

To: Gordon Friesen [PERSONAL INFO]
Cc: Steve Beeksma [PERSONAL INFO]; John Karlovcec [PERSONAL INFO]
From: Ross Alderson
Sent: Fri 2011-09-23 8:52:32 PM
Subject: Re: Under \$50K buy ins in \$20 bills

,,,,,,Thanks Gord, will bring it up next meeting

Ross Alderson
BCLC Corporate Security
Vancouver, BC

From: Gordon Friesen
Sent: Friday, September 23, 2011 01:28 PM
To: Ross Alderson
Cc: Steve Beeksma; John Karlovcec
Subject: RE: Under \$50K buy ins in \$20 bills

Hi Ross

This is not written in our Policy, so an auditor will not find us non-compliant. This is an AML strategy. The problem we face is that if we believe RRCR are not reporting because 'someone' has instructed the cage not to report these incidents, I don't think you are going to get too many confessions. What I would do is research how many patrons this pertains to (which are probably a select few) and have surveillance put a 'watch' on their buy ins. Discuss this with staff at your next scheduled meeting and air your concerns, i.e. GM, cage manager, etc. and determine their response. As indicated the \$50,000 threshold was just a simple determination made at River Rock because of the volume of transactions. You can alter this at will. There may well be suspicious transactions involving small denominations of bills much less than 50K.

Gord

From: Ross Alderson
Sent: Friday, September 23, 2011 12:36 PM
To: John Karlovcec; Gordon Friesen
Cc: Steve Beeksma
Subject: Under \$50K buy ins in \$20 bills

FYI,

We have had some recent files where we have patrons buy in for \$49,960.00 and \$49,980 in \$20's and we have found out through further investigation.

RRCR are not reporting these as suspicious and Steve and I feel it is too much of a coincidence and the players must have been informed.

We also find that an individual player that may have combined buy ins over a 24 period exceeding \$50K in buy ins in \$20's are also not deemed suspicious as only the "individual buy in" is being looked at.

Steve is looking at the STR's we have done recently to get some ITRAK file numbers.

We believe this is a totally cynical attempt by the site to avoid reporting buy ins as suspicious

I know that a \$50K buy in limit was agreed upon but if you look at the AML training (there is a scenario for \$30K in \$20's) I am concerned that the outside auditor will find us noncompliant.

Cheers

Ross ALDERSON

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