



# **Mille Lacs Band of Ojibwe Indians**

*Gaming Regulatory Authority*

*Detailed Gaming Regulations*

**DGR-19a Standards for Bank Secrecy Act**

**Table of Contents**

- 1. General Standards ..... 3
- 2. BSA Compliance Program ..... 3
- 3. AML Risk Assessment ..... 4
- 4. Training ..... 4
- 5. Required Identification for CTR Transactions ..... 5
- 6. Dissolution of a Patron Relationship ..... 6

## 1. General Standards

- 1.1. Compliance with these regulations shall not release the Gaming Enterprise and Gaming Operation from its obligation to comply with applicable federal regulations.
- 1.2. The Gaming Enterprise and Gaming Operation shall use all available systems and information to comply with the applicable federal requirements.

## 2. BSA Compliance Program

- 2.1. The Gaming Enterprise and Gaming Operation shall develop a system of internal controls to reasonably assure ongoing compliance with the federal requirements set forth in 31 Code of Federal Regulations (CFR) Chapter X Part 1021, commonly known as the Bank Secrecy Act (BSA) or Title 31 (hereafter, "the Bank Secrecy Act").
- 2.2. The system of internal controls (BSA Compliance Program) shall be submitted to the GRA for review and comment.
- 2.3. At a minimum, the BSA Compliance Program shall provide for the following:
  - 2.3.1. A system of internal controls to assure ongoing compliance, including but not limited to the following:
    - a. Documentation requirements for currency transaction reporting (i.e. Multiple Transaction Logs (MTLs) and Currency Transaction Reports (CTRs), etc.)
    - b. Documentation requirement for suspicious activity reporting (i.e. suspicious incident report notifications to compliance, Suspicious Activity Reports (SARs), etc.)
    - c. Other documentation requirements (i.e. Monetary Instrument Logs (MILs), Negotiable Instruments Log (NIL) etc.)
    - d. Identification requirements, including identification of agents if applicable
    - e. Refused transactions
    - f. Patron deposit accounts
    - g. Safekeeping internal controls for situations in which the patron provides sufficient identification
    - h. Safety deposit boxes available for patron use (in all areas throughout the gaming enterprise)
    - i. Confidentiality of SARs
    - j. Analysis and review procedures for suspicious activity, patterns of suspicious activity, and due diligence/know your customer expectations
    - k. Record retention requirements for no less than five (5) years, including but not limited to the following:
      - i. A copy of the BSA Compliance Program
      - ii. Other recordkeeping documentation required by the Bank Secrecy Act

- I. Other internal controls appropriate to meet the requirements of the Bank Secrecy Act
- 2.3.2. External independent testing for compliance
  - a. The scope and frequency of the testing shall be commensurate with the money laundering and terrorist financing risks posed by the products and services provided by the Gaming Enterprise.
  - b. The external independent testing report shall be provided to the GRA within 45 days of issuance.
- 2.3.3. Training of associates, including training in the identification of unusual or suspicious transactions or activity and training on the Gaming Enterprise's or Gaming Operation's policies and procedures.
- 2.3.4. The designation of an individual or individuals to assure day-to-day compliance.
- 2.3.5. Procedures for using all available information and systems for the following:
  - a. Identification and verification of patron information, including:
    - i. Patron name
    - ii. Patron permanent address
    - iii. Patron social security number
    - iv. Other relevant patron information
  - b. Identification of the occurrence of any suspicious transactions or pattern of suspicious transactions for suspicious activity reporting
  - c. Whether any additional records must be made and retained
- 2.3.6. The use of automated programs to aid in assuring compliance.

### **3. AML Risk Assessment**

- 3.1. An Anti-Money Laundering (AML) Risk Assessment shall be completed to assess the money laundering and terrorist financing risks posed by the products and services provided by the Gaming Enterprise.
  - 3.1.1. The AML Risk Assessment shall be reviewed annually and updated whenever Gaming Enterprise products, services, or other AML risks significantly change.
  - 3.1.2. The risk assessment shall be provided to the GRA upon completion.

### **4. Training**

- 4.1. Associates functioning in a capacity that entails the possibility of encountering any Title 31 requirement, including the identification and reporting of suspicious activity, shall receive training twice yearly, at least four months apart.
- 4.2. Training shall include the following for associates that conduct cash transactions that require reporting per Title 31. shall include the following, as applicable to the job duties of the function:

- 4.2.1. Identification and required documentation of the reporting of currency transactions (i.e. Multiple Transaction Logs, required documentation of identification information, Currency Transaction Report (CTR) information, etc.)
- 4.2.2. Identification and required documentation of unusual or suspicious transactions
- 4.2.3. Appropriate patron identification procedures
- 4.2.4. Other requirements of the Gaming Enterprises AML Compliance Program
- 4.3. Training shall include the following for associates that do not conduct cash transactions that require reporting per Title 31.
  - 4.3.1. Identification and required documentation of unusual or suspicious transactions

## 5. Required Identification for CTR Transactions

- 5.1. All patron identification information shall be verified by examining the identification presented by the patron.
  - 5.1.1. Acceptable identification for a United States resident includes the following:
    - a. Valid driver's license or state identification card
    - b. Valid United States passport
    - c. Other valid government issued photo identification cards
  - 5.1.2. For aliens or nonresidents of the United States, acceptable identification includes the following:
    - a. Valid passport
    - b. Valid alien identification card
    - c. Other valid official documents evidencing nationality or residence
- 5.2. Patron identification shall be verified for any agent(s) conducting transactions on behalf of another individual.
- 5.3. If the patron is unable to provide any of the above information or the identification provided is not acceptable, the transaction shall be refused and put on deposit until the necessary information has been obtained.
  - 5.3.1. The Gaming Enterprise or Gaming Operation has the right to demand the redemption of chips and tokens.
  - 5.3.2. This would be the only instance in which a cashier would be allowed to accept a patron deposit without verifying the patron's identification.
  - 5.3.3. Identification shall be obtained verbally from the patron and a surveillance photograph must be obtained for all winnings held on deposit regardless of the dollar amount.
  - 5.3.4. The deposits will not be refunded until the proper identification is provided and will only be refunded to the individual in the surveillance photograph.

5.3.5. A member of management independent of the cage department must approve both the deposit and refunding by signing the patron deposit form before the transaction is complete.

5.3.6. Identification provided for verification shall be recorded on the patron withdrawal form.

## **6. Dissolution of a Patron Relationship**

6.1. The Gaming Enterprise or Gaming Operation shall develop a system of internal controls for the termination of a relationship with a patron in the following situations:

6.1.1. There is an unacceptable risk of the patron being involved with illegal activity

6.1.2. There is an unacceptable risk that the casino is being used to launder money

6.1.3. There is an unacceptable risk that the patron is involved with terrorist activity

### History

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Prior versions of this Detailed Gaming Regulation are available upon request from the Gaming Regulatory Authority.