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PERTH CASINO ROYAL COMMISSION

PUBLIC HEARING - DAY 38

10.59 AM MONDAY, 20 SEPTEMBER 2021

COMMISSIONER NJ OWEN

COMMISSIONER C MURPHY

HEARING ROOM 3

**MR MICHAEL FEUTRILL SC and MS ANN SPENCER and MS KARESS DIAS as
Counsel Assisting the Perth Casino Royal Commission**

**MS RACHAEL YOUNG as Counsel for Consolidated Press Holdings Pty Ltd and CPH
Crown Holdings Pty Ltd**

**MR PAUL D EVANS and MR PETER SADLER as Counsel for the Gaming and
Wagering Commission of Western Australia**

**MS FIONA SEAWARD as Counsel for the Department of Local Government, Sport
and Cultural Industries**

**MR JOSEPH GARAS SC as Counsel for Crown Resorts Ltd; Burswood Limited;
Burswood Nominees Limited; Burswood Resort (Management) Limited; Crown
Sydney Gaming Pty Ltd; Southbank Investments Pty Ltd; Riverbank Investments Pty
Ltd and Crown Melbourne Limited**

MR NICHOLAS MALONE as Counsel Mr Michael Connolly

MR DAVID SHAW as Counsel for Mr Christos Theodoropoulos

COMMISSIONER OWEN: Please be seated. Just before we call Mr Godfrey, if I can make a general statement in relation to witnesses who will be giving evidence today and in coming days, it may be necessary to canvass material that has been
5 provided by patrons of the casino who cannot be named. From time to time, it may be necessary to take evidence in private sessions. In that case, appropriate orders will be made at the time.

10 During public hearings, everyone --- witnesses, counsel and Commissioners alike --- should exercise caution to ensure that patrons are not named, and in case there is a slip or inadvertent naming, there is a general non-publication order made by virtue of this statement prohibiting the naming of those individuals. In case of a slip or inadvertent naming, counsel should raise the issue as soon as possible, and the general non-publication order can be made specific.

15 We will also need to guard against the display on public screens of documents that name patrons. This does not apply to documents that are already tendered as part of the public record and in respect of which a non-publication order has not been made. Similarly, if the name of a patron is already a matter of public record, the general
20 non-publication order can, on application, be lifted in relation to that individual. We will now have Mr Godfrey, please.

25 **MR ANTHONY ROBIN GODFREY, AFFIRMED**

EXAMINATION-IN-CHIEF BY MR SHAW

30 MR SHAW: Could I ask the operator to put document CRW.998.002.0485. Mr Godfrey , do you have that document on the screen in front of you?

MR GODFREY: Yes, I do.

35 MR SHAW: Could we scroll through that quickly to the end, please, operator? And your signature is redacted there, but that is your witness statement?

MR GODFREY: Yes.

40 MR SHAW: Commissioner, I tender that.

COMMISSIONER OWEN: Thank you, Mr Shaw. The witness statement of Anthony Robin Godfrey dated 15 September 2021 and bearing the ID number CRW.998.002.0485_R is admitted into evidence as an exhibit.

45

EXHIBIT #CRW.998.002.0485 - WITNESS STATEMENT OF ANTHONY ROBIN GODFREY DATED 15 SEPTEMBER 2021

MR SHAW: Thank you, Commissioner.

5

COMMISSIONER OWEN: Thank you, Mr Shaw.

Ms Spencer.

10

CROSS-EXAMINATION BY MS SPENCER

MS SPENCER: Thank you, Commissioner.

15

Mr Godfrey, my name is Anne Spencer, I'm one of the counsel assisting this Royal Commission. I'm going to take you through your statement today and ask you to clarify some of your evidence ---

20

MR GODFREY: Sure.

MS SPENCER: --- and if it assists I might ask you to expand on that evidence. There might also be some further topics which I will ask you about.

25

Firstly, Mr Godfrey, you have been employed at Crown Perth since February 1986; is that right?

MR GODFREY: Yes.

30

MS SPENCER: Prior to that you had experience working in casinos in London between 1978 and 1986?

MR GODFREY: That's correct.

35

MS SPENCER: What sort of thing were you doing at those casinos in London?

MR GODFREY: I was a dealer to start off with. I was then an inspector. I did some training during that period of time and that was it in a nutshell.

40

MS SPENCER: How is it that you came to work in Perth?

MR GODFREY: They were advertising in London when they opened up, or were in the process of opening up Adelaide Casino and Burswood, and I had the opportunity. I had the interview in London, and I had the opportunity to come across to Australia to work. I was given the job.

45

MS SPENCER: All right. Did you work in South Australia first?

11:04AM

MR GODFREY: No, straight to Perth.

5 MS SPENCER: Your current role since August 2019 is Premium Compliance Manager?

MR GODFREY: That's correct.

10 MS SPENCER: Is that a full-time role?

MR GODFREY: Yes, it is.

MS SPENCER: Say, 40 hours a week, is that what you do?

15 MR GODFREY: Yes.

MS SPENCER: Do you have a set roster or are you doing shift work?

20 MR GODFREY: Yes, mainly Monday to Friday, 9 to 5, those sort of times.

MS SPENCER: I see. What does your role entail?

25 MR GODFREY: Well, I'm looking after the premium gaming elements of the Pearl Room, and that's basically our local members, our local, WA-based members in the Pearl Room. I oversee any compliance issues that might come up from the players, and I also look after membership and the guest and member entry into the Pearl Room. So it's really just overseeing the whole area and making sure that everyone is complying, and specifically, and when it comes to entry into the Pearl Room that is done through (inaudible - coughing) ---

30 MS SPENCER: I see. Would you describe your current role as patron-facing?

35 MR GODFREY: Not so much now. It's more so office-bound basically. Occasionally I meet a patron or whatever the case might be, but it's mainly an office-style job these days.

MS SPENCER: When you're meeting those patrons, why are you meeting them? You mentioned compliance issues earlier.

40 MR GODFREY: Yeah, look, I may walk into the Pearl Room to have a wander round and see what's going on. There might be patrons that recognise me when I was in the position of Pearl Room manager years back, and it's just a general chat.

45 MS SPENCER: Just going back to those compliance issues, which you mentioned describing your role. What sorts of issues were brought to your attention?

MR GODFREY: We have a daily compliance report that is filled out by our Pearl Room hosts every day, and they'll put down anything unusual that may have occurred

in the Pearl Room. So it could be somebody tripping on the floor, it could be complaints made, it could be someone becoming aggressive, it could be the occasional intoxicated patron who's had too much to drink. Just any issue that's out
5 of the norm, and the expectation is that they report it.

MS SPENCER: Are these complaints from patrons or from staff?

10 MR GODFREY: From patrons.

MS SPENCER: Okay, and what sort of complaints do you see day-to-day?

MR GODFREY: They feel something may have happened on the gaming table they weren't happy about. They weren't happy with the service in the Pearl Room. They
15 may have made a complaint they're not winning any money. It varies.

MS SPENCER: Just trying to get a feel for what you do day-to-day. You receive these daily compliance reports ---

20 MR GODFREY: Yes.

MS SPENCER: --- and you're also, are you assessing applications for the Pearl Room?

MR GODFREY: To a degree, to a degree. When I look at the daily compliance report I'll see if there's any issues I need to follow up. The way I've structured the report is the incident has been entered into the report and it will go through various departments who will basically follow up or resolve the issue, as such. If there's
25 anything there that I think I might need to follow up a bit further, then I'll do so.

30 MS SPENCER: Is it the case that you currently have no one reporting to you?

MR GODFREY: Correct.

35 MS SPENCER: Is there a plan as far as you're aware to have people report to you in the future?

MR GODFREY: We go through some pretty major changes at this point in time. I don't quite know what's going to be happening in the next two or three months at this
40 point in time, but it hasn't been mentioned to me yet.

MS SPENCER: So it's a wait-and-see situation?

MR GODFREY: It's a wait-and-see, but there's been no indication that at some point
45 in I'll have two or three people working for me or reporting to me, it hasn't been mentioned.

MS SPENCER: Now, you report to Ms Cori Cairns, is that correct?

11:08AM

MR GODFREY: Yes.

MS SPENCER: She's the Executive General Manager of table games?

5

MR GODFREY: Yes.

MS SPENCER: I'm going to call up a document which is an organisational chart, if we could have CRW.701.004.9492. I'll give you a moment to look at that. I just want to see where you fitted in this picture. You can see the CEO name and then there's five people sitting below and second across is Cori Cairns, EGM Table Games, is that "executive general manager"?

10

MR GODFREY: Yes, it is.

15

MS SPENCER: Sitting below Cori Cairns is Chris Schoenmaekers?

MR GODFREY: Yes.

MS SPENCER: Do you have anything to do with Chris Schoenmaekers?

20

MR GODFREY: Yeah, he's part of the table games operation, and we have an office virtually to each other.

MS SPENCER: But there is no (inaudible) you don't report to him at all, you just report directly to Cori Cairns?

25

MR GODFREY: Yes, to Cori.

MS SPENCER: Yes.

30

MR GODFREY: When she was on maternity leave, Chris stepped into her position and for that point of time I was reporting to Chris.

MS SPENCER: And then Sam Brown, do you have anything to do with ---

35

MR GODFREY: Yes, obviously I know him --

MS SPENCER: Yes.

40

MR GODFREY: --- but he's just kind of the (inaudible) manager.

MS SPENCER: So you sit underneath this second column, if you like?

MR GODFREY: Basically, yes.

45

MS SPENCER: All right. That chart can be brought down. If we could bring up

11:10AM

paragraph 5 of Mr Godfrey's witness statement, please.

We can see there, Mr Godfrey, that you've had 12 different positions at Crown.

5

MR GODFREY: Mmm-hmm.

MS SPENCER: And Burswood over the years; is that right?

10

MR GODFREY: Yes.

MS SPENCER: Now, each time you've had a new role, was it is case that it was a promotion?

15

MR GODFREY: From inspector to pit boss grade two, pit boss. Yes, they were all basic promotions up until international manager.

20

MS SPENCER: All right, we'll talk about that in a moment, because I'd like to get an understanding of your different roles. So when you moved through the ranks, were you sort of tapped on the shoulder, or was it a case of applying for these jobs?

25

MR GODFREY: I joined as an inspector. I was, as you say, tapped on the shoulder for assistant pit boss and also pit boss grade 2, up to pit boss. It was just a natural progression, and the same with assistant gaming shift manager. When it came to International Room gaming shift manager, I went for an interview.

MS SPENCER: All right. Now, I know it's some time ago, but do you recall what the difference is between a pit boss and a grade 2 pit boss?

30

MR GODFREY: It could have been pay.

MS SPENCER: All right.

MR GODFREY: May have been, can't quite recall.

35

MS SPENCER: Now, is it the case that pit bosses are no longer called that?

MR GODFREY: Yes, they're called TGSMs, table game shift managers, I think, yes.

40

MS SPENCER: Is it the case --- I want to make sure I'm understanding your chronology correctly --- that you held several positions at one time? If you have a look at paragraph 5e), there's a reference you make to assistant gaming shift manager commencing on 7 August 1988.

45

MR GODFREY: Yes.

MS SPENCER: Do you see how that overlaps with the pit boss role above?

MR GODFREY: Yes.

MS SPENCER: You hold two positions?

5

MR GODFREY: Yes, so basically I was a pit boss, but basically when required, I stepped into the assistant gaming shift manager position.

MS SPENCER: What's the difference between the two roles?

10

MR GODFREY: Pit bosses were looking after the gaming pit of tables.

MS SPENCER: An area of the footprint?

15

MR GODFREY: An area of the footprint and pit bosses' duties were basically to look after areas, look after inspectors and dealers, and just make sure that the games were dealt correctly, sort out any issues that might have occurred at that particular point in time, and yes, that's the duty of a pit boss. The assistant shift gaming manager was basically in charge of the whole gaming floor, so when I was on shift, I took the duties of the gaming shift manager, and my responsibilities were virtually everything that was happening in table games, whether it be on the main gaming floor or back in those days the international gaming room.

20

MS SPENCER: When you were stepping in, was it the case you were the most senior pit boss on the floor at the time?

25

MR GODFREY: I wouldn't say "more senior", I think I was just offered that position, I don't know how many gaming shift managers there were at that time, I can't recall. You could probably say that.

30

MS SPENCER: Can you tell me about --- and you touched on this briefly already, that you had to apply for the international gaming room shift manager ---

MR GODFREY: Yes.

35

MS SPENCER: --- what did that role entail?

MR GODFREY: It was more of a PR-orientated role, public relations, basically getting to know the members --- I'm talking about the local members, WA-based local members. It was to drive membership as well, to increase membership to the International Room, and ---

40

MS SPENCER: The room, not any rewards program? Or is it just access to the International Room?

45

MR GODFREY: Access to the International Room, however they were part of --- I think back then it was called Club Burswood, from memory. But once they moved into the International Room, it was a separate style of membership.

11:14AM

MS SPENCER: I see. How did you drive membership of the International Room?

5 MR GODFREY: It was a matter back then, I suppose, of looking at the players we had out in the main gaming floor and ---

MS SPENCER: Can I just clarify ---

10 MR GODFREY: Yes.

MS SPENCER: --- were you looking at electronic gaming machine patrons, or just table games ---

15 MR GODFREY: Just table games, just table games. We have a system, we've got a system called SYCO now. I can't remember what it was called prior to that, but it gave us financial information on players throughout the whole gaming footprint, table games players. So really, it was a matter of looking through, you've got a player inquiry, which is a basic report, finding out who was playing and where and approaching, having chats, showing them, if they'd like to sort of have a tour of the
20 International Room, what their thoughts are like, would they be interested in joining.

MS SPENCER: Sure. Now, in terms of the tracking, and you were saying there you were referring there to reports, was it tracking patrons with that Club Burswood membership or was it ---
25

MR GODFREY: Yes, if you didn't have a Club Burswood membership, then there'd be no record on the system about you.

MS SPENCER: So when you're doing the drive to get membership up you were
30 really focusing on those people that were already members of Club Burswood?

MR GODFREY: Yes.

MS SPENCER: I see. So when you moved to the International Room as a gaming
35 shift manager ---

MR GODFREY: Yes.

MS SPENCER: --- was your only interaction then with the main gaming floor just to
40 get the new members for that room, and were you otherwise based ---

MR GODFREY: Yes, I was based in the International Room, with the exception of, you know, contacting players, you know ---

45 MS SPENCER: Okay.

MR GODFREY: Sorry.

11:16AM

MS SPENCER: Go on.

5 MR GODFREY: Of course, we had the phone details and everything, so it might have been a phone call as well, introducing yourself.

MS SPENCER: All right, and then when you say you were based mostly in the International gaming room, were you walking the floor ---

10 MR GODFREY: Yes.

MS SPENCER: --- and just getting to know the patrons?

15 MR GODFREY: Correct.

MS SPENCER: Did you have anyone report to you when you were in that role, and who were you reporting to?

20 MR GODFREY: Back then, I think there was a chap by the name of EP Yeow(?). Yes.

MS SPENCER: That's all right, it was some time ago.

25 Now, you moved on in April 2005 to be the VIP Development Manager for WA?

MR GODFREY: Yes.

MS SPENCER: What did that role entail?

30 MR GODFREY: It was very similar to the International Gaming Shift Manager, it was just a different title change.

35 MS SPENCER: Then in June 2009 you became the Manager of Premium Business WA?

MR GODFREY: Yes.

MS SPENCER: What was that role?

40 MR GODFREY: Similar again, a similar role.

MS SPENCER: Can you tell the Commission if there were any differences at all that spring to mind?

45 MR GODFREY: No, it was really hands-on, face-to-face, looking after patrons.

MS SPENCER: How would you go about looking after the patrons?

MR GODFREY: We had many benefits that we could offer patrons in the way of hotel accommodation, complimentary dinners, tickets to shows, sporting events, et cetera, et cetera. So we utilised those benefits to offer patrons that we felt that
5 deserved the additional benefits that we had on offer.

MS SPENCER: How would you work out who deserved those benefits?

MR GODFREY: We'd look at basically spend and obviously turnover, visitation and
10 who would be classed as our top-end players.

MS SPENCER: So is it the case that the more a patron was spending the more benefits they would receive?

15 MR GODFREY: To a degree, to a degree, however there were a lot of requests and we used to go out with offers, but there were always a lot of requests from patrons, you know, for restaurants and hotels and "What shows have you got this weekend, I want some tickets", and whatever the case may be. It was kind of a 2-way.

20 MS SPENCER: In a typical week, what portion of your week was dedicated to organising benefits dealing with those inquiries and then offering them to patrons?

MR GODFREY: Oh look, it was happening five days a week.

25 MS SPENCER: Yes.

MR GODFREY: It depends on what was on at that particular point of time, so there was no specific set date as such.

30 MS SPENCER: When you became the manager of Premium Business, were you working Monday to Friday as you are now?

MR GODFREY: No, that was --- I usually had Sundays and Mondays off and those
35 hours were very, very, very flexible.

MS SPENCER: Now, is there a difference between VIP and premium?

MR GODFREY: Well, VIP there's no difference, it's just premium now kind of, I
40 suppose, describes local members more so than VIP generally, which is overseas, et cetera, et cetera.

MS SPENCER: Okay, so you can only be classified as a Premium player if you're a local patron?

45 MR GODFREY: No. It was just a title of the department. So there's Premium Gaming and under Premium Gaming sits the local members.

11:20AM

MS SPENCER: Just going back to the benefits, which was the easiest role in which you were able to offer those benefits? When did you have the authority?

5 MR GODFREY: International Room Gaming Shift Manager.

MS SPENCER: In terms of the limit of your authority, was there any limit?

MR GODFREY: You've got spend.

10

MS SPENCER: Yes.

MR GODFREY: I don't think there was ever a limit as such. We had to be very wary how we distributed those benefits.

15

MS SPENCER: Did you have, say, a quota for the month, like "Mr Godfrey, you can hand out 10 complimentary meals for the month", or?

MR GODFREY: No, it was pretty sort of open.

20

MS SPENCER: Were there any sorts of benefits where you had to get authority from someone above you?

MR GODFREY: Yes.

25

MS SPENCER: What sort of things?

MR GODFREY: Look, if we were to give an open comp to a player in one of our top restaurants or whatever the case may be.

30

MS SPENCER: Sorry, open comp?

MR GODFREY: Which means there's no price, there's no cost, there's no amount put in an open comp. I would probably pass that on and say "Look, I've given an open comp to the particular player" and we'll see how it basically goes.

35

MS SPENCER: So you do that in advance or after ---

MR GODFREY: From memory, probably in advance, probably in advance.

40

MS SPENCER: Who did you seek authority from to do those sorts of things?

MR GODFREY: Back in those days, it could have been, it could have been EP, EP Yeow. Can't quite recall who else.

45

MS SPENCER: All right. When you were the VIP Manager of Pearl Room you were in that position for about 13 months, is that right?

MR GODFREY: 13 months?

MS SPENCER: That's at 5i)?

5

MR GODFREY: Yes, I can see that now.

MS SPENCER: And you had four hosts report to you in that role?

10 MR GODFREY: Yes, that was --- I'm not too sure of the dates, though. I was a little bit sketchy with these dates unfortunately. But I had four hosts reporting to me.

MS SPENCER: How was their role similar to what you were doing?

15 MR GODFREY: It was quite similar in some degree. Lots of face-to-face, spent all of the time in the Pearl Room, with the exception of when they're attending events or functions or the like.

MS SPENCER: And was that exception, sorry?

20

MR GODFREY: If they were attending an event in one of the restaurants, or if they were taking some players off site.

MS SPENCER: I see. Did you ever take any players off-site ---

25

MR GODFREY: Yes.

MS SPENCER: To what sorts of things?

30 MR GODFREY: Restaurants, sporting events, Subiaco, any other sort of --- I took a bunch of players once to Fremantle Jail, where we organised a function in one of the cells there one evening. We had some music player and food was set up. It was just something different, out of the norm that we ---

35 MS SPENCER: And those sort of functions, are they during your work hours or are you being paid to attend those?

MR GODFREY: Oh yes, yes.

40 MS SPENCER: Were you ever allocated to particular patrons?

MR GODFREY: Not at that time. I tried to get to know as many people as I possibly could, but no one was allocated to me per se.

45 MS SPENCER: All right.

MS SPENCER: Then you moved on to VIP Premium Player Manager, is that much the same role?

MR GODFREY: Same role.

MS SPENCER: Just a change in title?

5

MR GODFREY: Title, yeah.

MS SPENCER: Was there a change in salary, do you recall?

10 MR GODFREY: No, no. The only salary changes we had was the usual yearly whatever it was.

MS SPENCER: So you were doing much the same thing as a VIP Premium Player Manager as a VIP Manager of Table Games in the Pearl Room? And who were you reporting to when you were a VIP Premium Player Manager, do you recall?

15

MR GODFREY: That would have been Richard Smith, from memory.

MS SPENCER: Would he allocate tasks to you?

20

MR GODFREY: Occasionally, yes.

MS SPENCER: What sort of things would you be asked to do?

25 MR GODFREY: We may have X amounts of room in the hotel to fill, so we'd spend a few hours on the phone calling up players, see if they want to spend a week in the hotel or a night in the hotel.

MS SPENCER: Complimentary night in the hotel?

30

MR GODFREY: Complimentary night in the hotel.

MS SPENCER: I see.

35 MR GODFREY: We might have a whole bunch of tickets that might need to be distributed out to certain players.

MS SPENCER: For the theatre or sports or things like that?

40 MR GODFREY: Exactly right, yes.

MS SPENCER: Now, prior to your --- and just again, was that more of a shift work kind of role in that one, or were you having the Sunday/Mondays off?

45 MR GODFREY: It was usually Sunday and Mondays off, but you kind of worked depending on what the business required. It could have been you might be coming in early one particular day and then later on the weekend, so it varied. It was very

11:26AM

flexible.

5 MS SPENCER: It was more about an adjustment of times rather than being paid over time?

MR GODFREY: Yes.

10 MS SPENCER: I see. Now, prior to your current role, you were the VIP Compliance Manager ---

MR GODFREY: Yes.

15 MS SPENCER: --- for four years. Can you explain the difference between that role and your current role?

MR GODFREY: It's quite similar, in the sense that I was overseeing the compliance, I suppose, needs of the Pearl Room.

20 MS SPENCER: What do you see those compliance needs of the Pearl Room as?

MR GODFREY: Well, we're fairly strict, because of the smoking restriction that we have in place, we have a very strict member and guest entry policy.

25 MS SPENCER: Yes.

30 MR GODFREY: And the policy and our standard SOPs state that a member can only bring in, at this point of time, three guests. So, the reports that are generated on a daily basis is that we were checking to make sure that the members and the hosts were sort of following that particular protocol in regard to how many guests we were getting into the room. We had to make sure that we weren't letting any players or guests in that had been barred or self-excluded, and because we've got a fairly sort of stringent internal audit team, we had to make sure that we were following all the procedures in all the SOPs in regard to making sure the right people were getting into
35 the room.

MS SPENCER: If there's an occasion where someone is in the Pearl Room and they shouldn't be, what is it that you do?

40 MR GODFREY: Me personally?

MS SPENCER: If something comes up in one of those daily reports.

45 MR GODFREY: Yes. Look, it happened very, very rarely, and it's usually the hosts, if they accidentally or inadvertently let someone in the room that shouldn't be there, then they're asked to leave almost immediately once it's been recognised.

MS SPENCER: Just going back to those daily compliance reports, given that you

worked traditionally five days a week, is anyone checking those on the two days you're not there, or is it just a matter of catching up?

5 MR GODFREY: Just catching up.

MS SPENCER: I see. Moving onto the topic of training Mr Godfrey, you obtained a diploma of business in the mid to late 1990s; is that right?

10 MR GODFREY: I'd say so, yes.

MS SPENCER: Now is that something you organised yourself or Burswood arranged?

15 MR GODFREY: Burswood arranged it.

MS SPENCER: And paid for that for you?

MR GODFREY: Yes, they did.

20

MS SPENCER: Now, when you first joined the Perth Casino back in 1986, you recall attending an orientation?

25 MR GODFREY: I can't recall actually, I'm assuming, I'm thinking there was one, I just cannot remember.

MS SPENCER: Yes, and I think you say in your statement that as best as you recall the orientation didn't cover off on anti-money laundering or counter-terrorism.

30 MR GODFREY: I really can't recall.

MS SPENCER: All right, and you can't recall from the early days doing any risk management training in respect of EGMs or the fully-automated table games ?

35 MR GODFREY: No.

MS SPENCER: Nor the Responsible Service of Gaming?

40 MR GODFREY: That would have been one of the courses, the online courses that we had to do back then. There may have been some training.

MS SPENCER: In the '80s?

45 MR GODFREY: Oh, from the 80s.

MS SPENCER: I'm trying to think if there were computers then.

MR GODFREY: I'm not that old! I am, actually. I can't recall what sort of training I

would have had RSG-wise back in '86 onwards, I just can't.

5 MS SPENCER: Now, it's your evidence, is it not, that you don't have much to do with International Commission Business ---

MR GODFREY: Correct.

10 MS SPENCER: --- when that was happening in Perth, save for maybe just some slight involvement in the 80s when you were a pit boss?

MR GODFREY: Yes.

15 MS SPENCER: So your focus really has been since, from the 90s onwards, is really just the open market and then moving to the more premium market as the years have gone on?

MR GODFREY: Correct, yes.

20 MS SPENCER: Now, just on anti-money laundering and counter-terrorism financing risks, I'll just refer to those as AML/CTF.

MR GODFREY: CTF.

25 MS SPENCER: Now you say in paragraph 24 of your witness statement during the course of your employment you've undertaken training generally?

MR GODFREY: Yes.

30 MS SPENCER: Then at paragraph 17, you say that you gained knowledge about AML/CTF risk management issues online. Do you recall when you first had that training?

35 MR GODFREY: Online training has been going on for quite a number of years. We had refresher courses obviously, but I can't give you any specific dates.

MS SPENCER: Do you recall what --- your initial training, what it entailed? Has it always been online in the early days?

40 MR GODFREY: I do remember some time ago we had AUSTRAC come in and present basically there what they're about in regards to AML, but the majority of it was purely online after that. But again that was 25-something-plus years.

45 MS SPENCER: Right, and they haven't come back in and presented since?

MR GODFREY: No.

MS SPENCER: What do you understand AUSTRAC is and what it does?

MR GODFREY: Well, it's obviously dealing with AML and CTF. When it comes to us having to report various transactions whether it be suspicious, whether it be a threshold transaction, it goes to AUSTRAC for them to do whatever they basically do in regards to following up, doing their investigations and anything like that.

MS SPENCER: Do you recall at the time of that AUSTRAC training that everyone had to attend, or whether it was just certain ---

10 MR GODFREY: Everyone had to attend.

MS SPENCER: Okay. I want to get an understanding of your AML/CTF training refresher courses that you've talked about.

15 MR GODFREY: Yes.

MS SPENCER: Is that something that happens regularly now?

MR GODFREY: Yes, we just get a reminder through the system from the learning development system saying that you're now due to do a refresher on AML or any other course that we have ---

MS SPENCER: How often do the AML refresher courses happen?

25 MR GODFREY: From memory it's about every year.

MS SPENCER: And it's an online refresher?

MR GODFREY: Online.

30 MS SPENCER: I'm just trying to understand the format of it. Is it, "Here's a scenario, select the best multiple choice answer"?

MR GODFREY: Yes, or read through the units, get an understanding of what's shown.

MS SPENCER: What are some of the units canvassed?

MR GODFREY: Oh, when they describe, for instance, structuring in the way that's -- where people sort of try to go under the radar with putting amounts under \$10,000, it talks about bill stuffing, people putting money into machines and just getting the tickets to cash in. Smurfing, where different amounts are going into bank accounts. Cuckoo smurfing, which is where unsuspected bank accounts are infiltrated with money, that sort of thing.

45 MS SPENCER: Is it an interactive refresher, or are you just reading "Here's a reminder of what these things are"?

11:34AM

MR GODFREY: From memory, it's interaction, but you have to answer a few questions during the training.

5 MS SPENCER: How long did it typically take to finish those refresher courses?

MR GODFREY: About 25 minutes, on occasions half an hour, maybe.

10 MS SPENCER: Now, in paragraph 17 you also say that you gained knowledge about AML/CRF risk management by being advised by superiors on various matters. What are the various matters you've been advised of?

15 MR GODFREY: From memory we had --- there's a guy called Nick Stokes who basically started the whole KYC journey. I think he must have had quite a lot to do with the whole AML policy.

MS SPENCER: KYC?

20 MR GODFREY: Know Your Customer. And the company policy between ourselves and Melbourne, and we had some sessions where he just basically went over certain things of the policy, discussed the direction we're going in and that's it.

MS SPENCER: Did he really sort of kick off the AML regular training?

25 MR GODFREY: Yes. I don't know how many people he did it to, I was just fortunate enough to be in meetings where he did a bit of an overview as to what's happening .

30 MS SPENCER: Right, and when did he join?

MR GODFREY: I can't tell you. I probably just left, I'm not sure when he actually joined.

35 MS SPENCER: Turning to paragraph 18 of your statement, you say:

In the last couple of years, I have expanded my knowledge of AML/CRF management issues through online and face to face training.

40 MR GODFREY: Yes.

MS SPENCER: Did you seek this yourself or was this training directed?

MR GODFREY: The face-to-face training?

45 MS SPENCER: Yes.

MR GODFREY: We had a PowerPoint display. There's a chap by the name of John

Egan who was doing most of the training, although I presented one session myself and I attended probably four or five as a matter of course. He was doing a session or face-to-face training, I would be there as well.

5

MS SPENCER: What was his name again, sorry?

MR GODFREY: John Egan.

10 MS SPENCER: So when did these face-to-face training sessions ---

MR GODFREY: They started in the last 12 months, 18 months.

MS SPENCER: And is that presented to all staff?

15

MR GODFREY: We were just taking care of our premium hosts, our premium experience hosts, and the Riverside hosts.

20 MS SPENCER: So, you're not sure whether it's been rolled out to the main gaming floor?

MR GODFREY: I couldn't tell you offhand at this point.

MS SPENCER: You said you took some of those training sessions yourself?

25

MR GODFREY: I did one.

MS SPENCER: You did one?

30 MR GODFREY: Yes.

MS SPENCER: Were you given particular training, or was it just a matter of copying the presentation that Mr Egan did?

35 MR GODFREY: Copying, reading, preparing myself, getting an understanding of it.

MS SPENCER: Yes, and how long was this face-to-face presentation?

40 MR GODFREY: Usually it lasted for about half an hour again, give or take, maybe 45 minutes depending on the amount of questions received at the end of each of those sessions.

MS SPENCER: Staff are attending these during their shifts?

45 MR GODFREY: Yes.

MS SPENCER: What sorts of things are you covering off in that training?

MR GODFREY: Again, all the different types of money laundering that can occur, the effect that, the effect on Australia and the amount of money that Australia's losing per year because of CCR --- sorry, CTF, beg your pardon --- and all the things
5 for staff to look out for. The importance of not tipping members off if we're doing, say, UAR, which is --- is it an unusual activity report?

MS SPENCER: Yes.

10 MR GODFREY: So really just learning about what to look for --

MS SPENCER: Yes.

MR GODFREY: --- and being very mindful that if you are doing a report, or you
15 report anything whatsoever, not to tip the players off.

MS SPENCER: And so in those presentations, it's also canvassing the procedures?

MR GODFREY: Yes.

20

MS SPENCER: So, it's what to look for?

MR GODFREY: Yes.

25 MS SPENCER: And what to do when you see something?

MR GODFREY: Yes.

MS SPENCER: What sorts of things are the staff told to look out for?
30

MR GODFREY: Well, if they're gaming staff, really, anybody that's trying to buy in --- well, if they're buying in for 10,000 or more on a gaming table, how to report it. If they see a particular patron buying in for small amounts on the various tables but not actually gambling, to obviously report it as a suspicious matter, or unusual matter.
35 Any players that they see on the table, on the gaming machine side of it, if they're putting in vast amounts of money into machines and just taking out tickets. Any unusual, possibly if they've noticed a couple of players swapping money with each other and then going to a table and buying in, those sorts of things.

40 MS SPENCER: And in terms of the process, you mentioned UARs. Can you just explain what the process is when staff ---

MR GODFREY: Okay, so if somebody completes a UAR, it's done online on iTrak, which is a reporting system, and once they've actually put the details down onto
45 iTrak, it then goes to AML for them to further the investigation if necessary.

MS SPENCER: Have you ever lodged any UARs yourself?

11:40AM

MR GODFREY: I haven't, no.

5 MS SPENCER: Do you know once you've lodged an UAR, are they kept in the loop as to what happened with that report?

MR GODFREY: I don't think they do, actually, I think they report it and it's the end of it.

10 MS SPENCER: It moves on to someone else's responsibility?

MR GODFREY: Yes.

15 MS SPENCER: You haven't received outside of Crown any AML/CTF training from any external providers at all?

MR GODFREY: No.

20 MS SPENCER: It's all just been internal?

MR GODFREY: Yes.

25 MS SPENCER: Is there anything new that you've learnt in these last sort of 12 months where you're doing this face-to-face training? Just going back to paragraph 18 of your statement, you say your knowledge has expanded --- can you think of anything?

30 MR GODFREY: It's just a generalised understanding more so than it was probably 10 years ago in regards to the importance of AML.

MS SPENCER: Or a deeper understanding?

MR GODFREY: A more deeper understanding, yes.

35 MS SPENCER: Just if we could turn to paragraph 24 of your witness statement, where you list off a number of trainings that you've received. I just wanted to ask you about some of this. The cybersecurity awareness training, what was that and what did that entail?

40 MR GODFREY: Cyber awareness, I think that's probably hacking and the possibility of information on the system getting into the wrong hands.

45 MS SPENCER: And then AML/CTF risk awareness training table games, was there a specific table games AML training?

MR GODFREY: I just can't recall, to be quite honest, of that particular training session.

MS SPENCER: If I understand your evidence, really you would get an annual online AML training ---

5 MR GODFREY: Yes.

MS SPENCER: --- not too sure when that started, though?

MR GODFREY: I couldn't tell you.

10

MS SPENCER: In the last 12 months there's been face-to-face training?

MR GODFREY: Yes.

15 MS SPENCER: How many have you attended?

MR GODFREY: I would say, from memory, probably about five or six.

MS SPENCER: Is it the same content?

20

MR GODFREY: Same content every time, yes.

MS SPENCER: You're just attending those as a refresher, or just to lead by example, or ---

25

MR GODFREY: It's more so lead by example, and the hosts who are part of premium gaming is --- yes, just lead by example more than anything else.

MS SPENCER: Then, as you said, you've delivered one of those ---

30

MR GODFREY: Yes.

MS SPENCER: Online training. I'm sorry, face-to-face trainings?

35 MR GODFREY: Yes.

MS SPENCER: I want to go back to paragraph 24 and just really tease out whether any of these AML trainings that you were referring to here are any different to those I've just talked about. You've got the AML CTF targeted training?

40

MR GODFREY: Right, which is the face-to-face.

MS SPENCER: Yes, all right. So that's the things that have been happening in the last 12 months?

45

MR GODFREY: Yes.

MS SPENCER: Then the AML/CTF risk awareness training?

11:43AM

MR GODFREY: That would have been online, I can't remember exact details of what that training entailed ---

5 MS SPENCER: Sure.

MR GODFREY: --- but it would have been online.

10 MS SPENCER: And you mentioned also casino awareness training, that's the last training you mention there. What's that training?

MR GODFREY: Again, it would have been online, but I just can't remember any sort of specific details of that particular course.

15 MS SPENCER: How long has the UAR process been in place?

MR GODFREY: From memory, about a year, 18 months, I'm thinking.

20 MS SPENCER: What was the process or procedure before that, before the UAR?

MR GODFREY: The SM --- the suspect --- I can never remember the letters. I think it was SMR, suspect

25 MS SPENCER: If you can't remember the name, that's okay, but do you remember what the process was? What did that process involve? How was that different to the UAR?

30 MR GODFREY: It would have been completed in the same way as a UAR. They were both exactly the same processes --

MS SPENCER: Right.

MR GODFREY: --- they've just changed the names for it.

35 MS SPENCER: I see.

MR GODFREY: Suspicious matter reporting , so SMR. That would have gone down to the AML department to sort out.

40 MS SPENCER: You've never had cause to lodge an UAR, what about an SMR?

MR GODFREY: Never had to.

45 MS SPENCER: In the entire time that you've been in the casino, have you ever seen anything suspicious and not reported it?

MR GODFREY: No, I've never seen anything suspicious.

MS SPENCER: Now, in paragraph 30, you describe your roles and I think you said that in your evidence today that it's more of a public relations role dealing with member relations.

5

MR GODFREY: Yes.

MS SPENCER: By that do you mean that AML initiatives and the procedures was not really part of your job?

10

MR GODFREY: Sorry, just repeat that again?

MS SPENCER: Did you see that AML, given your public relations ---

15

MR GODFREY: Yes.

MS SPENCER: --- role as you saw it, did you then see that AML was not really part of your job or responsibility?

20

MR GODFREY: No, that was probably more so operational with things that were happening on the gaming tables. I was never really part of that, it was just purely a PR role with members.

MS SPENCER: But did you did have cause to be on the gaming floors --

25

MR GODFREY: Yes.

MS SPENCER: --- so you could have been exposed to things, but you just never saw anything?

30

MR GODFREY: Yeah, basically.

MS SPENCER: Were you on the lookout for things?

35

MR GODFREY: Not generally, no.

MS SPENCER: Would you agree with me that AML was really something that all staff at the casino ought to share responsibility for?

40

MR GODFREY: Absolutely.

MS SPENCER: And be on the lookout for every time they're on the gaming floor?

MR GODFREY: Constantly.

45

MS SPENCER: Would you agree with me also that all staff ought to be aware of the procedures such as the UAR procedure to report those things?

MR GODFREY: Most definitely.

5 MS SPENCER: I want to ask you about paragraph 31 of your statement on page 5.
If we could bring up pages 5 and 6 side-by-side please. You're referring to iTrak
here, which you've just mentioned earlier.

MR GODFREY: Yes.

10 MS SPENCER: Now, you just say in the last line, you refer to a Notices of
Revocation of Licence. What's that?

15 MR GODFREY: It's where somebody is virtually barred from the whole resort. So
if an NRL has been served to a particular player or a patron, for whatever the reason
may be, it means they're not allowed to come back onto the floor.

MS SPENCER: It's a section 26 barring notice?

20 MR GODFREY: 26(2) is more so you can't step onto the gaming footprint --

MS SPENCER: Yes.

25 MR GODFREY: --- but you're allowed to use hotel and other facilities around the
resort, but you can't go onto the gaming floor or gaming footprint.

MS SPENCER: Whereas revocation of licence is the entire resort?

MR GODFREY: Entire resort, yes.

30 MS SPENCER: I'm going to move onto Responsible Service of Gaming. Now you
say at paragraph 44 that there's always been online training. But more recently
there's been face-to-face training; is that right?

35 MR GODFREY: Yes, we had a session probably about five or six weeks ago, and I
believe that they'd been going through all the gaming staff as well as an ongoing
thing.

MS SPENCER: Who's running that?

40 MR GODFREY: That would be the RG Department, run by Melanie Strelein and
her people.

MS SPENCER: Okay, and what does that face-to-face session involve?

45 MR GODFREY: What to look out for in regard to possibly identifying somebody
that might be having gambling problems, or suffering from gambling harm, and it
would be just basically how a person is acting at a table, gaming machine just in

general.

5 MS SPENCER: So it's not a specific table game scenario, she's been covering both?

MR GODFREY: Oh absolutely, yes.

10 MS SPENCER: I see, and in that training, what sorts of things were you told to keep an eye out for?

MR GODFREY: Yes, you'd be looking out for people who may be becoming aggressive, maybe physically upset, making remarks that might sort of lead us to think, "Is there a possible problem?" Constant trips to the ATM machines, just general behaviour changes that we need to look out for that could say that this person is not having a particularly good time at this point.

MS SPENCER: How long did that training last?

20 MR GODFREY: That was, from memory, about half an hour, 45 minutes.

MS SPENCER: Do you know if there's a plan to make that more regular, the face-to-face training, if it's previously all been online?

25 MR GODFREY: Online, I couldn't tell you.

MS SPENCER: Just on the online training, do you recall when that started?

30 MR GODFREY: I've done it for a number of years now, I can't remember what year it started.

MS SPENCER: More than 10 years ago, could you say that?

MR GODFREY: Possibly, possibly.

35 MS SPENCER: What can you tell me about the online training? Was it an annual thing that you had to do?

40 MR GODFREY: Yes, you had to do refreshers. Very similar to what we just discussed in a sense, that what to look out for in regards to patrons' behaviour, where to escalate it to, who to call, who to report it to. Just a general process.

MS SPENCER: Was it a separate online training to, say, the AML training, do you do them as separate modules ---

45 MR GODFREY: Yes.

MS SPENCER: --- or do you sit down and do all your annual training in one hit?

11:51AM

MR GODFREY: It would come intermittently. A year later you do your second one.

5 MS SPENCER: Do you just get an email reminder saying it's time to refresh?

MR GODFREY: Then you'll have a list of outstanding online training courses you have to do --

10 MS SPENCER: Yes.

MR GODFREY: --- and you just complete them in a specified time, you're actually given a time to complete them.

15 MS SPENCER: Yes.

MR GODFREY: And so you just have to follow those guidelines.

20 MS SPENCER: Again, is the online training, just to get a sense of what that included, was it sort of multiple choice, here are some scenarios, what would you do?

MR GODFREY: Basically, that sort of thing. Choose (a), (b), (c) or (d) if you like, what would you do in this situation? Who would you report it to? Give some sort of examples.

25

MS SPENCER: Do you get any feedback, does it tell you how well you've done in the refresher?

30 MR GODFREY: It tells you in the end whether you've passed it or not, and if you don't, you have to do it again.

MS SPENCER: When you do it again, is it the same module, or do they give you a different one?

35 MR GODFREY: It just might --- you know, incorrectly answer a couple of questions --- (overspeaking) ---

MS SPENCER: It's not (b) this time!

40 MR GODFREY: To a degree.

MS SPENCER: Was that the same sort of completion time, 25 minutes like you were saying with the AML training?

45 MR GODFREY: Give or take, yes.

MS SPENCER: And it changed each year?

MR GODFREY: The actual training program?

11:52AM

MS SPENCER: Or was it the same questions every year?

MR GODFREY: I can't remember last year. I think they might have updated that
5 particular course once, but I can't remember.

MS SPENCER: You can't recall if it's different each year?

MR GODFREY: I don't think it is different each year, they may update, but I
10 couldn't tell you offhand.

MS SPENCER: Okay. And compulsory for all staff?

MR GODFREY: Yes.
15

MS SPENCER: Did you find that refresher training useful?

MR GODFREY: To a degree, to a degree. It's a good reminder, but when you've
20 been in the business for a length of time, you've got a relatively good understanding
of what makes people tick and what to look for, and anything that might sort of stand
out as being a warning. You know.

MS SPENCER: Sure. Going back to the face-to-face training you had five to six
25 weeks ago, did anyone explain why the sudden change to face-to-face training?

MR GODFREY: I think it came out of the fact that more emphasis is needed on RG,
moving forward.

MS SPENCER: Who were you hearing that from?
30

MR GODFREY: Good question. I can't recall.

MS SPENCER: Just going back to paragraph 24 of your witness statement on page
35 4, you refer there to "Responsible Gaming for Managers training". Can you tell me
about that, and how that was any different to this annual online refresher, and then
the face-to-face training you've done in the last three weeks?

MR GODFREY: Is that paragraph 24?

MS SPENCER: Paragraph 24.
40

MR GODFREY: "During the course of my employment"?

MS SPENCER: Yes.
45

COMMISSIONER OWEN: At the end of the second line, I think, Mr Godfrey.

11:54AM

MR GODFREY: That would have been probably online as well.

MS SPENCER: You don't have any specific recollection ---

5

MR GODFREY: Not of that one, no.

MS SPENCER: --- about what that one was and why it was only for managers?

10

MR GODFREY: No.

MS SPENCER: Turning back to paragraphs 45 and 46 on page 7, and you'd given evidence that it's an overview of what the staff should look out for and how to identify someone that might have an issue ---

15

MR GODFREY: Yes.

MS SPENCER: --- with gambling. How about the scenarios on table games and the EGMs? Were there situational videos I think you refer to in your statement there?

20

MR GODFREY: Yes.

MS SPENCER: Is that part of the online module ---

25

MR GODFREY: Basically.

MS SPENCER: --- or the face-to-face?

MR GODFREY: The online module.

30

MS SPENCER: Is it like a ---

MR GODFREY: You'd have a little player X for somebody sitting at table games. I think there was, from memory, a picture of a person getting upset on a gaming machine, I think.

35

MS SPENCER: Right, and then is it asking what should you do in the situation?

MR GODFREY: Yes.

40

MS SPENCER: Right, okay. Now, what's your understanding of the procedure for staff in respect of RSG if they see a patron?

MR GODFREY: Okay.

45

MS SPENCER: So they see a patron, they've had the training, someone looks like they're struggling, what's your understanding of the procedure?

MR GODFREY: They report it to the immediate supervisor, the immediate supervisor probably asks some questions in regard to the behaviour of the patron, "What's brought you to make this observation?", then ---

5

MS SPENCER: Is this a verbal report, or is it ---

MR GODFREY: No, the verbal conversation between the supervisor and the dealer, as an example, and then RSG would be contacted.

10

MS SPENCER: By the supervisor?

MR GODFREY: By the supervisor. Given the information as to the observation and what's basically happening, then RSG would come up and have a chat with that specific patron.

15

MS SPENCER: So, it's fairly quick process from what you understand, that someone from RSG attends ---

20

MR GODFREY: Yes.

MS SPENCER: --- soon after that observation is made?

MR GODFREY: Yes.

25

MS SPENCER: Has anyone ever reported to you RSG concerns?

MR GODFREY: Should have a look back. As in a staff member?

30

MS SPENCER: Yes.

MR GODFREY: I'm sure it would have happened, but I can't recall ---

MS SPENCER: Can't think of any.

35

MR GODFREY: I can't think of a specific time.

MS SPENCER: And what about patrons? Have patrons ever approached you and said ---

40

MR GODFREY: Yes, yes.

MS SPENCER: --- "I'm struggling"? And what have you done in those scenarios?

45

MR GODFREY: After speaking to them, I've given them the opportunity to organise a meeting with RG, RSG to sit down, have a chat with them, give them the options of what they can do if they're finding gambling is becoming a bit of a harmful exercise. Go through the process of self-excluding as well.

MS SPENCER: Would you go through that process with someone from RSG there, or are you just having a conversation?

5 MR GODFREY: Usually, it really depends on the situations, but I can go through what they can basically do once they've spoken to RSG, so I can give them a bit of background as to what to expect. The other option is if you are finding it difficult and don't particularly want to self-exclude, we've got time-out options that you can enter into for X amount of months without physically self-excluding. But ultimately,
10 the full conversation would be had for RSG.

MS SPENCER: Can you explain the time-out process for me, you mention that in your statement?

15 MR GODFREY: Yes.

MS SPENCER: So that's different to the barring?

MR GODFREY: Yes.

20

MS SPENCER: Can you just explain how that works?

MR GODFREY: I'll sit down with an RSG officer downstairs. They'll discuss what issues they're basically having. They'll say that, "Look, I need to take some time
25 away from the place," or it might be suggested to them to take some time away from the place and they'll go into an agreement, say, it's 3 months. I believe they sign something to say that they won't be back onto the gaming floor for three months or whatever the agreed time period was, and when they decide to come back, they have to contact RSG go through another sort of interview with them, and then take it from
30 there.

MS SPENCER: Do you know what happens if, say, they agreed on three months, if they try and attend the gaming floor in that period?

35 MR GODFREY: They will be given one --- well, they will be given a chance and they will be asked to leave. If it happens again --- (overspeaking) ---

MS SPENCER: Who asks them to leave, is it security?

40 MR GODFREY: It will be security or even RSG. If RSG find out they're re-entering when they've signed an agreement, then it could end up in a full barring.

MS SPENCER: Are staff notified, or are you notified when RSG gets involved with patrons?

45

MR GODFREY: We receive emails on a daily basis, and it goes to all staff members basically stating if a patron is not allowed to attend the casino, because they've

12:00PM

obviously had conversations with them during a period of time. They may have concerns about that particular patron. They may have information and history on that patron, and depending on their concerns, they'll contact that person or basically
5 communicate with that person that they're not to attend the casino until they've done a further investigation.

MS SPENCER: So that's all contained in an email disseminated to all staff?

10 MR GODFREY: Yes.

MS SPENCER: And does it have a photograph of the patron as well?

MR GODFREY: Yes. "If you see this patron on the floor, please contact RG
15 immediately."

MS SPENCER: And they're available 24/7?

MR GODFREY: Yes.

20

MS SPENCER: Now, do you see Crown's approach to RSG as proactive or reactive?

MR GODFREY: Proactive.

25

MS SPENCER: Can you explain your own approach to RSG?

MR GODFREY: When I was in that particular position because of the, I suppose, the context and relationships I've made with a lot of players, just through general
30 conversation, you can get a good understanding in regard to how somebody is faring, how somebody is, you know, what their experiences are like within the casinos. I'm talking about predominantly table games and you can get a good idea of, you know, are they having a good time? Aren't they having a good time? What sort of
35 problems are they possibly experiencing? And then, you can make suggestions. You can give them options as to what to do in regards to taking a time out, if it's becoming very, very serious to self-exclude and basically stay away from the place.

MS SPENCER: Sure. Have you referred someone to RSG in terms of your time there, could you give an estimate of how many people you've probably referred?

40

MR GODFREY: It would be difficult to say. I'm not saying it's running in dozens and dozens.

MS SPENCER: How about the last, say, five years?

45

MR GODFREY: The last five years ---

MS SPENCER: Are we talking a dozen, or are we talking just a couple?

12:03PM

MR GODFREY: It could be three or four from memory, could be. Yes, I really can't quite recall. I can't give the right number.

5 MS SPENCER: So then once you've referred those people to RSG, is that the end of it for you? They're sort of off into another domain, or do you stay in contact with RSG?

10 MR GODFREY: I follow up. We have a fortnightly meeting with RSG basically discussing any sort of members with issues, Pearl Room members that have issues or whatever the case may be. Gather, get the feedback back to RG, find out basically what we've done with regards to following up on certain players. I get to know from the beginning to the end what will be happening ---

15 MS SPENCER: Are these just Pearl Room players that you're dealing with?

MR GODFREY: Just Pearl Room.

20 MS SPENCER: Okay. Back to that fortnightly meeting, is that the meeting with Melanie Strelein Faulks you talk about in your statement?

MR GODFREY: Yes.

25 MS SPENCER: Is that like a committee? Is it just the two of you meeting?

MR GODFREY: No, there's one, two, three, four, probably about five or six people that meet up .

30 MS SPENCER: Who meets up?

MR GODFREY: Myself, there's a couple of CM, one of the casino managers will turn up. Richard Smith turns up. I think there's a Riverside Room manager who'll turn up as well, and also the manager of e-gaming in the Pearl Room.

35 MS SPENCER: Who's that?

MR GODFREY: We've --- you've got Emma Fringle, Elliott Davis, Richard Smith, one of five casino managers. That will change, the names will change obviously. Myself, and sometimes Chris Schoenmaekers may come in and Melanie.

40 MS SPENCER: Does Ms Strelein Faulks run those meetings?

MR GODFREY: Yes.

45 MS SPENCER: It's really just providing an RSG update every fortnight?

MR GODFREY: Basically, yes.

MS SPENCER: In terms of your contribution to those meetings, is that like an information-sharing opportunity?

5 MR GODFREY: It could be, and I may know some players from years back that are sort of still coming in. I might have some background information on them that might be useful, but it's just generally my knowledge.

MS SPENCER: Is it like a formal minuted meeting?

10

MR GODFREY: No.

MS SPENCER: How long do the meetings usually last?

15 MR GODFREY: We're set for about half an hour to an hour, I think.

MS SPENCER: So it's just in the calendar every ---

MR GODFREY: Every fortnight.

20

MS SPENCER: --- every fortnight. And how long have these meetings been occurring for?

MR GODFREY: Oh, a good two or three years now.

25

MS SPENCER: Do you recall why they came about?

MR GODFREY: I think it's just to keep communication levels going between RG and gaming management. It's important to keep that communication flowing.

30

MS SPENCER: Now, it's just RSG that's discussed at those meetings?

MR GODFREY: Yes.

35 MS SPENCER: Now, the self-exclusion process at Crown, can you explain your understanding of that?

MR GODFREY: Yes. Somebody decides to self-exclude, they'll see, they'll talk to RSG and organise a meeting with RSG. They can sometimes knock on the door and walk straight in. They'll sit down, they'll be interviewed by an RSG adviser. They'll be given --- they'll obviously give details as to the reasons why they want to self-exclude, they'll have their photograph taken. They'll sign off a self-exclusion form to acknowledge that they have self-excluded, and then go into SYCO which is one of the operating systems, and put down all the relevant details of that person's self-exclusion onto their account, and stop codes as well, to ensure that if they did try to get back in and particularly to the Pearl Room and swipe their card, a warning sign would come up and alert us as to the fact this person is self-excluded and shouldn't be there.

45

MS SPENCER: How is it that patrons find out about this self-exclusion process?

MR GODFREY: There's quite a few brochures around the whole resort.

5

MS SPENCER: About self-exclusion specifically?

MR GODFREY: Yes.

10 MS SPENCER: And then is it just a matter of the conversations one might have with the host?

MR GODFREY: Yes.

15 MS SPENCER: Do you know if people are told about it when they sign up for the Crown rewards program?

MR GODFREY: Couldn't tell you.

20 MS SPENCER: Do you think that's maybe something that should be done?

MR GODFREY: Um, trying to think. I don't see any reason why it shouldn't.

25 MS SPENCER: In your view, do you think it's advertised enough? Do you think patrons --- how often do you have a patron say, "I knew nothing about it", I'm trying to get a gauge of whether you think the information is disseminated enough.

30 MR GODFREY: There's quite a few posters, information. I think it's a fairly well-known practice. I think people are aware of it. Whether it's adequate, I'm sure we could always improve moving forward, but I think there's enough information around to sort of advertise to people that there is this option in place, in case you know, it does get out of hand.

35 MS SPENCER: Do you know if there are many Pearl Room members at the moment that are self-excluded?

40 MR GODFREY: There's been quite a few in the past 6 to 8 months. When I say "6 to 8 months", even over the past years when somebody does self-exclude an email comes out. We obviously know who that player is. I can't give you exact numbers, but there has been quite a few.

MS SPENCER: Just moving onto KPIs, Mr Godfrey. Now, you say at paragraph --- in your witness statement at page 2, paragraph 11 that:

45 *..... no KPIs have been set, but I expect that some will be set*

Why is it that you have that expectation?

12:09PM

MR GODFREY: I can't ever remember being given the KPIs for my current role. Every year we were given KPIs as a part of our pep, which is our assessment period of time, but because we haven't had it because of COVID for the last couple of years,
5 I'm just expecting that moving forward we might get back into that routine.

MS SPENCER: So you've had KPIs previously?

MR GODFREY: Oh, it's been a long time ago, it's been a long time ago. It hasn't
10 been a yearly thing.

MS SPENCER: When you last had KPIs, what did they look like? Is it "Try and get X amount of Pearl Room members signed up", I'm just trying to get a ---

15 MR GODFREY: It's been a long, long time since I've had KPIs given to me, a long time. I really can't recall.

MS SPENCER: Can't recall?

20 MR GODFREY: No.

MS SPENCER: As for monetary bonuses, have you previously received bonuses?

MR GODFREY: Yes, I have.

25 MS SPENCER: When did you start receiving bonuses?

MR GODFREY: I think I was part of the scheme, oh gosh, seven, eight, nine years ago, I believe.

30 MS SPENCER: You're not part of that scheme now?

MR GODFREY: I haven't been told that I'm not part of it.

35 MS SPENCER: Right.

MR GODFREY: So I'm assuming that I still be in it, but I haven't been told either way.

40 MS SPENCER: Just trying to get an understanding of how they're calculated. Is it like an end of financial year?

MR GODFREY: It was basically resort-wide. I think it included Melbourne as well, so basically they had the financial targets that had to be met, and they had the health and safety targets that had to be met. So if all departments did well in regards to
45 those two areas, I think they used to look at your personal yearly assessment to see whether you've met your targets, and then that would determine whether or not you

received a bonus or percentage of a bonus or whatever the case is.

5 MS SPENCER: So your yearly assessment, is that something different to KPIs?
Your yearly assessment targets I think you said?

MR GODFREY: Yes, just being honest, it's been a long, long time since I've actually had one.

10 MS SPENCER: A yearly assessment target? So does that mean it's been a while since you've received a bonus?

MR GODFREY: Yes, yes. I think it's only because we haven't been meeting the required targets as to why the bonuses haven't been given.

15 MS SPENCER: Do you recall when you last received one?

MR GODFREY: I can't recall, it could have been five, six years ago, maybe less. I can't recall.

20 MS SPENCER: But it was something that was measured across the entire Perth and Melbourne ---

MR GODFREY: Yes.

25 MS SPENCER: --- groups, so you had to tick a box that Perth and Melbourne were meeting the financial targets in all areas, but also those health and safety targets?

MR GODFREY: Yes.

30 MS SPENCER: And then there'd be a process of looking at what you individually did?

MR GODFREY: Yes.

35 MS SPENCER: Who would you speak to about your bonus? Who did you talk to about your salary and that sort of thing? Whoever was before Ms Cairns, or ---

40 MR GODFREY: When it came to bonuses and when it came to pay rises, that would have been from Barry Felstead. I would have received a letter saying "Your percentages is this".

MS SPENCER: You didn't meet with him, you just received a letter?

45 MR GODFREY: Yes.

MS SPENCER: And that was Barry Felstead when he was CEO of Perth? So there hasn't been any announcements of late about bonuses?

12:13PM

MR GODFREY: No.

MS SPENCER: Have they typically been significant bonuses that you might receive
5 in terms of like 50 per cent of your salary as a bonus ---

MR GODFREY: I wish! I wouldn't go that far.

MS SPENCER: You don't have to give me figures.
10

MR GODFREY: I can't tell you what the percentage was, but it was a nice little
windfall when it happened.

MS SPENCER: Okay, and it would be an annual --- when they were getting paid
15 regularly it was an annual thing?

MR GODFREY: Yes, yes.

MS SPENCER: Are there any incentive schemes in place for you or other staff that
20 you're aware of that's not monetary?

MR GODFREY: Incentive schemes, that's not monetary?

MS SPENCER: Maybe get a bonus day of annual leave or things like that?
25

MR GODFREY: No, not as such.

MS SPENCER: I want to move on to reports now. We've covered off on some of
this already. If we go to paragraph 25 of your statement on page 4, just in relation to
30 the daily operations report ---

MR GODFREY: Yes.

MS SPENCER: So that's at 25e), and these reports related to meeting budget, you
35 say. What reports are you talking about there?

MR GODFREY: When I used to receive the specific reports, it was basically what
the drop was, what the result was, percentage, and whether or not it met the budget
for that particular day. I think from memory, because it was quite a few years ago
40 when I was taken off the distribution list, but it gave you a good distribution as to on
a day-to-day basis whether or not you were meeting the financial targets.

MS SPENCER: So just those different areas that had different budget, what sort of
areas? Did the Pearl Room have a turnover budget or ---
45

MR GODFREY: It was basically for the Pearl Room figures, it had information
about other departments as well, food and beverage, hotel. It didn't really apply to

me, but it just gave me a good idea, a good indication of how the Pearl Room was travelling against the expected financial budget for the year.

5 MS SPENCER: If the Pearl Room budget was tracking below, did you have any systems in place as to how to increase it?

MR GODFREY: Look, we've got all the benefits that we had on offer, that we may sort of go out to players and invite them to certain functions or whatever the case
10 might be.

MS SPENCER: Is that ultimately to encourage them to come to the Pearl Room more, because the more time they're at the complex, the higher probability ---

15 MR GODFREY: Yes, the expectation is that if we invited them onto the premises, obviously it's entirely up to them whether they wanted to move into the Pearl Room after that, but yeah, that's the intention.

MS SPENCER: In your interaction with the patrons offering the dinners ---
20

MR GODFREY: Yes.

MS SPENCER: --- and the tickets, did you express that to them, that there's no obligation to come to the Pearl Room? Was anything said about coming to the Pearl
25 Room?

MR GODFREY: (Inaudible) back in those days, I used to have a pocket full of taxi vouchers. I said, "Thanks very much for coming, here's a taxi voucher if you'd like to go home, if you've had one or two wines or whatever the case might be," but it
30 was never along the lines, "See, you've been to this, the expectation is that you come into here." It's just something, say, that you wouldn't really do.

MS SPENCER: But that was the idea behind it all, was it?

35 MR GODFREY: Yes.

MS SPENCER: Are you doing much of that sort of handing out the tickets and that sort of thing nowadays?

40 MR GODFREY: No, no, it's purely office-orientated now.

MS SPENCER: You stopped that how long ago?

MR GODFREY: Look, I phased it out probably within the last year or so.
45

MS SPENCER: The member turnover reports which you refer to at subparagraph d), you say, from these reports you identify:

..... those members who have not reached the annual turnover to maintain Pearl Club member status.

5 What happens if turnover isn't reached? What's the process?

MR GODFREY: There's an expectation that when somebody becomes a Pearl Room member, every 12 months they have to maintain that specific turnover to retain their golden membership. It's basically a rotating turnover report. The next month, a group of players will come up on that report. If they haven't maintained that specific turnover for the previous 12 months then unfortunately our hands are tied. We have to take away their Pearl privilege or their access to the Pearl Room.

MS SPENCER: Is that something you do, do you call them up and say ---

15 MR GODFREY: No, that's usually done by letter.

MS SPENCER: Right, okay. Do you receive many complaints about that ---

20 MR GODFREY: I personally don't receive complaints, but the hosts and managers that look after those players will probably receive the complaints.

MS SPENCER: Are you involved in Pearl Room membership recruitment now?

25 MR GODFREY: Just overseeing that the correct procedures are followed in regards to bringing players into the Pearl Room, so not involved in the decision-making as such. However, that may change moving forward.

MS SPENCER: I think you refer to a membership committee that you oversee. What do you mean by overseeing that committee?

MR GODFREY: So basically we have, in the committee we have people from surveillance, somebody from AML, somebody from RG. So when somebody puts an expression of interest in to become a Pearl Room member, it will go through a system called Skelter, it's an electronic sort of system that moves paperwork to those various departments. We'll wait for the reports back from Surveillance, RG and AML to see whether or not they're okaying the actual expression of interest form, and then it will come back to the membership coordinator to make the final decision.

40 MS SPENCER: Is it the case if they fail any of those three categories ---

MR GODFREY: If they see no, it's a definite no. If surveillance say they're not recommending, then we'll probably look into it a little more deeply and find out why they're not recommending.

45 MS SPENCER: What are you trying to find out from surveillance?

MR GODFREY: Anything they've got a record, any history that they have on a

specific patron that's applied for membership. They may have been involved in an incident out on the main gaming floor.

5 MS SPENCER: Like behavioural issues?

MR GODFREY: Past post on tables or whatever the case might be. So we'll have a look at that and decide whether or not we want to go ahead with it and have a session with surveillance or basically take their recommendation.

10

MS SPENCER: In terms of --- back to the recruitment process, you were talking about an expression of interest form. Is it the case, though, they can be invited, as well? Is that a different process?

15 MR GODFREY: Well, we say it's been invitation only and the fact that they're completing a form, they have to be --- I'm saying invited, expression of interest --- yes, I'm inviting them to complete an application form. We might not physically go to them and invite them, just and say "You're invited" ---

20 MS SPENCER: To find the form and fill it out?

MR GODFREY: Yes.

25 MS SPENCER: If I can bring up a document, please, CRW.700.025.4166. This is a PowerPoint for the membership.

30 MR SHAW: Can I rise to my feet to note to my friend there are two pages of this document that does contain sensitive information. If my friend is intending to go to either of pages 4172, 4176, could those pages be kept to the personal screens only, not the public screens?

COMMISSIONER OWEN: 4174 and 4176.

35 MS SPENCER: No, I will not be referring to those. If we could go to 4149, please. First of all, Mr Godfrey, do you recognise this PowerPoint?

MR GODFREY: Yes.

40 MS SPENCER: It's a standard operating procedure from December 2017. Do you know if there is the current one?

MR GODFREY: It's not the current one, no.

45 MS SPENCER: Could I just take you to 4169? If we are able to zoom in at all on this application form, does the application form for the Pearl Room still look like this?

MR GODFREY: It's changed.

MS SPENCER: What's different?

5 MR GODFREY: This used to be called a membership application form. We've now called it the expression of interest form. There's more details on the current form than there is on the old one.

10 MS SPENCER: Okay. What are the more details? Can I ask you this: you'll see on this one there's a request for the applicant to note their occupation?

MR GODFREY: Yes.

15 MS SPENCER: But their salary isn't requested, has that changed? Is that still the case?

MR GODFREY: We're going through a change of expression of interest as we speak, and there's going to be not only personal details of the members or expected members, but we'll be looking more deeply into their salary, their wealth background.

20 MS SPENCER: Financial capacity?

MR GODFREY: That's the word, and we're also going to be introducing a code of conduct, as well, which is basically what is required of a Pearl Room member, that 25 once they're in there, our expectations as to how they behave, how they follow the rules, et cetera, et cetera.

MS SPENCER: So these are being drafted at the moment ---

30 MR GODFREY: Yes.

MS SPENCER: --- so, they're not in train yet?

MR GODFREY: Not at this point in time. It won't be a hard copy moving forward, 35 it's going to be a digitalised version of the expression of interest.

MS SPENCER: All right, thank you. That document can be taken down.

40 Other than the AML RSG points which are an automatic "no" ---

MR GODFREY: Yes.

MS SPENCER: --- are there any other reasons why a patron's application for 45 membership to the Pearl Room might be declined?

MR GODFREY: Declined, um, yes. If somebody --- if we're looking at their financial, or if we're looking at their level of play, say, on the main gaming floor and because of their visitation they've managed to get to that specific turnover amount, if

they've got to that amount purely because of the amount of times they've visited the casino, once they move into the Pearl Room or once somebody becomes a Pearl Room member, the limits raise quite considerably in comparison to the main gaming floor. So if we've got somebody who is playing \$2 out on the main gaming floor or a money table or whatever the case is, it would be more than likely that we wouldn't give membership to that particular patron.

MS SPENCER: Okay.

MR GODFREY: Only because they'd have to increase their level of play quite dramatically to meet our minimums.

MS SPENCER: So you're looking for patrons that are low level hours of play, but high turnover?

MR GODFREY: High turnover, or they're playing at a level that is similar to what they'd expect when they came into the Pearl Room.

MS SPENCER: You're just looking at it from the gaming tables, or does that apply to EGMs, as well?

MR GODFREY: From the gaming table aspect.

MS SPENCER: Okay. I want to ask you about the reports that you generate. You mention at paragraph 26(a) on page 5 a CURA report?

MR GODFREY: Yes.

MS SPENCER: And that you do a compliance questionnaire?

MR GODFREY: Yes.

MS SPENCER: What does that compliance questionnaire contain? Is it a report you're currently still doing?

MR GODFREY: Basically, it's a set of questions I tick either "yes" or "no" to.

MS SPENCER: You're doing this every month?

MR GODFREY: Every month, yes.

MS SPENCER: This is for the legal compliance committee?

MR GODFREY: Correct.

MS SPENCER: Do you attend those meetings?

MR GODFREY: Yes, I do.

MS SPENCER: What sorts of things are covered off in that meeting?

5

MR GODFREY: Every compliance issue that happens to be raised or picked up by the, in this case it's Claude Marais. So he'll get all the compliance reports from all the departments within the casino. It's hotel, food and beverage, engineering, every department will have their own compliance officer. So basically they'll all have to complete the CURA Reports and then put in their --- not only the CURA Reports, but for instance, my daily compliance reports with all the compliance issues is also sent to the legal compliance, and he will extract certain incidents that may have happened, and it will be questioned during the meeting or what actions you've taken.

10 MS SPENCER: I see. Back to the checklist that you do on a monthly basis.

MR GODFREY: The CURA?

MS SPENCER: I'm just trying to get a sense of what ---

20

MR GODFREY: Those questions are?

MS SPENCER: Yes.

25 MR GODFREY: Have you followed the current entry process as set out in the IGF policy? Have you allowed anybody into the Pearl Room that shouldn't have been allowed into the Pearl Room? It's like a "yes" or "no" ---

MS SPENCER: Right. And what's the entry process you were just ---

30

MR GODFREY: The entry process?

MS SPENCER: Yes.

35 MR GODFREY: Nobody can just walk into the Pearl Room, they have to become a member. A member is allowed to bring in a guest. Now, we need to check that guest's background details before they enter into the Pearl Room.

MS SPENCER: I think you said previously somebody could bring in three guests.

40

MR GODFREY: You could bring in three guests.

MS SPENCER: So, after three people?

45 MR GODFREY: Yes, but they need to provide current ID and accessible ID, driver's licence, et cetera, and then if --- we have to ensure that there's nothing in the way of barrings or self-exclusions or whatever the case may be. We'd obviously be alerted to, because we'd have all those details of those patrons in the system. It's a fairly

long process, there's probably about five steps that the hosts have to go through in checking. They've got to check SYCO, they have to check another system called Louis, they've got to do a scan check with their driver's licence which talks to iTrak,
5 which frees up anything untoward about that specific guest.

MS SPENCER: Right, okay. If I could just bring it back to what these questions are that you're signing off on, you're saying "yes" or "no" to whether those processes
10 have been followed by the Pearl Room?

MR GODFREY: Correct.

MS SPENCER: Is it five or six compliance questions you have to answer every
15 month?

MR GODFREY: It depends. We get a quarterly one, we get half-yearly ones, we
get monthly ones. It could be 10, 12 questions, maybe a few more.

MS SPENCER: What's your role at these compliance meetings?
20

MR GODFREY: Basically when we go through the agenda, it's just to answer any
questions that might be raised in regards to compliance issues that happened in the
previous months.

MS SPENCER: Just for the Pearl Room?
25

MR GODFREY: Just for the Pearl Room, yes.

MS SPENCER: How long have you been on that committee for?
30

MR GODFREY: I've been going to that committee for the last three years or so,
three or four years, maybe longer.

MS SPENCER: All right, now I just want to ask you about the cheque cashing
35 facility in paragraph 79 of your statement. It's on page 12.

MR GODFREY: A patron can walk up to the cage, can ask to open up a cash
chequing facility.

MS SPENCER: Is this only available in the Pearl Room?
40

MR GODFREY: No, it's on the main gaming floor, as well.

MS SPENCER: Okay.
45

MR GODFREY: They'll fill in the regular paperwork for that facility. They'll agree,
or they'll put down an amount that they want to access as part of that facility. Say, it
was \$1,000, the paperwork will then go down to the credit committee to be signed

off. We'll deal with the manager and make some inquiries as to whether they can sustain or look after that amount they've asked for. We can generally find out through the level of play, how --- in the main gaming floor or the Pearl Room, so ---

5

MS SPENCER: You're not sure whether any external inquiries are made?

MR GODFREY: I couldn't be 100 per cent sure at this point.

10 MS SPENCER: All right, sorry, I interrupted you.

MR GODFREY: No, that's fine.

MS SPENCER: Then it goes downstairs there, checking their level of play?

15

MR GODFREY: Yes, there may be some additional inquiries, but I don't quite know to what extent.

MS SPENCER: Then you reference in paragraph 79 the cheque being held for 5 days, a countercheque or a personal cheque; do you know why it's five days?

20

MR GODFREY: That's just the agreement that I've seen in the policy since I've basically been there.

25 MS SPENCER: What do you mean by a countercheque?

MR GODFREY: When they apply for that facility, on the paperwork they've got to keep a copy of their blank cheque. So, when they go to the cage and say, "I want to withdraw X amount of dollars from the agreed amount", they'll sign a secondary cheque or countercheque that the cage will keep.

30

MS SPENCER: So that's generated by Crown?

MR GODFREY: Generated by Crown, and between the day that they take that money out or withdraw that money, within five days they can actually buy back that countercheque with cash or some other means. If they don't, then that countercheque will go to the bank to be cashed.

35

MS SPENCER: Okay. So that's really the difference in those processes for a countercheque and a personal cheque, is to save the patron having to go to the bank or present a personal cheque every time?

40

MR GODFREY: Correct, yes.

45 MS SPENCER: Do you know how many patrons access the cheque cashing facility?

MR GODFREY: From memory, I probably knew about three or four.

MS SPENCER: And they were all Pearl Room members?

MR GODFREY: Yes.

5

MS SPENCER: Do you ever offer it to anyone?

MR GODFREY: Only if I'm asked.

10 MS SPENCER: And in terms of a limit, do you know if there's a limit to the cheque cashing facilities?

MR GODFREY: It really depends on the level of play and the investigations, or the information that's a credit control game.

15

MS SPENCER: In terms of someone wanting to change their limit, do you know what's the process if someone wants to change their limit?

MR GODFREY: Can, they can put a request in to change their limits and then it will go through the same process again.

20

MS SPENCER: And does that take long to come back?

MR GODFREY: A couple of days or so, maybe.

25

MS SPENCER: Would you agree with me that until those cleared funds are received by Crown, Crown's effectively providing short-term credit to the patron?

MR GODFREY: It's a matter of discussion. I suppose you'd have to say --- well you're advancing money to a patron before actually sort of retrieving it back, so I'd have to say yes.

30

MS SPENCER: I just want to ask you about corporate culture quickly. You say at paragraph 63, page 9 of your statement that you regard Perth Casino as having a good corporate culture. What's your definition of "good corporate culture"?

35

MR GODFREY: I think for the fact that I've been here for the best part of 35 years and people I've worked with have been incredibly fair, very amenable, very supportive. I've always felt quite safe coming into work, I've always felt respected. So to me, the overall feeling that I have personally is that if you've got a culture that treats their staff in that sort of fashion, it has to be good.

40

MS SPENCER: Your own sort of experience is a more positive one. More broadly? Have you observed any differently?

45

MR GODFREY: In any organisation, you're going to have staff members that are happy, content with what they've got and you're going to have a percentage that are unhappy and they'll make it known that they're unhappy.

MS SPENCER: Yes.

MR GODFREY: But I think generally it's fairly well-received, you know.

5

MS SPENCER: Commissioner, I now seek that we convene a short private hearing, please.

10 COMMISSIONER OWEN: We are now going to go into a private session for a short time. I'm going to make some orders, and I would ask that anybody other than a counsel or solicitors for a party who has leave to appear and be represented in the hearing, if they could leave the room. Thank you.

15 The orders that I am going to make are these: that the evidence heard from this point on in the hearing today, 20 September, be taken in private, and the private session continue until the Commissioner announces that there is to be a return to a public hearing. All persons other than Commission officers, the witness, counsel and solicitors for the witness and counsel and solicitors appearing for interested parties who are given leave to be present during the private session, must leave the hearing
20 room and remain outside during this private session.

25 There is to be no record taken of anything taken during this private session, except, first, by officers of the Commission and those authorised by the Commission to record, prepare and provide a transcript of the evidence to the Commission. Secondly, notes made by counsel and solicitors for the witness and counsel and visitors appearing for interested parties who have been given leave to be present during the private session to enable them properly to carry out their professional duties during the hearing, there be no publication or disclosure of any kind outside
30 the hearing room of anything said in the private session, or anything that identifies or is likely to identify a person as a witness who has given evidence in another private or restricted hearing, or any document referred to during the private session which has not been tendered during a public hearing, or the notes that I described that would be taken by counsel; except, by officers of the Commission for any purpose related to the Commission by any other person after first obtaining leave of the
35 Commission which leave may be subject to restrictions and conditions.

40 Mr Godfrey, for your benefit, anything that's said until we go back into private hearing must stay entirely within this room and not be disclosed or discussed with any person.

MR GODFREY: I fully understand.

45 COMMISSIONER OWEN: There is a specific matter that is going to be dealt with. I would ask, if anyone has any questions they want to put to Mr Godfrey on that issue, that it be done while we're still in private session. What I would ask is if you want to put questions to Mr Godfrey about the particular issue that's raised in the private session, you do so, because otherwise we're going to have to go in and out of

12:40PM

the private session and that would include re-examination, Mr Shaw. But then once we go back into public session, then you do the questioning that you want to make of Mr Godfrey on other issues that may have arisen. Is that an acceptable method of operating?

MS SPENCER: Yes, Commissioner. May I ask a question about the orders that are proposed to be made; does that preclude counsels from communicating the contents of the private hearing to other instructing solicitors?

COMMISSIONER OWEN: Yes, it does. Including any notes that you might make to remind yourself of what you want to ask.

MS SPENCER: Thank you, Commissioner.

MS SEAWARD(?): If we could confirm that the live stream is currently private as well?

COMMISSIONER OWEN: Yes, the live streaming, of course, which would include to the media room.

[HEARING CONTINUED IN-CAMERA]

[CONTINUED FROM HEARING IN-CAMERA]

5 MS SPENCER: I have no further questions for Mr Godfrey, thank you.

COMMISSIONER OWEN: Does anyone wish to cross-examine Mr Godfrey about any matter. Mr Garas?

10 MR GARAS: No, thank you, Commissioner.

COMMISSIONER OWEN: Ms Seaward?

MS SEAWARD: No, thank you.

15

COMMISSIONER OWEN: Mr Evans?

MR EVANS: No, thank you, Commissioner.

20 MS SPENCER: No, thank you, Commissioner.

QUESTIONS BY THE COMMISSION

25

COMMISSIONER OWEN: I have a couple of questions for you, Mr Godfrey, before I hand back to Mr Shaw.

30 In paragraph 49 of your witness statement, you refer to the fortnightly meetings headed or convened by Melanie Strelein ---

MR GODFREY: Yes.

35 COMMISSIONER OWEN: --- at which four or five other people would attend. I want to get a feel for what went on at those meetings, so could I ask it of you in this way --- I presume those meetings are still happening?

MR GODFREY: Yes, they are.

40 COMMISSIONER OWEN: Could I ask you to cast your mind back to the most recent one, which you would regard as reasonably standard ---

MR GODFREY: Right.

45 COMMISSIONER OWEN: --- and tell me what sort of things were discussed at that meeting?

MR GODFREY: Okay, there may be three or four names that Melanie may sort of

bring up, of players that have hit the RG radar. She would explain the, I suppose, background on those individual players and ask for any feedback from the members of that meeting, if they can provide anything else on top of what she already knows and basically, the steps that are going to be taken moving forward into how we're going to be dealing with those specific patrons.

10 COMMISSIONER OWEN: I take it from what you've said that it's reasonably specific to individual patrons ---

MR GODFREY: Yes.

COMMISSIONER OWEN: --- who have come to the notice of RSG?

15 MR GODFREY: Yes, Commissioner.

COMMISSIONER OWEN: Were there any times when the discussion broadened to things of a more general nature, like the approach to RSG, the resourcing of the RSG department, or anything of that nature?

20 MR GODFREY: I believe we're going to be changing the way, or the amount of time that players can be, that will be spending time in the casino. I think there's going to be a specific time change in regard to that, and the, I suppose, the times when each of those players will be approached once they've had a specific time, whether it be three hours or five hours or whatever the case may be. So, we've had brief discussions relating to regarding that. That's all coming in, I think it's some time in October.

30 COMMISSIONER OWEN: Right, thank you. I want to ask you some questions about the AML/CTF policies. I think you said that you had not yourself ever prepared and lodged a UAR.

MR GODFREY: No.

35 COMMISSIONER OWEN: What about a SMR?

MR GODFREY: SMR, not to my knowledge.

40 COMMISSIONER OWEN: All right. Now, you also highlighted some of the indicia of money laundering, things like structuring, cuckoo smurfing, bill stuffing et cetera. You've been at the casino for a long time ---

MR GODFREY: Yes.

45 COMMISSIONER OWEN: --- when did you first become aware of those sorts of things as an issue that could have an impact on the gaming operations at the casino?

MR GODFREY: I'd have to say, we knew the basics of when to report certain

transactions, but I think it was possibly after the Bergin Inquiry when we started to really concentrate on those specific issues.

5 COMMISSIONER OWEN: I think you refer to it as "developing a deeper understanding"?

MR GODFREY: Yes.

10 COMMISSIONER OWEN: Again, with the UAR, Ms Spencer asked you whether to your knowledge when someone had lodged a UAR, whether there was any feedback to that person. Did I understand you to say that so far as you were aware there was no feedback?

15 MR GODFREY: I don't think so, I don't think so. Once the form has been submitted and it goes to AML, I don't think the person who submitted it gets any feedback back, to my knowledge. I'll have to probably double-check on that.

20 COMMISSIONER OWEN: Now, the next question I want to ask you is about bonuses. You indicated that bonuses were based largely on two things --- financial performance and occupational health and safety performance. In relation to you, what are the sorts of matters that would come under occupational health and safety that might affect bonuses given to you?

25 MR GODFREY: I would say probably injury rate. Me personally, or just generally?

30 COMMISSIONER OWEN: So far as your entitlements to bonuses were concerned when you were getting this letter that said "there's a cheque in the mail", or however it was done, what were the sorts of occupational health and safety issues that might impact on that for you, in your position; the various positions you held along the way?

35 MR GODFREY: Sure. If there were any sort of areas within the Pearl Room that could cause accidents, as a matter of example. I suppose, people tripping over, corridors not being kept in the way they should be kept. Anything that could possibly cause a health incident to either a staff member or a patron.

40 COMMISSIONER OWEN: On a different topic, which is back to problem gambling, and you mentioned observable behaviours ---

MR GODFREY: Yes.

45 COMMISSIONER OWEN: --- that might indicate a gambling problem and one of them I think, correct me if I'm wrong, frequent trips to ATMs; is that correct?

MR GODFREY: Correct.

COMMISSIONER OWEN: I only want you to answer this if you know. What could

you tell me about the withdrawal limits on the ATMs at the casino?

MR GODFREY: I don't know what the withdrawal limits are on the ATMs.

5

COMMISSIONER OWEN: Again, I only want you to answer this if it's to your knowledge ---

MR GODFREY: Sure.

10

COMMISSIONER OWEN: --- but are you aware whether or not there is any difference in withdrawal limits in the ATMs depending on where they are situated within the entire resort footprint?

15 MR GODFREY: Not to my knowledge.

COMMISSIONER OWEN: All right, thank you. My final question to you relates to the entries to the Pearl Room. What's the maximum number of guests a member can bring in?

20

MR GODFREY: They're allowed to bring in three guests.

COMMISSIONER OWEN: Three guests at any one time?

25 MR GODFREY: However we've got a policy in place because of COVID and everything else that's been happening. We're actually limiting it to one guest.

COMMISSIONER OWEN: At the moment it's one guest?

30 MR GODFREY: One guest, yes.

COMMISSIONER OWEN: Whether it be one guest or three, if the guest gambles, does their monetary gambling activity credited to the member's turnover, or is that kept separate?

35

MR GODFREY: It's kept separate.

COMMISSIONER OWEN: Thank you, Mr Godfrey. Anything arising?

40 MS SPENCER: Nothing arising, thank you, Commissioner.

COMMISSIONER OWEN: Mr Shaw?

MR SHAW: I don't have any re-examination, Commissioner.

45

COMMISSIONER OWEN: All right, thank you.

Mr Godfrey, thank you very much for your evidence; it has been of assistance. The

01:03PM

summons will be left in place, because the other Commissioners will need to review the transcript and the video of your examination, and they may have questions for you.

5

MR GODFREY: Okay.

COMMISSIONER OWEN: For now, you are free to go about your business, and you have our gratitude.

10

MR GODFREY: Thank you, Commissioner. Appreciate that.

THE WITNESS WITHDREW

15

COMMISSIONER OWEN: We are adjourned until 2.30 pm.

20

ADJOURNED

[1.04 PM]

RESUMED

[2:31P.M.]

25

COMMISSIONER MURPHY: Please be seated. This morning Commissioner Owen read out a statement in relation to witnesses who may be giving evidence today and in coming days it may be necessary to canvass material provided by patrons who cannot be named. From time to time it may be necessary to take the evidence in private sessions. In that case appropriate orders will be made. During public hearings everyone, witnesses, counsel and Commissioners alike should exercise caution to ensure that patrons are not named. In case there is a slip or inadvertent naming, there is a general non-production order prohibiting the naming of those individuals. In case of a slip or non-advertent naming, counsel should raise the issue. We will also need to guard against the display on public screens of documents that name patrons. This does not apply to documents that are already tendered as part of the public record and in respect of which an NPO has not been made. Similarly, if the name of a patron is already a matter of public record, the general NPO can, on application, be listed.

30

35

40

Can the witness come forward, please. Can you please state your name for the record?

WITNESS: Christo Theodoropoulos.

45

MR CHRISTO THEODOROPOULOS, SWORN

EXAMINATION-IN-CHIEF BY MR SHAW

5 MR SHAW: Commissioner, Shaw for the witness.

COMMISSIONER MURPHY: Yes, Mr Shaw.

10 MR SHAW: Could I ask for the document witness statement at CRW.9998.002.0512.

Mr Theodoropoulos, if we could quickly scroll through to the end. Your signature is redacted there, Mr Theodoropoulos, but is that your witness statement?

15 MR THEODOROPOULOS: Yes, it is.

MR SHAW: There's one correction that needs to be made, Commissioner. It's in a number of places, but it's the description that first appears in paragraph 14, on the third line down, at the position of AML Compliance Officer. That appears a number
20 of other times. I can tell you Commissioner it's at paragraphs 15, 16, the heading before paragraph 17, then in paragraph 17, paragraph 37 and paragraph 38, and in each case, that should be in fact "AML officer", not "AML compliance officer", Commissioner.

25 Is that correct, Mr Theodoropoulos?

MR THEODOROPOULOS: It is.

MR SHAW: Thank you.
30

I tender the witness statement, Commissioner.

COMMISSIONER MURPHY: Thank you very much, Mr Shaw. The witness statement bearing the number CRW.998.002.0512 is accepted as an exhibit.
35

Mr Feutrill.

40 **EXHIBIT #CRW.998.0002.0512 - WITNESS STATEMENT OF MR CHRISTO THEODOROPOULOS DATED 15 SEPTEMBER 2021**

CROSS-EXAMINATION BY MR FEUTRILL

45 MR FEUTRILL: May it please the Commissioner.

Mr Theodoropoulos, my name is Michael Feutrill, I'm one of the Counsel Assisting the Royal Commission and I am going to ask you some questions --

5 MR THEODOROPOULOS: Sure.

MR FEUTRILL: --- largely to clarify areas in your statement and see if there is some more assistance you can give to the Commission. Have you got a copy of your statement in front of you?

10

MR THEODOROPOULOS: Only on the screen.

MR FEUTRILL: On the screen is fine. Can I ask the operator to scroll to paragraph 10 of your statement. I want to draw your attention to the last sentence which deals with the period of time when you were a table games pit boss.

15

MR THEODOROPOULOS: Mm-hmm.

MR FEUTRILL: And you refer to your responsibilities.

20

MR THEODOROPOULOS: Yes.

MR FEUTRILL: One of them included investigating suspicious activities; you've referred to that. I would ask you what types of activities you're referring to when you describe suspicious activities?

25

MR THEODOROPOULOS: The activities that I'm probably referring to is if there are instances of one player removing chips that belong to another player, and there are a number of ways we can check that, or we could check that at that time. We had our own individual cameras on each table where we could go back and verify that something was taken by a different person. If we didn't have that coverage we'd always go to surveillance and request that information to be followed up.

30

MR FEUTRILL: Is that a reference there to potentially stealing someone else's chips?

35

MR THEODOROPOULOS: Yes.

MR FEUTRILL: Any other kinds of activities that you investigate?

40

MR THEODOROPOULOS: Look, it was quite some time ago, but I'm sure there were instances, I just can't think of anything at the moment.

MR FEUTRILL: Okay, and you've made a reference there also to escalating risks to management; what kind of risks are you referring to there?

45

MR THEODOROPOULOS: Look, it's just basically bringing attention to the Gaming Shift Manager of any sort of gaming activity that was out of the ordinary or

of a large amount of play. They're just general things that we would pass on and just advise that, if I was a gaming shift manager, of a particular person or people.

5 MR FEUTRILL: And what kind of risks? What's the risk element that you're referring to there in terms of, say, for example, unusually large play?

MR THEODOROPOULOS: Primarily, people that are buying in for large amounts of money on tables and perhaps not having any associated play with it. And then
10 moving to another table and then buying in at another table, and moving away and not actually gambling.

MR FEUTRILL: When you're describing buying in, are you making a reference
15 there to buying in with cash or with chip purchase vouchers, or what kind of buying in?

MR THEODOROPOULOS: Cash, primarily.

MR FEUTRILL: What would you describe as a large amount of money?
20

MR THEODOROPOULOS: Well, during my time, I would say anything sort of \$5,000 and above. It's a significant amount of money.

MR FEUTRILL: So there were occasions where people would buy in with large
25 sums of money and then have minimal play or move tables?

MR THEODOROPOULOS: Correct.

MR FEUTRILL: How is it that you made the observations about that kind of
30 activity?

MR THEODOROPOULOS: It's either referred to me by table games staff, a croupier, who will pass it on to an inspector, who will then pass it on to me.

MR FEUTRILL: What step, if any, was taken after you received information about
35 activity of that nature for example?

MR THEODOROPOULOS: Well, it depends on the circumstances, but I think
40 primarily we would inform surveillance and just explain to them that this particular person has bought in for a substantial amount, doesn't appear to be playing. Obviously we don't have line of sight to all pits, so they can monitor a player to see if they buy in for more, if they're just trying to turn over their cash without any play that would be a pretty basic alarm bell for us, that someone might be trying to avoid any, or try to avoid any anti-money laundering situation, so

45 MR FEUTRILL: Were any reports generated as a consequence of those sorts of observations?

MR THEODOROPOULOS: I'm not too sure if there were any reports generated. We certainly communicated that to the gaming shift manager at the time. I can't recall to be perfectly honest.

5

MR FEUTRILL: I might come back to that in a moment and I'll show you some documents.

MR THEODOROPOULOS: Sure.

10

MR FEUTRILL: Just in generalities, how frequently would observations of the kind you're just describing be made during a month or a year at the casino?

15

MR THEODOROPOULOS: I couldn't give you an accurate guess of what that might be. No, there's nothing that I could really say it happened three or four times a month or anything of that nature.

20

MR FEUTRILL: I'm just trying to get some sense of the regularity of it. Are we talking about very rarely, or quite frequently, or can you put a qualifier on it?

25

MR THEODOROPOULOS: I would say somewhere in between rarely and occasionally.

30

MR FEUTRILL: Can I ask if you could be shown now --- just referring to paragraphs 11 and 12 of your statement which are on the first and second pages. You've made reference to --- this is now talking about the time when you were the table game compliance manager, and you were involved in the preparation of some standard operating procedures or SOPs. I will call them an SOP for short.

35

MR THEODOROPOULOS: Yes.

40

MR FEUTRILL: You were involved in the development of an online questionnaire. Could I ask that we call up the questionnaire which is CRW.701.005.5017, and I have got a couple of questions about this document, Mr Theodoropoulos. I take it as you go from left to right across the page, you start off with inspectors, pit bosses and then gaming shift managers, and each of those job descriptions has an increasing level of knowledge of things they should know about.

45

MR THEODOROPOULOS: That's correct.

MR FEUTRILL: There's --- a common element in each of them is AML/CTF. What I would like to ask you --- and of course I appreciate this was all some time ago --- what kind of questions were involved in a questionnaire about AML and CTF?

50

MR THEODOROPOULOS: It is a long time ago, but I think the questions really revolved around a particular situation, and we would give them an (a), (b) or (c) response. For example, what would be the process of if a person came to your table and gave over \$10,000 cash, would you (a) request proof of ID to be able to have the

transaction go, (b) if the customer didn't have ID, would you break it down into smaller amounts to be able to complete the transaction and things of that nature? So it was really a question of testing the inspectors, the pit bosses, the gaming shift managers of the requirements for AML/CTF.

MR FEUTRILL: I see, and that was --- how frequently were they required to complete that questionnaire?

MR THEODOROPOULOS: To the best of my knowledge, it was annually.

MR FEUTRILL: It's an online module, is it?

MR THEODOROPOULOS: It was, yes.

MR FEUTRILL: Was that in addition to, or part of the normal casino online module for AML/CTF?

MR THEODOROPOULOS: From memory --- well, it's in addition to that.

MR FEUTRILL: Yes. Also in that document, under both columns for the pit bosses and the gaming shift managers is reference to the Casino Manual, or sections of the Casino Manual.

MR THEODOROPOULOS: Yes.

MR FEUTRILL: Do I take it at that time at least you had an understanding or working knowledge of the relevant parts of the Casino Manual that dealt with the pit operations?

MR THEODOROPOULOS: Yes.

MR FEUTRILL: And main bank?

MR THEODOROPOULOS: Not necessarily main bank, no.

MR FEUTRILL: You had an expectation that the pit bosses and the gaming shift managers would have a similar understanding of those procedures?

Okay, now in paragraph 13 you have made reference to the table games threshold transaction and suspicious matter report standard operating procedures policy.

MR THEODOROPOULOS: Yes.

MR FEUTRILL: Could I ask that that be called up, it's CRW.533.001.0908.

MR SHAW: Could I just interrupt my friend. I understand there's sensitive information in this report, is it possible to confine that to just the persons ---

MR FEUTRILL: You have taken the words out of my mouth, sorry. I forgot that this will be subject to a non-publication order, so if we could confine it to the witness and interested parties, please. You think perhaps in passing in describing the question --- but if I could ask you to be shown at pinpoint 0909, there's a section 3.1 and there's a number of bullet points. The one I really want to draw to your attention --- this essentially sets out the procedure where a person is buying in with \$10,000 in cash or greater. There's a couple of bullet points towards the end of the page, the fourth from the bottom starts:

If ID has expired.....

The next bullet point refers to if the patron doesn't have current ID or cannot provide their residential address, then the transaction cannot occur.

Can I confirm that my understanding of this is correct. If at this time a person was not able to produce a valid current ID, or demonstrate their residential address, they were not permitted to buy in on a table game for cash exceeding 10,000?

MR THEODOROPOULOS: 10,000 and above.

MR FEUTRILL: And above?

MR THEODOROPOULOS: That's my recollection, yes.

MR FEUTRILL: You'll see there over the next page, in bold and in red --- if we could have that up at the same time, please, operator, the top of the next page --- there's a bit in bold red:

Remember: No ID --- no transaction.

MR THEODOROPOULOS: Yes.

MR FEUTRILL: Am I right in thinking that was also the case for the cage as well? If a person presented wanting to, say, for example, exchange cash for chips at the cage and they were not able to produce a valid current ID, they would not be able to transact at the cage?

MR THEODOROPOULOS: I don't know if that was also the standing with the cage. I can't recall.

MR FEUTRILL: Right. There's another element to this I just want to draw to your attention, which is the bullet point just above that last bold where it says:

If the patron reduces the amount.....

MR THEODOROPOULOS: Yes.

MR FEUTRILL: That's indicating a particular kind of report must be completed in those circumstances?

5 MR THEODOROPOULOS: That is correct.

MR FEUTRILL: What is your understanding of the reason for that to take place in those circumstances? I'm being a bit cryptic for obvious reasons.

10 MR THEODOROPOULOS: Look, I mean, if a patron came to the table and it was \$10,000 and didn't have ID we couldn't complete the transaction. So, if they decided to take away some money that fell underneath the \$10,000 threshold, we could complete the transaction, but it needed to be accompanied with a suspicious matter report.

15 MR FEUTRILL: What was your understanding of the reason why those elements, or those circumstances, would be regarded as suspicious?

20 MR THEODOROPOULOS: Because in, well, from that perspective I would say they're avoiding the requirement to provide proof of ID, and in itself --- that in itself is suspicious.

25 MR FEUTRILL: Okay. Can I ask that we scroll to page 0911, which makes reference in a little more detail to the suspicious matter reporting procedures. It gives a number of examples. So this is the under fourth paragraph:

Some scenarios that may lead to

30 Then, at the end of that section there is a paragraph that says this is not exhaustive and so on, if you are at all suspicious about behaviour, et cetera, you are required to complete a suspicious matter report.

35 You might recall a little earlier I asked you some general questions about activities that were suspicious in the gaming room, and you made reference to large buy-ins in play. Is that an example where you would expect a suspicious matter report to be prepared?

MR THEODOROPOULOS: Yes, I would.

40 MR FEUTRILL: Are there other kinds of activities that, in your experience when you were involved in the table gaming area of the casino, you observed or came to be aware of that came to be involved in suspicious matter reporting?

45 MR THEODOROPOULOS: I can't recall off the top of my head of any particular instance.

MR FEUTRILL: Not "particular instance", just types of behaviours that raised

suspicion and led to reporting, in your own knowledge whilst you were in the table games area?

5 MR THEODOROPOULOS: I believe we received a suspicious matter report from a croupier that overheard some type of suspicious activity, illegal activity. My recollection was it was drug-related, but it was such a long time ago, I can't recall specifically.

10 MR FEUTRILL: I'm really asking you about any behaviours that you came across in your time when you were in the table games area that you were noted as suspicious activity and led to reports being made.

MR THEODOROPOULOS: I assume there would have been times, yes, but specific
15 information about those reports, I don't have a recollection.

MR FEUTRILL: I'm not asking you for specific information about specific reports, because obviously that's not something you can tell me about. I'm really asking you in a more general sense about the kinds of activities that were observed, that if you
20 are able to recall them, that resulted in reports being made.

MR THEODOROPOULOS: I'm unable to remember what specifically they were, but I know that they did occur.

25 MR FEUTRILL: Okay. I might come back to that when I've got some more documents to show you. It might assist with your recollection.

MR THEODOROPOULOS: Yes, sure.

30 MR FEUTRILL: Before I do, I have some more questions to ask you about your statement. Could you now be shown page 0514 of your statement, paragraph 22. The first question I had for you --- I'm not sure if I'm right, but I don't recall reading in your statement anywhere where you describe the training you received yourself in respect of AML and CTF matters. Did you receive any direct training yourself in
35 that area?

MR THEODOROPOULOS: I would have received training as a matter of course, as being an inspector and a pit boss at the time. Also would have been familiar with what is required for AML and CTF as the compliance officer for table games, and
40 also, you know, with having that knowledge that assisted me in the role of the AML officer.

MR FEUTRILL: I've got a couple more questions that flow from what you said. You started off by saying "You would have", does that mean it's something you
45 actually remember, or you've got an expectation you would have received it?

MR THEODOROPOULOS: I can't remember specifically, but I know I would have received ---

MR FEUTRILL: Okay, and was that from an external provider or was it on the job training?

5 MR THEODOROPOULOS: That was on the job training.

MR FEUTRILL: So at the time you moved into the role as the AML officer and took over responsibility for that job, did you then receive any additional training specific to that role?

10

MR THEODOROPOULOS: Well, I mean, the information that I had already had and was exposed to in my previous roles was a good basis on the knowledge that I had for AML. Further training would have been on the actual reporting side of things and that occurred primarily with Denise Vanderklau. So in one essence we would have the actual mechanisms and the actual reporting that I would do as an AML officer, and the checks that I would do, and based on my knowledge and experience that I gained over the years in all the roles that I had previously.

15

MR FEUTRILL: Okay, but the area in which you had most of your experience was in the table games area, was it not?

20

MR THEODOROPOULOS: Correct.

MR FEUTRILL: Did you have any direct knowledge or understanding of how the cage procedures worked, for example?

25

MR THEODOROPOULOS: Again, it was a long time ago. I remember vaguely that we were shown around the cage how things operated, but that's all I can really recall.

30

MR FEUTRILL: Leaving to one side the training you received yourself prior to beginning the role, what was the nature of the training that you provided to other employees? You can break this up into the kinds of employees and the kinds of training you provide to each ---

35

MR THEODOROPOULOS: From an AML officer's perspective?

MR FEUTRILL: Yes, from an AML officer's perspective.

MR THEODOROPOULOS: I'll start with table games. I was invited at every recruitment of any new dealers or new training of new games. So it could be a person being trained initially where I would appear before them and speak to them about the training of CTF. Or, it could be a person who was already in the employ of Crown who was learning another major game. I would always do a refresher course with them to emphasise the importance of AML/CTF. With regards to other areas, there was regular catch-ups with all staff from different departments, and that happened annually to refresh their mind about their requirements, what they were required to do with AML/CTF and how it affects them.

40

45

MR FEUTRILL: What about cage staff?

MR THEODOROPOULOS: I believe I did speak to cage staff, as well.

5

MR FEUTRILL: Is this a direct engagement with them or was it online?

MR THEODOROPOULOS: Look, no, it was direct actually, it was meetings.

10 MR FEUTRILL: It was with each of the staff, or ---

MR THEODOROPOULOS: Groups of 20, 30. Yeah.

MR FEUTRILL: Any other departments? What about the finance area?

15

MR THEODOROPOULOS: I can't recall.

MR FEUTRILL: Can I ask you call up CRW.008.002.4305. I don't know if this is --
-

20

MR SHAW: It is, but it's not on the public screen anyway, so if we could just confine it.

MR FEUTRILL: I just show you the first page of this document, if I may. The first
25 page of this document is an internal audit report for the AML/CTF area of June 2013. A little down the page it's got a distribution list, and you'll see your name is on that distribution list. I don't know if you recall receiving this in 2013 or not?

MR THEODOROPOULOS: It looks familiar, but ---

30

MR FEUTRILL: What I would like to draw to your attention is one of the areas ---
go to page 4309. There's a heading, "Opportunities for Improvement". I think I'm
right in saying at the time of this report, it may have been at the point that you were
transitioning. I think Ms Vanderklau may have been the person who was the officer
35 at this time. This is not directed to you, I'm just trying to ascertain your
understanding of what took place following this report. You'll see there there's a
reference to the development of a training schedule and refresher training, et cetera,
and a little further on in the document at pinpoint page 4313, there's a more detailed
explanation of what the internal audit, or the basis for the recommendation. There's a
40 recommendation at the foot of the page, and my question for you is whether you can
recall whether at the time you took over and became the AML officer, that particular
recommendation was implemented by you.

45

MR THEODOROPOULOS: I can't recall.

MR FEUTRILL: Would you agree with the earlier comment regarding the amount
of work that the AML officer performed and that that may have been a reason for an

inability to continue the refresher training as regularly as it should have been?

MR GODFREY: I'd be speculating there.

5

MR FEUTRILL: At the time you took over in the role --- and I appreciate you were not in the role as the main person for a long time --- did you find in that role you had sufficient resources available to you, to carry out your daily functions and the training?

10

MR THEODOROPOULOS: No.

MR FEUTRILL: Is that essentially because you were the only person fulfilling the function of the AML officer at the time?

15

MR THEODOROPOULOS: Yes.

MR FEUTRILL: Do you know if you requested additional resources at any time during the period you were AML officer?

20

MR THEODOROPOULOS: No, I never did.

MR FEUTRILL: Did you make anyone aware that you thought you were unable to do everything you were required to do?

25

MR THEODOROPOULOS: It wasn't a question of "unable to do everything that was required", and it wasn't something that --- well, from my background, you just don't go ahead and say that you ask for a help for a job that you should be able to do.

30

MR FEUTRILL: You made the assumption that you had to do everything that you were not able to do it?

MR THEODOROPOULOS: It's not an assumption, it's just my work ethic.

35

MR FEUTRILL: I see. Can I ask that you be shown CRW.704.001.5559 and this is a document that you were at least once familiar with, Mr Theodoropoulos. You may not be familiar with it any more, but I would like to ask you some questions about using this as the framework, because you've made references in your statement at various places to meetings with Mr Preston who was, as I understand it at the time, the AML compliance officer.

40

To get an understanding for the Commission of the way this document worked in reality and practice, in other words bring the document alive, if I can, through you as much as possible, you'll see that the AML/CTF program as of February 2014. And if I could ask that we scroll to section 3 from page 5564 --- for the sake of completeness, I want to confirm a few things, if I may. The first is, if you look at the third paragraph it says:

45

At the date of this document the Executive General Manager - Legal and Corporate Services is the AML/CTF Compliance Officer

5 I take it that was Mr Preston at this time?

MR THEODOROPOULOS: Yes.

10 MR FEUTRILL: And as of February 2014, the bullet point "AML Officer" is you?

MR THEODOROPOULOS: Correct.

MR FEUTRILL: The next role which is General Manager Legal and Compliance, am I right in thinking that that was Mr Marais?

15

MR THEODOROPOULOS: Yes, I think so, yes.

MR FEUTRILL: The next bullet point:

20 *General manager Risk & Corporate Projects.*

Who would that have been?

25 MR THEODOROPOULOS: I believe that was Sasha Grist.

MR FEUTRILL: And the next bullet point, General Manager Cage & Count?

MR THEODOROPOULOS: Sorry, it's not on there.

30 MR FEUTRILL: It's on the next page, we need to scroll to that if we may. Thank you.

MR THEODOROPOULOS: David Brown, I think it was.

35 MR FEUTRILL: Now, is it the case that if Mr Preston was unavailable, that the people who filled the office of AML/CTF compliance officer were in that order --- you first, and then the others --- or was there some other means by which it was identified?

40 MR THEODOROPOULOS: I believe it was me first, to the best of my recollection, yes.

45 MR FEUTRILL: Okay. Could I ask that we can scroll forward a little more, and we get to section 6 --- and we've touched on this already, I'll come back to this --- this is the risk awareness training program which is part of the AML/CTF program. Then, there's a reference in 7 to risk assessment, and it makes reference to appendix E. Again, I'll come back to that section in a moment, but if I could move you forward to section 12, which is headed "Transaction monitoring". What I'd like to know, if you

could assist the Commission with --- in that table you'll see there's references to various kinds of activities. Then alongside there's a method statement and identifiers in many instances report. If you take the first one, for example, which is effectively
5 a threshold transaction of some kind --

MR THEODOROPOULOS: Mmm-hmm.

MR FEUTRILL: --- and then report from the SYCO system. What was the nature of
10 the report that was generated from the SYCO system?

MR THEODOROPOULOS: Look, I know there was a report that was generated. What the name of it --- I think it was just a threshold transaction report. But I can't recall specifically what it was called.
15

MR FEUTRILL: Okay.

MR THEODOROPOULOS: It basically generated any large transactions that I could cross-reference with any threshold transaction reports that should be supplied
20 with that transaction.

MR FEUTRILL: Okay. Do I take it there was something similar for cheques issued to customers?

25 MR THEODOROPOULOS: I honestly can't recall.

MR FEUTRILL: All right. What about buy-ins carded, uncarded, et cetera?

MR THEODOROPOULOS: I think that would be part of the first report that we
30 mentioned.

MR FEUTRILL: All right, and account opening and transacting?

MR THEODOROPOULOS: Can't recall, sorry.
35

MR FEUTRILL: It's okay. I'm just trying to get a sense of what you were having to review each day in your office.

MR SHAW: Can I just interrupt my friend. Obviously there is sensitive information
40 in terms of the procedures adopted by the casino in relation to these matters, and if there's just a way of addressing them without, for example, reading through each of the particular items?

MR FEUTRILL: Very well. If I could ask you to look at the fifth box under the
45 heading "Activity", and again, it refers to a report.

MR THEODOROPOULOS: Yes.

MR FEUTRILL: Are you able to say what the nature of that report was?

5 MR THEODOROPOULOS: I do recall seeing that type of report before, but specifics I couldn't give you any specifics.

MR FEUTRILL: Just in general terms, how long were the reports and how much time did it take up of your day to review them?

10 MR THEODOROPOULOS: It would be the first thing I did every morning and depending on the amount of transactions that occurred, I think it would probably take most of the morning.

MR FEUTRILL: So until about lunchtime then?

15

MR THEODOROPOULOS: I think so, from memory.

MR FEUTRILL: Then, there's another one there. The next box down and you'll see in brackets, after each of the earlier boxes there's a reference to "(monitored by)", meaning the relevant department doing it, in each of the earlier cases it's not the AML officer, and the next box there's a reference.

20

MR THEODOROPOULOS: Mmm-hmm.

25 MR FEUTRILL: Given it was a function of yours to monitor, do you know what the nature of that particular item is?

MR THEODOROPOULOS: I believe what it was is basically a breakdown of all buy-ins that occurred at each table that was active during the last 24 hours. If people were using their cards on the tables, then we could identify and link buy-ins accordingly. That would allow myself to be able to see if there were any trends that occurred, like if a person bought in at one table and there was another buy-in at another table, I could always investigate to see if there was any substantial play with those buy-ins. But primarily just to see if there were any sort of alarm bells, in a sense, I think one would be if there was a \$9,000 buy-in by a player with no significant play associated with it, then I would lodge a suspicious matter report.

30

35

MR FEUTRILL: I see. Primarily, we are looking here at transactions that are happening within the casino itself; would that be a fair description? Can I ask you about the next section, which is --- there are a number of sections that follow and I think you may have made, you make reference in your statement to regular meetings with Mr Preston.

40

MR THEODOROPOULOS: Yes.

45

MR FEUTRILL: And I think it may have something to do with these elements. There's an item there saying, "Risk Rating".

MR THEODOROPOULOS: Yes.

MR FEUTRILL: I want to ask you about this, so I will just take you through them.
5 You've got risk ratings of low, moderate, significant or high ---

MR THEODOROPOULOS: Yes.

MR FEUTRILL: --- for people. Then, there's a section on Know Your Customer
10 information, which is how you gather information about customers and that may result in a different --- well it starts off as low and it might change their risk rating depending on what information you gather about it. Then there's a section on enhanced customer due diligence which is where you do a bit more investigation, depending on what information you have about the customer.

15

MR THEODOROPOULOS: Mm-hmm.

MR FEUTRILL: Then there's another section, which is 16 which I want to ask you
20 about, which if I could draw that to your attention and it makes reference there to when a customer has a high risk rating or is known to engage in money laundering or terrorism financing, or is currently an extreme AML/CTF risk, "should cease to be a customer and should be the subject of an Exclusion Order issued under Casino law or Notice Revoking Licence."

25 MR THEODOROPOULOS: Yes.

MR FEUTRILL: In the time that you were the AML officer, do you recall an instance where a person was issued with an NRL?

30 MR THEODOROPOULOS: I know that they have occurred during my time, specific information about it I couldn't recall.

MR FEUTRILL: Are you able to explain to the Commission what kind of behaviour
35 and risk would have at the time you were the AML officer would have been considered sufficiently high to result in the exclusion of a patron?

MR THEODOROPOULOS: I think normally the decision --- if there was any
40 specific activity, (a) we would receive information from not only internal sources, but external authorities who would make that decision would probably be Josh, but that's the best of my recollection at the moment.

MR FEUTRILL: All right. What I'm really asking you is what kind of conduct or
45 information about a customer would be sufficiently, or give rise to a sufficiently high degree of risk that at the time that you were there, the Perth Casino would decide that they'd rather not do business with that customer?

MR THEODOROPOULOS: I can't recall specifically what the scenarios were. I know that they occurred, but I couldn't --- yes, I'm sure, I can't answer that question.

MR FEUTRILL: All right. Are you able to give some sense of what it would require to move from low to moderate risk?

5 MR THEODOROPOULOS: Again, that would be a decision made by Josh Preston during our compliance meetings. If I brought significant --- if I brought Threshold Transaction Reports before him, and he identified a particular customer that he was aware of that he might have further information, he might raise that level to a different height, or decrease, but it was purely done by Josh Preston.

10 MR FEUTRILL: And were there occasions when you made recommendations to him based on the information he had for you about whether the person should be moderate, significant or high?

15 MR THEODOROPOULOS: Possibly, but I can't recall any specifics.

MR FEUTRILL: I'm going to have another go at refreshing your memory on some of these transaction reports, if I may. The document is CRW.708.019.3274 which are the standard operating procedures for the AML and compliance officer at the time, in March 2013. I would like you to tell me what you can recall about it, that on
20 page 3275. It's immediately before the heading "Fortnightly" and there's a reference there to a:

Telegraphic Transfer Listing Report.....

25 MR THEODOROPOULOS: It does ring a bell, but just give me a second. I mean, I've heard of the report, I just can't recall what would have been about, to be perfectly honest, without reading.

30 MR FEUTRILL: Can I ask you this, the information generated from the SYCO system was that in the nature of a printout from that system itself?

MR THEODOROPOULOS: Yes.

35 MR FEUTRILL: Was there any source documents that came with it? Could you view in SYCO, for example, the original telegraphic transfer report generated from the cage for instance with its attachments?

MR THEODOROPOULOS: I don't believe so, but ---

40 MR FEUTRILL: Okay. Can I ask if you can recall under "fortnightly" there's a risk in the third bullet point to:

Risk triggers and Risk Register.

45 Do you remember what they were?

MR THEODOROPOULOS: Yeah, the risk register was a rather large spreadsheet, from memory, of all players that were either received a Suspicious Matter Report or a Threshold Transaction Report.

5

MR FEUTRILL: And the risk triggers?

MR THEODOROPOULOS: I can't recall.

10 MR FEUTRILL: Over the page, there's an underlining AML/CTF Risk Register, that may be what you just referred to, which is the spreadsheet maintaining information on patrons. You have referred to this, I think, in your statement. Just to return to the topic of training, if the I could. On pinpoint 3278 there's a table. I think you may have made reference to this earlier when you said you were giving
15 refreshers.

MR THEODOROPOULOS: Mm-hmm.

MR FEUTRILL: You mentioned specifically table games.

20

MR THEODOROPOULOS: Yes.

MR FEUTRILL: I think you might have agreed that you did cage, but there's other ones there as well, electronic games, international operations and surveillance. Do
25 you recall whether you provided those other departments with the same sort of training?

MR THEODOROPOULOS: I did face-to-face meetings with groups, as I said previously, about 20 or 30 people, and they could be from various departments,
30 including international operations, surveillance, or e-gaming.

MR FEUTRILL: Towards the bottom of that page --- same page --- there's a reference to "SYCO upgrade testing"; do you know what that means? Can you explain what that means?
35

MR THEODOROPOULOS: There was a time, yes, I could tell you. I'm just trying to think of an instance where we would test SYCO for particular --- perhaps a new game that may have been added to the gaming floor. Yes, I'm --- I believe that's what it was about. Whenever a new game was introduced to the main gaming floor
40 there would be a component there, an AML component, to see if it was AML-compliant in the sense that in some of the electronic gaming machines there was a limit to the amount of money you could put it and the withdrawal. I'm stretching the memory here, but I believe that might have been what that's referring to.

45 MR FEUTRILL: I just want to ask you about the next one, which references there breaches of the Act or policies and procedures, and then there's a reference to taking disciplinary action?

MR THEODOROPOULOS: Yes.

MR FEUTRILL: Can you recall what the nature of those procedures was and if they had been implemented?

5 MR THEODOROPOULOS: We obviously --- and I think you probably will touch
on it later --- but during compliance meetings, it was always the forum to be able to
address in the group a particular infringement with regards to AML, or any other
type of breach to policies and procedures, rules and regulations, et cetera. And
according to the severity, obviously, of the infringement or the breach, there would
10 be a determination made of what the disciplinary action would be. I know that after
my time at Crown, AML was quite entrenched. Everyone knew what the
requirements were, and I believe there was a situation where someone in a pit boss
position, the customer did not have proof of ID, so it advised the table staff to split
the buy-in. So if it was \$10,000, do a \$9,000 buy-in and do then a \$1,000 buy-in,
15 avoiding the Threshold Transaction Reports. I believe the outcome for that person
that made that decision was, they were terminated.

MR FEUTRILL: Are you saying this was when you were no longer employed by ---
is this something you've heard about since?

20 MR THEODOROPOULOS: Yes.

MR FEUTRILL: I don't know now whether we provide you a list of some
documents and some pinpoints to them with the hope of making this examination
25 briefer for you. You will no doubt have picked up from the items to which we draw
your attention that there were a number of instances where it had been identified that
a person had expired ID and yet they had nonetheless been permitted to transact.

30 MR THEODOROPOULOS: Mm-hmm.

MR FEUTRILL: There are references to something called an incident report.

MR THEODOROPOULOS: Yes.

35 MR FEUTRILL: What was the nature of an incident report?

MR THEODOROPOULOS: I think each department had their own version of an
incident report. It would be --- for example, if there was an infringement by a cage
officer, the disciplinary action would begin with the incident report which eventually
40 ended up in our compliance meeting and it was brought to our attention then, and
also to the AML officer prior to that meeting. But an incident report is basically
explaining what has occurred, how it occurred, who infringed on the, either the
policy or procedure that they breached, and what disciplinary action they would take.

45 MR FEUTRILL: What was the significance of it from the employee's perspective? It
goes in their record, does it?

MR THEODOROPOULOS: Yes.

MR FEUTRILL: There's references on at least one occasion to someone receiving a
5 first written warning; is that part of the disciplinary process?

MR THEODOROPOULOS: Absolutely.

MR FEUTRILL: There's references to employees being counselled; what was the
10 nature of employee counselling, to your knowledge?

MR THEODOROPOULOS: Again, it would depend on the severity of the
infringement as to the level of disciplinary action that was required. If this was
something that --- I can't give you an actual situation where that might have
15 occurred, but if something like that was a minor breach that didn't warrant a first
written warning, then that would probably go down the path of noting it and having
had a discussion with the staff member.

MR FEUTRILL: All right, so I guess what struck us when we read through these
20 minutes, is that the regularity of which people were either presenting with expired ID
and that being missed, and the question is whether that resulted in any additional
training being undertaken with the cage staff as a consequence?

MR THEODOROPOULOS: From memory, yes, it would have been.
25

MR FEUTRILL: All right. Was there any disciplining of the cage management as a
consequence of what appeared to be a pretty regular oversight by the cage staff?

MR THEODOROPOULOS: Sorry, can you repeat that?
30

MR FEUTRILL: Well, the supervisors and those in charge of the cage, their
department had people pretty regularly missing things. Was there any disciplinary
action as far as you can recall relating to the management in that area?

MR THEODOROPOULOS: Well, I don't believe it was a regular thing. I believe
35 that the training that the cage staff had was adequate. It was human error on most
occasions, my understanding was. But to answer your question, I'm not aware.

MR FEUTRILL: What I would like to do now is take you to a number of documents
40 that are the subject of a PO, and I'll be also drawing your attention to documents,
parts of which will be subject to the secrecy provisions under the AML/CTF Act, so
I'm not going to ask you to disclose anything that may result in a breach of that Act.
It also referred to patrons. Now, you might recall the Commissioner making an
observation at the start about maintaining the privacy about the patrons, so when I
45 deal with these, I will give them a pseudonym and ask you to refer to them by that
pseudonym --

MR THEODOROPOULOS: Sure.

MR FEUTRILL: --- having identified the relevant passage as a part of the document, and hopefully neither of us will make a mistake. This is really to try and flesh out with some concrete examples something I asked you about earlier, which is in what way were people regarded certain levels of risk and the activities to which they were involved, to get a sense of how risk is viewed by Crown Perth at the time.

The first document is CRW.708.017.4301. This is a meeting referred to as an AML/CTF officer meeting in November 2013. It indicates that Mr Preston, Ms Vanderklau were in your presence?

MR THEODOROPOULOS: Yes.

MR FEUTRILL: The patron who I'm going to refer to as "Patron A" appears under the heading 3 in bold about two-thirds of the way down the page.

MR THEODOROPOULOS: Yes.

MR FEUTRILL: First thing is that that patron had made an application for PR membership, which I'm making an assumption means "Pearl Room"?

MR THEODOROPOULOS: Correct.

MR FEUTRILL: And had 22 instances in RR. Again, I'm going to assume that's the risk register?

MR THEODOROPOULOS: I believe so.

MR FEUTRILL: Involving cashing out amounts without any associated recorded play over a certain period of time. The patron's risk was raised to moderate. Are you able to give the Commission any sense that level of instances of what one might describe as an indication of play that is consistent with money laundering, would result in a patron being identified as a moderate risk rather than, say, for example, significant or high?

MR THEODOROPOULOS: With regards to this person, as you can see on there, there are a number of bits of information regarding the amount of reports and also the World Check. Primarily who made that decision to raise that risk would be Josh Preston. As to answering your question, how he identified to raise the risk, I'm not aware of, of how he would make that determination.

MR FEUTRILL: Was there a discussion with you about that, or did he simply tell you what he effectively decided?

MR THEODOROPOULOS: From my recollection, we would bring this information to Josh Preston and he would make the determination of what risk level this customer would be on.

MR FEUTRILL: Okay. Can I ask you ---

5 MR THEODOROPOULOS: Sorry, let me just qualify that. The player has 22 instances involving cashing out amounts without any associated recorded play. It is suspicious, someone buying in. It's an example that I gave you previously.

MR FEUTRILL: Yes.

10 MR THEODOROPOULOS: Whether it's considered to be anti-money laundering, I don't know. I don't believe so, because of that particular incident, the reports were filtered through, if there were any Suspicious Matter Reports and it would go to the register. I sort of lost my chain of thought there. Give me a moment. Having a look
15 back on it I would say, yes, it would be a suspicious activity for this person doing what he has done.

MR FEUTRILL: My next question really is --- and this is a more general question about matters of this nature --- so, clearly patron A has been an identifiable person who has engaged in suspicious behaviour in the past on a number of occasions. So
20 he's known to the casino and he's known to have engaged in that behaviour.

MR THEODOROPOULOS: Mm-hmm.

MR FEUTRILL: From a risk minimisation perspective, why would he not simply
25 be prevented from continuing to be a patron, or prohibited from behaving in the way that you'd observed him to behave, buying in minimal play? Is there a way in which, for example, was it observed on the floor? Was there a procedure by which people would say, "Sorry, sir or ma'am, you can't continue to play because your playing behaviour is not consistent" ---
30

MR THEODOROPOULOS: I don't think it's that cut and dried when it comes to that.

MR FEUTRILL: Put it slightly differently, was there occasions when people were
35 asked to leave, when their behaviour was observed to be consistent with money laundering activities?

MR THEODOROPOULOS: To my knowledge, I can't recall of an instance like that. Generally when people were barred from or you know, NRLs, they would be due to
40 either behaviour that's not tolerated in a public forum. Any suspected illegal act that they may have committed --- it could be a number of things, but to the best of my recollection I don't believe that anyone was barred because of this type of scenario that you're showing me.

45 MR FEUTRILL: Okay. Can I take you to another example. This is in February 2014, and it's CRW.708.017.4337. In this case, because I've skipped over a document of documents, the pages are out of sequence. I was going to ask that we go

to page 4338, and there are four names in bold on that page, the second name we'll refer to as Patron E, and in this instance it would appear that the patron has an association with other people who have been arrested by the Organised Crime Unit and known to WAPOL and the AFP.

MR THEODOROPOULOS: Mmm-hmm.

MR FEUTRILL: Notwithstanding that the World Check is clear, he or she was given a risk level that is significant.

MR THEODOROPOULOS: Yes.

MR FEUTRILL: Are you able to explain why that would be the case?

MR THEODOROPOULOS: I would suggest that it's probably to do with the links to the other people that were mentioned, and the references to WA Police and Federal Police.

MR FEUTRILL: The last name on that page we'll refer to as "Patron F" and you'll see the information in respect of that patron is that he was arrested, and there are articles in the west concerning that patron ---

MR THEODOROPOULOS: Mmm-hmm.

MR FEUTRILL: --- for allegedly possessing \$1 million of methamphetamine.

MR THEODOROPOULOS: Mmm-hmm.

MR FEUTRILL: In the case of this patron I'll take you to another document, CRW.707.017.0352 . Again, this is not for publication. In your statement you've made mention of a Persons of Interest Committee, and you've provided an example of an agenda. This is the first page of an agenda in August 2014, but I really wanted to draw your attention not to the agenda so much as the document attached to it, which starts on pinpoint 0205 --- apologies, got the wrong pinpoint, it starts on page 0358. You'll see when we get to that document that there are large parts of it that have been blacked out, presumably for the reason of secrecy.

MR THEODOROPOULOS: Mm-hmm.

MR FEUTRILL: You make reference, I think it's in paragraph 24 of your statement, to the register you maintain. Is this the register you're referring to?

MR THEODOROPOULOS: Could we just enlarge that a little bit, please?

MR FEUTRILL: It might be hard to work out, because so much of it has been blacked out, but you'll see that it identifies the patron, the alias, their number in SYCO, their occupation, their AML risk level, whether they've been barred, risk

information and request for information.

5 MR THEODOROPOULOS: I don't think this is the spreadsheet that I recall. This is something different.

MR FEUTRILL: Okay.

10 MR THEODOROPOULOS: From memory, I think it's like a Persons of Interest spreadsheet, I believe. I'm not too sure.

15 MR FEUTRILL: All right. Thank you for that. If we could scroll to 0370 and you'll see a reference there to Patron F at the foot of the last entry of that table. There's a cross-reference to the similar information about the news article, and then it has a statement:

Player has been issued with NRL.

20 MR THEODOROPOULOS: Okay.

MR FEUTRILL: Do I understand it to be a Notice of Revocation of Licence, that reference?

25 MR THEODOROPOULOS: Yes.

MR FEUTRILL: Am I right in thinking it's an example where a person was provided with a high risk rating and a decision was made that their licence to visit the casino would be revoked?

30 MR THEODOROPOULOS: Yes.

MR FEUTRILL: Is that because of the nature of the offence with which the person had been charged?

35 MR THEODOROPOULOS: I would say so.

MR FEUTRILL: Do you recall this particular patron in this instance?

40 MR THEODOROPOULOS: I have a vague recollection of it.

MR FEUTRILL: Whose decision was it to give the patron the risk rating and to make a decision to revoke the licence?

45 MR THEODOROPOULOS: I believe it would have been Josh Preston's.

MR FEUTRILL: Was the procedure to revoke the licence, would that require any other authority or was an AML officer able to do that?

MR THEODOROPOULOS: I can't recall if --- I believe the security manager has the authority to NRL someone, but you're stretching my memory.

5 MR FEUTRILL: Okay. I know you've been patient. I'm asking you about things that are of some age, I appreciate that, but could I just take you back to the AML/CTF program, now that we've been through some of the examples of your meetings with Mr Preston, and I'd like to take you to --- this is CRW.704.0001.5559 at pinpoint 5575. Having been through that with you, it may make more sense to the
10 reader, this flowchart. I'm not really good with flowcharts ---

MR THEODOROPOULOS: Neither am I!

MR FEUTRILL: I'm going to try to understand this. In these instances, the
15 customer has been identified for one reason or another. It's a big green oval and there's a question then asked about what the risk rating should be. You've got a number of options what that is depending on what decision is made. It seems by it's made by Mr Preston at least in the first instance. You work your way through one or more of the diamonds. What I'm really interested in is in the bottom when the rating
20 is high, there are, I presume, really only two options rather than three, as in once they've reached the highest it's not the case of no further option. It's either ongoing monitoring, or an exclusion of some sort. Are you able to provide any further information to the Commission or context as to where the line is drawn between ongoing transaction monitoring and decisions to exclude based on your experience?
25

MR THEODOROPOULOS: I remember an instance where external authorities, whether it be Australian Federal Police or WA Police, asked us to continue to monitor particular patrons and not to bar them. That's really the only instance that I can recall where we would just continue to transact and not exclude them because of
30 the fact that they wished to have more information regarding this person.

MR FEUTRILL: Right. But it's the case isn't it that not every high-risk patron was considered to be such high risk that they would be excluded?

35 MR THEODOROPOULOS: Correct.

MR FEUTRILL: Whether or not the police asked you to continue. Are you suggesting that there are people where you would otherwise have excluded them, but due to an ongoing police investigation ---
40

MR THEODOROPOULOS: I'm not sure if they would have been excluded. I was not the person making that decision. I know that we did receive requests for a person to continue to be monitored and allow them to play, but yes, that's all I can recall.

45 MR FEUTRILL: Just so I understand and am quite clear about this then, when a decision was made to attribute to a patron who'd been identified for one reason or another, a risk rating, it was not something you discussed with Mr Preston, he simply provided you with his view?

MR THEODOROPOULOS: Sorry, can you repeat that, please?

5 MR FEUTRILL: Did you make a recommendation to Mr Preston, "I think a person should be moderate, high, significant", or is it the case that having brought to his attention the information available to you, he would tell you what the risk rating will be?

10 MR THEODOROPOULOS: He would tell me what the risk rating would be.

MR FEUTRILL: Was there any discussion at all with him about that?

MR THEODOROPOULOS: In terms of?

15 MR FEUTRILL: What rating you should attribute to the patron?

MR THEODOROPOULOS: I would, from memory, I would just provide him with the information that I had on the patron, any prior information that we've already had in our system. I don't recall if I ever gave any input as to determine what their rating
20 would be.

MR FEUTRILL: When was that decision made, was it made in your meeting with him?

25 MR THEODOROPOULOS: Yes.

MR FEUTRILL: To your knowledge was there any policy or procedure that dealt with the way in which risk ratings would be attributed under that AML policy? Do you know if Mr Preston was walking off some other document to reach conclusions
30 about risk ratings?

MR THEODOROPOULOS: I'm not aware of anything that Mr Preston would have used to make that determination.

35 MR FEUTRILL: Can I ask to return, if I may, to your time on the floor in the table games area. Which areas did you work in at that time?

MR THEODOROPOULOS: I worked in the main gaming floor initially, and also into what was then called the International Room and then evolved into the Pearl
40 Room, the private salons, as well, the high-roller activity.

MR FEUTRILL: So you worked for all three of the main areas for table games then?

45 MR THEODOROPOULOS: Correct.

MR FEUTRILL: In your observation, was there any difference in the level of activity you might regard as suspicious in any of those areas?

MR THEODOROPOULOS: Not that I can recall, no. By way of example in the Pearl Room or in the private salons was there a larger amount of cash often being used for gaming purposes?

5

MR THEODOROPOULOS: I don't recall large sums of cash at all. Those transactions always happened at the cage and they would be issued with a cheque credit, I think it was called, which they would bring to the table and we would exchange that for chips.

10

MR FEUTRILL: All right. I want to show you a document, if I could. This is probably the subject of a non-publication, as well. It's CRW.708.017.4395, which are minutes of a meeting with you, Mr Preston and representatives of AUSTRAC in October 2014, which must have been ---

15

MR THEODOROPOULOS: Just before I left, yes.

MR FEUTRILL: I appreciate this is some time ago, but there are some things I would like to see if you can assist us with.

20

MR THEODOROPOULOS: Of course.

MR FEUTRILL: Under the bullet point "discussed transaction process" it's got i, then "Cage (CTR, GCR)", do you know what those acronyms are?

25

MR THEODOROPOULOS: Sorry? I think CTR is cage transaction report. GCR -- - can't recall what GCR is.

MR FEUTRILL: Another acronym, BI report?

30

MR THEODOROPOULOS: Business integrity, I think it is, report.

MR FEUTRILL: Do you know what IFTI is? Then you've got the bullet point "What data do we keep", "T/O".

35

MR THEODOROPOULOS: Turnover is "T/O". BI is buy-in. W/L is win/loss. IFTI's are international fund transaction, I think, from memory.

MR FEUTRILL: Yes, I'm aware of those ones, I think I know what they mean. Then further duties, DRCT?

40

MR THEODOROPOULOS: Doesn't ring a bell.

MR FEUTRILL: Okay, all right. Now, there's a bullet point on the following page on 4396, the fifth bullet point from the bottom which begins:

45

Discussed how money is deposited or transferred from outside of Australia.

Do you recall what the nature of that discussion was about?

MR THEODOROPOULOS: No, I can't.

5

MR FEUTRILL: Do you have any recollection of this meeting at all?

MR THEODOROPOULOS: A little bit, yes.

10 MR FEUTRILL: Who was doing most of the talking from the Crown side of things?

MR THEODOROPOULOS: It would have been Josh.

MR FEUTRILL: I see. Did you help him prepare for the meeting beforehand?

15

MR THEODOROPOULOS: Did I prepare for the meeting?

MR FEUTRILL: Did you help prepare him any information?

20 MR THEODOROPOULOS: Yes, I would have provided any information he required. But what it was specifically I don't know, I can't remember.

MR FEUTRILL: I want to ask you some questions about the process of depositing and transferring funds from outside Australia. I take it at this time at least you were familiar with the process within the Crown organisation?

25

MR THEODOROPOULOS: If I was familiar with it, I'm not now. I can't recall it. My understanding is any transaction that came in from outside of Australia, it would go to --- it would be handled by the cage from memory.

30

MR FEUTRILL: All right. You might be able to assist me with some more acronyms at least then?

MR THEODOROPOULOS: Sure.

35

MR FEUTRILL: If you can't, I'll take you to the document and show you; you might be able to then remember.

MR THEODOROPOULOS: Yes.

40

MR FEUTRILL: At MT100, there's a reference to "Income Control" as a division or a group within Crown. Who are they?

MR THEODOROPOULOS: I've heard of the name, I can't recall who --- I think it's maybe the finance side of things.

45

MR FEUTRILL: Okay. SYCO TA?

04:01PM

MR THEODOROPOULOS: SYCO is the system. TA? No.

5 MR FEUTRILL: There's also reference to --- and maybe this is outside your area ---
a "Finance/Hexagon spreadsheet".

MR THEODOROPOULOS: No.

10 MR FEUTRILL: All right. Coming back to confirm something we touched on
earlier, how many employees were performing the functions of the AML officer
during the period you were in that role?

15 MR THEODOROPOULOS: It was just myself and Josh. There were occasions
where Denise Vanderklau would also assist, in a sense, because she was in that role
for quite a significant amount of time. So, her knowledge and input was sometimes
required.

20 MR FEUTRILL: All right, and to use this expression, she came from a cage area,
didn't she?

MR THEODOROPOULOS: That's correct, yes.

25 MR FEUTRILL: She may have had a better understanding of that side of things than
you?

MR THEODOROPOULOS: Absolutely.

30 MR FEUTRILL: I want to ask you some questions of a general nature now. You
mentioned Mr Brown earlier; did you work with him at all in your role as the AML
officer?

MR THEODOROPOULOS: I do vaguely remember working with David, but
specifically what, I can't recall.

35 MR FEUTRILL: Was he someone you had day-to-day contact with in your role as
AML officer, or were you working separately in different areas?

MR THEODOROPOULOS: Separately in different areas.

40 MR FEUTRILL: You've mentioned Ms Vanderklau. Obviously, you worked from
time to time with her in that role? Did you have contact with her on a regular daily
basis?

45 MR THEODOROPOULOS: I would see her daily, but you mean as in specific
interaction?

MR FEUTRILL: Yes, would she working in a similar area to you, approximately?

MR THEODOROPOULOS: She was mainly assisting Paul Hulme with compliance and regulatory matters.

5 MR FEUTRILL: Was there an office where you all were located?

MR THEODOROPOULOS: Yes.

10 MR FEUTRILL: And were you all within sight and speaking distance of each other?

MR THEODOROPOULOS: It depends where we were. We did shift quite a few times. It's a yes and no answer there.

15 MR FEUTRILL: Okay, but you weren't on completely opposite sides of the room to each other?

MR THEODOROPOULOS: No.

20 MR FEUTRILL: What about Ms Kessell, was she known to you?

MR THEODOROPOULOS: Yes.

MR FEUTRILL: Was she someone with whom you had regular contact, as well?

25 MR THEODOROPOULOS: No.

MR FEUTRILL: Did you have occasion to deal with her as the AML officer?

30 MR THEODOROPOULOS: Not that I can recall, no.

MR FEUTRILL: Did you know a gentleman by the name of Joseph Girando?

MR THEODOROPOULOS: No.

35 MR FEUTRILL: We have, generally speaking, discussed some of your meetings with Mr Preston when you were the AML officer. I take this partly from the answers you've given, and partly, from reading the minutes themselves. Would it be fair to say that the primary purpose of those meetings was for you to provide information to him about AML/CTF matters that had come up?

40 MR THEODOROPOULOS: Generally speaking, yes.

45 MR FEUTRILL: Were there occasions when the direction of information flow was the other way, when Mr Preston brought to your attention matters of an AML/CTF nature that he thought you should be aware of, that he had become aware of himself?

MR THEODOROPOULOS: There may have been instances, but what specifically, I

can't recall.

5 MR FEUTRILL: What about Ms Vanderklau, who obviously had been in the position for some time and had a lot of experience in the area. Was she someone who brought AML/CTF information to you when you were in the position of the AML officer?

10 MR THEODOROPOULOS: I can't recall, I don't believe so.

MR FEUTRILL: I beg your pardon?

MR THEODOROPOULOS: I don't believe so.

15 MR FEUTRILL: Now, I appreciate you've answered some questions in the statement dealing with specific names such as Riverbank ---

MR THEODOROPOULOS: Yes.

20 MR FEUTRILL: --- but at the time you were the AML officer, did you become aware at all of the closure of bank accounts operated by, or within the Crown Perth group of companies?

25 MR THEODOROPOULOS: No.

MR FEUTRILL: Is it your evidence that it was not raised with you --- do you have a positive recollection, I mean by this, rather than you can't recall --- by Mr Preston at any time?

30 MR THEODOROPOULOS: I've never heard of the term Riverbank until watching it in the Commission meetings in New South Wales.

MR FEUTRILL: Leaving aside the word Riverbank ---

35 MR THEODOROPOULOS: Yes.

MR FEUTRILL: --- I'm now speaking of knowledge of closure of bank accounts. Whether it was Riverbank or any other name, to your recollection were there any discussions involving yourself and Mr Preston, about the closure of bank accounts?

40 MR THEODOROPOULOS: To the best of my knowledge, never had a discussion of that nature.

45 MR FEUTRILL: What about Ms Vanderklau?

MR THEODOROPOULOS: Same response.

MR FEUTRILL: Mr Brown?

MR THEODOROPOULOS: Yes, I would say exactly the same.

MR FEUTRILL: So a bit of a hesitation there, does it mean it may have happened?

5

MR THEODOROPOULOS: No, no hesitation, it's just I've never really had that much to do with David.

MR FEUTRILL: Right ---

10

MR THEODOROPOULOS: Yes.

MR FEUTRILL: --- and what about Ms Kessell then, did you discuss with her about it?

15

MR THEODOROPOULOS: No.

MR FEUTRILL: All right. Now at any time when you were the AML officer, can you recall a discussion with any person about multiple deposits being made into a bank account under the \$10,000 threshold?

20

MR THEODOROPOULOS: I can't recall of any instance, no.

MR FEUTRILL: Can you recall ever receiving or reading, in the time you were the AML officer, an SMR relating to multiple deposits into a bank account?

25

MR THEODOROPOULOS: Don't recall one, no.

MR FEUTRILL: All right, and just again to be clear about this, the issue of multiple deposits into bank accounts was not raised to you by Mr Preston at any time?

30

MR THEODOROPOULOS: I can't recall of any time that he would have mentioned anything like that to me.

MR FEUTRILL: Just again to be clear, when you say "you can't recall", does that mean you have no recollection, or you're positive you didn't have that conversation?

35

MR THEODOROPOULOS: I have no recollection.

MR FEUTRILL: What about Ms Vanderklau?

40

MR THEODOROPOULOS: I have no recollection.

MR FEUTRILL: And Mr Brown?

45

MR THEODOROPOULOS: I have no recollection.

MR FEUTRILL: All right.

Well I don't think I have any further questions for this witness, Mr Commissioner.

5

COMMISSIONER OWEN: Thank you very much, Mr Feutrill. Do counsel representing any other parties have any questions of this witness?

10 **CROSS-EXAMINATION BY MR SADLER**

MR SADLER: My name is Sadler, and I appear for the Gaming and Wagering Commission. Just one very quick question. You were shown one internal audit report, and unfortunately, my CRW has come off. CRW.008.002.4305, I think it is. Do you know who, within Crown, prepared this report?

15

MR THEODOROPOULOS: I believe this would have been done by --- I can see the face and I can't think of the name --- Rachel Murray, I think it was.

20

MR SADLER: What division is she in, within Crown?

MR THEODOROPOULOS: She was in the legal area, but I think it was more to do --- her role was in charge of internal audit.

25

MR SADLER: Thank you. No further questions.

MR THEODOROPOULOS: Thank you.

30 MR SADLER: I don't have any further questions for you, Mr Theodoropoulos.

COMMISSIONER OWEN: Mr Shaw?

MR SHAW: No re-examination, no further questions.

35

COMMISSIONER OWEN: In that case, we thank you very much for your evidence. You've assisted us, to date. We will leave the summons in place, just in case there are other follow-up questions. It is unlikely that you'll be recalled, so you are free to go for today, but thank you very much for your evidence. It has assisted us greatly.

40

MR THEODOROPOULOS: Thank you, Commissioner, I wish I could have provided more, but my memory fails me I'm afraid.

45 **THE WITNESS WITHDREW**

COMMISSIONER OWEN: Thank you very much for that. In that case, we will

04:12PM

now adjourn until 10 am tomorrow morning. Thank you.

5 **HEARING ADJOURNED AT 4.12 PM UNTIL TUESDAY, 21 SEPTEMBER
2021 AT 10.00 AM.**

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