

June 15, 2017

**Re: BCCLC DIRECTIVE – FINTRAC Amendments effective June 17<sup>th</sup>, 2017**

This directive outlines the requirements for all BC Casinos and Community Gaming Centres to complete enhanced due diligence efforts to determine and document ownership of funds for all cash buy-ins, disbursements, and Forex transactions of \$10,000 or more within a static 24 hour period. These records must be retained for a 5 year period from the date the record was created and must be completed BEFORE any transaction of \$10,000 or more is completed.

BCCLC has attached a copy of the form that staff are required to complete prior to each transaction. The original must be retained or electronically scanned and saved within the reporting document. The intent of this form is to document the patron's response when asked if the cash is their own or is being produced on behalf of another patron. If the patron refuses to provide a response you must document the fact you asked and that the player refused to provide a response.

If the patron advises that the cash is on behalf of another patron, you must determine who that individual is, the relationship between the parties and treat the transaction as a third party transaction. This would include obtaining all the necessary documentation for a third party transaction and scanning ID of the third party BEFORE the transaction can be completed. If the third party is not present or refuses to provide this information the transaction must be refused and an Itrak file shall be created to document why the service provider was unable to identify the third party.

Third party transactions involving corporations or other entities are not permitted under any circumstances.

Where the service provider is unable to determine the relationship between the parties or circumstances give rise to a concern any level of coercion is involved in the transaction, the transaction must be refused and a UFT considered.

An example of reasonable measures for a cash buy-in would be:

1. If you, as a casino, are receiving a cash buy-in of \$10,000 or more and you ask the patron if they are the owners of the cash and they confirm they are, you would fill in the appropriate responses on the attached form and scan it into the media tab of the LCT.
2. If you, as a casino, are making a disbursement to a patron and you ask if the patron is receiving the funds on behalf of a third party and



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the individual refuses to answer yes or no. You would need to record that you asked the patron, the date you asked and the fact that the patron refused to answer.

If a patron refuses to answer the question of who owns the funds, you must document the fact that you asked and document what their response was; however, the transaction may still be completed.

3. If you, as a casino, have a patron that has multiple cash buy-ins and is now approaching the \$10,000 threshold, you should approach the patron and follow your current Fintrac reporting protocols AND include the attached reasonable measures form and determine if the cash is their own. If it is their own cash you shall fill out the form and scan a copy of the form along with the tracking sheet to the LCT media tab.

If a patron indicates that the funds are from a third party but refuses to identify the third party, you must also record those details but the transaction should be denied and the attempted transaction should be reported to BCCLC.

If a patron asks why we are now requiring this information, the correct response should be: Due to Legislative amendments to the Regulations Proceeds of Crime (Money Laundering) and Terrorist Financing Act, (PCMLTFA) effective June 17, 2017 casino staff are obligated to request this information on behalf of BCCLC.

Please ensure that all staff are apprised of these changes and that a reasonable measures form is completed in every instance effective 0001 hrs. on June 17<sup>th</sup>, 2017.

If you have any questions on this process please contact your assigned BCCLC Investigator or the AML unit at [REDACTED] to ensure a smooth transition of these amendments to the PCMLTFA.



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