

NSW Independent Liquor & Gaming Authority

WAM HOTELS PTY LIMITED Corporate Licensee EST.1909	Ms Susie Pietrantonio A/Director of Compliance & Enforcement NSW Department of Creative Industries, Tourism, Hospitality and Sport
Mr Wayne Arthur Lambert Approved Manager EST.1909	Section 130(3) – Third parties CK MOORE PARK PTY LTD Premises Owner

Our ref: DOC25/407052

23 October 2025

Dear Sir/Madam

Decision regarding a complaint about WAM HOTELS PTY LIMITED and Mr Wayne Arthur Lambert under section 129 of the *Gaming Machines Act 2001*

Our decision

We are satisfied that the grounds of complaint are established and have determined to:

- **order WAM HOTELS PTY LIMITED (the Hotel)** to pay a monetary penalty of \$44,000 (400 penalty units) to the Secretary of the NSW Department of Creative Industries, Tourism, Hospitality and Sport (**DCITHS**) under section 131(2)(a)(i) of the *Gaming Machines Act 2001 (the Act)* within 60 days of receiving this notification (no later than 22 December 2025).
- **Reprimand Mr Wayne Arthur Lambert (Mr Lambert)** under section 131(2)(j) of the Act.

Background

On 26 April 2024, L&GNSW received a complaint from Max Gaming NSW Pty Ltd (**Max Gaming**) in relation to the Hotel alleging that:

- three operating gaming machines were not connected to an authorised centralised monitoring system (**CMS**); and
- Max Gaming had made multiple attempts to contact the Hotel in relation to the three gaming machines, but alleged the Hotel was ignoring their communications.

On 28 June 2024, L&GNSW conducted an inspection of the Hotel with the key findings that:

- three operating gaming machines were not connected to an authorised CMS; and
- an automatic teller machine (**ATM**) located in the Hotel had permitted withdrawals from a credit card account to the value of \$16,450 since 22 May 2021 up until the date of the inspection. Over \$3,020 of those withdrawals occurred in the last two hours of trade between 10:00pm and midnight.

CMS findings

On 28 June 2024, L&GNSW Inspectors conducted an inspection at the Hotel, where they identified the three gaming machines referred to in the complaint were in operation and appeared to be in an area that was subject to water damage.

The approved manager, Mr Lambert, advised the three gaming machines in question were not connected to an authorised CMS due to water damage corrupting the physical system that connected the machines to a CMS. He alleged that the issue had been reported to the Hotel's technician for repair. Mr Lambert said he was having the machines moved to the opposite wall and connected to a CMS.

Max Gaming report the machines had not been reporting data to an authorised CMS since April 2024 and they had been attempting to contact the hotel since that time but were unsuccessful.

Mr Lambert alleged he had not received communication from Max Gaming in relation to the CMS issue and was unable to provide a technician fault register book or any correspondence regarding the issues with the gaming machines.

Following the L&GNSW inspection, it was confirmed that the installation and connection of the gaming machines at the Hotel was completed on 5 July 2024 and that the faulty gaming machines had been moved to avoid further water damage.

ATM findings

During the inspection of the hotel in June 2024, L&GNSW identified an ATM had permitted the withdrawal of cash from a credit card account between 22 May 2021 to 28 June 2024, being the date of the inspection. The total credit withdrawals amounted to \$16,450. Mr Lambert advised he was unaware the ATM allowed cash from a credit account.

A contractual agreement was in place between the Hotel's business owner, the Hotel's Director Mr Lambert, and the ATM provider. The agreement was initially between a company called Cash2Go ATMs Pty Ltd (ABN 90 161 107 517) (**C2GO**) under an ATM Location, Placement and Usage Agreement entered into between C2GO and the Olympic Hotel on 15 April 2021.

On 14 March 2022, C2GO entered into an Asset Sale Agreement with IF ATM, pursuant to which C2GO agreed to sell all the assets of its ATM business to IF ATM, including the benefit of each of C2GO's existing customer contracts relating to the business, taking effect from 1 April 2022.

After the inspection on 28 June 2024 and further engagement with Inspectors, Mr Lambert directed IF ATM to disable the credit functionality of the ATM.

Grounds of complaint

On 1 April 2025, L&GNSW made a disciplinary complaint to the Independent Liquor & Gaming Authority (**the Authority**) alleging that three operating gaming machines were not connected to CMS at the Hotel and an ATM located in the Hotel had permitted withdrawals from a credit card account.

The grounds of complaint against WAM Hotels are that:

1. the licensee has contravened a provision of the Act or Regulation (section 129(3)(a)(i) of the Act) a outlined below:
 - Section 47C of the Act – a hotelier must not permit an ATM used, installed or located in any part of the hotel if it is capable of providing cash from a credit card account; and
 - Section 133(1) of the Act – a hotelier must ensure that each approved gaming machine that is kept in the hotel is connected to an authorised CMS.
2. the hotelier has engaged in conduct that has encouraged or is likely to encourage the misuse and abuse of gambling activities in the Hotel (section 129(3)(b) of the Act).

The grounds of complaint against Mr Lambert are that:

1. the close associate knew or ought reasonably to have known that the hotelier or gaming-related licensee was engaging (or was likely to engage) in conduct of the kind to which the complaint relates (section 129(3)(h)(i) of the Act), and
2. the close associate failed to take all reasonable steps to prevent the licensee from engaging in conduct of that kind (section 129(3)(h)(ii) of the Act).

Submissions and consultation

On 28 July 2025, the Disciplinary Committee determined to issue a show cause notice to WAM Hotels and Mr Lambert.

A submission to the notices was received from the respondents on 21 August 2025 (collectively WAM HOTELS PTY LIMITED and Mr Wanye Lambert) and is detailed below:

Installation of the ATM

- The ATM in question was installed and is owned by a third party, Cash2Go (**C2GO**), on or around 15 April 2021 who were responsible for maintaining and replenishing the cash in the ATM.
- Upon installation, Mr Lambert had a conversation with the C2GO installer noting that it was against the law for the ATM to have credit card facility and that the ATM would not permit withdrawals from credit cards.

Credit withdrawals from the ATM

- Mr Lambert and WAM were not aware that the ATM was permitting credit withdrawals until advised by L&GNSW during an inspection on 28 June 2024.
- Once Mr Lambert became aware of the credit withdrawals, he immediately contacted the ATM provider who shortly after deactivated the credit withdrawal facility.

CMS issues

- In April 2024, the roof and a wall of the Hotel gaming room suffered water damage leading to the relocation of three electronic gaming machines (**EGMs**).
- Mr Lambert was advised by L&GNSW that these EGMs were no longer communicating with the CMS due to the water damage.
- The water damage also rendered Mr Lambert's laptop non-responsive and irreparable. This laptop operated as a server for his business email address.
- Mr Lambert was made aware of the connectivity issue between the EGMs and the CMS from L&GNSW approximately one week prior to the L&GNSW Inspection via a phone call. Following this communication, Mr Lambert immediately arranged for the 3 affected EGMs to be turned off, their relocation as well as repair/replacement of the CMS site controller monitor. He also contacted Data Monitoring Services (**DMS**) within L&GNSW and returned the EGM storage form to extend the storage of one EGM.
- During the L&GNSW Inspection, Mr Lambert and L&GNSW reviewed his laptop and emails dating back to April 2024 and could not locate any correspondence with DMS in relation to the connectivity issues, nor any email from L&GNSW. Mr Lambert does not recall receiving any such correspondence or telephone calls from DMS.

Business operations

- WAM took over the leasehold and business of the Hotel in November 2020 during the COVID-19 (**COVID**) pandemic.
- WAM undertook significant repairs to the Hotel and re-opened the Hotel in mid-2021.
- Mr Lambert has been operating the Hotel with limited staff as WAM Hotels tries to recover from the impacts of COVID.
- Due to the financial constraints of the WAM, Mr Lambert was unable to repair the water damage to the Hotel.

Rectification of non-compliance issues

- WAM and Mr Lambert acknowledge the seriousness of the alleged breaches. The prompt deactivation of credit withdrawals from the ATM and swift rectification of CMS connectivity issues, together with the implementation of additional compliance measures such as staff re-training and regular audits demonstrate a genuine commitment to minimising gambling-related harm.
- WAM and Mr Lambert note that there have been no recorded breaches or disciplinary actions taken against them previously demonstrating a longstanding commitment to regulatory compliance and responsible management, which should be regarded as a significant mitigating factor in the any disciplinary response.

Disciplinary action to be taken

- The alleged breaches were promptly addressed, and followed by robust compliance measures, and as such a warning would be a proportionate and appropriate outcome in the public interest.
- Should ILGA determine that further disciplinary action is required, as WAM is the leasehold owner and does not own the Hotel liquor licence, any disciplinary action should be taken against WAM or Mr Lambert, and not the liquor licence.

Submission from the Premises Owner (CK MOORE PARK PTY LTD), received 25 August 2025 as detailed below:

- they are a passive investor that is not engaged in the operation of the hotel business, however holds property rights in respect of the hotel licence and gaming machine entitlements allocated in respect of the licence.
- the lease obliged WAM Hotels to promptly provide notice to the lessor of any correspondence regarding incidents, notices or complaints affecting the premises or the licence, which it failed to do.
- the lessor has no objection to disciplinary action being taken personally against Mr Lambert or the licensee; however it strongly objects to any action being taken which impacts on the lessor's interest or the licence.
- any suspension or modification of gaming authorisations would operate to adversely impact the interests of the lessor when seeking to lease the hotel to a new operator which is unreasonable in circumstances where the lessor had no involvement in the contraventions of law subject of the complaint and obtained absolutely no benefit from the same.

Submission from L&GNSW, received 9 September 2025 as detailed below:

- the disciplinary complaint notes that on 14 March 2022, C2GO entered into an Asset Sale Agreement with IF ATM pursuant to which C2GO agreed to sell all the assets of its ATM business to IF ATM, including the benefit of each of C2GO's existing customer contracts relating to the business, taking effect from 1 April 2022.
- IF ATM disabled the credit functionality of the ATM on 28 June 2024.
- call log records indicate Max Gaming received an email from Mr Lambert on 12 April 2024, advising that Mr Lambert had contacted his service provider to reconnect the EGM to the CMS
- material from Max Gaming indicates Mr Lambert was aware of the EGM CMS issue on 12 April 2024, with Max Gaming first notifying Mr Lambert of the CMS connectivity issue on 3 April 2024. These dates all precede L&GNSW's first engagement with Mr Lambert on 21 June 2024 and the assertion by Mr Lambert of having no knowledge of the CMS connectivity issue prior to being contacted by L&GNSW.
- Mr Lambert did not provide any evidence to L&GNSW during the investigation that water had damaged his laptop, and that he received a new laptop, as an explanation for not receiving emails.

- they acknowledge that WAM Hotels has implemented additional measures and controls to ensure compliance, such as staff re-training, regular audits, and updating its general Plan of Management together with a Gaming Plan of Management which details that the ATM must not provide access to cash from a credit card account.
- taking appropriate disciplinary action would serve a protective purpose, by deterring such contraventions by the licensee and the industry more generally.

Submission from respondents' representatives, received 18 September 2025 in response to the L&GNSW submission received 9 September 2025 as detailed below:

- the ATM was installed by Cash 2 Go, on or around 15 April 2021
- Mr Lambert has become aware that on or about 14 March 2022 C2GO entered into an agreement with a company called IF ATM.

Our findings

WAM HOTELS PTY LIMITED

We find the following grounds of complaint have been established against WAM Hotels Pty Limited:

- section 129(3)(a)(i) of the Act - the licensee has contravened a provision of the Gaming Machines Act 2001 (the Act), namely:
 - section 47C of the Act by permitting an ATM to be used or to be installed or located in any part of the hotel if it is capable of providing cash from a credit card account; and
 - section 133(1) of the Act by operating approved gaming machines in the hotel or on the premises that were not connected to an authorised CMS.
- section 129(3)(b) of the Act - the hotelier has engaged in conduct that has encouraged or is likely to encourage the misuse and abuse of gambling activities in the hotel.

Mr Lambert

We find the following grounds of complaint have been established against Mr Lambert:

- Section 129(3)(h)(i) - the close associate knew or ought reasonably to have known that the hotelier or gaming-related licensee was engaging (or was likely to engage) in conduct of the kind to which the complaint relates, and
- Section 129(3)(h)(ii) - the close associate failed to take all reasonable steps to prevent the licensee from engaging in conduct of that kind.

While Mr Lambert promptly rectified the non-compliances related to both the CMS and ATM issues raised by L&GNSW and expressed remorse, the breaches occurred for an extended period during Mr Lambert's tenure as the approved manager of the Hotel.

WAM Hotels and Mr Lambert have an obligation to minimise harm associated with the misuse and abuse of gambling activities. Taking appropriate disciplinary action would serve a protective purpose, by deterring such contraventions by both the corporate licensee and the industry more generally.

In consideration of these findings, and after balancing all the aggravating and mitigating factors, we are of the view that disciplinary action is warranted.

Relevant legislation

- Part 8 of the Act
- Section 47C of the Act
- Section 133 of the Act.

The material we considered

In determining the disciplinary complaint, the following material was considered:

- disciplinary complaint from L&GNSW, received 1 April 2025.
- a submission from the respondents (WAM HOTELS PTY LIMITED and Mr Wanye Lambert), received 21 August 2025.
- a submission from the Premises Owner (CK MOORE PARK PTY LTD), received 25 August 2025.
- a submission from L&GNSW, received 9 September 2025.
- a submission from the respondents' representatives, received 18 September 2025 in response to the L&GNSW submission received 9 September 2025.

If you are dissatisfied with this decision

The respondent or complainant may apply to NCAT for a review of this decision under the *Administrative Decisions Review Act 1997*.

For more information, please contact the NCAT Registry at 1300 006 228 or visit the NCAT website.

This decision may be published on the website.

Payment of penalty

A tax invoice will be issued to you from DCITHS in order for you to pay this penalty.

If you have any questions

Please contact the Office of ILGA at office@ilga.nsw.gov.au if you have any questions.

Yours sincerely



Jeff Loy

**Chair, Disciplinary Matters Committee
NSW Independent Liquor and Gaming Authority**