

Document #	Name of Internal Control Statement	Date approved by VCGLR	Purpose of Internal Control (from ICS, abbreviated where appropriate)	Exposed to ML/TF risk? If so, what?	Other AML/CTF matter(s) relevant?	Proposed amendment(s) for consideration
1	Cheque Cashing and Credit Facilities (Incorporating Debt Collection and the Discharge of Patron Debts)	26 October 2016	To ensure that Crown remains free from criminal influence and exploitation. (Please note other core principles at sections 1.2 and 1.3).	Potential heightened risk presented by Customers during the life of their play with Crown (for example, due to transaction volumes and size, country of origin). This risk is mitigated and managed by additional Know Your Customer (KYC) procedures and enhanced customer due diligence. Repayment of debts with illicit funds (debt repayment not a designated service but identified, mitigated and managed in any event by Crown). This risk is mitigated by Crown's policy to only accept funds transferred through licensed entities.	KYC Crown treats its deposit accounts as "Betting Accounts" for KYC purposes. AUSTRAC Reporting - Threshold Transaction Reporting – that is, all cash transactions at the casino of A\$10,000 or more (or its foreign currency equivalent) (TTRs) - International Funds Transfer Instructions – inbound and outbound movements of funds, where those funds originate from (in the case of inbound) or are destined for (in the case of outbound) overseas (IFTIs) - Suspicious Matter Reports (SMRs).	ICS reviewed. Crown notes Initialism's advice to: <ul style="list-style-type: none"> add the AML/CTF Program as a control in the "Minimum Standards and Controls" section of each relevant ICS; add a specific risk of "Criminal influence and exploitation" in each ICS Risk Assessment Matrix where relevant and where it is not already included; and assess which controls set out in the Minimum Standards and Controls (including the AML/CTF Program control) that manage and mitigate the risk of criminal influence and exploitation. Crown notes AUSTRAC's input that changes to its ICSs are a matter for Crown. Recommended change to the Minimum Standards and Controls (new section 2.5) as follows: "Crown will adopt an AML/CTF Program in accordance with its obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)." Recommend inclusion of general risk of criminal influence / exploitation as part of the review of risk assessment matrices (in line with Crown's updated risk management framework), with the new control at section 2.5 reflected as addressing this risk.
2	Contracts	27 February 2018	To ensure the practice of good corporate governance and that relevant contractual supply arrangements and associated purchasing activities are adequately assessed, documented and supported.	Not a designated service, as that term is defined at section 6 of the AML/CTF Act. Not applicable.	Nil.	ICS reviewed. No change necessary.

3	Count Room and Drop Box, Drop Bucket and Note Stacker Collection	13 October 2017	To complete the authorised, systematic collection and the accurate counting, of all cash and cash equivalent items, accumulated during the course of gaming.	Not a designated service. Not applicable.	Nil	ICS reviewed. No change necessary.
4	Employee Appointments (Licensed and Unlicensed Positions)	12 April 2017	To ensure effective processes, procedures and reporting (where applicable) for the appointment of licensed and unlicensed employees.	The relevant ML/TF risk is at number 23 of the ML/TF risk assessment (potential collusion activity). This is addressed by the ICS.	Employee Due Diligence (EDD) forms part of Crown's AML/CTF Program.	ICS reviewed. No change necessary.
5	Gaming Equipment	12 July 2018	To ensure the accountability and integrity of gaming equipment.	This is a delivery method of a Table 3 designated service. (Table 3 designated services are gambling designated services). Potential ML/TF risks applicable to gaming equipment use, are as detailed below.	Ongoing Customer Due Diligence (OCDD) Crown monitors certain transactions on gaming equipment as part of its broader transaction monitoring program.	ICS reviewed. Crown notes Initialism's advice to: <ul style="list-style-type: none"> • add the AML/CTF Program as a control in the "Minimum Standards and Controls" section of each relevant ICS; • add a specific risk of "Criminal influence and exploitation" in each ICS Risk Assessment Matrix where relevant and where it is not already included; and • assess which controls set out in the Minimum Standards and Controls (including the AML/CTF Program control) that manage and mitigate the risk of criminal influence and exploitation. Crown notes AUSTRAC's input that changes to its ICSs are a matter for Crown. Recommended change to the Minimum Standards and Controls (new section 2.9) as follows: "Crown will adopt an AML/CTF Program in accordance with its obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)." Recommend inclusion of general risk of criminal influence / exploitation as part of the review of risk assessment matrices (in line with Crown's updated risk management framework), with the new control at section 2.9 reflected as

						addressing this risk.
6	Gaming Machines Operations	31 December 2018	<p>To ensure that Crown remains free from criminal influence and exploitation.</p> <p>To ensure effective processes and procedures for the operation of EGMs.</p> <p>Segregated approval and verification of key processes and procedures.</p>	<p>This is a delivery method of a Table 3 designated service.</p> <p>Potential ML/TF risks applicable to gaming machine use are as follows:</p> <ul style="list-style-type: none"> - bill stuffing (the insertion of a large number of notes into a gaming machine, minimal play, receipt of a ticket and redemption at Cage claimed as "winnings"); - refining (attempted exchange of smaller notes for larger notes); - structuring (regular redemption of TITO Tickets or transactions just under A\$10,000; or requesting a jackpot win on a machine be split to avoid reporting obligations); - even money betting (frequent even money betting, either alone or as a pair of bettors), covering both sides of an even bet; and - TITO "walking" (a patron takes TITO Tickets and leaves the casino without seeking to redeem them). <p>Each of these risks are mitigated and managed by controls in place at Crown (including limits and caps on the notes that can be inserted into machines, human intervention for any ticket collect from a machine of greater than \$10,000 and all redemptions for cash / cheque over \$2,000 must occur at a Cage). Crown staff are trained to be aware of potentially unusual or suspicious activity and to report it to the AML Team.</p>	OCDD	<p>Crown monitors the behaviour of gaming equipment as part of its broader transaction monitoring program.</p> <p>ICS reviewed.</p> <p>Crown notes Initialism's advice to:</p> <ul style="list-style-type: none"> • add the AML/CTF Program as a control in the "Minimum Standards and Controls" section of each relevant ICS; • add a specific risk of "Criminal influence and exploitation" in each ICS Risk Assessment Matrix where relevant and where it is not already included; and • assess which controls set out in the Minimum Standards and Controls (including the AML/CTF Program control) that manage and mitigate the risk of criminal influence and exploitation. <p>Crown notes AUSTRAC's input that changes to its ICSs are a matter for Crown.</p> <p>Recommended change to the Minimum Standards and Controls (new section 2.13) as follows:</p> <p><i>"Crown will adopt an AML/CTF Program in accordance with its obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)."</i></p> <p>Recommend inclusion of general risk of criminal influence / exploitation as part of the review of risk assessment matrices (in line with Crown's updated risk management framework), with the new control at section 2.13 reflected as addressing this risk.</p>
7	Internal Audit	11 November 2008	The ongoing operation of an effective and independent Internal Audit	The Internal Audit Team will, from time to time, conduct independent reviews of some or all of AML's functions.	The AML/CTF Rules require that any audit conducted by an internal team on Part A of the AML/CTF Program must be conducted by an independent	ICS reviewed. No change necessary.

			function.	Specifically: <ul style="list-style-type: none"> - Independent Reviews of Part A under the AML/CTF Act and Rules; and - Ongoing audits touching upon the AML function as part of its standard practices. 	reviewer.	
8	Introductory Chapter	24 December 2015	Defines Crown's system of internal controls	Risk Assessment is addressed in Crown's AML/CTF Program and is also covered by section 7 of the Introductory Chapter.	Nil.	ICS reviewed. No change necessary.
9	IT Operations	1 May 2019	To ensure data integrity, stability, security, auditability, accountability and recoverability of IT systems.	Not directly relevant to ML/TF Risk, other than, to be aware of the risk, Crown needs to have secure and stable underlying IT systems to enable it to identify unusual or suspicious patterns of behaviour.	Please see the comment at Gaming Machines above. The integrity, stability, security and accountability of IT systems is relevant under the AML/CTF Program to ensure accuracy in reporting and recording of KYC, amongst other matters.	ICS reviewed. No change necessary.
10	Revenue Audit and Reporting	1 April 2019	To ensure the integrity of gaming activity and the accurate reporting of monthly GGR for the calculation of taxes and fees payable by Crown. To ensure the security and accountability of gaming cheques and gaming vouchers through the operation of an efficient and effective revenue audit function.	Relevant to ML/TF only to the extent that a gaming cheque is a casino value instrument. Crown tracks the issuance of cheques through its transaction monitoring program.	Nil.	ICS reviewed. No change necessary.
11	Security	8 December 2009	To ensure the safety of Crown staff, contractors and visitors to the casino complex; to safeguard	Security is a named control under the AML/CTF Program. The Minimum Standards and Controls outlined in the ICS are sufficiently broad to address potential misuse of designated services	Nil.	ICS reviewed. No change necessary.

			Crown's property and assets; to prevent and detect unacceptable behaviours within the casino complex and surrounds; and to support all gaming activity conducted within the casino complex and other activities as required.	for potential ML/TF activity.		
12	Surveillance	4 April 2018	To provide integrated surveillance operations across the casino complex.	Surveillance is a named control under the AML/CTF Program. Surveillance is trained to look for ML/TF risks arising from the designated services provided by Crown, as well as other potential suspicious activity at Crown.	Nil.	ICS reviewed. Crown notes Initialism's advice to: <ul style="list-style-type: none"> • add the AML/CTF Program as a control in the "Minimum Standards and Controls" section of each relevant ICS; • add a specific risk of "Criminal influence and exploitation" in each ICS Risk Assessment Matrix where relevant and where it is not already included; and • assess which controls set out in the Minimum Standards and Controls (including the AML/CTF Program control) that manage and mitigate the risk of criminal influence and exploitation. Crown notes AUSTRAC's input that changes to its ICSs are a matter for Crown. Recommended change to the Minimum Standards and Controls (new section 2.12) as follows: "Crown will adopt an AML/CTF Program in accordance with its obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)." Update Risk Assessment Matrix to reflect new section 2.12 as a control for the risk of "Failure to detect illegal activities and/or procedural breaches".
13	Table Games Operations	8 March 2016	To ensure the integrity and continuity of table games operations in accordance with regulatory requirements.	Delivery method of designated services. ML/TF risks applicable to table games services include: <ul style="list-style-type: none"> - structuring (multiple buy ins under A\$10k to avoid reporting requirements); - even money betting (as defined above); 	KYC AUSTRAC Reporting <ul style="list-style-type: none"> - TTRs - SMRs 	ICS reviewed. Crown notes Initialism's advice to: <ul style="list-style-type: none"> • add the AML/CTF Program as a control in the "Minimum Standards and Controls" section of each relevant ICS; • add a specific risk of "Criminal influence and exploitation" in each ICS Risk Assessment Matrix where relevant and where it is not already included; and • assess which controls set out in the Minimum Standards and Controls (including the AML/CTF Program control) that manage and mitigate the

				<ul style="list-style-type: none"> - chip walking (a customer leaves the casino floor with a significant amount of chips in his or her possession); and - signs of unusual customer behaviour (for example, winning being a secondary consideration; attempts by a customer to befriend a table games' dealer). <p>Each of these risks are mitigated and managed by controls in place at Crown (including that the provision of services to customers is by staff trained to identify potentially unusual or suspicious activity).</p>		<p>risk of criminal influence and exploitation.</p> <p>Crown notes AUSTRAC's input that changes to its ICSs are a matter for Crown.</p> <p>Recommended change to the Minimum Standards and Controls (new section 2.6) as follows:</p> <p><i>"Crown will adopt an AML/CTF Program in accordance with its obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)."</i></p> <p>Recommend inclusion of general risk of criminal influence / exploitation as part of the review of risk assessment matrices (in line with Crown's updated risk management framework), with the new minimum control at section 2.6 reflected as addressing this risk.</p>
14	Cage Operations	2 March 2015	To ensure the integrity and continuity of Cage Operations through processes and procedures which ensure all transactions relating to the conduct of gaming at the Melbourne Casino are accounted for and correctly reported via the operation of the Cage.	<p>Delivery method and direct provision of designated services.</p> <p>ML/TF risks applicable to Cage designated services include:</p> <ul style="list-style-type: none"> - structuring (attempting to exchange chips for cash under A\$10k – for example, in multiple transactions - to avoid reporting requirements); - unusual behaviour in respect of wire transfer instructions (for example, transfers by third parties where Crown cannot determine a connection between the transferor and transferee); - unusual behaviour in respect of deposit account transactions (for example, large cash deposit with little to no rated play, with the customer then seeking to move the funds via telegraphic transfer); - signs of unusual customer behaviour (winning being a secondary consideration; attempts by a customer to befriend a Cage staff member; 	<p>KYC.</p> <p>AUSTRAC Reporting</p> <ul style="list-style-type: none"> - TTRs - IFTIs - SMRs 	<p>ICS reviewed.</p> <p>Crown notes Initialism's advice to:</p> <ul style="list-style-type: none"> • add the AML/CTF Program as a control in the "Minimum Standards and Controls" section of each relevant ICS; • add a specific risk of "Criminal influence and exploitation" in each ICS Risk Assessment Matrix where relevant and where it is not already included; and • assess which controls set out in the Minimum Standards and Controls (including the AML/CTF Program control) that manage and mitigate the risk of criminal influence and exploitation. <p>Crown notes AUSTRAC's input that changes to its ICSs are a matter for Crown.</p> <p>Recommended change to the Minimum Standards and Controls (new section 3.11) as follows:</p> <p><i>"Crown will adopt an AML/CTF Program in accordance with its obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)."</i></p> <p>Recommend inclusion of general risk of criminal influence / exploitation as part of the review of risk assessment matrices (in line with Crown's updated risk management framework), with the new minimum control at section 3.11 reflected as addressing this risk.</p>

				<ul style="list-style-type: none"> - transaction with no rated play or insufficient rated play in the reasonable determination of Crown); - requests for multiple cheques without supporting rated play; and - where a patron is in possession of dirty notes, old notes, poor quality notes, or new/sequential notes. <p>Each of these risks are mitigated and managed by controls in place at Crown (including the provision of services by staff trained to identify potentially unusual or suspicious activity).</p>		
15	Internal Control Statement - Junket and Premium Player Programs (including VIP Telephone Betting and the Introduction of Players)	24 December 2015	Ensure that Crown remains free of criminal influence and exploitation through the application of effective processes and the maintenance of detailed and accurate documentation relating to Junket and Premium Player Program activity, the introduction of players and VIP International Telephone betting.	<p>Junket Operators, Junket Players and Premium Players are all “customers” for the purposes of the AML/CTF Program.</p> <p>These customers will be provided with designated services from time to time.</p> <p>Please see the potential ML/TF risks identified above for Table Games, Gaming Machines and the Cage.</p>	<p>KYC.</p> <p>AUSTRAC Reporting</p> <ul style="list-style-type: none"> - TTRs - IFTIs - SMRs 	<p>ICS reviewed.</p> <p>Crown notes Initialism’s advice to:</p> <ul style="list-style-type: none"> • add the AML/CTF Program as a control in the “Minimum Standards and Controls” section of each relevant ICS; • add a specific risk of “Criminal influence and exploitation” in each ICS Risk Assessment Matrix where relevant and where it is not already included; and • assess which controls set out in the Minimum Standards and Controls (including the AML/CTF Program control) that manage and mitigate the risk of criminal influence and exploitation. <p>Crown notes AUSTRAC’s input that changes to its ICSs are a matter for Crown.</p> <p>Recommended change to the Minimum Standards and Controls (new section 2.6) as follows:</p> <p><i>“Crown will adopt an AML/CTF Program in accordance with its obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1).”</i></p> <p>Recommend inclusion of general risk of criminal influence / exploitation as part of the review of risk assessment matrices (in line with Crown’s updated risk management framework), with the new minimum control at section 2.6 reflected as addressing this risk.</p>