

To: Steve Beeksma **PERSONAL INFO**
From: John Karlovcec
Sent: Fri 2012-02-03 8:00:59 PM
Subject: RE: \$100 Bills at the River Rock

Good point. Some I'm going to suggest choose not to get it !!

From: Steve Beeksma
Sent: February 3, 2012 11:51 AM
To: John Karlovcec; Ross Alderson; Rick Pannu
Cc: Gordon Friesen
Subject: Re: \$100 Bills at the River Rock

This issue appears to be dependent on who's on shift unfortunately. The file I sent to you requesting room info involved nearly 10 buy ins and Arlene had them all documented and corresponding footage saved giving me the full picture. Arlene gets it but I'm afraid some of the other staff haven't got the memo!

Steve

From: John Karlovcec
Sent: Friday, February 03, 2012 11:43 AM
To: Ross Alderson; Rick Pannu; Steve Beeksma
Cc: Gordon Friesen
Subject: RE: \$100 Bills at the River Rock

Thanks Ross. I just spoke to Pat and he will be speaking to and clarifying with his staff to ensure that they are not simply focussing in on denominations and are taking into account the big picture on these.

John

From: Ross Alderson
Sent: February 3, 2012 11:35 AM
To: John Karlovcec; Rick Pannu; Steve Beeksma
Cc: Gordon Friesen
Subject: RE: \$100 Bills at the River Rock

Thanks John,

As you are aware we ourselves have discussed this issue here with management a number of times including the \$50K threshold for \$20 bills. Our argument has always been, is \$40K in \$20's, \$200K in \$50's or \$10K x 5 times over 48 hrs less suspicious. We have pointed out the AML training (which they have all taken) does not specify amounts but more circumstances. The standard response has always been it's a Service Provider staff resourcing issue in Surveillance, and that BCLC Management have agreed to the thresholds, however they will try harder.

I hope if/when Fintrac do an audit that response satisfies them under the "risk management" strategies we have in place. I have my doubts whether it would, especially considering the scenarios found in our AML on line training and the fact that other sites are reporting a lot less amounts.

Anyway we will wait to see what Pat comes up with.

On a positive note we are receiving the daily cage sheet each morning which contains the denominations of

each large buy in and as a result we have already requested further review on some of them that are not \$20 bills.

Cheers

Ross ALDERSON

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From: John Karlovcev
Sent: February 3, 2012 11:19 AM
To: Rick Pannu; Ross Alderson; Steve Beeksma
Cc: Gordon Friesen
Subject: FW: \$100 Bills at the River Rock

Gents,

Simply FYI. I have told Derek that I haven't heard the fact that RRCR surveillance does not consider any buy-in with \$100 bills as being suspicious, and they are too busy to do this.

I have directed the below noted comments from Derek Dickson to Pat Ennis for his feedback. As we know we do take denominations into consideration however I told Derek that we do not simply focus in on denominations beit \$5, \$10, \$20, \$50 or \$100 bills and neither should the Service Provider as this would be WRONG to do so.

The site should be taking into consideration the totality of the circumstances which may include patron's casino history, bill denominations, total amount of cash brought into the casino, associates of patron and their backgrounds, circumstances how money is delivered or brought into the casino just to mention a few. When in doubt they should create an incident file and we will follow up with it.

Really these indicators form part of our risk decision tree and help us to categorize our High Risk Patrons.

I've asked Pat Ennis to clarify this with his staff. To simply say that Patron Y brought in \$300K in \$100 bills and not \$20 bills therefore it is not suspicious may be erroneous on the Service Provider's part. Focussing in on denominations in itself is taking a "tunnel vision" approach.

We understand that the site is busy and there may be some incidents that go undetected but to simply not report incidents because \$100 bills are being used is the wrong road to travel down !!

Thanks,

John

From: Dickson, Derek SG:EX [\[mailto:PERSONAL INFO\]](#)
Sent: February 3, 2012 8:09 AM
To: John Karlovcev
Subject: \$100 Bills at the River Rock

Good morning John,

We are starting to see a trend developing where the RRCR is not submitting 86 reports regarding suspicious cash buy-ins where \$100 bills are presented. On at least one occasion recently the BCLC investigators discovered that a patron had left the RRCR several times and returned shortly thereafter with large amount of cash in \$100 denomination. The total was approximately \$5000,000 and RRCR was directed to forward an 86.

The feedback our investigators are getting is that the RRCR does not consider any buy-in with \$100 bills as being suspicious, and they are too busy to do this. Have you heard this and is this RRCR's unofficial policy regarding \$100 bills?

I think we all anticipated that due to the heat being generated around the \$20 bills that the loan sharks were going to try and move towards more \$100 bills being funnelled to the high limit players.

You certainly know more about Fintrac reporting than I do, but I think I am safe in saying that there is no distinction between \$20 and \$100 bills and the legislated reporting of these transactions by the service providers, and particularly RRCR.

Your thoughts?

Thanks,

Derek Dickson

Director, Casino Investigations LMD

Investigations and Regional Operations

Gaming Policy and Enforcement Branch

Ministry of Public Safety and Solicitor General

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