

BCLC Anti Money Laundering (AML) Protocol for Conditions & Interviews

Background

This document is to set out expectations around BCLC's AML program in light of the number of interviews and conditions placed on Casino Patrons since July 2015. It is to be used as a supporting document to *The BCLC Investigations Protocol for Educating, Warning, Imposing Conditions or Barring Patrons* distributed to Casino Service Providers in April 2015.

As part of BCLC's AML Program, BCLC may at times place certain conditions or requirements on patrons. All decisions must be evidence based and consistent with BCLC's AML risk based approach. These actions may be related to a unique event, or as a result of monitoring business relationships, and should be consistent with "Know Your Customer" (KYC) and "Customer Due Diligence Program" (CDD) expectations as per the FINTRAC guidelines and the Proceeds of Crime Money Laundering and Terrorist Financing Act (PCMLTFA).

When BCLC receives credible information regarding a patron or a particular source of funds that BCLC deem to be of high risk then BCLC will IMMEDIATELY act on that information including placing

conditions on play. Decisions on AML related conditions will be made by either, the BCLC Director, AML & Operational Analysis or the BCLC Director of Compliance & Investigations or designates.

Additional Suspicious Indicators warranting Conditions and/or interview.

Behaviour, activity or conduct of a patron identified as an Anti-Money Laundering associated risk includes the following suspicious indicators:

- Patron buys in predominately in cash particularly using small bills
- Patron's occupation is not consistent with buy in's, either the amount or type of buy in
- Patron refuses to provide information regarding occupation or employer
- Patron receives cash deliveries or cash exchanges
- Patron buys chips using cash and leaves the facility with no or little play
- Patron attends Casino with large amount of un-sourced chips.
- Patron is involved in chip passing consistent with a commercial nature
- BCLC receive information from an outside agency, including Law Enforcement pertaining to suspicious behavior involving the patron

In these circumstances interviews will be conducted by BCLC Investigators as per Page 7 of **The BCLC Investigations Protocol for Educating, Warning, Sanctioning or Barring Patrons** (dated April 16, 2015) which specifies the following:

"When the behaviour, activity or conduct of a patron is, or possibly is, identified as an Anti-Money Laundering associated risk and it is necessary to satisfy the requirements of FINTRAC regulations and guidelines, BCLC Corporate Security and Compliance will direct a BCLC Investigator to conduct an interview of the patron.

Patron Interview objectives may be to determine:

- *source of funds, and or;*
- *employment /company, and or;*
- *other information as needed.*

Subsequent to the interview, the following are possible outcomes:

- *patron is permitted to continue play*
- *conditions/ restrictions are placed on the patron*
- *BCLC Provincial barring"*

Conditions that may be implemented against the patron prior to, or subsequent to an interview are as follows:

- Not permitted to play with un-sourced chips.
- Not permitted to play with un-sourced funds.
- No chip passing of a suspicious nature (commerciality)
- No play utilizing a third party to make bets
- Outright ban

Once conditions are placed against the patron, the SP will be notified, and the patron will be monitored on a regular basis by BCLC Investigations and the BCLC AML Unit. The BCLC AML Unit will maintain a master file containing all actions taken and date of action taken.

If the patron attempts to circumvent the conditions placed against them, a BCLC Provincial Barring will be considered at that time. If a patron refuses to be interviewed conditions will remain indefinitely.

The patron will be advised of this process, including future expectations, through the interview with the designated BCLC Investigator.

BCLC Director of Compliance & Investigations and Director of AML & Operational Analysis, or designates will review the patrons behavior at their discretion (or after a minimum of six (6) months) to determine if/when any of the conditions can be removed or should remain in place.

As per BCLC Director AML & Operational Analysis letter to Service Providers dated September 11, 2015

“When there are reasonable grounds to believe players are willingly associated with criminality they will be banned outright. When there are reasonable grounds to believe players may be unwittingly associated with criminality, they will be banned from buying in with any un-sourced financial instrument until the source of that instrument can be reasonably confirmed as legitimate.”



Ross Alderson

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(approved via email)

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