

## Terms of Reference – Review of The Star Pty Ltd

- 1 The suitability of The Star Pty Limited (as Casino operator) (**The Star**), and each close associate of it, as nominated by the Authority from time to time, as being concerned in, or associated with, the management and operation of The Star casino.
- 2 The expertise of The Star, having regard to the operations that attach to the holder of a casino licence under the *Casino Control Act 1992* (NSW) (the **Act**) and the Casino Control Regulation 2019 (the **Regulation**), including the extent to which The Star has complied with:
  - 2.1 its obligations under the Act;
  - 2.2 its obligations under the Regulation;
  - 2.3 its obligations under the licence;
  - 2.4 legal agreements between the Authority and The Star.
- 3 The maintenance and administration of systems by The Star to:
  - 3.1 ensure that the management and operation of the casino remains free from criminal influence or exploitation;
  - 3.2 ensure that gaming in the casino is conducted honestly;
  - 3.3 contain and control the potential of the casino to cause harm to the public interest and to individuals and families.
- 4 The presence and detection of illegal and undesirable activities and people in the casino.
- 5 The investigation will:
  - 5.1 have regard to the recommendations made by the review by Dr Horton QC carried out in 2016, pursuant to section 31 of the Act;
  - 5.2 have regard to, and not revisit, matters which have already been sufficiently examined and dealt with, and in respect of which there have been no apparent material changes, by the reports of the inquiries under the Act into The Star in 1997, 2000, 2002, 2003, 2006, 2011, 2016 and in particular the inquiry by Patricia Bergin SC in 2021 into Crown Sydney Gaming Pty Ltd and its close associates; and
  - 5.3 have regard to the evidence given by The Star on 4 August 2020 before the Bergin Inquiry which stated that The Star was continuing to operate junket programs, noting that:

- (a) on 6 May 2021, the Authority received information from The Star indicating that there were dealings with junket operators until October 2020 (at least), and
  - (b) The Star's dealings with Suncity and other junket operators in the circumstances identified above raise concerns for the Authority as to The Star's ongoing willingness and capability to comply with its obligations under the Act.
- 6 The management and operation of The Star's bank accounts, including:
  - 6.1 the acceptance of deposits from overseas patrons, VIP patrons, high rollers, or any other customers of The Star;
  - 6.2 the method of withdrawing credits from The Star's bank accounts;
  - 6.3 the maintenance of records and transaction receipts for international and domestic patrons of The Star, such as ledgers and accounting procedures; and
  - 6.4 the methods and systems by which The Star conducts and monitors transactions through bank accounts associated with it and any related entities and how it prevents money laundering activities taking place within or in connection with those accounts.
- 7 The implementation, and administration of, gaming harm minimisation programs within The Star.
- 8 The following matters which the Authority considers relevant:
  - 8.1 The Star's management structure and reporting lines, noting appropriate compliance with internal management controls (ICMs) and legislative requirements;
  - 8.2 The Star's internal reporting mechanisms and follow up procedures to adequately manage potential breaches of Standard Operating Procedures (SOPs) and ICMs;
  - 8.3 the role and standard of culture within The Star, including core values and an ongoing organisation-wide assessment of accountability, education, and compliance;
  - 8.4 the effectiveness of The Star's risk management framework and appropriate distribution of staff responsibilities;
  - 8.5 the prevalence of moneylending and loan sharking at The Star and any links to VIP patrons, problem gambling and international junkets;
  - 8.6 the appropriate management of VIP patrons, high rollers and international patrons at The Star;

- 8.7 the effectiveness of current surveillance processes and facilities at The Star;
  - 8.8 the adequacy of “know your customer” systems, practices and procedures, applicable to all patrons of The Star, including the use of facial recognition technology;
  - 8.9 the accountability for, and management of, gambling chips and free bet vouchers at The Star;
  - 8.10 the execution and management of exclusion orders from The Star;
  - 8.11 the management of controlled contracts at The Star;
  - 8.12 the adequacy of The Star’s methods and systems in detecting and preventing money laundering activities from taking place within the casino, its operations, or in connection with any entity associated with The Star, including the AML training of its staff and the recording and reporting of any incidents of money laundering.
- 9 Scope of the review:
- Items 1 to 8 – the period following the release of the report of the review of The Star in 2016 by Dr Horton QC under sections 31 and 143 of the Act up to the commencement of the review of The Star in 2021 under sections 30 and 143 of the Act.

Note: This Terms of Reference document was updated on 14 December 2021.