

NEW REPORT: CASINO GAMING INDUSTRY SETS STANDARD FOR ANTI-MONEY LAUNDERING COMPLIANCE

Ahead of a major international evaluation of the United States' system for preventing criminal abuse of the financial system, the American Gaming Association (AGA) has released the most comprehensive examination ever conducted of the U.S. casino gaming industry's compliance with anti-money laundering (AML) compliance.

This research study, commissioned by AGA and facilitated by Ernst & Young LLP, is entitled, "Investing in America's Financial Security: Casinos' Commitment to Anti-Money Laundering Compliance." It finds that the casino gaming companies have significantly boosted its investment and vigilance to combat money laundering and terrorist financing in compliance with the federal Bank Secrecy Act (BSA) and associated AML regulations.



Gaming is Dedicated to a Culture of Compliance

- **Industry compliance will only grow stronger.** All gaming companies examined by Ernst & Young plan to continue to strengthen their AML compliance, including on patron due diligence procedures.
- **Patron due diligence compliance investment up 100 percent.** According to the report, gaming companies have increased AML compliance spending devoted to patron due diligence reviews by nearly 100 percent in the past five years.
- **Not tolerating bad behavior.** In 2014, the number of patron relationships that were terminated due to AML concerns was 23 times higher than in 2011.



Industry Boosts AML Compliance Investment Across the Board

- **Putting resources into action.** According to Ernst & Young's report, more than two-thirds of gaming companies studied (68%) have increased their organization's AML budget – on an average of 74 percent per organization – over the past five years. A majority (65%) report plans to increase their AML budget in the upcoming fiscal year with an increasing number of new full-time hires.
- **Expanding staff education and training.** A majority (88%) of companies have increased spending on continuing education for employees charged with AML compliance responsibilities over the last five years. Eight-in-ten (82%) companies will increase AML-related employee training in the year ahead.



Gaming Continues to Vigilantly Monitor Suspicious Activity

- **Reporting now more extensive than ever.** Currency Transaction Reports (CTRs) and Suspicious Activity Reports (SARs) are essential reports that ensure timely and proper regulatory investigation. Between 2011 and 2014, The Financial Crimes Enforcement Network (FinCEN) reported gaming sector increases in SAR filings of 164 percent and an increase of 75 percent in CTR filings.
- **Deterring illicit activity.** Due to an increased focus on AML compliance and enhanced Bank Secrecy Act (BSA) filings, money laundering-related filings by the industry have generated more cases and better prepared cases, resulting in millions of dollars in seizures.



Law Enforcement and Regulators Recognize Value of Industry BSA Reports and Applaud Industry Enhancements to AML Programs

- The majority (71%) of law enforcement and regulators say the gaming industry understands the importance of SAR, CTR, and monetary instrument log reporting requirements.
- Strong communication exists between the industry and regulatory officials.
- The industry is placing a greater emphasis on AML training today and is hiring experienced personnel to manage AML compliance programs.
- Gaming companies are establishing recurring meetings with regulatory and law enforcement officials to discuss the best ways to identify and report illicit activity.
- Casinos have demonstrated excellent cooperation during investigations.