

## Royal Commission into the Casino Operator and Licence

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### STATEMENT OF BARRY FELSTEAD

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**Name:** Barry Felstead

**Address:** Personal Information

**Occupation:** Retired

**Date:** 15 July 2021

I, Mr Barry Felstead of Personal Information retired, say as follows:

#### Introduction

1. I make this statement pursuant to leave granted to me on 9 July 2021 to file a statement with respect to two matters outlined in a letter from my instructing solicitors dated 8 July 2021. This statement is confined to those two matters and, by not commenting on other matters of evidence or assertion before the Commission, it should not be taken that I accept that other evidence or assertion.
2. This statement accurately sets out the evidence that I am prepared to give to the Royal Commission into the Casino Operator and Licence on those two matters. This statement is true and correct to the best of my knowledge and belief.

#### Conversation alleged to have taken place between Chris Reilly, myself and Joshua Preston 2018 about bonus jackpot tax issue

3. It has been brought to my attention that, on 7 June 2021, Mr Chris Reilly apparently asserted in a conversation with Mr Rob Meade and Ms Jan Williamson, that I made certain comments to him and Mr Joshua Preston in 2018. Neither Mr Reilly nor Mr Preston have given evidence about the alleged conversation. There is no contemporaneous file note of the alleged conversation and I am not aware of any

documents referring to or recording the alleged comments. Accordingly, my understanding of what it is alleged I said in 2018 is based upon evidence of what Mr Reilly said to Mr Meade and Ms Williamson on 7 June 2021 which I understand to be a file note by Mr Meade made on that date (CRW.512.160.0001) (Ex RC339) (**Meade File Note**) and evidence given in private hearing by Ms Williamson on 2 July 2021 at P3128.2 to P-3130.23.

4. I deny suggesting that “at seven years, the documents be destroyed” by reference to documents or a presentation relating to the bonus jackpots tax issue.
5. I deny making any comments to Mr Preston or Mr Reilly in 2018, or at any other time to any other person, to the effect that Crown documents should be destroyed either because they contained information which might be damaging to Crown or for any other reason.
6. I am not aware of a policy or practice at Crown of destroying documents because they are potentially damaging to Crown. I am aware that company documents ought usually be kept for a minimum of 7 years, but I am not aware of any practice or policy of selectively destroying documents after a 7 year period to avoid damaging material being published about Crown.
7. I deny that a conversation occurred in the terms alleged. At no point did Mr Reilly ever say to me “if owed, pay the tax” or suggest that the tax was payable or say that the tax should be paid by Crown. At no point during my employment at Crown was I informed that either Crown or the VCGLR had taken the view that the tax was payable or that it “should be paid”.

#### **Interview Notes dated 28 April 2021**

8. I have been shown notes of an interview of me conducted by Arnold Block Liebler and counsel on 28 April 2021 (CRW.900.004.0001) (Ex RC386) (**Notes of Interview**).
9. I do not adopt the Notes of Interview. The Notes of Interview are incorrect or convey the incorrect impression of the matters addressed by me in a number of ways, including those listed below.

10. **Paragraph 2** suggests I said that I was not prepared to go and get customers. I deny saying that. I recall saying that it was Mr Craigie who was not prepared to go and get customers.
11. **Paragraph 12** suggests I said that the advice “was not” fed back to Melbourne. I deny saying that. I recall saying that the advice “was fed back to Melbourne”.
12. **Paragraph 44** suggests that I said that I “did not have any view of the Cage’s usual AML procedures”. I deny saying that. I recall that I said that I did not know the intimate details of the Cage’s usual AML procedures.
13. **Paragraph 49** suggests that I said “sure” when asked whether customers were using China Union Pay cards to obtain money that they are not really allowed to take out of China. Prior to that exchange, I recall that I repeatedly and at length, rejected that proposition. Those prior exchanges were not recorded. I recall I said “sure” in a tone which indicated that I understood what counsel was saying, that I still did not agree, that I had had enough of the questioning and that I wanted to move on to the next subject in the meeting. I recall that the exchange occurred approximately 2 ½ hours into the interview. At no point in the interview did I accept that I knew or was aware, at the time or since, that customers were using China Union Pay cards to obtain money that they were not allowed to take out of China. My position on this issue is recorded at paragraph 54 of the Notes of Interview. I note that there it is recorded that I said that I would not “argue with it”. Again, by saying that I would not “argue with it”, I was trying to close down a debate where I and the questioner had already expressed different views so that we could move on in the discussion.

Dated: 15 July 2021

Signed: \_\_\_\_\_

Barry Felstead