

## **Notice to Show Cause Casino Control Act 1982 (Qld) s 31**

**THE STAR ENTERTAINMENT QLD LTD (ACN 010 741 045)**, a casino entity for the purposes of s 31(24A) of the *Casino Control Act 1982 (Qld)* (**The Act**), as holder of the casino licence for the Treasury Brisbane Casino,

is hereby required to:

SHOW CAUSE why the action set out in this Notice should not be taken with respect to the casino licence.

### **Part A. Grounds for taking disciplinary action**

The Minister believes that Grounds have arisen for taking disciplinary action against The Star Entertainment Qld Ltd (as licensee of the Treasury Brisbane Casino) and that the initiating incidents giving rise to such Grounds are likely to be sufficiently addressed only by taking disciplinary action against it.

The Grounds are, by reason of the Minister's decision of 24 October 2022 as follows:

#### Ground 1

1. The Star Entertainment Qld Ltd is a casino licensee which has ceased to be a suitable person to be associated or connected with the ownership, administration or management of the casino's operations or business (Act s 31(1)(e));

further and alternatively,

#### Ground 2

2. Because of an investigation carried out under s 30(1) of the Act, the Minister is not satisfied that The Star Entertainment Qld Ltd is a suitable person to be associated or connected with the management and operations of a hotel-casino complex or casino (Act s 31(1)(f)(i));

further and alternatively,

#### Ground 3

3. The Star Entertainment Group Limited (ACN 149 629 023) (being a person associated and connected with the ownership, administration and management of The Star Entertainment Qld Ltd's operations and business):

- a. has ceased to be a suitable person to be associated or connected with the ownership, administration or management of the casino's operations or business (Act s 31(1)(e));
- b. is an entity which the Minister (because of an investigation carried out under s 30(1) of the Act) is not satisfied is a suitable person to be associated or connected with the management and operations of a hotel-casino complex or casino (Act s 31(1)(f)(ii)).

## **Part B. Initiating incidents**

### Background

The reports of Mr Adam Bell SC and the Hon Robert Gotterson AO KC, '*Review of The Star Pty Ltd: Inquiry under sections 143 and 143A of the Casino Control Act 1992 (NSW)*' dated 31 August 2022 (**Bell Report**) and '*External Review of the Queensland Operations of The Star Entertainment Group Limited*' dated 30 September 2022 (**Gotterson Report**) contain findings about acts and omissions of entities within the Star Group.

On 28 June 2022, pursuant to s 30(1) of the Act, a suitability investigation was initiated by the Minister into The Star Entertainment Group Limited and certain associates.

The Office of Liquor and Gaming Regulation (OLGR) had earlier commenced a general investigation in response to allegations aired in the media about the activities of casinos in Australia, including the Star's Queensland casinos. OLGR produced an Interim Investigation Report dated 21 April 2022, with which the Star Group was provided as part of the Gotterson Inquiry and given an opportunity to make submissions.

On 24 October 2022 the Minister decided that certain entities (including The Star Entertainment Qld Ltd, The Star Entertainment Group Limited and The Star Entertainment Qld Custodian Pty Ltd) associated or connected with the ownership, administration or management of the Star casinos' operations or business were not suitable persons to be so associated or connected.

### Relevant acts and omissions

The acts or omissions that form the basis of the Grounds for taking the possible disciplinary action are as follows:

For Grounds 1 and 2:

1. The Star Entertainment Qld Ltd established and maintained a poor corporate culture of compliance and responsibility characterised by:
  - a. prioritising perceived business interests over compliance and the protection of the integrity of gambling;

- b. a failure to have and to engage an adequate Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) program in circumstances which reasonably called for such;
  - c. failing to have in place mechanisms to restrain or resist the actions of the marketing team in its pursuit of individuals who were known to be the subject of an exclusion from The Star Sydney at direction of the Police Commissioner of New South Wales;
  - d. from about 1 July 2017 to 9 March 2020, permitting the practice of using China UnionPay debit card point of sale transactions to transfer monies into Front Money accounts at the Treasury Brisbane casino, obscuring the true nature of those transactions as hotel expenses when the primary use of the funds was, and was known to be, for gambling.
2. Failing to exclude from the Treasury Brisbane casino, persons excluded from casinos elsewhere by a direction by Police Commissioner of New South Wales and / or Victoria (so far as such directions were or ought to have been known to The Star Entertainment Qld Ltd), by:
- a. failing to adopt a policy of automatic exclusion of persons excluded by interstate Police Commissioners until 2019;
  - b. maintaining the erroneous view that a ‘withdrawal of licence’ could not be issued on the basis of an interstate direction of a police commissioner alone;
  - c. failing to give the ‘whole of group’ exclusion policy, adopted in 2019, immediate retrospective operation, with the consequence that persons already excluded from The Star Sydney (and in some cases other casinos also) were not excluded from Treasury Brisbane until completion of a separate program to effect such operation, which program was not completed until about April 2022.
3. Failing to exclude from the Treasury Brisbane casino persons who posed a real risk of criminal influence and infiltration of it, by:
- a. the conduct in 2. above;
  - b. conduct in the nature of the ‘case studies’ the subject of the Inquiry by the Hon R W Gotterson AO KC, namely:
    - i. failing to exclude ‘Person 1’ from the Treasury Brisbane casino until 10 December 2021, notwithstanding that person having:
      - (A) been excluded from The Star Sydney on direction of the NSW Police Commissioner in 2007;
      - (B) deposited a large amount of money in December 2019 using a cheque in circumstances in which there arose a reasonable suspicion of association with underworld figures; and
      - (C) presented at The Star Gold Coast casino a large amount of money marked with an orange highlighter in a plastic shopping bag in March 2021;

- ii. failing to exclude ‘Person 2’ from Treasury Brisbane casino until 6 January 2021, notwithstanding that person having:
    - (A) been excluded by the Victorian Police Commissioner from Crown Casino in Melbourne in December 2014;
    - (B) been excluded at direction of the NSW Police Commissioner in June 2015 from The Star Sydney casino;
    - (C) been suspected by the Star of involvement in criminal activity; and
    - (D) appeared in media reports suggesting involvement in organised crime; and
  - iii. failing to exclude ‘Person 3’ from Treasury Brisbane casino until 11 June 2021 notwithstanding material reasonably suggesting the person’s involvement in criminal activity.
4. Failing to discharge AML/CTF responsibilities, including by conduct of the kind identified in 3(b) above.

For Ground 3:

- 5. The Star Entertainment Qld Ltd is a wholly owned subsidiary of The Star Entertainment Group Limited.

### **Part C. Disciplinary action under consideration**

The disciplinary action available to the Minister under s 31(9) of the Act to impose (or recommend as the case may be) presently under consideration are:

- 1. Recommending to the Governor in Council that the casino licence:
  - a. be cancelled (Act s 31(9)(b)(i)); or
  - b. be suspended for such period as the Governor in Council thinks fit (Act s 31(9)(b)(i));
- 2. With respect to payment of a pecuniary penalty by The Star Entertainment Qld Ltd:
  - a. directing payment of a pecuniary penalty of not more than \$5 million (Act s 31(9)(a)(iii)); or
  - b. recommending to the Governor in Council the payment of such a penalty of no more than \$100 million (Act s 31(9)(b)(iii)).
- 3. Giving a letter of censure to in relation to matters connected with one of more of the initiating incidents (Act s 31(9)(a)(i));
- 4. Giving a written direction appropriate to ensure that any matter connected with one or more of the initiating incidents is rectified within a stated period (Act s 31(9)(a)(ii));
- 5. Recommending to Governor in Council that a special manager be appointed (Act s 31(9)(b)(iv)).

The Governor in Council may decide to:

1. take no further disciplinary action; or
2. do one or more of the following:
  - a. cause a letter of censure to be given in relation to any matter connected with one or more of the initiating incidents (Act s 31(12)(b)(i));
  - b. give, or cause to be given, a written direction considered appropriate to ensure that any matter connected with one or more of the initiating incidents is rectified within a stated period (Act s 31(12)(b)(ii));
  - c. order a pecuniary penalty of not more than \$100 million before a stated date (Act s 31(12)(b)(iv));
  - d. cancel or suspend the casino licence (Act s 31(12)(b)(v));
  - e. appoint a special manager (Act s 31(12)(b)(vi)).

**Important notice as to response**

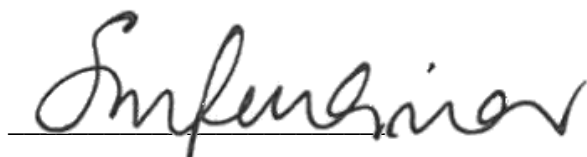
Any response to this notice must be made in writing and given to the Minister within the Response Period. The email address for any response is **casinonotices@justice.qld.gov.au**. The Minister will consider all responses received from the casino entity named in this notice and any other person given a notice under s 31(3)(b) of the Act within the Response Period.

**The Response Period for this notice ends on 25 November 2022.**

If no response is received within this period, the Minister may proceed to decide what (if any) disciplinary action to impose or take.

If the Minister makes a recommendation to the Governor in Council, the Minister must give the Governor in Council a copy of each show cause notice relevant to the recommendation as well as all responses and submissions, relevant to the recommendation, that the Minister considered. If this occurs, the Governor in Council may consider and act without further notice. All submissions ought therefore be made now.

**Dated: 3 November 2022**



**Signed**

The Hon. Shannon Fentiman, Attorney-General and Minister for Justice, Minister for Women and Minister for the Prevention of Domestic and Family Violence, Minister administering the *Casino Control Act 1982* (Qld).

## **Notice to Show Cause Casino Control Act 1982 (Qld) s 31**

**THE STAR ENTERTAINMENT QLD LTD (ACN 010 741 045)**, a casino entity for the purposes of s 31(24A) of the *Casino Control Act 1982 (Qld)* (**The Act**), as the lessee under a casino lease for The Star Gold Coast,

is hereby required to:

SHOW CAUSE why the actions set out in this Notice should not be taken with respect to the casino lease.

### **Part A. Grounds for taking disciplinary action**

The Minister believes that Grounds have arisen for taking disciplinary action against The Star Entertainment Qld Ltd (as the lessee under a casino lease for the Star Gold Coast) and that the initiating incidents giving rise to such Grounds are likely to be sufficiently addressed only by taking disciplinary action against it.

The Grounds are, by reason of the Minister's decision of 24 October 2022 as follows:

#### Ground 1

1. The Star Entertainment Qld Ltd is the lessee under the casino lease for the Star Gold Coast casino and has ceased to be a suitable person to be associated or connected with the ownership, administration or management of the casino's operations or business (Act s 31(1)(e));

further and alternatively,

#### Ground 2

2. Because of an investigation carried out under s 30(1) of the Act, the Minister is not satisfied that The Star Entertainment Qld Ltd is a suitable person to be associated or connected with the management and operations of a hotel-casino complex or casino (Act s 31(1)(f)(i));

further and alternatively,

#### Ground 3

3. The Star Entertainment Group Limited (ACN 149 629 023) (being a person associated and connected with the ownership, administration and management of The Star Entertainment Qld Ltd's operations and business):

- a. has ceased to be a suitable person to be associated or connected with the ownership, administration or management of the casino's operations or business (Act s 31(1)(e));
- b. is an entity which the Minister (because of an investigation carried out under s 30(1) of the Act) is not satisfied is a suitable person to be associated or connected with the management and operations of a hotel-casino complex or casino (Act s 31(1)(f)(ii)).

## **Part B. Initiating incidents**

### Background

The reports of Mr Adam Bell SC and the Hon Robert Gotterson AO KC, '*Review of The Star Pty Ltd: Inquiry under sections 143 and 143A of the Casino Control Act 1992 (NSW)*' dated 31 August 2022 (**Bell Report**) and '*External Review of the Queensland Operations of The Star Entertainment Group Limited*' dated 30 September 2022 (**Gotterson Report**) contain findings about acts and omissions of entities within the Star Group.

On 28 June 2022, pursuant to s 30(1) of the Act, a suitability investigation was initiated by the Minister into The Star Entertainment Group Limited and certain associates.

The Office of Liquor and Gaming Regulation (OLGR) had earlier commenced a general investigation in response to allegations aired in the media about the activities of casinos in Australia, including the Star Group's Queensland casinos. OLGR produced an Interim Investigation Report dated 21 April 2022, with which the Star Group was provided as part of the Gotterson Inquiry and given an opportunity to make submissions.

On 24 October 2022 the Minister decided that certain entities (including The Star Entertainment Qld Ltd and The Star Entertainment Group Limited) associated or connected with the ownership, administration or management of Star casinos' operations or business in Queensland were not suitable persons to be so associated or connected.

### Relevant acts and omissions

The acts or omissions that form the basis of the Grounds for taking the possible disciplinary action are as follows:

For Grounds 1 and 2:

1. The Star Entertainment Qld Ltd established and maintained a poor corporate culture of compliance and responsibility at The Star Gold Coast casino characterised by:
  - a. prioritising perceived business interests over compliance and the protection of the integrity of gambling;
  - b. a failure to have and to engage an adequate Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) program in circumstances which reasonably called for such;

- c. failing to have in place mechanisms to restrain or resist the actions of the marketing team in its pursuit of individuals who were known to be the subject of an exclusion from The Star Sydney at direction of the Police Commissioner of New South Wales;
  - d. from 1 January 2017 to 9 March 2020, permitting the practice of using China UnionPay debit card point of sale transactions to transfer monies into Front Money accounts at The Star Gold Coast casino, obscuring the true nature of those transactions as hotel expenses when the primary use of the funds was, and was known to be, for gambling.
2. Failing to exclude from The Star Gold Coast casino, persons excluded from casinos elsewhere by a direction by Police Commissioner of New South Wales and / or Victoria (so far as such directions were or ought to have been known to The Star Entertainment Qld Ltd), by:
- a. failing to adopt a policy of automatic exclusion of persons excluded by interstate Police Commissioners until 2019;
  - b. maintaining the erroneous view that a ‘withdrawal of licence’ could not be issued on the basis of a direction of an interstate Police Commissioner alone;
  - c. failing to give the ‘whole of group’ exclusion policy, adopted in 2019, immediate retrospective operation, with the consequence that persons already excluded from The Star Sydney (and in some cases other casinos also) were not excluded from The Star Gold Coast casino until completion of a separate program to effect such operation, which program was not completed until about April 2022;
  - d. actively encouraging, and enticing, persons known to be excluded from a casino by an interstate Police Commissioner to travel to Queensland and gamble in The Star Gold Coast casino;
  - e. giving incentives to persons excluded at the direction of the NSW Police Commissioner to gamble in The Star Gold Coast casino, including monetary and non-monetary incentives.
3. Failing to exclude from The Star Gold Coast casino persons who posed a real risk of criminal influence and infiltration of it, by:
- a. the conduct in 2(d) and 2(e) above;
  - b. conduct in the nature of the ‘case studies’ the subject of the Inquiry by the Hon R W Gotterson AO KC, namely:
    - i. actively encouraging ‘Person 1’ to attend The Star Gold Coast casino by:
      - (A) reactivating that person’s Star Loyalty card each time they visited the Star Gold Coast casino when it had been deactivated after exclusion from the Star Sydney; and
      - (B) providing benefits including two trips on a private jet and the gift of a Rolex watch;



- (C) inviting that person to attend gambling events at The Star Gold Coast;
- ii. failing to exclude 'Person 1' from The Star Gold Coast casino until 10 December 2021, notwithstanding that person having:
  - (A) been excluded from the Star Sydney at direction from the NSW Police Commissioner in 2007;
  - (B) deposited a large amount of money in December 2019 using a cheque in circumstances in which there arose a reasonable suspicion of association with underworld figures; and
  - (C) presented at The Star Gold Coast casino a large amount of money marked with an orange highlighter in a plastic shopping bag in March 2021;
- iii. failing to exclude 'Person 2' from The Star Gold Coast casino until 6 January 2021, notwithstanding that person having:
  - (A) been excluded by the Victorian Police Commissioner from Crown Casino in Melbourne in December 2014;
  - (B) been excluded at the direction of the NSW Police Commissioner in June 2015 from The Star Sydney casino;
  - (C) been suspected by The Star of involvement in criminal activity; and
  - (D) appeared in media reports suggesting involvement in organised crime; and
- iv. failing to exclude 'Person 3' from The Star Gold Coast casino until 11 June 2021 notwithstanding information reasonably suggesting the person's involvement in criminal activity.
- c. Failing to discharge AML/CTF responsibilities, by the conduct identified in 2(d), 2(e) and of the kind identified in 3(b) above.

For Ground 3:

1. The Star Entertainment Qld Ltd is a wholly owned subsidiary of The Star Entertainment Group Limited.
2. The Star Entertainment Qld Ltd is party to registered lease number 601504222 with The Star Entertainment Qld Custodian Pty Ltd (ACN 067 888 680) dated 21 April 1988 (as amended by Amendment of Lease number 711088527) for The Star Gold Coast Casino.
3. The Star Entertainment Qld Custodian Pty Ltd is a wholly owned subsidiary (ultimately) of The Star Entertainment Group Limited.

### **Part C. Disciplinary action under consideration**

The disciplinary action available to the Minister under s 31(9) of the Act to impose (or recommend as the case may be) presently under consideration are:

1. Recommending to the Governor in Council that the casino lease for The Star Gold Coast be:
  - a. terminated (Act s 31(9)(b)(ii)); or
  - b. suspended (Act s 31(9)(b)(ii)).
2. With respect to payment of a pecuniary penalty by The Star Entertainment Qld Ltd (in its capacity as lessee of The Star Gold Coast):
  - a. directing payment of such a penalty of not more than \$5 million (Act s 31(9)(a)(iii)); or
  - b. recommending to the Governor in Council the imposition of such a penalty of not more than \$100 million (Act s 31(9)(b)(iii)).
3. Giving a written direction appropriate to ensure that any matter connected with one or more of the initiating incidents is rectified within a stated period (Act s 31(9)(a)(ii));
4. Giving a letter of censure in relation to matters connected with one of more of the initiating incidents (Act s 31(9)(a)(i));
5. Recommending to Governor in Council that a special manager be appointed for The Star Entertainment Qld Ltd (Act s 31(9)(b)(iv));

The Governor in Council may decide to:

1. take no further disciplinary action;
2. do one or more of the following:
  - a. cause a letter of censure to be given in relation to any matter connected with one or more of the initiating incidents (Act s 31(12)(b)(i));
  - b. give, or cause to be given, a written direction considered appropriate to ensure that any matter connected with one or more of the initiating incidents is rectified within a stated period (Act s 31(12)(b)(ii));
  - c. order a pecuniary penalty of not more than \$100 million before a stated date (Act s 31(12)(b)(iv));
  - d. direct termination or suspension of the casino lease (Act s 31(12)(b)(v));
  - e. appoint a special manager (Act s 31(12)(b)(vi)).

### **Important notice as to response**

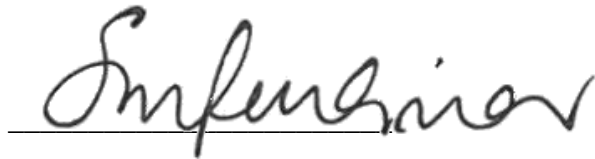
Any response to this notice must be made in writing and given to the Minister within the Response Period. The email address for any response is **casinonotices@justice.qld.gov.au**. The Minister will consider all responses received from the casino entity named in this notice, any other casino entity for the casino given notice under s 31(3)(a) of the Act and any other person given a notice under s 31(3)(b) of the Act, within the Response Period.

**The Response Period for this notice ends on 25 November 2022.**

If no response is received within this period, the Minister may proceed to decide what (if any) disciplinary action to impose or take.

If the Minister makes a recommendation to the Governor in Council, the Minister must give the Governor in Council a copy of each show cause notice relevant to the recommendation as well as all responses and submissions, relevant to the recommendation, that the Minister considered. If this occurs, the Governor in Council may consider and act without further notice. All submissions ought therefore be made now.

**Dated: 3 November 2022**

A handwritten signature in black ink, appearing to read 'Shannon Fentiman', written over a horizontal line.

**Signed**

The Hon. Shannon Fentiman, Attorney-General and Minister for Justice, Minister for Women and Minister for the Prevention of Domestic and Family Violence, Minister administering the *Casino Control Act 1982* (Qld).

## **Notice to Show Cause Casino Control Act 1982 (Qld) s 31**

**THE STAR ENTERTAINMENT QLD CUSTODIAN PTY LTD (ACN 067 888 680)**, a casino entity for the purposes of s 31(24A) of the *Casino Control Act 1982 (Qld)* (**The Act**), as holder of the casino licence for The Star Gold Coast,

is hereby required to:

SHOW CAUSE why the actions set out in this Notice should not be taken with respect to the casino licence.

### **Part A. Grounds for taking disciplinary action**

The Minister believes that Grounds have arisen for taking disciplinary action against The Star Entertainment Qld Custodian Pty Ltd (as licensee of The Star Gold Coast Casino) and that the initiating incidents giving rise to such Grounds are likely to be sufficiently addressed only by taking disciplinary action against it.

The Grounds are, by reason of the Minister's decision of 24 October 2022 as follows:

#### Ground 1

1. The Star Entertainment Qld Custodian Pty Ltd is a casino licensee which has ceased to be a suitable person to be associated or connected with the ownership, administration or management of the casino's operations or business (Act s 31(1)(e));

further and alternatively,

#### Ground 2

2. Because of an investigation carried out under s 30(1) of the Act, the Minister is not satisfied that The Star Entertainment Qld Custodian Pty Ltd is a suitable person to be associated or connected with the management and operations of a hotel-casino complex or casino (Act s 31(1)(f)(i));

further and alternatively,

#### Ground 3

3. The Star Entertainment Group Limited (ACN 149 629 023) (being a person associated and connected with the ownership, administration and management of The Star Entertainment Qld Custodian Pty Ltd's operations and business):

- a. has ceased to be a suitable person to be associated or connected with the ownership, administration or management of the casino's operations or business (Act s 31(1)(e));
- b. is an entity which the Minister (because of an investigation carried out under s 30(1) of the Act) is not satisfied is a suitable person to be associated or connected with the management and operations of a hotel-casino complex or casino (Act s 31(1)(f)(ii));

further and alternatively,

#### Ground 4

4. The Star Entertainment Qld Ltd (ACN 010 741 045) (being a person associated and connected with the ownership, administration and management of The Star Entertainment Qld Custodian Pty Ltd's operations and business):
  - a. has ceased to be a suitable person to be associated or connected with the ownership, administration or management of the casino's operations or business (Act s 31(1)(e));
  - b. is an entity which the Minister (because of an investigation carried out under s 30(1) of the Act) is not satisfied is a suitable person to be associated or connected with the management and operations of a hotel-casino complex or casino (Act s 31(1)(f)(ii)).

## **Part B. Initiating incidents**

### Background

The reports of Mr Adam Bell SC and the Hon Robert Gotterson AO KC, '*Review of The Star Pty Ltd: Inquiry under sections 143 and 143A of the Casino Control Act 1992 (NSW)*' dated 31 August 2022 (**Bell Report**) and '*External Review of the Queensland Operations of The Star Entertainment Group Limited*' dated 30 September 2022 (**Gotterson Report**) contain findings about acts and omissions of entities within the Star Group.

On 28 June 2022, pursuant to s 30(1) of the Act, a suitability investigation was initiated by the Minister into The Star Entertainment Group Ltd and certain associates.

The Office of Liquor and Gaming Regulation (OLGR) had earlier commenced a general investigation in response to allegations aired in the media about the activities of casinos in Australia, including the Star Group's Queensland casinos. OLGR produced an Interim Investigation Report dated 21 April 2022, with which The Star Group was provided as part of the Gotterson Inquiry and given an opportunity to make submissions.

On 24 October 2022 the Minister decided that certain entities (including The Star Entertainment Qld Custodian Pty Ltd, The Star Entertainment Group Limited and The Star

Entertainment Qld Ltd) associated or connected with the ownership, administration or management of Star casinos' operations or business were not suitable persons to be so associated or connected.

Relevant acts and omissions

The acts or omissions that form the basis of the Grounds for taking the possible disciplinary action are as follows:

For Grounds 1 and 2:

1. The Star Entertainment Qld Custodian Pty Ltd established and maintained a poor corporate culture of compliance and responsibility characterised by:
  - a. prioritising perceived business interests over compliance and the protection of the integrity of gambling;
  - b. a failure to have and to engage an adequate Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) program in circumstances which reasonably called for such;
  - c. failing to have in place mechanisms to restrain or resist the actions of the marketing team in its pursuit of individuals who were known to be the subject of an exclusion from The Star Sydney at direction of the Police Commissioner of New South Wales;
  - d. from 1 January 2017 to 9 March 2020, permitting the practice of using China UnionPay debit card point of sale transactions to transfer monies into Front Money accounts at The Star Gold Coast casino, obscuring the true nature of those transactions as hotel expenses when the primary use of the funds was, and was known to be, for gambling.
  
2. Failing to exclude from The Star Gold Coast casino, persons excluded from casinos elsewhere by a direction by Police Commissioner of New South Wales and / or Victoria (so far as such directions were or ought to have been known to The Star Entertainment Qld Custodian Pty Ltd), by:
  - a. failing to adopt a policy of automatic exclusion of persons excluded by interstate Police Commissioners until 2019;
  - b. maintaining the erroneous view that a 'withdrawal of licence' could not be issued on the basis of an interstate direction of a police commissioner alone;
  - c. failing to give the 'whole of group' exclusion policy, adopted in 2019, immediate retrospective operation, with the consequence that persons already excluded from The Star Sydney (and in some cases other casinos also) were not excluded from The Star Gold Coast casino until completion of a separate program to effect such operation, which program was not completed until about April 2022;

- d. actively encouraging, and enticing, persons known to be excluded from a casino by an interstate Police Commissioner to travel to Queensland and gamble in The Star Gold Coast;
  - e. giving incentives to persons excluded at the direction of the NSW Police Commissioner to gamble in The Star Gold Coast casino, including monetary and non-monetary incentives.
3. Failing to exclude from The Star Gold Coast casino persons who posed a real risk of criminal influence and infiltration of it, by:
- a. the conduct in 2. above;
  - b. conduct in the nature of the ‘case studies’ the subject of the Inquiry by the Hon R W Gotterson AO KC, namely:
    - i. actively encouraging ‘Person 1’ to attend The Star Gold Coast casino by:
      - (A) reactivating that person’s Star Loyalty card each time they visited The Star Gold Coast casino when it had been deactivated after exclusion from the Star Sydney; and
      - (B) providing benefits including two trips on a private jet and the gift of a Rolex watch;
      - (C) inviting that person to attend gambling events at The Star Gold Coast;
    - ii. failing to exclude ‘Person 1’ from The Star Gold Coast casino until 10 December 2021, notwithstanding that person having:
      - (A) been excluded from the Star Sydney at direction from the NSW Police Commissioner in 2007;
      - (B) deposited a large amount of money in December 2019 using a cheque in circumstances in which there arose a reasonable suspicion of association with underworld figures; and
      - (C) presented at The Star Gold Coast casino a large amount of money marked with an orange highlighter in a plastic shopping bag in March 2021;
    - iii. failing to exclude ‘Person 2’ from The Star Gold Coast casino until 6 January 2021, notwithstanding that person having:
      - (A) been excluded by the Victorian Police Commissioner from Crown Casino in Melbourne in December 2014;
      - (B) been excluded at the direction of the NSW Police Commissioner in June 2015 from The Star Sydney casino;
      - (C) been suspected by The Star of involvement in criminal activity; and
      - (D) appeared in media reports suggesting involvement in organised crime; and
    - iv. failing to exclude ‘Person 3’ from The Star Gold Coast casino until 11 June 2021 notwithstanding information reasonably suggesting the person’s involvement in criminal activity.

4. Failing to discharge AML/CTF responsibilities, by the conduct identified in 2(d), 2(e) and of the kind identified in 3(b) above.
5. Failing to:
  - a. perform the affirmative covenants of the lessee which The Star Entertainment Qld Ltd (ACN 010 741 045) as lessee of The Star Gold Coast failed to perform with respect to AML/CTF and excluding persons who pose a real risk of criminal influence and infiltration of the casino as detailed in 2. to 4. above;
  - b. ensure that the operation of the casino is conducted at all times in a proper and competent manner as required by s 58 of the Act.

For Grounds 3 and 4:

6. The Star Entertainment Qld Custodian Pty Ltd is a wholly owned subsidiary of The Star Entertainment Group Limited.
7. The Star Entertainment Qld Custodian Pty Ltd is party to registered lease number 601504222 with The Star Entertainment Qld Ltd (ACN 010 741 045) dated 21 April 1988 (as amended by Amendment of Lease number 711088527) for The Star Gold Coast Casino.
8. The Star Entertainment Qld Custodian Pty Ltd and The Star Entertainment Qld Ltd are both wholly owned subsidiaries (ultimately) of The Star Entertainment Group Limited.

### **Part C. Disciplinary action under consideration**

The disciplinary action available to the Minister under s 31(9) of the Act to impose (or recommend as the case may be) presently under consideration are:

1. Recommending to the Governor in Council that the casino licence:
  - a. be cancelled (Act s 31(9)(b)(i)); or
  - b. be suspended for such period as the Governor in Council thinks fit (Act s 31(9)(b)(i));
2. With respect to payment of a pecuniary penalty by The Star Entertainment Qld Custodian Pty Ltd:
  - a. directing payment of a pecuniary penalty of not more than \$5 million (Act s 31(9)(a)(iii)); or
  - b. recommending to the Governor in Council the payment of such a penalty of no more than \$100 million (Act s 31(9)(b)(iii)).
3. Giving a letter of censure in relation to matters connected with one of more of the initiating incidents (Act s 31(9)(a)(i));



4. Giving a written direction appropriate to ensure that any matter connected with one or more of the initiating incidents is rectified within a stated period (Act s 31(9)(a)(ii));
5. Recommending to Governor in Council that a special manager be appointed (Act s 31(9)(b)(iv)).

The Governor in Council may decide to:

1. take no further disciplinary action; or
2. do one or more of the following:
  - a. cause a letter of censure to be given in relation to any matter connected with one or more of the initiating incidents (Act s 31(12)(b)(i));
  - b. give, or cause to be given, a written direction considered appropriate to ensure that any matter connected with one or more of the initiating incidents is rectified within a stated period (Act s 31(12)(b)(ii));
  - c. order a pecuniary penalty of not more than \$100 million before a stated date (Act s 31(12)(b)(iv));
  - d. cancel or suspend the casino licence (Act s 31(12)(b)(v));
  - e. appoint a special manager (Act s 31(12)(b)(vi)).

### **Important notice as to response**

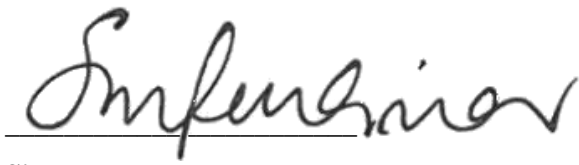
Any response to this notice must be made in writing and given to the Minister within the Response Period. The email address for any response is **casinonotices@justice.qld.gov.au**. The Minister will consider all responses received from the casino entity named in this notice, any other casino entity for the casino given a notice under s31(3)(a) of the Act and any other person given a notice under s 31(3)(b) of the Act, within the Response Period.

### **The Response Period for this notice ends on 25 November 2022.**

If no response is received within this period, the Minister may proceed to decide what (if any) disciplinary action to impose or take.

If the Minister makes a recommendation to the Governor in Council, the Minister must give the Governor in Council a copy of each show cause notice relevant to the recommendation as well as all responses and submissions, relevant to the recommendation, that the Minister considered. If this occurs, the Governor in Council may consider and act without further notice. All submissions ought therefore be made now.

**Dated: 3 November 2022**

A handwritten signature in black ink, appearing to read 'Shannon Fentiman', written over a horizontal line.

**Signed**

The Hon. Shannon Fentiman, Attorney-General and Minister for Justice, Minister for Women and Minister for the Prevention of Domestic and Family Violence, Minister administering the *Casino Control Act 1982 (Qld)*.