



INDEPENDENT LIQUOR AND GAMING AUTHORITY OF NSW

INQUIRY UNDER SECTION 143 OF THE CASINO CONTROL ACT 1992 (NSW)

**THE HONOURABLE PA BERGIN SC
COMMISSIONER**

**PUBLIC HEARING
SYDNEY**

**TUESDAY, 15 SEPTEMBER 2020
AT 9.59 AM**

Continued from 15.9.20

DAY 28

Any person who publishes any part of this transcript in any way and to any person contrary to an Inquiry direction against publication commits an offence against section 143B of the *Casino Control Act 1992 (NSW)*

MR S. ASPINALL appears as counsel assisting the Inquiry
MS C. HAMILTON-JEWELL appears for Crown Resorts Limited & Crown
Sydney Gaming Proprietary Limited
MR D. BARNETT appears for CPH Crown Holdings Pty Ltd
5 **MS N. CASE** appears for Melco Resorts & Entertainment Limited
MR R. HARRIS appears with **MSP. HOFBRUCKER** for Ms Whitaker

10 <ANNE JANE MICHELLE SIEGERS, ON FORMER AFFIRMATION
[9.59 am]

<EXAMINATION BY MR ASPINALL

15 COMMISSIONER: Yes, Mr Aspinall.

MR ASPINALL: Thank you, Commissioner. Having reviewed my notes overnight,
I have no further questions for Ms Siegers at this time.

20 COMMISSIONER: Thank you, Mr Aspinall. Ms Hamilton-Jewell, do you have
any questions?

MS HAMILTON-JEWELL: No, Commissioner, nothing arising.

25 COMMISSIONER: Thank you. Mr Barnett?

MR BARNETT: No, Commissioner. Thank you.

30 COMMISSIONER: Thank you. And Ms Case?

MS CASE: No, no questions. Thank you, Commissioner.

35 COMMISSIONER: Yes. Thank you, Ms Siegers. That now concludes your
evidence. As I have said to the other witnesses, it's more probable than not that you
will not be asked to attend again, but, in the circumstances, I can't say farewell,
certainly. But, on this occasion, you're released until that might happen, but,
otherwise, if that should happen, the solicitors will make contact with the solicitors
for Crown, and you will be notified if there's any need to attend. Thank you very
40 much for your assistance.

MS SIEGERS: Thank you, Commissioner.

45 <THE WITNESS WITHDREW [10.00 am]

COMMISSIONER: Yes, now, Mr Aspinall.

MR ASPINALL: Commissioner, the next witness is Ms Whitaker. I understand Ms Whitaker is online, so we can proceed without having to reconfigure.

5

COMMISSIONER: Yes. Yes, Ms Whitaker.

MS WHITAKER: Good morning.

10 COMMISSIONER: Yes. Ms Whitaker, are you there? Yes.

MS WHITAKER: Yes, I am.

15 COMMISSIONER: Thank you. Ms Whitaker, I think you are represented by – who are you represented by, Ms Whitaker?

MR R. HARRIS: Commissioner, that's me, Richard Harris, from Gilbert + Tobin.

20 COMMISSIONER: Mr Harris. Thank you, Mr Harris. Thank you.

<VICTORIA WHITAKER, SWORN

[10.01 am]

25 **<EXAMINATION BY MR ASPINALL**

COMMISSIONER: Thank you, Ms Whitaker. Yes, Mr Aspinall.

30 MR ASPINALL: Yes. If you could, just for the record, could you tell us your full name, please?

MS WHITAKER: Victoria Whitaker.

35 MR ASPINALL: And your business address, is it Deloittes in Sydney?

MS WHITAKER: Yes.

40 MR ASPINALL: Now, Commissioner, I have a further proposed exhibit which accompanies Ms Whitaker's evidence - - -

COMMISSIONER: Yes.

45 MR ASPINALL: - - - which is set out in a list called Proposed Exhibit W45 to 67.

COMMISSIONER: Yes. Thank you. I'll mark those exhibits W45 to 67.

EXHIBIT #W45 TO W67 PROPOSED EXHIBIT W 45 TO 267

COMMISSIONER: Thank you, Mr Aspinall.

5

MR ASPINALL: Ms Whitaker, am I right in thinking that you're a partner in risk advisory at Deloitte's?

MS WHITAKER: Yes, I am.

10

MR ASPINALL: Is that part of the strategic and reputational risk team?

MS WHITAKER: I am in the strategic and risk team, which sits within risk advisory.

15

MR ASPINALL: I see. That's a subgroup within risk advisory?

MS WHITAKER: Yes, it is.

20

MR ASPINALL: And you've been at Deloitte since January 2019?

MS WHITAKER: Yes, that's correct.

25

MR ASPINALL: I understand, before that, you had a role at The Ethics Centre in Victoria?

MS WHITAKER: The Ethics Centre in Sydney.

30

MR ASPINALL: I see. And what was your role there at The Ethics Centre?

MS WHITAKER: I led our consulting practice there.

MR ASPINALL: What sort of work was that?

35

MS WHITAKER: We consulted to organisations – not-for-profit organisations and government organisations – to assist them in establishing their ethical frameworks within an organisation, consulting on how they've embedded that throughout their organisation, and helping them strengthen their ethics within the organisation.

40

COMMISSIONER: Can I have some timeframe around that, Ms Whitaker: for how long were you at The Ethics Centre in Sydney?

MS WHITAKER: In total, I was employed there, I think, for around nine years in two substantively different roles.

45

COMMISSIONER: And what years were they?

MS WHITAKER: One was focused more on disclosure.

COMMISSIONER: What years were they?

5 MS WHITAKER: Sorry. What years were they? My apologies. So finishing in 2018, starting in 2010.

COMMISSIONER: Thank you.

10 MR ASPINALL: And, Ms Whitaker, what was the – what – is the ethics centre a not-for-profit group or a for-profit group.

MS WHITAKER: It is a not-for-profit organisation.

15 MR ASPINALL: Is it funded by donations from a somebody or something like that?

MS WHITAKER: It is a mixed-source funding. So some of it is donations, some of it is corporate consulting, some of it is membership. There's different things that –
20 that go into funding it.

COMMISSIONER: That was previously the St James Ethics Centre, was it?

MS WHITAKER: That's correct.
25

COMMISSIONER: When did it turn into The Ethics Centre?

MS WHITAKER: It would have been around, maybe, 2016, I think, around then. There – there was an assumption that it was a religious organisation. And so to be
30 more open to the community, they took away the "St James".

COMMISSIONER: Yes, I understand. Yes.

MR ASPINALL: And you were also the lead author of Managing Culture: A Good
35 Practice Guide; is that correct?

MS WHITAKER: I – I was one of the lead authors yes.

MR ASPINALL: And what is that – what is that publication?
40

MS WHITAKER: It was a guidance document for organisations to help them think about how to understand where – understand and measure culture within their organisations.

45 MR ASPINALL: And was that published by The Ethics Centre?

MS WHITAKER: The Ethics Centre with the Chartered Accountants of Australia and New Zealand and the Institute of Internal Auditors.

MR ASPINALL: And is that still published?

5

MS WHITAKER: Yes.

MR ASPINALL: Are you still a lead author of that?

10 MS WHITAKER: Yes.

MR ASPINALL: Now, as I understand it, prior to working at The Ethics Centre, you were the head of The Global Reporting Initiative; is that correct?

15 MS WHITAKER: Yes.

MR ASPINALL: What is that?

20 MS WHITAKER: It's an international organisation that seeks to draw accountability for corporations on non-financial issues. So issues such as human rights, climate change and those sorts of things.

25 MR ASPINALL: So that – when it talks about the global reporting initiative, the reporting it's referring to is reporting by corporations to somebody else; is that right?

MS WHITAKER: Yes.

30 MR ASPINALL: And is that a not-for-profit organisation?

MS WHITAKER: Yes, it is.

MR ASPINALL: And where is that based?

35 MS WHITAKER: In the Netherlands.

MR ASPINALL: How long did you work there?

40 MS WHITAKER: I worked there for five or six years. And that was how – so the partnership with the Ethics Centre. So part of my role at the Ethics Centre was – was that role.

45 MR ASPINALL: And in your role at the Global Reporting Initiative, what sort of work were you doing?

MS WHITAKER: It was a broad range of work. Some of it was to attract funding, so seeking membership. A lot of the work was working with other governance

organisations in Australia. So the Institute of Company Directors, the ASX, and the like, to expand the uptake of transparency and accountability on – on those non-financial issues. There was working with the corporations to help uplift their work in that area, etcetera.

5

MR ASPINALL: So, in respect to corporations, would you go into the corporation, examine its practices and business models and then make recommendations to it?

10 MS WHITAKER: It wasn't consulting in that regard, because, as an independent standard-setter, we didn't consult organisations. We didn't want that conflict of interest.

MR ASPINALL: So you were formulating standards which you then published, would you, and corporations would then follow them as they wished?

15

MS WHITAKER: That's right.

COMMISSIONER: In what years did you do that, Ms Whitaker?

20 MS WHITAKER: That would have been 2010 to about 2015, '16, something like that. I can't remember the - - -

COMMISSIONER: You were, effectively, seconded out from the St James Ethics Centre to do that; is that right?

25

MS WHITAKER: Yes. So my legal employer was the St James Ethics Centre and – but it was a partnership with the Global Reporting Initiative.

COMMISSIONER: I understand. Thank you.

30

MR ASPINALL: Now, am I right in thinking, that you have some academic roles as well?

MS WHITAKER: I have had academic roles in the past. Yes.

35

MR ASPINALL: Could you give me a precis of those with the years as well?

MS WHITAKER: Yes. So from 2001 to 2006, I worked in part time and full time capacity at Macquarie University, teaching in the Masters of Sustainable
40 Development, specifically focused around sort of the – I tried to – I talk myself up in different parts – but working also in the Institute for Education Sustainability and I worked at Cambridge University.

COMMISSIONER: Just pause. Just pause. Just pause. I'm sure you know this
45 very, very well. I'm trying to follow you.

MS WHITAKER: Of course.

COMMISSIONER: You worked at Macquarie – you worked at Macquarie between 2001 and 2006 - - -

5 MS WHITAKER: - - - teaching in the Masters of Sustainable Development.

MS WHITAKER: Yes.

COMMISSIONER: And then – and you said something about Cambridge?

10 MS WHITAKER: Yes. I worked at the University of Cambridge in the Institute of Sustainability Leadership.

COMMISSIONER: And when was that?

15 MS WHITAKER: From 2006 to 2008.

COMMISSIONER: And what were you doing at Cambridge?

20 MS WHITAKER: I led several of their executive education programs. I also worked on substantial initiatives like Al Gore’s climate project to build up taken understanding issues of sustainability - - -

COMMISSIONER: Yes. Sustainability - - -

25 MS WHITAKER: - - - amongst corporations.

COMMISSIONER: Sustainability, meaning what?

30 MS WHITAKER: Meaning – meaning thinking about the environment, thinking about climate change, thinking about human rights issues, thinking about poverty issues; those sorts of things.

COMMISSIONER: Yes. Thank you. Yes, Mr Aspinall.

35 MR ASPINALL: Ms Whitaker, am I right in thinking from your CV that your primary area of expertise relates to ethical challenges and risk culture?

MS WHITAKER: Yes.

40 MR ASPINALL: And am I also right in thinking that prior to the recent engagement of Deloitte in respect of the casino at Crown, that your areas of expertise are in financial services, energy and resources, higher education and government?

45 MS WHITAKER: Yes.

COMMISSIONER: Could you tell me what you qualified as, if you would be so kind?

5 MS WHITAKER: I have a Bachelor of Arts from the University of Technology Sydney and I have a Master's in Environmental Education with a focus on sustainable development.

COMMISSIONER: I'm terribly sorry, a master's in?

10 MS WHITAKER: Environmental education with a focus on sustainable development.

COMMISSIONER: Sustainable development.

15 MS WHITAKER: Yes.

COMMISSIONER: All right.

20 MS WHITAKER: So really looking at how to change people's mindsets and behaviours. That was the focus of my master's.

COMMISSIONER: Yes. And was that also from the same university?

25 MS WHITAKER: That was from Macquarie University.

COMMISSIONER: Thank you. And when was that?

30 MS WHITAKER: I completed my master's in 2001 and I completed my bachelor degree in '99.

COMMISSIONER: And what did you do between – I think you went straight then to – you worked at Macquarie immediately thereafter, did you, from 2001 to 2006?

35 MS WHITAKER: Yes.

COMMISSIONER: Yes, thank you very much. Yes, Mr Aspinall.

40 MR ASPINALL: Ms Whitaker, we have in the bundle – I don't need to take you to it – but a proposal in April 2020 that you put to Crown Resorts in respect of a junket due diligence persons of interest process review.

MS WHITAKER: Yes.

45 MR ASPINALL: Can you give me the background and the lead-up to how that came to be?

MS WHITAKER: Yes. We were contacted – one of my team, Murray Lawson, who is an expert in third party risk, financial crime type areas, was contacted by a contact of his at MinterEllison and they were curious to see whether we would be available to do this work. Following an initial conversation, we received a request
5 for a proposal from Crown detailing the types of things that they were seeking us to do. And so we put the proposal together, pulling together quite a diverse team to be able to ensure that we had the right skill and expertise to address this proposal.

MR ASPINALL: In terms of what Crown – you understood Crown to be asking you
10 to do, can you give me an indication of what that was?

MS WHITAKER: Yes. There was three primary things that they wanted us to look into in relation to both junket operators and their persons of interest programs. They wanted us to look at the decision-making processes around new junket operators as
15 well as existing junket operators, focusing specifically on the information that was provided to inform the decision, looking at the people involved in making the decision, and also looking at the sort of governance, the role of the board in making those decisions. And sorry, there's one other bit, so there was the people – sorry, the information, the people involved and the process of making the decision.

MR ASPINALL: So you weren't asked to consider whether this model of the casino
20 itself making a decision regarding junkets was the optimal model. You were asked to consider, based upon the existing model, how that process could be improved; is that right?

MS WHITAKER: That's correct.
25

MR ASPINALL: Now, had you had any dealings with the casino sector before this
30 engagement?

MS WHITAKER: I personally had not, however, my colleague, Murray Lawson, who directed the project had had a lot of experience with casinos.

MR ASPINALL: Could you tell us your understanding of Mr Lawson's experience
35 with the casino sector.

MS WHITAKER: He has worked as a consultant for – prior to joining Deloitte which he joined in January, had worked as a consultant for around six years, working
40 predominantly in third party risk and had – I don't know the number of engagements exactly with casinos but he tells me that he has worked in casinos quite a bit. Prior to that he worked with ASIO doing counterterrorism and other types of crime work.

MR ASPINALL: Which casinos had he worked in, did he tell you?

MS WHITAKER: I'm not sure.
45

MR ASPINALL: Did he tell you that he worked with Crown?

MS WHITAKER: Yes, he has worked with Crown in the past, I believe. I don't know - - -

5 MR ASPINALL: Did he tell you what the nature of that – you don't know what that was?

MS WHITAKER: No, I don't know.

10 MR ASPINALL: When you take the engagement, do you do any form of conflict checking to see whether or not there is any problem with regard to past work?

MS WHITAKER: We – in – in relation to past work, and conflict checking, I mean, of course, we do conflict of interest checking. There wasn't anything that was raised that would make me understand that there was a conflict.
15

MR ASPINALL: All right. But you didn't know what work Mr Lawson had done for Crown before?

MS WHITAKER: Not – not in detail, no.
20

MR ASPINALL: In terms of – well, without going into detail, did he tell you?

MS WHITAKER: No.

25 MR ASPINALL: Now, in terms of when Mr Lawson started at Deloitte, did you say that it was January 2020?

MS WHITAKER: Yes.

30 MR ASPINALL: Now, in terms of the risk culture at regulated industries like a casino, have you done any work into what special risk cultures that can create?

MS WHITAKER: Not in casinos, no.

35 MR ASPINALL: Have you followed the evidence given to this inquiry in that regard?

MS WHITAKER: Not in relation to risk culture, no.

40 MR ASPINALL: But you were engaged in April, I think; is that right?

MS WHITAKER: Yes, we were.

45 MR ASPINALL: Are you aware that in February this year, some evidence was given from experts in relation to the tension within casinos between the compliance arm of the casino and the marketing arm of the casino?

MS WHITAKER: No, I wasn't aware of any evidence in February.

MR ASPINALL: But in your work, did that tension feature at all in your thinking?

5 MS WHITAKER: Are you talking about – I'm not sure I understand what you're

10 COMMISSIONER: On the one hand you have a drive for profit. And on the other
you have a need for careful compliance with regulation, and sometimes those
interests and obligations clash - - -

MS WHITAKER: Yes.

15 COMMISSIONER: - - - where someone wants to drive the profit and someone
wants to say you shouldn't be driving it in this way because we might be breaching.
You understand that conflict?

MS WHITAKER: Yes, of course.

20 COMMISSIONER: Yes, all right.

MR ASPINALL: And in terms of your understanding and expertise of risk culture,
have you looked at organisations where that sort of tension arises?

25 MS WHITAKER: Yes.

MR ASPINALL: And what does that sort of tension do to a risk culture within an
organisation?

30 MS WHITAKER: When we look at risk culture, we're trying to understand and
identify the mindsets and behaviours that are occurring within an organisation and
what is driving that. And we seek to create frameworks that make it easy for people
to understand the risk that's before them and make good decisions in relation - - -

35 MR ASPINALL: Your microphone just dropped out there. We might have to just
go back a bit to give that answer again.

MS WHITAKER: Sorry.

40 COMMISSIONER: You seek to create frameworks that make it easy for people to
do what?

45 MS WHITAKER: To make decisions around risk. So to understand the risks that
are before them and to have alignment in the frameworks throughout the organisation
that help them understand the risks that are before them, that sets the right tone and
balance within the organisation about what risks they are to take, which may be to

take a lot of risk or may be to take minimal amounts of risk. And then help guide them in making good decisions in relation to that – that risk-taking.

5 MR ASPINALL: You see, the evidence that we've received from experts is that in terms of casinos at least, this tension between the marketing arm and the compliance arm of the casino is an ongoing battle because compliance wants the organisation to be compliant and the marketing arm wants to make as much money, and I'm not saying that in a critical way, that's their duty in other ways. But it seems to be an ongoing battle and at certain times in organisations like the marketing arm might
10 become more powerful and overbear the compliance arm of the organisation. Do you understand that?

MS WHITAKER: Yes, I do.

15 MR ASPINALL: Is that a phenomenon that you've seen before in other organisations?

MS WHITAKER: It is a phenomenon that we see and there are measures that you can put in place to ensure that marketing is able to balance risk against – against their
20 other goals.

MR ASPINALL: When you were doing the junket diligence review inquiry, were you cognisant of the fact that in respect of a licensed entity like a casino in particular, that the compliance with the procedures such that they weren't associating with
25 people of bad repute or of criminal association, was very important, perhaps more important than the usual business because failure to comply with that could put their licence at risk?

MR HARRIS: Commissioner, I'm afraid that most of Mr Aspinall's question then
30 was lost.

COMMISSIONER: Mr Harris, is that you speaking?

MR HARRIS: Yes, it is. It's Mr Harris. I was just raising the fact that almost all of
35 Mr Aspinall's question was inaudible.

COMMISSIONER: Just pardon me for a moment. I see. In this modern day of technology and the way we are doing this remotely, if we can all remember – I'm guilty of it as well – not to put our hands in front of our mouths when we're speaking
40 so I can see who it is that's speaking, that would be very helpful. Mr Harris, the position is that everybody else bar yourself, I gather, was able to hear what was happening. It was coming through but there may be a little problem where you are located for which I apologise, but at the moment, have you been able to hear what I've been saying?
45

MR HARRIS: Yes, we have heard everything perfectly. I'm with the witness, and it was inaudible to the witness as well. The audio just broke up during Mr Aspinall's last question.

5 COMMISSIONER: Now, Ms Whitaker, is that the position; you couldn't hear?

MS WHITAKER: Yes. No, I could not hear anything.

10 COMMISSIONER: All right. So Ms Whitaker, if you indicate the position, then Mr Aspinall will be alerted to the problem immediately, and we can try and – if you just raise a hand if it's not coming through properly and we will try to accommodate this technologically. I apologise for that. Now, Mr Aspinall, would you like to proceed now. I think the technology is - - -

15 MR ASPINALL: Yes, Commissioner. Can you hear me now, Ms Whitaker?

MS WHITAKER: Yes, I can.

20 MR ASPINALL: The question I was raising with you was whether in doing the junket review here – the due diligence review, you were cognisant of the fact that in a licensed entity like a casino the requirement to comply, to be compliant, was relatively more important than it might be in another business where there was not a regulator looking at the suitability of the person to continue to hold the licence?

25 MS WHITAKER: Many of the organisations I work with are in the financial services sector, and so they have a similar compliance obligation. In relation to the request for information that we received, it made it very clear that the business did not want to have criminal activity occurring within their operations.

30 MR ASPINALL: And in reviewing the procedures, one of the key questions that I expect would have been at the forefront of your mind was what standard of proof is required before a casino should make a decision that they won't deal with a particular operator?

35 MS WHITAKER: That was in the forefront of our minds, yes.

MR ASPINALL: And what was your view on that issue?

40 MS WHITAKER: Our view on that issue is that their process and procedures around this could be enhanced by defining probity better, by actually having a clarity on what good looks like.

45 MR ASPINALL: And in terms of – when you say defining probity better, I suppose as a lawyer I'm referring to standard of proof which is the question that you ask when you ask yourself whether or not I should allow this, how much evidence do I require before I reject them. Had you turned your mind to what that question should be?

MS WHITAKER: Yes. So when we reviewed the information that's submitted to the decision makers, we were asking that exact question: what information is required to inform a good decision?

5 MR ASPINALL: And what, in terms of the standard of proof required, did you think was the appropriate level?

MS WHITAKER: I think the standard of proof needs to be defined by what good looks like. So we need to ask the question, what information – what – what is the
10 level required in order to deem someone appropriate as a junket operator, for example. So is it sufficient that they have no criminal activity? Is that – is that what we're looking at or is there some other level that we're looking for. And then the information then needs to talk to that.

15 MR ASPINALL: And having looked at it, what is your view of what it should be?

MS WHITAKER: We didn't set out a view. We believed that that is up for Crown to decide but we provided a recommendation that they determine that for themselves. It is implicitly understood by the decision-makers, we believe, but it's not
20 documented in their operating procedures.

MR ASPINALL: What was your understanding of the implicit belief that they had?

MS WHITAKER: In terms of the actual decisions that they've made, we didn't
25 review – we didn't review – that didn't form part of our review is to revise the decisions that they've made.

MR ASPINALL: looking back at what had happened in the past?

30 MR HARRIS: Excuse me, Mr Aspinall and Commissioner, I apologise for the interruption. Unfortunately, I have a pre-existing commitment that I have to go to. My colleague, Ms Hofbrucker, would appear on Ms Whitaker's behalf. I'm just wondering if she could be admitted to the forum.

35 COMMISSIONER: Look, can I just understand who is present in the bottom line. From the left I have Mr Barnett. Then I have Ms Case. Then I have Ms Hamilton-Jewell. Who is next?

UNIDENTIFIED FEMALE: I'm on the line, Commissioner.
40

COMMISSIONER: I see. That's Mr Harris, is it?

MR ASPINALL: That's Mr Harris.

45 COMMISSIONER: Yes. All right. Thank you. Mr Harris, please, thank you for your courtesy; you're excused. And now we have appearing for Ms Whitaker?

MS P. HOFBRUCKER: Ms Philippa Hofbrucker.

COMMISSIONER: Thank you. Yes, Mr Aspinall.

5 MR ASPINALL: I was asking you, Ms Whitaker, and I think you probably answered the question but just to confirm that when you did your review, you weren't looking at the decisions that had been made in the past.

MS WHITAKER: No.

10

MR ASPINALL: So in respect of your view of the standard of proof that the decision-makers were adopting, you just gained that from speaking to them; is that right?

15 MS WHITAKER: That's right.

MR ASPINALL: And what was your view of the standard that they were adopting, as they told you?

20 MS WHITAKER: As I said, we didn't look at the decisions that they've made.

MR ASPINALL: But did they tell you what standard they were adopting or words to that effect?

25 MS WHITAKER: No. We did review three cases and we found that the rationale for the decision was not documented.

MR ASPINALL: Could you gain anything from looking at those decisions in terms of seeing what they – what their process of reasoning was?

30

MS WHITAKER: I – in looking at – in – I think I would be guessing if I were to do that. Yes.

MR ASPINALL: Which ones did you look at in particular?

35

MS WHITAKER: I can't recall the specific names of them at this point.

MR ASPINALL: Did you know that there had been media allegations regarding particular junkets by the time you were doing your report?

40

MS WHITAKER: I am aware of that, yes.

MR ASPINALL: Did you look at any of the junkets involved in the media allegations?

45

MS WHITAKER: They weren't the decisions that were presented before us.

COMMISSIONER: Just let me understand. You looked at decisions that were relating to junkets that were not named in the media; is that right?

5 MS WHITAKER: So what we were looking at in relation to those pieces of information was how the information was structured and presented before the committee for decision. That's what we were looking at.

10 COMMISSIONER: I will ask it again. You were looking at the junkets that were not named in the media; is that right?

MS WHITAKER: That's right.

15 COMMISSIONER: And in respect of those, there was no written basis for any rationale that might have been guiding the decision-making in respect of those junkets, is that correct?

MS WHITAKER: We didn't find any rationale for the decision made.

20 COMMISSIONER: Was the decision one to deal with them or not deal with them or what was the decision that was under review?

25 MS WHITAKER: As I mentioned, we didn't look at the decisions themselves. We were just looking at for the information being presented before the decision-makers and how that was structured – how the document was structured and presented before them.

COMMISSIONER: So if you didn't look at the decision, how did you know whether there was a rationale to it or not?

30 MS WHITAKER: When we interviewed people, they – they told us there was no rationale provided. And one of the recommendations that we made is that a document has a space for the rationale to be provided so they can understand the thinking of the committee.

35 COMMISSIONER: Yes, Mr Aspinall.

40 MR ASPINALL: I spoke to you before about the dichotomy, perhaps, between the compliance and the marketing section within the casino. And when you looked at who was making the decisions in respect of whether or not someone should be allowed to be a junket or perhaps continue to be a junket, who did you see was making that decision in Crown?

45 MS WHITAKER: So it goes to a committee that consists of three people. It's the CEO of the Australian Resorts, the chief legal officer. I'm sorry. Do you mind if I have a look at – I'm just forgetting right this moment. But do you mind if I have a look at - - -

COMMISSIONER: Have a look at your notes.

MS WHITAKER: Yes. Great.

5 MR ASPINALL: Do you want to have a look - - -

COMMISSIONER: Mr Felstead - - -

MS WHITAKER: Thank you.

10

COMMISSIONER: - - - Mr Preston so far.

MS WHITAKER: Yes. And a director of Crown.

15 COMMISSIONER: Which one?

MS WHITAKER: To be honest, I'm not certain.

COMMISSIONER: Do you remember Mr Johnston?

20

MS WHITAKER: I'm not certain. I'm sorry. It wasn't reported in our report.

MR ASPINALL: Did you speak to the directors?

25 MS WHITAKER: No. We didn't speak to the directors.

COMMISSIONER: That's all right.

MR ASPINALL: You spoke to Mr Preston and Mr Felstead, did you?

30

MS WHITAKER: We spoke to Mr Preston. We did not speak to Mr Felstead.

MR ASPINALL: Did you know that Mr Preston was the CEO of Australian Resorts?

35

MS WHITAKER: I'm sorry. That broke up just for a moment there.

MR ASPINALL: Did you know that Mr Felstead was the CEO of Australian Resorts.

40

MS WHITAKER: Yes, I do know that.

MR ASPINALL: Did you know that Mr Preston answered to Mr Felstead?

45 MS WHITAKER: Yes.

MR ASPINALL: Did you know that Mr Felstead, in his role as CEO of Australian Resorts, might be more aligned with the marketing side of the organisation rather than the compliance side?

5 MS WHITAKER: I – I don't know whether that's – that's true or not.

MR ASPINALL: Do you think it would be important to work that out, in terms of making sure that the due diligence process did land more in the arms of the compliance side rather than the marketing side, as some of the experts have said is
10 important?

MS WHITAKER: I think it's important that, as a CEO of an entity, that you're able to balance your obligations under the regulations with your obligations to your
15 shareholders.

MR ASPINALL: So, in terms of that structure, where the decision makers are those three people, did you recommend any changes being made?

MS WHITAKER: We did recommend that they reconsider whether they want a
20 director as part of that process. It's, perhaps, more of an operational issue than a board issue under the sort of three lines of defence model.

MR ASPINALL: And looking at it now, do you think there should be more role for someone from the compliance side of the picture to be involved in this committee?
25

MS WHITAKER: I think there's different roles for different people at different stages. I think the compliance team could provide some insight that they have in, certainly, informing the decision and gathering the information to be put forth. Should they wish to have another person involved in the decision-making committee,
30 then that's – that's perfectly it's up to them to decide whether that's appropriate for them.

MR ASPINALL: And that's not something that you would recommend at this
35 point?

MS WHITAKER: We didn't recommend in our report that they consider someone necessarily from the compliance team to be involved, in our report.

COMMISSIONER: Do I understand you to have said that you suggested
40 reconsideration of whether a director should be involved in this committee; is that right?

MS WHITAKER: Yes, that's right.

45 COMMISSIONER: And do I then understand that you were suggesting that perhaps it was better for the director not to be involved in such a committee?

MS WHITAKER: Our thinking is that to have – you know, a director’s duty is to ensure oversight of the risk management frameworks and to ensure that risks are being appropriately managed through those frameworks, but not to be operationally involved within the business. And – and our view would be that they need to
5 reconsider whether this is an operational matter or a director oversight matter.

COMMISSIONER: Yes. And, if it’s the latter, you would be content for involvement. If it’s the former, you would not?

10 MS WHITAKER: Exactly. And there may be triggers which you would want board involvement, if it were to escalate to being a material risk.

COMMISSIONER: Yes. Yes, Mr Aspinall.

15 MR ASPINALL: Ms Whitaker, were you aware of that evidence has been given to this inquiry, in February 2020, that casinos are inherently susceptible to criminal organisations by their very nature?

MS WHITAKER: I’m aware that those allegations – yes – have been made.
20

MR ASPINALL: Do you accept that to be correct?

MS WHITAKER: I accept that there is an understanding that criminal activity could be attracted to casinos. Yes.
25

MR ASPINALL: And, also, evidence was given in February – on the 24th of February – that organised crime groups had been widely reported to be involved in the junket industry. Were you aware of that evidence when you were doing your report?
30

MS WHITAKER: Not specifically the evidence on the 24th of February.

MR ASPINALL: No. But do you accept that to be correct, as a matter of your understanding, now?
35

MS WHITAKER: Yes.

MR ASPINALL: So when you were looking at the due diligence process for casinos, was it in the forefront of your mind that there was a higher probability than
40 might be found in other areas of corporate life, people who were making applications to be a junket operator were from a specialised group that had been widely reported to be involved with organised crime?

MS WHITAKER: I think we accepted that applications made by junket operators,
45 there may be a high level of risk that those people are associated with financial crime. Yes.

MR ASPINALL: And so you accept that, in respect of the sample that you are looking at when you receive applications to be a junket, it's a high-risk sample to start with?

5 MS WHITAKER: Yes. And I think Crown acknowledges that.

MR ASPINALL: In terms of your plan or enhancements to the process to deal with that high risk, what did you suggest?

10 MS WHITAKER: We suggested that they look at a few different changes to be made to enhance their due diligence process around junket operators. On the information gathering side, there's a few things that they could be doing differently. One is that they could expand the amount of information they ask of that operator. So asking around litigation histories, asking around their affiliation with other types
15 of – other organisations, a little bit more deeply. There – there is a – a range of information so – that they could ask of those junket operators directly. I think we also ask for increased searches through third party operators; looking at searches in other languages; looking at other types of third parties that provide that information;
20 enhancing their team's ability to look at open source data; looking at social media data. So – so looking at those sort of information sources that they gather due diligence across. So that's on the information gathering side.

In terms of the process side, we felt that they could gather further information from within the casino, which they have started doing, but isn't formally written into their
25 processes as yet. So looking at AML data, for example, within the business; looking at security data, if those people have attended the casino in the past; or looking at surveillance data of attending other casinos, internationally, and ensuring that sort of cross-organisational information gathering. We also suggested that they define more clearly or, at least, update the actual risks that they're exposed to.

30 So, particularly, regulatory risk, of course, but also reputational risk, but defining what that means under a junket process and then establishing, as I mentioned earlier, the sort of probity. So what – what does acceptable look like in order to let these people through? So shifting that – that process, gathering that information through.
35 They've already taken some steps to enhance how the information is presented to the decision-makers. Certainly, having a summary sheet which shows whether there's any red flags through it and highlighting them up-front would be beneficial. There was a lot of recommendations that we made. That's – that's perhaps some highlights of them. Yes.

40

MR ASPINALL: I might just take you back through some of those and we will explore them a bit more. I know there are a few others.

MS WHITAKER: Yes.

45

MR ASPINALL: But they do generally fall within those two categories, don't they?

MS WHITAKER: Generally, I think so, yes.

MR ASPINALL: Information gathering and exposing or defining the probity level?

5 MS WHITAKER: Yes.

MR ASPINALL: Is that a correct statement of the two categories?

10 MS WHITAKER: I mean, we did make recommendations across those three areas that I mentioned; so the information inputs, the process for assessing the application, yes. But yes, they're predominantly in those – in sort of those two areas. The third area being, as I mentioned earlier, that the decision-making group actually give the rationale for their decision. And I think a lot of this could be automated as well. So creating the right systems, it's quite manually done. It's PDFs being sent around,
15 It's collected on a – on a – on a hard drive. If it was manual you would have a much better audit – if it was technology-enabled you would have a much better audit trail and be able to join the dots between those different information sources across the business as well.

20 COMMISSIONER: Can I just indicate that the dots are travelling very fast at the moment. If you could slow down just a little.

MS WHITAKER: Of course, no problems.

25 COMMISSIONER: I know that you know your stuff backwards, but I have to get it into my head. Could I just ask you one question, and that is you didn't mention any exploration with the junket operator about the source of funds.

MS WHITAKER: Yes.

30 COMMISSIONER: Did you deal with that at all?

35 MS WHITAKER: Yes. They already provide some information through existing processes directly around their assets that they own, and part of the due diligence process is to look at their sources of wealth. So that – that – that already exists within their – within their current activities.

40 COMMISSIONER: I'm really talking about the funds that come into the casino from the proposed junket operator so that if you have a junket operator who is going to bring to the casino a group of players, it's those funds that I'm interested in to see whether you explored with Crown how to work out the source of those funds, or is that something that was not on the agenda?

45 MS WHITAKER: In terms – yes. Yes, in terms of the players, that was outside of our scope.

COMMISSIONER: And the source of funds from the junket players?

MS WHITAKER: The source of funds from the players, those coming with the junket was outside of our scope, yes.

COMMISSIONER: But that's an important - - -

5

MS WHITAKER: The source of funds of the junket operator itself; we looked at sources of wealth. They are extended credit in coming to the casino and we looked at the sources of wealth around that, but not the players themselves.

10 COMMISSIONER: But the source of funds for the actual junket tour, did you look at that?

MS WHITAKER: The – the junket operator is extended a line of credit, as I understand, to come into the casino. And that line of credit is associated with their sources of wealth – is extended through understanding their sources of wealth, and that is something that they already consider. The credit team do the analysis of that.

15

COMMISSIONER: I see. Yes, Mr Aspinall.

20 MR ASPINALL: Since the Commissioner has moved into this area, are you aware that evidence which has emerged during the Inquiry is that sometimes the funder of the junket is actually the person who is actually, what I might call, the true owner of the junket. Were you aware of that phenomenon?

25 MS WHITAKER: I'm sorry, I'm not sure I understand what you're saying.

MR ASPINALL: Perhaps I can explain it a bit better. The evidence has emerged through experts and other evidence, that often the person who is notionally the junket operator is what's called a front man. Are you aware of that phenomenon?

30

MS WHITAKER: Yes.

MR ASPINALL: And other evidence has emerged that in some cases, the person who is the funder or the person who has what's called the cheque cashing facility or the line of credit, is actually the true operator of the junket. Are you aware of that phenomenon?

35

MS WHITAKER: The operator of the junket would be the person extended the line of credit.

40

MR ASPINALL: Yes, but do you understand the difference from the casino's point of view that the person with the cheque cashing facility or the line of credit is not actually the person named as the operator of the junket; are you aware of that?

45 MS WHITAKER: Are you relating that to the agent that may be attending on behalf of the junket?

MR ASPINALL: Well, the junket operator is a position and then the junket operator has agents which is a sub-position. Do you understand?

MS WHITAKER: Yes.

5

MR ASPINALL: And then the junket operator – we've seen examples where the junket operator uses the line of credit provided by another person, which we call the junket funder.

10 MS WHITAKER: Okay.

MR ASPINALL: Are you aware of that phenomenon?

MS WHITAKER: I was not aware of that phenomenon.

15

MR ASPINALL: And the evidence has emerged that in some cases, the junket operator is, in effect, the agent of the junket funder; you weren't aware of that?

MS WHITAKER: No.

20

MR ASPINALL: Another issue that has been raised through the Inquiry is that sometimes the junket funder or the junket operator might in fact be front men for another person or another organisation that's not even mentioned; were you aware of that?

25

MS WHITAKER: I'm aware that when they do their due diligence, they do look at whether the directors of the junket are looking – are associated or are directors of other companies. That does form part of their due diligence.

30 MR ASPINALL: But in doing a report, you were aware of this phenomenon where the notional and named junket operator or funder might be a cleanskin put forward by some other organisation or person.

35 MS WHITAKER: I wasn't aware of it but it's not to say that my team weren't aware of it. I – I don't necessarily sit in the deepest amount of detail within these projects as a partner. I'm overlooking a number of projects at a time.

MR ASPINALL: And is that Mr Walsh?

40 MS WHITAKER: Mr Lawson.

COMMISSIONER: Mr Lawson.

MR ASPINALL: I'm sorry, Mr Lawson.

45

COMMISSIONER: Yes.

MR ASPINALL: And you expect he knows these things?

MS WHITAKER: I – I would – I would be surprised if he didn't.

5 MR ASPINALL: Do you know if he has been following the evidence that has been coming through the Inquiry?

MS WHITAKER: I – I'm – I'm not sure.

10 MR ASPINALL: Am I right in thinking then that in terms of your revised strategy for dealing with junkets then, as far as you were concerned, you had not turned your mind specifically to the question of whether or not the named junket operator and funder might be front men but that your strategy for dealing with that would be to try and look at links between the named operator and anybody else?

15

MS WHITAKER: Yes. So we proposed an approach in which they are looking at the relationships that they have with others and seeking to understand sort of their universe of relationships.

20 MR ASPINALL: And were you aware that the expert evidence which has emerged is that that's a very difficult process; it's very difficult?

MS WHITAKER: It is difficult to follow.

25 MR ASPINALL: And are you aware that that difficulty may, in some cases, be by design?

MS WHITAKER: I imagine it could be so.

30 MR ASPINALL: Because a sophisticated criminal organisation would do what it can to obscure those links?

MS WHITAKER: I imagine that could be the case.

35 MR ASPINALL: In terms of a strategy to deal with that kind of obscurity or obfuscation, did you have any views on how the process might be improved?

MS WHITAKER: Yes. One of the strategies that we did propose was to ensure that they're using in-country support for that – for those inquiries – lines of inquiry to
40 ensure that they're dealing with people that are knowledgeable about how relationships work in those countries, that speak the local language. We were looking at further searches, as I mentioned, looking at other types of sources of information to try to reveal further information about the junket operators.

45 MR ASPINALL: I note at one point in your report you recommend the use of investigators; is that correct?

MS WHITAKER: Yes.

MR ASPINALL: And were you thinking there about investigators in the home country or region of the junket?

5

MS WHITAKER: Yes, if necessary. I think there would be appropriate triggers that you would pull at certain times where information is being revealed to warrant that additional investment.

10 MR ASPINALL: In terms of the statements – we will go back now to the information gathering initiatives that you've discussed. One of them you said was to expand the information that was available to the casino operator by making the applicant give you further information?

15 MS WHITAKER: Yes.

MR ASPINALL: How would you envisage that would be done: by interview or by questionnaire or something like that?

20 MS WHITAKER: I think by interview would be appropriate.

MR ASPINALL: One of them you said was to expand the information that was available to the casino operator by making the applicant give you further information?

25

MS WHITAKER: Yes.

MR ASPINALL: How would you envisage that would be done, by interview or by questionnaire or something like that?

30

MS WHITAKER: I think by interview would be appropriate.

MR ASPINALL: Did you have any idea who might be doing those sort of interviews?

35

MS WHITAKER: At the moment, the credit team is responsible for gathering the information.

40 MR ASPINALL: Did you see any problem with the credit team being involved in gathering and assessing the information from junket operators?

MS WHITAKER: In relation to the junket marketing? I'm having some network issues.

45 MR ASPINALL: When - - -

COMMISSIONER: Just pause there for a moment. Yes, you may proceed.

MS WHITAKER: I can hear you now. Yes.

MR ASPINALL: Do you need me to repeat the last question?

5 MS WHITAKER: Yes, please.

MS HAMILTON-JEWELL: I didn't hear the answer to the question before last. I think your question was in relation to the credit team. And I didn't hear the answer to that question.

10

MR ASPINALL: Yes. The answer was, "I'm having some network issues." But I assume that's not a responsive answer.

MS HAMILTON-JEWELL: No. I think it was the question before that, Mr
15 Aspinnall.

MR ASPINALL: The question, Ms Whitaker, was: did you see any problem with the credit team being involved in gathering and assessing the information from junket operators?

20

MS WHITAKER: Typically, under a three lines of defence model, those people in the front line, so those people that face into the risk, are the appropriate people to deal, in the first instance, with the risk. As such, we would see that as appropriate for the credit team to remain involved in gathering that information.

25

MR ASPINALL: Would there be any problem with the compliance team doing that role instead?

MS WHITAKER: The compliance team sit in a line two function, which is really more to do with ensuring that the frameworks have been designed appropriately, plus also providing challenge to the way in which line one is dealing with the risk. So, to me, the appropriate role for – for the compliance team to have would be to ensure that those frameworks are developed to collect that information appropriately, and then to provide oversight and challenge that it's been done correctly.

35

MR ASPINALL: And when you talk about oversight and challenge, how would they do that, do you think?

MS WHITAKER: The challenge could be that, where triggers are set, that there's some level of consultation between the credit team and the compliance team or the risk team to give oversight into how they're dealing with it, and provide questioning and challenge to the way that that information has been collected and the conclusions that are being drawn from that information.

45 MR ASPINALL: Is that almost an audit-style function of decisions that have been made?

MS WHITAKER: Audit is line three. So that's slightly different. Audit would be coming in to look at the design effectiveness. So have the risk or compliance team set up the frameworks correctly. Are they appropriate? And the operational effectiveness, so is it, operationally, working well? It's sort of a – it's – it's a next
5 layer back role. So you wouldn't typically have the audit team providing direct challenge to individual decisions. They're coming in more to look at the whole program and whether that's functioning properly.

MR ASPINALL: I know that the three lines of defence model is very much in style
10 at the moment, but my question is a bit more basic. It's if you are going to let the credit control team interview and get the information from junkets, wouldn't it be a good idea that, at some stage, say monthly or every second month, someone comes in, takes a sample of the decisions and information that has been gathered and does a check to see whether things are being done properly?

15 MS WHITAKER: Yes, that already occurs on a monthly basis.

MR ASPINALL: Who does that?

20 MS WHITAKER: Let me just double-check in my notes:

Spot audits are carried out by gaming.

25 That might – sorry. That might be to do more with the AML. And the group credit manager and compliance meet monthly to cross-check their junket records also.

MR ASPINALL: So that's a compliance role?

30 MS WHITAKER: Yes.

MR ASPINALL: And as you understand it, they do what I suggested, which is come in, take a sample, have a look at whether it has been done properly?

35 MS WHITAKER: They will do it from a – I think what we found in – in our – in our work was that compliance were looking at it from a compliance point of view. So does it adhere to the regulation? The risks that - - -

40 COMMISSIONER: I'm having a little difficulty here, I'm afraid, Ms Whitaker. There's nothing of this in what you have put in your summary to your report. Can you just explain to me – you say that they're primarily managed by the credit team – is that right – the junkets?

MS WHITAKER: The information gathering of the junkets for the junket decision of application is primarily managed by the credit team. Yes.

45 COMMISSIONER: No. You say:

The process of ensuring integrity of the junket is primarily managed by the credit team.

That's what I've read in your report.

5

MS WHITAKER: The – the process of – the credit team is responsible for gathering the information around the junkets and doing the annual review of junkets. The decisions as to whether they are to be accepted as a junket operator is made by the decision committee, as I mentioned. There is oversight from the compliance team as to whether - - -

10

COMMISSIONER: Please, please, please, please. Look - - -

MS WHITAKER: My apologies.

15

COMMISSIONER: I am just trying – if you have a look at this document in your report, DEL.001.001.0337, please. Can that be brought up, Mr Aspinall?

MR ASPINALL: Yes, of course, Commissioner.

20

MS HAMILTON-JEWELL: Commissioner, given the position is reserved in respect to that, can it be hearing room only?

COMMISSIONER: I'm sorry?

25

MS HAMILTON-JEWELL: Apologies, Commissioner. When it is brought up, can that just be hearing room only?

COMMISSIONER: Yes, of course.

30

MS HAMILTON-JEWELL: Thank you, Commissioner.

COMMISSIONER: Yes, of course. Now, I think you have your executive summary of your 26 August 2020 report, Ms Whitaker?

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MS WHITAKER: Yes.

COMMISSIONER: And do you have the executive summary headed Junket Operators?

40

MS WHITAKER: Yes.

COMMISSIONER: And it says:

45

The processes for ensuring integrity of the junket operator program are primarily managed by Crown's credit team.

Do you see that? That is the first sentence under the Executive Summary.

MS WHITAKER: Sorry. My apologies. I was trying to scan it, trying to find it. Yes, I can see that.

5

COMMISSIONER: So that's the sentence that starts this executive summary at the commencement of Deloitte's report. Do you see that?

MS WHITAKER: Yes.

10

COMMISSIONER: And you've said that that team is responsible for conducting the due diligence; do you see that?

MS WHITAKER: Yes.

15

COMMISSIONER: And so I understand all this overlay and spot checking about which you're speaking, but you have reported that it's the credit team that is primarily managing ensuring integrity of the junket operator; correct?

20

MS WHITAKER: Yes.

COMMISSIONER: Is that the fact?

25

MS WHITAKER: The credit team are primarily responsible for managing the process of due diligence around the junket team. Yes.

COMMISSIONER: I'm just asking you, is the first sentence of your executive summary accurate?

30

MS WHITAKER: I think, in terms of ensuring integrity, they are responsible for ensuring a correct process, but they don't actually make the final decision, if that – if that makes sense?

COMMISSIONER: Is it correct? Or do you want to adjust it?

35

MS WHITAKER: I am happy to adjust it, based on the view that they – there is oversight. They don't conduct this process by themselves, if that answers the question.

40

COMMISSIONER: It's just that I need to understand, because you've had a look into this organisation, the subject of this Inquiry.

MS WHITAKER: Yes.

45

COMMISSIONER: You have produced a report that has said a particular team is primarily managing, ensuring integrity. Now, I think from what you've been saying

to Mr Aspinall, which is why I asked you to look at it, it does seem that that's not quite accurate. That's all.

5 MS WHITAKER: That's a fair comment. That's a fair comment.

COMMISSIONER: All right. And so it's a layered structure that you've been speaking about with Mr Aspinall; is that right?

10 MS WHITAKER: Yes, that's correct.

COMMISSIONER: Yes, Mr Aspinall.

15 MR ASPINALL: Ms Whitaker, next, moving to the searches that you suggest, I see that you did a review of the various commercially available search, those probity or integrity checking databases?

MS WHITAKER: Yes.

20 MR ASPINALL: And did you do a review of which databases Crown had been using?

MS WHITAKER: Yes. I mean, it wasn't a detailed – a detailed review, but we had a look at those databases that Crown were using. Yes.

25 MR ASPINALL: And did you form a view as to which of those was the most suitable to be used?

30 MS WHITAKER: Each of the databases plays a different role in addressing different types of risks that Crown is exposed to in relation to junket operators. And so we identified different databases to – or we reviewed those databases in light of those different risks that we perceived them to have.

35 MR ASPINALL: And so your view is that Crown should be making use of all those databases?

MS WHITAKER: Yes. Some of those databases look at credit worthiness. Others look at risk, in relation to criminal activity and associations, etcetera, and they do it at – at varying levels of detail.

40 MR ASPINALL: And in terms of the utility of using those databases, were you aware that, within Crown, there was some concern, or had been some concern that certain, searches are very expensive?

45 MS WHITAKER: Yes.

MR ASPINALL: And how did you deal with that issue, in terms of that reluctance?

MS WHITAKER: The reluctance, as we understood it, was around the Acuris C6 database, in particular. The other databases are highly automated and less expensive. The Acuris C6 does have human oversight and is able to give a greater level of detail. And there was concern around its expense.

5

MR ASPINALL: And how did you deal with that concern?

MS WHITAKER: Our recommendation is that they should use the Acuris C6 consistently.

10

MR ASPINALL: Do you see that that concern might arise again in respect of engaging an investigator?

MS WHITAKER: It may.

15

MR ASPINALL: And, nevertheless, your recommendation would be that they should do that?

20

MS WHITAKER: We recommend that they should do that in instances where it's warranted, under a trigger that would warrant further investigation. I don't believe it would need to be done, necessarily, on every occasion.

25

MR ASPINALL: Is that trigger related to how much money the junket might bring in or something like that?

MS WHITAKER: I think it would be related to red flags being drawn from the initial searches that would warrant further – further investigation.

30

MR ASPINALL: Now, in terms of the junkets themselves, did you give any consideration to whether or not, when a junket applies, the cost of assessing junket suitability should be borne by the junket applicant?

35

MS WHITAKER: We didn't look at that, specifically, about where the costs would be borne from.

COMMISSIONER: I'm sorry?

MR ASPINALL: They didn't look at where the costs would be borne from.

40

COMMISSIONER: Thank you.

45

MR ASPINALL: What you spoke to people at Crown, and you were aware of the concern they had over the cost, did you have any solution to give to them in respect of how that is dealt with, or just expected them to comply with your recommendations?

MS WHITAKER: We – we didn't – we didn't give any specific recommendation into how that would be dealt with.

5 MR ASPINALL: In terms of the third category, which was, I think you said, gathering information from within the business?

MS WHITAKER: Yes.

10 MR ASPINALL: The inquiry has been shown some instances where it's fairly clear that junior level people, or more junior level people, within the organisation had a level of knowledge that a particular junket operator was associated or part of an organised crime group. Were you aware of that?

15 MS WHITAKER: I was not aware that that's been presented to the Inquiry.

MR ASPINALL: I want you to assume that for the moment, but assume that that person was in the marketing team for the casino at the time. In terms of an organisation where more junior people might have highly relevant information in respect of a junket, which is of great importance to the casino's regulatory compliance and even to its reputation, do you have any strategies, being an expert in risk culture, and so forth, for how you get that information to the place it needs to be, to make the decision that should be made?

25 MS WHITAKER: In relation to – from a risk culture lens, well, I think, first of all, you'd want to ensure that the team is across who is applying to be a junket operator, and gathering any information they might have to inform who that junket operator is. I think that's a smart and not so difficult approach to take. In terms of a risk culture point of view, you would want to provide them with incentives to do that. I understand, for example, that Crown has already removed any – any sales incentive to remove the – remove the conflict that you have between bonuses and regulatory compliance. And there's other actions that you can take, setting a really clear tone from the top, that what is acceptable is that you declare information if it's known to you, for example. So there's a number of different things that you can do to address that.

35 MR ASPINALL: Can I just show you this – a document. It's CRL.579.018.5541. It's – I'll just find where it is in your – it's tab 3 of your bundle, Ms Whitaker.

40 MS WHITAKER: Thank you.

MR ASPINALL: For the hearing room only, I'm told. Do you have that document?

MS WHITAKER: Yes, I do.

45 MR ASPINALL: Do you see, at the bottom, there's an email from EMP1 who's a vice-president of sales acceleration.

MS WHITAKER: Yes.

MR ASPINALL: And do you see that, in the third paragraph of his email, he gives information about Mr Cheung.

5

MS WHITAKER: Yes.

MR ASPINALL: And you can see, from this email chain, that that information has been passed up the chain to various people, including Mr Theiler?

10

MS WHITAKER: Yes.

MR ASPINALL: And do you see that Mr Theiler, at the time, was senior vice-president of the international business?

15

MS WHITAKER: Yes.

MR ASPINALL: Did you deal with Mr Theiler in conducting your review?

20

MS WHITAKER: No.

MR ASPINALL: Were you aware that he had a role in the credit side of Crown?

MS WHITAKER: I didn't know that specifically. Yes.

25

MR ASPINALL: Do you see what EMP1 is telling Mr Chen and then Mr Theiler is, in effect, raising a red flag about Mr Ng Chi Un?

MS WHITAKER: Yes.

30

MR ASPINALL: But, rather than dealing with that red flag, Mr Theiler just has focused it on the repayment plan?

MS WHITAKER: Yes. I can see that's the case.

35

MR ASPINALL: In terms of junket suitability, I mean, Mr Ng Chi Un had already been accepted as a junket operator by this time, but part of your remit in your review was to think about the review of existing junket operators, wasn't it?

40

MS WHITAKER: Yes.

MR ASPINALL: How would your plan deal with this sort of situation, where a lower level employee, who's obviously got information on the ground about somebody - - -

45

MS WHITAKER: Yes.

MR ASPINALL: - - - has passed it up the chain and it hasn't made any impact on the situation? How would you – how would your plan stop this recurring?

5 MS WHITAKER: I am unsure of the context of this email being sent. And so I'm not sure whether it's in relation to another issue and, therefore, what would be the appropriate thing to do in this instance.

10 MR ASPINALL: Well, you can assume for the purposes of this discussion, that a lower level employee has raised, almost in an incidental way, the fact that one of the junket operators is associated with a criminal network.

MS WHITAKER: Yes.

15 MR ASPINALL: That that has made it up to someone more senior in the organisation, involved in the credit side of the business - - -

MS WHITAKER: Yes.

20 MR ASPINALL: - - - and that that has not been acted upon. Did you make those assumptions?

25 MS WHITAKER: Okay. If that's – if that's the assumption that we're dealing with, any junket operator is deemed high risk under the AML provisions and would form part of the AML review process, which would be triggered through that process, which didn't form part of our review.

MR ASPINALL: I was more interested in the process whereby junkets are brought up for review.

30 MS WHITAKER: Yes.

MR ASPINALL: That was the second part of your situation.

35 MS WHITAKER: Yes.

MR ASPINALL: So the situation here seems to be that a lower level employee knows something that is important about a junket.

40 MS WHITAKER: Yes.

MR ASPINALL: And he has, actually, raised it up the chain, and nothing has happened. But in terms of your plan for the review of junkets, does it involve any way of harvesting the information that people like EMP1 would have?

45 MS WHITAKER: So under – yes. Under this process, if this was flagged. So assuming something happened from this – I don't know whether anything happened from that or not.

MR ASPINALL: You can assume that.

MS WHITAKER: Yes. But assuming – yes. Assuming that that information was flagged, it would form part of their AML process. And what we would expect is that
5 the AML team start to play a role – they have, informally. It's not yet written formally in their procedures – in the annual review process, and that any untoward information that comes through from the AML team in the review of the junket operator would provide triggers for removing them as a junket operator.

10 MR ASPINALL: Well, the premise to your answer was that assuming it was flagged. My question is assuming it wasn't flagged, and we're doing our annual or, whatever, review of the existing junket operators, does your revised plan have any way of harvesting the information which EMP1 has, to make it useful for the decision-making process of whether this junket should continue?

15 MS WHITAKER: So, as I mentioned, this would have to fall under an AML piece of information to be flagged through that process. There's no process, at the moment, to flag information other than through the AML in relation to junket operators for this type of activity, but that would be the appropriate mechanism. Of
20 course, from a behavioural point of view, those people need to understand that that's the appropriate thing for them to do; to flag it, and for there to be consequences for not flagging it. So that's how it would need to happen.

MR ASPINALL: I asked the question, because one of the three information
25 gathering mechanisms that you were talking about improving was getting information from employees.

MS WHITAKER: Yes.

30 MR ASPINALL: But are you saying that, under your plan, that only relates to AML employees; is that right?

MS WHITAKER: No, no, no. I'm saying that the AML team will keep data on a
35 sort of daily basis. That information is then drawn into the annual junket review. If something were to be flagged that provided an instance where the risk was sufficiently high, maybe that would occur outside of an annual review and be brought to the fore through that existing AML process, where they're looking at ending the relationship with the junket operator, player, whoever it might be, that is – has that AML concern.

40 MR ASPINALL: Well, assume that EMP1, here, is from sales acceleration, is assume that his information hasn't made it to any AML team, under your plan, how do you get that information from EMP1?

45 MS WHITAKER: I think, as we – I think the premise of the question is a difficult one, because it says that no one is flagging anything. And what we want to do is build that - - -

MR ASPINALL: Well, in fairness to him, EMP1 is flagging it. He's telling his superiors that nothing's happening under this assumed scenario.

MS WHITAKER: Yes.

5

MR ASPINALL: So I'm assuming that – I'm assuming that the way to get it is for somebody to go to EMP1 and say, "What do you know about junket X, Y, Z?" But does that happen under your plan?

10 MS WHITAKER: Under – under our plan there is an annual review process and we have recommended that – that broader voices come into that process. We've also recommended that Crown build a full picture of the junket operators that brings in all the information that they collect. So all the information from each time they're
15 visiting, bringing in information about, you know, to have a complete picture from surveillance, from AML, from conduct, from, you know, different parts of business. So that you have that full painted picture. So that when it comes to the annual review process you've got a much clearer picture of who that – who that junket operator is and whether there are any red flags.

20 MR ASPINALL: I see. So am I right in thinking that your report or your recommendations are focused at a high level and when you say "gather information from employees", you're then expecting Crown to work out how they actually do it? Is that right?

25 MS WHITAKER: I mean, specifically, we haven't outlined that the credit team needs to consult widely across VIP but VIP does have – you know, they do have a role in that the credit team sits within their team and they do do checks on the information that comes through. So they revise it before it goes up to the decision-makers.

30

MR ASPINALL: Yes. Well, I know in your oral answer you said that it might be a good idea to put in incentives for EMP1 to tell or penalties for not telling. That sort of thing. But I didn't see any of that in your report. So I am assuming that that is a detail which sits beneath your general proposition that you have to get more
35 information from employees; is that right?

MS WHITAKER: Yes. Certainly, we weren't asked to comment on how you enable a risk culture around junket operators so that's not included within the report; that's just my professional opinion.

40

MR ASPINALL: And EMP1 might have a problem in terms of a risk culture, mightn't he, if he is remunerated based upon this junket continuing or gambling?

45 MS WHITAKER: So I think what is evident here is that they do have a culture of speaking up because he has – he has flagged that, so if that existed he wouldn't have declared that information.

COMMISSIONER: Just let me discuss that with you.

MS WHITAKER: Yes.

5 COMMISSIONER: You see in this email that EMP1 is asking for extra time to discuss the process of banking the personal cheques of these two gentlemen. Do you see that?

MS WHITAKER: Yes:

10

We request that we get an extension on banking the personal cheques of the above two mentioned patrons.

15 COMMISSIONER: Yes. Ad what you can glean from this, and I can indicate to you, is that you see the bottom section:

20

Our plan of action is to use this pressure to have another talk with him and let them know we're under immense pressure from our management and board to collect and hopefully use this to get a payment or a payment plan in place.

So there's a bit of to and froing here. On the one hand, EMP1 is using a strategy to say that Crown will pounce on them and affect their standing in Macau, but on the other, he is actually saying that these two chaps are particularly well-connected in the underground network. Do you see that?

25

MS WHITAKER: Yes.

COMMISSIONER: And it's all to do with an extension of time to get the money in; do you see that?

30

MS WHITAKER:

Extension on banking of personal cheques of the above two mentioned patrons.

35 I can see that.

COMMISSIONER: So you indicated there the culture of speaking up but rather it's more a culture of getting time to persuade the two men to let them bank the cheques. Do you see that?

40

MS WHITAKER: Yes. In terms of the context of the situation, I wasn't sure whether it was to do with – in relation to the second part of the pack – the second tab on the pack that I had received in that the Neptune group were effectively collapsing and then wanting to have a payment plan put in place.

45

COMMISSIONER: Who knows, really. But the position, so far as this is concerned, is not so much a culture of speaking up, indicating that there were

complexities to those two people in particular that they were connected to stand-over merchants, as the evidence has apparently been called. You understand that?

MS WHITAKER: I understand what you say.

5

COMMISSIONER: And you see the response at the top of the page that Mr Aspinall was taking you to. Thank you, operator.

10 *I'm supported as long as we have the discussion with them in the next week or so.*

So there's a tolerance rather than a culture of recognising red flags, I'm afraid. So what do you do with that?

15 MS WHITAKER: It's – I mean if I was to take this on its face value, without understanding the context that sits around it, I had read this and understood this to be, "It's unlikely we're going to get paid. How do we set up a payment plan, these people look a bit dodgy".

20 COMMISSIONER: How do you deal with that? It's tolerance rather than a culture of recognising red flags.

MS WHITAKER: I'm sorry, I just had a network issue. I missed that.

25 COMMISSIONER: That's all right. What I have asked you is, from the point of view of your expertise, recognising, on one view of the evidence, that there's a tolerance of this environment rather than a culture of recognising red flags and dealing with this group, how do you deal with that with your expertise?

30 MS WHITAKER: That – yes, okay. So let me think about that for a moment.

COMMISSIONER: Don't you just stop dealing with them? It's - - -

MS WHITAKER: Well, yes, I would expect - - -

35

COMMISSIONER: If you've got stand-over merchants dealing with your employees on the ground, is it not a pretty straightforward decision that you cut your losses, get out and make sure the staff are safe?

40 MS WHITAKER: Yes. So I would expect that the potential reputational risk outweighs the potential regaining of whatever money is owed and they need to have a – you know, that – that being called a red flag and that you look to end that relationship.

45 COMMISSIONER: Yes, Mr Aspinall.

MR ASPINALL: On a different topic, Ms Whitaker, could I ask you to have a look at CRL.579.018.1525, which is at tab 1 of your bundle. This is contained in Crown confidential list L10, tab 12, Commissioner.

5 COMMISSIONER: Thank you.

MR ASPINALL: Did you have a look at this document in your preparation for the examination, Ms Whitaker?

10 MS WHITAKER: I did have a look at it, yes.

MR ASPINALL: Do you see it's a credit profile for a person called Pun Chi Man.

MS WHITAKER: Yes.

15

MR ASPINALL: And at the top of the page, he's associated with the Lucky Star junket.

MS WHITAKER: Yes.

20

MR ASPINALL: You see the date of the visit is the 20th of November 2013?

MS WHITAKER: Yes, I can see that.

25 MR ASPINALL: Do you see at the bottom, the people who are said to approve this – although it hasn't been signed – are people like Mr Felstead, Theiler.

MS WHITAKER: Yes, I can see that.

30 MR ASPINALL: I want you to assume for purposes of this example that Mr Pun Chi Man did continue to be a junket operator for some time after this date?

MS WHITAKER: Okay.

35 MR ASPINALL: If you go over then to 1527, you see there's a due diligence report on Pun Chi Man and it's dated September 2013.

MS WHITAKER: Yes.

40 MR ASPINALL: Two months before the visit that we were looking at a moment ago.

MS WHITAKER: Yes.

45 MR ASPINALL: Do you see the final dot point on that page says that:

Mr Pun Chi Man is one of the central figures of the Macau Grand Palace VIP club and from an unofficial website it is stated that the owner of the Macau Grand Palace VIP club is Vong Tat Hou who was jailed for 10 years for being a senior triad gang member, 14K.

5

MS WHITAKER: Yes, I can see that.

MR ASPINALL:

10 *Loan sharking, money laundering and telephone tapping.*

MS WHITAKER: Yes, I can see that.

MR ASPINALL: Then it says:

15

Vong is also the real owner of Macau Lucky Star group.

MS WHITAKER: Yes, I can see that.

20 MR ASPINALL: You remember back at 1525, it's clear that we were dealing here with the Lucky Star junkets because it's after Mr Pun Chi Man's

MS WHITAKER: Yes.

25 MR ASPINALL: Now, did you have a chance in your review to look at many of the sorts of search reports that you get from these commercial organisations?

MS WHITAKER: As I mentioned to you, we looked at three cases and we were able to see those search reports, yes.

30

MR ASPINALL: When you looked at those search reports, did you see any references to triads or 14K or anything like that?

MS WHITAKER: Not that I recall.

35

MR ASPINALL: Let me ask you to assume that in general, when they are mentioned in those commercial reports, it's not mentioned in any sense of anything definitive but in terms of rumours or reports, media allegations; can you assume that?

40

MS WHITAKER: I can assume that.

MR ASPINALL: In those circumstances, where usually the allegation is made in a veiled term, how could the public have any confidence that those will be acted upon when, in this instance, it appears that the due diligence report specifically made the link between someone who was being jailed for being a triad member, loan sharking, money laundering and the junket which Crown was dealing with?

45

MS WHITAKER: I think under the – in our – in our review of the work, it's – I'm sorry, could you repeat the question?

5 COMMISSIONER: Well, the position is how can anyone be confident that this won't happen again, that the connection with that type of person that Mr Aspinall has referred to will be tolerated by Crown, really?

10 MS WHITAKER: I'm unsure of the process that they had in place in 2013. However, I know that they have been working over recent years to improve the process. Under the recommendations that we've made, we would expect that they define those risks, they establish what probity is and there's a clearer pathway for decision-making to ensure that things like this don't happen again.

15 MR ASPINALL: Assuming that this was missed back in 2013 by the people listed there, why wouldn't it be missed under your new system?

20 MS WHITAKER: I think the information gathered will be more robust. The different availability of data and the way that data is put together will – one could say is more robust today than what it was seven years ago, the amount of information that's available and the ability to sort of join the dots. And it's the process of decision-making, ensuring that you have the right information, the right people involved, that you're gathering as much data from the junket operator as possible, etcetera, to inform that decision. And then you have authority around how that decision is made and what probity is that will ensure that these decisions are better
25 made.

30 MR ASPINALL: But in this case when we look at the fourth dot point on 1527, there why no dots to be joined. They had plenty of information; it says clearly what's going on, doesn't it?

MS WHITAKER: I think one of the changes that - - -

MR ASPINALL:

35 MS WHITAKER: One of the challenges that Crown faces is the reliability of information. So here it says from an unofficial website that Vong is the real owner, so there needs to be additional due diligence undertaken to establish whether he is the real owner and that is what I would expect to see here.

40 MR ASPINALL: It says in relation to the ownership of the Grand Palace but it doesn't say that in relation to the ownership of the Lucky Star junket - - -

MS WHITAKER: It says Vong is the real owner - - -

45 MR ASPINALL: the Lucky Star junket or group

MS WHITAKER: Well, that's not clear to me so I would expect further due diligence undertaken to establish that.

COMMISSIONER: But why?

5

MS WHITAKER: Because I think there's always a question of - - -

COMMISSIONER: You see, it's all to do with profit-making and that's very important to an organisation such as this, but these things are so dangerous, and they've been dangerous for many years. So I know that you've made some key recommendations and I've read them very carefully, none of which include the suggestion that you shouldn't deal with them at all unless they can establish their bona fides.

10

MS WHITAKER: I think when we say that they need to establish probity, that's where we're establishing at what level is acceptable. So is it acceptable that they don't have a criminal record? Is it acceptable that they have rumours of association or do you have to validate that through some other mechanism? And that is what Crown needs to establish.

15
20

COMMISSIONER: But aren't you starting from a position that perhaps could be reviewed, because if you start from a different angle and that is an angle that says "You don't get in to deal with us, because we are an organisation that does not deal with criminally connected junkets, unless you can establish by clear and cogent evidence that you are, in fact, a clean operation". Isn't that where you start from?

25

MS WHITAKER: I think that would be a very positive place to start from.

COMMISSIONER: And, of course, Crown has to burden itself with all of the things that you've suggested about checking and cross-checking and getting investigators, as you call it, in-country and talking to people confidentially. All of that, of course, is driven by the need to make a profit and I understand that, but if you start from a premise that it's just not on unless you can give me clear and cogent evidence that you are not connected to criminals, that you are a cleanskin, you just say farewell. Isn't that a straightforward approach to adopt to these things?

30
35

MS WHITAKER: I would agree, and we have recommended that they gather additional information directly from the junket operator but I do think that information – as we've acknowledged today, they're quite sophisticated criminal players – they're quite sophisticated and that that information does need to be validated through other mechanisms.

40

COMMISSIONER: But that's the same system that we have today. They've been doing this for years, and these allegations, as I said yesterday, have been dogging this company, Crown. And so it needs a shakeup. It doesn't need tweaking. It needs some very serious thought to be given to changing the whole process of junkets and I'm not quite sure that I get it from just suggesting more information from a junket

45

operator who is probably not going to tell you the truth anyway. But Ms Whitaker, I appreciate your approach. Yes, Mr Aspinall.

5 MR ASPINALL: Just before morning tea, I just have some final questions for you, if you go to DEL.001.001.1239, tab 7 of your bundle. If that could be brought up to the hearing room only.

MS WHITAKER: Yes, I have it.

10 MR ASPINALL: You see that's one of the interviews Deloitte did with Ms Fielding who is the group general manager of regulatory and compliance.

MS WHITAKER: Yes.

15 MR ASPINALL: Did you have regard to that interview in relation to your report?

MS WHITAKER: I have read the minutes. I didn't participate in the interview.

20 MR ASPINALL: If we turn over to 1240, about halfway down the page, it says:

We do a lot of checks. Dow Jones gives you a lot of information but adverse stuff seems to be rumour rather than adverse. Then you have to make a decision and decide how you're going to put weight on that.

25 You see?

MS WHITAKER: Yes.

30 MR ASPINALL: A lot of them say:

Believed to be a member of the 14K triads. How do you establish that? I find it quite an odd one.

35 Do you see?

MS WHITAKER: Yes, I see that.

MR ASPINALL:

40 *I do accept where there's smoke, there's fire if there's a lot of rumour.*

Do you remember I raised that issue with you earlier and you said that you weren't aware of that phenomenon in respect of the reports - - -

45 MS WHITAKER: I'm sorry I had not recalled it at that moment.

MR ASPINALL: But wouldn't that have been - - -

MS WHITAKER: I do remember reading it.

MR ASPINALL: deal with it in your report of how this particular problem is dealt with?

5

MS WHITAKER: I believe we have addressed it in the report through the establishment of defining what the risks are and determining what probity looks like. So if they deem that where there's smoke there's fire is a reason to decline a potential junket operator, I think that would deal with that problem.

10

MR ASPINALL: But that's the nub of the problem, isn't it, and your report just simply says "You should think about that probity issue" rather than make recommendations in respect of what should be done?

15

MS WHITAKER: I think as an organisation they need to cascade from their risk appetite statement through the junket operators through a process that establishes that connectivity and – and draws that out. It wasn't part of our scope to define that for them. It was part of our scope to make that recommendation that that needs to be done.

20

MR ASPINALL: If we look at the second last dot point on this page – if you blow that up, operator, the second last dot point – it says:

25

Ms Fielding told Deloitte "Sometimes a person involved in unacceptable behaviour is a front for someone else. They will make those connections".

Do you remember you told me that you weren't aware of this phenomenon where a front person was put up in respect of a junket?

30

MS WHITAKER: Yes. Again, I think I just didn't recall it in that moment.

MR ASPINALL: But you agree that in dealing with junkets, it's important to have that problem in mind.

35

MS WHITAKER: Yes, I would agree with that.

MR ASPINALL: I have no further questions, Commissioner.

40

COMMISSIONER: Yes, does anyone else seek leave to ask any questions by way of clarification?

MS HAMILTON-JEWELL: Commissioner perhaps if I can just have a moment over the morning tea break to confirm instructions in that respect?

45

COMMISSIONER: Yes. All right then, Ms Hamilton-Jewell. There will be no problem with that. But I think in the circumstances, the next witness might be – that's Mr Kaldas, is it?

MR ASPINALL: Correct.

5 COMMISSIONER: Yes. And so I'll adjourn then until just about 10 to 12 and then Mr Kaldas can be ready and your solicitors might indicate whether Mr Kaldas can get straight on. But certainly, Ms Whitaker should be available after the 10 minute break or so, Ms Whitaker, if you wouldn't mind, just to see if there are any further questions of you. Do you understand?

10 MS WHITAKER: Certainly.

COMMISSIONER: Thank you, Ms Whitaker. I will adjourn for 10 minutes or so.

15 **ADJOURNED** [11.37 am]

RESUMED [11.38 am]

20 COMMISSIONER: Yes. Thank you. Ms Hamilton-Jewell, are there any questions you seek leave to ask or not?

25 MS HAMILTON-JEWELL: Commissioner, I'm grateful for the indulgence and the adjournment. There are no questions that I - - -

COMMISSIONER: Yes. Thank you. Are there any other applications for leave to ask any questions of Ms Whitaker?

30 MR BARNETT: No, Commissioner.

MS HOFBRUCKER: No, Commissioner.

35 COMMISSIONER: All right then. Ms Whitaker, thank you very much for your attendance. As I have said to other witnesses, it may be necessary to call you back, but I think it's more probable than not that won't happen. But if that occurs, the solicitors will be in touch with you. Thank you very much, Ms Whitaker.

40 MS WHITAKER: Thank you Commissioner.

<THE WITNESS WITHDREW [11.59 am]

45 COMMISSIONER: Yes. Yes, Mr Aspinall.

MR ASPINALL: Commissioner, the next witness is Nick Kaldas, I understand he is online.

COMMISSIONER: Yes, Mr Kaldas.

MR KALDAS: Yes. Good morning or afternoon.

5 COMMISSIONER: Yes.

MS HAMILTON-JEWELL: Commissioner, I apologise for interrupting.

COMMISSIONER: Yes.

10

MS HAMILTON-JEWELL: I would like to raise something at the outset. I understand that the solicitors for Crown sent a letter to the solicitors for the Inquiry last night in relation to particular aspects of examination that may or may not be canvassed with Mr Kaldas and whether that should be dealt through – through a public hearing. I don't wish to interrupt the flow of the questioning. So I thought it would just be something that I would raise at the outset. I am happy, Commissioner, to make further submissions in relation to that issue. I just wanted to flag it with you now, Commissioner.

15

20 COMMISSIONER: Yes. Thank you. No, we'll proceed – thank you – with the public hearing. And if there's something that arises, you can object, Ms Hamilton-Jewell, but, at the moment, we'll just proceed. Thank you for raising that matter. Yes. Yes, Mr Kaldas, can I ask you, would you prefer to make an oath or take an affirmation – make an affirmation?

25

MR KALDAS: An oath please.

COMMISSIONER: Yes. Now, I have a Bible here.

30 MR KALDAS: No.

COMMISSIONER: - - - are you content with just looking at that that is, in fact, the Bible upon which you'll take the oath? You understand, Mr Kaldas?

35 MR KALDAS: That's fine. Thank you.

<NAGUIB KALDAS, SWORN

[12.01 pm]

40

<EXAMINATION BY MR ASPINALL

COMMISSIONER: Yes, thank you, yes, Mr Aspinall.

45

MR ASPINALL: Mr Kaldas, could you tell us your full name, for the record?

MR KALDAS: Yes, my first name is Naguib, N-a-g-u-i-b, but I'm commonly called "Nick", for obvious reasons. And the surname is Kaldas, K-a-l-d – for Delta – a-s, for Sierra.

5 MR ASPINALL: And you've made a statement – a confidential statement – which has been provided to the inquiry?

MR KALDAS: Yes.

10 MR ASPINALL: And the address given that that statement is your address?

MR KALDAS: Yes.

15 MR ASPINALL: Now, Commissioner, could I now tender proposed exhibit X1 to 14.

COMMISSIONER: Yes. Those documents will be marked X1 to 14.

20 **EXHIBIT #X1 TO 14 PROPOSED EXHIBIT X1 TO 14**

MR ASPINALL: Mr Kaldas, do you have a collection of documents which have been provided by your solicitors?

25

MR KALDAS: I have some documents, but I was not able, for technical reasons, to open the zip file that was forwarded, I think it was, last night.

30

COMMISSIONER: That's all right.

MR ASPINALL: I might just take you – tell you about some documents and ask for your comments on them; if that's all right?

35

MR KALDAS: Sure. And I apologise for the technical - - -

MR ASPINALL: The first document is INQ.100.zero - - -

40

COMMISSIONER: Well, just before you go ahead, I'd like some background, if you don't mind.

MR ASPINALL: Yes. In respect of Mr Kaldas?

COMMISSIONER: Yes, please.

45 MR ASPINALL: Yes. I was about to show him the newspaper article and ask for the background.

COMMISSIONER: Could I just have his background. Thanks, Mr Aspinall.

MR ASPINALL: Mr Kaldas, can you give us your background, please?

5 MR KALDAS: Okay. I served for about 35 years in the New South Wales Police
and, for the last nine and a half years – almost 10 years – I was a Deputy
Commissioner of Police, firstly, in specialist operations and then in field operations.
I think I've covered most of the operational areas in New South Wales Police. I've
10 also had some sabbaticals or breaks, if you like, from the police. In 2004, I was
deputy chief police adviser with the coalition forces in Iraq, rebuilding the Iraqi
police. In 2009 and '10 I was appointed chief of investigations in the United Nations
Special Tribunal for Lebanon. I led the investigation into the assassination of the
Lebanese Prime Minister Hariri and 21 other as nations, or attempted assassinations.
And, in 2016, I was pointed chief of investigations with the United Nations joint
15 investigative mechanism with the OPCW, the Office for Prohibition of Chemical
Weapons. I led the investigation into use of chemical weapons in Syria. And, in
2016 through to 2018, I was director of internal oversight services with UNRWA, the
United Nation Relief and Works Agency, which essentially oversights financial and
other activities of that agency in five fields: Lebanon, Syria, Jordan, Gaza and the
20 West Bank; that's basically it.

COMMISSIONER: But can you just tell me what date you left the police service?

25 MR KALDAS: In May 2016, but I took a leave of absence - - -

COMMISSIONER: Thank you.

MR KALDAS: - - - from March 2016.

30 COMMISSIONER: Thank you, Mr Kaldas. Yes, Mr Aspinall.

MR ASPINALL: In regard to your police service, you'd been there for a long time
and, as I understood it, you took some particular interest in the role of organised
crime in New South Wales; is that right?
35

MR KALDAS: Yes. Most of my career has really been in major and organised
crime investigations.

40 MR ASPINALL: And is it correct to say that, in that role, you had any involvement
with the casinos in New South Wales?

MR KALDAS: Not directly. For some years, I was the person delegated by the
Commissioner of Police to sign exclusion orders. And I certainly had overall
command or control, if you like, of the State Crime Command, which included all of
45 the crime squads, and a lot of those, obviously, were involved with and carried out
investigations relating to organised crime and other issues that may have come up in
the casino business.

MR ASPINALL: Mr Kaldas, there is, before the inquiry, a newspaper article from 2013, which is INQ.500.001.2034, which is entitled Criminal Bikies Banned from the Star Casino by New South Wales Police Commissioner Andrew Scipione.

5 MR KALDAS: Yes.

MR ASPINALL: Do You Remember That Incident.

MR KALDAS: I do, but not well.

10

MR ASPINALL: You were quoted in that article as saying:

Police around Australia are now exchanging the names of bikies excluded from casinos. "We pass on the names to other police forces and they do the same."

15

MR KALDAS: Yes.

MR ASPINALL: So, in that role, in terms of exclusions, was that the limit of your dealings with the casino in New South Wales?

20

MR KALDAS: Yes, That's about – yes. That's all I can recall. And I think there was only one casino in New South Wales, which is the Star Casino. But my memory is that there is, and there was and probably still is, an exchange of information, in relation to individuals, between the police forces, so that if we exclude someone for legitimate reasons from the Star Casino in New South Wales, we would pass that information to the other states where they have casinos, so that they also exclude them from their casinos. The aim being that you don't allow someone who's excluded here to go to another place and be allowed in.

25

30 MR ASPINALL: And from the time you have left the police force, what have you been doing?

MR KALDAS: I, initially, as I said, worked for the United Nations for a couple of years. And, after I came back, I set up a consultancy business simply advising on security issues, infrastructure protection, investigations and governance. I have carried out a couple of reviews. I did a review for the New Zealand Police into the response – the police response – to Christchurch attacks. And I also, in 2018, I think, from memory, I carried out a review for the New South Wales Government into corruption risks in the planning and development world.

35
40

MR ASPINALL: If we could at INQ.100.011.0094 – nine-five. I'm sorry.

MR KALDAS: I don't have access to the documents that - - -

45 MR ASPINALL: Yes. I'll – I'll tell you about it in due course. This is exhibit X13.

COMMISSIONER: Thank you.

MR ASPINALL: Mr Kaldas, it's a newspaper report from the Australian dated the 14th of January 2020.

MR KALDAS: Yes.

5

MR ASPINALL: And it's titled Crown Resorts Enlists Former Top Cop, Nick Kaldas.

MR KALDAS: Yes.

10

MR ASPINALL: And I just want to read some things to you and check with you whether they're accurate.

MR KALDAS: Yes.

15

MR ASPINALL: The first paragraph is:

20 *One of the nations most distinguished police officers, former NSW deputy commissioner, Nick Kaldas, has been hired by Crown Resorts to review its anti-money laundering and counter-terrorism financing compliance processes*

—
is that correct?

25 MR KALDAS: No, that's not accurate. That's not what I was hired to do exactly.

MR ASPINALL: And the final part of that paragraph is:

30 *...and bolster the casino giant's public image.*

Is that correct?

35 MR KALDAS: That's not in my contract and, certainly, I don't think I can do that single-handedly. Look, I don't know where those quotes came from. I did speak to the journalist very briefly, for about five minutes or so. And I think he may have jumped to some conclusions there.

MR ASPINALL: Further down the page, the second last paragraph says:

40

Mr Kaldas has extensive experience in state, national and international law enforcement, spanning more than 35 years.

45 That's correct, I assume?

MR KALDAS: Yes.

MR ASPINALL: Then it says:

In his new role, Mr Kaldas will provide independent advice to Crown Resorts' board through the risk management committee.

5

Is that correct?

MR KALDAS: Yes.

10 MR ASPINALL: Now, just going back to the first page, they say you've been "hired by Crown Resorts"; is that correct?

MR KALDAS: No, that's not right either. I'm a consultant or a contractor, if you like. I'm not an employee of Crown.

15

MR ASPINALL: The second paragraph on the following page, 009 says:

Mr Kaldas told The Australian he welcomed the opportunity to work with Crown, adding that the stature of the role demonstrated the importance that Crown placed on improving its compliance processes and risk mitigation systems.

20

Is that correct?

25 MR KALDAS: Yes.

MR ASPINALL: When you're referring there to "compliance processes and risk mitigation systems", what compliance processes and risk mitigation systems were you referring to?

30

MR KALDAS: Well, the compliance simply means having connectivity, communication and cooperation with law enforcement. And the risk mitigation is, in my view, in terms of them being able to access adequate information to exclude people or to assist law enforcement or the intelligence community with some operations or information gathering that the authorities may require to deal with particular individuals or groups.

35

MR ASPINALL: But going back to the first paragraph of this article, it refers to "anti-money laundering and counterterrorism finance compliance processes", but that is not the compliance processes that you're referring to, in that sense?

40

MR KALDAS: No, it's not.

MR ASPINALL: The next paragraph you are quoted as saying:

45

Crown and all casinos need to work with and receive as much information as legally possible from law enforcement to ensure they are working in unison to protect the integrity of their operations.

5 Is that correct?

MR KALDAS: Yes.

MR ASPINALL: And then you said:

10

To this end, I will work as closely as possible with Crown management, the board, regulators and law enforcement bodies.

Is that correct?

15

MR KALDAS: Yes.

MR ASPINALL: Now, that article is dated the 14th of January; do you recall that? Do you recall that?

20

MR KALDAS: No, I don't recall the date but, yes, I accept that.

MR ASPINALL: You can take it from me that it's dated the 14th of January.

25 MR KALDAS: Yes.

MR ASPINALL: And just going to your confidential statement, at paragraph 16, if you have that.

30 MR KALDAS: Yes.

MR ASPINALL: You say:

35 *I met with Mr Bitar in around February 2020. By this time, I understood that Crown was looking for ways to enhance its response to organised crime.*

MR KALDAS: Yes.

MR ASPINALL:

40

At the meeting, Mr Bitar discussed with me what services I could offer Crown.

And so on; do you see?

45 MR KALDAS: Yes.

MR ASPINALL: Is that date correct, in that paragraph?

MR KALDAS: No, it's probably not. I was running on memory when I made the statement, and I accept that I could be out with the date.

5 MR ASPINALL: When do you think it was now, on reflection?

MR KALDAS: I think it might have been a bit earlier, perhaps, in November or December, the previous year.

10 MR ASPINALL: Do you have a copy of the services agreement that you give – you have with Crown?

MR KALDAS: Yes.

15 MR ASPINALL: Do you see the commencement date is 2 January 2020?

MR KALDAS: Yes.

20 MR ASPINALL: Was that agreement backdated or was it entered into on the date it says?

MR KALDAS: No. I think it was entered into on the date it says, which, again, refreshes my memory that I'm obviously mistaken in relation to the dates of the meetings. I simply have them wrong.

25 MR ASPINALL: So, now, on reflection, can you give me a better view of when the conversation with Mr Bitar would have taken place?

MR KALDAS: I think it might have been before Christmas in 2019.

30 MR ASPINALL: And can you tell me - - -

MR KALDAS: It was an informal meeting.

35 MR ASPINALL: Can you talk me through, in brief, the process by which you came to into this service agreement?

40 MR KALDAS: There was an introduction, if you like, that came through the Australian Chamber of Commerce and Industry. I met with Karl Bitar. I think it was simply a coffee and a talk about what may be possible in terms of me assisting them. There were probably a few phone calls to follow up from that and then, ultimately, I was offered the contract and I entered into the agreement.

MR ASPINALL: So Crown approached you to assist it; is that right?

45 MR KALDAS: No, I think the – bringing us together, if you like, was at the behest of the Australian Chamber of Commerce and Industry.

MR ASPINALL: You were approached by the Australian Chamber of Commerce saying that Crown was interested in finding someone like you to assist it?

5 MR KALDAS: I don't know what they were told but I was at that stage a member – my company was a member of the Australian Chamber of Commerce and Industry, and one of the reasons you join, obviously, is to seek opportunities to meet people in the business world who may become clients. This was simply one of many discussions that I – I was able to have through an introduction with the Australian Chamber of Commerce and Industry.

10 MR ASPINALL: Do you have the services agreement there with you?

MR KALDAS: Yes.

15 MR ASPINALL: Are you able to turn to schedule 2 of it; the document itself is CRL.677.001.0669. And it is exhibit X3, Commissioner.

MR KALDAS: I'm sorry, could you refer me to a page; mine finishes at page 15.

20 MR ASPINALL: It's schedule 2 of it. It finishes at page 15, which is the end of the contract and then there are some schedules, part C - - -

MR KALDAS: I'm sorry, I don't have those.

25 MR ASPINALL: - - - of schedule 1 and then schedule 2. You've got that?

MR KALDAS: I don't.

30 COMMISSIONER: Mr Kaldas does not have the schedules.

MR ASPINALL: You don't have the schedules. If I could bring them up on the pinpoint 00684.

35 COMMISSIONER: I don't think that will assist, will it?

MR ASPINALL: No, but I will tell you about them, Mr Kaldas.

40 COMMISSIONER: Yes, thank you. I think this is a confidential document so if you just, there's no need to bring it up, thank you. Yes.

MR KALDAS: Thank you.

45 MR ASPINALL: Mr Kaldas, looking at the services which are specified in this service agreement, they seem to extend beyond the scope of what you told me was your service scope earlier when I referred you to the newspaper article; do you accept that?

MR KALDAS: Yes, there are two other aspects that were not mentioned in the newspaper article.

5 MR ASPINALL: And can you explain to me how you gave the answer that you did in relation to what is specified for services in schedule 2.

COMMISSIONER: I'm sorry; what was that question, Mr Aspinall?

10 MR ASPINALL: Are you able to explain to me the answer that you gave in respect of what the newspaper article says in relation to the services specified in schedule 2.

COMMISSIONER: No, I reject that question. Yes, next question.

15 MR ASPINALL: You say that you weren't giving any intelligence to support Crown's anti-money laundering counterterrorism financing processes.

20 COMMISSIONER: I'm sorry, Mr Aspinall, there's a little bit of a misunderstanding here. Mr Kaldas does not have the schedule in front of him, and the question that you asked Mr Kaldas in relation to the newspaper article was not confined, whether the report was accurate. So if you would like to ask him about what is in the schedule 2, I'm happy to proceed on that basis, yes, thank you.

25 MS HAMILTON-JEWELL: Commissioner, can I give an indication which may assist. I understand that the solicitors for MinterEllison have been able to email Mr Kaldas the documents. It may be that he can access them on the email.

COMMISSIONER: I see. Well, he has indicated that there was a zip file that he couldn't open, so I think - - -

30 MS HAMILTON-JEWELL: They've sent as separate documents – after that indication they were sent as separate documents to try and avoid that issue.

35 COMMISSIONER: All right. Mr Kaldas, in respect of the specifications in your contract, there is a range of services that you agreed to provide through your corporate entity; is that right?

MR KALDAS: Yes.

40 COMMISSIONER: Yes, Mr Aspinall.

MR ASPINALL: And do you agree that one of those services, which you agreed to provide, related to supporting the anti-money laundering and counterterrorism financing processes?

45 MR KALDAS: Yes.

MR ASPINALL: Just going back to the newspaper article that we discussed earlier
- - -

5 COMMISSIONER: I think one of the things that he agreed to do was to provide
intelligence to support the Crown's existing anti-money laundering. Is that right?
Rather than straightforward supporting, it was, in fact - - -

MR KALDAS: Yes.

10 COMMISSIONER: - - - agreeing to provide intelligence. Is that right, Mr Kaldas?

MR KALDAS: Yes. It's not me personally, ma'am, providing the intelligence. It's
simply facilitating the connectivity between the Crown and law enforcement
agencies to gain that intelligence which helps them, obviously, in the efforts.
15

COMMISSIONER: Yes. The schedule indicates that the contractor agrees to
provide intelligence to support the matter that Mr Aspinall referred you to in the anti-
money laundering regime. You understand that?

20 MR KALDAS: Yes, I understand but it's probably not quite accurate. I don't store
any intelligence, and I don't keep tabs on organised crime groups. I'm simply
facilitating their ability to gain access to that information.

COMMISSIONER: Yes. All right. Yes, Mr Aspinall.
25

MR ASPINALL: I see. And so returning to the newspaper article, the journalist has
written:

30 *One of the nation's most distinguished police officers has been hired by Crown
Resorts to review its anti-money laundering and counterterrorism financing
compliance processes.*

That was not correct.

35 MR KALDAS: No, that's not accurate. I'm not a money-laundering expert and I've
never pretended to be that.

MR ASPINALL: But as you understood, you would attempt to supply intelligence
to support the anti-money laundering and counterterrorism finance processes?
40

MR KALDAS: Yes, support in the sense of ensuring connectivity and access, not
from my own knowledge or holdings.

COMMISSIONER: You were going to facilitate some process by which
45 intelligence could be transmitted to Crown; is that what you say?

MR KALDAS: Yes.

COMMISSIONER: Yes. Yes, Mr Aspinall.

MR ASPINALL: And also, Mr Kaldas, in respect of the services it says you were:

5 *...providing another level of assurance that Crown is meeting its obligations to AUSTRAC.*

Do you remember that?

10 MR KALDAS: Yes, that's on a needs basis. Yes, I do. It's on a needs basis. I mean, I – we had anticipated that there may be instances where they wanted to go over or discuss issues that may arise and whatever I could do to support that effort, obviously, I would do so.

15 MR ASPINALL: Now, without disclosing anything that you consider to be confidential in respect of the work that you have been doing at Crown, can you give us a general overview of what you've been doing since you've been retained?

20 MR KALDAS: It's simply facilitating connectivity between Crown and law enforcement agencies. There is also another project which has not commenced yet, and I have not actually put it formally to Crown yet but I am working on a process by which they may be able to carry out due diligence in China or other places where they may need to do due diligence checks.

25 MR ASPINALL: In respect to the newspaper article that was from 14 January, one of the statements was that you would:

30 *...optimise processes and look at how to work most closely with law enforcement and regulatory agencies at State, federal and international level.*

Do you recall that?

MR KALDAS: Yes. Yes.

35 MR ASPINALL: Have you done any work in looking at optimising working with regulatory agencies in respect of the casino regulatory agencies?

MR KALDAS: No.

40 MR ASPINALL: Were you planning to do that?

45 MR KALDAS: Eventually, I think we will get to a lot of things that have been more or less put on hold due to COVID-19. I also can't travel either to Perth or to Melbourne and there are some meetings I would like to have at some stage, but I can't at the moment.

MR ASPINALL: Do you agree that in trying to optimise the processes by which the casinos deal with law enforcement agencies, for example police or other agencies, that it would be important that the regulators of casinos be involved in that process?

5 MR KALDAS: Yes. And one of the proposals that I have discussed, and Crown
have brought up with me, is exactly that, sir, which is in relation to a committee or
board, if you like, that may bring together all the stakeholders, regulatory agencies,
police, as well as all the casinos to discuss issues of the day and to look at solutions
10 to deal with those issues. And I hope to progress that, obviously, once the COVID-
19 issue passes.

MR ASPINALL: With respect to the negotiations that you've done already or to the
attempts to optimise the process, have you considered whether or not the regulator
15 needs to be part of that dialogue at this stage?

MR KALDAS: I think at this stage it's probably too early, and if I can use New
South Wales as an example, there is obviously an inquiry at the moment being
carried out under the auspices of ILGA. I didn't think it was appropriate at this stage
to approach them to discuss what may be possible in terms of cooperation and so on
20 and it may well be that this Inquiry will come up with some recommendations that
we will need to look at that will shape our thinking about what is possible in terms of
what is possible in terms of progressing discussions.

MR ASPINALL: And would you accept that with respect to any arrangements
25 which might be made in due course between a casino and a law enforcement agency
that it would be essential that the regulator be a party to and aware of that
arrangement?

MR KALDAS: In principle, I would say yes. However, it may be that some law
30 enforcement or intelligence agencies may have some concerns about the fact being
known that they are cooperating in some way. It would have to be something that all
stakeholders would be asked about before that progresses. But in principle, certainly
I agree, it's best if all of the government agencies involved are on the same page.
That would make sense.

35 MR ASPINALL: I'm thinking in particular of a situation where an information-
sharing arrangement might be entered into with any given law enforcement agency,
and a situation where the regulator is, for some reason or not, not privy to that
information or able to access it under an arrangement. Do you accept that would
40 create a problem for the regulator being able to oversee the operations of the casino?

MR KALDAS: I – what I would – I think, would happen is that a casino, which is
in – who is in that situation where they have information or whatever, they have
some sort of conversation with law enforcement or other agency, that they're not
45 able to, due to clearances or otherwise, share with a regulatory agency. I am sure
they would walk through that with the agency that provided the information and
eventually they would all be brought up to speed. I think there's a possibility that

could happen, but I wouldn't expect it would remain a hurdle or a problem. And I would certainly be happy to help with that, if that situation arose.

5 MR ASPINALL: But do you accept that if the regulator can't be made a party to the arrangement and can't have oversight and knowledge of what the casino is being told, that it wouldn't be able to effectively regulate the casino, would it?

10 MR KALDAS: I don't see them not having knowledge. I think they would know what's going on and they would certainly be aware of the arrangements. It's just that I'm just using your premise, it may be that some piece of information is forwarded which may have a classification on it or – in some way, that prohibits it from being shared further on. But I wouldn't see that as the norm. I would see it as a very exceptional situation and if it did arise, as I said, I think you would deal with it.

15 MR ASPINALL: It would be a strange situation, wouldn't it or perhaps it's not, you can tell me, where a law enforcement agency would be able to share information with a private corporation such as a casino but not with a regulator?

20 MR KALDAS: It would be unusual.

MR ASPINALL: And you wouldn't expect that to be a serious problem?

25 MR KALDAS: I think it would be a problem, as I've said, but you would have to look at solutions for it. You would have to look at for how to deal with it, how to jump that hurdle to make sure that it is something, if it needed to be shared, it should be shared.

30 MR ASPINALL: And in terms of the idea of information being shared between law enforcement agencies and casino regulators and casinos, are you aware that that's not a new idea in this State?

MR KALDAS: No, I am aware, and I am aware that Star Casino have arrangements in place already which we would hope to copy, perhaps, or emulate.

35 MR ASPINALL: And are you aware that as early as Sir Lawrence Street's report in relation to the establishment of casinos in New South Wales, it had already been recommended that the regulator form links with federal and State law enforcement agencies?

40 MR KALDAS: I don't specifically recall that but it's certainly something that would make sense.

45 MR ASPINALL: And are you aware that, from around 2000 onwards, suitability assessments by what is now ILGA have recommended that there be regular meetings between the police in New South Wales, sometimes involving the casino regulator, sometimes involving the casino itself, and that, for a time, there were meetings which took place between the police, the casino operator and the regulator?

MR KALDAS: I think I was aware that there had been meetings. And I'm certainly aware that New South Wales Police has a casino unit within its organised crime framework.

5 MR ASPINALL: And I want to tell you that – or give you an indication – that the reports over the years tend to indicate that, although those meetings start out quite regularly, that the process of time seems to show that they diminish and eventually fall into abeyance. They might start out weekly. They are then, over the years, moved to monthly and then six monthly and yearly. The process seems to be that, no matter what initiative is brought about whereby police, the casino and the regulator share information, over time, it seems to wear down. I wanted to talk to you about that process and why it might occur, if you don't mind.

15 MR KALDAS: Yes. I think you're right, sir. That does occur, not just in this space, but in many other spaces. People get busy, priorities shift, other priorities and urgent situations come into effect and, ultimately, I can think of many instances where that sort of thing happened, where meetings, which were considered quite important, end up being put back and schedules, and so on, and then perhaps fall off the – out of view altogether.

20 MR ASPINALL: Yes. And I accept that it might, in some cases, be the effluxion of personalities or a particular employee having an interest in this or a particular employee leaving, and so forth. So I wanted to talk to you, at a more general level, about what might be the reason for these processes, over time, being worn away. Can you assist me with that?

MR KALDAS: Sure. My view would be that the more structured the process is, the more chance it has of surviving in the longer term. And this is why there has been discussion in relation to forming this group with a proper terms of reference, membership being clearly delineated, who can and can't attend, and a regular secretariat, if you like, that carries forward the discussion, minutes of meetings, decisions taken and, generally, brings together all of the stakeholders that you would want to bring together. And I think the more structured the process is, rather than having it in an informal sense, the better is for everyone. It's certainly more transparent and defensible. And it has, I think, more chance of individuals moving on who may have been very interested and motivated, and then somebody else comes in who has a different set of priorities – in whatever the organisation may be – and it tends to fall off the table then. And that's, I guess, where I would like to recommend to Crown – and where we will head, hopefully. And it wasn't my idea. It actually came from Crown that we look at that setup and that framework, the processes, and bringing that group together.

45 MR ASPINALL: I want to put to you an idea – it's just a hypothesis. It might be right or wrong – but one explanation for why these meetings don't last could be the motivation of the people who go to them, in the sense that, for the casino, going to these meetings and obtaining information is almost always going to be bad news, because it will be information that might – somebody might be a criminal; that they

can't deal with somebody; that a junket has to be removed, and so forth. And so, from their point of view, there's not much incentive to go and receive that bad news. Do you see what I mean?

5 MR KALDAS: I can see what you mean, but I would hope, and I think, that they would also see the negative side of not receiving that information, not being warned off a particular individual or group. And I would hope they also want to know everything there was to know, so that they can make informed decisions which would then determine their actions and, you know, essentially, to put it bluntly, they
10 won't get in trouble.

MR ASPINALL: Yes. I think there might, in casinos – and perhaps the evidence suggests this – be, sometimes, a confusing of the short-term profit motive with the long-term best interests of the company, in terms of complying with their regulatory
15 obligations. Do you accept that?

MR KALDAS: I don't think I feel qualified, really, to comment on the casino industry as a whole. But, certainly, I would hope, and I would be arguing, that that's not something that anyone should allow to happen.
20

MR ASPINALL: And on from the other side of the ledger, from the police force, I see in your statement you've said, quite properly, that there's never been any suggestion that the casino is not fully cooperative with police; as you understood it?

25 MR KALDAS: Yes, yes. That's from my experience.

MR ASPINALL: And so, in terms what benefit the police force get out of going to these meetings, aren't they already getting everything that they need to do their job? What would be their motivation for wanting to continue with these meetings in the
30 long-term?

MR KALDAS: There's a number of things, that I think the police would be keen to get, and if I can just talk in generalities, if I may. It may be they're interested in a particular group – and that group may not even be on the radar – they would want to
35 tell people like casinos and other organisations, not just casinos, of their interest in that group in a confidential, secure environment with checks and balances and parameters in place, so that information is secure. And then there may be a focus, if you like from that information on to that group that can assist the police. And, again, just speaking in very general terms, it is often the case that police station have an
40 operational need to conduct activities, not just in casinos but in commercial premises, generally. And if they have a pre-existing relationship, dialogue, narrative, conversation and relationships with the people who are in charge, when the time comes and they need to call on those relationships to get things done, my view is that it would certainly help police to get – to attend those meetings and to continue that
45 relationship and dialogue. Essentially, if everyone's on the same page, it is the greater good. It's better for everybody if they are talking regularly, exchanging information and then, hopefully, everybody's doing the right thing.

MR ASPINALL: In terms of your experience at the New South Wales Police – perhaps you can't tell me – but is there any impediment to the police if they find out something nefarious is happening at the casino, or the casino might be dealing with someone who is of ill repute, going to the casino and saying so?

5

MR KALDAS: I think, without a properly structured process, it can be sometimes difficult, and it may be a number of reasons: it may jeopardise ongoing investigations, if it's revealed that they are looking at someone; it may reveal an informant's identity; it may reveal some methodology that they don't particularly want to disclose how the information came to them, and I'm thinking of electronic surveillance, perhaps. There's a number of reasons, without a proper structure with checks and balances, that may prohibit them from sharing.

10

MR ASPINALL: Do you think in terms of the - - -

15

MR KALDAS: I'm sorry. There's - - -

MR ASPINALL: Sorry.

MR KALDAS: Sorry. There was just one other thing. It is often the case that information is from a different agency that is shared with someone in a particular jurisdiction, and that may also be restricted in that it may come with caveats not to be shared further.

20

MR ASPINALL: So would that mean that, in order to get useful information, you'd have to make sure you had arrangements with lots of different agencies so that you didn't face that barrier between organisations?

25

MR KALDAS: I think it would help. But, I mean, if it's the case that you can't have an arrangement with all of the agencies, certainly, as many as you can have, you will be better off.

30

MR ASPINALL: I know you spoke earlier about the idea of having a casino group or an integrity group.

35

MR KALDAS: Yes.

MR ASPINALL: Would the plan with that group be that it involved multiple law enforcement agencies, or is it supposed to be more of just a group of casinos themselves?

40

MR KALDAS: No. I think the vision would be that law enforcement and regulatory agencies and other – perhaps, other government agencies who may have an interest can be invited, either as permanent members or perhaps on an ad hoc basis as issues arise.

45

MR ASPINALL: And would you envisage that being a national group?

MR KALDAS: I think for it to be more effective, that would be ideal.

MR ASPINALL: And so, in terms of the information that might be useful to casinos, especially, in relation to money laundering and organised crime groups, is it
5 really the federal information agencies which have the useful information; do you think?

MR KALDAS: I think both state and federal level have a lot to offer. The federal level, obviously, has the connectivity internationally and they have the intelligence
10 community as their partners on a daily basis. At the state level, the police, obviously, have the ears on the ground, if you like, where they have a lot more knowledge and capability in the streets, if you like, with the various groups and who are active in their jurisdiction. They would have an intelligence capacity and so that, essentially,
15 both levels bring something to the table.

MR ASPINALL: And in terms of the casino integrity group, have you given any thought as to whether the competitive nature between the fact that the casinos compete for business, with, say, junkets or other customers, might impede their
20 willingness to share information with each, because, if, for example, you find that I decide not to deal with Mr X, I might see I could get that business opportunity now?

MR KALDAS: I don't have any personal experience of that. But I am told by pretty much everyone I've spoken to in the industry and outside that that doesn't normally happen; that they do share information, when required, and they wouldn't
25 allow something they know about Mr X to be not known to somebody else who was about to take him on. I understand there are, sort of, informal agreement or consensus in the industry that that should not occur.

COMMISSIONER: I suppose the problems that may arise in such a structure being industry-wide with law enforcement, there is something known as "turf protection",
30 Mr Kaldas; you're aware of that?

MR KALDAS: Sorry. What was it ma'am?

35 COMMISSIONER: "Turf protection".

MR KALDAS: I'm not familiar with it. I apologise.

COMMISSIONER: Have you ever heard of that?
40

MR KALDAS: I'm not familiar with - - -

COMMISSIONER: T-u-r-f. You've never heard of it?

45 MR KALDAS: Sorry. Yes. I thought you said "Perth", as in the capital of Western Australia.

COMMISSIONER: No, no, not Perth. Perth is presently protected, I understand.
But so far as the - - -

MR KALDAS: Yes.

5

COMMISSIONER: - - - concept of turf protection, I'm sure you are well aware of that?

MR KALDAS: Yes.

10

COMMISSIONER: And so it is an impediment to the sharing of information that has been experienced for years in both law enforcement agencies and information gathering agencies; you'd agree with that?

15 MR KALDAS: Yes, yes. And I think it would - - -

COMMISSIONER: And then, of course, there's the - I'm sorry.

MR KALDAS: No. Sorry. I apologise.

20

COMMISSIONER: Then, of course, there's the - that's all right. Then, of course, there's the ubiquitous privacy principles. You're aware of the overlay of those things?

25 MR KALDAS: Yes, yes.

COMMISSIONER: Then you have the overlay of the defamation laws?

MR KALDAS: Yes.

30

COMMISSIONER: And so far as the other aspects of considerations are concerned, there's the fact that casinos are in commercial contracts with parties that need to be honoured; you understand that?

35 MR KALDAS: Yes, yes.

COMMISSIONER: And so the proposal for the information sharing forum - and I'm not being critical of it at all, Mr Kaldas, but I'm trying to see through to the reality of it - is a concept that could be adopted so long as it had the protections of the law for those who wish to speak within it. Do you agree with that?

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MR KALDAS: Yes. And all of the points you've made are very valid and accurate points, but the alternative of not trying, I think, obviously, is not - is not good. My vision, or view, would be that, while there are these hurdles and they are very clear to us before we start, we must work on solutions for them as we go along. And, hopefully, we will get there. where all of those concerns would be allayed. I'm not

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sure it's going to succeed, but I would certainly recommend strongly, we still go ahead.

5 COMMISSIONER: It's been going on for many years, I'm afraid. Mr Aspinall has referred to Sir Lawrence Street in the early 90s.

MR KALDAS: Yes.

10 COMMISSIONER: The Honourable Mr McClelland also had something to say about it in early 2002, or thereabouts. So if you have the will to do it, it's all very well, but you must protect the people who are speaking, otherwise it will be – it will turn into a rabble, won't it?

15 MR KALDAS: Yes. It could. It could do.

COMMISSIONER: So if you have a structure of a regulator – let's assume you have a structure within a regulator of casinos that protects everyone who provides the information, so that that free and fair exchange between the agencies and the casinos can occur, that would adopt your idea that you've put forward and make sure that the law will do its work to protect the process. Do you agree with that proposition?

20 MR KALDAS: Yes. I think that would be helpful.

25 COMMISSIONER: Yes. All right. Yes, Mr Aspinall.

MR ASPINALL: Just on that topic, Mr Kaldas, there has been some evidence given by Professor Rose to this Inquiry which is – who is an expert in gambling law from the United States, that:

30 *A regulator should have the same police power as the top police officials, otherwise they cannot get confidential information from police forces around the world.*

35 As a former distinguished policeman, would you agree with that proposition?

MR KALDAS: Not entirely. And the reason I don't entirely agree is that the environment in the US is very different to the environment in Australia. In the US, they have a very clear fracture, if you like, between federal, state and local and they have three levels, not two. And there have been – September 11 is one very bad example of people holding back information based on clearances, not having top secret clearance and so on, and therefore perhaps denigrating even the people at a lower level and not giving them the information that they require. I apologise I'm running out of battery, I just have to move. I hope you can still see me.

45 COMMISSIONER: That's all right. We hope to see you back shortly.

MR KALDAS: If I die, I promise I will resurrect myself. I think I've got 20 per cent, I'm still good. So the difference is, I guess, between the US and Australia is that we actually have a better flow of information between state level and federal level and there's only the two. And there are agreements in place in many spaces
5 such as counterterrorism and organised crime where the exchange does occur on a regular basis. I don't think we have the problems as severely as they do in the US but it's something we must be awake to, and alive to.

MR ASPINALL: I ask the question, Mr Kaldas, because as the Commissioner referred to, there is a history, at least in this state, of the regulator entering into arrangements to meet with various law enforcement agencies and so on, and that seems to continue for a while and then fall into abeyance. If a police force enters into a memorandum of understanding or some other arrangement with the regulator, is that viewed by the police force as a different situation where an organisation or a
15 regulator is on a statutorily similar basis and is in a position to demand the information from the police?

MR KALDAS: I guess – look, that could be helpful but there would have to be some checks and balances in place. The police have enormous oversight over everything they do. The regulatory bodies often don't, and that's where the problems may arise. If the police mishandle information, for instance, or don't act appropriately or whatever, there are any number of avenues that you can complain to and make sure that the problems are dealt with. That sort of oversight does not exist to the same level with regulatory bodies.
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COMMISSIONER: It may not at the moment but assume that it will.

MR KALDAS: Sure. If you have checks and balances - - -

30 COMMISSIONER: Yes. Mr Aspinall's proposition - - -

MR KALDAS: Yes.

COMMISSIONER: - - - is reasonable then. Yes, I see.
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MR KALDAS: Yes, with checks and balances.

COMMISSIONER: Yes.

40 MR ASPINALL: I want to ask you about a historical matter, Mr Kaldas. Historically, there were police officers from New South Wales police stationed at the casino in Sydney; do you remember that?

MR KALDAS: Yes, I do recall that.
45

MR ASPINALL: Did you have any oversight of what they were doing?

MR KALDAS: No, it's way before my time and, to be honest, I'm not really clear what they were there for.

5 MR ASPINALL: One thing I'm wondering in terms of relationships between police and the casino is if that sort of arrangement doesn't provide a good conduit for the police and the casino to share information or to work effectively together?

10 MR KALDAS: I think that could help but I wouldn't see it as the answer to all the problems because essentially you will have junior police in those positions. You're not going to have senior officers permanently stationed in a casino if you were to do that. And the sorts of discussions that I would hope to have in the committee that we have discussed would be frankly above their pay grade.

15 MR ASPINALL: We have seen some examples in this Inquiry of what might be described as concerning practices happening in casinos with large bags of cash being brought in and so forth. And one of the questions that has arisen is whether or not having police stationed at the casino around the clock might discourage that kind of thing even if, on a deterrent sort of basis; what's your view on that?

20 MR KALDAS: Yes. I think it could do – it could do. The trick would be to have some clear parameters for what those police are there for and what they're not there to do, and you would want to make sure that that is clear to all the parties concerned before you do it.

25 COMMISSIONER: I get the impression – and this may be wrong, Mr Kaldas, but I get the impression from what you have been saying that a tour of duty at the casino would not be something that someone would pursue in the police force as wanting it on their CV; is that right?

30 MR KALDAS: That could be possible. The other thing is the sort of person who it may attract to apply for that sort of position may be somebody who has an interest in gaming and that's not what you want, obviously. You'd really want someone who is not going to be putting a bet on in any way, shape or form. It's not – it's not a glamorous post, if I can put it that way. I wouldn't see it as something that would be
35 career-enhancing.

COMMISSIONER: Yes, and so unless, of course, it was a position that was created in that way so it might be chosen by the commissioner or assistant commissioner but that's, of course, something that hasn't been discussed or thought about.

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MR KALDAS: Yes.

COMMISSIONER: But the actual topic that Mr Aspinall raised with you, I mean, we've seen hundreds of thousands of dollars come out of shopping bags in a casino.
45 Not from a poker machine or from a game; it comes out of a shopping bag. Now, the source of that money cannot be known when it comes to the casino in that way, and quite often – I withdraw that – and there is evidence that that money may not be

then converted into chips for gambling but some of it may be TT'd to some offshore account. Now, if that's the sort of thing that you are looking to stop, surely the presence of some form of constabulary, whether it be the New South Wales Police or some other format might help, do you think, or not?

5

MR KALDAS: Yes. No, I think it could but there's also nothing stopping the casino if they have processes in place to identify that problem, and it is clearly a bad problem, there's nothing stopping them from picking up the phone and calling the police and saying, "Can you come down?" and I'm sure they would.

10

COMMISSIONER: Yes. We've seen evidence of people being arrested and operations going on, but it's really just the deterrence topic to which Mr Aspinall took you. If you don't think it's worthwhile, then I would like to hear from you about it, because, I mean, this Inquiry doesn't want to be dealing with things that are a waste of time. It has been in the past a suggestion of deterrence.

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MR KALDAS: Sure. It's necessarily – sorry, can you hear me?

COMMISSIONER: Yes, we can now.

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MR KALDAS: Hello?

COMMISSIONER: Yes, we can.

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MR KALDAS: Sorry. I don't think it's necessarily not worthwhile but you would just have to structure it in a way that meets the police force's needs and they may say, "Look, is it worthwhile having two or three police officers there 24/7 when, in reality, they're going to be called upon once a month". I think you need to look at the recurring needs and whether it justifies the presence full-time, whether they come in once a week, whether they just have an arrangement where you call them and you bring them in when you need them or whether there's anything adequate in place already. But you know, police resources are scarce; you never have enough. And they may argue – and I'm not for a minute seeking to speak on their behalf, but my suggestion would be that it would need to be in a way that would, well, firstly, make it attractive for them in terms of the benefits that will be – that will happen, and catching bad guys, obviously, is something they would want.

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And, two, whether it's an overstatement to say they must be there all the time when in reality they're only going to be called upon, say – I don't know, some analysis would need to happen, whether it's twice a month or once a month or once a year, I don't know. But some analysis would be necessary to justify the suggestion. But it could be worthwhile, yes.

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COMMISSIONER: Thank you, Mr Kaldas. Yes, Mr Aspinall.

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MR ASPINALL: Mr Kaldas, I can't recall whether you have a copy of your statement with you there.

COMMISSIONER: Yes, he does.

MR KALDAS: Yes, I do.

5 MR ASPINALL: Could you have a look at paragraph 24(c), please.

MR KALDAS: Yes.

10 MR ASPINALL: You see you refer to some committees there?

MR KALDAS: Yes.

15 MR ASPINALL: And I don't want to trammel on something you think would be confidential, but I wanted to ask you about what's happening in that area. Is that something you think would be to talk about in public?

20 MR KALDAS: No, but I would say I have not become involved in those committees yet. We have discussed what input they may have, and we certainly plan for that to happen but it has not occurred yet.

MR ASPINALL: Have you been involved in other organisations where those sort of committees have been set up and been useful?

25 MR KALDAS: Yes. And certainly, the United Nations, where I was director of oversight for a fair portion of it, all of those issues of fraud, whistleblowing, anti-bribery issues in donor funds and so on, were front and centre in what we were doing; very valuable.

30 MR ASPINALL: What you would expect the fraud subcommittee to be doing, would that be in the nature of arranging investigations or carrying out audits?

MR KALDAS: Well, I - - -

35 MR ASPINALL: more responsive when fraud was detected?

40 MR KALDAS: I would hope it would be proactive in the first instance where you have checked the systems intermittently to make sure that the problems don't occur, but then when they do occur, to have a process in place so that issues are jumped on and dealt with fairly promptly and appropriately.

MR ASPINALL: What would be the difference between that sort of committee and the existing compliance department at Crown, for example?

45 MR KALDAS: I'm - I haven't studied the existing structure but it's certainly something that we will be looking at.

MR ASPINALL: And would you say it would be within the realms of possibility that a fraud committee might have standing investigators or external people that would conduct roving audits or something like that?

5 MR KALDAS: Look, it would just depend on the analysis of the workload, what the need is; whether it's someone there permanently or whether it's someone that comes in once every set period, whether it's simply relationships with other agencies who can assist with that sort of effort. There's any number of possibilities but the fact is it is something that must be focused on.

10 MR ASPINALL: In terms of the whistleblower committee, what would the function of that sort of committee be?

15 MR KALDAS: It's simply to make sure that the processes and checks and balances are in place so that whistleblowers are protected by the organisation and that nothing inappropriate happens to them.

MR ASPINALL: So that would be a place where someone who had an issue could go and report without consequences; is that the idea?

20 MR KALDAS: Well, no. It's that but it really ought to be the high-level committee that makes sure that the processes are in place so that the right steps are taken, if a whistleblower comes forward.

25 MR ASPINALL: Have you had any look so far at whether or not there are any whistleblower protections in Crown?

MR KALDAS: I haven't had a look, but I understand they are in place. I haven't had a look yet.

30 MR ASPINALL: That's on your list to be going on with?

MR KALDAS: It is.

35 COMMISSIONER: Can I just get an understanding of where you're actually at. You've told me that a lot of the work that you had planned or that Crown had planned for you to do has been put on hold because of the pandemic; is that right?

40 MR KALDAS: Yes.

COMMISSIONER: And am I right in assuming that you've had some discussions generally with law enforcement agencies and may be in a situation of an embryonic arrangement with one or other; is that right?

45 MR KALDAS: Yes.

COMMISSIONER: And so it's correct, then, that although all these plans were made in January 2020, by reason of the intervention of the COVID pandemic, they're virtually put on hold, effectively; is that right?

5 MR KALDAS: No, they're progressing but it's not only Crown that has been distracted by a number of issues. It's actually law enforcement as well. Some of the people we may wish to speak to have been absorbed in COVID activities. That's certainly the case in one of the jurisdictions.

10 COMMISSIONER: And so by reason of those problems, therefore, you haven't been able to progress the work that's within the services agreement, as I understand it?

15 MR KALDAS: I would say it has progressed but not been finalised. That activity has not been finalised.

COMMISSIONER: Well, I've seen a particular document in your statement. Is that the only one that you have?

20 MR KALDAS: That's got to a level where it's able to be looked at, yes.

COMMISSIONER: Yes. And so underlying all of the things that you have just said is a plan to try to get that across the jurisdiction; is that right?

25 MR KALDAS: Yes.

COMMISSIONER: So just so I understand, in the federal jurisdiction you have the Australian Federal Police; correct?

30 MR KALDAS: Ma'am, I'm uncomfortable in being specific. I'm happy to assist but I'm uncomfortable - - -

35 COMMISSIONER: No, I'm not asking you about your work, Mr Kaldas. I'm asking you about the identification of the identities that police matters in the country. There's the AFP; correct?

MR KALDAS: Yes.

40 COMMISSIONER: There's AUSTRAC for the anti-money laundering; correct?

MR KALDAS: Yes.

COMMISSIONER: There's ASIC, the corporate regulator; correct?

45 MR KALDAS: Yes.

COMMISSIONER: There's ACLEI, the integrity organisation; correct.

MR KALDAS: Yes, but I'm not sure what relevance they will have for Crown.

COMMISSIONER: Yes, well, ACLEI has just produced a report that I think Crown may think have some relevance to it bit - - -

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MR KALDAS: I'm not sure, yes. Yes.

COMMISSIONER: Yes. So those four organisations in the Commonwealth jurisdiction exist. Are there any others in the Commonwealth jurisdiction?

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MR KALDAS: There's the intelligence community, the Home Affairs Department has - - -

COMMISSIONER: You mean ASIO or whatever it's called.

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MR KALDAS: Yes, and the Home Affairs ministry also has a number of sections that deals with foreign interference that I would be - we have discussed some cooperation with down the track.

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COMMISSIONER: All right. And so then you have all the states and territories police services and forces and the like across the country; correct?

MR KALDAS: Yes, but there will be a focus on the ones where Crown actually has a facility.

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COMMISSIONER: But if you have an organisation that involves all casino industry operatives, there's Federal in Tasmania, there's the Delaware company in the Northern Territory. You'd need to have a look at that as well, wouldn't you?

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MR KALDAS: Yes, certainly. I'm sorry, I misunderstood the question; I thought you were talking about the arrangements that Crown may enter into. But certainly for the committee that we've discussed, it needs to be across the board.

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COMMISSIONER: Yes. So you've got all the territory police services and state police forces and the like across the country?

MR KALDAS: Yes.

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COMMISSIONER: So you're looking at least 15 to 20 organisations by the time you're finished, I suppose, are you?

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MR KALDAS: Well, yes, theoretically, but some of them may decline to be involved. Some of them may only participate intermittently. The numbers are never all inclusive. But the idea is to have a body that is looking at all the issues when there is no problem, before the crisis, and whatever lessons learned or issues that come up, are shared with everyone, hopefully, for the greater good, whether everyone is in or not.

COMMISSIONER: What do you say – I'm sorry, Mr Kaldas, what do you say to the proposition that what is needed in the casino industries are regulators with teeth?

5 MR KALDAS: Well, I don't – I can't disagree with that but, again, there would have to be checks and balances for people with teeth. With extraordinary power should always come extraordinary checks and balances, and I think that has been a failing in the system, generally.

10 COMMISSIONER: Yes.

MR KALDAS: But if the checks and balances are there, then that's a perfectly good proposition.

15 COMMISSIONER: Have you had a look at any international casino regulators or - - -

MR KALDAS: I have done a fair amount of reading but not in depth, no.

20 COMMISSIONER: Yes. See one of the problems you face when you bifurcate organisations is that they lose their oomph, they lose their power; you understand that?

MR KALDAS: Yes, yes.

25 COMMISSIONER: And to give an organisation teeth, you have to give them legislative power, don't you?

30 MR KALDAS: You do, with the proviso, as I said, of having checks and balances in place.

COMMISSIONER: Yes. And those checks and balances that you have referred to in relation to your former life in the police service were – and the police force were certainly present, weren't they?

35 MR KALDAS: Yes.

COMMISSIONER: Yes. Yes, Mr Aspinall.

40 MR ASPINALL: I have nothing further.

COMMISSIONER: Are there any questions for Mr Kaldas from any of the participants on this particular hearing?

45 MS CASE: No, Commissioner.

MR BARNETT: No, Commissioner.

COMMISSIONER: No. Mr Kaldas, I presume you are still there, although I have lost the vision of you.

5 MR KALDAS: I'm sorry, I don't know why that's happening. I can see everyone.

COMMISSIONER: That's all right. Mr Kaldas, I very much appreciate your assistance. It may be that those assisting me may ask for some further assistance and so although I can terminate the hearing today, it may be that you are contacted again for further assistance; you understand that?

10 MR KALDAS: Yes, I do. I'm happy to assist.

COMMISSIONER: Thank you very much, Mr Kaldas. I will now adjourn, and that finishes this round of hearings, does it, Mr Aspinall?

15 MR ASPINALL: Yes, Commissioner.

COMMISSIONER: The next hearing presently planned is Wednesday of next week; is that correct?

20 MR ASPINALL: Correct.

COMMISSIONER: Yes, all right then. I will adjourn. I think it's the week after, is it not?

25 MR ASPINALL: The 24th.

30 <THE WITNESS WITHDREW [1.05 pm]

**MATTER ADJOURNED at 1.05 pm UNTIL
WEDNESDAY, 23 SEPTEMBER 2020**

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