

Department of Justice and Attorney-General

Office of Liquor and Gaming Regulation

# Casino suitability

Investigation information pack



Queensland  
Government

# Casino suitability investigation information pack

## ***Introduction***

This is an information pack for persons wishing to become associated with the ownership, management or control of a casino in Queensland.

The Office of Liquor and Gaming Regulation (OLGR) has designed this package to give an overview of the investigations required to be undertaken in assessing an applicant's suitability.

Under [section 20](#) or [section 30](#) of the [\*Casino Control Act 1982\*](#) (the Act), the Minister shall cause to be undertaken such investigations as are necessary to satisfy the Governor in Council that all persons associated or connected or to be associated or connected, in the opinion of the Minister, with the ownership, administration or management of the operations or business of the casino licensee, are suitable persons.

Those matters in relation to which the Governor in Council will need to be satisfied are outlined under section 20 of the Act.

## ***The suitability investigation***

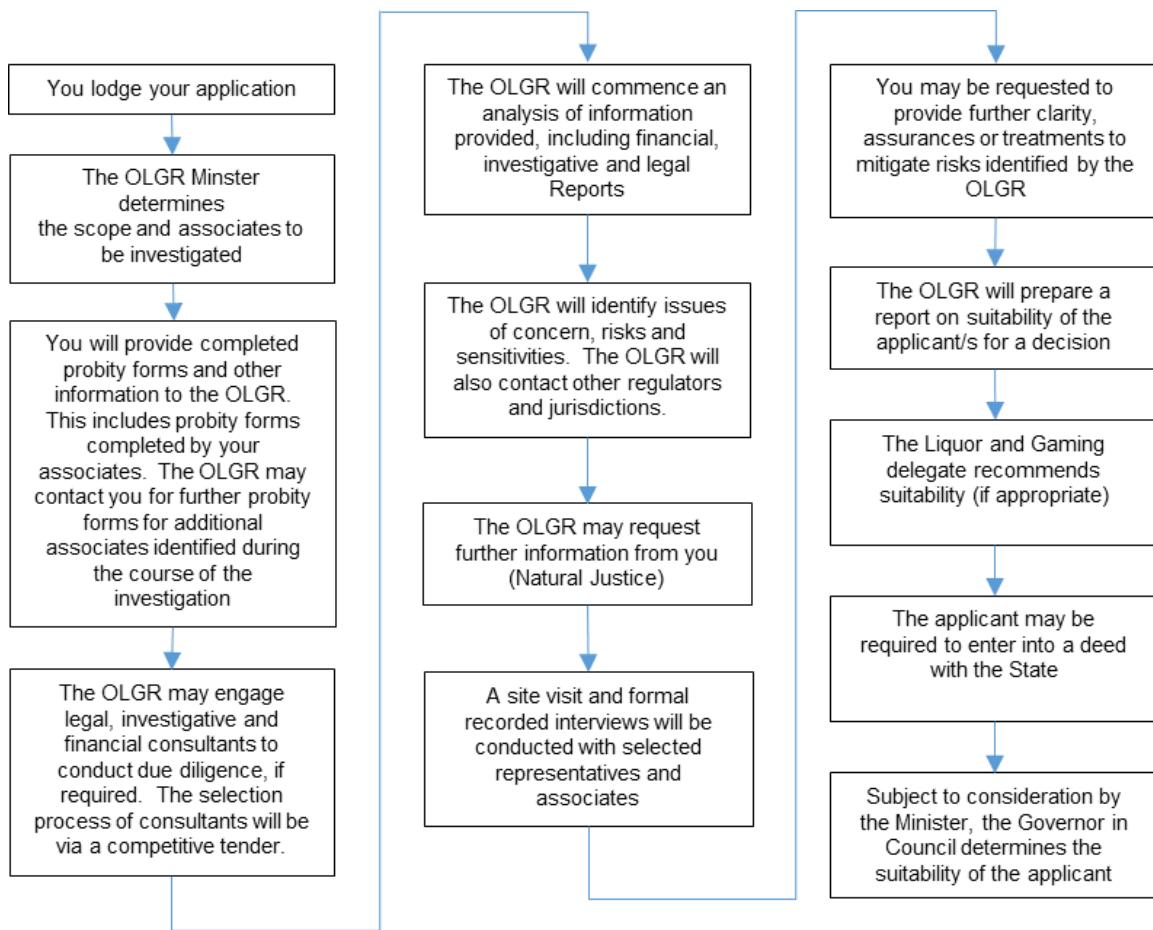
In Queensland, the Governor in Council determines whether a person is suitable to be associated or connected with the management and operations of a casino. The Governor in Council makes such a determination on the recommendation of the Minister responsible for gaming regulation.

Prior to forming such a recommendation, the Minister will cause a suitability investigation to be conducted on those persons, and their associates, deemed by the Minister as likely to be associated or connected with the casino operations. The Minister can also consider any business associations a person has, and may choose to conduct investigations into those associates, regardless of their connection with the casino.

Matters that will be assessed during the investigation include, but are not limited to:

- assessing the character, honesty, integrity and business reputation of an applicant and their associates
- examining the applicant's financial position and financial background to ensure financial viability of its operations
- assessing whether there is a satisfactory ownership structure
- and
- assessing their business ability, knowledge or experience to successfully conduct operations.

## The probity investigation process



The initial investigation process will involve:

1. The applicant applying to the OLGR to have suitability assessed.
2. The applicant will provide a corporate structure of the entities within a group or consortium.
3. OLGR will request the following information from the applicant:
  - The completion of probity forms by certain companies and individuals. This will include, for example, the company directly holding shares, holding companies, parent entities and possibly their shareholders.
  - The directors of each company will also be required to complete a personal probity form. A link to the individual and company probity forms that will require completion has been included below but can also be obtained online:
    - [Personal probity form](#)
    - [Company probity form](#)

- Completion of a ‘Corporate profile questionnaire’ by certain companies determined by OLGR (annexure one).
- 4. A formal request will be made for an upfront payment that OLGR has determined will cover the expected investigation cost. It is difficult to precisely estimate all costs and accordingly there may be a need for OLGR to require further cost contributions during the course of the investigation.
- 5. Once the requisite documentation is received, OLGR will undertake various actions including reviewing the probity forms, undertaking enquiries (police, corporate regulators, credit checks, inter-jurisdictional liaison), and analysing financial statements.
- 6. Depending on the circumstances, OLGR may outsource certain components of the investigation such as financial analysis, as well as legal and investigative services.
- 7. In most cases, once the requisite documentation has been reviewed, it is generally necessary to obtain additional information and probity forms from newly identified associates, both individuals and corporate.
- 8. It may also be necessary for investigators and/or contractors to travel to review:
  - investigations undertaken by regulators in other jurisdictions
  - attend your office to conduct interviews with directors, as well as the corporate secretary, general counsel, managing director and chief financial officer in relation to their personal probity forms and any relevant company. Such attendance may also include reviewing:
    - Last 5 years of board minutes
    - Share register
    - Dividend distributions
    - Correspondence files
    - Internal Audit/Management Reports
    - Journal and Ledger Accounts
    - Funding History
    - Existing gambling operations
- 9. A report will be prepared by OLGR for the consideration of the Minister and ultimately the Governor in Council.

## ***Cost recoupment***

Reasonable costs associated with undertaking probity investigations by OLGR are subject to cost recovery. [Section 46A](#) of the *Casino Control Regulation 1999* (the Regulation) outlines investigations that are applicable to cost recovery of expenses. It also states that persons must pay to the chief executive the reasonable costs of conducting the investigation. [Section 46B](#) of the regulation outlines how the fees for investigations must be paid.

## ***Data warehousing***

The provision of information through an electronic virtual data room would be of assistance to the investigation, ensuring information can be provided and accessed in a timely manner.

Please see the OLGR virtual data room guideline for further details (annexure two).

## ***Timing of investigations***

OLGR's suitability requirements and investigative methodologies are consistent with internationally accepted best practice. As these processes include the review of personal and non-publically available information, they are considered to be meticulous and onerous, however they are non-negotiable.

Applicants should be aware that the time taken to conduct such investigations is largely dependent on the cooperativeness of the applicant in lodging requested information, not only to OLGR, but to those service providers engaged by OLGR to conduct financial and legal due diligence enquiries.

In this regard it is expected that any request from OLGR, or its nominated agents, must be comprehensively and completely responded to within 14 calendar days of the request.

It is important that all information is supplied in a timely manner and completed fully. OLGR will endeavour to complete the investigation as quickly as possible, limiting where possible any inconvenience that an investigation may cause. Your cooperation, and that of your associates, is vital in avoiding unnecessary delays and expenses.

## ***Payment of costs***

OLGR will require up-front payment of costs associated with the investigation and will forward an invoice to facilitate this payment. If less cost is incurred than estimated, a refund will be provided at the end of the investigation. Alternatively, OLGR may require further payments if required. Detailed acquittal statements will be provided at the end of each month, outlining the cost of the investigation to date.

The following information is required by OLGR, on the applicant's company letterhead, to establish the applicant in the OLGR accounting system prior to generating the invoice and formal request letter:

- Company name
- Trading name (if different to company name)
- Business address (both street and postal)
- Business telephone, fax and/or mobile
- Contact person's name
- Contact person's phone contact and email address
- Preferred method of contract (email, fax, post or mobile)
- Customer ABN and if company is registered for GST (yes or no)

- Bank account details for the account paying the invoice (including BSB, account number and account name).

## ***Suitability is not a static concept***

A finding of suitability by the Governor in Council is relevant only to the known circumstances of the applicant at a certain point in time.

The ongoing suitability of casino licensees and their associates is subject to continuous monitoring by OLGR. This monitoring includes the legislative obligations placed upon licensees to provide regular financial and operational reporting to OLGR.

Given the changing and dynamic nature of the casino industry, its participants and their associates, the Minister may at any time after a finding of suitability has been made, in accordance with section 30 of the Casino Act, initiate an investigation to reassess the suitability of a licensee or its associates.

Such reassessment may be initiated for a variety of reasons including, but not limited to:

- a change in financial circumstances
- a significant change to the corporate or ownership structure
- a significant change to management or administration
- adverse information brought to the attention of the regulator or
- a change in the reputation and character of an associate.

See annexure three for further details.

## ***OLGR contact officers***

If you have any questions or require additional information, please do not hesitate to contact the following persons:

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Locked Bag 180,  
CITY EAST BRISBANE 4002

### **Attachments**

Annexure One: [Corporate profile questionnaire](#)  
Annexure Two: [OLGR virtual data room guideline](#)  
Annexure Three: [Suitability is not a static concept](#)

