

**SECTION 19**  
**FINANCIAL TRANSACTION REPORTING**

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**19.1 Definitions (for this Section)**

Definitions used in previous and subsequent Sections retain their meaning unless modified below:

**Agent** – any individual who conducts a financial transaction on behalf of another individual or organization.

**Business Year** – the annual accounting period, such as a calendar or fiscal year, by which a casino maintains its books and records.

**Casino/Gaming facility** – any organization licensed to do business as a casino in the Cherokee Nation. It includes the principal headquarters and every domestic branch or other place of business of the casino. Under Title 31, any requirements specific to casinos refers to any casino that has gross annual gaming revenue in excess of One Million Dollars (\$1,000,000.00) during either the previous or current business year.

**Casino Account Number** – means any and all numbers by which a casino identifies a customer.

**Currency** – the coin and paper money of the United States or any other country that circulates and is customarily used and accepted as money in the country it is issued.

**Customer** – includes every person who is involved in a financial transaction to which Title 26 and Title 31 applies whether or not that person participates in the gaming activities offered by the casino.

**Established Customer** – a person with an account established with the casino including a player tracking account, credit or

deposit account, or a person with respect to which the casino has obtained and maintains on file the person's name and address, as well as Taxpayer Identification Number (TIN) (e.g. social security or employer identification number) or, if none, alien identification number or passport number and country of issuance and to which the casino provides financial services relying on that information.

**FinCEN** – means the Financial Crimes Enforcement Network, a bureau of the Department of the Treasury.

**Gaming Day** – the normal business day of a casino. For a casino that offers twenty-four (24) hour gaming, that twenty-four (24) hour period by which the casino keeps its books and records. For purposes of this document, each casino must have only one (1) gaming day common to all of its divisions.

**“Knowledge of Cash Transaction or Suspicious Activity”** – a casino shall be deemed to have knowledge, if any sole proprietor, partner, officer, director, or employee of the casino, acting within the scope of his or her employment: has knowledge that such multiple currency transactions or suspicious transactions have occurred; and, business information is retained on magnetic disk, tape, or other machine readable media, or in any manual system with similar documents and information, which contain information that such transactions have occurred.

**Machine-Readable** – means capable of being read by an automated data processing system.

**Money Laundering** – is the disguising or concealing of illicit income in order to make it appear legitimate. Illegal drugs are

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purchased with large amounts of currency. Just in case the currency has been “marked” by the federal government during preplanned “sting” operations, the drug dealers want to get rid of (e.g. launder) this currency for new, “clean” currency that is not marked. Banks and casinos are generally used by drug dealers to “wash” or “launder” their monies from the drug transactions. Also, utilizing a bank or a casino sometimes works to provide a “legitimate” look to the transactions.

**Multiple Transaction Log (MTL)** – for purposes of Title 31 currency transaction recordkeeping and reporting requirements, the casino shall maintain a log of all manual currency transactions in the amount of Three Thousand Dollars (\$3,000.00) or more.

**Negotiable Instruments Log (NIL)** – for purposes of the Title 31 currency transaction record keeping requirements, the casino shall maintain a log of all negotiable instruments in the amount of Three Thousand Dollars (\$3,000.00) or more which shall include all checks and drafts (including personal, business, bank, cashier’s, third-party checks, and casino checks), money orders and traveler’s checks, whether or not they are in bearer form or complete.

**Organization** – person other than an individual.

**Person** – an individual, corporation, partnership, trust or estate, joint stock company, association, syndicate, joint venture, or other unincorporated organization or group, and all entities treated as legal personalities.

**Structuring** – For purpose of Title 31 reporting, a person structures a transaction if

that person, acting alone, or in conjunction with, or on behalf of, other persons, conducts or attempts to conduct one or more transactions in currency, in any amount, at one (1) or more locations where currency transactions are conducted, on one (1) or more days, in any manner, for the purpose of evading the reporting requirements under Title 31. “In any manner” includes, but is not limited to, the breaking down of a single sum of currency exceeding Ten Thousand Dollars (\$10,000.00) into smaller sums, including sums at or below Ten Thousand Dollars (\$10,000.00), including any series of transactions. The transaction or transactions need not exceed the Ten Thousand Dollars (\$10,000.00) reporting threshold at any single casino location on any single day in order to constitute structuring.

**Transaction in Currency** – a transaction involving the physical transfer of currency from one (1) person to another.

**19.2 General**

- A. In accordance with Title 26 – Internal Revenue Code, the casino operation shall establish and comply with procedures for the correct reporting and withholding of certain gaming winnings and/or promotional prizes and awards. These procedures shall be approved by the Cherokee Nation Gaming Commission (CNGC).
- B. Pursuant to the Title 31/Bank Secrecy Act, the casino operation shall develop and implement a Compliance Program and system of internal controls, which includes detailed procedures used to comply with these standards. The

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Compliance Program shall be approved by the CNGC.

- C. According to Federal Law, the Title 31/Bank Secrecy Act requires the reporting of certain financial transactions and the reporting of suspicious transactions. Additionally, certain records are required to be prepared and maintained relative to Title 31/ Bank Secrecy Act for casinos having gross annual gaming revenues in excess of One Million Dollars (\$1,000,000.00).
- D. The purpose of these internal controls is to provide the casino with a framework for developing a system of internal controls/procedures to meet the requirements of Title 26 and Title 31 of the U.S.C.
- E. For any Tribal authorized computer applications, alternate documentation and/or procedures which provide at least the level of control described by these standards will be acceptable, as approved by the CNGC.
- F. Within this document the Title 31/Bank Secrecy Act will be referred to as Title 31.

**19.3 Procedures for Reporting Winnings**

- A. Prior to payment of winnings, employees shall determine if winnings are subject to Internal Revenue Service (IRS) reporting requirements. No winnings shall be paid until the appropriate forms (as applicable) have been completed.

- B. IRS Forms – W-2G, 5754, 1099, and 1042-S or other forms designated by the IRS for reporting winnings and/or promotional prizes and awards within this Section shall be referenced as IRS forms for reporting winnings.
- C. IRS Forms for reporting winnings shall be available to all departments that may encounter reportable transactions.
- D. IRS Forms for reporting winnings shall be completed in accordance with, and contain the information required in Title 26 and this document for all reportable winnings and/or promotional prizes and awards.
- E. Before concluding (i.e., prior to payment of winnings) any transaction subject to IRS reporting requirements, the handler of the transaction shall:
  - 1. Obtain and examine two (2) forms of appropriate identification; obtain a copy of the primary form of identification which shall be an official photo identification; if tax identification (Social Security Card) is not available the winner must complete form W-9 Request for Taxpayer Identification Number and Certification.
  - 2. Acceptable forms of primary identification include a driver's license, military or military dependent identification card, passport, alien registration card,

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- state issued identification card, cedular card (foreign), or other photo identification and/or combination of unexpired documents that contain an individual's name and address and are normally accepted by financial institutions as a means of identification when cashing checks for persons other than established customers.
3. As an option to requesting the necessary identification and other data from an established customer, information on file may be used if:
- a. The handler of the transaction knows the customer;
  - b. The customer's name and appropriate identification credentials were obtained from the customer for a previous transaction;
  - c. The information is on file to properly complete the IRS Form; and,
  - d. The customer information on file is periodically updated as follows:
    - i. Copy of original identification credentials;
    - ii. If the customer's Social Security Card was not available to verify identification, the customer must have a completed form W-9
- Request for Taxpayer Identification Number and Certification on file;
- iii. Documentation of the examinations is included in the information on file;
  - iv. Expiration dates of identification credentials are included in the information on file; and,
  - v. The transaction date is prior to the expiration date on file.
4. The appropriate IRS Form for reporting winnings shall be completed according to the Form instructions and forwarded to the accounting department for review and transmittal to the IRS.

**19.4 Title 31 Compliance Program**

- A. In accordance with Part 19.2 (B) of this Section, each Compliance Program shall, at a minimum, provide for:
- 1. A system of internal controls to assure ongoing compliance;
  - 2. Internal and/or external independent testing for compliance. 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 casino;
  - 3. Training of casino personnel, including training in the

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- identification of unusual or suspicious transactions, to the extent that the reporting of such transactions is required by Title 31, by other applicable law or regulation, or by the casino's own administrative and compliance policies;
4. Designated individual and/or department to assure day-to-day compliance; and,
  5. Procedures for using all available information to determine:
    - a. When required to be reported, the name, address, social security number (SSN), and other information, and verification of the same, of a person;
    - b. The occurrence of any transactions or patterns of transactions required to be reported;
    - c. Whether a record required by Title 31 must be made and retained; and,
    - d. For casinos that have automated data processing systems, the use of automated programs to aid in assuring compliance.
- B. Casino management shall review the Title 31 Compliance Program at least annually, and shall consider the following, at a minimum, in determining whether to revise the program:

1. Results of independent testing, including internal or external reviews or audits;
2. Results of examinations by IRS or other governmental authorities;
3. Significant changes in operations;
4. Significant changes in the types of financial services offered;
5. Implementation of any automated systems and programs that may affect compliance;
6. Changes/amendments to Title 31 regulations;
7. Changes/amendments to Title 31 reporting forms;
8. New guidance, advisories, and/or bulletins issued by FinCEN, including frequently asked questions; and,
9. The extent to which errors and omissions to information relating to Currency Transaction Report by Casinos (CTRC)s and Suspicious Activity Report by Casinos (SARC)s occur, whether or not corrected prior to filing.

**19.5 Currency Transaction Report by Casinos (CTRC) Procedures**

Each casino shall file a report of each transaction or aggregate transactions in currency, involving either cash in or cash out, of more than Ten Thousand Dollars

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(\$10,000.00) in the casino's twenty-four (24) hour gaming day.

A. Transactions in currency involving cash in include, but are not limited to:

1. Purchases of chips, tokens, and other gaming instruments;
2. Front money deposits;
3. Safekeeping deposits;
4. Payments on any form of credit, including markers and counter checks;
5. Bets of currency, including money plays;
6. Currency received by a casino for transmittal of funds through wire transfer for a customer;
7. Purchases of a casino's check;
8. Exchanges of currency for currency; and,
9. Bills inserted into electronic gaming devices.

B. Transactions in currency involving cash out include, but are not limited to:

1. Redemptions of chips, tokens, tickets, and other gaming instruments;
2. Front money withdrawals;
3. Safekeeping withdrawals;

4. Advances on any form of credit, including markers and counter checks;

5. Payments on bets;

6. Payments by a casino to a customer based on receipt of funds through wire transfers;

7. Cashing of checks or other negotiable instruments;

8. Exchanges of currency for currency;

9. Travel and complimentary expenses and gaming incentives; and,

10. Payment for tournament, contests, and other promotions.

C. Casinos are exempted from reporting the following currency transactions:

1. Transactions with domestic banks;

2. Transactions between a casino and a currency dealer or exchanger, or between a casino and a check casher, so long as such transactions are conducted pursuant to a contractual or other arrangement with a casino covering the financial services in Part (A)(8), Part (B)(7), and (B)(8) of this Section;

3. Cash out transactions to the extent the currency is won in a money play and is the same currency the customer wagered in the money play, or cash in

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- transactions to the extent the currency is the same currency the customer previously wagered in a money play on the same table game without leaving the table;
4. Bills inserted into electronic gaming devices in multiple transactions (unless a casino has knowledge pursuant to the definition of 'knowledge of a cash transaction or suspicious activity' contained in Section 19.1, in which case this exemption does not apply); and,
  5. Jackpots from electronic gaming devices.
- D. Prior to completing any single currency transaction in excess of Ten Thousand Dollars (\$10,000.00) or when the last transaction within a series of transactions exceeds Ten Thousand Dollars (\$10,000.00), the casino shall complete the appropriate Title 31 reporting requirements.
1. FinCEN Form 103 - Currency Transaction Report by Casinos, or any other form designated by FinCEN for reporting currency transactions in excess of Ten Thousand Dollars (\$10,000.00), shall be completed by any casino having gross annual gaming revenues in excess of One Million Dollars (\$1,000,000.00) and within this Section shall be referenced as a CTRC.
  2. IRS/FinCEN Form 8300 – Any casino that is below One Million Dollars (\$1,000,000.00) in gross annual gaming revenues and non-gaming related businesses at a casino with over One Million Dollars (\$1,000,000.00) in gross annual revenue are required to file a Form 8300 for any one transaction or aggregated cash transactions that are over Ten Thousand Dollars (\$10,000.00).
  3. CTRC forms shall be provided to all departments that may be responsible for reportable transactions.
  4. CTRC forms shall be completed in accordance with, and contain the information required in Title 31 for all reportable transactions.
- E. Before concluding any transaction with respect to which a CTRC report is required (i.e., before completing the currency exchange) under this Section, the handler of the transaction shall:
1. Obtain and record the complete name, date of birth (DOB), account number, and the SSN or TIN, if any, of the person or entity on whose behalf such transaction is to be effected;
  2. If the customer's Social Security Card is not available to verify identification, the customer must complete form W-9 Request for Taxpayer Identification Number and Certification;
  3. Obtain, or reasonably attempt to obtain, the customer's physical (permanent) address – Do not enter a post office box number

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- unless the person has no physical address; and,
4. Obtain, examine, and copy the customer's primary identification credentials and compare to previously obtained information;
  5. Acceptable forms of primary identification include a driver's license, military or military dependent identification card, passport, alien registration card, state issued identification card, cedular card (foreign), or other photo identification and/or combination of unexpired documents that contain an individual's name and address and are normally accepted by financial institutions as a means of identification when cashing checks for persons other than established customers;
  6. This standard also applies to the agent of a customer;
  7. As an option to requesting the necessary identification and other data from an established customer, information on file may be used if:
    - a. The handler of the transaction knows the customer;
    - b. The customer's name and appropriate identification credential were obtained from the customer for a previous transaction;
- c. The information is on file to properly complete a CTTC; and,
  - d. The customer information on file is periodically updated as follows:
    - i. Copy of original identification credentials;
    - ii. Copy of Social Security Card with tax identification, if any, or form W-9 Request for Taxpayer Identification Number and Certification;
    - iii. Documentation of the examinations is included in the information on file;
    - iv. Expiration dates of identification credentials are included in the information on file; and,
    - v. The transaction date is prior to the expiration date on file;
8. If a customer refuses or cannot provide the required information in this Section, the transaction shall be immediately terminated and Surveillance notified. The transaction may not be completed until the customer can comply with the requirements. In case of a dispute, casino management and the CNGC will be notified;

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9. In any situation where requirements in this Section are not complied with the customer shall be barred from further gaming until a CTRC can be completed as required. For purposes of barring the customer, the description (and name, if known) of the customer is communicated to all personnel in surveillance, security, gaming or gaming related areas, the accounting department and affiliates. The casino shall use all methods available to prevent any further transactions from occurring; and,

10. Upon completion of the report, the handler of the transaction signs the CTRC and submits it to the designated department for auditing and filing. The form(s) must be sent to the designated department within twenty-four (24) hours after the end of the designated gaming day.

F. The designated individual / department shall audit and ensure the completeness of all currency transaction reports and shall file the report in accordance with CTRC instructions.

G. A currency transaction report for each transaction or series of transactions, in currency, involving either cash in or cash out, of more than Ten Thousand Dollars (\$10,000.00) in a gaming day must be filed with the IRS in accordance with current IRS filing deadlines. Casinos may report both cash in and cash out transactions by or on behalf

of the same customer on a single currency transaction report.

**19.6 Structured Transactions**

A. No person shall for the purpose of evading the transactions in currency reporting requirements of Title 31, with respect to such transaction:

1. Cause or attempt to cause the casino operation to fail to file a report required under these standards;

2. Cause or attempt to cause a casino operation to file a report required under these standards that contains a material omission or misstatement of fact; or,

3. Structure, attempt to structure, assist in structuring, or attempt to assist in structuring any transaction which is required to be reported under these standards.

B. Violation of any standard set forth in this Section may result in license revocation or denial by CNGC, in addition to possible civil and/or criminal penalties as provided for under Title 31.

**19.7 Multiple Transaction Log (MTL) Procedures**

A. Multiple currency transactions totaling more than Ten Thousand Dollars (\$10,000.00) during any gaming day are reportable under Title 31. A separate record containing a list(s) of each transaction between the casino and

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its customers involving currency and having a value of Three Thousand Dollars (\$3,000.00) or more must be aggregated (kept track of) on an MTL in order to determine if the Ten Thousand Dollars (\$10,000.00) threshold has been attained.

B. "Cash in" transactions are to be aggregated (added to) only with other "cash in" transactions. "Cash out" transactions are only to be aggregated with other "cash out" transactions unless it is a cash exchange transaction. Cash exchange transactions are "currency for currency" transactions and are recorded as both cash in and cash out.

C. MTLs logging each currency transaction of Three Thousand Dollars (\$3,000.00) or more shall be maintained and aggregated for each gaming day.

D. MTLs will be located at monitoring areas within each department for this purpose, and are established at each single specific cage and at each specific gaming pit or grouping of tables supervised by an individual. Such cut-off times are delineated within the system of internal control documented in the casino's Compliance Program.

E. Alternately, an MTL may be assigned to any single cage cashier for each shift, provided the casino has established controls to account for all MTLs issued/required each gaming day.

F. MTL

1. An MTL is a one-part log maintained in each monitoring area, or as assigned, for purposes of recording information relative to loggable currency transactions. Only one (1) MTL is used at a time, per monitoring area or cashier, for each designated twenty-four (24) hour period (e.g. gaming day).

2. Upon encountering the first transaction subject to MTL reporting, the handler or employee shall obtain all information required by Section 19.5(E).

3. An MTL shall contain the following information for loggable transactions of Three Thousand Dollars (\$3,000.00) or more:

a. Time, date, and amount of transaction;

b. The name and SSN/TIN and/or other unique identification number used to establish the identity of the customer;

c. The type of transaction (i.e., cash in or cash out);

d. The name and employee identification number of the employee who conducted each transaction; and,

e. Signature and employee identification number of the

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individual responsible for the accuracy of the record.

4. For each unknown customer, attach backup documentation (i.e., copy of primary identification, verified address, date of birth (DOB), and SSN/W-9 Form, as required). Only one (1) copy of required documentation is necessary for customers having multiple transactions within a single gaming day.

5. Loggable transactions will be placed on the list in the chronological order in which they occur.

G. To prevent the circumvention of the prohibitions of Title 31 or the reporting and record keeping requirements of Title 31 by multiple transactions, dissimilar cash-in transactions or dissimilar cash-out transactions, each employee and/or supervisor in each monitoring area shall:

1. Ensure MTLs are available to each designated monitoring area or cage cashier which may encounter loggable transactions;
2. For transactions that they handle, record loggable transactions on MTLs and include the information described in Section 19.7(F)(4) for the transaction. Loggable transactions are recorded prior to completing the transaction; and,

3. For the applicable area of responsibility:

- a. Review the MTLs and ensure that all required information has been obtained;
- b. As applicable, notify other responsible personnel that the monitoring process has been initiated for a particular customer;
- c. Sign and date the MTL as the reviewing supervisor; and,
- d. Forward to the designated individual / department responsible for aggregation with all monitoring areas within the casino.

H. At the conclusion of the designated shift for individually assigned MTLs and/or at the end of the gaming day for designated monitoring areas recording information on the previous MTL shall cease and a new MTL is started.

I. An MTL is completed for each monitoring area and/or cage cashier during the gaming day, regardless of whether or not any loggable transactions have occurred. If no loggable transactions were observed for the designated twenty-four (24) hour period, an indication such as "no activity" is to be recorded on the MTL.

J. On a routine basis, no longer than twenty-four (24) hours after the end of a designated gaming day, MTLs are submitted to the designated

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individual/department to be reviewed for compliance and to complete any CTRC reporting requirements.

**19.8 Negotiable Instruments Log (NIL) and Procedures**

A. In addition to the MTLs, the casino shall maintain a separate record containing list(s) of each transaction with its customers involving the following instruments and having a face value of Three Thousand Dollars (\$3,000.00) or more:

1. Personal Checks;
2. Business Checks (including casino checks);
3. Official Bank checks;
4. Cashier's checks;
5. Third-party checks;
6. Traveler's checks; and,
7. Money Orders.

B. NILs shall be maintained for each type of negotiable instrument issued/received by the casino for each gaming day. Only instruments approved by the CNGC may be accepted.

C. NILs shall be maintained in each area of the casino that issues / accepts negotiable instruments.

D. An NIL shall contain the following information for loggable transactions:

1. Time, date, and amount of the transaction;
2. The name and permanent address of the customer;
3. The type of instrument;
4. The name of the drawee or issuer of the instrument;
5. All reference numbers (e.g., casino account number, personal check number, etc.);
6. The name and employee identification number of the employee who conducted the transaction(s);
7. Signature and employee identification of the individual responsible for the accuracy of the record; and,
8. Loggable transactions will be placed on the list in chronological order in which they occur.

E. On a routine basis, no longer than twenty-four (24) hours after the end of the designated gaming day, NILs shall be submitted to the designated individual / department to be reviewed for compliance and maintained in accordance with Title 31 requirements and this section.

F. At the conclusion of the gaming day for designated monitoring areas recording information on the previous NIL shall cease and a new NIL is started.

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G. Each employee and/or supervisor responsible for the NIL shall forward the NIL to the designated department responsible for compliance with Title 31 recordkeeping requirements on a routine basis, not longer than twenty-four (24) hours after the end of the designated gaming day.

**19.9 Suspicious Activity Report by Casinos (SARC) Procedures**

A. Every casino shall file with FinCEN, to the extent and in the manner required, a report of any suspicious transaction that is relevant or that the casino operation believes to be relevant to a possible violation of law or regulation.

B. A transaction requires reporting under the terms of this Section if it is conducted or attempted by, at, or through a casino, and involves or aggregates at least Five Thousand Dollars (\$5,000.00) in funds or other assets, and the casino knows, suspects, or has reason to suspect that the transaction (or pattern of transactions of which the transaction is a part):

1. Involves funds derived from illegal activity or is intended or conducted in order to hide or disguise funds or assets derived from illegal activity (including, without limitation, the ownership, nature, source, location, or control of such funds or assets) as part of a plan to violate or evade any Federal law or regulation or to avoid any transaction reporting requirement under Federal law or regulation;

2. Is designed, whether through structuring or other means, to evade any requirements of this Section or of any other regulations promulgated under the Title 31;

3. Has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage, and the casino knows of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction; or,

4. Involves use of the casino to facilitate criminal activity.

C. An individual/department shall be designated to oversee the reporting of suspicious transactions.

D. When an officer, employee or agent of the casino determines that a possible suspicious transaction has occurred, a SARC is prepared and submitted to the individual/department designated in the Compliance Program.

E. SARC forms shall be available to all departments that may encounter suspicious transactions.

F. A suspicious transaction shall be reported by completing a SARC and collecting and maintaining supporting documentation as required by this Section.

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- G. Within twenty-four (24) hours, upon determination that a suspicious transaction may have occurred, a completed SARC shall be forwarded to the designated individual in Part C of this Section. The designated individual shall review each SARC and supporting documentation and determine whether or not a suspicious transaction has occurred that requires the SARC to be filed with FinCEN.
- H. The designated individual shall be responsible for ensuring that the SARC form(s) are completed in accordance with Title 31 and contain the information required for all suspicious transactions reported.
- I. The SARC shall be filed with FinCEN as indicated in the instructions to the SARC.
- J. A SARC shall be filed no later than thirty (30) calendar days after the date of the initial detection by the casino of facts that may constitute a basis for filing a SARC under this Section. If no suspect is identified on the date of such initial detection, a casino may delay filing a SARC for an additional thirty (30) calendar days to identify a suspect, but in no case shall reporting be delayed more than sixty (60) calendar days after the date of such initial detection.
- K. In situations involving violations that require immediate attention, such as ongoing money laundering schemes, the casino or designated individual shall immediately notify by telephone an appropriate law enforcement authority in addition to filing a SARC within the specified time frames.
- L. The casino or designated individual may also report suspicious transactions that may relate to terrorist activity by contacting the FinCEN's Hotline at 1-866-556-3974 in addition to filing a SARC within the specified time frames.
- M. SARCs are considered confidential documents and are not to be disclosed with any individual not authorized or privy to the information contained therein (e.g., law enforcement, CNGC, designated compliance personnel, etc.). No casino, director, officer, employee, nor agent of any casino operation who reports a suspicious transaction may notify any person involved in the transaction that it has been reported.
- N. Any person subpoenaed or otherwise requested to disclose a SARC or information contained in a SARC, except where disclosure is requested by FinCEN or another appropriate law enforcement or regulatory agency, shall decline to produce the SARC or to provide any information that would disclose that a SARC had been prepared or filed, as protected under Title 31.
- O. Supporting documentation shall be identified as such and maintained by the casino, and shall be deemed to have been filed with the SARC. A casino shall make all supporting documentation available to FinCEN, appropriate law enforcement

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agencies, and/or Federal/State gaming regulators upon request.

P. A copy of the original SARC shall be forwarded to the CNGC within the same filing time frame as required by FinCEN. A casino shall make all original supporting documentation available for inspection purposes upon request.

Q. A casino is not required to file a SARC for a robbery or burglary committed or attempted that is reported to appropriate law enforcement authorities.

#### **19.10 Other Transaction Types**

The following standards detail how certain financial transactions should be classified or treated for MTL and CTRC purposes.

A. When a customer buys back with cash a check or other negotiable instrument previously tendered, the transaction is recorded on an MTL or a CTRC as “other cash-in”. Such transactions must be approved by the CNGC in accordance with Section 14.1.

B. More than one (1) customer may be part of a reportable or loggable transaction if the persons conducting the transactions are in cooperation with one another and the transaction is designed to benefit a team of customers rather than just one (1) person. In such circumstances, customer information from all customers is included on the appropriate IRS Forms or CTRC for reporting purposes.

C. No agent may act on behalf of another customer without express legal authority/permission (e.g., power of attorney, legal dependent, named estate executor, letter of guardianship, etc.). A copy of the legal documentation may be required in order to complete a valid traceable financial transaction (e.g., casino account deposit / withdrawal, unclaimed documented jackpot, etc.). No agent may game or conduct any financial transaction that cannot be directly traced to a customer (e.g., purchase/redemption of casino instruments).

D. If in a single visit an agent conducts transactions for more than one (1) customer, then for reporting purposes customer information from all customers is included on the CTRC. If more than one (1) agent is associated with one (1) customer, transactions are aggregated for the customer with agent information from all agents included on the CTRC.

E. Employees or officers, when performing tasks in the performance of their duties on behalf of a customer, are considered the handler of the transaction rather than an agent of the customer. Employees or officers when conducting a transaction not related to the performance of their duties but rather for their own benefit are considered a customer for a transaction (or an agent if the transaction was for another person’s benefit).

#### **19.11 Restricted Transactions**

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- A. With respect to the following transactions, each deposit of funds, account opened or line of credit extended, a casino shall secure and maintain records of all related transactions in accordance with Title 31 requirements, as approved by the CNGC. The following transactions are restricted unless otherwise approved, and included in the casino's Title 31 Compliance Program:
1. Front money deposits;
  2. Safekeeping deposits;
  3. Individual wire transfers / Electronic Funds Transfers for deposit or credit to a casino account;
  4. Foreign currency; and,
  5. Credit play, including (but not limited to):
    - a. Marker credit;
    - b. Rim credit; and,
    - c. Call bets.
- B. Procedures for accepting these types of transactions, must include controls and processes that prevent any financial transactions by or on behalf of, that go through, or are made in connection with any individual or entity identified by the Office of Foreign Assets Control (OFAC) from occurring. Any attempt by an individual or entity to conduct such financial transactions shall be reported to OFAC in accordance with OFAC regulations.
- C. All cash payments must adhere to authorization and payment restrictions as specified in section 4 – General Provisions, section 12 – Casino Instruments and Exchanges, and section 14 – Cage Operations and/or other Sections which may be applicable.
- D. For any deposit of funds, account opened or line of credit extended, the casino shall secure and maintain a record of the name, permanent address, and SSN/TIN of the person involved, prior to initiating any transactions.
- E. Where the deposit, account or credit is in the name of two (2) or more persons, the casino shall secure the information required above for each person having a financial interest in the funds.
- F. The name and address of such person(s) shall be verified, by the casino, prior to initiating any transactions on the account. The verification shall be made by examination of the document type described in 19.5(E) of this Section.
- G. If the customer refuses or cannot provide the required information in this Section, the transaction shall be immediately terminated and Surveillance notified. The transaction may not be completed until the customer can comply with these requirements. In case of a dispute, casino management and the CNGC will be notified.

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H. In addition, each casino shall retain:

1. A record of each receipt (deposit) or credit (withdrawal) of funds from the account (including funds for safekeeping or front money deposits);
2. The record shall include the name, permanent address, and SSN/TIN of the person from whom the transaction is made, as well as the date and amount of the funds received. If the person is a non-resident alien, the person's passport number or a description of some other government document used to verify the person's identity shall be obtained and recorded;
3. A record of each bookkeeping entry comprising a debit or credit to a customer's account;
4. Each statement, ledger card or other record of each deposit account or credit account with the casino, showing each transaction to the account;
5. A record of each extension of credit in excess of Two Thousand Five Hundred Dollars (\$2,500.00). The terms and conditions of such extension of credit and repayments. The record shall include:
  - a. The customer's name, permanent address, and SSN/TIN;

- b. The date and amount of the transaction; and,
  - c. If the customer or person for whom the credit is extended is a non-resident alien, the casino shall obtain and record his/her passport number or description of some other government issued document used to verify his/her identify.
6. A record of each advice, request or instruction received or given by the casino for itself or another person with respect to a transaction involving a person, account, or place outside the United States. Transfers on behalf of a third party are prohibited;
  7. Records prepared or received by the casino in the ordinary course of business which would be needed to reconstruct a person(s) account or to trace checks deposited with the casino through the casino's records to the bank of deposit;
  8. All records, documents, or manuals required to be maintained by a casino; and,
  9. All record which are prepared or used by a casino to monitor a customer's gaming activity.

**19.12 Casino Management Systems /  
Player Tracking Records**

- A. For the purpose of complying with Title 31 reporting requirements, if a

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casino has knowledge of multiple currency transactions, those transactions shall be treated as a single transaction if the casino has knowledge that they are by or on behalf of any person and result in either cash in or cash out totaling more than Ten Thousand Dollars (\$10,000.00) during any gaming day.

B. Knowledge of multiple transactions below the MTL reporting requirements may occur through the use of casino management systems and/or player tracking data. If the casino system provides knowledge of multiple transactions that meet reporting requirements under these provisions, the casino shall include, within its system of internal control, the processes necessary to capture the data and determine any and all reporting requirements.

C. Player tracking records, when used as a source document for documenting cash activity and when used for the purposes of complying with Title 31, are retained for a period of five (5) years. Summary documents may be retained in lieu of original player tracking records if:

1. The established customer file (i.e., player membership file) contains all requirements listed in section 19.5(E);
2. The summary documents include at a minimum, on a daily basis, all reportable transaction information recorded on the original player tracking records;

3. Original player tracking records are retained for a minimum of thirty (30) days; and,

4. Both original and summary player tracking records are retained, if possible, when the records are used as support to a SARC.

**19.13 Record Retention**

A. A copy of any completed form required to be filed under this Section shall be retained, along with all original or business record equivalent of any supporting documentation, in chronological order for five (5) years from the date of filing and must be readily available for inspection. Summary documents may be used for inspection purposes provided original documentation can be retrieved, upon request, within three (3) business days.

B. Each completed form maintained for recordkeeping purposes under this Section shall be retained in chronological order for a minimum of five (5) years from the date prepared and must be readily available for inspection. Summary documents may be used for inspection purposes provided original documentation can be retrieved, upon request, within three (3) business days.

C. All computerized programs which would enable a person to readily access and review the records described in this Section or the use of any storage media to meet the

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retention requirements of this Section must be approved by the CNGC.

- D. All indexes, books, programs, record layouts, manuals, formats, instructions, file descriptions, and similar materials must be submitted and on file with the CNGC.

**19.14 Departmental Standards**

The standards in this Section apply to all departments within the gaming facility that may encounter reportable transactions, all gaming departments, including but not limited to security, surveillance, the cage, and accounting departments.

- A. Job duties and responsibilities of employees include:

1. Ensuring that restricted transactions pursuant to Title 31 do not occur;
2. Properly recording all transactions that fall under the criteria of Title 26 and Title 31 on the appropriate forms and logs and in the manner prescribed by these standards and in accordance with the approved Compliance Program;
3. Making a diligent effort to prevent the circumvention of the reporting and record keeping requirements of Title 26 and Title 31;
4. Being familiar with what is considered a suspicious transaction, making a diligent

effort to identify and report suspicious transaction; and,

5. Having knowledge of Title 26 and Title 31 and the minimum internal control standards relative to the employee's job duties and the casino operation.
- B. The accounting / designated department responsible for record retention and filing requirements shall:
1. Receive CTRCs, SARCs and MTLs from the various departments and ensure that MTLs are received from all monitoring areas in accordance with established deadlines in this document.
  2. Review all documents for compliance with Title 31 and these standards. MTLs are reviewed to ensure that CTRCs were completed for all reportable transactions.
  3. Document instances of noncompliance and attempts to obtain any missing information.
  4. Ensure that all exceptions discovered through this accounting review are forwarded to appropriate personnel for follow-up.
  5. Sign reports attesting to their review and remit to the appropriate agency.
  6. File a copy of each IRS Form for Reporting Winnings, CTRC and

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SARC and the original MTLs in chronological order and such documents shall be readily available for examination by appropriate regulatory and law enforcement agencies.

7. Be independent of the generation of the documents being examined. Employees from a department other than the accounting department may perform the procedures in this standard if those employees are independent of the generation of the documents being examined and are designated in the approved Compliance Program.

- C. On a routine basis, accounting personnel shall ensure that documents, including those required by Title 26 and Title 31 and these Financial Transaction Reporting MICS, are properly maintained.

**19.15 Title 31 Compliance Officer Standards**

The Compliance Officer so designated by the casino operations under their Compliance Program pursuant to Title 31 shall:

- A. Ensure that Title 31 procedure manuals or other appropriate documentation are in place and available to employees for reference purposes when needed.
- B. Ensure that a training program is established, maintained and effective.

- C. Ensure that the system of internal control relative to Title 31 is established, maintained and effective.

- D. Review and evaluate any and all Title 31 exceptions and areas of noncompliance including reviewing internal audit and independent accountant findings. Associated follow-up is documented and maintained for inspection.

- E. The Compliance Officer may have other job duties but may not be responsible for performing financial transactions that may be reportable under these Standards.

**19.16 Training Program**

- A. A training program shall be established and maintained to instruct employees as to the requirements of Title 26 and Title 31, the Financial Transaction Reporting MICS, and the casino operations system of internal control.

- B. A training coordinator shall be established who oversees the training program. The training coordinator may have other job duties and the Compliance Officer may function in this capacity.

- C. Records are maintained to document when training was provided, the employees receiving the training, and the content of the training session. Copies of these records shall be forwarded to the CNGC for review.

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| <p>D. Employees shall receive comprehensive training before they are permitted to function in any capacity that entails the possibility of encountering a Title 26 and/or Title 31 reporting requirement, record keeping requirement or prohibition, or performing accounting department procedures.</p> <p>E. Refresher training shall be provided at least annually and shall be documented in accordance with Part C of this Section.</p> <p>F. An individual employee may be required to attend additional comprehensive training, if deemed to have an excessive number of errors and/or omissions, in order to maintain a license issued by the CNGC.</p> <p>G. Comprehensive training shall include, but is not limited to:</p> <ol style="list-style-type: none"><li>1. Presentation of materials relative to ensuring employees have a clear understanding of the requirements in these standards, sample forms, and any appropriate procedure manuals;</li><li>2. Explanation of restricted transactions, loggable transactions, reportable transactions and suspicious transactions, and reviewing the duties, responsibilities and procedures associated with each employee's position;</li><li>3. Review the use of MTLs;</li></ol> | <ol style="list-style-type: none"><li>4. Review the definition of a customer and agent;</li><li>5. Review the proper completion of IRS Forms (including which form to use for each type of reportable transaction), CTRC, and/or a SARC;</li><li>6. Review the definition of "established customer" and when "established customer-information on file" may be used;</li><li>7. Review the documentation and the records that need to be created and maintained relative to these standards; and,</li><li>8. Explanation of the consequences of noncompliance.</li></ol> |
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