

Regulatory Capability

What does it mean and how do we acquire it?

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The Bergin Inquiry



Regulatory framework - terms of reference

- efficacy of the objectives of the *Casino Control Act*
- ability to respond to risks
- recommendations to enhance future capability
- domestic and international best practice

Crown's corporate culture and character

Crown must 'blow itself up to save itself'

Clean-out

Changes to the Crown Resorts board since the release of the NSW casino inquiry report

SOURCE: COMPANY ANNOUNCEMENTS

CEO KEN BARTON **GONE**

GUY JALLAND **GONE**

MICHAEL JOHNSTON **GONE**

ANDREW DEMETRIOU **GONE**

HAROLD MITCHELL Status unchanged

JOHN HORVATH Status unchanged

JANE HALTON Status unchanged

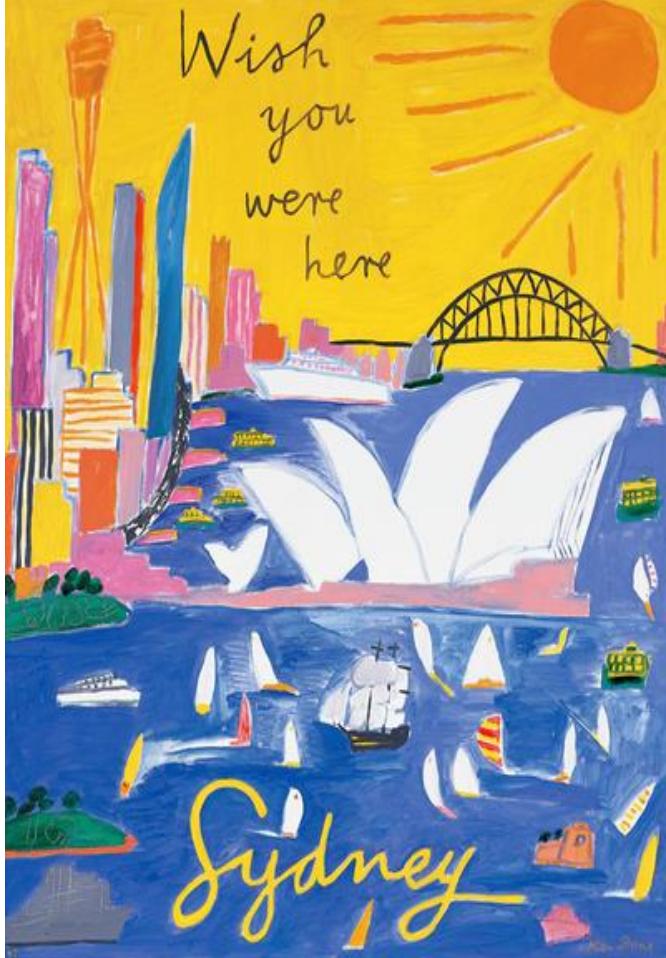
TONI KORSANOS Status unchanged

Crown directors

XETING.

Chairman HELEN COONAN **PROMOTED** to executive chairman

Sydney 1992 and now



NSW casino regulatory environment

1992	2020
<ul style="list-style-type: none">• Prescriptive• Independent casino regulator• Specialist casino inspectors• Regulator approved junket operators• Periodic review of suitability every 3 years• Regulator approved detailed systems of controls and procedures• Prohibitions of providing credit	<ul style="list-style-type: none">• Risk-based• More generalist regulator• Gaming, clubs, and liquor licensing inspectors• Casino operator responsible for junket operators• Periodic review of suitability every 5 years• Operator devises internal controls for day-to-day operations• Credit can be provided to junket operators or premium players

Recommendations

Manage casino
risk with right
regulatory model

**ERA OF LIGHT-TOUCH
REGULATION IS OVER**

Bergin inquiry The report on Crown operations is set to reverse the co-regulatory supervision favoured by most Australian governments and compliance authorities, writes Tom Burton.

Regulators
should focus on
gambling only



Regulatory capability lessons



Interface of different regulatory systems

Gaming Regulators

- › Ensuring integrity of gaming products and systems
- › Ensure the suitability of those in the gaming industry
- › Minimise harms

Police

- › Maintaining public order and safety
- › Enforcing the criminal law
- › Detecting and investigating criminal activities

AUSTRAC

- › Detecting, deterring and disrupting criminal abuse of the financial system to protect community from serious organised crime



ASIC

- › National corporate regulator
- › Regulate company and financial services and those entities within it
- › Promote confident and informed participation by investors and consumers

What's next?

