



Victorian Commission for  
Gambling and Liquor Regulation

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29 May 2019

Our ref: CD/19/9431

Mr Richard Murphy  
Partner  
MinterEllison

*By email*

Dear Mr Murphy

**Further section 26 Notice requiring information regarding the late provision of documents**

I refer to your letter dated 18 March 2019. I confirm that the Victorian Commission for Gambling and Liquor Regulation (**VCGLR**) received a folder from you (on behalf of your client, Crown Melbourne Ltd (Crown)), with a further 87 documents in response to earlier statutory notices issued under section 26 of the *Casino Control Act 1991* and Part 4 of the *Victorian Commission for Gambling and Liquor Regulation Act 2011* by the VCGLR.

As you are aware, since July 2017 the VCGLR has been undertaking an investigation in relation to the circumstances leading to the detention, conviction and imprisonment of 19 Crown employees in China between October 2016 and August 2017.

On 23 August 2018, the VCGLR required Crown under Part 4 of the *Victorian Commission for Gambling and Liquor Regulation Act 2011* and section 26 of the *Casino Control Act* to provide all outstanding information and records that fell within the scope of the previous VCGLR notices by 21 September 2018.

Subsequently, in my letter dated 14 November 2018 I stated that:

*The VCGLR intends to proceed to complete its investigation in the near future, and does not intend to defer this matter pending the finalisation of the discovery process in the class action matter number VID 1317/017. As you would be aware, the VCGLR has a responsibility to ensure that it meets its statutory obligations under the Casino Control Act and the Victorian Commission for Gambling and Liquor Regulation Act 2011. Whilst, the VCGLR appreciates that Crown is a respondent to civil litigation in the Federal Court, that is considered a separate matter.*

*Crown, as a regulated entity, has a responsibility under section 26 of the Casino Control Act to comply with notices issued by the VCGLR. As you appreciate the VCGLR expects Crown to adhere to its statutory obligations as the casino licence holder. The VCGLR would be concerned if its section 26 notices were not complied with and considered ancillary or secondary to civil litigation and its associated discovery processes. Further, as noted previously, Crown has been aware since July 2017 that the VCGLR was conducting an investigation into this matter and has requested information since that time.*

*Accordingly, the VCGLR expects that Crown will fully comply with all notices issued to date and that any further information Crown has in its possession that falls within the statutory notices issued to date be provided by **5pm on 5 December 2018**.*

*If Crown has any further evidence, information or submissions that it considers relevant to the investigation and should be taken into consideration by the VCGLR please provide these documents by **5pm on 5 December 2018**.*

However, Crown has now provided on 18 March 2019 further additional documents, despite the statutory notices under the *Casino Control Act* which required the provision of documents within specified timeframes, and the VCGLR's request dated 14 November 2018 that Crown fully comply with all notices issued to date by 5 December 2018.

The VCGLR has reviewed the documents that Crown provided on 18 March 2019. It is noted that:

- most of the documents are in response to the statutory notices issued on 2 February 2018 and 23 August 2018;
- many documents, such as additional emails, are documents that were sent by or received by Crown management and staff who have been in the employment of Crown throughout the investigation period (and we understand remain employed); and
- a small number of the documents provided on 18 March 2019 were replies to emails previously disclosed to the VCGLR. For example, the emails from Mr Chen and Mr O'Connor to Mr Felstead dated 5 February 2015 (tabs 84 and 85).

As you would be aware, section 27 of the *Casino Control Act* contains a mechanism whereby the VCGLR, if it is satisfied that a person has, without reasonable excuse, failed to comply with a requirement of a notice under section 26, may certify the failure to the Supreme Court. The Court may inquire into the case and, if itself satisfied, punish the person as if the person were in contempt of the Court. Further, the VCGLR notes that a ground for disciplinary action under the *Casino Control Act* exists where the casino operator, or its agents or employees, contravene a provision of the *Casino Control Act*.

In light of the above matters, and pursuant to section 26 of the *Casino Control Act* and Part 4 of the *Victorian Commission for Gambling and Liquor Regulation Act*, I require Crown Melbourne Limited to provide information to explain in detail why each of the documents provided on 18 March 2019 was not provided within the timeframes specified in the statutory notices dated 2 February 2018, 23 August 2018 and 14 November 2018. At a minimum, the explanation should address:

- the circumstances (including when and by whom) in which the documents produced on 18 March 2019 were located and identified for the purposes of disclosure to the VCGLR; and
- the circumstances why the documents were not disclosed earlier to the VCGLR. For example, whether they were lost or deleted at an earlier time and subsequently located, or the documents were only identified during searches associated with the discovery process for the class action.

This information must be provided by **5pm on 12 June 2019**.

Should you require any further information, please do not hesitate to contact me on [REDACTED]

Yours sincerely



Adam Ockwell  
**Director, Compliance**