>1%</td></tr><tr><td>Strongly Disagree</td><td>0</td><td>0%</td></tr></tbody></table>	Answer	Count	Percentage	Strongly Agree	115	53%	Agree	82	37%	Neither Agree nor Disagree	19	9%	Disagree	2	1%	Strongly Disagree	0	0%	<ul style="list-style-type: none"><li>90% of survey respondents indicated they are confident in knowing how to report potential indications of money laundering.</li></ul>
Answer	Count	Percentage																			
Strongly Agree	115	53%																			
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Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 3.10: Training	<p>My supervisors and management expect me to be vigilant in regard to identifying and reporting indications of money laundering. You may provide a comment with your answer</p>	<p>216 respondents answered this question</p> <table border="1"> <caption>Survey Response Data</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>106</td> <td>49%</td> </tr> <tr> <td>Agree</td> <td>75</td> <td>35%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>21</td> <td>10%</td> </tr> <tr> <td>Disagree</td> <td>4</td> <td>2%</td> </tr> <tr> <td>Strongly Disagree</td> <td>10</td> <td>5%</td> </tr> </tbody> </table> <p>Sample of comments from respondents:</p> <ul style="list-style-type: none"> <li>▪ <i>Constantly reinforced to staff we need to report suspicious activity</i></li> <li>▪ <i>It has long been a focus in my teams to justify a patrons activity. The reporting process is clear and priority is given to process this form.</i></li> <li>▪ <i>Managers/supervisors always remind and support staff to complete the online training</i></li> <li>▪ <i>Way more so now than they were 2 years ago.</i></li> <li>▪ <i>We are consistently training on money laundering outside of our annually training</i></li> <li>▪ <i>I feel Crown takes this issue very seriously and management expects their employees to do the right thing.</i></li> <li>▪ <i>They don't care. I've reported suspicious things multiple times, they just wanna have the day go smooth and reach the end of their shift.</i></li> <li>▪ <i>Most simply don't want to know</i></li> <li>▪ <i>It's never been expressed to me as a priority.</i></li> </ul>	Answer	Count	Percentage	Strongly Agree	106	49%	Agree	75	35%	Neither Agree nor Disagree	21	10%	Disagree	4	2%	Strongly Disagree	10	5%	<ul style="list-style-type: none"> <li>▪ 84% of survey respondents indicated that their managers expect them to be vigilant in identifying indications of money laundering.</li> </ul>
Answer	Count	Percentage																			
Strongly Agree	106	49%																			
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Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 3.11: Training	<p>My supervisors and management encourage me to be vigilant in regard to identifying and reporting indications of money laundering. You may provide a comment with your answer.</p>	<p>217 respondents answered this question</p> <table border="1"> <caption>Survey Responses for Section 3.11: Training</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>106</td> <td>49%</td> </tr> <tr> <td>Agree</td> <td>60</td> <td>28%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>27</td> <td>12%</td> </tr> <tr> <td>Disagree</td> <td>17</td> <td>8%</td> </tr> <tr> <td>Strongly Disagree</td> <td>7</td> <td>3%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly Agree	106	49%	Agree	60	28%	Neither Agree nor Disagree	27	12%	Disagree	17	8%	Strongly Disagree	7	3%	<ul style="list-style-type: none"> <li>77% of survey respondents indicated that their managers encourage them to be vigilant in identifying potential indications of money laundering.</li> <li>Survey participants note that reporting and vigilance is a particular focus in the current environment.</li> <li>This has changed dramatically from two years prior where it was not actively communicated and reinforced.</li> <li>Participants note more training on money laundering is taking place that what they used to receive.</li> </ul>
Answer	Count	Percentage																			
Strongly Agree	106	49%																			
Agree	60	28%																			
Neither Agree nor Disagree	27	12%																			
Disagree	17	8%																			
Strongly Disagree	7	3%																			
Section 3.12: Training	<p>Crown keeps me up-to-date with changes to money laundering laws, money laundering typologies, indications of these typologies and changes in Crown's policies and practices to the extent necessary for me to do my job.</p>	<p>218 respondents answered this question</p> <table border="1"> <caption>Survey Responses for Section 3.12: Training</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>83</td> <td>38%</td> </tr> <tr> <td>Agree</td> <td>82</td> <td>38%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>35</td> <td>16%</td> </tr> <tr> <td>Disagree</td> <td>13</td> <td>6%</td> </tr> <tr> <td>Strongly Disagree</td> <td>5</td> <td>2%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly Agree	83	38%	Agree	82	38%	Neither Agree nor Disagree	35	16%	Disagree	13	6%	Strongly Disagree	5	2%	<ul style="list-style-type: none"> <li>76% of survey respondents indicated that Crown keeps them up to date with changes to money laundering laws or typologies / indications.</li> </ul>
Answer	Count	Percentage																			
Strongly Agree	83	38%																			
Agree	82	38%																			
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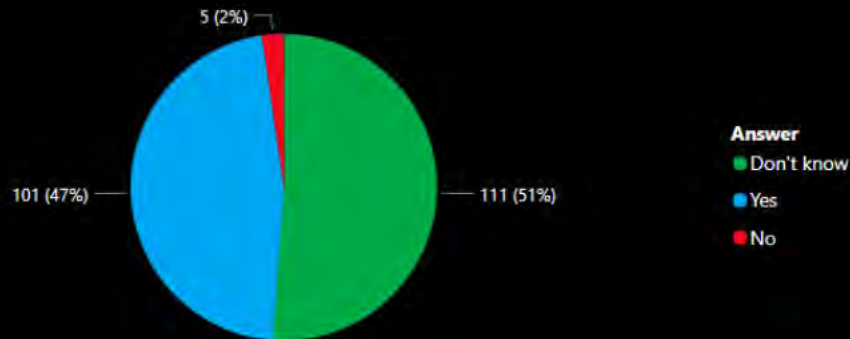
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 3.13: Training	<p>I feel well-equipped with the knowledge I need to effectively identify potential indicators of money laundering or related suspicious behaviour during the course of my work. You may provide a comment with your answer.</p>	<p>216 respondents answered this question</p>  <table border="1"> <caption>Survey Response Data</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Agree</td> <td>95</td> <td>43%</td> </tr> <tr> <td>Strongly Agree</td> <td>89</td> <td>41%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>26</td> <td>12%</td> </tr> <tr> <td>Disagree</td> <td>6</td> <td>3%</td> </tr> <tr> <td>Strongly Disagree</td> <td>1</td> <td>1%</td> </tr> </tbody> </table> <p>Sample of comments from respondents:</p> <ul style="list-style-type: none"> <li><i>If I have any doubts, my Manager is always available to provide assistance.</i></li> <li><i>support systems are in place, with 24hrs operational team to back up as well</i></li> <li><i>Training has provided me with the confidence of keeping aware of anything that may relate to suspicious behaviour.</i></li> <li><i>Informal training is often conducted where staff is frequently reminded of existing and updates to AML obligations.</i></li> <li><i>Training courses are relatively meaningless. Real life occurs beyond training modules.</i></li> <li><b>NEED PHYSICAL TRAINING FOR THIS</b></li> <li><i>I feel although I'm taught the signs and indicators of money laundering, it is difficult to determine whether it's money laundering or they just have a lot of money. I feel like these people who money launders are smarter and have more experience than to do these simple signs that we're taught in training.</i></li> <li><i>What I consider suspicious, if my manager does not, the matter goes no further. For instance, I saw a man split up very large amounts of cash between 3 people on the gaming floor. I considered this suspicious but my manager didn't and that was the end of the matter</i></li> </ul>	Answer	Count	Percentage	Agree	95	43%	Strongly Agree	89	41%	Neither Agree nor Disagree	26	12%	Disagree	6	3%	Strongly Disagree	1	1%	<ul style="list-style-type: none"> <li>84% of survey respondents indicated they feel well equipped to identify potential indications of money laundering.</li> <li>Participants noted they do receive training to enable them to identify potential money laundering and are encouraged by managers to report.</li> <li>Other participants noted that more detailed real life training would be advantageous and that the training they receive is hard to translate into real world scenarios.</li> <li>Others noted that what they consider to be suspicious behaviour is not considered suspicious by their managers.</li> </ul>
Answer	Count	Percentage																			
Agree	95	43%																			
Strongly Agree	89	41%																			
Neither Agree nor Disagree	26	12%																			
Disagree	6	3%																			
Strongly Disagree	1	1%																			

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 3.14: Training	I understand Crown's responsibilities when it comes to identifying and reporting indicators of money laundering.	<p>217 respondents answered this question</p> <table border="1"> <caption>Survey Responses for Section 3.14</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>121</td> <td>56%</td> </tr> <tr> <td>Agree</td> <td>76</td> <td>35%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>16</td> <td>7%</td> </tr> <tr> <td>Disagree</td> <td>4</td> <td>2%</td> </tr> <tr> <td>Strongly Disagree</td> <td>0</td> <td>0%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly Agree	121	56%	Agree	76	35%	Neither Agree nor Disagree	16	7%	Disagree	4	2%	Strongly Disagree	0	0%	<ul style="list-style-type: none"> <li>91% of survey respondents indicated they <u>understand</u> Crown's responsibilities when it comes to identifying and reporting indications of money laundering.</li> </ul>
Answer	Count	Percentage																			
Strongly Agree	121	56%																			
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Disagree	4	2%																			
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Section 3.15: Training	I am aware of and know how to use the AML Portal to create a UAR	<p>217 respondents answered this question</p> <table border="1"> <caption>Survey Responses for Section 3.15</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>61</td> <td>28%</td> </tr> <tr> <td>Agree</td> <td>55</td> <td>25%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>45</td> <td>21%</td> </tr> <tr> <td>Disagree</td> <td>33</td> <td>15%</td> </tr> <tr> <td>Strongly Disagree</td> <td>23</td> <td>11%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly Agree	61	28%	Agree	55	25%	Neither Agree nor Disagree	45	21%	Disagree	33	15%	Strongly Disagree	23	11%	<ul style="list-style-type: none"> <li>53% of survey respondents indicated they <u>are</u> aware and know how to use the AML portal to create a UAR.</li> <li>26% of survey respondents indicated they <u>are not</u> aware of the AML portal or how to create a UAR.</li> </ul>
Answer	Count	Percentage																			
Strongly Agree	61	28%																			
Agree	55	25%																			
Neither Agree nor Disagree	45	21%																			
Disagree	33	15%																			
Strongly Disagree	23	11%																			

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 3.16: Training	How often have you reported unusual activity through the AML Portal in the last month?	<p>214 respondents answered this question</p>  <table border="1"> <caption>Frequency of Reporting Unusual Activity</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Not at all</td> <td>175</td> <td>80%</td> </tr> <tr> <td>Only once or twice</td> <td>20</td> <td>9%</td> </tr> <tr> <td>Less than once per week</td> <td>11</td> <td>5%</td> </tr> <tr> <td>1 – 5 times a week</td> <td>8</td> <td>4%</td> </tr> <tr> <td>At least once each shift (on average)</td> <td>1</td> <td>1%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Not at all	175	80%	Only once or twice	20	9%	Less than once per week	11	5%	1 – 5 times a week	8	4%	At least once each shift (on average)	1	1%	<ul style="list-style-type: none"> <li>80% of survey respondents indicated they have not reported using the reported through the AML portal in the past month.</li> </ul>
Answer	Count	Percentage																			
Not at all	175	80%																			
Only once or twice	20	9%																			
Less than once per week	11	5%																			
1 – 5 times a week	8	4%																			
At least once each shift (on average)	1	1%																			
Section 3.17: Training	I understand the information that is required to be provided when reporting through the AML Portal.	<p>215 respondents answered this question</p>  <table border="1"> <caption>Understanding of Reporting Information</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Agree</td> <td>64</td> <td>30%</td> </tr> <tr> <td>Strongly Agree</td> <td>56</td> <td>26%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>51</td> <td>24%</td> </tr> <tr> <td>Strongly Disagree</td> <td>23</td> <td>11%</td> </tr> <tr> <td>Disagree</td> <td>21</td> <td>10%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Agree	64	30%	Strongly Agree	56	26%	Neither Agree nor Disagree	51	24%	Strongly Disagree	23	11%	Disagree	21	10%	<ul style="list-style-type: none"> <li>56% of survey respondents indicated they understand the information that is required when reporting through the AML portal.</li> </ul>
Answer	Count	Percentage																			
Agree	64	30%																			
Strongly Agree	56	26%																			
Neither Agree nor Disagree	51	24%																			
Strongly Disagree	23	11%																			
Disagree	21	10%																			

Is the new AML Portal system an improvement of the way Crown used to do reporting of transactions or behaviour? You may provide a comment with your answer.

217 respondents answered this question



Sample of comments from respondents:

- *I have only ever submitted through the AML Portal but I find the function very user friendly and find being able to attach screenshots of suspicious transactions to be very useful.*
- *It is a good first step but requires more face-to-face training to cover the vast "grey" area that is found in a casino environment*
- *Simple to use and secure.*
- *IMMENSELY improved. There was very little system in place before and it was not necessarily encouraged or coached on how to use it.*
- *Prior to the new AML Portal system there weren't any avenues to report.*
- *Much easier to use than the old SMR*
- *Never used or been shown any system*
- *never seen it, been trained on it or used it*
- *I have never used the old or new portal. I have always reported unusual activity to my Manager verbally.*
- *I havnt not heard of portal. I am a dealer so I believe Area Managers do it.*
- *Crown has made us aware of the portal and shown us links but has not given us any training during shift hours on it*
- *Have never been shown anything on AML*
- *Not sure as this is handle by a higher position than myself.*
- *Honestly, I've heard and seen posts about AML portal but haven't looked into it*

- 51% of survey respondents indicated they don't know whether the new AML portal is an improvement on how transactions and behaviour are reported.
- Participants noted the new UAR system is easily accessible, user friendly and streamlined.
- Multiple participants noted they have never used the system or been trained on how to use it. Staff have been made aware of the portal but not shown how to use it, many participants still report suspicious behaviour verbally to their managers who potentially lodge the UARs.
- It appears that UAR's and the portal is used by managers / area managers and the dealers don't input into the portal.

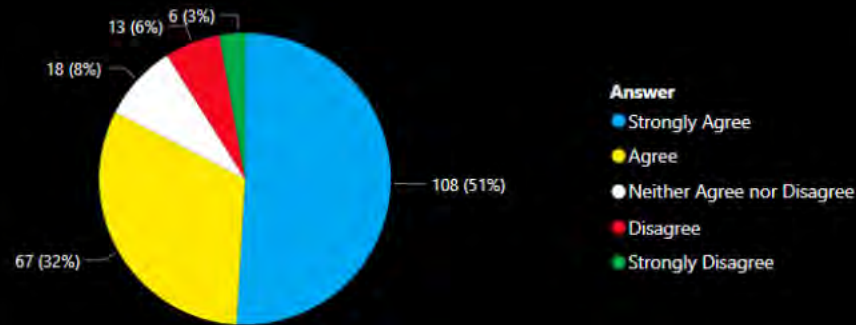
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary															
Section 3.19: Training	<p>I understand my obligations in relation to the AUSTRAC Tipping Off rules.</p>	<p>213 respondents answered this question</p> <table border="1"> <caption>Survey Results for Section 3.19: Training</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Agree</td> <td>149</td> <td>70%</td> </tr> <tr> <td>Not sure what the tipping off rules are</td> <td>63</td> <td>30%</td> </tr> <tr> <td>Disagree</td> <td>1</td> <td>0%</td> </tr> </tbody> </table> <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>Agree</li> <li>Not sure what the tipping off rules are</li> <li>Disagree</li> </ul>	Answer	Count	Percentage	Agree	149	70%	Not sure what the tipping off rules are	63	30%	Disagree	1	0%	<ul style="list-style-type: none"> <li>70% of survey respondents indicated they understand their obligations in relation to tipping off rules.</li> <li>30% of survey respondents indicated they do not understand their obligations in relation to tipping off rules.</li> </ul>			
Answer	Count	Percentage																
Agree	149	70%																
Not sure what the tipping off rules are	63	30%																
Disagree	1	0%																
Section 3.20: Training	<p>I understand what my role requires in terms of observing customer behaviours and reporting suspicious activity.</p>	<p>213 respondents answered this question</p> <table border="1"> <caption>Survey Results for Section 3.20: Training</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>110</td> <td>52%</td> </tr> <tr> <td>Agree</td> <td>83</td> <td>39%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>17</td> <td>8%</td> </tr> <tr> <td>Disagree</td> <td>3</td> <td>1%</td> </tr> </tbody> </table> <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>Strongly Agree</li> <li>Agree</li> <li>Neither Agree nor Disagree</li> <li>Disagree</li> </ul>	Answer	Count	Percentage	Strongly Agree	110	52%	Agree	83	39%	Neither Agree nor Disagree	17	8%	Disagree	3	1%	<ul style="list-style-type: none"> <li>91% of survey respondents indicated they understand their role in terms of observing customers for suspicious behaviour.</li> </ul>
Answer	Count	Percentage																
Strongly Agree	110	52%																
Agree	83	39%																
Neither Agree nor Disagree	17	8%																
Disagree	3	1%																



Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 4.1: Culture	<p>Crown staff are encouraged to report any unusual or suspicious behaviour or transactions which may indicate money laundering.</p>	<p>209 respondents answered this question</p> <table border="1"> <caption>Section 4.1: Culture - Survey Responses</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>124</td> <td>58%</td> </tr> <tr> <td>Agree</td> <td>61</td> <td>29%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>18</td> <td>8%</td> </tr> <tr> <td>Disagree</td> <td>6</td> <td>3%</td> </tr> <tr> <td>Strongly Disagree</td> <td>0</td> <td>0%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly Agree	124	58%	Agree	61	29%	Neither Agree nor Disagree	18	8%	Disagree	6	3%	Strongly Disagree	0	0%	<ul style="list-style-type: none"> <li>87% of survey respondents indicated they are encouraged to report any unusual or suspicious behaviour.</li> </ul>
Answer	Count	Percentage																			
Strongly Agree	124	58%																			
Agree	61	29%																			
Neither Agree nor Disagree	18	8%																			
Disagree	6	3%																			
Strongly Disagree	0	0%																			
Section 4.2: Culture	<p>If I report unusual or suspicious behaviour in relation to potential money laundering I believe appropriate action will be taken to investigate my report.</p>	<p>212 respondents answered this question</p> <table border="1"> <caption>Section 4.2: Culture - Survey Responses</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly Agree</td> <td>89</td> <td>42%</td> </tr> <tr> <td>Agree</td> <td>68</td> <td>32%</td> </tr> <tr> <td>Neither Agree nor Disagree</td> <td>41</td> <td>19%</td> </tr> <tr> <td>Disagree</td> <td>10</td> <td>5%</td> </tr> <tr> <td>Strongly Disagree</td> <td>4</td> <td>2%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly Agree	89	42%	Agree	68	32%	Neither Agree nor Disagree	41	19%	Disagree	10	5%	Strongly Disagree	4	2%	<ul style="list-style-type: none"> <li>74% of survey respondents indicated they believe action will be taken if they report suspicious or unusual behaviour.</li> </ul>
Answer	Count	Percentage																			
Strongly Agree	89	42%																			
Agree	68	32%																			
Neither Agree nor Disagree	41	19%																			
Disagree	10	5%																			
Strongly Disagree	4	2%																			

I feel supported by Crown and management to do my job effectively including in regard to reporting potential AML matters. You may provide a comment with your answer.

212 respondents answered this question



Sample of comments from respondents:

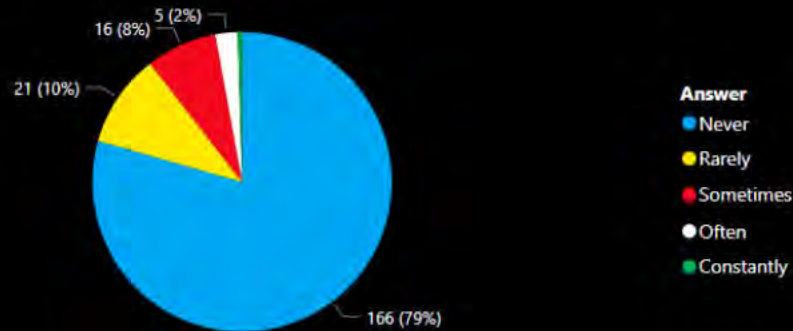
- *Time and resources have always been immediately available for completing this task.*
- *In all my time at Crown, I have never been asked to "not report" or to "under report". My manager has always encouraged our team to complete and submit UAR's and previously SMR's as we see fit.*
- *Management will always listen to a potential problem, regardless of what that problem may be.*
- *It is actively encouraged now.*
- *AML is a big part of my teams compliance directives. I feel supported in this.*
- *Since January this year I feel supported.*
- *Management are very supportive in reporting any ML concerns*
- *I have always felt supported in this area and this feeling has increased with the recent changes to procedures and increased communications about this from senior leadership at Crown.*
- *Crown Management is working hard to make sure all staffs to have AML training.*
- *I feel supported however that support does not feel or seem genuine*
- *Again it depends on management. Some managers will go above and beyond to get to the issue. For some it is just a job they don't care or have very "old school" casino mentalities.*
- *There is a heightened awareness now compared to pre-Covid times in identifying and reporting potential AML matters*

- 83% of survey respondents indicated they believe Crown and management support them in reporting potential AML matters.
- Responses range from noting that Crown has always encouraged reporting and supported staff to this being a significant change recently in the current climate with no processing, policies, training and vigilance promoted

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
		<ul style="list-style-type: none"><li>▪ <i>I feel supported by my manager, but I lack trust in how senior execs use the information we acquire</i></li><li>▪ <i>TG staff are largely ineffective when it comes to AML matters due to the customer service aspect. Surveillance will be the true investigators and can actually uncover AML matters.</i></li></ul>	

I have felt pressured by Crown employees to ignore, overlook or not report potentially suspicious behaviour which may indicate money laundering or other financial crime. You may provide a comment with your answer.

208 respondents answered this question

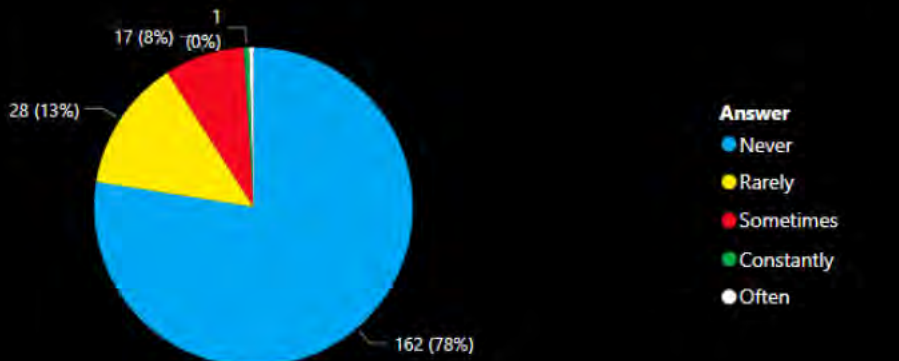


Sample of comments from respondents:

- *I have always felt supported and reporting was a base expectation.*
- *ignorance is bliss, we see money we take it.*
- *At least not since coming back from lockdown. I was never actively discouraged before, but I wasn't encouraged to do so either.*
- *I have never been asked or pressured into ignoring any sort of suspicious behaviour.*
- *Never pressured but on occasions when I have raised suspicions and reported to Senior Management nothing to my knowledge was ever done/investigated.*
- *Never been pressured, but just read the room that there is general apathy about worrying about money laundering in the parts of the casino I have worked.*
- *I wouldn't use the word pressure. I would say that Crown had a history of ignoring potentially suspicious behaviour and only reporting what they absolutely found necessary*
- *Big players who clearly have far more than \$10,000AUD cash on their person (\$100,000+ in their bag or coat) will carefully ensure they change less than \$10,000 at a time to avoid a threshold transaction and management will ensure a blind eye is turned*
- *In the past a manager has preferred to not show much interest in potentially suspicious cash transactions under the threshold limits.*
- *Not so much pressured as discouraged by the previous International Team when stepping into their sphere*

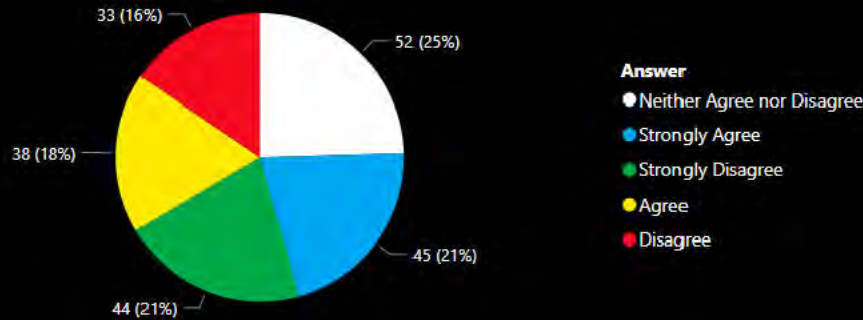
- 79% of survey respondents indicated they have never felt pressured by other employees to overlook potentially suspicious behaviour.
- It does not appear based on the survey responses that employees feel pressure to overlook or not report potentially suspicious behaviour.
- It appears that as staff have no visibility of what happens when they report suspicious behaviour they may not feel encouraged or motivated to continue reporting.

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
		<ul style="list-style-type: none"><li>▪ <i>With some patrons it would be indicated to to keep transaction under \$10,000. And play gaming machines where where no cheques are required.or to to put money into their membership card</i></li><li>▪ <i>Experienced colleagues may sometimes provide unsolicited feedback or conflicting interpretation of an event, often based off previous experience of accepted practices and/or customer rapport. Whilst the comments were not made with the intention to dissuade vigilance and promote money laundering, innocent comments can often create unintended pressure.</i></li><li>▪ <i>When i do report it to a manager, nothing gets done.</i></li></ul>	

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 5.2: Experience	<p>I have felt pressured by Crown customers to ignore, overlook or not report potentially suspicious behaviour which may indicate money laundering or other financial crime. You may provide a comment with your answer.</p>	<p>208 respondents answered this question</p>  <table border="1"> <caption>Survey Response Data</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Never</td> <td>162</td> <td>78%</td> </tr> <tr> <td>Rarely</td> <td>28</td> <td>13%</td> </tr> <tr> <td>Sometimes</td> <td>17</td> <td>8%</td> </tr> <tr> <td>Often</td> <td>1</td> <td>0%</td> </tr> <tr> <td>Constantly</td> <td>0</td> <td>0%</td> </tr> </tbody> </table> <p>Sample of comments from respondents:</p> <ul style="list-style-type: none"> <li>Customers involved in money laundering do this covertly.</li> <li>Customers are often not aware of reporting due to discretion. Any questions regarding threshold transactions will be answered with ethical rigidity, backed by management to following AML expectations.</li> <li>Id never listen to a customer saying that. Would cause more reason for suspicion i think.</li> <li>I work on the main gaming floor, where customers do not hold the same sort of influence that they can in premium areas, in spite of what they may think.</li> <li>To be fair, when there is a suspicious interaction, the customer is FAR more likely to try and sell a cover story, rather than overtly tell me to look the other way. The only instance I can think of this was years ago.</li> <li>The season players already knew how to beat the system. Only new and inexperienced players are ignorant of the austrec rules</li> <li>Never pressured by a patron, as they were already aware of their obligations and avoided where they could triggering suspicion.</li> </ul>	Answer	Count	Percentage	Never	162	78%	Rarely	28	13%	Sometimes	17	8%	Often	1	0%	Constantly	0	0%	<ul style="list-style-type: none"> <li>78% of survey respondents indicated they have never felt pressured by Crown customers to overlook suspicious behaviour.</li> <li>Participants noted that customers are more likely to try and convince staff of cover stories as opposed to overtly telling Crown staff to turn a blind eye to suspicious behaviour.</li> </ul>
Answer	Count	Percentage																			
Never	162	78%																			
Rarely	28	13%																			
Sometimes	17	8%																			
Often	1	0%																			
Constantly	0	0%																			

VIP customers are treated just the same as the non-VIP customers when it comes to how they are observed and reported at the Casino. You may provide a comment with your answer.

212 respondents answered this question



Sample of comments from respondents:

- *Absolutely not, VIP players are allowed to become intoxicated, assault staff, have sex in toilets, verbally abuse staff, spit at (or near) staff, and do dodgy transactions as a matter of routine in VIP areas.*
- *They pretty much have the run of the place, for instance I once had a VIP patron claim a losing bet was a colour change and her money was refunded, that wouldn't happen on the main floor*
- *VIPs are treated differently, they are VIPs.*
- *VIP customers are frequently treated in a preferential manner to non-VIP customers*
- *Vip customers get a completely different treatment money talks*
- *They get better treatment and dealers to there liking*
- *VIP customers are given whatever they want whenever they want. Crown probably dont want to keep VIP's waiting so corners do get cut.*
- *Regarding AML they are treated the same, however undesirable behaviour ie: aggressive behaviour they are treated differently*
- *They are allowed special privileges. We are asked to bend SOPs when dealing with high values customers..*
- *There is a very clear distinction between VVIP customers and main gaming floor customers. My understanding of VVIP is there is greater leniency with those customers and what they are able to do.*
- *Please ... it's a Casino. They are what pays the bills so they are given more rein*

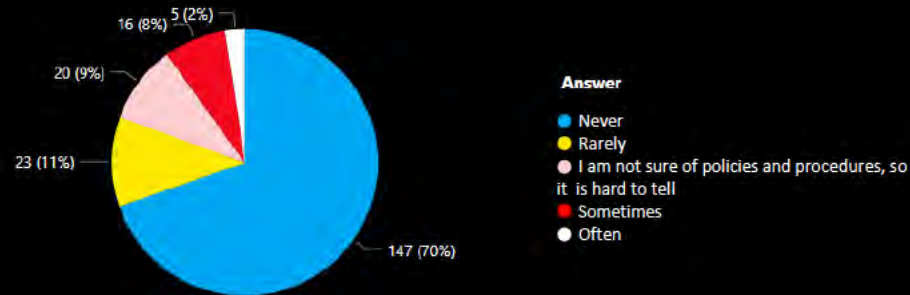
- 25% of survey respondents indicated they do not know whether VIP customers are treated the same as non-VIP customers in regards to ML.
- 39% of survey respondents indicated they do believe that VIP customers are treated the same as non-VIP customers in regards to ML.
- 37% of survey respondents indicated they do not believe that VIP customers are treated the same as non-VIP customers in regards to ML.
- Survey participants who have experience working in VIP areas or positions strongly disagree that VIP customers are treated the same as non-vip customers. Some responses noted that this attitude may have changed in the last two years.
- Staff also noted that VIP customers are tracked and under more scrutiny regarding their play than non-VIP customers.

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary															
		<ul style="list-style-type: none"> <li>▪ <i>VIP players are actually monitored more closely, however this is not necessarily about monitoring suspicious behavior and reporting it.</i></li> <li>▪ <i>In the past I would answer this question as Disagree as there were things that VIP customers did that were not reported. But now with the changes made / focus on compliance and reporting there is no differentiation. In fact I believe that the VIP customers will now come under more scrutiny and subjected to more reporting than a non- VIP.</i></li> <li>▪ <i>Given more leeway to cuss. But not as far as how monetary transactions go.</i></li> <li>▪ <i>Post lockdown this has been exactly what I have witnessed n</i></li> <li>▪ <i>In my experience yes for cash, TT's &amp; bank cheques. In hindsight better controls many years ago should have happened for the possible structuring that occurred in a few of Crown bank accounts</i></li> <li>▪ <i>In my experience, the VIP status of a customer has not been a consideration in the observation and reporting. If anything, higher level players are subjected to more scrutiny due to the inherent impact of their play on business.</i></li> <li>▪ <i>Crown sees and treats every customer with equality</i></li> </ul>																
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Section 5.4: Experience</p>	<p>How seriously do you perceive that Crown takes its AML obligations?</p>	<p>213 respondents answered this question</p> <table border="1"> <caption>Survey Results Data</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Very seriously</td> <td>139</td> <td>65%</td> </tr> <tr> <td>Somewhat seriously</td> <td>54</td> <td>25%</td> </tr> <tr> <td>Not particularly seriously</td> <td>16</td> <td>8%</td> </tr> <tr> <td>Not at all</td> <td>4</td> <td>2%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Very seriously	139	65%	Somewhat seriously	54	25%	Not particularly seriously	16	8%	Not at all	4	2%	<ul style="list-style-type: none"> <li>▪ 65% of survey respondents indicated they believe Crown is taking its AML obligations seriously.</li> <li>▪ 25% of survey respondents indicated they believe Crown is taking its AML obligations somewhat seriously.</li> </ul>
Answer	Count	Percentage																
Very seriously	139	65%																
Somewhat seriously	54	25%																
Not particularly seriously	16	8%																
Not at all	4	2%																



I have observed staff acting, or being directed by other Crown staff to act in a way that is contrary to Crown's AML policies and procedures. You may provide a comment with your answer.

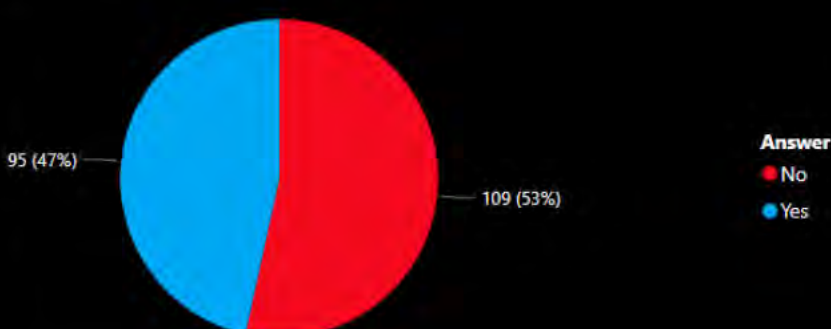
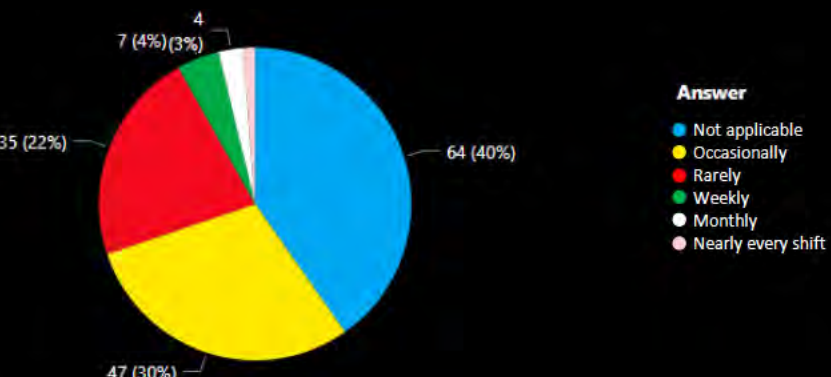
211 respondents answered this question



Sample of comments from respondents:

- *I have seen lower staff allow reductions in buy in but they have then been subject to additional training on improving their vigilance.*
- *At times I've heard of staff that have forgotten to complete reporting but not maliciously.*
- *They don't tell you to ignore the rules. They just won't follow them up depending on management and prior to covid. I havnt seen this as an issue now.*
- *never have i seen a manager tell another staff member to look the other way*
- *I've been told to just let it go because they think he's all good, despite all that I've seen with the customer*
- *Not in ways contrary to AML policies, but rushing through procedures that are important, in order to allow the customer to begin gaming and keep them happy.*
- *I have occasionally observed staff neglecting their reporting obligations through lack of knowledge or lack of understanding of their and Crown's obligations. I have actively coached and educated several employees on the correct procedures and their obligations to ensure compliance.*
- *Usually with threshold transactions being divided or a friend ID being used*
- *In the previous international sphere there was less likely to be a report made in accordance with the AML rules*
- *In the past this was much more common, since the recent focus on AML this has not been true.*
- *Handing cash back if it's a threshold transaction when the customer doesn't have id.*

- 70% of survey respondents indicated they have never observed staff acting or being direct to act in a way that is contrary to Crowns AML policies.
- It appears that most of the instances noted are due to a lack of training or awareness, not in order to deliberately breach AML policies. There were a few responses which related to threshold transactions being avoided with staff aware of what was happening.

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																					
		<ul style="list-style-type: none"> <li>If a customer hands over \$10000 and then doesn't want to fill in the paperwork for AUSTRAC, I've seen Area Managers allow the customer to take back \$100 and not fill in any paperwork for the customer</li> </ul>																						
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Section 5.6: Experience</p>	<p>I have personally witnessed behaviour that was suspicious and may have been indicative of money laundering at Crown Melbourne.</p>	<p>204 respondents answered this question</p>  <table border="1"> <caption>Section 5.6: Experience - Survey Results</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Yes</td> <td>95</td> <td>47%</td> </tr> <tr> <td>No</td> <td>109</td> <td>53%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Yes	95	47%	No	109	53%	<ul style="list-style-type: none"> <li>47% of survey respondents indicated they <u>have</u> personally witnessed behaviour which may <u>have</u> been indicative of money laundering.</li> <li>53% of survey respondents indicated they <u>have not</u> personally witnessed behaviour which may <u>have</u> been indicative of money laundering.</li> </ul>												
Answer	Count	Percentage																						
Yes	95	47%																						
No	109	53%																						
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Section 5.7: Experience</p>	<p>If yes to question 42, how often have you witnessed such behaviour?</p>	<p>157 respondents answered this question</p>  <table border="1"> <caption>Section 5.7: Experience - Survey Results</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Not applicable</td> <td>64</td> <td>40%</td> </tr> <tr> <td>Occasionally</td> <td>47</td> <td>30%</td> </tr> <tr> <td>Rarely</td> <td>35</td> <td>22%</td> </tr> <tr> <td>Weekly</td> <td>7</td> <td>4%</td> </tr> <tr> <td>Monthly</td> <td>4</td> <td>3%</td> </tr> <tr> <td>Nearly every shift</td> <td>4</td> <td>3%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Not applicable	64	40%	Occasionally	47	30%	Rarely	35	22%	Weekly	7	4%	Monthly	4	3%	Nearly every shift	4	3%	<ul style="list-style-type: none"> <li>30% of those who have witnessed potential money laundering behaviour noted they have witnessed this "occasionally"</li> </ul>
Answer	Count	Percentage																						
Not applicable	64	40%																						
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Weekly	7	4%																						
Monthly	4	3%																						
Nearly every shift	4	3%																						

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 5.8: Experience	<p>If you answered (a), (b) or (c) to question 43 and the activity or behaviour occurred in the last 3 months and was reported in accordance with Crown policy, please state the nature of the activity or behaviour witnessed.</p>	<p><b>Reported Incidents:</b></p> <ul style="list-style-type: none"> <li>▪ <i>A patron passed \$5,000 cash under the table to another patron who then bet with that cash. The original patron was rated correctly as having bought in with that cash</i></li> <li>▪ <i>Proxy betting over the phone. Patron identified. Betting stopped and removed by security.</i></li> <li>▪ <i>Threshold transactions, Suspicious transactions just below the threshold, Large non-threshold transactions with little or no play</i></li> <li>▪ <i>Split payment between two or more patrons that combines total chips payout more than \$10k (different cashiers and or different cage).</i></li> <li>▪ <i>I have observed just about every type of suspect transaction possible; structuring to avoid having to provide ID, large transactions not commensurate with rated play, loan sharking, unknown sources of chips and cash. They are usually reported by 3rd parties and investigated by my team.</i></li> <li>▪ <i>Bill stuffing remote gaming terminals, Patrons presenting significant value of cash chips at the cage without corresponding gaming ratings, Patrons exchanging chips between each other, Large cash buy-ins with no rated gaming</i></li> <li>▪ <i>A customer persistently not able to hand over Identification and then saying he had \$40,000 more in chips at home.</i></li> <li>▪ <i>Potential bill stuffing by twocustomers, collecting cheques with minimal gaming activity</i></li> <li>▪ <i>Patrons cashing in large amounts of cash in several different transactions</i></li> <li>▪ <i>people doing money exchange on the floor. E.G, patron can transfer another patron RMB and get AUD</i></li> <li>▪ <i>Structuring of chip cashouts</i></li> <li>▪ <i>I don't remember any specific incident. But at the end of the day, you don't know where people source their cash to gamble from. It seems like an impossible task to truly uncover.</i></li> <li>▪ <i>Few patrons coming in at once with payout chips between \$4k - \$9500 for each patron.</i></li> <li>▪ <i>Customer X cashes out \$7,000. Customer Y cashes out \$5,000 and then hands that cash to Customer X.</i></li> <li>▪ <i>Patrons exchanging relatively large amounts of cash for casino chips when they already have casino chips in their possession, but not sufficiently large that it hits any specific requirements to be reported.</i></li> <li>▪ <i>Reported to manager, unsure if it was submitted</i></li> <li>▪ <i>Giving money back to avoid austrac transaction</i></li> </ul>	

## Section 5.9: Experience

If you are aware of examples of indications of money laundering or suspicious behaviour not being reported in accordance with Crown policy, why do you think reporting is not done?

**Sample of comments from respondents:**

- *Too much hassle for Area Managers and not enough support from their superiors, who have an interest in permitting that behaviour*
- *Expediency, simply too much trouble for managers to both with*
- *Because uncovering money where customers source money is very difficult. This is beyond Crown's reach.*
- *Reporting is done by frontline workers as is required. Those reports have then been ignored at higher levels.*
- *Laziness, extra work.*
- *I am unaware of any such instances*
- *From my experience they are reported.*
- *Complacency and a feeling of "Not my responsibility". One example was the lack or initial reporting of large cash transactions occurring via the SunCity group and the money kept on hand by that group*
- *Reporting does not get done because often certain managers make us feel like we cannot approach them about issues. It's also dependent on the managers capabilities. In VIP, the VSE know each specific managers personality and we always have to cater to that. Often issues will not get reported if there are specific managers on as the staff do not feel they can approach those managers.*

*Furthermore, during an open discussion, one of our VIP managers asked a question to our Gaming Machines Operations Manager (now Integrity Manager) and was shut down. The VIP manager asked what staff should do if the manager they approach regarding an AML issue, doesn't listen to them, or even worse if a manager asks them to do something that is not compliant. The Integrity Manager simply stated "none of our managers would do that. They have all received training and that wouldn't happen."*


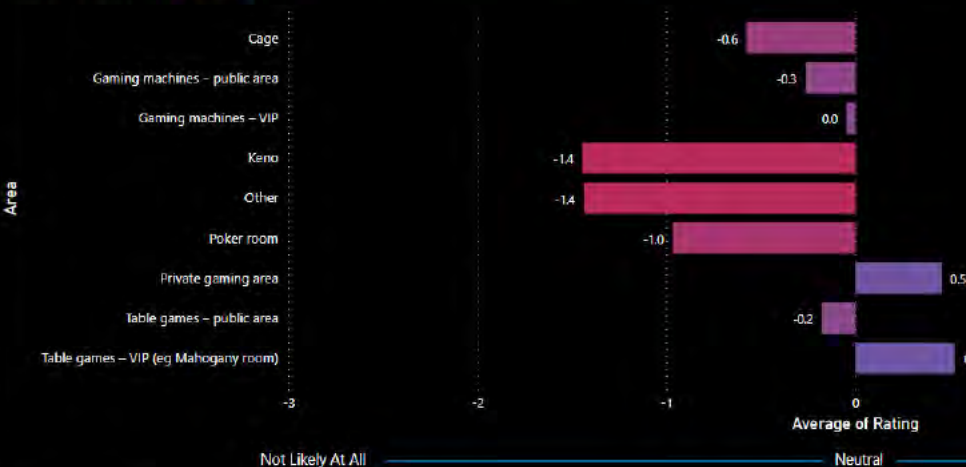
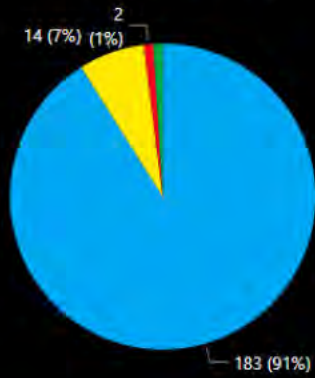
*For our upper managers to not even consider this could be a possibility is frustrating and definitely fosters an environment where staff just do not feel comfortable speaking up about things they see. And that wasn't even a VSE (frontline) staff that raised this issue, it was someone else of authority.*

- *The manager or managers think is not necessary because under \$10k payout.*
- *I am not aware of any examples, but my only guess would be ignorance regarding the process or ignorance regarding the behavior being suspicious.*
- *Due to the lack of knowledge people want to keep there jobs, bullying occurs*
- *Suspicious behaviour prior to January 2021 was not reported. Since the training in January of this year, suspicious behaviour seems to be reported.*
- *I am not aware of examples. However, lack of ethical reinforcement from management results in different interpretations of Crown's policy.*

The most common responses by participants are below:

- Laziness / Extra Work
- They are all reported
- Management decide its not worth reporting – staff unsure if it gets reported
- Lack of knowledge by staff
- Lack of ethical reinforcement of Crown policies
- Indifference by management

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
		<ul style="list-style-type: none"> <li>▪ <i>50% of Management dont care, or are swamped with other work to follow it up. I believe not enough training is often given to managment so they dont feel they are capable of doing the task. 50% do follow up and are effective at their job.</i></li> <li>▪ <i>Not enough training for frontline staff. Not enough time on shift for us to properly have time to report ect. Management dont seem to care, seems to be a 'lets make as much money as possible, at any cost' motto Crown follow, pre-covid19 at least.</i></li> <li>▪ <i>I'm not aware of any... But i would think that it is due to the persons own understanding and whether or not they formed the opinion of whether or not to report it.</i></li> <li>▪ <i>I am only aware of instances where this was not done due to misunderstanding of reporting requirements or obligations and once I became aware of this these instances were correctly reported.</i></li> <li>▪ <i>Speaking for myself, I'm more interested in just getting through the shift. I'm not a big fan of the work culture there, so I go in and do what I think is expected of me then go home.</i></li> <li>▪ <i>Staff unaware of the types of money laundering and do not have the training/experience to recognise it as being suspicious.</i></li> <li>▪ <i>The avenues for reporting exist, but it is inefficient. Bottom level employees expected to report such behaviour on their breaks, rather than on paid time.</i></li> <li>▪ <i>I think sometimes it's laziness and also lack of training for the managers.</i></li> <li>▪ <i>The gaming floor was too busy, the incidents might have slipped managers/supervisors' minds. Or they simply did not care, as it was more important to them about how much cash flow their gaming area made or an hour than where the money came from. There is hourly performance target for the gaming activities at each opened table game.</i></li> </ul>	

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																				
Section 5.10: Experience	<p>Rate the likelihood of money laundering occurring in each of these areas of the casino:(Where: 5 is highly likely; and 0 is not at all likely) -</p>	<p>Rate the likelihood of money laundering occurring in each of these areas of the casino:</p> <p>Average of Rating -3.00  3.00</p>  <table border="1"> <caption>Average of Rating by Area</caption> <thead> <tr> <th>Area</th> <th>Average of Rating</th> </tr> </thead> <tbody> <tr> <td>Cage</td> <td>-0.6</td> </tr> <tr> <td>Gaming machines - public area</td> <td>-0.3</td> </tr> <tr> <td>Gaming machines - VIP</td> <td>0.0</td> </tr> <tr> <td>Keno</td> <td>-1.4</td> </tr> <tr> <td>Other</td> <td>-1.4</td> </tr> <tr> <td>Poker room</td> <td>-1.0</td> </tr> <tr> <td>Private gaming area</td> <td>0.5</td> </tr> <tr> <td>Table games - public area</td> <td>-0.2</td> </tr> <tr> <td>Table games - VIP (eg Mahogany room)</td> <td>0.5</td> </tr> </tbody> </table>	Area	Average of Rating	Cage	-0.6	Gaming machines - public area	-0.3	Gaming machines - VIP	0.0	Keno	-1.4	Other	-1.4	Poker room	-1.0	Private gaming area	0.5	Table games - public area	-0.2	Table games - VIP (eg Mahogany room)	0.5	
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Table games - VIP (eg Mahogany room)	0.5																						
Section 5.11: Experience	<p>Casino staff may be vulnerable to corruption by criminals, including money launderers. Have you been approached by someone who has offered you something or threatened you in order to induce you to "bend the rules"?</p>	<p>199 respondents answered this question</p>  <table border="1"> <caption>Answer Distribution</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>No - never</td> <td>183</td> <td>91%</td> </tr> <tr> <td>Yes - 2019 or before</td> <td>14</td> <td>7%</td> </tr> <tr> <td>Yes - in 2020</td> <td>2</td> <td>1%</td> </tr> <tr> <td>Yes - in 2021</td> <td>2</td> <td>1%</td> </tr> </tbody> </table>	Answer	Count	Percentage	No - never	183	91%	Yes - 2019 or before	14	7%	Yes - in 2020	2	1%	Yes - in 2021	2	1%	<ul style="list-style-type: none"> <li>91% of survey respondents indicated they have never been approached by someone in order to induce them to 'bend the rules'.</li> </ul>					
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No - never	183	91%																					
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Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary															
Section 5.12: Experience	Do you feel equipped to recognise and rebuff approaches from people who try to induce you to "bend the rules"?	<p>198 respondents answered this question</p> <p>A pie chart with four segments: a large blue segment (72%), a yellow segment (13%), a red segment (10%), and a small green segment (5%).</p> <table border="1"> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Yes - it is part of my training from Crown</td> <td>143</td> <td>72%</td> </tr> <tr> <td>Yes - I have learnt this from colleagues on the job</td> <td>26</td> <td>13%</td> </tr> <tr> <td>Not sure – but I don't think it is much of a risk</td> <td>20</td> <td>10%</td> </tr> <tr> <td>No - and I do feel a bit vulnerable</td> <td>9</td> <td>5%</td> </tr> </tbody> </table> <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>Yes - it is part of my training from Crown</li> <li>Yes - I have learnt this from colleagues on the job</li> <li>Not sure – but I don't think it is much of a risk</li> <li>No - and I do feel a bit vulnerable</li> </ul>	Answer	Count	Percentage	Yes - it is part of my training from Crown	143	72%	Yes - I have learnt this from colleagues on the job	26	13%	Not sure – but I don't think it is much of a risk	20	10%	No - and I do feel a bit vulnerable	9	5%	<ul style="list-style-type: none"> <li>72% of survey respondents indicated they feel equipped to rebuff approaches from people who try to induce them to bend the rules, due to the training they have received.</li> </ul>
Answer	Count	Percentage																
Yes - it is part of my training from Crown	143	72%																
Yes - I have learnt this from colleagues on the job	26	13%																
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Section 5.13: Experience	If you found yourself getting unwanted attention from people who would seek to use you to facilitate money laundering or other financial crime, what would you do?	<p>200 respondents answered this question</p> <p>A pie chart with four segments: a large blue segment (79%), a yellow segment (14%), a red segment (6%), and a small green segment (3%).</p> <table border="1"> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Advise my supervisor and be confident that I would get assistance from Crown</td> <td>157</td> <td>79%</td> </tr> <tr> <td>It has never happened to me or anyone I know</td> <td>27</td> <td>14%</td> </tr> <tr> <td>Other</td> <td>11</td> <td>6%</td> </tr> <tr> <td>Keep it to myself and hope it stops</td> <td>5</td> <td>3%</td> </tr> </tbody> </table> <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>Advise my supervisor and be confident that I would get assistance from Crown</li> <li>It has never happened to me or anyone I know</li> <li>Other</li> <li>Keep it to myself and hope it stops</li> </ul>	Answer	Count	Percentage	Advise my supervisor and be confident that I would get assistance from Crown	157	79%	It has never happened to me or anyone I know	27	14%	Other	11	6%	Keep it to myself and hope it stops	5	3%	<ul style="list-style-type: none"> <li>79% of survey respondents indicated they would advise their supervisor if they found themselves getting unwanted attention from people who would seek to use them to facilitate money laundering.</li> </ul>
Answer	Count	Percentage																
Advise my supervisor and be confident that I would get assistance from Crown	157	79%																
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Other	11	6%																
Keep it to myself and hope it stops	5	3%																

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 5.14: Experience	<p>Do you have any observations regarding the current level of activity at the casino now compared to pre-COVID including in relation to levels of indications of money laundering or associated suspicious activity?</p>	<p><b>Sample of comments from respondents:</b></p> <ul style="list-style-type: none"> <li>▪ <i>It's likely less but more is reported due to increased AML awareness among staff; the inclusion of repotting anything unusual not just suspicious and the use of the AML portal.</i></li> <li>▪ <i>The difference is night and day. Previously we were very good at reporting, but rarely investigated the source of funds. We have since created whole teams of industry experts who's only job is to investigate our patrons source of wealth/funds.</i></li> <li>▪ <i>Staff &amp; management are trained to be more alert</i></li> <li>▪ <i>It seems that international "VVIP" players are the epicentre of money laundering. As this has been severely curtailed by the pandemic it seems to have slowed down.</i></li> <li>▪ <i>Suspicious activity is more noticeable as there are less patrons. All department across the property are on the same page and the reporting of such activity is quickly acted upon.</i></li> <li>▪ <i>crown have become more vigilant at monitoring buy ins at table games</i></li> <li>▪ <i>There is a lot more reporting now. Staff are also reporting on a larger variety of indicators. It is clearly becoming a greater focus across the business.</i></li> <li>▪ <i>Crown has been very vigilant since coming back post covid and are very determined to keep the Casino clean and free of money laundering to the best of their abilities.</i></li> <li>▪ <i>The change in process now is significant compared to previous times</i></li> <li>▪ <i>There have been many changes made in regards to sending money to Crown bank accounts that have made "potential" laundering much more difficult if that is our patron's intentions. This also applies to cash presented at Crown. Both of these changes have made it much less likely that laundering is occurring.</i></li> <li>▪ <i>staff (particularly in Table Games) have been much more proactive in reporting suspicious activity. It's hard to tell if the volume of suspicious activity is higher or just how often it's being reported</i></li> <li>▪ <i>I think the same indicators exist. We're now just better trained and more aware of them. I'm also in a position where most AML concerns funnel through my team directly, so my view on this may be skewed.</i></li> <li>▪ <i>Since the media expose of Crown's involvement in money laundering, criminals have been cautious, they are less obvious.</i></li> <li>▪ <i>AML is now front of mind. We have had many changes to our policies and procedures and AML processes are always being raised to ensure compliance</i></li> </ul>	<p>Main themes noted through survey responses are:</p> <ul style="list-style-type: none"> <li>▪ Less international visitors has noted a drop in potential money laundering</li> <li>▪ Media attention and inquiries have increased focus on AML and reporting</li> <li>▪ Suspicious activity is more noticeable now due to less customers</li> </ul>



Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 5.15: Experience	<p>What more do you think Crown could be doing to improve the deterrence, detection and reporting of money laundering or other financial crime?</p>	<ul style="list-style-type: none"> <li>▪ <i>I believe we are doing very well now on this issue. The increased focus and process changes including KYC. The requirement for SOF forms to be completed once \$25k cash has been presented by a customer in a day. All brings more scrutiny on the financial transaction. Going cashless would be my only suggestion of improvement.</i></li> <li>▪ <i>More regulation within the frame work of the loyalty program. Regulation in the use of unsupervised automatic table games. More presence of vcglr staff on the gaming floor including VIP areas</i></li> <li>▪ <i>Increased staffing levels for the AML and Surveillance teams.</i></li> <li>▪ <i>Going to a cashless system of gambling could all but eliminate money laundering. But that would be a major adjustment.</i></li> <li>▪ <i>A training day aimed at all staff that is in person with a qualified staff member who is confident.</i></li> <li>▪ <i>Teaching by government (not e-learning) employees on this subject.</i></li> <li>▪ <i>Actually caring about it would help alot. Proper training for staff, promoting and encouraging staff to report it, and giving them time during work to even do so.</i></li> <li>▪ <i>Physical Identification to be presented and recorded on every gaming floor entry point.</i></li> <li>▪ <i>Crown should change their culture so they aren't so desperate for money. It's kind of embarrassing really. Simply stop being so money hungry and raise the standards.</i></li> <li>▪ <i>Only accept bank transfers or have a tap an go system so we know all the money is coming from financial institutions.</i></li> <li>▪ <i>all players could be required to have carded play, that way money swapped for chips on tables or inserted to EGM's can be recorded as they move around and get unnoticed</i></li> <li>▪ <i>Working together with AUSTRAC and Law enforcement.</i></li> <li>▪ <i>The current approach is good so far. It shows patrons that they are not exempt or above the rules set out by the government and Crown.</i></li> <li>▪ <i>crown is doing everything possible to keep this matter in check</i></li> <li>▪ <i>Lower threshold transaction limits than those required by the Government. Better vetting of junket operators and members.</i></li> </ul>	

## Section 5.16: Experience

Please outline below any other matters that you feel would be important or valuable to share with the Commission, including in relation to money laundering or financial crime.

- *The switch towards a greater use of electronic table games, where the customer plays on a screen rather than with a dealer directly, lends a new opportunity to potentially launder money while removing an element of direct human oversight. Players can feed money into the machine, take it out, feed that gaming ticket along with several others into another machine, take it out, consolidating smaller amounts into larger "winnings" all without necessarily having their actions seen or questioned by a dealer. This could lead to greater ease of "cleaning" smaller amounts of illegal funds, and when done by an organised group, could potentially result in large quantities of money being discretely laundered.*
- *You need outside people undercover that have the responsibility of looking for illegal activity on the Casino Floor. Hoping that 'Crown' Staff will report it is a fantasy*
- *All players in Pit 8, Maple Room should be carded. Too many patrons playing uncarded and funds can't be tracked. Patrons not being tracked for their buy ins, however then cash out large amounts of chips at the cages which can't be verified by their ratings.*
- *I think in gaming machines AML is spoken about and our managers tell us we should look out for it but I think it is all just to comply with crowns rules. I personally feel as though AML is taken seriously but is not very well explained to staff. In gaming machines, I am not sure what exactly I should be looking for. I know what money laundering is but not entirely sure how it directly could relate to gaming machines and what the obvious signs are. I do believe that if I was to report it to my managers they would report it to people higher up but once again I feel like that is just to comply with crowns rules and to meet report targets.*
- *The commission is purely costly theatre to appease the public that the government cares about these issues. The amount of tax the government receives from the casino is a great benefit to the public. The The casino cannot reasonably be expected to stop ALL money laundering and financial crimes. The procedures and policies in place are sufficient, but criminals will always take advantage of financial systems.*
- *In my time at Crown, I can list many many times where things have been either covered up, not reported to the VCGLR as required, or a blatant disregard for the law/casino control act have occurred. Long serving Middle Management is the issue, not the recent board members that resigned. They think they are above the law, and make decisions that are not in-line with Crown's policies or their requirements under the law.*
- *Crown is a sewer, the workplace culture is toxic and the company profits the more money comes in. Players are allowed to get away with murder so long as they keep playing. Crown's attitude toward the law and regulation is to be seen to do enough to keep the heat off, while continuing to push the envelope. Crown cannot be trusted to abide by the law, any serious investigation will prove damning. I encourage the commission to delve deep and not let Crown get off scot free*
- *I have seen with my own eyes a pokies player having there play button pinned in the play position and staff member standing there talking to them and not say anything. This was after the reports laid out in the government chamber my a member*
- *It was clear from early on that highly suspicious activity was occurring in the Sun City Salon in Pit 86. They never should have been allowed to operate their own cash desk. Unknown people would frequently come into the pit, deposit large amounts of cash, and then leave*

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
		<p><i>immediately without playing. This behavior was regularly reported up the managerial chain but little ever happened.</i></p> <ul style="list-style-type: none"> <li>▪ <i>I continue to believe that it is our job to report suspicious and unusual activity. I will continue to do this whenever it occurs. In my opinion, Crown has always supported the reporting of unusual or suspicious activity. We are not the police and should not be expected to do their role.</i></li> <li>▪ <i>reporting has improved, and customer background checks have greatly improved, but more can always be done</i></li> <li>▪ <i>None really but I am at the bottom of the food chain in regards to Casino employees and I find it mind blowing how management allowed such dubious and highly unethical practices to be a part of every day business for Crown. I believe that this comes from pressure to meet bottom line budgets and over the last decade we have seen job cuts,management restructures and tweaks to table games to increase the bottom line and when this can't be done anymore management looks for other ways to increase revenues. Those employees whose remuneration is dependent on meeting or exceeding budget tend to lose sight of what is ethically right or wrong as they are more worried about getting a bonus.Just do the job for which you are paid for. And a lot of these people are still in upper management positions,have they been asked why they allowed the highly questionable private gaming rooms and junket action to continue. I do feel that dealers are being preached about money laundering and suspicious activities but we are not the problem here,it is the management who allowed these practices to go on to keep the patron with the cash happy.</i></li> <li>▪ <i>The culture starts at the top and flows down I am not convinced that the current CEO has fully embraced the required change in culture from pre-Covid times</i></li> <li>▪ <i>It is a very different world and culture here now than it was two years ago.</i></li> <li>▪ <i>The key issues raised over the last few years have related to junkets and other casino groups operating within Crown (Sun City, for example). These have had sweeping changes, where Crown no longer associates with these groups. Additional check are now performed on VIP patrons with much more scrutiny overall. While I believe that ML issues can never be entirely eliminated from the casino, Crown is trying to address as many issues as it can.</i></li> <li>▪ <i>Prior to January 2021 Crown had a no questions asked approach to customers brining money into the casino. e.g. the amount brought in, amount gambled away, was the patrons private business. Staff were not encouraged to question or report suspicious behaviour. VIP's were treated in this way to a greater degree than the general public.</i></li> <li>▪ <i>As previously mentioned, the maple room is an area where patron can play "under the radar". This then makes it extremely difficult to follow our AML procedures when patrons come to cash out as we are unable to verify their play.</i></li> </ul>	

## APPENDIX F Survey of AML, Compliance and Risk employees

### Results

In this appendix we set out the results of the survey of employees in roles across the AML, Compliance, Risk assurance and audit and Legal teams to gain their views in relation to AML/CTF matters. The results include all quantitative responses. A balanced selection of qualitative responses has been provided together with McGrathNicol's assessment of the themes of the comments made by respondents.

#### Demographic data



Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 2.1 :Money laundering	In your own words please describe your understanding of the term "money laundering".	<p>26 respondents answered this question</p> <p><b>Sample of comments from respondents<sup>1</sup>:</b></p> <ul style="list-style-type: none"> <li>▪ <i>'A process (through minimal gambling, money transfer etc.) whereby someone tries to covert money that was obtained 'illegally' or 'illegitimately' into 'clean' or 'legitimate' money.'</i></li> <li>▪ <i>'Money laundering is the process whereby the proceeds of crime are placed, layered then integrated into the banking systems for the purpose of legitimization.'</i></li> <li>▪ <i>'The process through which a criminal group deals with money in a way that conceals its criminal origin and gives it the appearance of having been legitimately obtained.'</i></li> <li>▪ <i>'Under Australian law, money laundering will commonly relate to both (a) dealing with the proceeds or instruments of crime, as well as (b) the process of obfuscating the illicit nature of funds through the stages of placement, layering and integration.'</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Survey participants who answered this question provided clear and accurate descriptions of money laundering.</li> </ul>


<sup>1</sup> These are verbatim comments, no corrections have been made to spelling or grammar

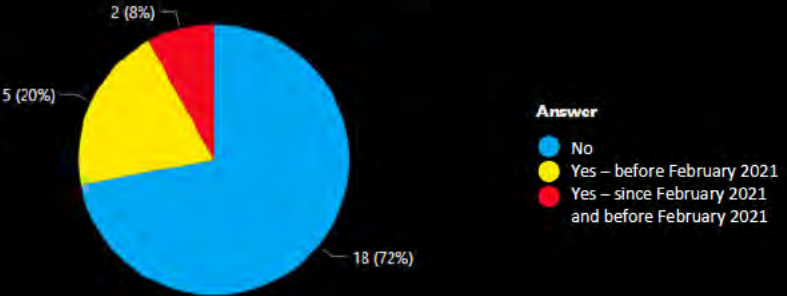
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Section 2.2: Money Laundering</p>	<p>At the current time how likely is it that money laundering is occurring at Crown Melbourne?</p>	<p>39 respondents answered this question</p> <table border="1"> <caption>Survey Response Data</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Likely</td> <td>8</td> <td>31%</td> </tr> <tr> <td>Unlikely</td> <td>8</td> <td>31%</td> </tr> <tr> <td>Highly Likely</td> <td>5</td> <td>19%</td> </tr> <tr> <td>Very Unlikely</td> <td>3</td> <td>12%</td> </tr> <tr> <td>Extremely Likely</td> <td>2</td> <td>8%</td> </tr> </tbody> </table> <p><b>Answer</b></p> <ul style="list-style-type: none"> <li><span style="color: green;">●</span> Likely</li> <li><span style="color: pink;">●</span> Unlikely</li> <li><span style="color: yellow;">●</span> Highly Likely</li> <li><span style="color: red;">●</span> Very Unlikely</li> <li><span style="color: blue;">●</span> Extremely Likely</li> </ul> <p><b>Sample of comments from respondents:</b></p> <ul style="list-style-type: none"> <li>▪ <i>I think that Crown is doing it's best in monitoring such activities and that it is least likely to be happening in the current time.</i></li> <li>▪ <i>AML as always worked closely with AUSTRAC to align the process with the requirement of the regulator. The mindset and training put forward to all employee reinforce the awarness and the escalation to anything presenting as wrong. However, the criminals are always trying to bit the system and controls in place. we could still face a very remote activity. but I am confident that we have the sysem and tools to identify those, even after fact as the message from top is very clear, crown does not have appetite for criminal activity.</i></li> </ul>	Answer	Count	Percentage	Likely	8	31%	Unlikely	8	31%	Highly Likely	5	19%	Very Unlikely	3	12%	Extremely Likely	2	8%	<ul style="list-style-type: none"> <li>▪ 58% of survey respondents indicated they believe money laundering is occuring at Crown Melbourne at the current time.</li> <li>▪ 26% thought it was Highly or Extremely Likely</li> <li>▪ 42% thought it was Unlikely or very Unlikely</li> </ul> <p><b>Themes of respondents' comments</b></p> <ul style="list-style-type: none"> <li>▪ The casino is targeted by money launderers.It is impossible to eliminate money laundering in casinos, as it is in banks .</li> <li>▪ Crown has implemented many processes and policies to help identify and report potential money laundering but it is impossible to eliminate completely.</li> <li>▪ Crown does not have an appetite for criminal activity.</li> <li>▪ Crown has lots of controls and processes which make it hard to launder money.</li> <li>▪ Crown has increased its training around AML.</li> </ul>
	Answer	Count	Percentage																		
Likely	8	31%																			
Unlikely	8	31%																			
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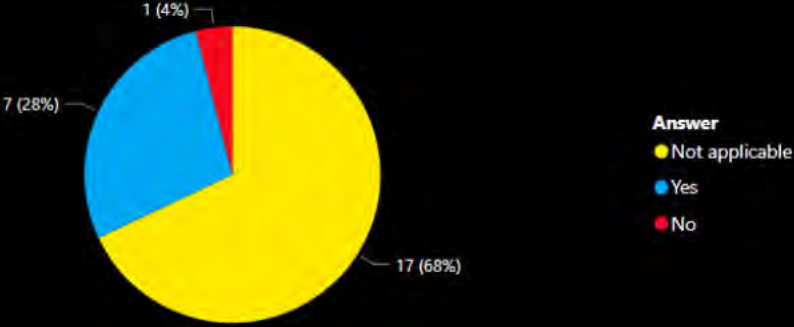
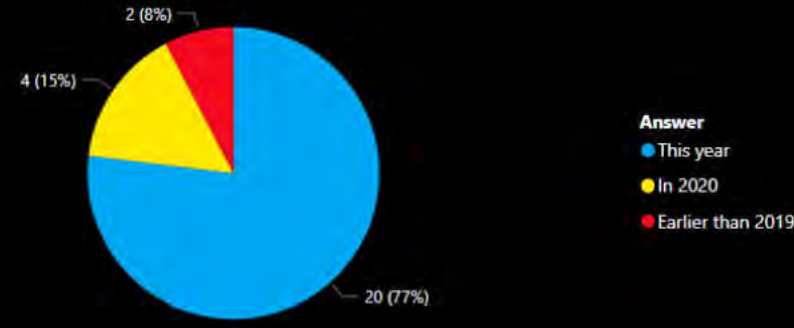
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 2.3: Money laundering	<p>At the current time, in your own opinion, how likely is it that money laundering is occurring at Crown Melbourne?</p>	<ul style="list-style-type: none"> <li>▪ <i>All banks and non-bank financial institutions (of which Crown is one) are targeted by money launderers seeking to introduce or layer proceeds of crime during the money laundering cycle. This occurs at all levels of crime, from street level drug dealers seeking to introduce small sums of several thousand dollars, to senior organised crime figures seeking to integrate large amount of funds for their use and enjoyment (or reinvestment). No bank or NBF is able to prevent money laundering perfectly, and casinos (among others) are therefore always going to be targeted to be the victim of money launderers.</i></li> <li>▪ <i>It is impossible to completely eliminate the risk that customers are dealing with the proceeds of crime while participating in gaming activity at any casino, just as it would be for traditional banking customers interacting with the financial system. However, Crown is hardening the environment against these risks through additional controls and monitoring, to reduce the impact and scale of these risks.</i></li> <li>▪ <i>As a Casino operator, Crown is susceptible to Money laundering. Casinos are a common vehicle across the world for criminals to clean their money and casinos have controls in place to mitigate that risks.</i></li> <li>▪ <i>The Casino is vulnerable to ML. You cannot eliminate it however you can disrupt and deter such activity through identification and mitigation. In fairness to the casino sector, it's my view that no one in the financial sector such as banks could say ML is not occurring in their business.</i></li> <li>▪ <i>Crown has a large number of processes in place to assist with ensuring money laundering does not occur, however, it is still likely that it occurs.</i></li> <li>▪ <i>Over the years we have strengthened our AML training across all departments and staff are alert to large transactions involving cash</i></li> <li>▪ <i>This has become a huge focus with training upgraded to include more examples of what to look out for as well as a push for "any doubt speak up and report"</i></li> </ul>	

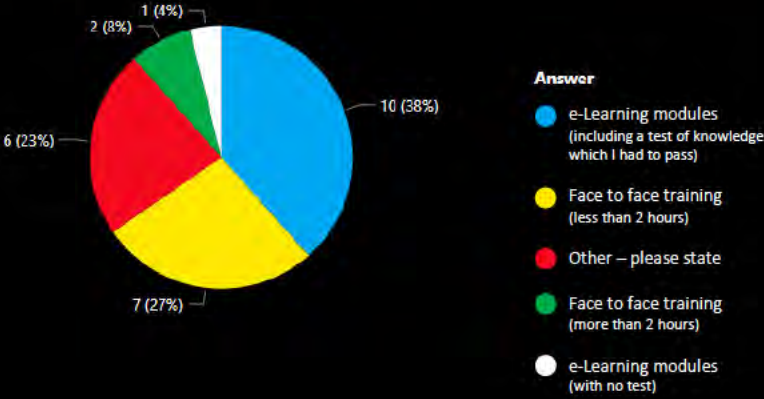
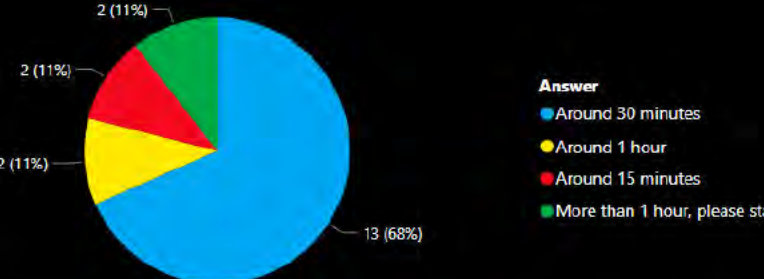
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 2.4: Money laundering	Thinking back to the times before COVID, in your opinion, how likely is it that money laundering activities were then being undertaken at Crown?	<p>26 respondents answered this question</p> <table border="1"> <caption>Response Distribution</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Highly Likely</td> <td>8</td> <td>31%</td> </tr> <tr> <td>Likely</td> <td>7</td> <td>27%</td> </tr> <tr> <td>Extremely Likely</td> <td>6</td> <td>23%</td> </tr> <tr> <td>Very Unlikely</td> <td>3</td> <td>12%</td> </tr> <tr> <td>Unlikely</td> <td>2</td> <td>8%</td> </tr> </tbody> </table> <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>● Highly Likely</li> <li>● Likely</li> <li>● Extremely Likely</li> <li>● Very Unlikely</li> <li>● Unlikely</li> </ul> <p><b>Sample of comments from respondents</b></p> <ul style="list-style-type: none"> <li>▪ <i>Controls in place and resourcing was not adequate</i></li> <li>▪ <i>Based on my visibility of historic transaction and information that has come out in public inquiries.</i></li> <li>▪ <i>Before COVID there was very little as far as AML processes in place. Also there was a lot more international customers.</i></li> <li>▪ <i>As above, the risk of money laundering will always exist, prior to COVID, Crown did not have as many measures in place to mitigate and manage those risks.</i></li> <li>▪ <i>With the evidence presented in the Bergin inquiry, i believe there were failings that allowed money laundering to occur.</i></li> <li>▪ <i>It is likely that indicators that may suggest money laundering occurred given evidence from the Bergin inquiry</i></li> <li>▪ <i>There is always a likelihood but pre-COVID was a more cash based society so cash money was easier to accumulate and use in a casino..</i></li> <li>▪ <i>Taking into consideration the size of crown business, the numbers of transactions, the training and the controls in place, it is still very unlikely that those type of criminal activity took place in a large scale in the Casino. However, it is good to see the new team set up and structure to reinforce the existing.</i></li> </ul>	Answer	Count	Percentage	Highly Likely	8	31%	Likely	7	27%	Extremely Likely	6	23%	Very Unlikely	3	12%	Unlikely	2	8%	<p><b>McGrathNicol summary</b></p> <ul style="list-style-type: none"> <li>▪ 81% of survey respondents indicated they believe money laundering was likely to be occurring at Crown Melbourne prior to COVID</li> <li>▪ 23% of survey respondents indicated they believe it was extremely likely that money laundering was occurring.</li> </ul> <p><b>Themes of respondents' comments</b></p> <p>The comments provided attribute their assessment of the higher likelihood of ML occurring prior to COVID due to:</p> <ul style="list-style-type: none"> <li>▪ The Bergin Inquiry findings</li> <li>▪ Under-resourced AML Team</li> <li>▪ Fewer measures to mitigate the risks</li> <li>▪ Inadequate controls</li> <li>▪ More international customers</li> </ul>
Answer	Count	Percentage																			
Highly Likely	8	31%																			
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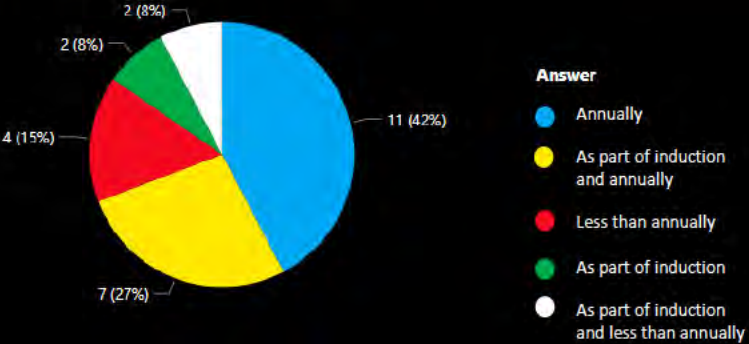
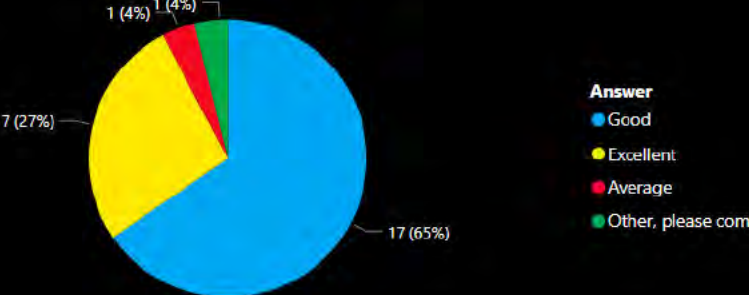


Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 2.5: Money laundering	<p>Do you think that money laundering is more or less likely to be occurring now than before COVID?</p>	<p>25 respondents answered this question</p>  <p>Answer</p> <ul style="list-style-type: none"> <li>● Less likely now than pre COVID</li> </ul> <p>Sample of comments from respondents</p> <ul style="list-style-type: none"> <li>▪ <i>The Control body of Crown including AML, Risk Management, Compliance and Audit have grown significantly. That create a more complex control web that aim to catch very quickly any wrong doing, including money laundering.</i></li> <li>▪ <i>At the present time we have no international or junket programs.</i></li> <li>▪ <i>Significant attention to ML risks, coupled with meaningful enhancements of controls, to me suggests that ML is detected at a greater rate and action is taken to cease relationships and prevent reoccurrence of laundering or other suspicious activity.</i></li> <li>▪ <i>Reduced due to: no more junkets, no more third party transfers and no more cash deposits in bank account have gotten rid of the most likely source of money laundering in casinos</i></li> </ul> <p><i>Our tightening of the internal process is limiting &amp; detecting any suspicious activity</i></p>	<ul style="list-style-type: none"> <li>▪ 100% of the survey respondents believe that money laundering is less likely to be occurring now than pre-COVID.</li> </ul> <p>Themes of respondents' comments</p> <ul style="list-style-type: none"> <li>▪ Increased focus Crown and management have placed on AML risks and processes</li> <li>▪ Less travel and international customers</li> <li>▪ No junkets present</li> <li>▪ Enhancement of training programs</li> <li>▪ Deterrence for criminals due to media scrutiny</li> </ul>

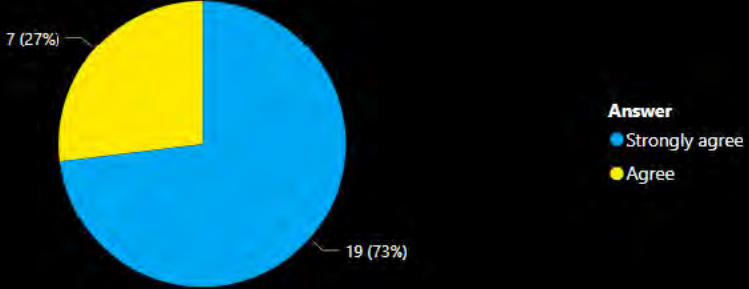
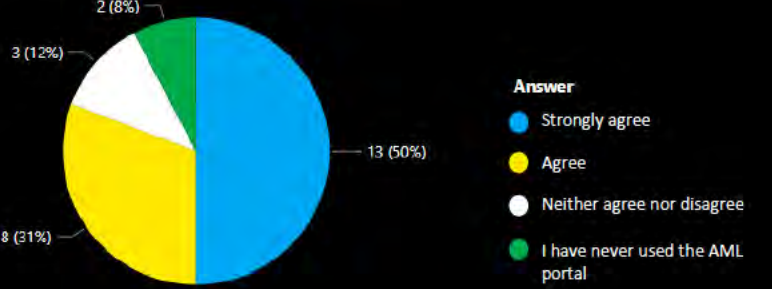
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 2.6: Money Laundering	<p>I have personally witnessed behaviour that was suspicious and may have been indicative of money laundering at Crown Melbourne.</p>	<p>25 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>● No</li> <li>● Yes – before February 2021</li> <li>● Yes – since February 2021 and before February 2021</li> </ul> <p><b>Sample of comments made regarding suspicious activities witnessed:</b></p> <ul style="list-style-type: none"> <li>▪ <i>I work in the AML team and therefore seen a range of suspicious activities. A few example are as below:</i> <ul style="list-style-type: none"> <li>- Structuring</li> <li>- Bill Stuffing</li> <li>- Unknown Source of chips</li> <li>- Cash outs with no corresponding rated play</li> </ul> </li> <li>▪ <i>Unexplained source of wealth; sending program winnings to a third party; large cash buy-ins; bags of cash</i></li> <li>▪ <i>Given my role in the AML space I see activities through transaction monitoring of behaviour that is suspicious, This includes structuring of transactions, gaming trends (changes to gaming patterns, increase in average bet, losses), gaming which is inconsistent with the customers known source of wealth, cash transactions which are inconsistent with historic gaming patterns, transactions not supported by gaming activity, transactions on a customers account which is inconsistent with gaming activities etc.</i></li> <li>▪ <i>Potential attempted structuring behaviour</i></li> <li>▪ <i>People buying in for multiple amounts below 10k in order to avoid a threshold transaction.</i></li> </ul> <p>Individuals cashing in large amounts on TG and not playing - going straight to the cashier. Cashing 10k and then removing some when asked for ID.</p>	<p><b>McGrathNicol summary</b></p> <ul style="list-style-type: none"> <li>▪ 72% of survey respondents indicated that they have not personally witnessed suspicious behaviour which may have been indicative of money laundering. <ul style="list-style-type: none"> <li>– We note that the respondents to this survey hold 2<sup>nd</sup> line of defence positions and are accordingly less likely to personally witness behaviours</li> </ul> </li> <li>▪ 5 employees (20%) had witnessed such suspicious behaviour before February 2021 and 2 employees (8%) had witnessed such behaviour before and after February 2021.</li> </ul> <p><b>Themes of respondents comments:</b></p> <ul style="list-style-type: none"> <li>▪ The behaviours identified by the employees are consistent with ML typologies typical in casinos</li> <li>▪ The comments indicate that the observation of behaviours reported may be through the employees work in the AML team rather than direct observation of the activities or behaviours as they occur</li> </ul>

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary												
Section 2.7: Money Laundering	If yes to question 27, did you report the behaviour?	<p>22 respondents answered this question</p>  <table border="1"> <caption>Response Data for Question 27</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Not applicable</td> <td>17</td> <td>68%</td> </tr> <tr> <td>Yes</td> <td>7</td> <td>28%</td> </tr> <tr> <td>No</td> <td>1</td> <td>4%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Not applicable	17	68%	Yes	7	28%	No	1	4%	<ul style="list-style-type: none"> <li>1 respondent selected "No", 17 respondents selected "Not applicable", 7 respondents selected "Yes" and 15 respondents did not answer the question.</li> </ul>
Answer	Count	Percentage													
Not applicable	17	68%													
Yes	7	28%													
No	1	4%													
Section 3.1: Training	When did Crown most recently provide you with formal anti-money laundering (AML/CTF) related training?	<p>26 respondents answered this question</p>  <table border="1"> <caption>Response Data for Training Question</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>This year</td> <td>20</td> <td>77%</td> </tr> <tr> <td>In 2020</td> <td>4</td> <td>15%</td> </tr> <tr> <td>Earlier than 2019</td> <td>2</td> <td>8%</td> </tr> </tbody> </table>	Answer	Count	Percentage	This year	20	77%	In 2020	4	15%	Earlier than 2019	2	8%	<ul style="list-style-type: none"> <li>77% of respondents indicated that they have received AML/CTF training in 2021.</li> <li>The 2 people who responded that they have not had AML/CTF training since earlier than 2019 were from the Compliance and Risk assurance teams and had been working at Crown for more than 5 years.</li> </ul>
Answer	Count	Percentage													
This year	20	77%													
In 2020	4	15%													
Earlier than 2019	2	8%													

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 3.2: Training	<p>What was the format of the anti-money laundering (AML/CTF) training most recently provided to you?</p>	<p>26 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>● e-Learning modules (including a test of knowledge which I had to pass)</li> <li>● Face to face training (less than 2 hours)</li> <li>● Other – please state</li> <li>● Face to face training (more than 2 hours)</li> <li>● e-Learning modules (with no test)</li> </ul>	<ul style="list-style-type: none"> <li>▪ The most common format of AML/CTF training was:             <ul style="list-style-type: none"> <li>– e-learning (with a test): 38%</li> <li>– Face-to-face (less than 2 hours): 27%</li> </ul> </li> <li>▪ The face to face training was concentrated in employees who had more than 10 years experience in the casino industry, suggesting they were more senior employees</li> <li>▪ Those employees who selected "other" indicated that the training received was [complete]             <ul style="list-style-type: none"> <li>– 'I had both Face to Face training for more than 2 hours &amp; also e- Learning modules with a test I had to pass.'</li> <li>– 'I have completed the online training module on a number of occasions as part of quality assurance. I also regularly deliver money laundering training to frontline areas.'</li> <li>– 'Given my role I gain more knowledge every day, whether through training or just involvement in the AML space.'</li> <li>– 'e-learning and two separate sessions of face to face (less than 2 hours)'</li> </ul> </li> </ul>
Section 3.3: Training	<p>If your most recent AML/CTF training was in the form of e-Learning, approximately how long did it take to complete?</p>	<p>19 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>● Around 30 minutes</li> <li>● Around 1 hour</li> <li>● Around 15 minutes</li> <li>● More than 1 hour, please state</li> </ul>	<ul style="list-style-type: none"> <li>▪ More than 75% of respondents indicated their most recent training took around 30 minutes or less</li> <li>▪ 10% (2 respondents) spent more than 1 hour on ML/AML training</li> </ul>


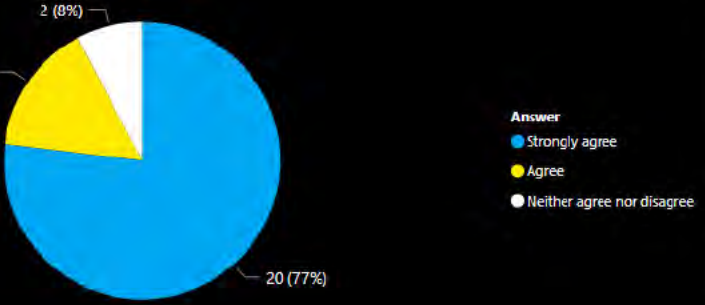
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																		
Section 3.4: Training	<p>How often have you had training in AML/CTF matters?</p> <p>Respondents were able to select multiple responses</p>	<p>26 respondents answered this question</p>  <table border="1"> <caption>Frequency of AML/CTF Training</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Annually</td> <td>11</td> <td>42%</td> </tr> <tr> <td>As part of induction and annually</td> <td>7</td> <td>27%</td> </tr> <tr> <td>Less than annually</td> <td>4</td> <td>15%</td> </tr> <tr> <td>As part of induction</td> <td>2</td> <td>8%</td> </tr> <tr> <td>As part of induction and less than annually</td> <td>2</td> <td>8%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Annually	11	42%	As part of induction and annually	7	27%	Less than annually	4	15%	As part of induction	2	8%	As part of induction and less than annually	2	8%	<ul style="list-style-type: none"> <li>77% said they received AML training on induction annually</li> <li>68% of respondents indicated they received AML training annually</li> <li>23% said they received AML training less than annually</li> </ul>
Answer	Count	Percentage																			
Annually	11	42%																			
As part of induction and annually	7	27%																			
Less than annually	4	15%																			
As part of induction	2	8%																			
As part of induction and less than annually	2	8%																			
Section 3.5: Training	<p>How would you rate the quality of the AML/CTF training provided to you? - Selected Choice</p>	<p>26 respondents answered this question</p>  <table border="1"> <caption>Quality of AML/CTF Training</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Good</td> <td>17</td> <td>65%</td> </tr> <tr> <td>Excellent</td> <td>7</td> <td>27%</td> </tr> <tr> <td>Average</td> <td>1</td> <td>4%</td> </tr> <tr> <td>Other, please comment</td> <td>1</td> <td>4%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Good	17	65%	Excellent	7	27%	Average	1	4%	Other, please comment	1	4%	<ul style="list-style-type: none"> <li>65% of survey respondents indicated that the AML/CTF training they were provided with was 'good'</li> <li>A further 27% described the training as excellent</li> </ul>			
Answer	Count	Percentage																			
Good	17	65%																			
Excellent	7	27%																			
Average	1	4%																			
Other, please comment	1	4%																			

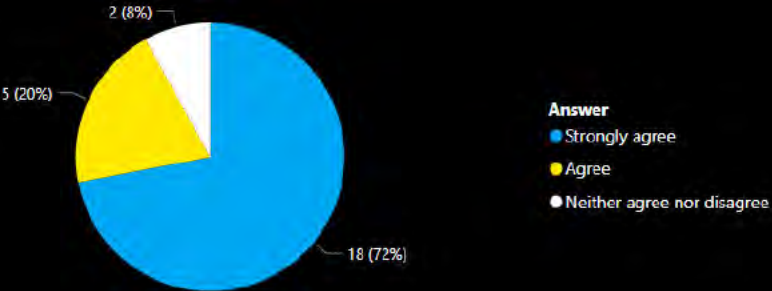
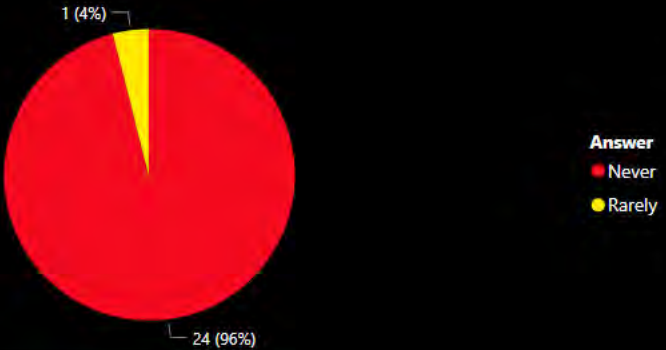
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary															
Section 3.6: Training	<p>Crown keeps me up-to-date with changes to money laundering laws, money laundering typologies, indications of these typologies and changes in Crown's policies and practices to the extent necessary for me to do my job.</p>	<p>26 respondents answered this question</p> <table border="1"> <caption>Survey Results for Section 3.6: Training</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Agree</td> <td>10</td> <td>38%</td> </tr> <tr> <td>Strongly agree</td> <td>9</td> <td>35%</td> </tr> <tr> <td>Neither agree nor disagree</td> <td>5</td> <td>19%</td> </tr> <tr> <td>Disagree</td> <td>2</td> <td>8%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Agree	10	38%	Strongly agree	9	35%	Neither agree nor disagree	5	19%	Disagree	2	8%	<ul style="list-style-type: none"> <li>Only 2 respondents (8%) were of the view that Crown does not keep them sufficiently informed with respect</li> </ul>
Answer	Count	Percentage																
Agree	10	38%																
Strongly agree	9	35%																
Neither agree nor disagree	5	19%																
Disagree	2	8%																
Section 3.7: Training	<p>I believe I have a strong understanding of the indicators of money laundering in the casino.</p>	<p>26 respondents answered this question</p> <table border="1"> <caption>Survey Results for Section 3.7: Training</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Agree</td> <td>14</td> <td>54%</td> </tr> <tr> <td>Strongly agree</td> <td>12</td> <td>46%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Agree	14	54%	Strongly agree	12	46%	<ul style="list-style-type: none"> <li>No respondents considered they did not have an understanding of the indicators of money laundering in the casino</li> </ul>						
Answer	Count	Percentage																
Agree	14	54%																
Strongly agree	12	46%																

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 3.8: Training	I understand Crown's responsibilities when it comes to identifying and reporting indicators of money laundering.	<p>26 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>● Strongly agree</li> <li>● Agree</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100% of respondents consider they understand Crown's responsibilities when it comes to identifying and reporting indicators of money laundering</li> </ul>
Section 3.9: Training	I am aware of and know how to use the AML Portal to create a UAR.	<p>26 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>● Strongly agree</li> <li>● Agree</li> <li>● Neither agree nor disagree</li> <li>● I have never used the AML portal</li> </ul>	<ul style="list-style-type: none"> <li>▪ 81% agree or strongly agree that they know how to use the AML portal to complete a UAR</li> <li>▪ The employees who said they have not used the AML portal were from Legal (1) and from Compliance (1); such employee may not be directly exposed to suspicious behaviours</li> </ul>


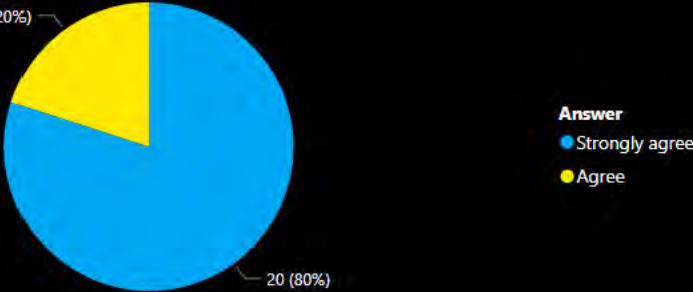
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary																					
Section 3.10: Training	I understand the information that is required to be provided when reporting through the AML Portal.	<p>26 respondents answered this question</p> <table border="1"> <caption>Survey Results for Section 3.10</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly agree</td> <td>14</td> <td>54%</td> </tr> <tr> <td>Agree</td> <td>9</td> <td>35%</td> </tr> <tr> <td>Neither agree nor disagree</td> <td>3</td> <td>12%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly agree	14	54%	Agree	9	35%	Neither agree nor disagree	3	12%	<ul style="list-style-type: none"> <li>88% agree or strongly agree that they understand the information that is required to be provided when reporting through the AML Portal; the balance (3) provided a neutral response</li> </ul>									
Answer	Count	Percentage																						
Strongly agree	14	54%																						
Agree	9	35%																						
Neither agree nor disagree	3	12%																						
Section 3.11: Training	I have the necessary resources to undertake appropriate UAR reviews, investigations and / or audits.	<p>20 respondents answered this question</p> <table border="1"> <caption>Survey Results for Section 3.11</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Not applicable</td> <td>10</td> <td>33%</td> </tr> <tr> <td>Strongly agree</td> <td>4</td> <td>15%</td> </tr> <tr> <td>Neither agree nor disagree</td> <td>5</td> <td>19%</td> </tr> <tr> <td>Disagree</td> <td>1</td> <td>4%</td> </tr> <tr> <td>Strongly disagree</td> <td>1</td> <td>4%</td> </tr> <tr> <td>(Unlabeled)</td> <td>5</td> <td>19%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Not applicable	10	33%	Strongly agree	4	15%	Neither agree nor disagree	5	19%	Disagree	1	4%	Strongly disagree	1	4%	(Unlabeled)	5	19%	<ul style="list-style-type: none"> <li>The data provided excludes respondents from revenue audit and Risk Assurance who all considered the question as not applicable</li> <li>2 respondents disagreed that they have necessary resources to undertake appropriate UAR reviews, investigations and / or audits.</li> </ul>
Answer	Count	Percentage																						
Not applicable	10	33%																						
Strongly agree	4	15%																						
Neither agree nor disagree	5	19%																						
Disagree	1	4%																						
Strongly disagree	1	4%																						
(Unlabeled)	5	19%																						
Section 3.2 Training	What 2 or 3 words would you use to describe how well the end to end process of lodging a UAR to SMR works?	<p>Most commonly used words to describe the UAR to SMR process were:</p> <ul style="list-style-type: none"> <li>Simplified</li> <li>Transparent</li> <li>Easy</li> <li>Efficient</li> </ul> <p>One comment noted that the process is "improving but cumbersome".</p>	<ul style="list-style-type: none"> <li>Multiple respondents indicated that they are not involved in the UAR/SMR process.</li> <li>For those who are, the UAR to AMR process is described in positive terms</li> </ul>																					

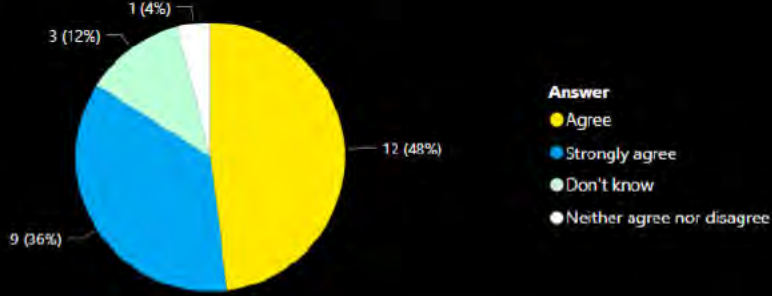


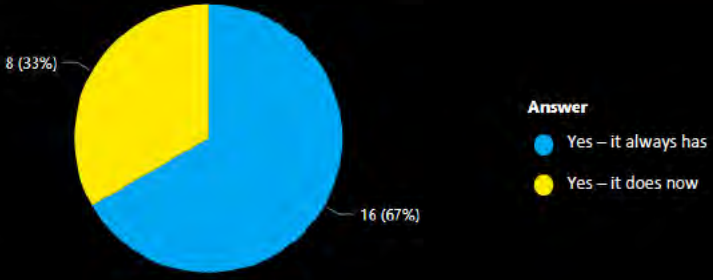
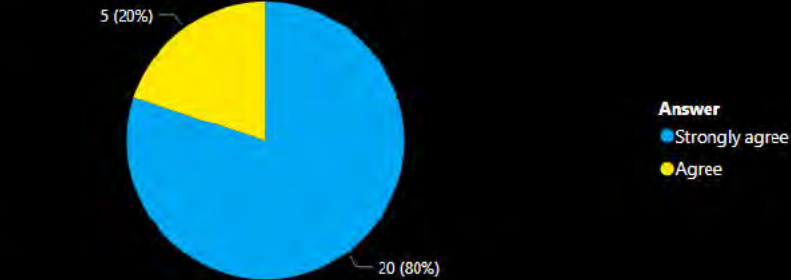
Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 3.13: Training	<p>I understand my obligations in relation to the AUSTRAC Tipping Off rules.</p>	<p>26 respondents answered this question</p>  <p>Answer</p> <ul style="list-style-type: none"> <li>● Agree</li> <li>● Not sure what the Tipping Off rules are</li> </ul>	<ul style="list-style-type: none"> <li>With the exception of 1 respondent, all surveyed respondents agreed that they understand their obligations in relation to the AUSTRAC Tipping Off rules.</li> <li>The respondent who was not sure what the Tipping Off rules are was from Risk Assurance and has been with Crown less than 6 months</li> </ul>
Section 4.1: Culture	<p>I believe all staff are encouraged by their managers to report any unusual or suspicious behaviour or transactions which may indicate money laundering.</p>	<p>26 respondents answered this question</p>  <p>Answer</p> <ul style="list-style-type: none"> <li>● Strongly agree</li> <li>● Agree</li> <li>● Neither agree nor disagree</li> </ul>	<ul style="list-style-type: none"> <li>77% of respondents strongly agreed that they are encouraged to report suspicious behaviours</li> <li>A further 15% agreed and 8% (2 respondents) were neutral</li> <li>No employees responded that they were not encourage to report suspicious behaviours</li> </ul>

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary												
Section 4.2: Culture	I am encouraged and feel supported by my supervisors and management to speak up about concerns I may have about the incidence of money laundering activity and Crown's capacity to deter, detect or report such activity.	<p>25 respondents answered this question</p>  <table border="1"><caption>Survey Responses for Section 4.2: Culture</caption><thead><tr><th>Answer</th><th>Count</th><th>Percentage</th></tr></thead><tbody><tr><td>Strongly agree</td><td>18</td><td>72%</td></tr><tr><td>Agree</td><td>5</td><td>20%</td></tr><tr><td>Neither agree nor disagree</td><td>2</td><td>8%</td></tr></tbody></table>	Answer	Count	Percentage	Strongly agree	18	72%	Agree	5	20%	Neither agree nor disagree	2	8%	<ul style="list-style-type: none"><li>92% of survey respondents agree that they feel encouraged and supported by supervisors to raise concerns; the balance responded neutrally</li></ul>
Answer	Count	Percentage													
Strongly agree	18	72%													
Agree	5	20%													
Neither agree nor disagree	2	8%													
Section 5.1: Experience	I have experienced internal pressure not to comply with Crown policy and to overlook non-compliance of others (in relation to AML/CTF matters).	<p>25 respondents answered this question</p>  <table border="1"><caption>Survey Responses for Section 5.1: Experience</caption><thead><tr><th>Answer</th><th>Count</th><th>Percentage</th></tr></thead><tbody><tr><td>Never</td><td>24</td><td>96%</td></tr><tr><td>Rarely</td><td>1</td><td>4%</td></tr></tbody></table>	Answer	Count	Percentage	Never	24	96%	Rarely	1	4%	<ul style="list-style-type: none"><li>The vast majority of respondents reported never having experienced pressure to not comply or overlook non-compliance</li><li>The one respondent who indicated that such pressure had been experienced (rarely) has been with Crown longer than 5 years</li></ul>			
Answer	Count	Percentage													
Never	24	96%													
Rarely	1	4%													

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary												
Section 5.2: Experience	I have noticed an increased emphasis on the identification and reporting of AML activity at Crown over the last 4-6 months.	<p>25 respondents answered this question</p> <table border="1"> <caption>Survey Responses for Section 5.2</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly agree</td> <td>19</td> <td>76%</td> </tr> <tr> <td>Agree</td> <td>3</td> <td>12%</td> </tr> <tr> <td>Neither agree nor disagree</td> <td>3</td> <td>12%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly agree	19	76%	Agree	3	12%	Neither agree nor disagree	3	12%	<ul style="list-style-type: none"> <li>88% of survey respondents agree that they have seen an increased emphasis on AML in the past 4 – 6 months; 76% of these agree strongly.</li> <li>No employees disagree, but 3 employees responded neutrally</li> </ul>
Answer	Count	Percentage													
Strongly agree	19	76%													
Agree	3	12%													
Neither agree nor disagree	3	12%													
Section 5.3: Experience	In my opinion, the first line of defence (floor staff, cage staff, security and surveillance staff) are currently well trained and diligent when it comes to identifying and reporting indicators of money laundering or suspicious behaviour.	<p>25 respondents answered this question</p> <table border="1"> <caption>Survey Responses for Section 5.3</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Agree</td> <td>17</td> <td>68%</td> </tr> <tr> <td>Strongly agree</td> <td>5</td> <td>20%</td> </tr> <tr> <td>Neither agree nor disagree</td> <td>3</td> <td>12%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Agree	17	68%	Strongly agree	5	20%	Neither agree nor disagree	3	12%	<ul style="list-style-type: none"> <li>88% of respondents, who are largely second line of defence employees, agree that the first line of defence employees are currently well trained and diligent when it comes to identifying and reporting indicators of money laundering or suspicious behaviour.</li> <li>68% of the respondents strongly agree with this proposition and the remaining 12% were neutral</li> <li>No-one surveyed disagreed</li> </ul>
Answer	Count	Percentage													
Agree	17	68%													
Strongly agree	5	20%													
Neither agree nor disagree	3	12%													
Section 5.4: Experience	If I think about the capability and diligence of the first line of defence over the last 3 months in comparison to the period before COVID:	<p>24 respondents answered this question</p> <table border="1"> <caption>Survey Responses for Section 5.4</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>It has improved substantially</td> <td>16</td> <td>67%</td> </tr> <tr> <td>There has been little change – It was always good</td> <td>8</td> <td>33%</td> </tr> </tbody> </table>	Answer	Count	Percentage	It has improved substantially	16	67%	There has been little change – It was always good	8	33%	<ul style="list-style-type: none"> <li>67% of respondents consider that the capability and diligence of the first line of defence has improved substantially over the last 3 months</li> <li>The remaining respondents consider there has been little change - it was always good. [insert correct words from survey]</li> </ul>			
Answer	Count	Percentage													
It has improved substantially	16	67%													
There has been little change – It was always good	8	33%													

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary									
Section 5.5: Experience	<p>I have been approached by people external to Crown asking me to do or ignore things which I suspected would aid them in money laundering or other financial crimes.</p>	<p>25 respondents answered this question</p>  <p>A pie chart with a single red slice representing 100% of the responses. The legend indicates 'Never'.</p> <table border="1"> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Never</td> <td>25</td> <td>100%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Never	25	100%	<ul style="list-style-type: none"> <li>No respondents reported having been approached to be complicit in money laundering or other financial crimes.</li> </ul>			
Answer	Count	Percentage										
Never	25	100%										
Section 5.6: Experience	<p>The floor and cage staff are encouraged to identify and report indicators of money laundering or suspicious behaviour as a key part of their job.</p>	<p>25 respondents answered this question</p>  <p>A pie chart with two slices: a large blue slice representing 80% (20 respondents) and a smaller yellow slice representing 20% (5 respondents). The legend indicates 'Strongly agree' and 'Agree'.</p> <table border="1"> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Strongly agree</td> <td>20</td> <td>80%</td> </tr> <tr> <td>Agree</td> <td>5</td> <td>20%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Strongly agree	20	80%	Agree	5	20%	<ul style="list-style-type: none"> <li>100% of respondents agreed that the floor and cage staff are encouraged to identify and report indicators of money laundering or suspicious behaviour as a key part of their job; 80% strongly agreed.</li> </ul>
Answer	Count	Percentage										
Strongly agree	20	80%										
Agree	5	20%										

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary															
Section 5.7: Experience	<p>Crown undertakes analysis of the UARs it receives to identify ways to improve its policies or processes to deter people from using the casino to launder money.</p>	<p>25 respondents answered this question</p>  <table border="1"> <caption>Survey Results for Section 5.7</caption> <thead> <tr> <th>Answer</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Agree</td> <td>12</td> <td>48%</td> </tr> <tr> <td>Strongly agree</td> <td>9</td> <td>36%</td> </tr> <tr> <td>Don't know</td> <td>3</td> <td>12%</td> </tr> <tr> <td>Neither agree nor disagree</td> <td>1</td> <td>4%</td> </tr> </tbody> </table>	Answer	Count	Percentage	Agree	12	48%	Strongly agree	9	36%	Don't know	3	12%	Neither agree nor disagree	1	4%	<ul style="list-style-type: none"> <li>84% of respondents are of the view that Crown uses the UAR process to identify ways to improve its policies or processes to deter people from using the casino to launder money.</li> </ul>
Answer	Count	Percentage																
Agree	12	48%																
Strongly agree	9	36%																
Don't know	3	12%																
Neither agree nor disagree	1	4%																
Section 5.8: Experience	<p>Do you have any observations regarding the impact on the frequency or value of indicators of money laundering now as compared to the period pre COVID?</p>	<p><b>Respondents made the following comments:</b></p> <ul style="list-style-type: none"> <li><i>The information for frontline staff in relation to indicators of money laundering is better than it has been and continues to improve.</i></li> <li><i>I believe the indicators to have been expanded to include a larger variety of indicators.</i></li> <li><i>Increased due to automation of process</i></li> <li><i>the focus is just improved</i></li> </ul>	<ul style="list-style-type: none"> <li>Most respondents did not provide a free text response to this question.</li> </ul>															

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 5.9: Experience	<p>I believe that Crown takes its role in detecting and reporting AML/CTF activity very seriously.</p>	<p>24 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>Yes – it always has</li> <li>Yes – it does now</li> </ul> <p>Respondents made the following comments:</p> <ul style="list-style-type: none"> <li><i>The importance of AML/CTF has been steadily increasing over the past 3-4 years</i></li> <li><i>I have noticed an uplift since approx. 2017</i></li> <li><i>Based on my visibility of the culture I believe the detecting and reporting was always taken seriously however prior to ILGA and the associated adverse media there was little awareness of what constituted a strong AML compliance action.</i></li> </ul>	<ul style="list-style-type: none"> <li>Two-thirds of respondents are of the view that Crown has always taken its role in detecting and reporting ML/TF activities very seriously, a further third are of the view that it does now – suggesting that it was not taken so seriously in the past</li> <li>Respondents' comments date the seriousness with which Crown takes AML/CTF has occurred over the last 3-4 years</li> </ul>
Section 5.10: Experience	<p>In my opinion, my team and managers are fully committed to doing a good job and making continual improvement to the ways in which Crown deters, detects and reports money laundering and related suspicious activities.</p>	<p>25 respondents answered this question</p>  <p><b>Answer</b></p> <ul style="list-style-type: none"> <li>Strongly agree</li> <li>Agree</li> </ul>	<ul style="list-style-type: none"> <li>100% of respondents agree, and 80% strongly so, my team and managers are fully committed to doing a good job and making continual improvement to the ways in which Crown deters, detects and reports money laundering and related suspicious activities</li> </ul>

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 5.11: Experience	<p>I am aware of some suspicious behaviours or money laundering indicators which are not typically reported. If True, describe the sorts of activity which go unreported and why.</p>	<p>24 respondents answered this question</p>  <p>Answer  <span style="color: red;">●</span> False  <span style="color: blue;">●</span> True</p> <ul style="list-style-type: none"> <li>smaller amounts of transactions</li> </ul>	<ul style="list-style-type: none"> <li>With one exception, respondents reported that they were not aware of suspicious behaviours or money laundering indicators not typically being reported</li> <li>The exception cited “smaller amounts of transactions” which would be consistent with the focus on threshold transactions and larger sums</li> </ul>
Section 5.12: Experience	<p>What more do you think Crown could be doing to improve the deterrence, detection and reporting of money laundering or other financial crime?</p>	<p><b>Sample of Respondents' comments:</b></p> <ul style="list-style-type: none"> <li><i>They could link each of the separate systems to each other. That way we would have a better picture of who we are investigating, and what outcomes are achieved. Also by identifying PEP's and adverse media before allowing new customers to join Crown.</i></li> <li><i>Projects to improve systems and people capability are already underway and are critical to providing increased insight and effectiveness to AML investigations</i></li> <li><i>continue to provide updated and enhanced training, share more examples of activity which has been noticed and reported, continue to be vigilant</i></li> <li><i>Photos printed on Rewards Cards. Set lower thresholds for requiring a customer to join and present a membership card for the purpose of tracking their gaming activity and transactions.</i></li> <li><i>Crown should continue on its work and not become complacent and reinforce training with employees particularly the front line of defence employees and the gaming sales and host employees</i></li> </ul>	<p>Participants who responded to this question commonly brought up the following themes:</p> <ul style="list-style-type: none"> <li>Continue to enhance training</li> <li>Lower threshold for ID provision</li> <li>Include photos on rewards cards</li> <li>Reinforce training of the front line</li> <li>Finalise automation process</li> <li>Link systems which are currently separate</li> </ul>

Q	Question	Responses (McGrathNicol yellow highlights)	McGrathNicol summary
Section 5.13: Experience	<p>Please outline below any other matters that you feel would be important or valuable to share with the Commission, including in relation to money laundering or financial crime.</p>	<p><b>Sample of Respondents' comments:</b></p> <ul style="list-style-type: none"> <li>▪ <i>While my tenure at Crown, I have really seen a more enhanced and detailed attention to tackling financial crime. Furthermore, there has been a significant shift in culture for the better and there is really been a push to do the right thing. Not commenting on the past processes given I was not working at Crown at the time, I do really believe Crown has opened up to feedback and is working hard, efficiently and quickly to enhance its processes around compliance and combatting AML.</i></li> <li>▪ <i>My time at Crown has demonstrated to me that as an organization, Crown has continued to train staff on AML/CTF matters, and other relevant training. Crown has enforced a culture of compliance and integrity since I commenced working for Crown.</i></li> <li>▪ <i>I'm privileged to be part of a team involved in the uplift of compliance relating to AML. My view is that Crown is already exceeding the minimum standards required by legislation, and within the next 6-12 months, Crown will have the strongest and most effective AML regime of any Casino in Australia (confident it already does).</i></li> <li>▪ <i>Many bad decisions were made by those in higher management (who are no longer with us) and I feel a lot of their decisions were directly linked to their bonuses and remuneration.</i></li> <li>▪ <i>Crown's past is behind it and it is a new Crown and focus should be on the future not past matters which may have occurred over 4, 5 to 10 years ago.</i></li> <li>▪ <i>The steps Crown has taken in the last 24 months to identify, manage and mitigate ML/TF risk are ahead of what the broader industry is doing. What started under its previous management and continues to do today will be world leading, beyond industry standards and will far exceed regulatory requirements. I think the Commission would benefit to understand what other casinos in the Asia Pacific Region are doing in relation to identifying, managing and mitigating ML/TF risks both now and before the issues with Crown were identified to get an understanding of what the industry standards are (and were pre mid 2019).</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ The comments by employees indicate a belief in Crown's commitment to high standards of AML/CTF policies, processes and compliance to combat ML/CTF.</li> <li>▪ The position promulgated by the respondents is that the criticisms Crown has received relate to past events and management decisions and were not matters that distinguished Crown from other casinos in the region. The view is put that Crown already exceeds the minimum standards and on a path to being world leading, well beyond current regulatory standards.</li> </ul>



## APPENDIX G Focus group themes, controls and observations

Theme	Focus Group Observations	Focus Group Observations
	Previous state	Current state
<b>ML Awareness (OTF)</b>	<ul style="list-style-type: none"> <li>Participants attending the focus groups claimed to have an adequate awareness of AML prior to the Bergin Inquiry.</li> </ul>	<ul style="list-style-type: none"> <li>Generally good AML awareness post Bergin Inquiry as a result of training (online or face-to-face appropriate to level and role), communication and team meetings.</li> </ul>
<b>Focus group illustrative comments</b>	<p><i>Prior to lockdown...prior to the Bergin Report, AML was a thing of course.."</i></p> <p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>It appears that employees have an increased awareness of ML since the Bergin Inquiry due to increased training and communication.</li> </ul>	
<b>ML Examples</b> That participants were aware happen, but have not necessarily seen themselves	<ul style="list-style-type: none"> <li>'Bill stuffing' (swapping tainted notes for 'clean' tickets or notes) through TRT, eTG or EGM – this would be relatively small scale, a money launderer would need to spend significant time on the property to generate a quantity of laundered cash.</li> <li>Purchase a TITO ticket from another player, convert to cheque and claim that the TITO as winnings.</li> <li>Converting illicit funds into winnings by collusive even-money betting – most likely this would occur at eTG on games such as roulette rather than at a table as less obvious than at a table (e.g. two players in collusion betting red/black odds/evens on Roulette or even, at an EGM, on the same terminal).</li> </ul>	<ul style="list-style-type: none"> <li>As for previous state</li> </ul>
	<p>McGrathNicol observation: The focus groups were able to provide hypothetical ML examples and it appears that they have adequate knowledge of basic methods used to launder money in a casino and what to look out for.</p>	
<b>Experienced an actual ML Incident?</b>	<ul style="list-style-type: none"> <li>Impossible for a staff member to determine whether what they have observed / what they have reported on a UAR is ML – many UARs are submitted (about 20 per day) but it is not possible to determine whether this is indicative of actual ML as OTF staff never hear an outcome of investigations undertaken.</li> <li>Participants in the AML / Compliance focus group indicated that after they have passed-on information to the police or AUSTRAC they are not notified of the outcome, therefore they are unable to determine whether ML has actually occurred.</li> <li>If Crown AML personnel do hear from law enforcement about an investigation into ML (where law enforcement will seek evidence), significant time has elapsed from the time the SMR has been submitted.</li> </ul>	<ul style="list-style-type: none"> <li>As for previous state.</li> </ul>

Theme	Focus Group Observations Previous state	Focus Group Observations Current state
	McGrathNicol observation: It appears that it has not been possible to determine whether any patrons have been charged with ML due to the lack of information received from law enforcement.	
<b>Suspected an actual ML Incident?</b>          <b>Focus group illustrative comments</b>	<ul style="list-style-type: none"> <li>▪ Situations have occurred where customers have purchased chips at a table, looked disinterested and not played every game, then repeated this at multiple tables before cashing-out with most of the original chips purchased. While this could be indicative of ML it could also be consistent with normal gaming behaviours.</li> <li>▪ Participants indicated that they have witnessed customer behaviours such as large amounts of cash being brought in, observations relating to gaming machines such as bill stuffing, suspicious ‘body language’ and customers ‘trading’ tickets. It is impossible however from these limited one-time observations to determine whether these behaviours are indicative of ML.</li> </ul> <p><i>“Recently there was an example...a player came in and basically bill stuffed machines across the property over 3 or 4 hours to the value of about \$40,000. Every 30 minutes or so he would press collect and the ticketing system...would spit out a ticket from the machine which would then require a cheque to be issued because anything over \$2,000 must be paid by cheque. This guy...ended up with something like nine gaming cheques...our department reconciles / issues all the gaming cheques...real standout...one patron across such a small period of time, ranging from values of \$2,000 up to \$10,000...they can go in and see what actual activity there was on those individual machines...they become unverified cheques...reporting done to our AML team along the lines of a UAR ...potentially the patron will be ‘WOLD’.”</i></p> <p><i>“Bill stuffing, putting in note after note after note...upon investigation it was seen that the amount of money that was inserted in cash was the amount of money that was collected...example of inserting notes, collecting the ticket, rinse and repeat.”</i></p> <p><i>“Ticket just has the value, date, expiry date...investigation has to be a proactive approach... in this instance...it was reported to a more recent manager who didn’t have a bunch of investigation experience – I remember this because I was with her – ...we found...4 tickets where there were instances of bill stuffing...then the collection happened...so after that, that was when we lodged an unusual activity report.”</i></p> <p><i>“When you put them through the machine and white dust is coming off them.”<sup>153</sup></i></p> <p><i>“It’s dirty... it’s mainly grubby money... it’s really hard to count... it’s mouldy...”</i></p>	<ul style="list-style-type: none"> <li>▪ Participants reported that bill stuffing commonly occurs.</li> <li>▪ Cage staff have indicated that it is sometimes possible to identify illegal money.</li> <li>▪ A situation occurred where a customer attempted to enter multiple tickets (ranging from \$1,000-\$2,000 each) into the same machine, however when they tried to take them out as one ticket, the machine locked. Investigations were undertaken including review of the machine’s history and it was discovered that the tickets had come from multiple machines on the floor at the same time (some carded / some not) and some were even from the previous day.</li> </ul>
	McGrathNicol observation: <ul style="list-style-type: none"> <li>▪ The focus groups noted a number of suspected ML incidents and it appears that the nature of these incidents has not changed much aside from the fact that there has been a reduced number of patrons since COVID-19.</li> </ul>	

<sup>153</sup> It is unclear whether this comment was made in jest; the next comment was made by a colleagues immediately suggesting that the first scenarios was potentially an exaggeration.

Theme	Focus Group Observations Previous state	Focus Group Observations Current state
<b>AML Awareness Training (frequency and effectiveness)</b>	<ul style="list-style-type: none"> <li>▪ AML training is delivered on induction for all departments (runs for around 10 minutes) and then periodically.</li> <li>▪ 'Crown Learn' (online training created by Crown) is completed annually where staff members have to pass a knowledge check test at the conclusion of the module. If the staff member does not successfully complete the knowledge check at the end of the online course, they are required to keep trying until they pass (there is no remedial training option).</li> <li>▪ Participants from the EGM<sup>154</sup> division indicated that they receive briefings before their shift a few times a year where they would receive reminders to look out for certain behaviours.</li> <li>▪ More face-to-face training was held pre-COVID-19 (face-to-face training has been reduced due to the COVID-19 response).</li> </ul>	<ul style="list-style-type: none"> <li>▪ AML training is delivered face-to-face on induction for all departments (runs for around 10 minutes) and then periodically (as for previous state).</li> <li>▪ During induction, staff are shown a short video provided by AUSTRAC that explains ML, and also go through common ML typologies that run through a casino – they will try to align the AML training with their role.</li> <li>▪ Crown Learn (online training created by Crown) is completed annually where staff members have to pass a knowledge check test at the conclusion (as for previous state).</li> <li>▪ Face-to-face training has been held post-lockdown (operations manager presenting to gaming machines staff).</li> <li>▪ Managers currently undertake a full training day.</li> <li>▪ Standard Operating Procedures were re-written (and include AML specific sections) and are being rolled-out to all departments.</li> <li>▪ Some participants indicated that the same amount of AML training has been conducted recently as compared to previously, and that they haven't had face-to-face training since COVID-19.</li> <li>▪ Some participants indicated that they complete quite a bit of online training.</li> <li>▪ The surveillance team undertakes comprehensive training to understand their reporting obligations.</li> <li>▪ Electronic Gaming Machine department participants indicated that they now have briefings at the beginning of every shift where they receive reminders to look out for certain behaviours.</li> </ul>
<b>Focus group illustrative comments</b>	<p><i>"I think we still have the exact same amount of training..."</i></p> <p><i>"Everyone's fully aware of anti-money laundering, what our responsibilities are and what to look out for."</i></p> <p><i>"We probably get an overarching...bigger training session because we oversee other areas and we have a lot of responsibility in our space as well...we do a bit more an involved training just for people to understand what our reporting obligations are and if we don't save footage for a particular incident and then 3 months down the track that footage has since expired and then people are looking for it, we're accountable."</i></p>	
	<p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ While some employees indicated that they are still receiving the same amount of training as they did prior to COVID-19, the general consensus was that the amount of AML training has increased and there has been a heavier focus on AML since the Bergin Inquiry.</li> <li>▪ It was noted that the AML team have been running AML training specific to different business units, including how to use the new AML Portal to raise UARs.</li> <li>▪ It was also noted that the amount of face-to-face training decreased due to COVID-19 restrictions.</li> </ul>	

<sup>154</sup> EGM – Electronic Gaming Machine

Theme	Focus Group Observations Previous state	Focus Group Observations Current state
<b>AML Culture (OTF)</b>	<ul style="list-style-type: none"> <li>▪ A common theme was participants believing that they were already compliant with AML requirements.</li> <li>▪ Some participants indicated that in the past, large amounts of cash such as \$25,000 to \$100,000 would not attract the same level of scrutiny unless staff actually suspected something suspicious.</li> <li>▪ AML participants noted that floor staff were always trained to complete SMRs<sup>155</sup> when they had a suspicion. In the past SMRs were completed in circumstances where a UAR is now completed – UARs are reviewed by the AML team and an SMR is raised by the AML team if thought appropriate and then forwarded to AUSTRAC.</li> <li>▪ Some participants suggested that the frequency and incidence of ML in the casino is overstated, and that there wouldn't be as much illegal money passing through the casino as people would think, since all the floor staff are watching and have had the training.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Participants indicated that there is more accountability regarding AML and that the culture has improved in relation to AML.</li> <li>▪ Participants suggested that there will be a culture shift going forward because AML is a heavy focus for new staff.</li> <li>▪ They noted that there is a heavy focus on AML now and resourcing for compliance roles has increased.</li> <li>▪ They also suggested that the changes could be maintained by upholding the procedures that are in place now, for example the "Observation sheet" on the floor.</li> <li>▪ Some participants believe that they are very compliant and have high levels of integrity, and they take offence to what is being said in the media.</li> <li>▪ Some participants have noted that the increased scrutiny and media attention has made their jobs easier in some areas due to increased numbers of resources in the team and cooperation by Crown staff, as well as increased training.</li> <li>▪ Participants suggested that the change in culture has been driven by senior management wanting to keep the casino licence, so the culture really seems to be changing.</li> <li>▪ Participants indicated that they have been more cautious and it is more common now for staff to say 'no' to patrons.</li> <li>▪ The obligation for collecting customer information has been pushed onto the departments, so there has become a heavier obligation (imposed by management) for floor staff to collect information for the AML team to use.</li> </ul>

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<sup>155</sup> SMR – Suspicious Matter Report

**Focus group illustrative comments**

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| <ul style="list-style-type: none"> <li>▪ <i>"If we suspect it, we report it...we can't stop it, we're not the police."</i></li> <li>▪ <i>"The culture's good, people are...I don't think any different to the way they were before."</i></li> <li>▪ <i>"Our team completely understand what's involved and why it's needed and why it's so important, we always have."</i></li> <li>▪ <i>Especially known players...we know that this person comes in with \$100,000 every week...we know him, he owns a business...that's not suspect."</i></li> <li>▪ <i>"But if someone out of the blue, someone we didn't know, no history or anything, just plonked down \$100,000 in cash then obviously it's going to raise suspicions."</i></li> <li>▪ <i>"The reality is we got SMRs from the floor and never would have suggested to anyone not to report a suspicion."</i></li> <li>▪ <i>"It's just this sensationalised idea that all this illegal money is funnelling through the casino...the employees stand there and we get trained almost daily and get spoken to...regularly about financial crimes...it's damn hard to do it [i.e. launder money] in a casino."</i></li> </ul> | <ul style="list-style-type: none"> <li>▪ <i>"I think it's a bit more stringent and there's a bit more accountability and that's a good thing."</i></li> <li>▪ <i>"100% there has been a culture shift".</i></li> <li>▪ <i>"There's a massive focus on it now. And resourcing for the actual policing of compliance and maintaining compliance integrity...it's been massive, there's been so many jobs going... for 'this officer' and 'this officer'...it's a massive shift."</i></li> <li>▪ <i>"My area's very compliant...we take offense to some of the stuff that's out there about AML, because we're looking at it day-in-day-out, submitting previously SMRs...we're continually looking at things to make sure that they're done by the book."</i></li> <li>▪ <i>"We pride ourselves on upholding the highest level of integrity in what we do and we want to make sure that everything is done right."</i></li> <li>▪ <i>"The people within the business are amazing...seeing some of the guys on the Board answer some of those questions, it was out of control – I was in disbelief – and it reflected terribly on the people, the real people of Crown...the people working for Crown were doing their best."</i></li> <li>▪ <i>"This awareness and the raising of it just makes it a little bit easier for us to get people to comply with what we want, you know, no junkets..."</i></li> <li>▪ <i>"The AML team...through some of the trainings that they've done, they've given us further insight that we might not have had."</i></li> <li>▪ <i>"We'll actually be volunteered the information without having to cause much fuss."</i></li> <li>▪ <i>"Now we've been trained so much and we've had all this training, so our jobs are on the line if something happens, so a 'no' is a very common thing."</i></li> <li>▪ <i>"Everything keeps changing as the inquiry goes on... so yes, a lot of angry people...very unhappy [customers]."</i></li> <li>▪ <i>"We're dealing with dodgy people all day every day."</i></li> </ul> |
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Theme	Focus Group Observations Previous state	Focus Group Observations Current state
		<ul style="list-style-type: none"> <li>▪ <i>"Each department have their own gaming integrity crew now which didn't exactly exist."</i></li> <li>▪ <i>"There is no doubt that there's been a push back to the departments...to make sure that they look at these obligations more strongly, so each of the departments, whether it's gaming machines or table games or Cage...have to look at their customers...they have to look at their more predominant players, usually it's their higher-tier customers, but there is a push to know their customer and they keep records of whatever information they can put together, of which the AML team can use."</i></li> </ul>
	<p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that some staff believe that there was nothing wrong with the AML culture because they were always encouraged to report suspicious behaviour.</li> <li>▪ This was in contrast to other staff who said that there is now increased pressure to report suspected AML activity correctly because they have received so much AML training and their jobs are on the line.</li> </ul>	
<b>AML Culture (other than OTF)</b>	<ul style="list-style-type: none"> <li>▪ The culture within the AML resources was always good – it was a question of resourcing rather than culture.</li> </ul>	<ul style="list-style-type: none"> <li>▪ AML team participants indicated that they have never been aware of staff being told not to submit an SMR, but there is no doubt there has been a bigger push and educational process since the Bergin Inquiry.</li> </ul>
<b>Focus group illustrative comments</b>	<p><i>"Never in the time have I been here, I've never been aware of where we would tell staff not to submit a suspicious matter report if they believed it to be suspicious, however I guess simply you come back now, the increasing numbers, there is no doubt there's been a heavier push, education process...end result of that is that we have significant numbers of SMRs that are submitted."</i></p> <p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that AML / Compliance staff believe that the culture around AML was always good and will improve due to increased resourcing.</li> </ul>	
<b>Resourcing (AML Team)</b>	<ul style="list-style-type: none"> <li>▪ AML team participants indicated that previously AML resourcing was inadequate but the company believed that they were - it was difficult to get additional AML resources (previously there were about six staff dedicated to AML).</li> </ul>	<ul style="list-style-type: none"> <li>▪ The AML team has increased significantly recently and it is planned to rise to a total of around 50 AML dedicated personnel (Melbourne, Perth and Sydney combined).</li> </ul>

Theme	Focus Group Observations	
	Previous state	Current state
<b>Focus group illustrative comments</b>	<ul style="list-style-type: none"> <li>▪ <i>"Logically...the numbers weren't appropriate, but the company believed they were, obviously, and whether that's dollar-driven or not, it's for others to also answer, but getting resources has not always been a simple answer in most departments."</i></li> <li>▪ <i>"It was clear that things were changing by...Nick Stokes...there was a push to obviously review what AML were doing."</i></li> <li>▪ <i>"Perhaps that's the way the company was heading...there would have been change."</i></li> </ul> <p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that the employees acknowledged that the AML team numbers were inappropriate (in hindsight) and Crown was already starting to increase their AML focus prior to the Bergin Inquiry (particularly once Louise Lane started at Crown), however it appears that the Bergin Inquiry expedited Crown's plans to grow their AML team because it became necessary to keep their licence.</li> </ul>	
<b>AML Team function (effectiveness)</b>	<ul style="list-style-type: none"> <li>▪ The different locations were run independently but they liaised with each other.</li> <li>▪ The Bergin Report criticised the AML team's bank statement review process however the AML team noted that they had always reviewed the bank statements, just apparently not in the manner that they should have.</li> <li>▪ The AML team missed the aggregated entries, and suggested that some staff missed them perhaps due to lack of training.</li> <li>▪ Less AML policies were in place, for example third party transactions were acceptable since the relationships were often known (or otherwise it may have led to an SMR) and there were also business reasons for accepting deposits from business / trust accounts.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The AML team function has merged and people in the AML team commonly work across the two locations (Melbourne and Perth as well as Sydney when that commences operation).</li> <li>▪ The AML team's role is to follow the AML program, which involves reporting obligations (i.e. TTRs, SMRs, IFTIs, etc.) and educational obligations such as making sure that all relevant staff are aware of their obligations regarding AML and know who to pass relevant information on to.</li> <li>▪ The increase in resources is enabling the AML team to be more effective.</li> <li>▪ Reports on TTRs are run each day. 100-150 TTRs are typically reported each day (or 320-350 on weekends) during usual operating conditions.</li> <li>▪ New AML policies have been introduced such as no longer accepting cash deposits into DAB accounts.</li> </ul>
<b>Focus group illustrative comments</b>	<ul style="list-style-type: none"> <li>▪ <i>"The programs prior to the Joint Program weren't dissimilar they were fairly well-aligned."</i></li> </ul> <p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that the AML team has become more effective since the numbers have increased and the Joint AML/CTF Program has been introduced.</li> </ul>	

Theme	Focus Group Observations Previous state	Focus Group Observations Current state
<b>Communication of AML Policies and Procedures</b>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ Participants indicated that the communication of AML Policies and Procedures has been effective, and it occurs via:               <ul style="list-style-type: none"> <li>– Emails</li> <li>– Being informed by managers on the floor</li> <li>– Memorandums posted on Crown intranet</li> <li>– Weekly updates about changed policies / procedure</li> <li>– Weekly email from Crown Chair regarding changes (previously did not happen)</li> </ul> </li> </ul>
	<p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that there has been good communication of AML policies and procedures.</li> </ul>	
<b>AML Conduct by OTF personnel</b>	<ul style="list-style-type: none"> <li>▪ There were less limits to force staff to document transactions and a customer's source of wealth which could indicate ML.</li> <li>▪ Previously, a customer could bring in large amounts of cash and gamble without completing a SOW declaration, however an SMR may still have been completed, in addition to a TTR.</li> <li>▪ Previously only 1-2 or up to 8 SMRs submitted per day.</li> </ul>	<ul style="list-style-type: none"> <li>▪ More limits have been imposed to detect indicators of ML, such as the requirement for a SOF form to be completed, where the threshold was originally \$100,000 (cumulative in a particular day), then became \$50,000 and recently became \$25,000. Participants indicated that the policy came into effect in November 2020.</li> <li>▪ Participants noted that the SOF process is robust and happens "all the time".</li> <li>▪ The decision after the customer completes the source of funds form gets made within 10-15 minutes after talking to them about what they've written down. Phone calls are also made to other floor staff to corroborate what the customer has said, discussions are had between floor staff and floor managers.</li> <li>▪ The general policy when a customer's SOF is rejected is that they are escorted from the premises.</li> <li>▪ Participants indicated that TTRs are completed at the table and they are easy to do, therefore not disruptive to play – the dealer asks the player for their member card or ID (if they don't have a member card) and determines whether they are confident that the person is who they say they are (same as previous). If they were to swipe the customer's card and it isn't them, they would do a UAR.</li> <li>▪ Participants indicated that most patrons in the VIP rooms are compliant.</li> <li>▪ Cage staff noted that not as many people have been coming in with large amounts of cash recently, also since there is more scrutiny on people who bring in large amounts of cash.</li> <li>▪ Usually about 20 UARs submitted per day.</li> </ul>



Theme	Focus Group Observations	
	Previous state	Current state
<b>Focus group illustrative comments</b>	<p><i>"Before, we didn't have limits...we would be keeping an eye on it ourselves and then obviously there would be an investigation when the amount got crazy...but now we have the source of funds..."</i></p> <p><i>"Players bringing in \$150,000...and then they would always get a suspect transaction done on them."</i></p> <p><i>"Often there would be suspect transaction reports...submitted to the AML group...obviously we would report any suspicions we had and Scott would forward it onto AUSTRAC."</i></p> <p><i>"Also, we would monitor if that money was actually used for gaming...from there they may have been another report to AML."</i></p> <p><i>"They must have category A ID that's valid, there would have been a threshold transaction...we still looked at people that we considered...to be a suspicious matter with large amounts of cash..."</i></p>	<p><i>"Since the Bergin Inquiry we've now gone to having a policy where they must actually declare where the money's from...above a certain threshold...and I would say probably 2 out of every 3 are probably rejected."</i></p> <p><i>"They might say, 'I got it from selling Bitcoin.'"</i></p> <p><i>"They'll say, 'I got it off a friend.'"</i></p> <p><i>"People don't want to come in because of everything that's going on."</i></p>
	<p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that the most significant change for floor staff has been the SOF Policy, which now requires a patron to complete a SOF form for transactions totalling more than \$25,000 in a particular day. Previously it was at their discretion and SOW details would only be reported if they had a reason to think that the patron was suspicious.</li> </ul>	
<b>Observation of improper customer / OTF personnel relationship</b>  <b>Focus group illustrative comments</b>	<ul style="list-style-type: none"> <li>▪ Previously in the Mahogany room, customers could request a particular dealer (if they were Black Card members). There was an example of a customer colluding with a dealer which was picked up by surveillance. The customer was escorted from the premises by police and the dealer was terminated.</li> <li>▪ There has been data analysis (and this continues to be the case) to identify certain dealers that are responsible for losing more money at the tables (compared to the parameters, which trigger alerts to watch the dealer at the table).</li> <li>▪ Improper customer / OTF personnel conduct has been flagged by other patrons in the past.</li> <li>▪ "They're not being involved so they do in other patrons."</li> </ul>	<ul style="list-style-type: none"> <li>▪ It is no longer permitted for customers to request a particular dealer unless they obtain approval from the ACM (Assistant Casino Manager).</li> <li>▪ If an area manager notices a patron following a particular dealer, they alert surveillance by giving them a phone call and providing details of the areas to watch.</li> <li>▪ A dealer might leave someone's losing bets on the table rather than take them, however if it happens more than once it would probably be noticed (particularly by another patron) and investigated.</li> <li>▪ "Say a dealer is friends with a patron he won't take his losing bets."</li> </ul>
	<p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that the risks around employees being groomed by patrons have decreased since the new rule that patrons are no longer permitted to request a particular dealer without approval from the ACM.</li> </ul>	

Theme	Focus Group Observations	
	Previous state	Current state
<p><b>Avenues for reporting AML concerns (OTF personnel)</b></p>	<ul style="list-style-type: none"> <li>▪ SMRs were submitted to AUSTRAC. The AML team did not have discretion over whether it was submitted to AUSTRAC or not – if an employee thought that the matter was suspicious, it was submitted to AUSTRAC.</li> <li>▪ Previously only 1-2 or up to 8 SMRs submitted per day.</li> </ul>	<ul style="list-style-type: none"> <li>▪ UARs are to be completed using the computers on the floor when staff notice suspicious activity. Participants indicated that the computers are hidden but easily accessible. Some UARs are received directly from the surveillance team.</li> <li>▪ UARs are investigated by the AML team which includes review of open source information (e.g. Dow Jones checks), and the AML team submits SMRs to AUSTRAC if they determine (upon investigation) that something suspicious has occurred.</li> <li>▪ Participants indicated that the UAR process is timely.</li> <li>▪ Everyone who sees the suspicious activity is responsible for submitting UARs (i.e. Cage staff, area managers, surveillance) and sometimes numerous UARs will be completed for one incident.</li> <li>▪ Surveillance will be called to provide a picture of the customer. The staff completing the UAR will insert the footage reference number provided by surveillance.</li> <li>▪ The area manager will complete a UAR once the dealer has alerted them to the suspicious activity – there are usually 5-6 area managers to 12 tables, and if activity is high then there is usually 1 area manager to 1 dealer. The amount of area managers on duty is based on the amount of risk (there may be up to 2-3 area managers on one table in the international VIP areas).</li> <li>▪ If the area manager needs more information to complete the UAR, they will ask the patron for more details, therefore the patron is aware that they have been reported on.</li> <li>▪ The assistant casino manager will also be notified so that the customer is on the radar before a UAR is submitted.</li> <li>▪ The number of UARs has increased, compared to SMRs (previously).</li> </ul>
<p><b>Focus group illustrative comments</b></p>	<p><i>"It's not like it was hard." "People had the training."</i></p>	<p><i>"There was a significant increase in UARs now for a number of reasons...there is a whole different system now...there's a bigger buy-in from all departments...and clearly the numbers of UARs now are much stronger now than they would have been."</i></p>
	<p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that there has been an increase in the number of UARs submitted (compared to SMRs previously) due to the new, user-friendly AML Portal and increased AML training and awareness.</li> <li>▪ All employees were very familiar with the UAR concept and process; most had completed an UAR, although some just report incidents to their manager who inputs the UAR (eg croupiers cannot leave their tables)</li> </ul>	

Theme	Focus Group Observations Previous state	Focus Group Observations Current state
<p><b>AML Risk Level</b></p> <p><b>Focus group illustrative comments</b></p>	<ul style="list-style-type: none"> <li>▪ Without controls, AML risk is 'high' – with the controls that are in place, the risk is reduced. Residual risk level (after controls taken into account) is categorised as 'low'.</li> <li>▪ When asked about their opinion on the Risk Level, staff noted that they have made mistakes in the past.</li> </ul> <p><i>Logically we're going to do that... I wouldn't put all these things in place and say that it's high risk."</i></p> <p><i>"It is clear that we've made mistakes ...I'm just saying that we didn't deliberately mean to do those things."</i></p> <p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that the AML risk level has decreased since the introduction of new AML policies and procedures.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Participants suggested that the AML risk level has decreased.</li> </ul> <p><i>"What Crown is doing now... surely you'd sit there and go 'we are more comfortable to say that we're on low risk'... because we're putting more things in place, we're jumping through more hoops than we've ever jumped through to appease the Gods...Crown will do anything to ensure we keep our licence."</i></p> <p><i>"With everything they're currently doing, if we're not in a better spot well then we're clearly stupid people."</i></p>
<p><b>Technical functionality</b></p> <p><b>Focus group illustrative comments</b></p>	<ul style="list-style-type: none"> <li>▪ Manual transaction monitoring processes only.</li> </ul> <p><i>"We've got fantastic images at all the entry points and...all the outer points so that we're alerted to people before they actually approach the entries, we've got plenty of time...those photos are obtained from those cameras which are really high definition."</i></p> <p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that Crown has extensive surveillance systems which assist the AML team, including a high definition facial recognition system which even has the ability to recognise people wearing disguises.</li> <li>▪ It also appears that transaction monitoring has become more effective since the introduction of Sentinel.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facial recognition technology has improved and is capable of identifying banned customers and identifying the identity of a customer from previous activity.</li> <li>▪ Currently working between both manual and automatic transaction monitoring, via Sentinel. Participants indicated that manual reporting will be phased out. Participants noted that Sentinel currently has no artificial intelligence capability.</li> </ul>
<p><b>Know Your Customer Protocols</b></p>	<ul style="list-style-type: none"> <li>▪ Identification is sometimes required to verify age on entry</li> <li>▪ Rewards card is required to enter VIP areas</li> <li>▪ Identification is required in order to process cheque payment</li> <li>▪ Identification required in relation to transactions above \$10,000 (for TTR)</li> <li>▪ Currently no access to government database to verify customers' passports and driver's licences</li> </ul>	<ul style="list-style-type: none"> <li>▪ On 1 May 2021, a new policy was implemented requiring ID to be presented to re-issue Rewards cards every six months – ID produced has to be issued by a Government Department (e.g. drivers' licence)</li> </ul>

Theme	Focus Group Observations Previous state	Focus Group Observations Current state
<b>Focus group illustrative comments</b>	<p><i>"There is no doubt that there's been a push-back to the departments...to make sure that they look at these obligations more strongly, so each of the departments, whether it's gaming machines or table games or Cage...have to look at their customers...they have to look at their more predominant players, usually it's their higher-tier customers, but there is a push to know their customer and they keep records of whatever information they can put together, of which the AML team can use."</i></p> <p><i>"That's why you have to know your customer...so it's easy to approach them...if you build the relationship it's easy to talk to them."</i></p> <p><i>"Once you go to silver, or go up a tier, every six months... on the first of October and on the first of April they have to come to Crown to renew the card again."</i></p> <p>McGrathNicol observation:</p> <ul style="list-style-type: none"> <li>▪ It appears that the AML team has placed greater pressure on the individual departments to collect information on customers.</li> </ul>	

## APPENDIX H Focus Group money laundering scenario analysis

### On-the-floor Focus Group Scenario Analysis

#### Scenario 1

*A croupier is operating a Baccarat table on the main gaming floor. A supervisor is overseeing the croupier's table and there are security personnel patrolling the immediate area. A player appears at the table and tenders around \$5,000 in bank notes which the croupier counts and exchanges for chips.*

*The player does not tender a Crown Rewards Card. The player plays every second or third game for 90 minutes only winning once.*

*The croupier notices the player seems to be quite disinterested in the game. He moves to the next Baccarat table for 30 minutes before leaving the gaming floor with what the croupier estimates would be 90% of the original chips he had purchased at her table.*

- It was determined by the focus group that this is a realistic scenario and has occurred in the past.
- If this behaviour is noticed by staff the common practice is to notify the area manager of what is happening. The outcome of this scenario depends on how the area manager responds to the report made to them (i.e. the croupier would not by themselves submit a UAR, it would be done in conjunction with the area manager).
- When a patron attends a gaming table the croupier will always ask for a Crown Rewards Card – some customers will provide their rewards card while others will not (even if they have a rewards card) for a variety of legitimate reasons (e.g. they feel it is unlucky).
- Whether facts in this scenario are suspicious behaviour is based on the croupier's discretion of what is occurring and how the patron is acting.
- It is common that 'carded patrons' (those who hold a Crown Rewards Card) are attempting to earn crown reward points without actually gaming (i.e. just by spending time at the table). In this instance, the area manager is able to adjust that patron's 'rate of play' down in the system due to them not gaming.
- The area manager would be the person who changes rate of play (ATOM) as the croupier is seated at the table and cannot stand up as this would take their attention away from table play (at certain games).
- If the patron complains that they did not earn as many points as they would have expected, the croupier / area manager would inform them that their rate has been adjusted due to lack of play.
- The focus group noted that floor staff are vigilant in observing this behaviour.
- The SOF / SOW requirements and thresholds have added extra controls to the Casino floor (currently a SOF form will be required where a customer attempts to buy-in more than \$25,000 in a single transaction or more than \$25,000 in a single calendar day where each transaction is at least \$10,000 and would therefore require a TTR to be completed).
- Currently around two out of three SOF forms are rejected by cage cashiers as they don't satisfy the requirements e.g. 'given money by a friend' or 'bank loan' in which case the buy-in transaction is not completed.

## Scenario 2

*Three male customers enter the main floor via the same entrance but a few minutes apart. They relocate to an area in front of a Cage. Each one goes to a different Cage window at different times and appears to purchase chips with cash. They then appear to rendezvous at the place where they first met after arriving on the main floor.*

*All three then go to different table games on the main floor (one to Blackjack, one to Baccarat and one to Pontoon Pandemonium) where they play for around an hour.*

*They then meet up again near their original meeting place with two of the customers appearing to hand something to the third. The third customer then goes by himself to a Cage different to the Cage where he had purchased the chips originally. He presents a large quantity of chips he is holding and it appears that he receives a cheque for the value of the chips tendered.*

- In this scenario, surveillance would be focused on determining how the individual obtained those funds / chips.
- The focus group did not consider this type of behaviour to be common.
- The participants noted that on the main gaming floor you must get your chips at the table rather than the cage (it is not possible to purchase chips at the main gaming floor cages although this is possible in the VIP lounges due to the larger values of chips to be purchased which would take too long if processed by a croupier)
- Surveillance would work backwards following the individual to determine his gaming activity and back to where the patron was with the other individuals.
- If anyone requests a cheque of 'significant value' without verified or carded play the cashier / cage manager will attempt to determine the validity of the chips / winnings via contacting surveillance or the area manager where the patron claims to have played.
- If the cage cannot verify the gaming activity or source of chips, they will issue an unverified gaming cheque. They must provide the patron with a cheque. The patron is not made aware that the cheque is unverified. An unverifiable cheque notes that the cheque has been provided by Crown but that Crown has not been able to verify gaming activity that has taken place.
- Surveillance noted it is not possible to use facial recognition to detect where someone has played during a gaming session, they would need to review the footage.
- In this instance and similar scenarios, notes and comments will be made in SYCO against that patrons account (if carded play).
- In this scenario, individuals will buy-in at the table. The cage does not provide chips unless a threshold transaction may be required.
- If the scenario is noted as suspicious the cashier will notify the cage manager, the cage manager will contact surveillance to ensure they have a photo of the patron recorded and a file started with a PID issued (if the patron is not carded – if the patron is carded, the Crown Rewards Card number will be used to identify the patron).

### Scenario 3

*Two male customers arrive at a table in the roulette area each with a substantial quantity of pre-purchased chips – they are not talking with each other but it is clear from their body language as they approach the table that they are together. Both offer their Crown Rewards Card which the croupier swipes.*

*The supervisor observes that they go to opposite ends of one of the Roulette tables under his supervision. The table they are at is moderately crowded with around 12 players. There is a distinctive pattern of play involving the two players.*

*While each player makes small straight up bets, on every play:*

- *One player will bet on red and the other will bet on black; or*
- *One player will bet on evens and the other will bet on odds.*

*Player 1 always bets first followed by player 2. After an hour of play, both players leave the roulette tables with their respective holding of chips having had their Crown Rewards Card swiped by the croupier.*

- It was noted that this behaviour is more likely to occur on eTGs than at traditional table games as presented in the scenario, but it is possible and has occurred in the past.
- It is likely that this would come under scrutiny when the individuals cash out at the cage (dependent on value).
- It was noted that this would require considerable effort to launder a substantial amount of money and if significant funds were being used on the main gaming floor this would be noticed by the croupier and area manager.
- In this instance due to the patrons providing a Rewards Card, their play would be tracked and verified at cash-out.
- Focus group participants noted that patrons often become complacent; they may not be caught the first time but may be caught if they repeat the same behaviour.
- Focus group participants noted that it is not uncommon for patrons with a Rewards Card not use them for a variety of reasons – patrons may be superstitious that using a members card is unlucky or they simply prefer their gaming activity not to be known.

### Scenario 4

*A security officer is on duty on the main floor. She notices a customer seated at an eTG but that he seems to be very distracted and constantly looking around.*

*His play is very slow compared to other customers and he does not appear to be interested in the game. After 40 minutes, the security officer notices the customer approach another player at a nearby eTG.*

*There is a conversation that goes for about five minutes, the first player appears to take two or three casino chips out of his pocket and hands them to the other player who gives a piece of paper in exchange.*

*The first player then wanders the floor for about ten minutes without playing before he approaches a Cage and completes a transaction with the Cage operator.*

- The focus group noted that initially they would perceive the patron is waiting for their friend to arrive at the casino.
- It was noted that chips are possibly split because one of the patrons may be banned and would not be able to transact at the Cage.
- If the Cage became suspicious about the activity that was occurring they would contact surveillance to track the play and determine who the chips or tickets actually belonged to.
- In this instance it was determined there would be enough suspicion to lodge a UAR.
- Focus group participants noted they may also require further investigation e.g. through surveillance or by looking at the eGM's transaction history (since the ticket would specify the machine and the time that it was obtained) to determine if the scenario was in fact suspicious.
- The focus group agreed that if all patrons were required to use an ID for every transaction or gaming activity the risk of money laundering would be reduced; but argue there is a commercial decision to be made and can't force every patron to become a member, especially for casual gaming (e.g. after football).
- The focus group also noted that the level of play and level of money on the main gaming floor is much lower and therefore less risky – in VIP areas, all patrons require a member card to gain access and are identified on entry.

#### Scenario 5

*A cashier is at work at one of the Cages on the main floor. A customer presents at the Cage window with a bag of cash in bundles which she places on the counter in front of the cashier.*

*The cashier forms a view that there is more than \$10,000 and asks the customer for identification in order to complete a TTR (Threshold Transaction Report).*

*The customer asks why this is necessary and when told that Crown needs to make a report to AUSTRAC, she replies "I don't have any ID with me". She then takes back half of the cash and says she wants to buy a lesser quantity of chips.*

- The focus group noted that the scenario would rarely occur in this manner.
- It is likely it would occur the other way around – when the individual approaches the cage in order to cash out the cashier would check for rated play. If the patron did have a Rewards card, the Cage would be able to check if rated play had occurred.
- If the patron did not have a Rewards card, depending on the value, the cashier / cage operations manager would attempt to verify play via contacting surveillance or the area manager where the patron claims to have played.
- If the patron refuses to provide identification, this is automatically suspicious, surveillance would be notified and a UAR would be completed.
- In the past, the Cage would be able to issue patrons with CEV's (Chip Exchange Vouchers) for cash tendered. Once presented at a table for chips the croupier would identify the individual. This process does not occur anymore. The transaction must occur through the individual's DAB account.

#### Scenario 6

*A customer enters the main gaming floor carrying a supermarket shopping bag which he holds close to his chest. He then takes up a position at an eTG and spends the next 20 minutes feeding notes into the terminal.*

*He then raises a TITO ticket and makes his way to a Cage. It does not appear that the customer has actually placed a bet.*

- eTG staff are made aware that bill stuffing and refining is a red flag and suspicious behaviour within eTGs.
- If the TITO amount is below \$2,000 the individual could cash out at the automated ticket redemption terminals (TRTs).
- If the TITO amount is above \$2,000 they must cash out at the Cage.
- The cashier would attempt to verify play through the patron's Rewards card, if they are not a member they may contact the eTG area manager to determine if play occurred and also contact surveillance to track the patron's movements and determine if they actually played on the eTG.
- The TITO also enables the staff to identify what machine it came from and where the patron played.
- Patrons are able to use the TRTs to break larger bill denominations into smaller denominations but not from smaller into larger denominations e.g. \$20s into \$100s.
- Staff are also able to view the last 50 games that occurred on each gaming machine. If required, staff could check the patron's machine to see if gaming has occurred, or only cash in and TITO out.
- If the patron attempted to cash out with multiple TITO tickets this is also a red flag.
- A UAR would be lodged in this scenario.
- It was noted that it takes a considerable amount of time to conduct bill stuffing, approximately an hour to insert \$10,000 worth of notes into an eTG.



### Scenario 7

*A cashier is working in a Cage on the main floor. He notices a male customer approach one of the other cashiers and tenders what appears to be \$4,000 to \$5,000 in \$10, \$20 and \$50 denominations. The cashier the customer approaches is notable because there are already two customers waiting to be served while there are other cashiers that are free. It appears that the customer deposits this cash to his Crown member card.*

*The cashier has seen this customer appear at Crown on several occasions over the previous six months and each time he walks out of the gaming floor having deposited funds to his Crown membership card without going to a gaming table.*

*On this occasion, the cashier notices the customer is wearing a corporate shirt marked "The Refuge Café" and the name "Simon". The cashier speaks to the cashier who processed the transaction and asks whether he is going to complete a UAR. The other cashier responds "Why should I?"*

- The focus group weren't entirely sure what was happening in this scenario and the reason that patrons would be conducting this activity.
- The focus group noted that the patron could probably get away with it if he was withdrawing small amounts of cash.
- They noted that DAB accounts become inactive after a certain period of time and are reviewed.
- The focus group noted that safekeeping accounts were utilised in the past; these are not for gaming activity, more so a line of credit or to cover bills or front money for poker games.
- The focus group noted that there have been instances where patrons prefer to use crowns accounts because they 'do not trust banks'.
- The focus group also noted that Crown would be a good place to hold funds because there are no holding charges (i.e. bank fees).
- In this instance, the focus group noted in this situation, one cashier would not speak with the other cashier, they would notify the cage manager.
- The focus group noted that nowadays a UAR would be completed, prior to the UAR portal the SMR's were a lot more cumbersome and potentially (three or so years ago) would not have been completed based on this scenario.
- The focus group noticed there has been a change in culture regarding reporting and completing UARs. Employees are more than happy to call out bad behaviour; they also have multiple ways they can do this. If the behaviour involves another employee they may report to HR or utilise the whistleblower hotline.
- In this instance just one person would complete the UAR, not both cashiers.

### Scenario 8

*The CCTV surveillance team is monitoring activity in the Roulette area of the Mahogany Room.*

*One of the surveillance operators observes a customer arriving at a roulette table is carrying a large quantity of cash that appear to be in a mix of \$50 and \$20 denominations.*

*The customer removes a bundle of notes without counting them (retaining the remainder of the bundle of notes) and hands them to the croupier who exchanges the cash for around \$6,000 in chips.*

*The customer plays the next two games at the table before getting up and moving on to another roulette table where the same pattern occurs.*

- The focus group identified that this behaviour is attempting to avoid a threshold transaction.
- Surveillance noted it may be indicative of money laundering and would be suspicious in the Mahogany room as most players are usually using \$100 notes.
- The focus group noted that the area manager would monitor how often the patron does it and would call surveillance.
- If the matter became more serious the SIU (Security Investigations Unit) would become involved.
- The focus group noted that they are unable to stop this behaviour at the time – only option is to report it.
- The focus group noted that as the patron is gaming within the Mahogany room, they must have a member card and therefore would be known to the casino.
- The focus group noted that buying-in at a table and walking to another table is an automatic trigger as suspicious behaviour.
- If surveillance noted this type of behaviour they keep it within the department, create a file and monitor the behaviour. The surveillance team do not contact the floor or have the patron approached as they will want to gather further evidence.
- The focus group noted that, while money laundering will happen in the Casino, whether it will be picked-up or noted as suspicious by employees will depend on the value of the transactions concerned e.g. a group of people gambling on different tables for around \$2,000 could be done and not noticed.
- In this instance all focus group participants would lodge a UAR.

### Scenario 9

*A cashier is operating in a Cage in the Teak Room. At 4.00 pm she is approached by a customer who exchanges \$2,000 cash for chips of various denominations and offers his Crown Rewards Card to record the transaction. She watches as the customer heads for the gaming tables.*

*At 7.30 pm, the same customer returns to the same cashier and tenders \$7,800 in chips and instructs the cashier to raise a cheque for his "winnings". He makes vague comments throughout the transaction about being "lucky tonight!"*

*Would the situation be different if the customer came back with \$15,000 at 5.00 pm?*

- It was noted that this scenario is feasible.
- In this scenario the focus group participants noted that they would check the player ratings from the membership card to ensure the winnings make sense.
- The same action would be taken for either amounts of money, it all depends on the rated play that is evident on that member's card.
- If there was no rated play noted on the members card the patron would be asked questions about where they have been gaming contact the area manager. If the scenario was still suspicious at this point a UAR would be raised – the customer would still be paid out their winnings regardless.
- If the patron is cashing out for a cheque they are required to provide ID. Regardless if they have signed up as a member they are essentially entered into the system at that point in time.
- Focus group participants noted a lot of emphasis is put on knowing the patron and their typical gaming behaviour and patterns.

#### Scenario 10

*Two customers enter the main gaming floor together. A security officer sees one customer give a Crown Rewards Card to the other customer. The second customer attends a cashier and completes a transaction using the member card provided by the first customer.*

*It appears that the transaction is the purchase of chips using the member card.*

- The focus group noted that this would be considered as a misuse of membership cards.
- The focus group noted that this is much more likely to occur on EGMs. A patron may be attempting to gain points from another patron's play.
- The focus group noted that when a member's card is swiped at the Cage or entrance the patron's information and ID shows up and so it would be clear that the patron was not presenting their own card.
- If this was noted at the time a discussion would be held with the patron, the card may be confiscated, notes would be made on both players' card file and it may be escalated from that point.
- This may cause the patron to be banned if it was ongoing behaviour.
- The patron may also be listed as a Teak or Mahogany 'undesirable'.

#### Scenario 11

*A cashier is on duty in a Cage in the Mahogany Room. A customer who has been in the Mahogany Room for several hours arrives at the Cage with around \$25,000 in chips*

*He presents three member cards and asks if he could have \$9,000 of his 'winnings' credited to each of two membership cards and for the remainder to be credited to the third.*

*The cashier notices that the three member cards are in different names and starts to query way he is presenting member cards in different names.*

*The customer becomes angry and says forcefully that he is there with two friends who have gone to have dinner and that they are good customers of the Mahogany Room.*

- The focus group noted that it is not permitted to transact on another patron's membership card.
- The focus group noted this is not a very realistic scenario.
- It was noted that a PIN is required to deposit cash or winnings onto a Rewards card and that few patrons utilise their Crown Rewards cards as stored value accounts.
- It was also noted that patrons are not able to credit somebody's account without providing a signature and ID.
- In this scenario, the patron would be advised to have his friends come and transact on their own membership cards / accounts.
- Patrons are also more aware of transaction levels and changes in processes at Crown based on information from Crown staff / VIP Services and what is noted in the media.

## AML Second Line Focus Group Scenario Analysis

### Scenario 3

*Two male customers arrive at a roulette table in the main gaming floor each with a substantial quantity of pre-purchased chips.*

*They are not talking with each other but it is clear from their body language as they approach the table that they are together. Both offer their Crown Rewards Card which the croupier swipes. The Area Manager observes that they go to opposite ends of the table.*

*The table they are at is moderately crowded with around 12 players. There is a distinctive pattern of play involving the two players.*

*While each player makes small straight up bets, on every play:*

- *One player will bet on red and the other will bet on black; or*
- *One player will bet on evens and the other will bet on odds.*

*Player 1 always bets first followed by player 2. After an hour, both players leave the roulette tables with their respective holding of chips having had their Crown Rewards Card swiped by the croupier. The Area Manager submits a UAR in the AML Portal.*

- Focus group participants noted that the croupier would notify the area manager of this behaviour.
- The area manager is covering too many tables to notice this by themselves.
- It was noted that it would be rare for large amounts to be placed on even money bets (red/black odds/evens) consistently.
- In this scenario the croupier would page the area manager (discretely) who would use the UAR portal and submit a UAR through to the AML team.
- The AML team would review the detail within the UAR, contact surveillance who would likely submit their own UAR for the same scenario if notified by the area manager.
- The AML team would match up the patron name and number, conduct Dow Jones searching, search through SEER for facial recognition if the patron was not carded and determine whether any unusual activity had been lodged prior.
- It is likely in this scenario the area manager would inform the assistant casino manager so they could keep an eye on the patron's activity as well as notifying surveillance.
- Currently UAR's are triaged based on the risk of the activity. Previously they were reviewed on a chronological basis. If the UARs are above approximately \$20,000 they are high risk or if the AML team receive requests from VicPol or AFP these are high risk.
- If a UAR includes gaming activity less than \$10,000 this is considered 'low risk'.
- PEPs and RCAs are high risk UARs.
- Every UAR must have a rationale for action taken (to proceed to an SMR or to close the file). The UAR is input into 'CURA' and a profile is created for that patron – this enables the AML team to check if prior UAR's have been raised on the same patron.
- The focus group noted this scenario is unlikely to be picked-up on the main floor. 12 people around a baccarat table is too many for the dealer to identify all of them, also the monetary value (and return on investment) is very low.
- One focus group member suggested this scenario was more likely an attempt to gain member points rather than money laundering.
- Focus group participants noted that patrons would conduct this activity on eTGs as it would be less likely to be picked-up. Engaging in even money betting would not require two patrons to be working in collusion, it would be possible for one person to do it at a single eTG terminal.

#### Scenario 5

*A cashier is at work at one of the Cages on the main floor. A customer presents at the Cage window with a bag of cash in bundles which she places on the counter in front of the cashier.*

*The cashier forms a view that there is more than \$10,000 and asks the customer for identification in order to complete a TTR (Threshold Transaction Report).*

*The customer asks why this is necessary and when told that Crown needs to make a report to AUSTRAC, she replies "I don't have any ID with me".*

*She then takes back half of the cash and says she wants to buy a lesser quantity of chips. The cashier submits a UAR in the AML Portal.*

- The focus group participants noted that this happens 'most days'.
- It was noted that sometimes (in practice) a customer might only ask to take off \$100.
- It is correct for a UAR to be reported based on this scenario.
- Participants noted that a UAR would be made, not due to the monetary value but due to the high-risk nature of the activity.
- It was noted that the customer's history would also be taken into account, for example if they usually only play with \$100 per day then this would be even more suspicious.
- Participants noted that this would likely cause an SMR to be raised based on the UAR submitted.
- It was noted that this is a common scenario; this is heavily enforced and everyone would understand what is happening in this scenario.
- It was noted that there is no difference in the amount of UARs submitted for this situation since pre-Bergin.
- Participants noted that the area manager is likely to raise the UAR at some point during their shift.

#### Scenario 7

*A cashier (1) is working in a Cage on the main floor. He notices a male customer approach one of the other cashiers (2) and tenders what appears to be \$4,000 to \$5,000 in \$10, \$20 and \$50 denominations. The customer approaching Cashier 2 is notable because there are already two customers waiting to be served while there are other cashiers who are free. It appears that the customer deposits this cash to a DAB Account.*

*Cashier 1 has seen this customer appear at Crown on several occasions over the previous six months and each time he walks out of the gaming floor having deposited funds to a DAB account without going to a gaming table, eTG or EGM.*

*On this occasion, the customer is wearing a corporate shirt marked "The Refuge Café" and the name "Simon". Cashier 1 speaks to Cashier 2 and asks whether he is going to complete a UAR. Cashier 2 responds "Why should I?" Cashier 1 submits a UAR in the AML Portal.*

- Focus group participants noted that the cashier would go to their manager in this situation.
- It was noted that multiple things are happening in this scenario, such as possible collusion between the cashier and customer, and the relevance or red flags are due to the low denomination notes.
- If a UAR is submitted this is a trigger for further action, it was noted that Sentinel rules may also be flagged through this activity.
- It was noted that Poker does not provide individuals with rated play, as it is not against the casino.
- The group also noted that people who live in the area use Crown as a bank; they are open 24/7, provide good FX exchange rates and other advantages.

### Scenario 8

*The CCTV surveillance team is monitoring activity in the Roulette area of the Mahogany Room. One of the surveillance operators observes a customer arriving at a roulette table is carrying a large quantity of cash that appear to be in a mix of \$50 and \$20 denominations.*

*The customer removes a bundle of notes without counting them (retaining the remainder of the bundle of notes) and hands them to the croupier who exchanges the cash for around \$6,000 in chips.*

*The customer plays the next two games at the table before getting up and moving on to another roulette table where the same pattern occurs.*

*The surveillance operators forms the view that this behaviour may be indicative of 'structuring' and prepares a UAR in the AML portal.*

- The focus group indicated that this scenario is a common example that staff are given in training, however it is not necessarily a common scenario in practice.
- The AML team noted they have always received UARs relating to structuring activity, but not necessarily this example.
- Structuring and no rated play (buying in and not playing) are the most common types of UARs that the AML team receive.
- It was noted that it would be unusual for a staff member to submit a UAR on losses because they might not be aware of a particular customer's losses.

### Scenario 9

*A cashier is operating in a Cage in the Teak Room. At 4.00 pm she is approached by a customer who exchanges \$2,000 cash for chips of various denominations and offers his Crown Rewards Card to record the transaction. She watches as the customer heads for the gaming tables.*

*At 7.30 pm, the same customer returns to the same cashier and tenders \$7,800 in chips and instructs the cashier to raise a cheque for his "winnings". He makes vague comments throughout the transaction about being "lucky tonight!"*

*The cashier believes that the customer's emphasis on 'winnings' is suspicious and she submits a UAR in the AML Portal. Would the situation be different if the customer returned at 5.00 wanting to cashout?*

- The focus group noted that over 3-4 hours this would not be suspicious or rare, but it all depends on whether the user has rated play or verifiable play.
- If the patron had not used their card, the cashier would tell the area manager who would also contact the table games manager to make enquiries about the patron, where they played and potentially contact surveillance.
- It was noted that patrons sometimes do not use their member card whilst playing for superstitious reasons or responsible gaming avoidance.
- This scenario depends heavily on how long the patron was there for, whether the play was rated or tracked and whether other staff or surveillance can verify play taking place.