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13 June 2019

**By email**

Alex Fitzpatrick  
Director, Licensing  
Victorian Commission for Gambling and Liquor Regulation  
Level 3, 12 Shelley Street  
RICHMOND VIC 3121

Dear Alex

**Sixth Casino Review – Recommendation 17**

We refer to your letter of 23 May 2019.

**Your Letter**

Your letter indicates, among other things, that:

- *'the Commission is of the view that Crown may not meet the intended outcomes of recommendation 17'; and*
- *'Crown appears reluctant to undertake a review of any relevant internal control statements (ICs) with input from AUSTRAC.'*

Crown is keen to ensure that the VCGLR does not have fixed or predetermined views about the process followed by Crown, or the final outcome of the process followed by Crown.

Crown's view is that these statements do not reflect or properly account for the detailed briefings already provided to the VCGLR on the status of Crown's response to this recommendation, and the relationship between the ICs and Crown's broader AML/CTF compliance framework.

Given this, Crown feels it important to document the process it has followed, and the current status of that process.

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### **Actions taken by Crown in Response to Recommendation 17**

In response to Recommendation 17, Crown has:

- reviewed all of its ICSs;
- identified the ICSs with potential relevance to anti-money laundering risks;
- considered these ICSs against the backdrop of Crown's existing AML/CTF Compliance Framework;
- prepared proposed amendments to these ICSs, where appropriate;
- recently submitted these ICSs, and the proposed changes to AUSTRAC, and requested that AUSTRAC provide:
  - its view on the changes proposed by Crown; and
  - any other input or commentary from AUSTRAC regarding the relevant ICSs.
- also recently submitted these ICSs, and the proposed changes, to an independent AML/CTF expert, and requested that expert provide:
  - his view on the changes proposed by Crown; and
  - any other input or commentary he has regarding the relevant ICSs.
- at the same time, Crown has also:
  - conducted its annual ML/TF Risk Assessment of the designated services it provides, its delivery methods, the technology used, and its customers; and
  - separately, performed an extensive review of its corporate risk management framework, ensuring its relevance and effectiveness to Crown.

Crown is currently awaiting input from AUSTRAC and the independent expert. That input will, as the Commission would expect, be carefully considered and evaluated by Crown. Absent any material delay in AUSTRAC or the independent expert providing their feedback, Crown remains on track to have completed the review process by 1 July 2019.

Please be assured that Crown continues to work through this Recommendation and the various other Recommendations in an orderly and diligent manner.

Ms Alex Fitzpatrick  
Victorian Commission for Gambling and Liquor Regulation

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Please do not hesitate to contact me if you would like to discuss.

Yours sincerely



Joshua Preston  
Chief Legal Officer – Australian Resorts