ANTI-MONEY LAUNDERING COUNCIL

AMLC REGULATORY ISSUANCE (C) NO. 1
Series of 2018

Subject: **AMLC Registration and Reporting Guidelines for Casinos**

By the authority vested to the Anti-Money Laundering Council (AMLC) to implement measures as may be necessary and justified to counteract money laundering, in accordance with Section 7(7) of Republic Act (RA) No. 9160, also known as the Anti-Money Laundering Act of 2001, as amended (AMLA), the Council, in its Resolution No. 25, dated 19 February 2018, approved the adoption of the AMLC Registration and Reporting Guidelines for Casinos (ARRGC), and issue the same as an AMLC Regulatory Issuance (ARI).

Section 1. **GENERAL PROVISIONS.** –

A. Financial Action Task Force (FATF) Standards. –

The FATF is an inter-governmental policy-making body established in 1989 which sets the standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the financial system.

The FATF has developed a series of Recommendations that are recognised as the international standard for combating of money laundering, terrorist financing, and proliferation of weapons of mass destruction. These Recommendations form the basis for a coordinated response to these threats to the integrity of the financial system and help ensure a level playing field.

The FATF monitors the progress of its members in implementing necessary measures, reviews money laundering and terrorist financing techniques and counter-measures, and promotes the adoption and implementation of appropriate measures globally.

A key element in the fight against money laundering and terrorist financing is the need for countries' systems to be monitored and evaluated, with respect to these international standards. The mutual evaluations conducted by the FATF and FATF-style regional bodies (such as the Asia Pacific Group on Money Laundering [APG] of which the Philippines is a member-country), as well as the assessments conducted by the International Monetary Fund (IMF) and the World Bank (WB),

are vital mechanisms for ensuring that the FATF Recommendations are effectively implemented by all countries.

FATF Recommendation No. 24 requires that Designated Non-Financial Businesses and Professions (DNFBPs) shall be subject to regulatory and supervisory measures as set out below:

1. Casinos should be subject to a comprehensive regulatory and supervisory regime that ensures that they have effectively implemented the necessary anti-money laundering and terrorist-financing measures. At a minimum:

    a. casinos should be licensed;

    b. competent authorities should take the necessary legal or regulatory measures to prevent criminals or their associates from holding or being the beneficial owner of a significant or controlling interest, holding a management function in, or being an operator of a casino;

    c. competent authorities should ensure that casinos are effectively supervised for compliance with requirements to combat money laundering and terrorist financing.

2. Casinos should ensure that other categories of DNFBPs are subject to effective systems for monitoring and ensuring their compliance with requirements to combat money laundering and terrorist financing. This should be performed on a risk-sensitive basis. This may be performed by a government authority or by an appropriate self-regulatory organization, provided that such an organization can ensure that its members comply with their obligations can ensure that its members comply with their obligations to combat money laundering and terrorist financing.

B. Legal Framework. –

1. **Anti-Money Laundering Act.** –

RA No. 9160 or the AMLA was signed into law on 29 September 2001, and took effect on 17 October 2001. It was amended by RA Nos. 9194, 10167 and 10365, which took effect on 23 March 2003, 06 July 2012 and 07 March 2013, respectively.

The Implementing Rules and Regulations of the AMLA took effect on 02 April 2002. It was amended by the 2016 Revised Implementing Rules and Regulations (2016 RIRR), which took effect on 09 August 2017.

On 14 July 2017, RA No. 10927 was signed into law, designating casinos as covered persons under the AMLA. It took effect on 29 July 2017. The "Casino Implementing Rules and Regulations of Republic Act No. 10927" (CIRR) took effect on 04 November 2017.

2. **Terrorism Financing and Suppression Act.** –

RA No.10168, otherwise known as the Terrorism Financing Prevention and Suppression Act of 2012 (TFPSA) was signed into law on 18 June 2012, and took effect on 05 July 2012. The Implementing Rules and Regulations of TFPSA took effect on 09 August 2017.

In relation to RA No. 10168, the AMLC issued Resolution Nos. TF-01 and TF-02, Series of 2012, directing the freezing without delay of property or funds, including related accounts, of designated terrorist individuals and entities named in the Al-Qaida Sanctions List pursuant to United Nations Security Council (UNSC) Resolution Nos. 1267/1989 and Taliban 1988 Sanctions List pursuant to UNSC Resolution No. 1988.

C. Covered Persons. –

The following are the Covered Persons (CPs) under the AMLA:

1. Banks, non-banks, quasi-banks, trust entities, pawnshops, non-stock savings and loan associations, electronic money issuers, foreign exchange dealers, money changers, remittance and transfer companies, and all other persons and their subsidiaries and affiliates, supervised or regulated by the Bangko Sentral ng Pilipinas (BSP).

2. Insurance companies, pre-need companies, insurance agents, insurance brokers, professional reinsurers, reinsurance brokers, holding companies, holding company systems, mutual benefit associations, and all other persons supervised or regulated by the Insurance Commission (IC).

3. Securities dealers, brokers, salesmen, investment houses and other similar persons managing securities or rendering services as investment agent, advisor, or consultant; mutual funds or open-end investment companies, close-end investment companies or issuers, and other similar entities; other entities administering or otherwise dealing in commodities or financial derivatives based thereon, valuable objects, cash substitutes and other similar monetary instruments or properties, supervised or regulated by the Securities and Exchange Commission (SEC).

4. The following Designated Non-Financial Businesses and Professions (DNFBPs):

    a. Jewelry dealers, dealers in precious metals, and dealers in precious stones.

    b. Company service providers which, as a business, provide any of the following services to third parties:

i. acting as a formation agent of juridical persons;

ii. acting as (or arranging for another person to act as) a director or corporate secretary of a company, a partner of a partnership, or a similar position in relation to other juridical persons;

iii. providing a registered office, business address or accommodation, correspondence or administrative address for a company, a partnership or any other legal person or arrangement; and

iv. acting as (or arranging for another person to act as) a nominee shareholder for another person.

c. Persons, including lawyers and accountants, who provide any of the following services:

i. managing of client money, securities or other assets;

ii. management of bank, savings or securities accounts;

iii. organization of contributions for the creation, operation or management of companies; and

iv. creation, operation or management of juridical persons or arrangements, and buying and selling business entities.

Lawyers and accountants who are: (1) authorized to practice their profession in the Philippines, and (2) engaged as independent legal or accounting professionals, in relation to information concerning their clients, or where disclosure of informatio would compromise client confidences, or the attorney-client relationship, are not covered persons.

5. Casinos, including internet and ship-based casinos, with respect to their casino cash transactions related to their gaming operations.

a. 'Casino' refers to a business authorized by the appropriate government agency to engage in gaming operations:

i. 'Internet-based casinos' shall refer to casinos in which persons participate by the use of remote communication facilities such as, but not limited to, internet, telephone, television, radio or any

other kind of electronic or other technology for facilitating communication; and

ii. 'Ship-based casino' shall refer to casinos, the operation of which is undertaken on board a vessel, ship, boat or any other water-based craft wholly or partly intended for gambling;

b. 'Casino cash transaction' refers to transactions involving the receipt of cash by a casino paid by or on behalf of a customer, or transactions involving the payout of cash by a casino to a customer or to any person in his/her behalf; and

c. 'Gaming operations' refer to the activities of the casino offering games of chance and any variations thereof approved by the appropriate government authorities.

D. Transaction Reporting Obligation. –

Section 9(c) of the AMLA requires all CPs to the AMLC all covered transactions and suspicious transactions within five (5) working days from occurrence thereof.

E. Covered Transaction Reports (CTRs). –

1. "Covered Transaction" refers to a single casino cash transaction involving an amount in excess of Five million pesos (P5,000,000.00) or its equivalent in any other currency.

   "Casino Cash Transaction" refers to a transaction involving the receipt or payout of cash by and of a casino, paid or received by or on behalf of a customer, or such other cash transactions that may be determined by the AMLC and the AGA.

2. CTRs shall be filed within five (5) working days from occurrence of the transaction.

3. Submission of CTRs beyond 12:01 am of the day following the 5th working day from occurrence of the transaction shall be considered as non-submission of CTRs and may be subject to appropriate administrative sanction, if circumstances so warrant.

F. Suspicious Transaction Reports (STRs). –

1. "Suspicious Transaction" refers to a transaction, regardless of amount, where any of the following suspicious circumstances or indicators exists:

   a. There is no underlying legal/trade obligation, purpose or economic justification;

   b. The client is not properly identified;

c. The amount involved is not commensurate with the business or financial capacity of the client;

d. Taking into account all known circumstances, it may be perceived that the client's transaction is structured in order to avoid being the subject of reporting requirements under the AMLA;

e. Any circumstance relating to the transaction which is observed to deviate from the profile of the client and/or the client's past transactions with the covered person;

f. The transaction is in any way related to an unlawful activity or any money laundering activity or offense under the AMLA, that is about to be, is being or has been committed; or

g. Any transaction that is similar, analogous or identical to any of the foregoing.

2. Recognizing Suspicious or Unusual Transactions.

Customer Identification Process (CIP), Customer Due Diligence (CDD) and Ongoing Monitoring of customers provide the basis for recognizing unusual and suspicious transactions and events. An effective way of recognizing suspicious activity is knowing enough about customers, their circumstances and their normal expected activities to recognize when a transaction or instruction, or a series of transactions or instructions, is unusual warranting the conduct of an internal inquiry, investigation and suspicious transaction reporting.

Likewise, it is essential for CPs to sufficiently know and understand the customer's business, to recognize whether a transaction or a series of transactions is unusual and, from an examination of the unusual transaction, whether there is a suspicion of money laundering. Where a transaction is inconsistent in amount, origin, destination, or type with a customer's known, legitimate business or personal activities, among other things, the transaction should be considered unusual and the covered person should be put on alert.

Where the inquiries do not provide a satisfactory explanation of the activity or transaction, an internal report should be made and properly escalated to the designated compliance officer and/or review committee to determine if there are grounds for suspicion warranting the filing of the STRs.

3. Alerts and Red Flags.

CPs should have systems in place that would alert its responsible officers of any suspicious circumstance or indicator that would give rise to a determination that a

suspicious transaction exists. The following is a list of non-exhaustive examples of situations or red flag indicators that may give rise to any of the suspicious circumstances or indicators:

a. transactions or instructions which have no apparent legitimate purpose and/or appear not to have a commercial rationale;

b. transactions, instructions or activity that involve apparently unnecessary complexity or which do not constitute the most logical, convenient or secure way to do business;

c. where the transaction being requested by the customer, without reasonable explanation, is out of the ordinary range of services normally requested, or is outside the experience of the financial services business in relation to the particular customer;

d. where, without reasonable explanation, the size or pattern of transactions is out of line with any pattern that has previously emerged;

e. where the customer refuses to provide the information requested without reasonable explanation or who otherwise refuses to cooperate with the CDD and/or ongoing monitoring process;

f. where a customer who has entered into a business relationship uses the relationship for a single transaction or for only a very short period without a reasonable explanation;

g. the extensive use of trusts or offshore structures in circumstances where the customer's needs are inconsistent with the use of such services;

h. transfers to and from high risk jurisdictions without reasonable explanation, which are not consistent with the customer's declared business dealings or interests; and

i. unnecessary routing of funds or other property from/to third parties or through third party accounts.

CPs are encouraged to develop their own list of alerts or red flag indicators taking into account the nature of their business, type of customers and risks involved.

5. Internal Analysis, Investigations and Escalation.

CPs shall formulate a reporting chain under which a possible suspicious transaction will be processed, analyzed and investigated. The reporting chain should include the designation of a Board Level or approval Committee or the Chief Compliance Officer

as the ultimate decision maker on whether or not the covered person should file a report to the AMLC.

The reporting chain, with reasonable timeframes starting from flagging, analysis, investigation, escalation and until the final decision is made, shall be clearly written in the covered person's Money Laundering and Terrorism Financing Prevention Program (MLPP). CPs should ensure that proper controls are in place to guarantee confidentiality of the process and that no "tipping-off" of customers will happen at all times during the entire proceedings. For this reason, the Compliance Officer shall have access to all customer information files and transactions through the electronic or manual customer monitoring system.

6. Timing and Manner of Submission of STRs.

CPs shall file STRs that are complete, accurate and timely in accordance with the following guidelines:

a. CPs shall report to the AMLC all suspicious transactions within five (5) working days from the occurrence thereof.

b. "Occurrence" refers to the date of determination of the suspicious nature of the transaction, which determination shall be made not exceeding ten (10) calendar days from date of transaction.

c. Highly unusual or suspicious transactions, activities or circumstances conducted in the presence of, or immediately known or apparent to, the personnel handling the transaction shall be reported to the AMLC within five (5) working days from the date of the transaction. A "highly unusual" or suspicious transaction is one where, at the moment of transaction, the person handling the transaction has knowledge and reason to suspect that the funds being transacted are related to an unlawful activity.

   Knowledge shall include:

   i. Actual knowledge;

   ii. Knowledge of circumstances which would indicate facts to a reasonable person; and

   iii. Knowledge of circumstances which would put a reasonable person on inquiry.

d. For transactions triggered under an existing suspicious transaction monitoring system (TMS) where the suspicious transaction circumstances or indicators have been conclusively incorporated to the system, said

transaction shall be reported within five (5) working days from the date of transaction.

e. Where the circumstances for filing an STR has no corresponding transaction, or when the TMS-generated alert is only a ground for the covered person to conduct an internal analysis, investigation and escalation, determination of the suspicious nature of the circumstances shall be made within a reasonable period of time. In such case, the covered person shall submit the corresponding STR using the "ZSTR" transaction code within five (5) working days after the said reasonable period, which in no case shall exceed sixty (60) calendar days from the time the circumstances were flagged. The report to be submitted in accordance with this item shall be comprehensive enough to establish the complete circumstances for the filing of the report.

f. In cases where the transaction is in any way related to an unlawful activity, or the person transacting is involved in or connected to an unlawful activity or money laundering offense, the ten (10) calendar day determination period shall be reckoned from the date the covered person knew of, or should have known, the suspicious transaction indicator.

To determine whether the covered persons knew or should have known the suspicious transaction indicator, they shall be given reasonable period of time, which in no case shall exceed sixty (60) calendar days, to gather facts in order to enable the submission of a meaningful STR.

g. The reasonable period shall be indicated in the covered person's MLPP. The MLPP shall be duly approved by the covered person's Board of Directors, as well as the designation of the Board approved Committee or Board Level Committee or duly authorized Senior Officer as the Body or Officer who shall make the final determination of whether or not an STR should be filed.

7. Uploading of KYC Documents is mandatory for transactions related to any of the following Predicate Crimes:

PC1	–	Kidnapping for Ransom
PC2	–	Drug Trafficking
PC12	–	Hijacking; destructive arson; and murder, including those perpetrated by terrorists against non-combatant persons and similar targets
PC13	–	Terrorism and conspiracy to commit terrorism
PC14	–	Financing of Terrorism

If the AMLC Secretariat, requests for the KYC Documents for STR previously filed with the AMLC, wherein, subject of the STR has an existing money laundering case, CPs should be able to upload said KYC documents.

See Section 4.B.3 of this ARI for the step-by-step procedure in the Uploading of KYC Documents.

8. Should a transaction be determined to be both a covered and a suspicious transaction, the CP shall report the same as a suspicious transaction.

G. Guidelines in Reckoning CPs' Compliance with the Prescribed Reporting Period. –

1. The following non-working days are excluded from the counting of the prescribed reporting period:

    a. weekend (Saturday and Sunday);

    b. official regular national holiday; and

    c. officially declared national holiday and workday suspensions

2. A "non-reporting day" may be declared by the AMLC Secretariat when the File Transfer and Reporting facility (FTRF), used by the CPs in transmitting their electronic reports to AMLC is unavailable to all CPs for at least five (5) consecutive hours during the day.

    a. AMLC-declared "non-reporting day" is excluded from the counting of the prescribed reporting period.

    b. The Executive Director or, in his absence, the Officer-in-Charge of the AMLC Secretariat is authorized to declare such day as a "non-reporting day.

3. Officially declared non-working days in localities or regions affected by natural calamities such as flood, typhoon, earthquake, etc. may be excluded from the counting of the prescribed reporting period for CPs located in the affected localities or regions subject to submission of deviation request by the CP.

    CPs' request for deviation shall be subject to approval of the Executive Director or, in his absence, the Officer-in-Charge of the AMLC Secretariat.

H. Ensuring Accuracy and Completeness of CTRs and STRs. –

The Appropriate Government Agencies (AGAs) shall ensure that casinos, casino operators and licensees, and integrated resorts under their respective regulation shall install an anti-money

laundering/counter-terrorism financing (AML/CTF) reportorial system within a reasonable time, not to exceed ninety (90) days from publication of this ARI, upon consultations with the AMLC.

Section 29 of the CIRR states that CPs shall ensure the accuracy and completeness of CTRs and STRs, which shall be filed in the forms prescribed by the AMLC and shall be submitted in a secured manner to the AMLC in electronic form. Casinos shall ensure the accuracy and completeness of CTRs and STRs in accordance with the reporting procedures prescribed by the AMLC.

I. Applicability of the Rules on the Imposition of Administrative Sanctions. –

Violations of this ARI shall be subject to administrative sanctions, in accordance with the "Rules on the Imposition of Administrative Sanctions under Republic Act No. 9160, as Amended", which took effect on 09 August 2017. The "Rules on the Imposition of Administrative Sanctions under Republic Act No. 9160, as Amended", applies to casinos, pursuant to Section 37 of the CIRR.

Covered persons should note that non-filing, late filing, and filing of incomplete and/or inaccurate CTRs/STRS, among others, constitute violations of the AMLA and the CIRR.

J. Implementation. –

This ARI shall be implemented immediately after its effectivity, except for the provisions of Section 4 (Reporting System) hereof, which shall be implemented ninety (90) days after its effectivity.

To enable casinos to test their respective systems, the AMLC Secretariat undertakes to make itself available to accept reports sixty (60) days after publication of this ARI.

K. Effectivity. –

This ARI shall take effect fifteen (15) calendar days after its publication in a newspaper of general circulation, and filing with the Office of the National Administrative Register at the University of the Philippines Law Center.

2

Section 2. **ONLINE REGISTRATION SYSTEM.** –

One of the many functions of the Anti-Money Laundering Council (AMLC) is "To require and receive covered or suspicious transaction reports (CTRS/STRs) from covered casinos" (Rule IV, Section 7a).

In addition, Rule 8, Section 32 of the CIRR of the AMLA states that "*All casinos shall register with the AMLC's electronic reporting system within ninety (90) days from the effectivity of this CIRR*".

In order to transmit CTRs and STRs, CPs need to register with the AMLC in order to be given access to the AMLC Portal.

The Online Registration System for CPs will allow Compliance Officers to manage their user accounts as well as that of their alternates. The system will also provide a means of monitoring CP's user accounts by requiring Compliance Officers to update their information every two (2) years.

A. Guidelines. –

1. Before proceeding with the Online Registration, Compliance Officers (COs)/Associated Persons (APs) /Primary Designated Officers (PDOs) should have document/s showing his/her designation. Documents should be uploaded in PDF format.

   Notarized Secretary Certificate showing the appointment of the Compliance Officer, Rule V, Section 13 and 14 of the CIRR requires the designation of an AML Compliance Officer, who shall at least, be of senior management level.

2. COs should download the **Transaction Security Protocol Manual (Section 2 this ARI)** from www.amlc.gov.ph and perform the following steps:

   a. Download the Gnu Privacy Guard (GPG) software from www.amlc.gov.ph under the Reporting Tools tab.
   b. Install the GPG Software.
   c. Generate public key.
   d. Export public key (file extension is .asc).

      Be ready with your exported asc file as this will be needed during online registration

   e. Get and save the AMLC public key (amlc.asc) fromwww.amlc.gov.ph under the Reporting Tools tab.
   f. Import the AMLC Public key (amlc.asc).
   g. Certify and Sign AMLC Public key.
   h. Back – up of COs Public key.

3. Once Items 1-2 have been performed/accomplished, COs may now proceed with the Online Registration (https://portal.amlc.gov.ph).

4. Registration will be processed daily; cut-off time is 1:00 PM, registration received after 1:00 PM will be processed the following day.

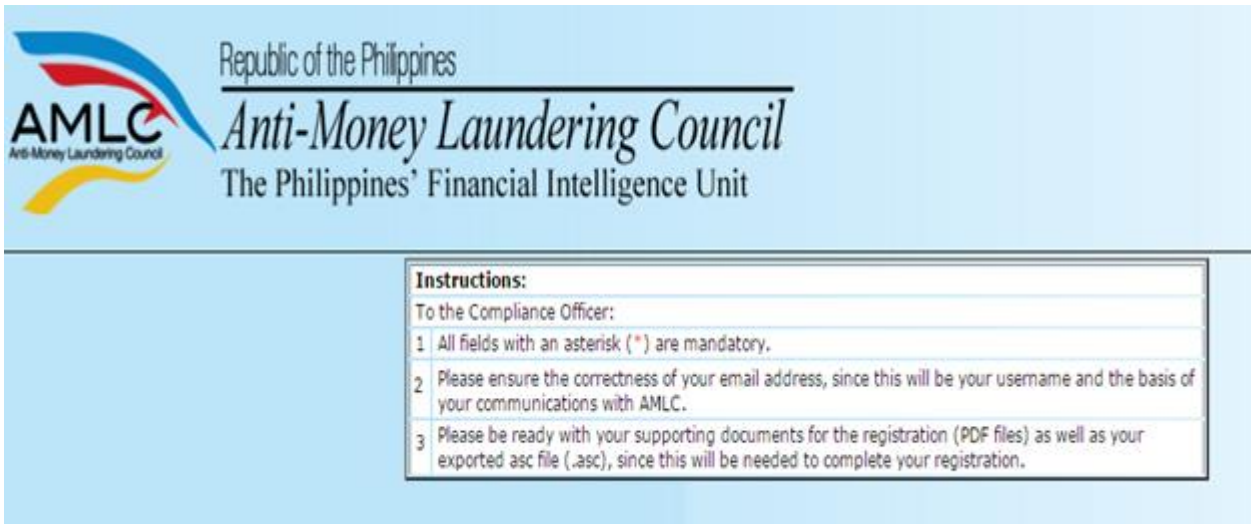
5. The Secretariat will issue a Certificate of Registration, with the facsimile signature of the AMLCS Executive Director or the Officer-in-Charge to successfully - registered Casnos, upon request. The said certification will be sent via email as a PDF file.

6. A two (2) year mandatory update of the registration via the Online Registration System is required. Failure to update the registration will result in the deactivation of the Casino's user access in the AMLC Portal.

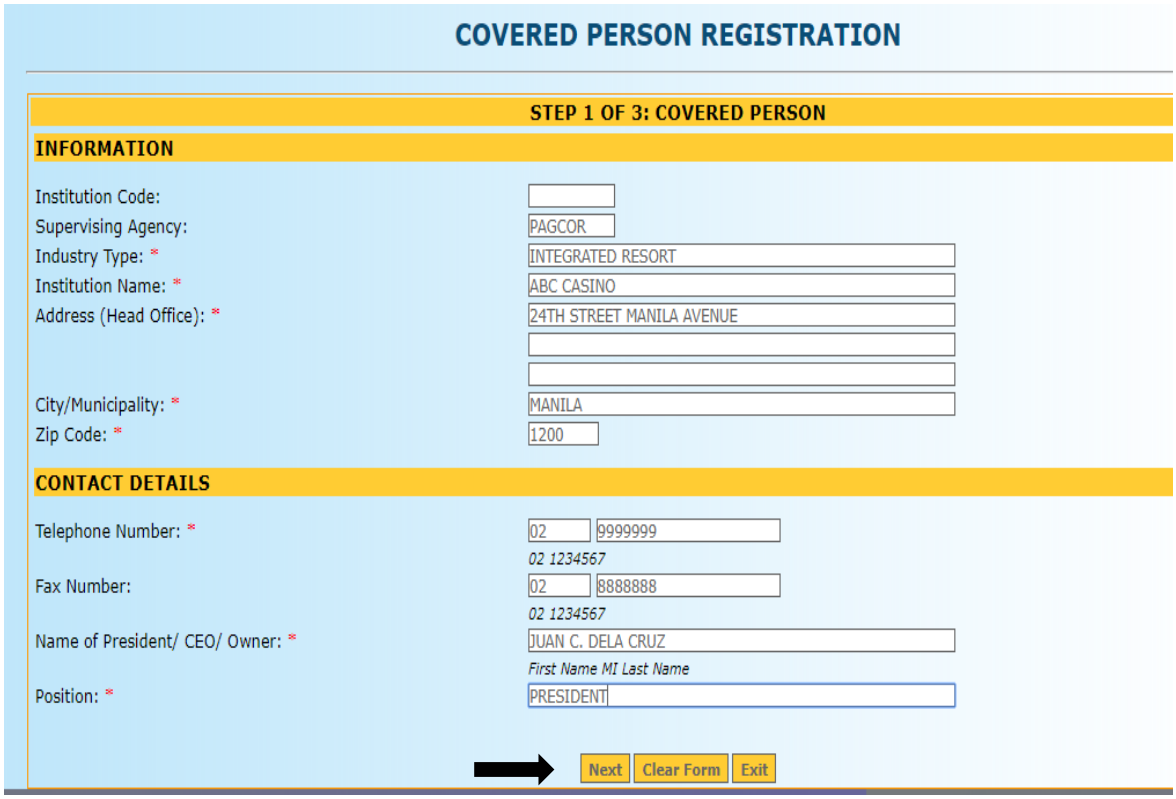
Log-on to https://portal.amlc.gov.ph

1. Click on Register

2. Covered Person/Casinos Registration page will appear, please read the instructions first before proceeding to Step 1 of 3.

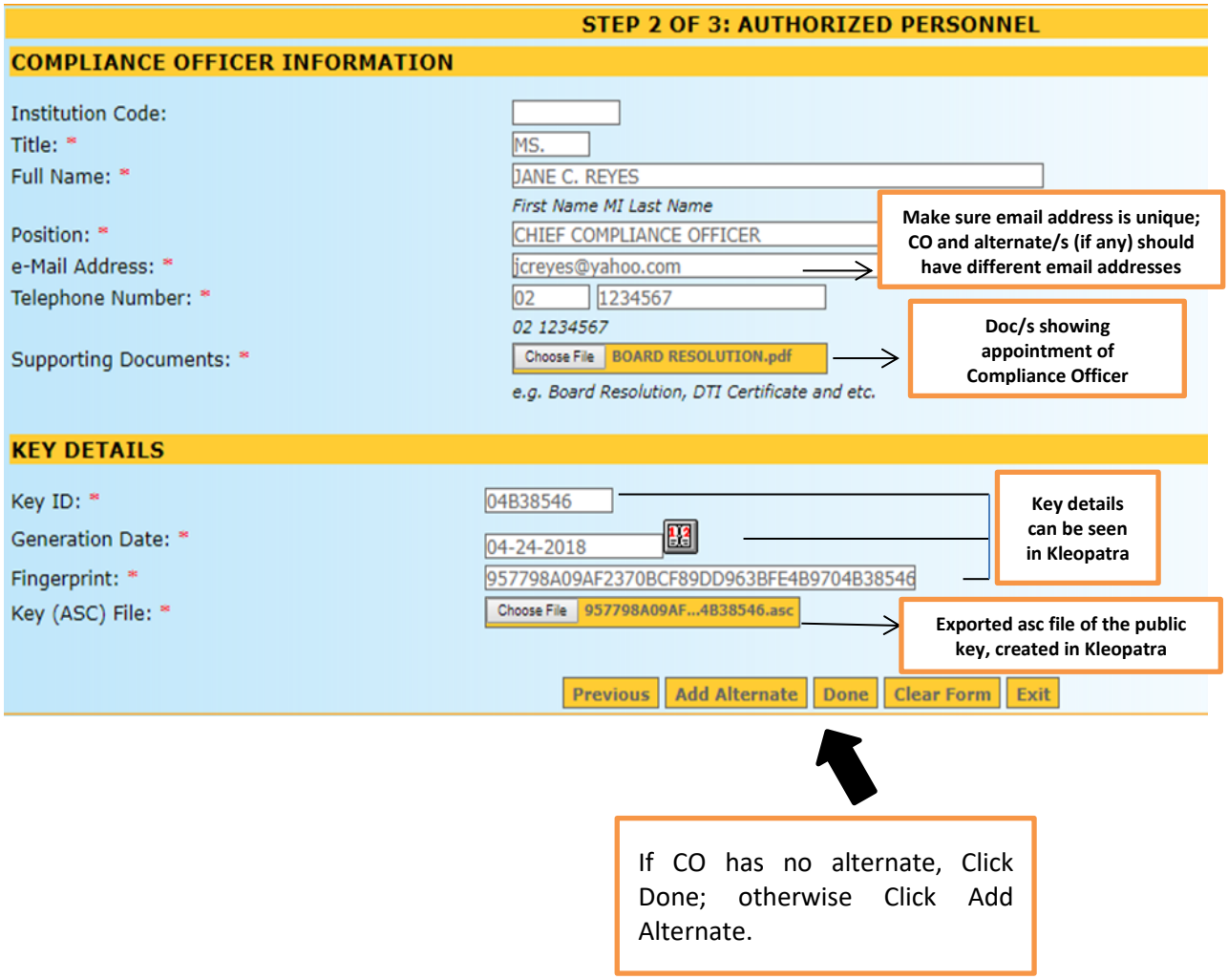


Step 1 of 3: Key in details of the Casinos and Contact Details of the Authorized Officer. Once step 1 of the Registration process is completed, click on Next to go to the 2nd step.



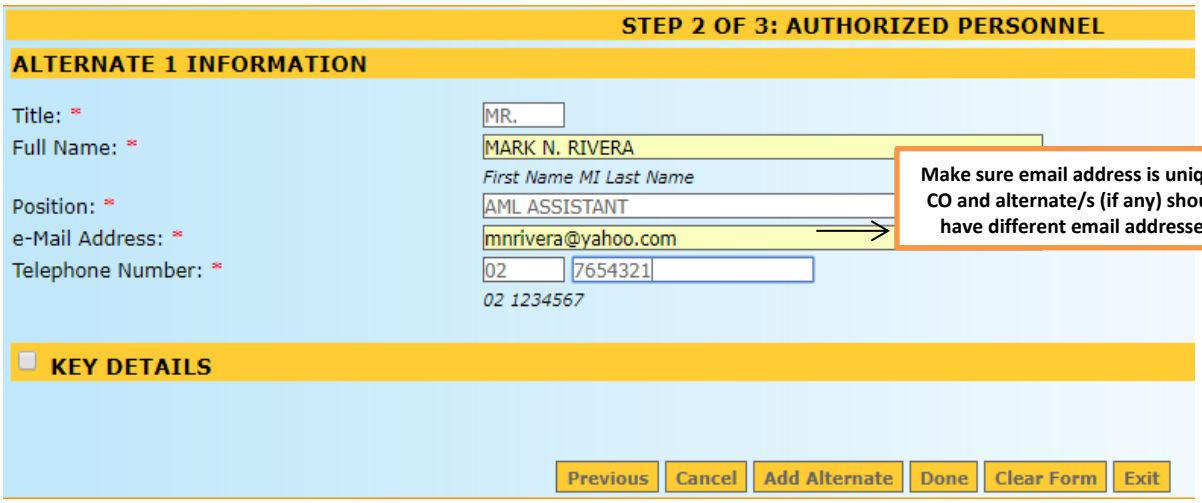
Note: Be sure to have a scanned copy of your document/s stating your appointment as the CO; have generated your public key using Kleopatra and have your exported asc file before proceeding to the next page (Step 2 of 3).

3. Step 2 of 3 are the details of the CO, as well as the key details of their public key. This is also where the CO uploads supporting documents (PDF) of his/her appointment and his exported asc file. If there is no alternate, click “Done”, otherwise click “Add Alternate”.



If CO has no alternate, Click Done; otherwise Click Add Alternate.

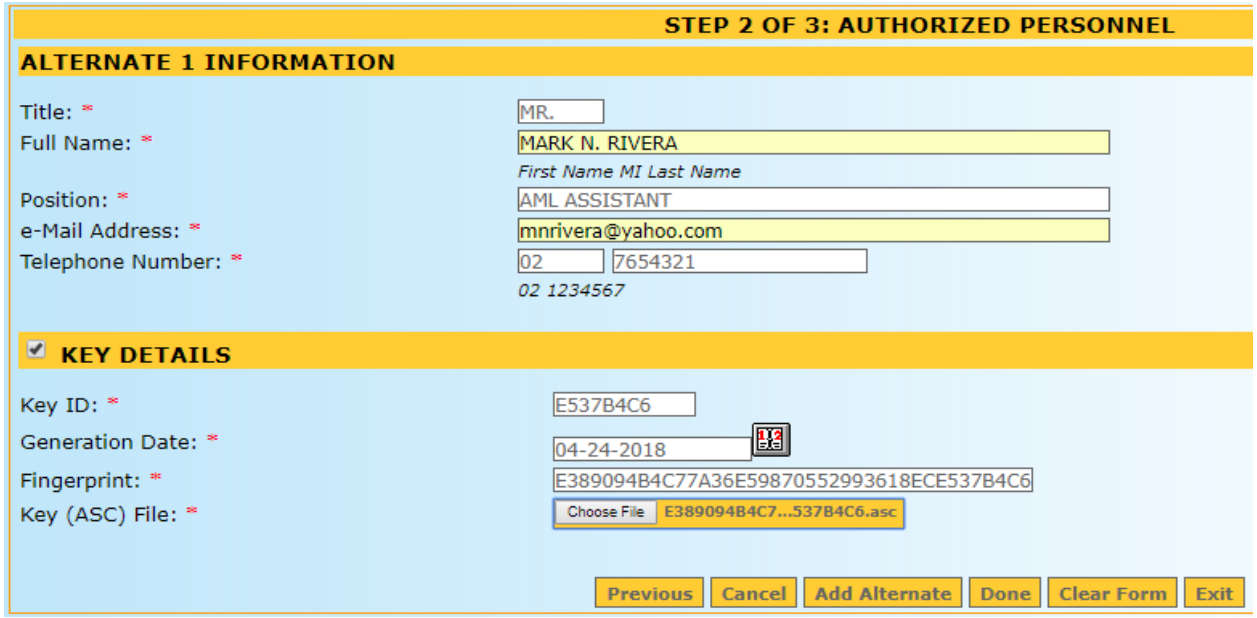
4. Continue to add details of the alternate (if any). Public key (Key details) of the Alternate is optional.



Make sure email address is unique; CO and alternate/s (if any) should have different email addresses

If alternate has no generated public key and there is only one alternate, Click Done; otherwise Click Add Alternate

If alternate generated a public key, please continue with the key details

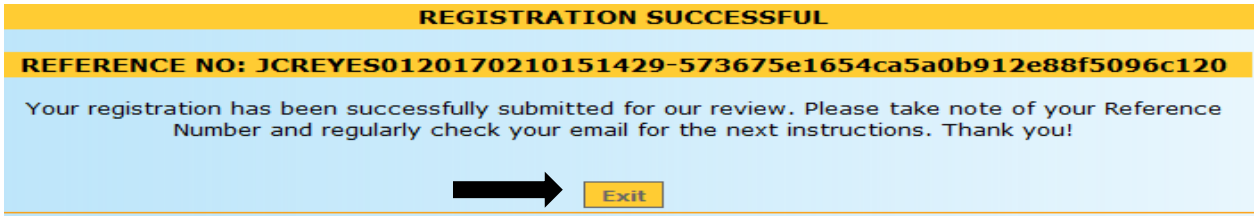


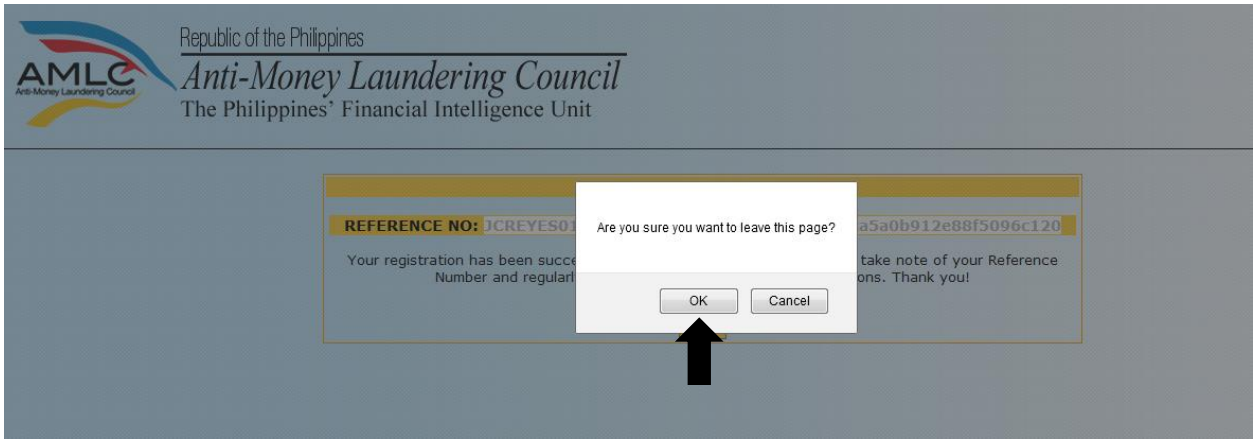
For Alternate with Public key; check on Key details

If there is only one alternate Click Done; otherwise Click Add Alternate

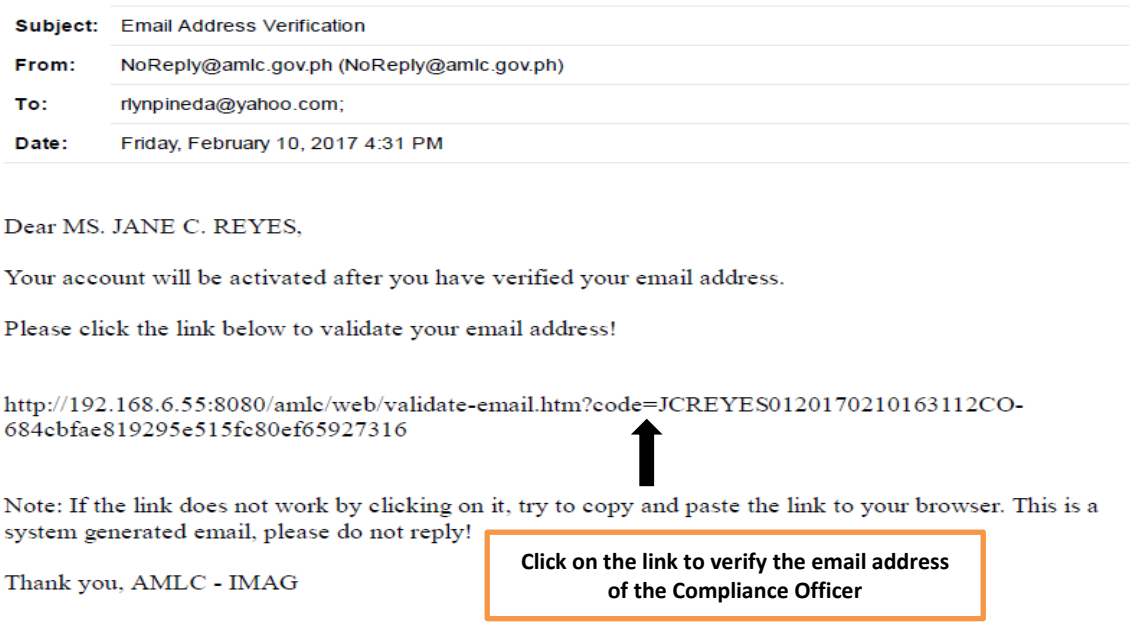
5. Step 3 of 3 shows the Summary of Registration, if all details are correct, Click “Save”; to edit details of registration, Click “Previous”, to exit page without saving, Click “Exit”.

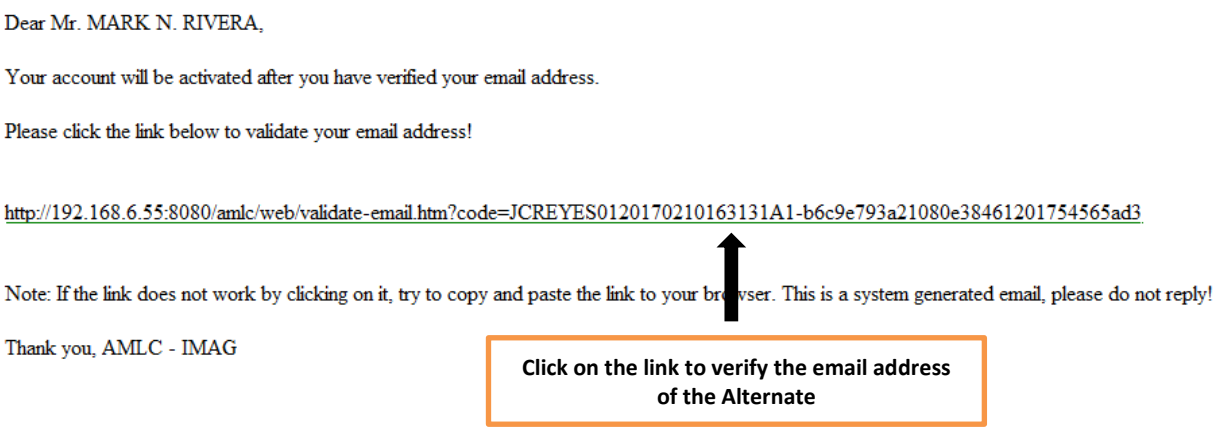
6. After you click Save, a window will appear, showing that Registration has been successful. Please take note of your Reference No. You will need this to check the status of your Registration.





7. To verify if your Registration has been successful, please check your registered email and click the link to verify your email address.

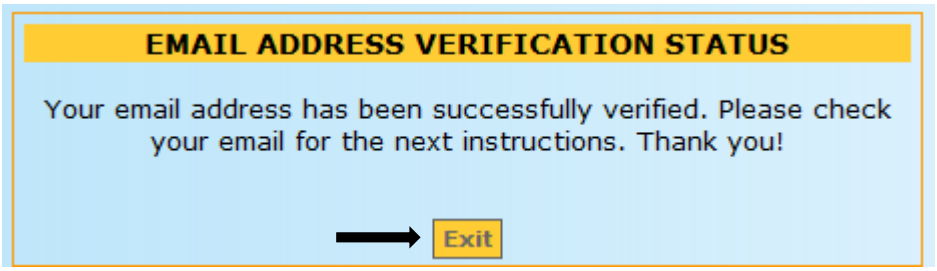




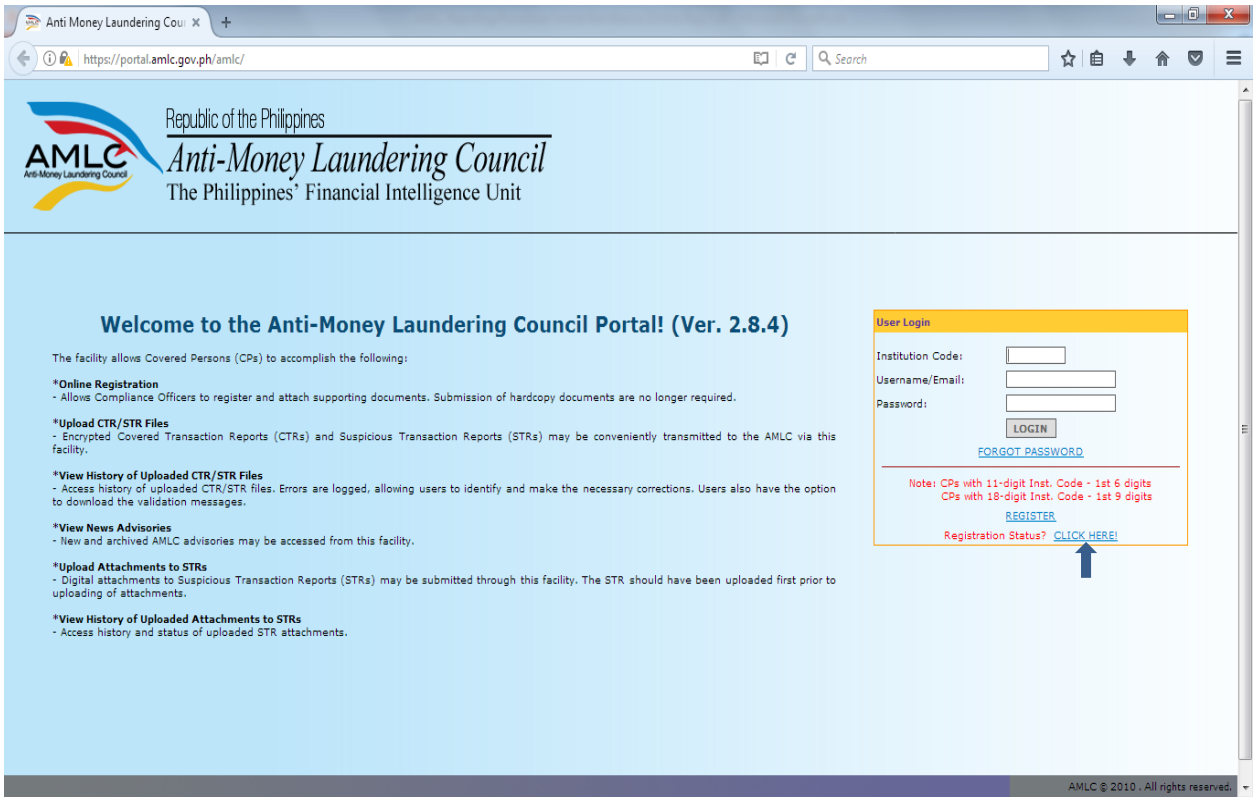
Note: Email verification will be sent to the email address of the CO, as well as the designated alternate (if any).

8. After the CO and alternate have validated their email addresses, this page will appear, just click "Agree".

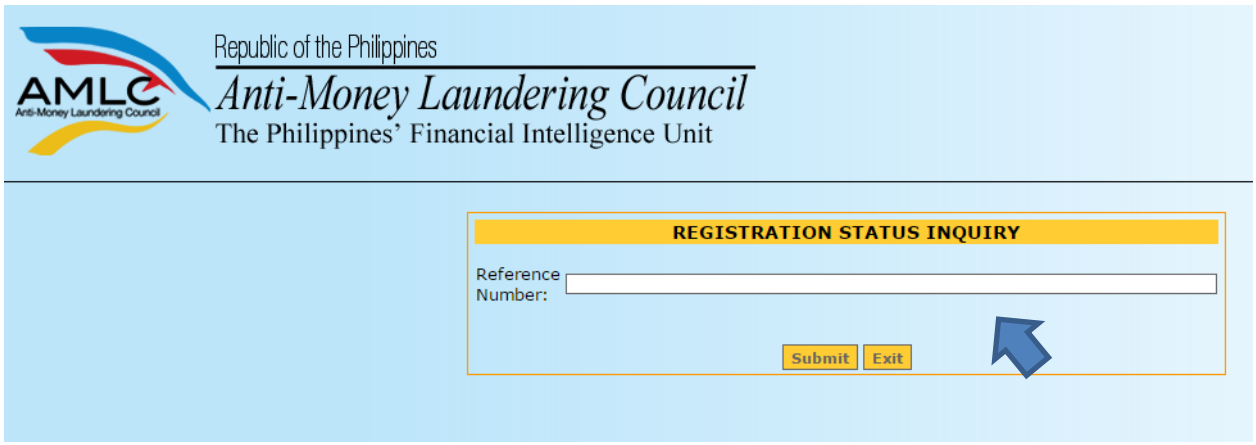
Then click on the "Exit" button.



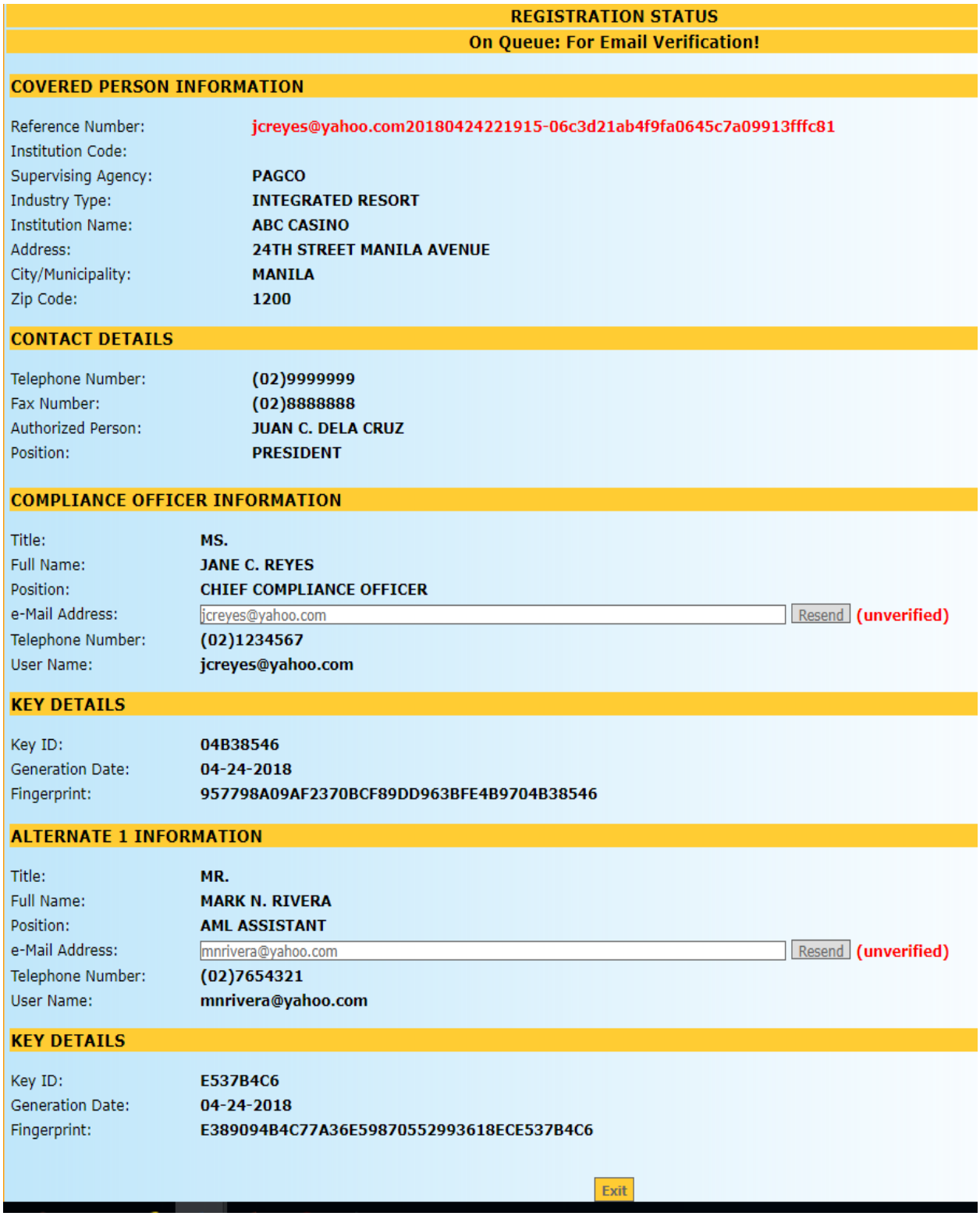
9. To check the status of your Registration, log-in to https://portal.amlc.gov.ph, and click on Registration Status.



Please enter the reference number of your Registration.



If you have not received an email from AMLC requesting verification of your account, please check your registration status, it will show if the email address is still **unverified**, if still unverified, please check if the email address is correct and edit accordingly. Then click the "Resend" button.



10. Once AMLC has processed your Registration, you will receive an email from AMLC whether Registration has been approved or disapproved. Below is a sample email of an approved Registration.

This is to inform you that your registration has been approved. Below is your Username and temporary Password. Please log-in and change your password as soon as you received this email. Please take note that your user account shall be valid for two (2) years from the date of account approval.

Institution Code: 12345600000

Username:JCREYES@YAHOO.COM

Password: Q2CT1PH9KL

For Compliance Officers and/or alternates with generated public keys, please perform the following:
1. Download the AMLC public key (amlc.asc) on this link www.amlc.gov.ph/2015-12-09-07-34-10 /reporting-tools
2. Save the AMLC public key (amlc.asc) to:
a. For 32 bit machine - C:\Program Files\GNU\GnuPG\
b. For 64 bit machine - C:\Program Files(x86)\GNU\GnuPG\
3. Import the AMLC public key (amlc.asc).
4. Certify and Sign the AMLC public key (amlc.asc).
5. Perform a back up of your public key (your exported asc file).

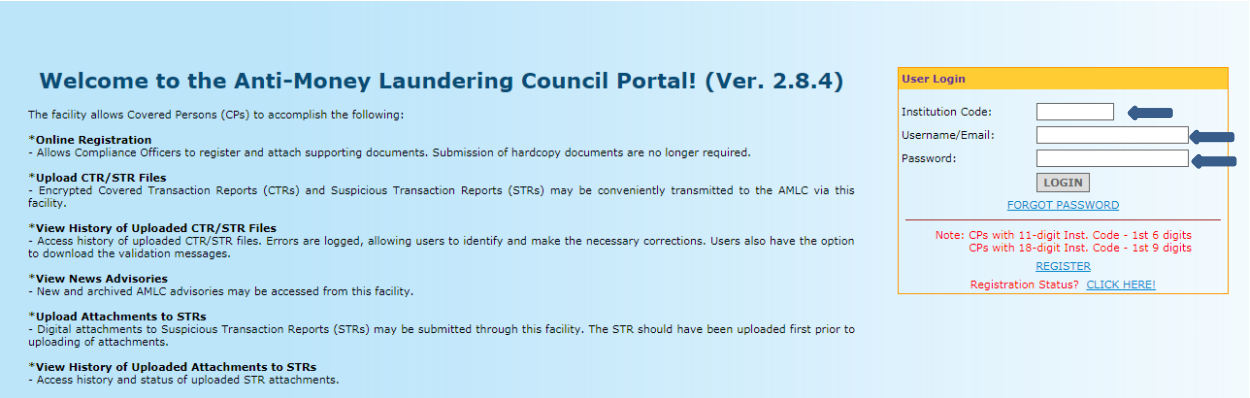
**For guidance please download the AMLC Reporting Procedure manual at www.amlc.gov.ph and refer to the Transaction Security Protocol chapter for a step-by-step procedure.

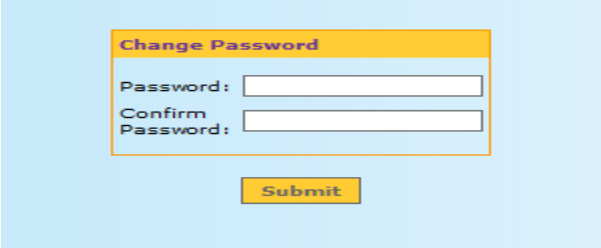
This is a system generated email, please do not reply!

Thank you, AMLC - IMAG

Please note that AMLC can only approve your Registration when the Compliance Officer and all the registered alternate/s have verified their email addresses.

11. Once registration has been approved, log-in to https://portal.amlc.gov.ph to change your password. Please log in using the first 6-digits of your institution code, email address and system generated password.





Once password has been changed, you can now start to access the AMLC portal.

Section 3. **TRANSACTION SECURITY PROTOCOL GUIDELINES.** –

3.A

A. Guidelines. –

1. The File Transfer and Reporting Facility using the Hypertext Transfer Protocol over Secure Socket Layer (FTRF v 2.0) shall be used by the Casinos in transmitting their respective reports.

2. Hypertext Transfer Protocol over Secure Socket Layer (HTTPS) is a private, secure and graphical method of accessing web page information and/or sending information across a web. It is especially useful for encrypting forms-based information as it passes between clients and servers. HTTPS which is implemented under the File Transfer and Reporting Facility (FTRF v 2.0) will address the efficiency, integrity and security concerns of data collection from the Covered Persons.

3. File Transfer and Reporting Facility (FTRF) has the following features:

    1. Secure upload – provides data encryption, server authentication and message integrity;
    2. Self-signed Digital Identification & Certificate – allows encrypting and digital signing of messages; and

4. The self-signed digital identification shall be implemented for all Casinos. AMLC and the Casinos shall use the Gnu Privacy Guard (GPG) software for their encryption and authentication and the GPG supported algorithm (MD5) for their signing. Installer of the said software shall be provided by AMLC upon registration.

5. The Compliance Officer (CO) of the Casinos shall generate his private key as well as public key using GPG which shall be uploaded during the Online Registration.

6. The signed public key of the AMLC shall be used by the Casinos to:

    1. Encrypt the electronic files (CTR/STR in csv format) to be submitted to AMLC; and
    2. Verify the signature of the files they will receive from AMLC.

7. The signed private key of the AMLC shall be used by AMLC to:

   a. Decrypt the encrypted files sent by the Casinos which were encrypted using AMLC's signed public key; and
   b. Sign the electronic files they will send to the Casinos.

8. The signed public key of the COs shall be used by the AMLC to:

   a. Encrypt the validation messages that AMLC will send to the Casinos; and
   b. Verify the signature of the files AMLC will receive from the Casinos.

9. The signed private key of the COs shall be used by them to:

   a. Decrypt the AMLC validation messages from AMLC; and
   b. Sign the electronic files they will send to AMLC.

10. COs are required to encrypt and sign the electronic CTR/STR files before transmitting them to AMLC via https (AMLC portal).

11. In cases wherein the public key is compromised, superseded or no longer in use, COs should perform the recovery procedure, only if they have successfully performed the back-up procedure of their existing private and public keys, to be able to continue to encrypt file. Otherwise, a new pair of public and private keys shall be generated and to be uploaded via the Online Registration System.

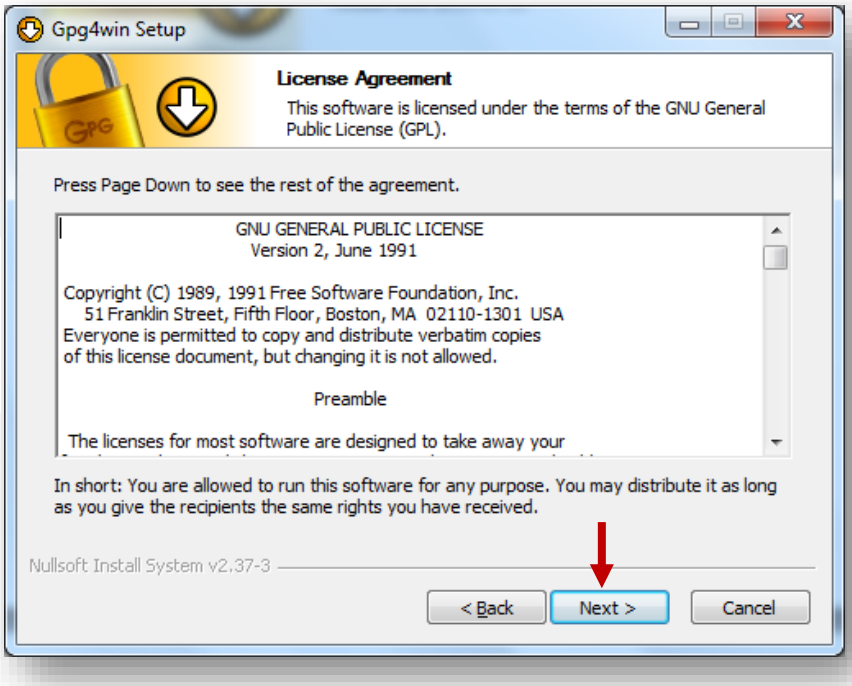
B. Procedures. –

3.B

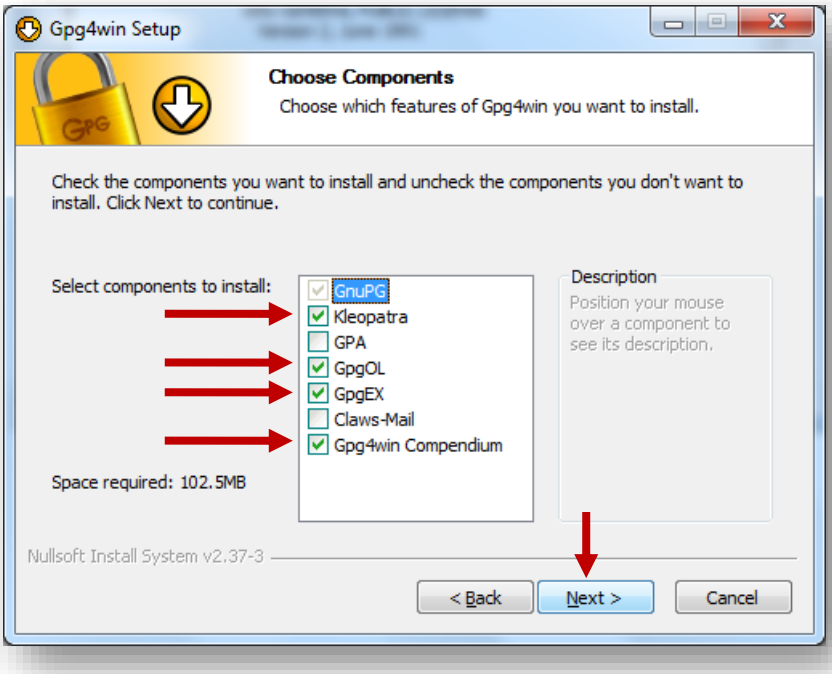
1. Installing the GnuPG for Windows Software (Gpg4win 2.1.0)

- Download the gpg4win 2.1.0 from www.amlc.gov.ph, under Reporting Tools, then save this to your local drive.
- Double click **gpg4win-2.1.0.exe**. You will be asked if you want to allow the program to make changes in your computer.
- Click **Yes**. The Installer Language window will be displayed on the screen.
- Select ***English***, then click **Ok**.

The Gpg4win Setup window will be displayed on the screen. Click **Next**.



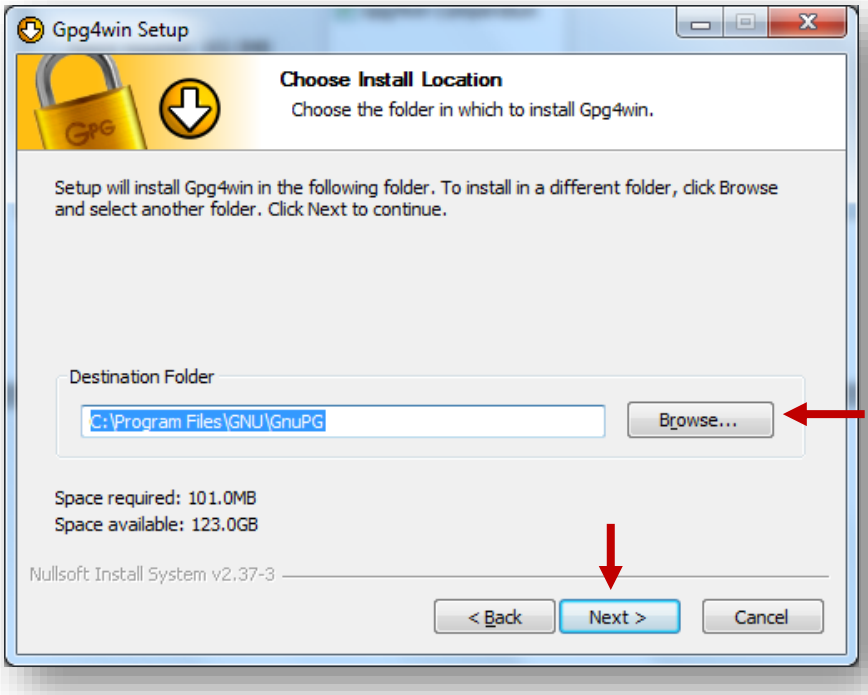
The License Agreement window will be displayed on the screen. Click **Next**.

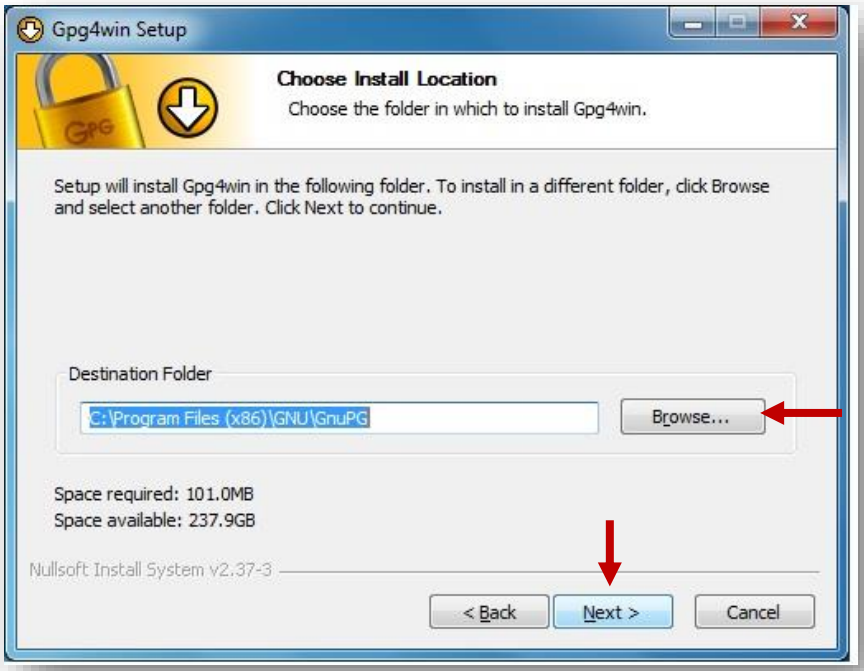


Select components to install. Check ***Kleopatra***, ***GpgEX***, and ***Gpg4win Compendium***, then uncheck other components. Click **Next**.

Specify destination folder, then, click **Next**.

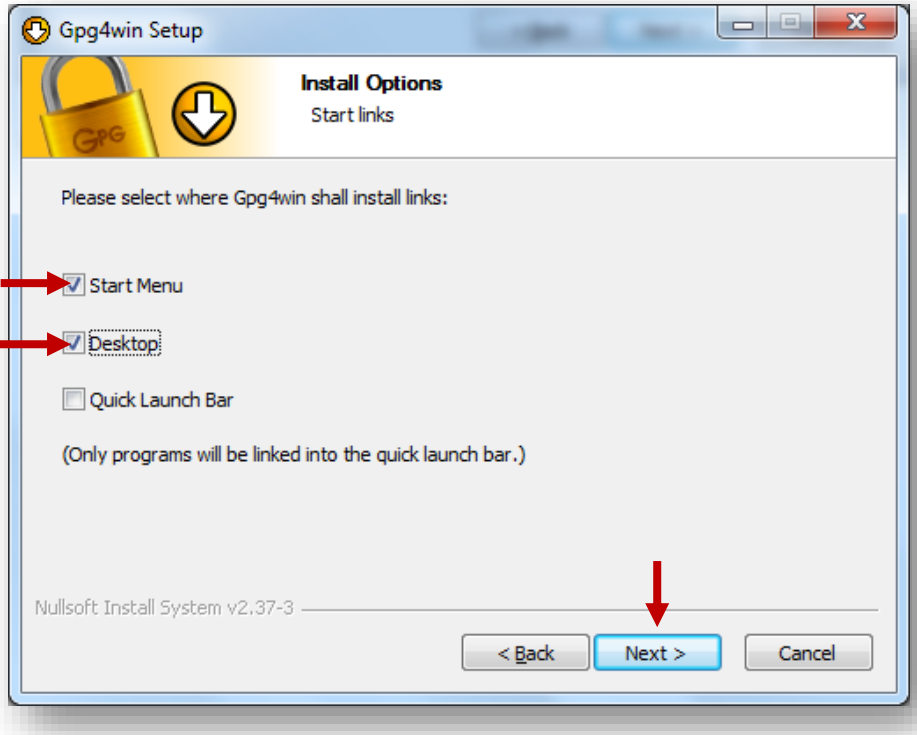
- **For 32 bit machine** the default directory is **C:\Program Files\GNU\GnuPG.**

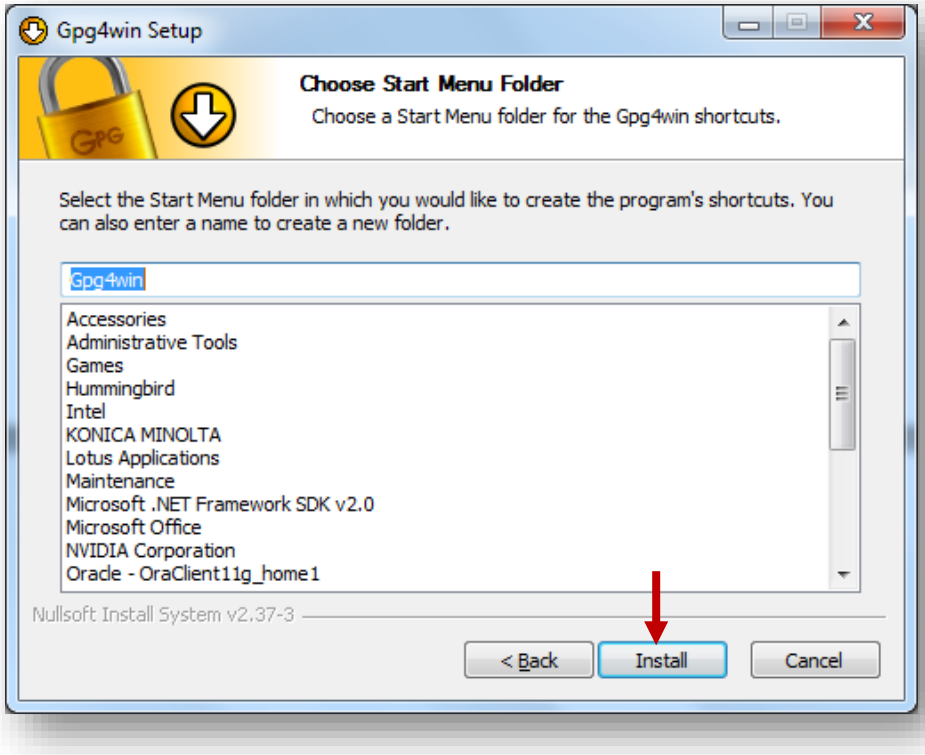




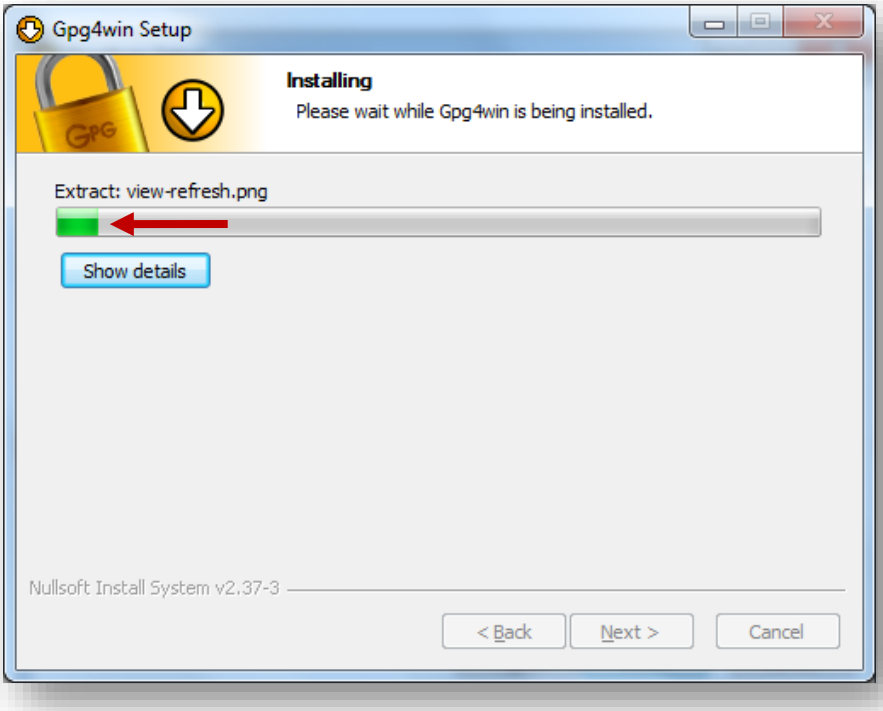
- **For 64 bit machine** the default directory is **C:\Program Files (x86)\GNU\GnuPG.**

Select where Gpg4win shall install links. Check **Start Menu** and **Desktop**, then click **Next**.

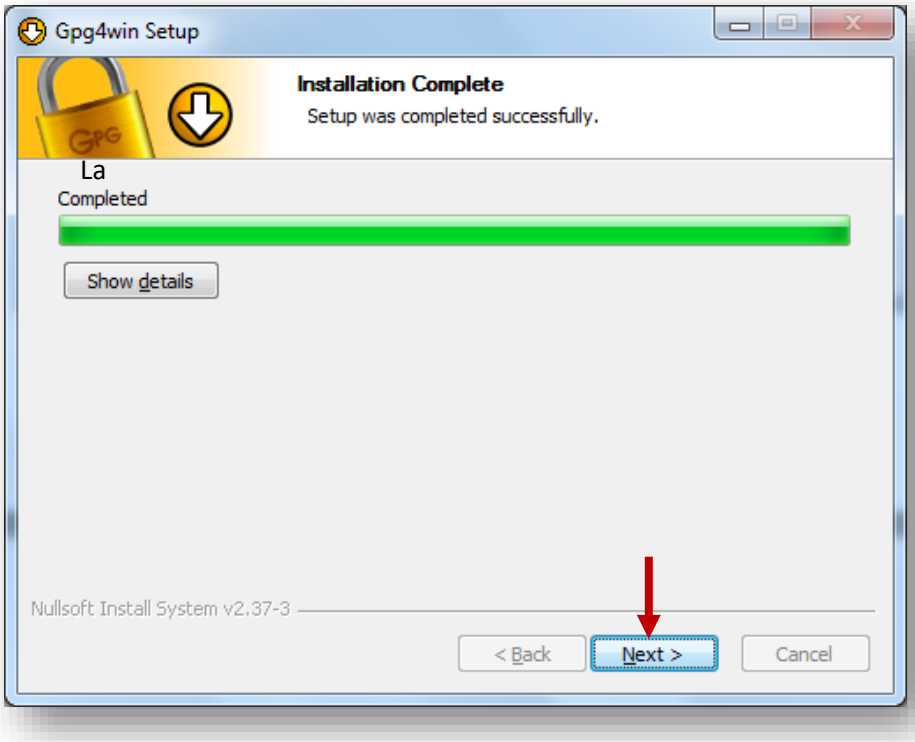




Choose Start Menu folder for the Gpg4win shortcuts. Enter **Gpg4win**, then click **Install**.

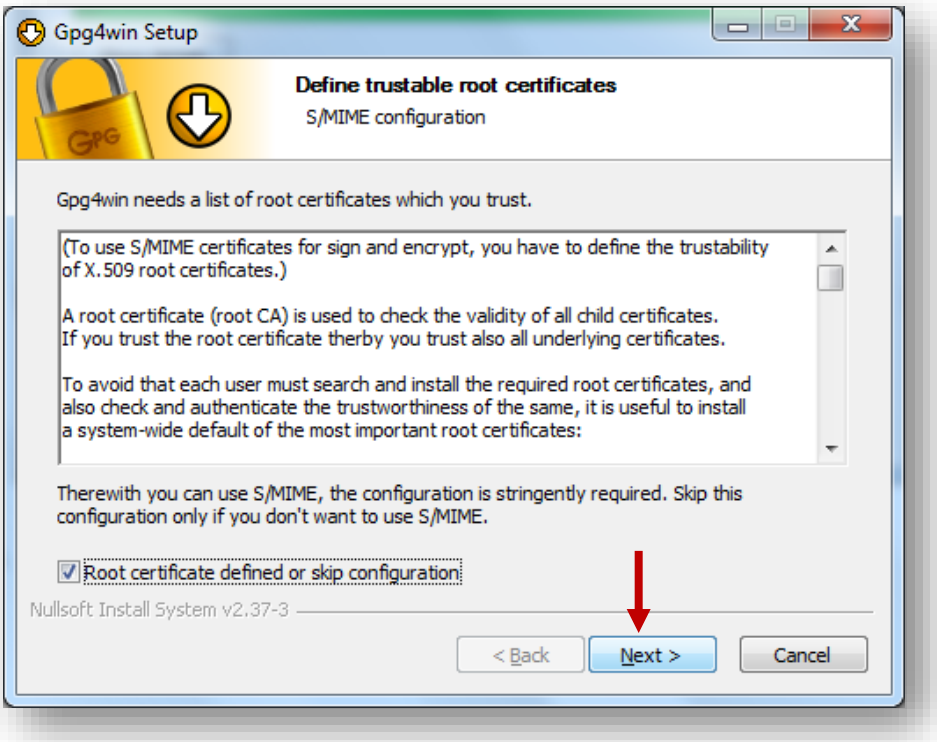


Please wait while Gpg4win is being installed.



Once the setup is completed successfully, click **Next**.

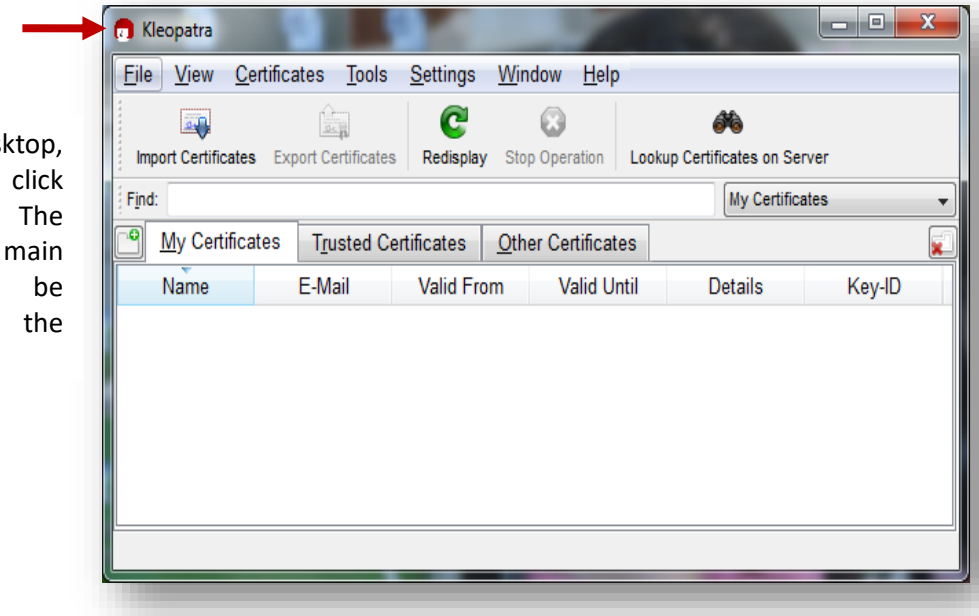
Check Root certificate defined or skip configuration, then click **Next**.

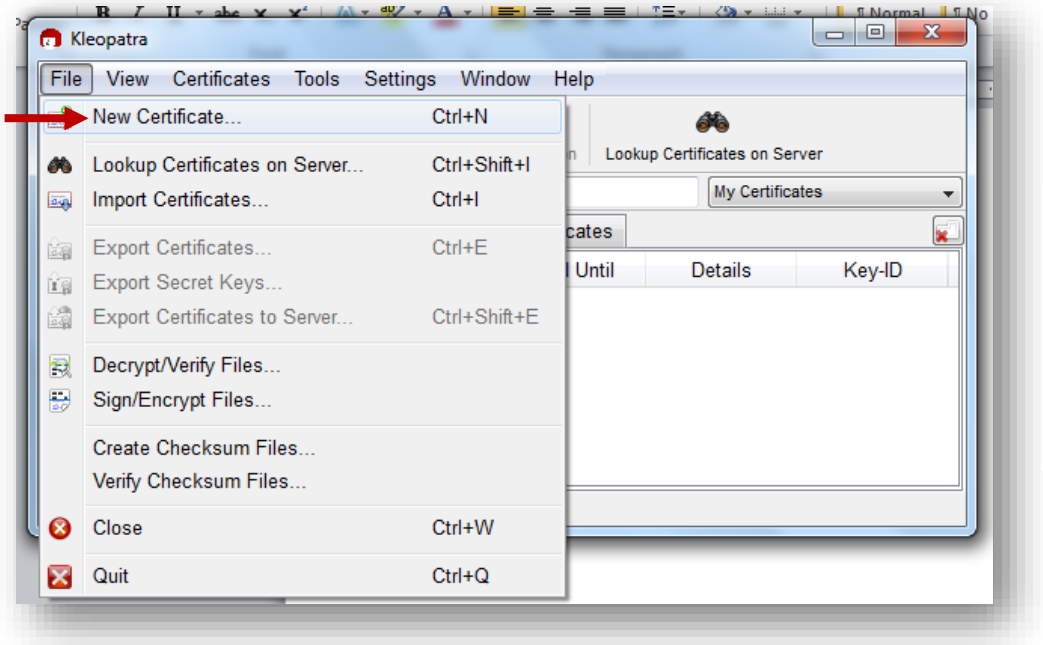


Click **Finish**.

2. Generation of Key Pairs (One time Procedure)

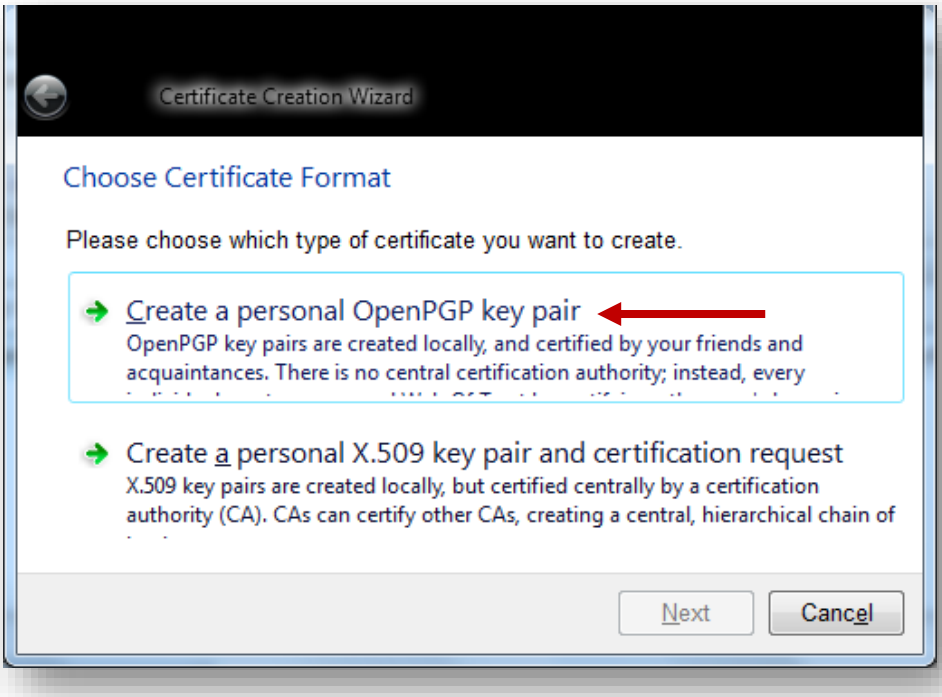
From your desktop, double click **Kleopatra**. The Kleopatra main window will be displayed on the screen.

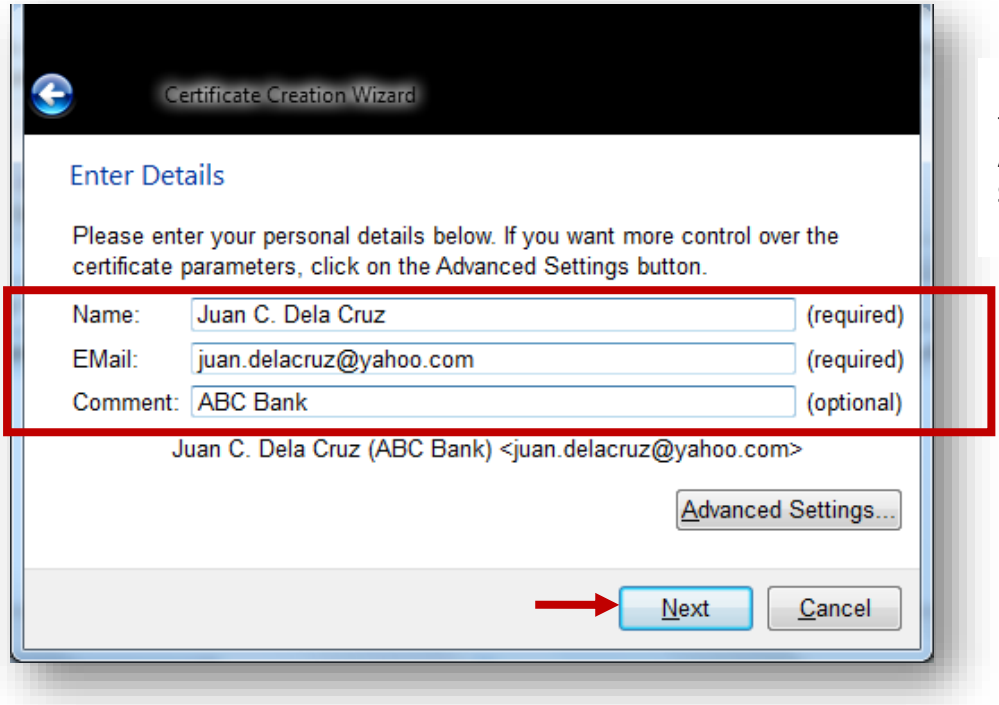




Click **File**, then select **New Certificate**.

Certificate Creation Wizard will be displayed on the screen. ***Click Create a personal OpenPGP key pair***.



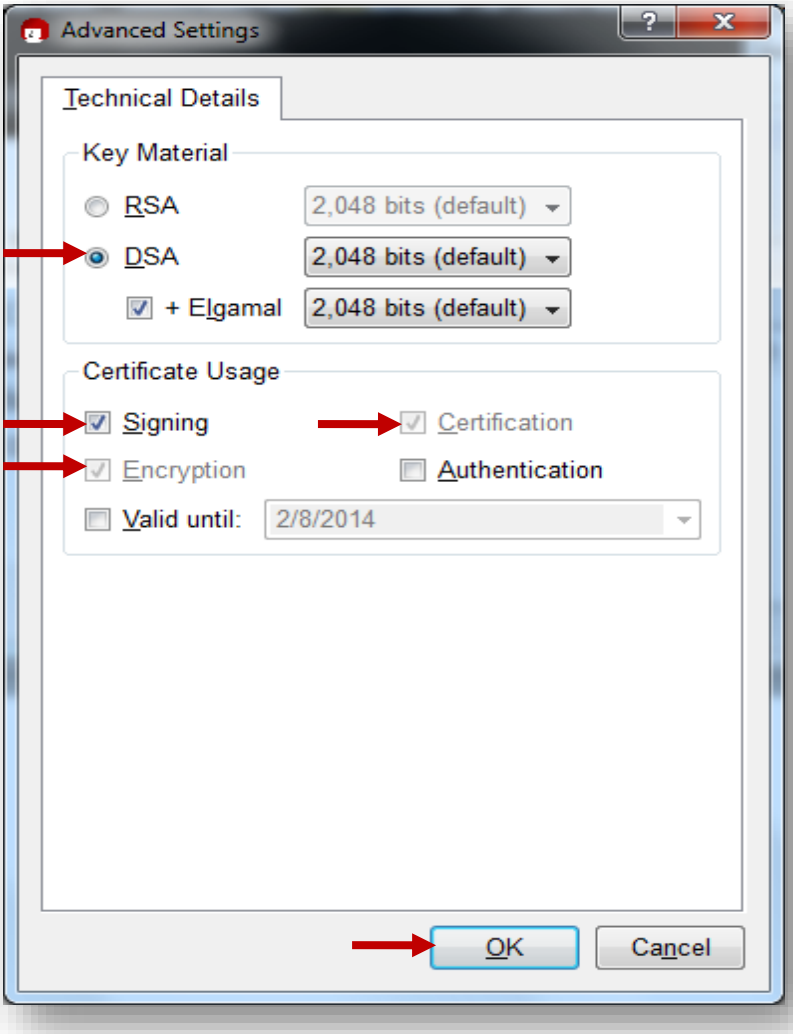


Enter Details, then click **Advance Settings**.

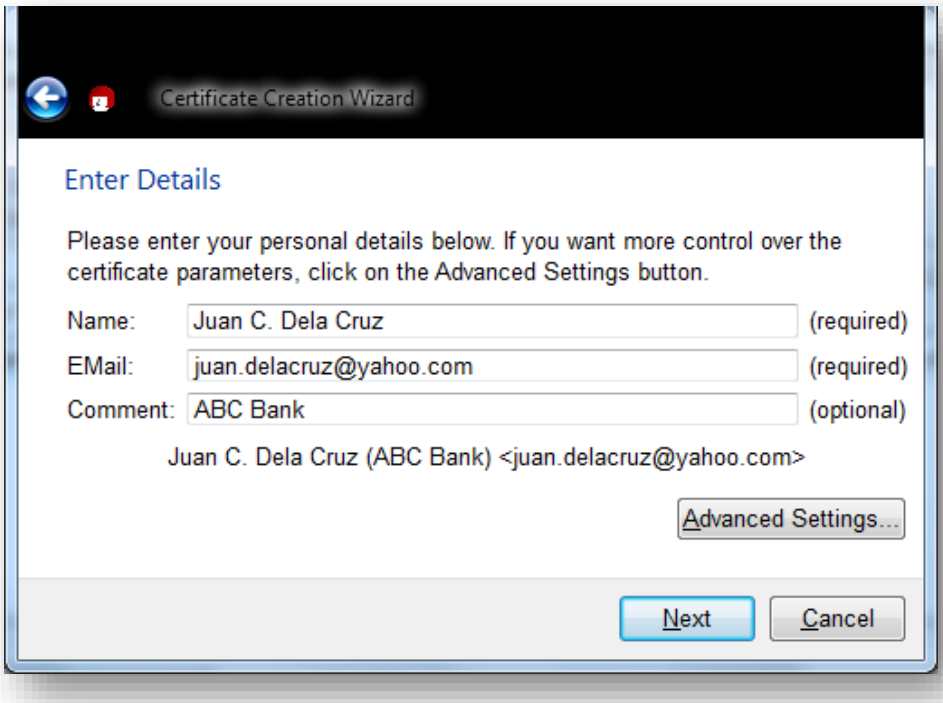
Note:

Name – Name of Compliance Officer
Email – Email address of Compliance Officer
Comment – Name of the Casino

The **Technical Details** window will be displayed on the screen.

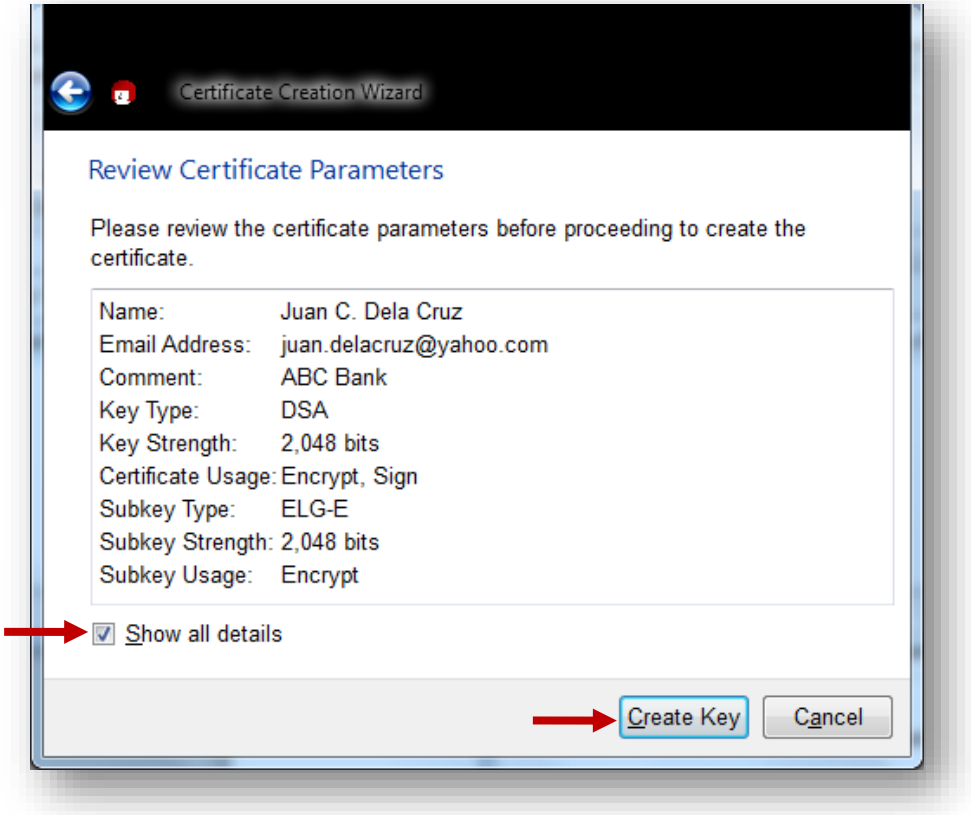


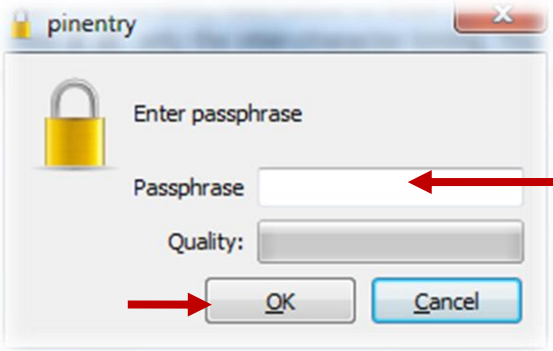
- From Key Material, select **DSA: 2,048 bits (default).**
- Check **+ Elgamal :2,048 bits (default).**
- From Certificate Usage, check ***Signing***, ***Encryption*** and ***Certification***.
- Click **Ok**.



From the Certificate Creation Wizard window, click **Next**.

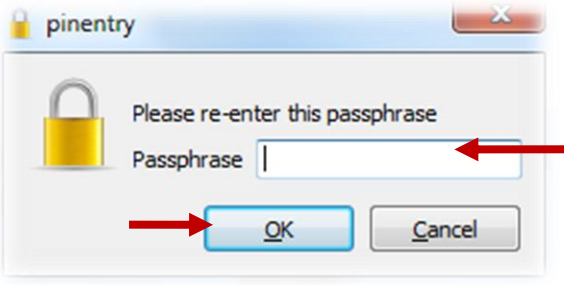
From Certificate Creation Wizard, check **Show all details**, review the certificate parameters, then click **Create Key**.



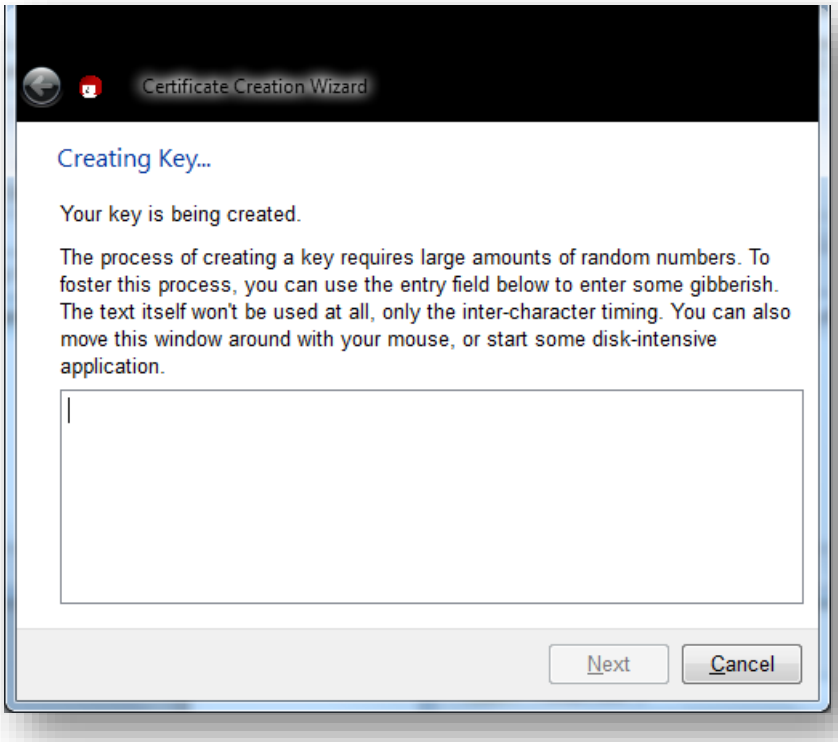


Pinentry window will be displayed on the screen. Enter Passphrase (gpg password of compliance officer), then click **Ok**.

Re-enter passphrase, then click **Ok**.

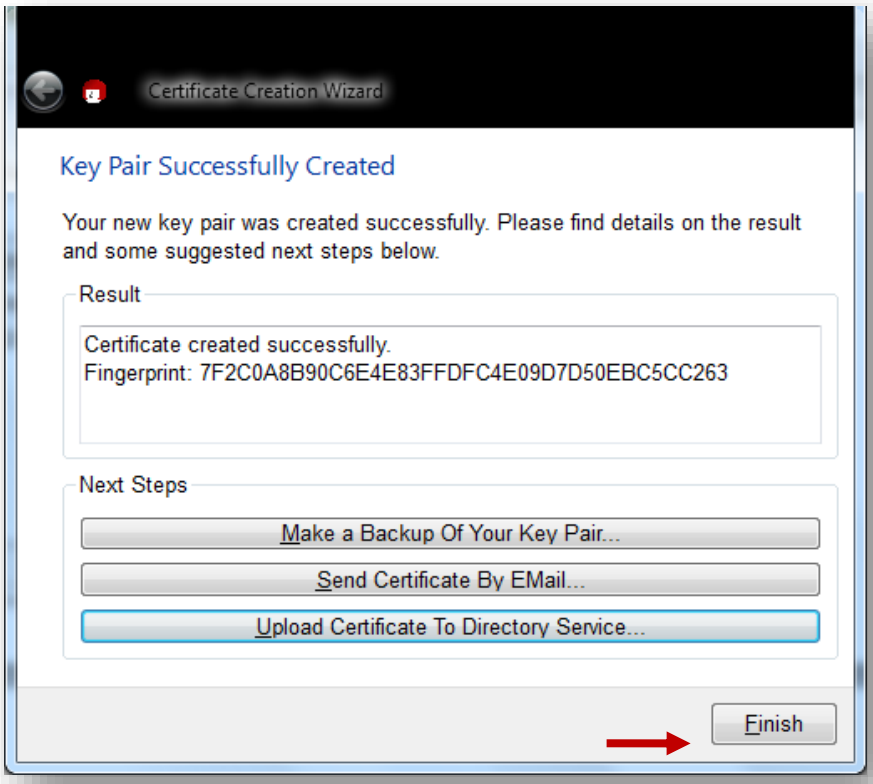


Please be reminded that once you forget your passphrase, you need to generate a new public key, since AMLC cannot retrieve the said passphrase.

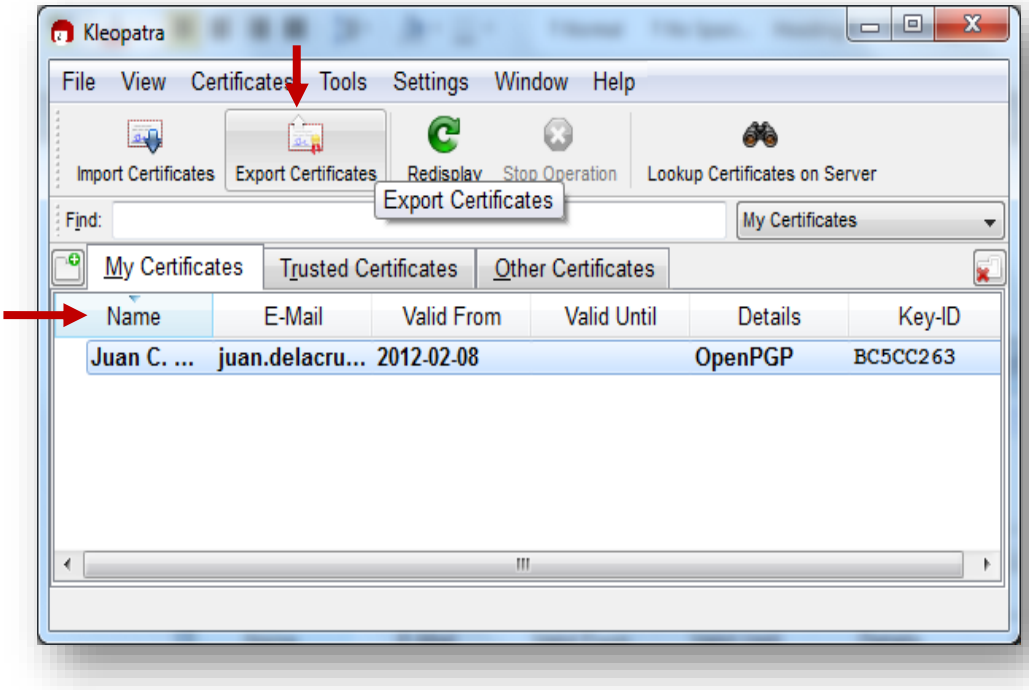


Wait until the key pair is successfully created.

Click **Finish**.

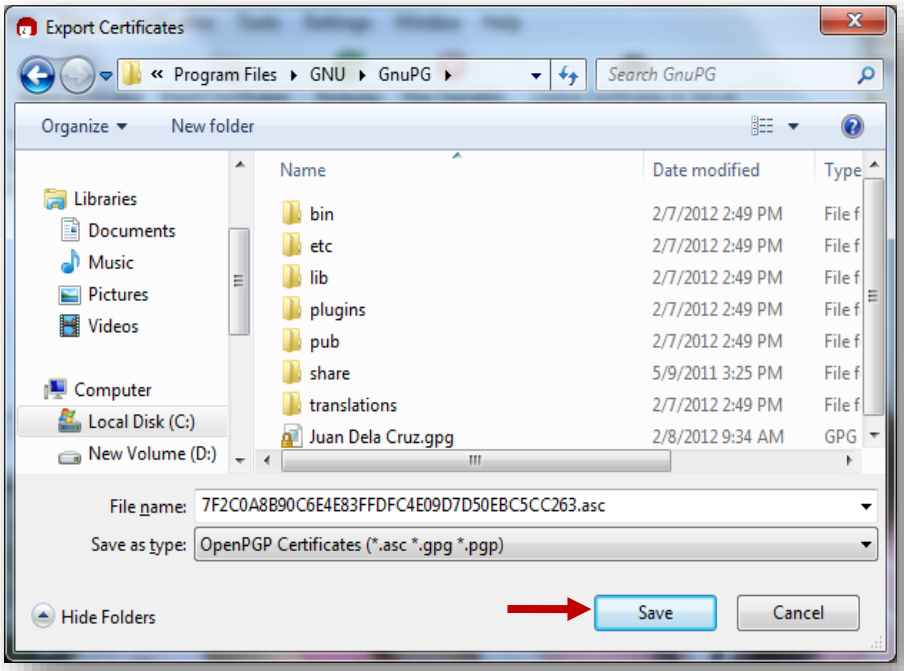


3. Exporting Public Key



From your desktop, double click **Kleopatra**. The Kleopatra main window will be displayed on the screen.

Click the name of the compliance officer, then click **Export Certificates**.



Select the directory where the public key is to be saved, then click **Save**.

- **For 32 bit machine:** c:\Program Files\GNU\GnuPG\
- **For 64 bit machine:** c:\Program Files (x86)\GNU\GnuPG\

Note: The default filename of the public key is the key fingerprint.

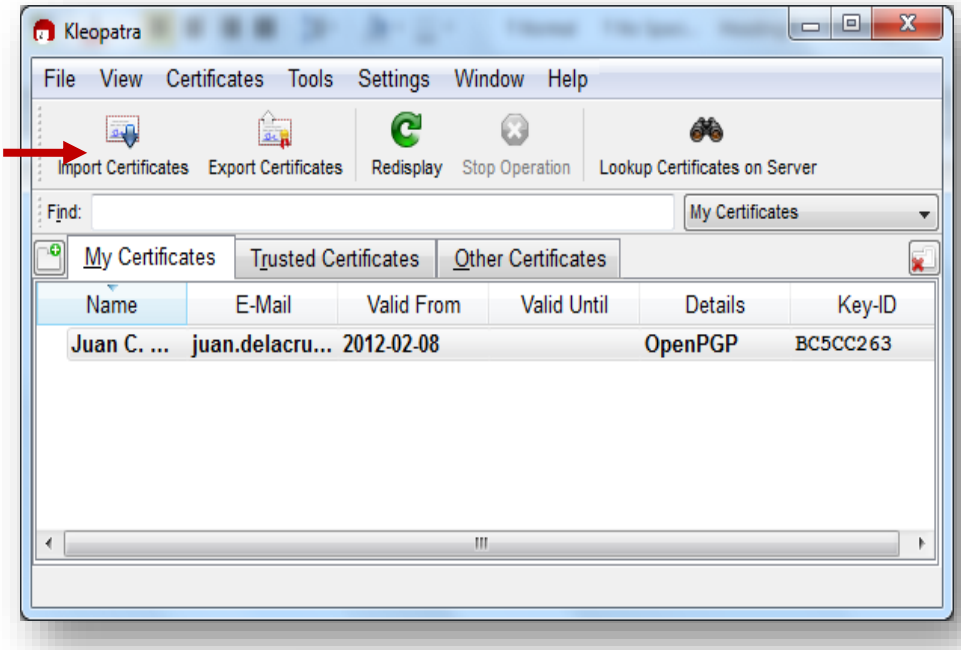
Please be ready with the exported asc file as you will need this for ONLINE REGISTRATION.

4. Saving AMLC public key

Get a copy of the AMLC public key (amlc.asc) from www.amlc.gov.ph under Reporting Tools then save this to your local drive.

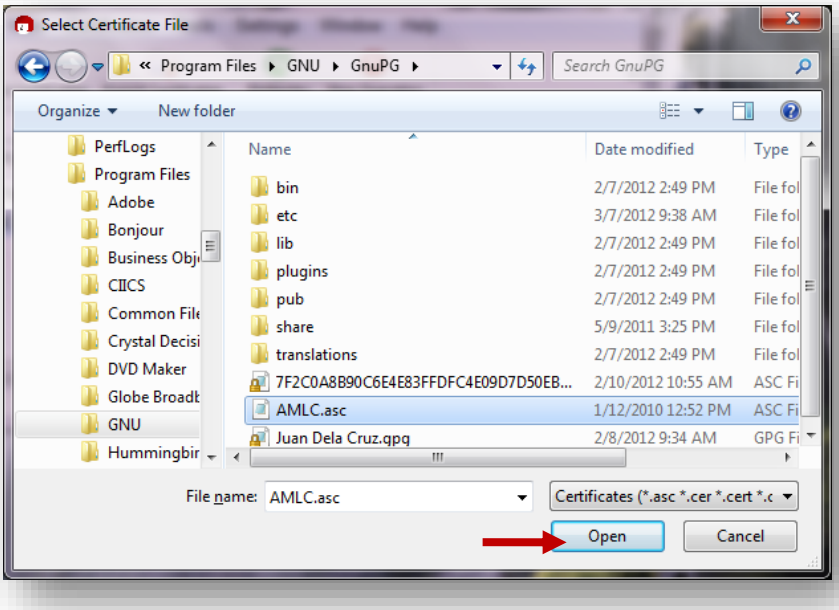
- **For 32 bit machine:** c:\Program Files\GNU\GnuPG\
- **For 64 bit machine:** c:\Program Files (x86)\GNU\GnuPG\

5. Importing of AMLC public key

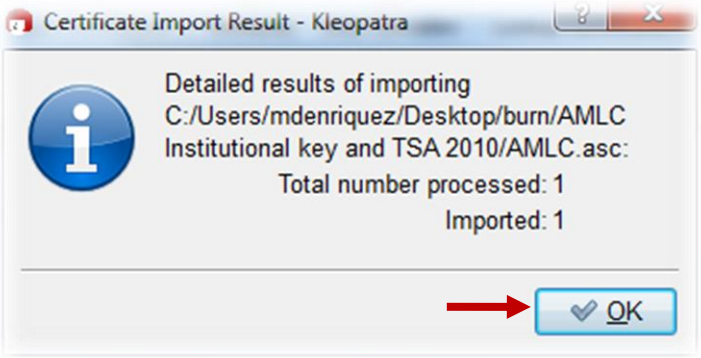


From your desktop, double click **Kleopatra**. The Kleopatra main window will be displayed on the screen.

Click **Import Certificates**.

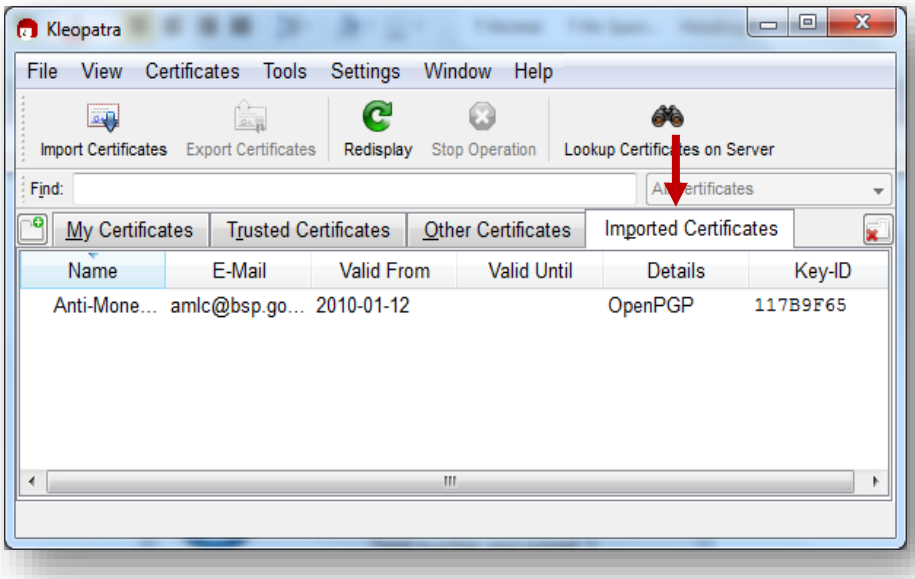


Select the directory where you have saved the**AMLC.asc**, then click **Open.**

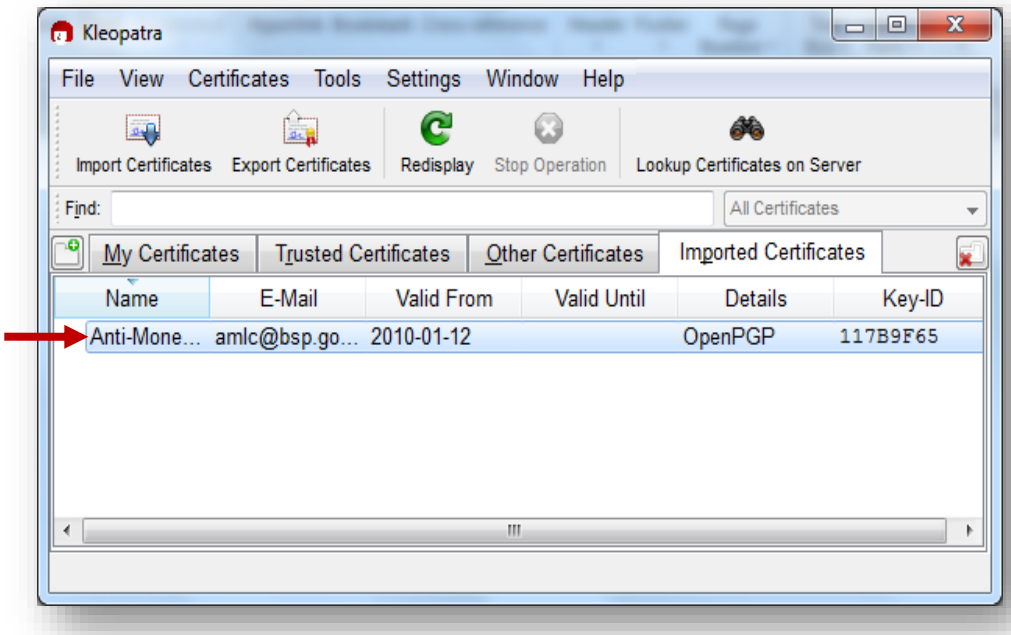


The Certificate Import Result window will be displayed on the screen. Click **Ok**.

The imported public key will be displayed on Kleopatra – Imported Certificates tab.



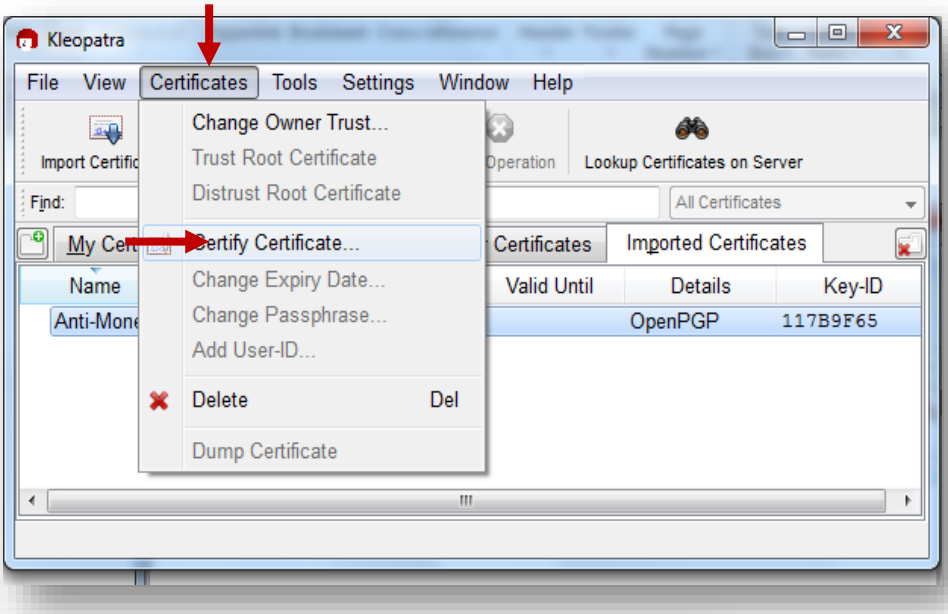
6. Certifying AMLC Key

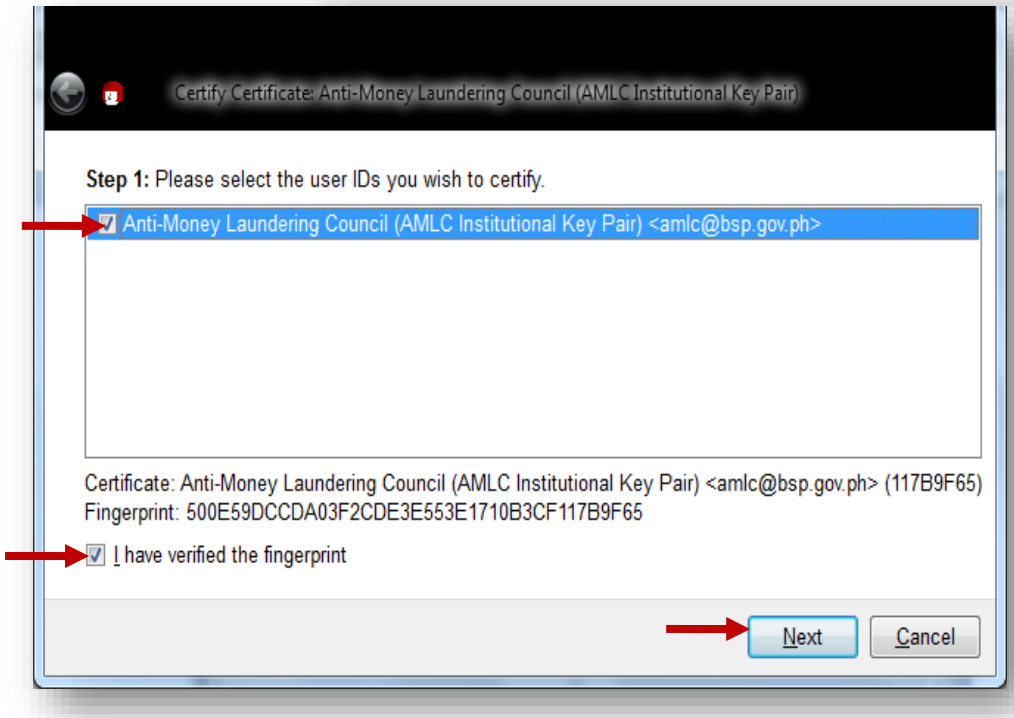


From your desktop, double click **Kleopatra**.

From Kleopatra main window, click ***Anti-Money Laundering Council's public key***.

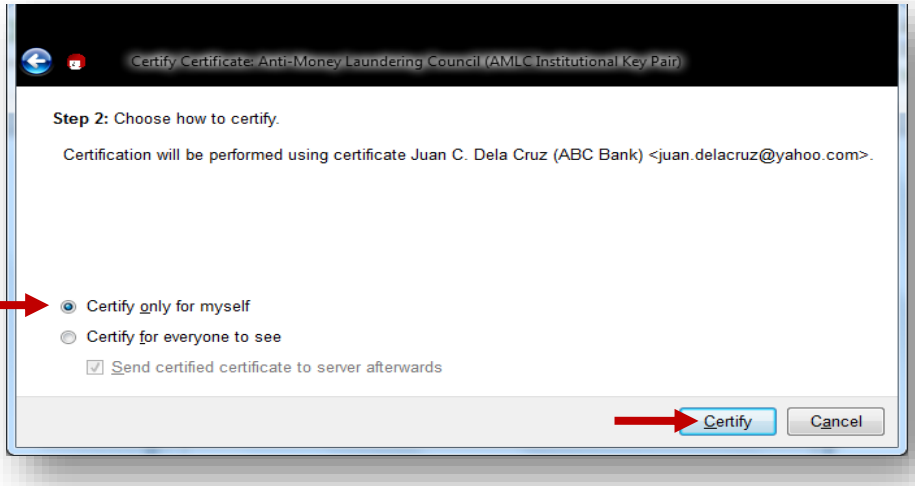
From the menu bar, click **Certificates**, then click **Certify Certificate**.

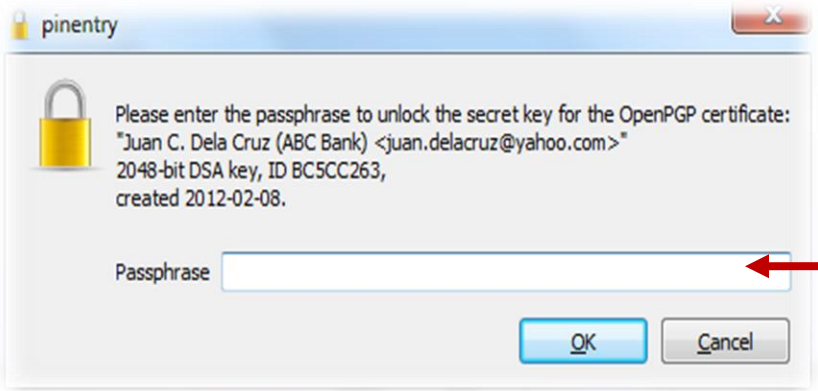




Check ***Anti-Money Laundering Council***, then check ***I have verified the fingerprint***. Click **Next**.

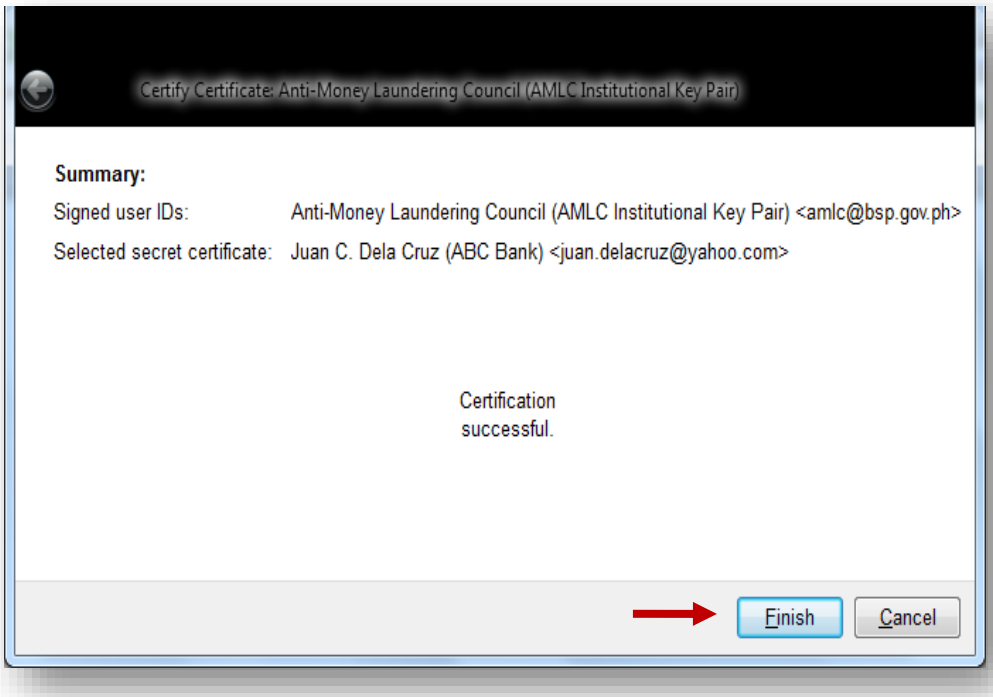
Select **Certify only for myself**, then click **Certify**.





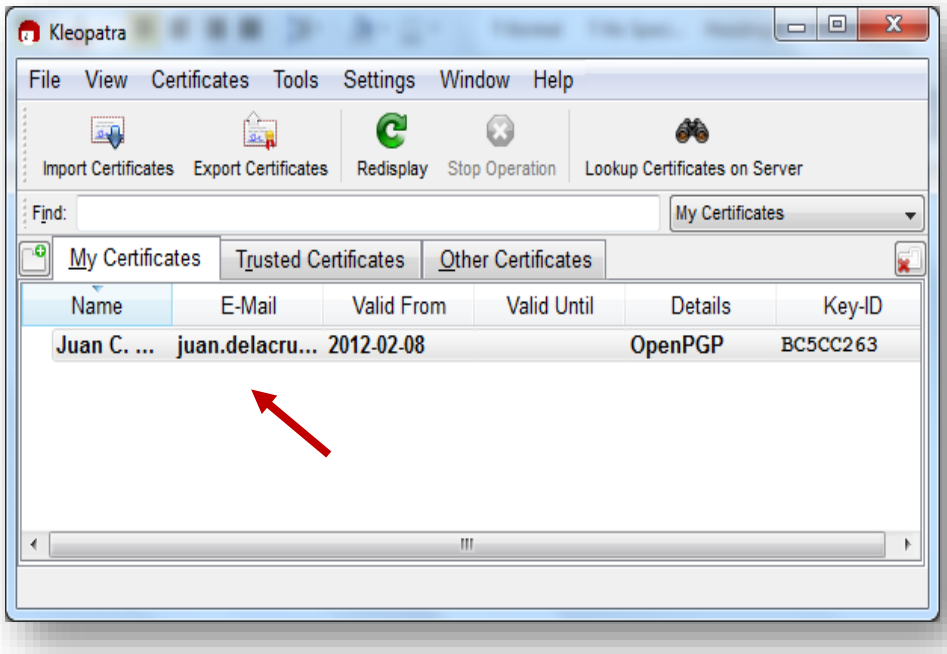
Enter passphrase of compliance officer, then click **Ok**.

Click **Finish**.



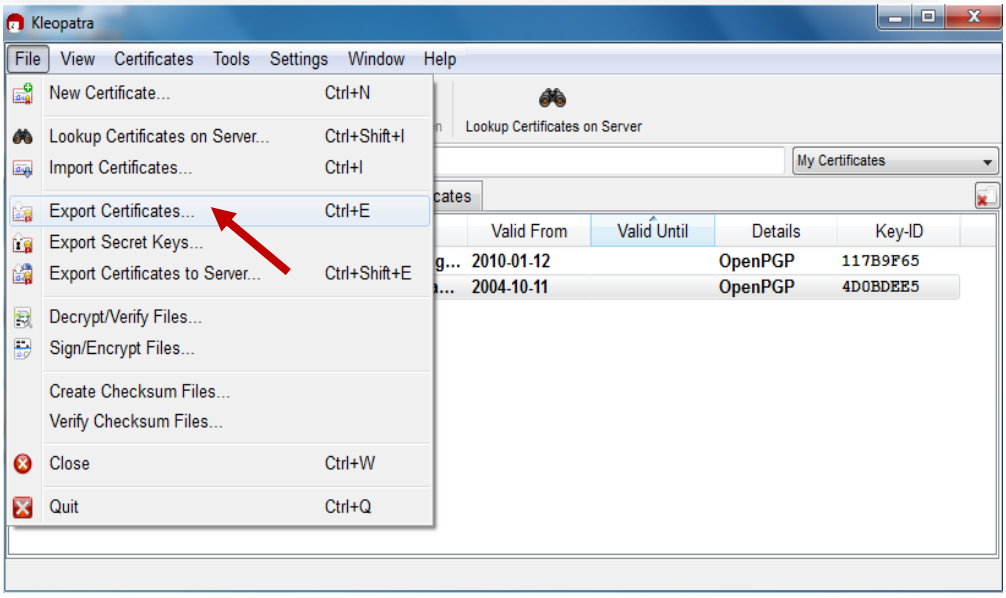
7. Backup Procedure

Make sure to do this procedure to ensure that you will not perform all the steps enumerated above in the event that your public key has been corrupted.

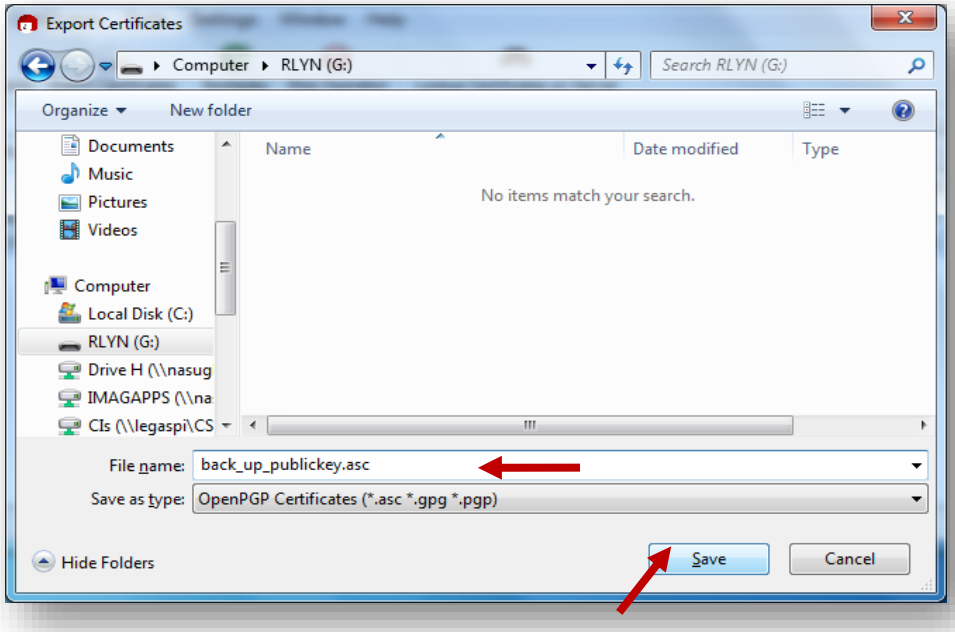


Open **Kleopatra.**

From My Certificates tab, click the name of the key owner (Compliance Officer).

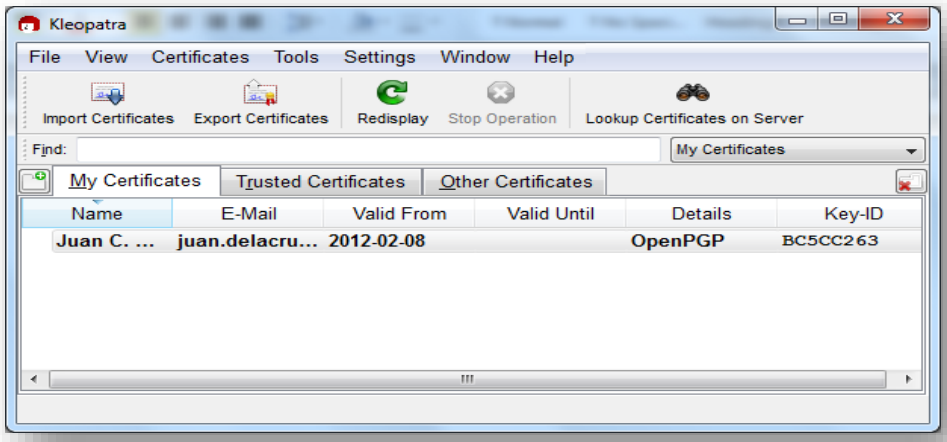


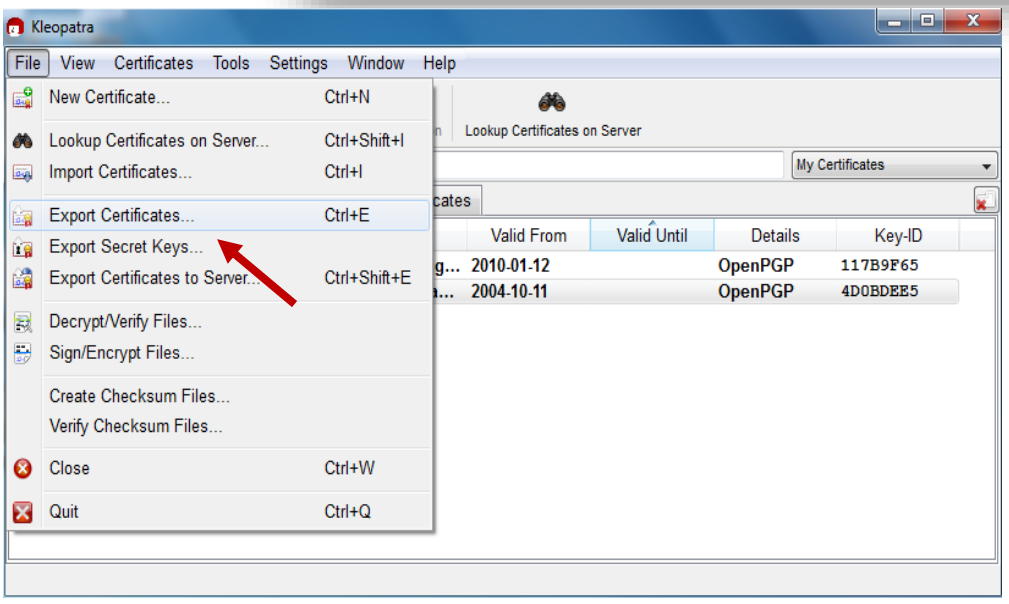
From the menu bar, click **File** then select **Export Certificates.**



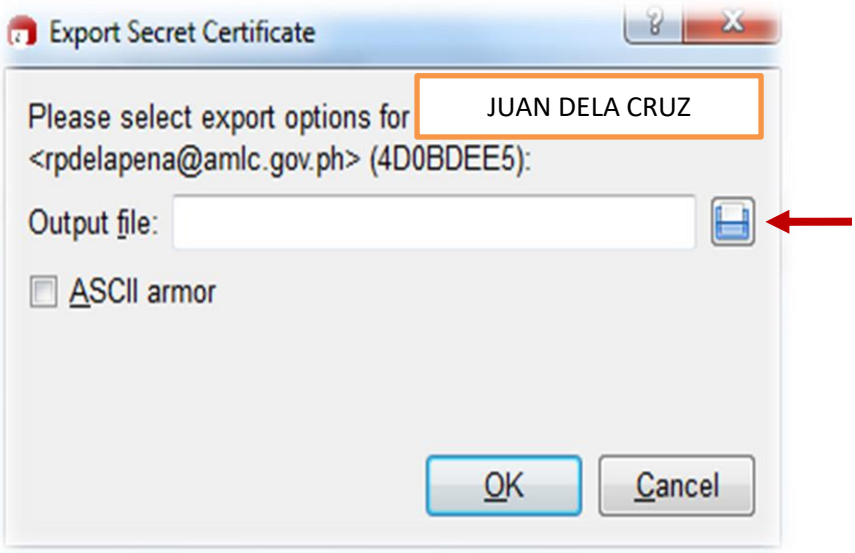
Select the directory where you want to save the backup of your public key (USB), by default filename is your fingerprint. (You have the option to change the filename) Click Save.

On My Certificates tab, click the name of the key owner (Compliance Officer).

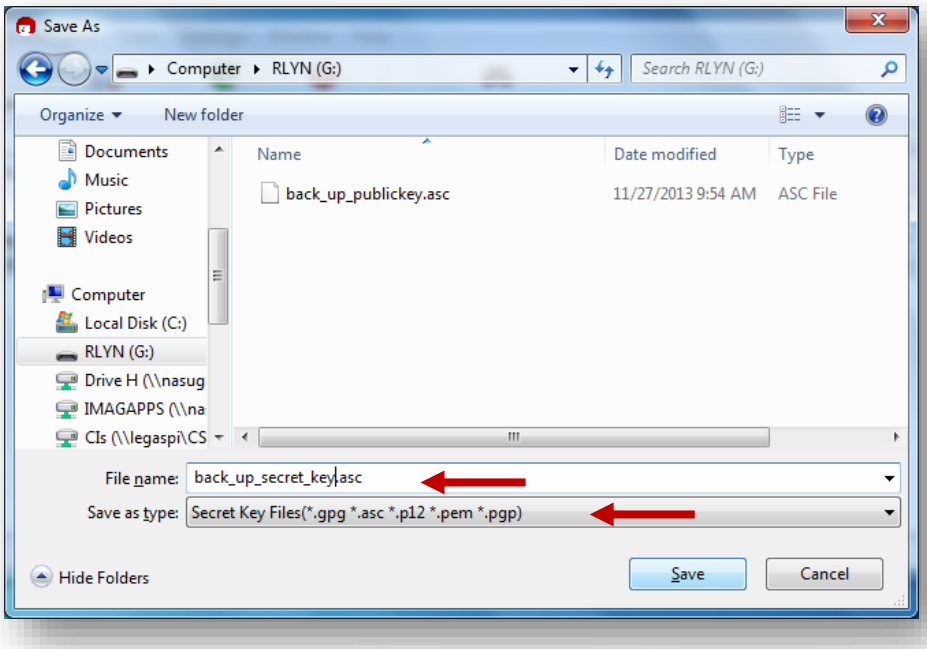




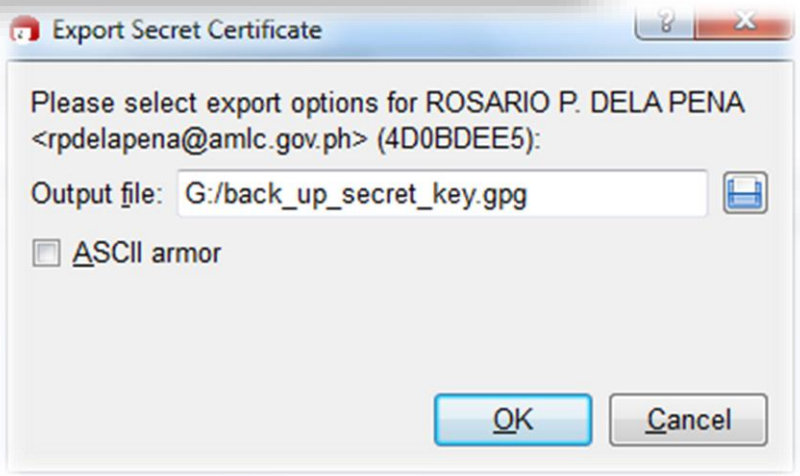
From the menu bar, click **File** then select **Export Secret Keys.**



Select the directory where you want to save the backup of your private key (USB) by clicking the diskette icon.

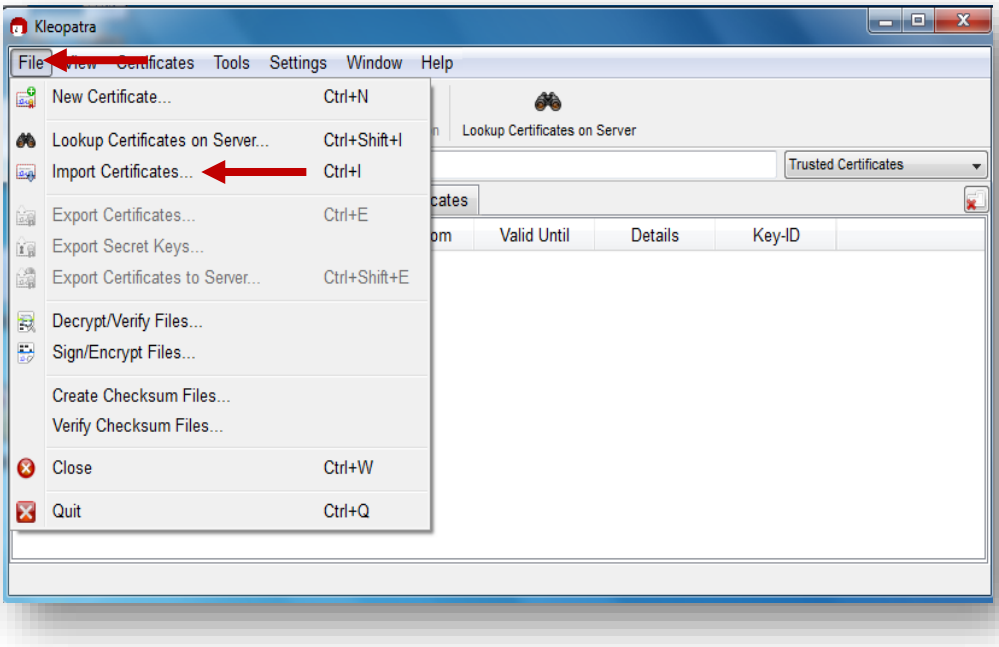


Create a filename for your secret key backup and select the directory where you want to save the backup of secret key (USB) then click Save.



7. Recovery Procedure

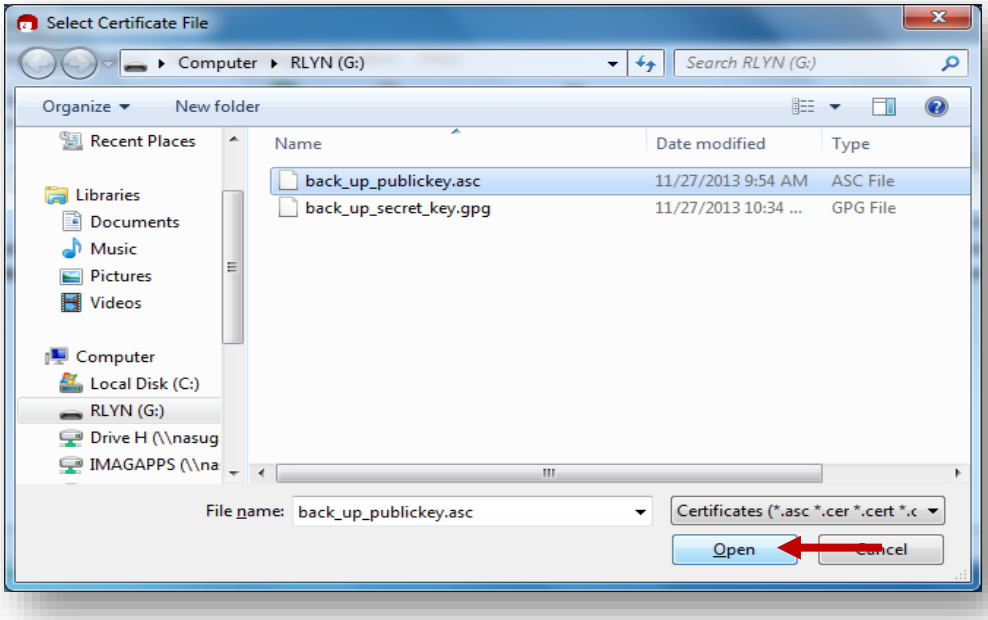
This is done if the public key is compromised, only if the Casinos have performed the back-up procedure for their private and public keys.



Follow the procedure in installing the GPG Software.

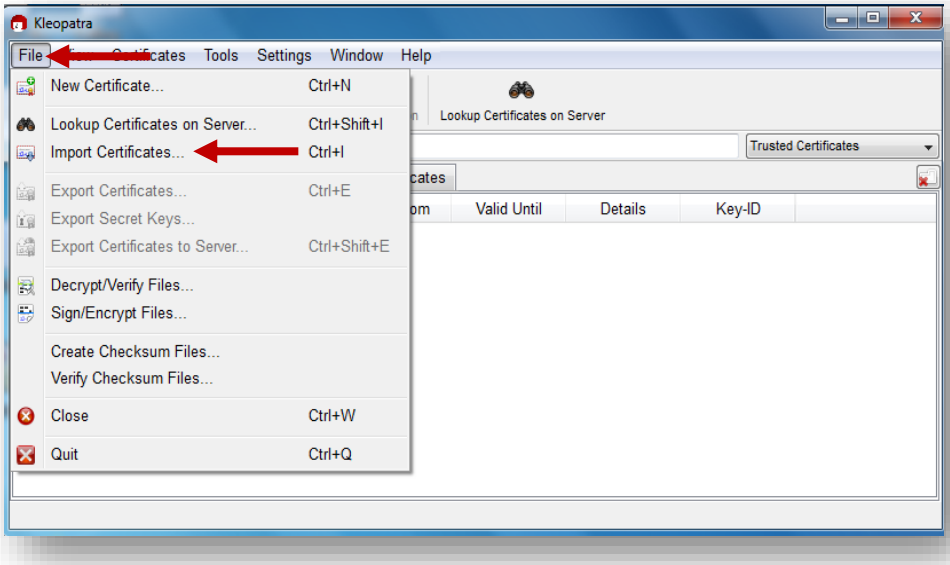
Once installed, Open Kleopatra then click File then Select Import Certificate.

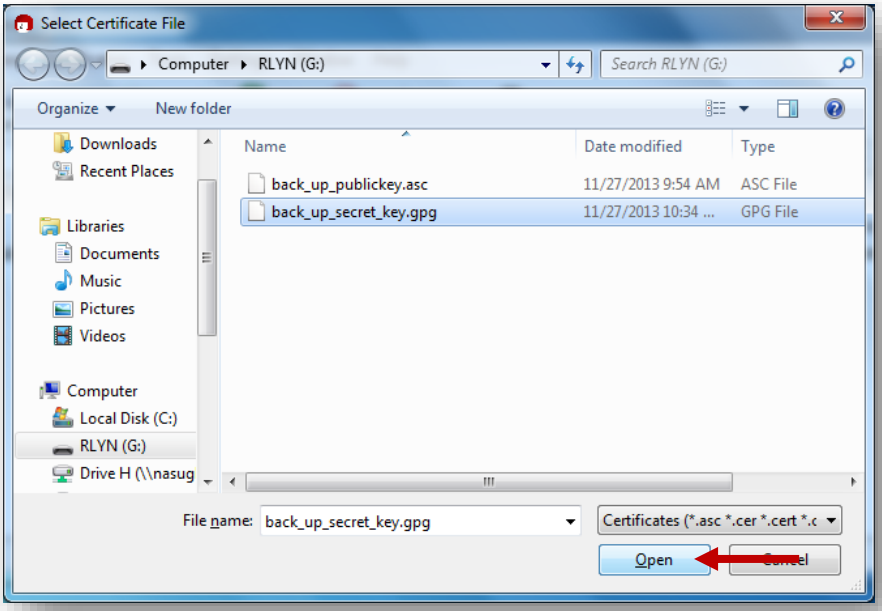
Select the directory where the backup of your public key (.asc) is saved then click Open.



Certificate Import Result window will appear then click Ok.

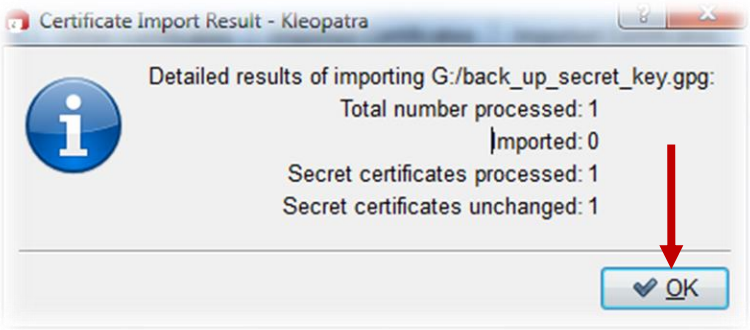
To import your secret key, click file then select Import Certificate.





Select the directory where the backup of your private key (.gpg) is saved then click Open.

Certificate Import Result window will appear then click Ok.



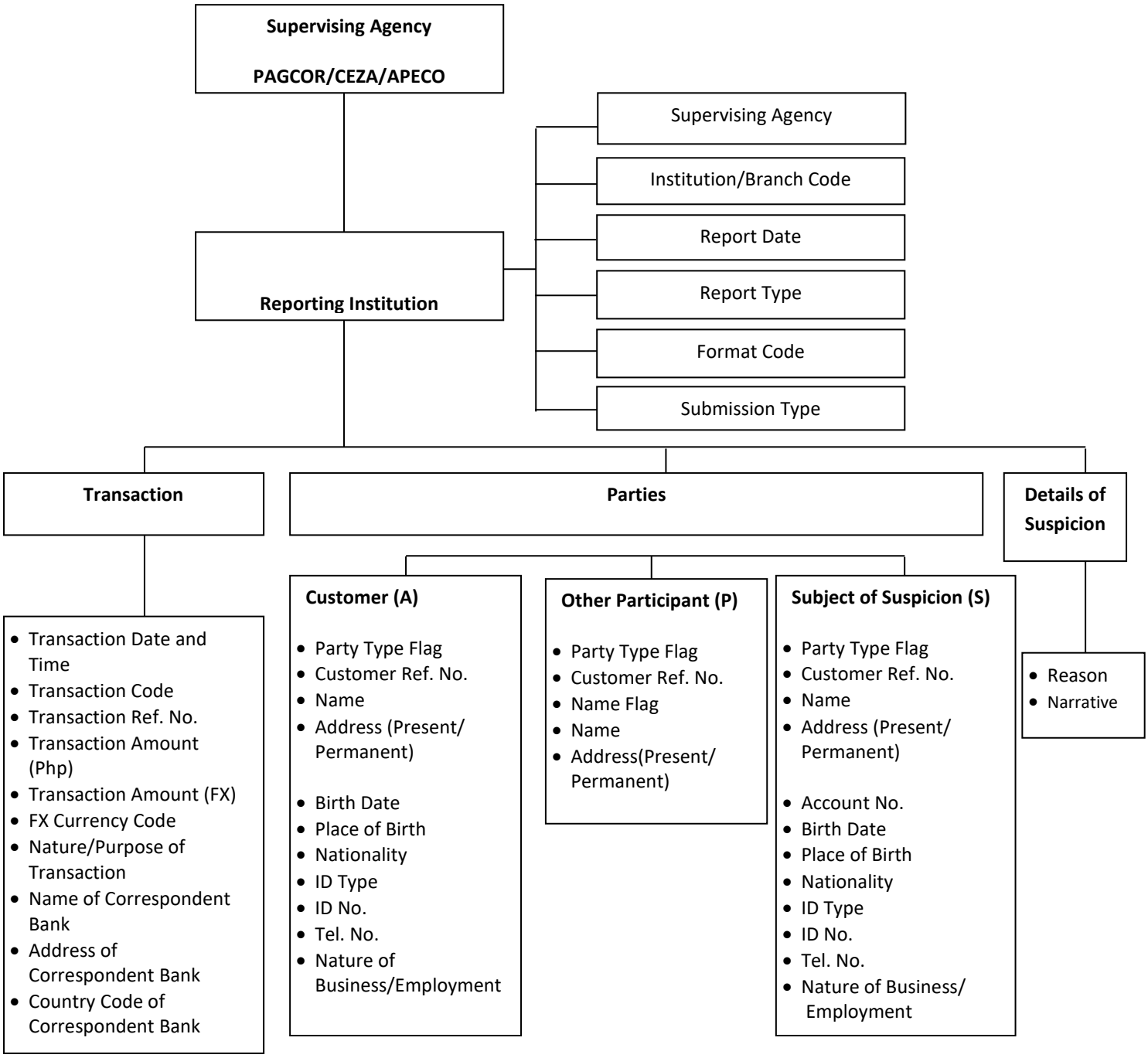
Repeat Procedures 4-6 of the Transaction Security Protocol.

Section 4. **REPORTING PROCEDURES.** –

A. Covered/Suspicious Transaction Report. –

4.A

A.1 Data Elements Chart (Format Code 1.0) – CASINOS



A.2 Electronic Record Format (Format 1.0–Casinos)

HEADER RECORD

FIELD NO.	FIELD NAME	TYPE	LENGTH	FORMAT	VALUE/REMARKS
H-1	Header Record Indicator	Text	1	H	**H** - for Header
H-2	Supervising Agency	Number	1	9	**5** –PAGCOR , **6**-CEZA, **7**-APECO
H-3	Institution Code	Number	11/18	9(11) / (18)	AMLC Library
H-4	Report Date	Number	8	9(8)	**yyyymmdd**; not greater than current date; not less than 20011017
H-5	Report Type	Text	3	X(3)	**CTR,STR**
H-6	Format Code	Number	2	99	**1**
H-7	Submission Type	Text	1	X(1)	**A**- add, **E**- edit/correction, **D**- delete, **T**-test

DETAIL RECORD
Transaction Data

FIELD NO.	FIELD NAME	TYPE	LENGTH	FORMAT	VALUE/REMARKS
D-1	Detail Record Indicator	Text	1	D	**D** - for Detail
D-2	Transaction Date and Time	Number	8	9(8)	**yyyymmddhhmmss**; not greater than current date; not less than 20011017
D-3	Transaction Code	Text	6	X(6)	AMLC Transaction Codes
D-4	Transaction Reference No.	Text	20	X(20)	must be unique per transaction date
D-5	Transaction Amount (Php)	Number	20	9(18).99	Greater than 0 w/ or w/o decimal value
D-6	Transaction Amount (FX)	Number	17	9(15).99	Optional
D-7	FX Currency Code	Text	3	X(3)	Optional; mandatory if FX amount <> null
D-8	Nature/Purpose of Transaction	Text	200	X(200)	
D-9	Name of Correspondent Bank	Text	90	X(90)	
D-10	Address				
	Address1		50	X(50)	Room No./Office Name, Bldg./House No., Street, Subd./ Brgy.
	Address2		50	X(50)	District, Town, City
	Address3		30	X(30)	Province, Country code, ZIP
D-11	Country Code of Correspondent Bank	Number	3	9(3)	Country Code (Refer to Systems Code, Annex B.3)

Subject Data

Detail Record–Party details					
Customer					
D-A-1	Party Type Flag	Text	1	X	**A–Customer**
D-A-2	Customer Reference Number	Text	30	X(30)	
D-A-3	Name	Text			
	Last Name		100	X(100)	Last name of customer
	First Name		100	X(100)	First name of customer
	Middle Name		50	X(50)	Middle name of customer
D-A-4	Address	Text			
	Address1		100	X(100)	Room No./Office Name, Bldg./House No., Street, Subd./ Brgy.
	Address2		100	X(100)	District, Town, City
	Address3		100	X(100)	Province, Country , ZIP
D-A-5	Date of Birth	Number	8	9(8)	date < current date and the difference between current date and birthdate must be less than 150
D-A-6	Place of Birth	Text	90	X(90)	City, Municipality, Country
D-A-7	Nationality	Text	40	X(40)	
D-A-8	ID Type	Text	4	X(4)	**ID1** – Passport **ID2** – Driver's License **ID3** – PRC ID **ID4** – NBI Clearance **ID5** – Police Clearance **ID6** – Postal ID **ID7** – Voter's ID **ID8** – TIN **ID9** – Barangay Certification **ID10** – GSIS e-Card/UMID **ID11**- SSS **ID12** – Senior Citizen Card **ID13** – Overseas Workers Welfare Administration (OWWA) ID **ID14** – OFW ID **ID15** – Seaman's Book **ID16** – Alien/Immigrant Certification of Registration **ID17** – Gov't Office/GOCC ID **ID18** – Certification from National Council for the Welfare of Disabled Persons(NCWDP) **ID19** – Department of Social Welfare and Development (DSWD) Certification

					ID20 – Integrated Bar of the Philippines (IBP) ID **ID21**–Company ID **ID22**– Student's ID **ID23**– National ID **ID24** - SEC Certificate of Registration **ID25** – Business Registration Certificate **ID26**– Philhealth ID **ID27** - Others
D-A-9	Identification No.	Text	30	X(30)	
D-A-10	Telephone No.	Text	15	X(15)	
D-A-11	Nature of Business	Text	35	X(35)	
OTHER PARTICIPANT					
D-P-1	Party Type Flag	Text	1	X	**P–Other Participant**
D-P-2	Customer Reference Number	Text	30	X(30)	
D-P-3	Name Flag	Text	1	X	**Y** – if Other Participant is a corporation **N** – if Other Participant is an individual
D-P-4	Name	Text			
	Last Name		100	X(100)	Last name of other participant
	First Name		100	X(100)	First name of other participant
	Middle Name		50	X(50)	Middle name of other participant
D-P-5	Address	Text			
	Address1		100	X(100)	Room No./Office Name, Bldg./House No., Street, Subd./ Brgy.
	Address2		100	X(100)	District, Town, City
	Address3		100	X(100)	Province, Country , ZIP
SUBJECT OF SUSPICION					
D-S-1	Party Type Flag	Text	1	X	**S – Subject of Suspicion**
D-S-2	Customer Reference Number	Text	30	X(30)	
D-S-3	Name	Text			
	Last Name		100	X(100)	Last name of subject of suspicion
	First Name		100	X(100)	First name of subject of suspicion
	Middle Name		50	X(50)	Middle name of subject of suspicion
D-S-4	Address	Text			
	Address1		100	X(100)	Room No./Office Name, Bldg./House No., Street, Subd./ Brgy.

	Address2		100	X(100)	District, Town, City
	Address3		100	X(100)	Province, Country , ZIP
D-S-5	Date of Birth	Number	8	9(8)	date < current date and the difference between current date and birthdate must be less than 150
D-S-6	Place of Birth	Text	90	X(90)	City, Municipality, Country
D-S-7	Nationality	Text	40	X(40)	
D-S-8	ID Type	Text	4	X(4)	**ID1** – Passport **ID2** – Driver's License **ID3** – PRC ID **ID4** – NBI Clearance **ID5** – Police Clearance **ID6** – Postal ID **ID7** – Voter's ID **ID8** – TIN **ID9** – Barangay Certification **ID10** – GSIS e-Card/UMID **ID11**- SSS **ID12** – Senior Citizen Card **ID13** – Overseas Workers Welfare Administration (OWWA) ID **ID14** – OFW ID **ID15** – Seaman's Book **ID16** – Alien/Immigrant Certification of Registration **ID17** – Gov't Office/GOCC ID **ID18** – Certification from National Council for the Welfare of Disabled Persons(NCWDP) **ID19** – Department of Social Welfare and Development (DSWD) Certification **ID20** – Integrated Bar of the Philippines (IBP) ID **ID21**–Company ID **ID22**– Student's ID **ID23** – National ID **ID24** - SEC Certificate of Registration **ID25** – Business Registration Certificate **ID26** – Philhealth ID **ID27** - Others
D-S-9	Identification No.	Text	30	X(30)	
D-S-10	Telephone No.	Text	15	X(15)	
D-S-11	Nature of Business	Text	35	X(35)	

Details of Suspicion

D-D-1	Reason	Memo	800		Reason for Suspicion **SI1**- There is no underlying legal or trade obligation, purpose or economic justification. **SI2**- The client is not properly identified.

					SI3- The amount involved is not commensurate with the business or financial capacity of the client. **SI4**- The transaction is structured to avoid being reported. **SI5**- There is a deviation from the client's profile/past transactions. **SI6**- The transaction is similar, analogous or identical to any of the foregoing. ***(Additional reason is required after a semicolon i.e. SI6; The client is…….)*** **PC1**- Kidnapping for ransom **PC2**- Drug trafficking and related offenses **PC3**- Graft and corrupt practices **PC4**- Plunder **PC5**- Robbery and Extortion **PC6**- Jueteng and Masiao **PC7**- Piracy on the high seas **PC8**- Qualified Theft **PC9**- Swindling **PC10**- Smuggling **PC11**- Violations under the Electronic Commerce Act of 2000 **PC12**- Hijacking; destructive arson; and murder, including those perpetrated by terrorists against non-combatant persons and similar targets **PC13** – Terrorism and conspiracy to commit terrorism **PC14** – Financing of Terrorism **PC15** – Bribery **PC16** – Frauds and Illegal Exactions and Transactions **PC17** – Malversation of Public Funds and Property **PC18** – Forgeries and Counterfeiting **PC19** – Violations of Sections 4 to 6 of the Anti-Trafficking in Persons Act of 2003 **PC20** – Violations of Sections 78 to 79 of the Revised Forestry Code of the Phils., as amended **PC21** – Violations of Sections 86 to 106 of the Fisheries Code of 1998

					PC22 – Violations of Sections 101 to 107 and 110 of the Philippine Mining Act of 1995 **PC23** – Violations of Section 27 (c), (e), (f), (g) and (i) of the Wildlife Resources Conservation and Protection Act **PC24** – Violation of Section 7b of the National Caves and Cave Resources Management Protection Act **PC25** – Violation of the Anti-Carnapping Act of 2002 **PC26** – Violations of Sections 1,3 and 5 of the Decree Codifying the Laws on Illegal/Unlawful Possession Manufacture Dealing in, Acquisition or Disposition of Firearms, Ammunition or Explosives **PC27** – Violation of Anti-Fencing Law **PC28** – Violation of Section 6 of the Migrant Workers and Overseas Filipinos Act of 1995 **PC29**- Violation of Intellectual Property Code **PC30** – Violation of Section 4 of the Anti-Photo and Video Voyeurism Act of 2009 **PC31** – Violation of Section 4 of the Anti-Child Pornography Act of 2009 **PC32** – Violations of R.A. No. 7610, Special Protection of Children Against Abuse, Exploitation and Discrimination **PC33**- Fraudulent practices and other violations under the Securities Regulation Code of 2000 **PC34**- Felonies or offenses of a similar nature that are punishable under the penal laws of other countries.
D-D-2	Narrative	Memo	4000		Narrative of events leading to Suspicion

Trailer Record

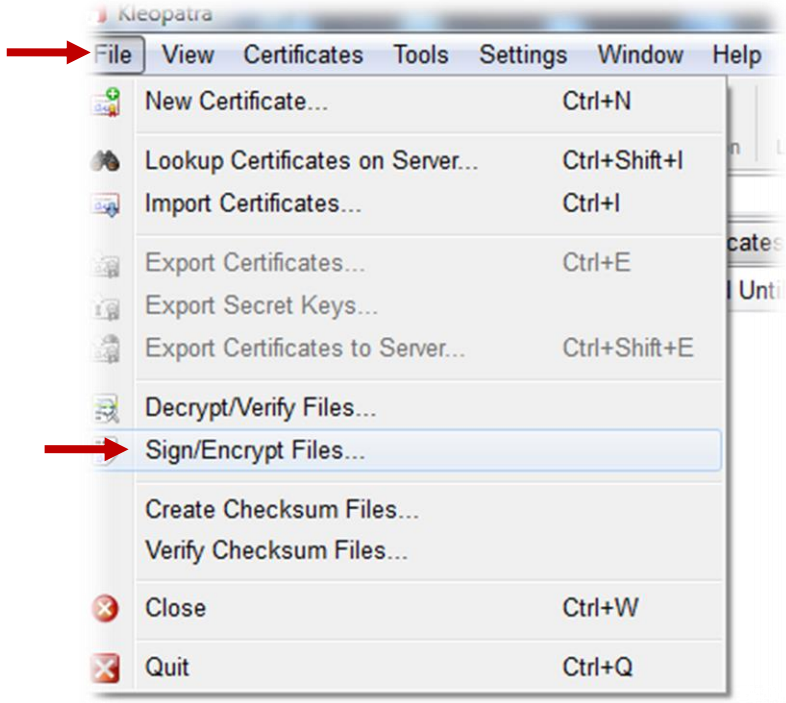
FIELD NO.	FIELD NAME	TYPE	LENGTH	FORMAT	VALUE/REMARKS
T-1	Trailer Record Indicator	Text	1	T	**T** - for Trailer
T-2	Php Amount Total	Number	20	9(18).99	Total Transaction Amount

T-3	Records Total of batch to be sent	Number	10	9(10)	Total number of CTR/STRs

B. Transaction Security Process and Transferring of Files. –

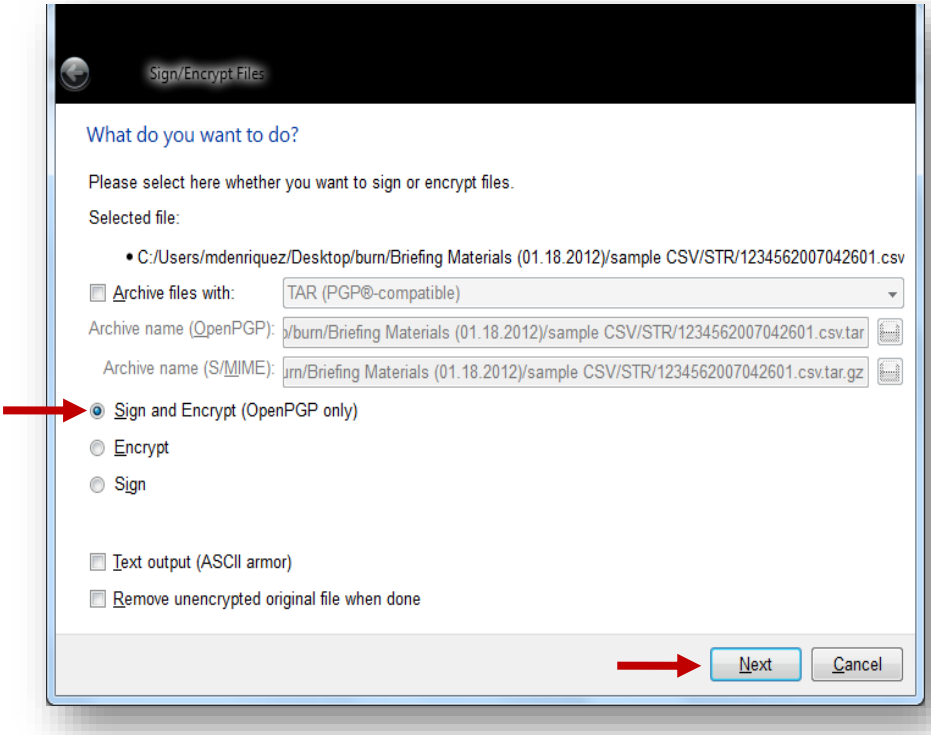
4.B

B.1 Encrypting of Files (done after CP has created a CSV file – Format1.0)



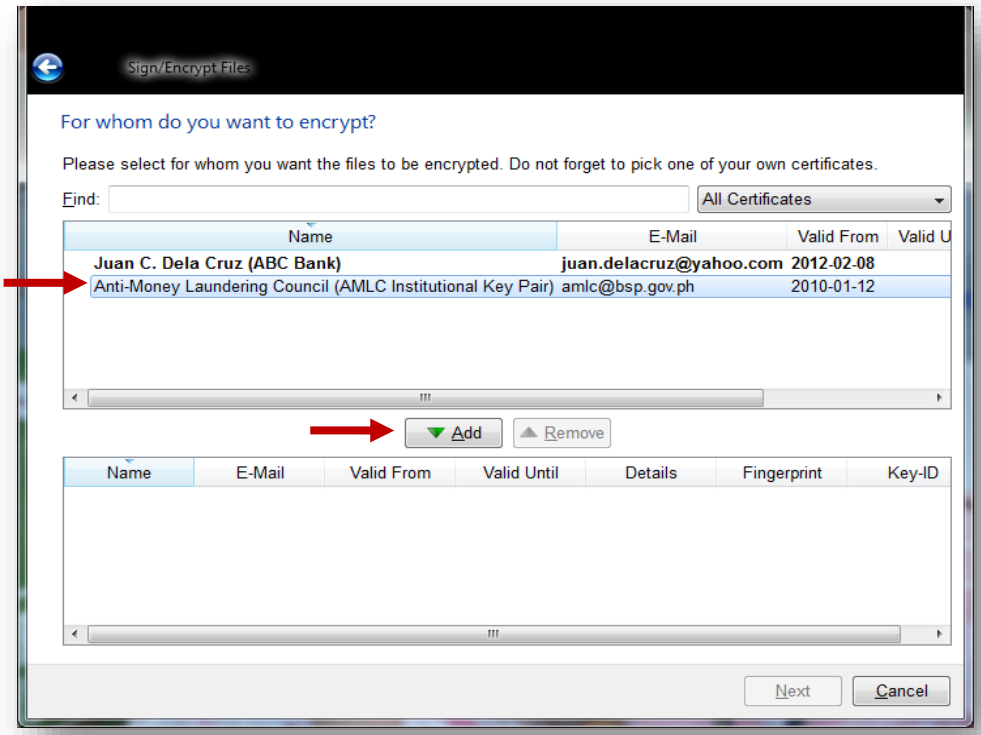
- From your desktop, double click **Kleopatra**. The Kleopatra main window will be displayed on the screen.
- Click File, then click **Sign/Encrypt Files…**

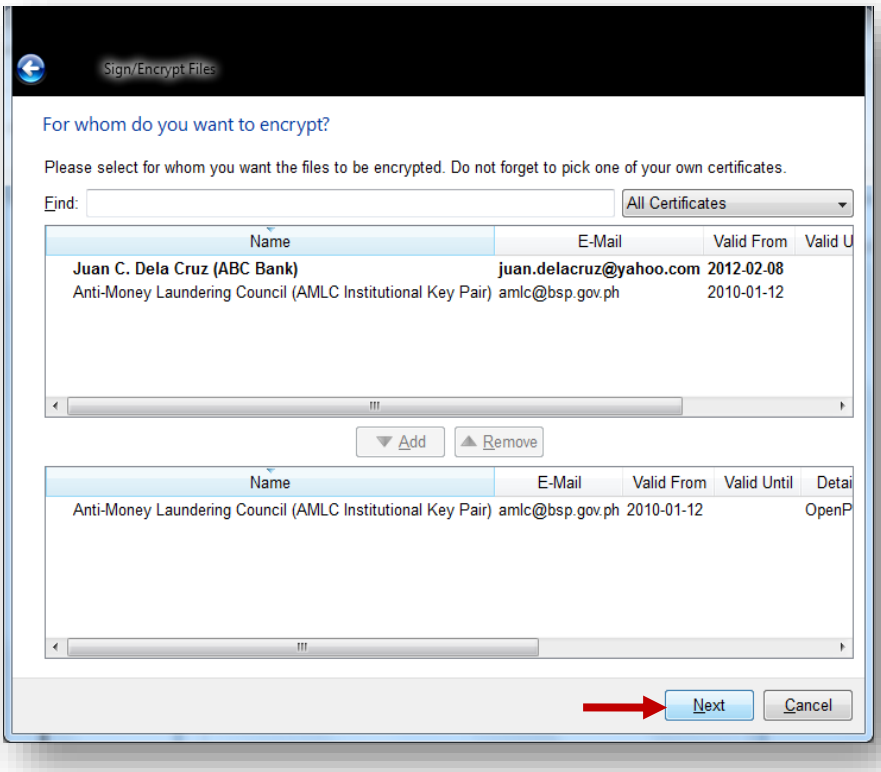
Select the csv file you want to sign and encrypt, then click **Open.**



Select ***Sign and Encrypt***, then click **Next**.

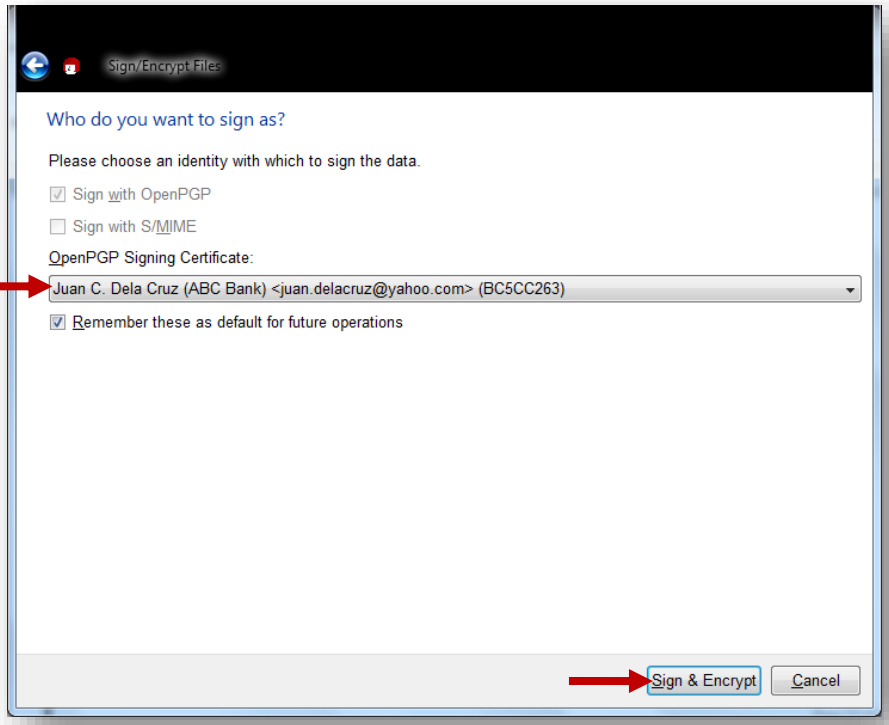
Select ***Anti-Money Laundering Council's*** public key, then click **Add.**

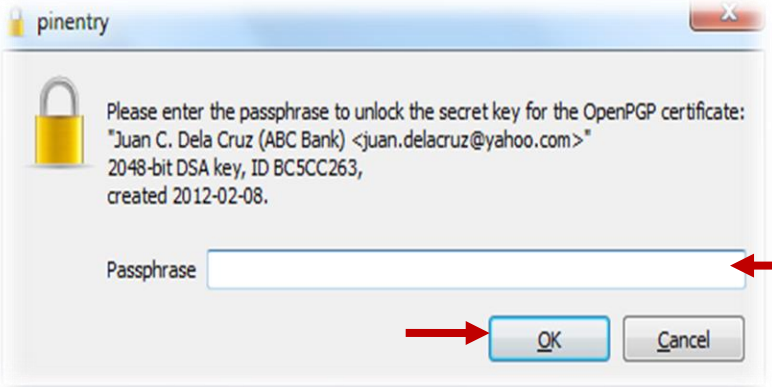




Click **Next**. A warning message will be displayed on the screen. Click **Continue**.

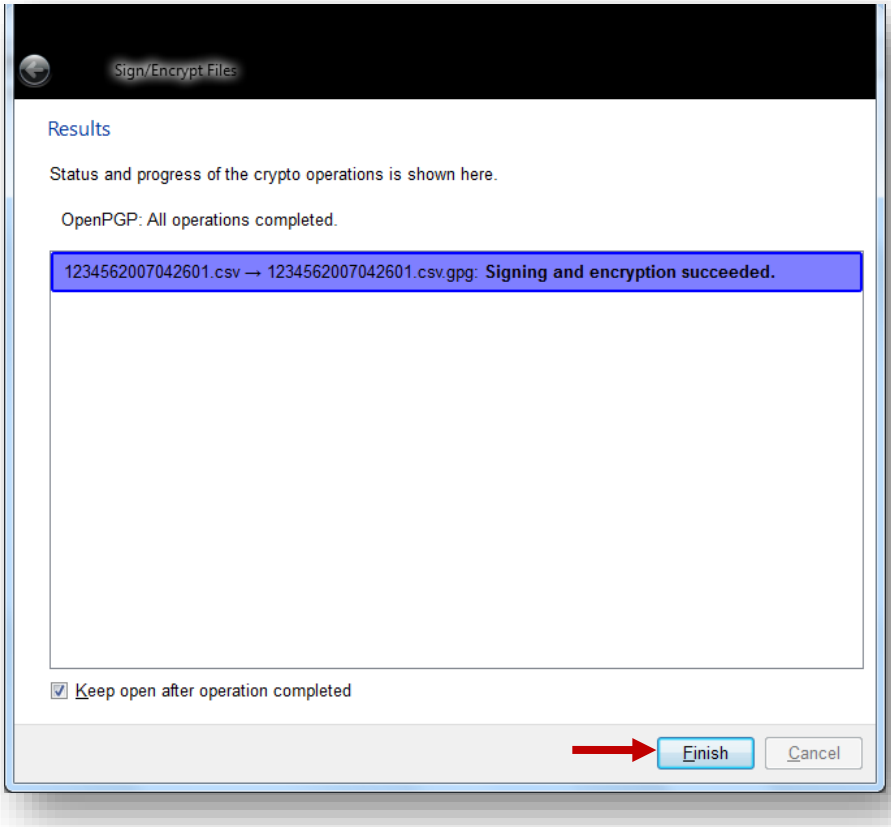
Select the ***Compliance Officer's*** private key, then click **Sign & Encrypt**.





Enter passphrase of the Compliance Officer, then click **Ok**.

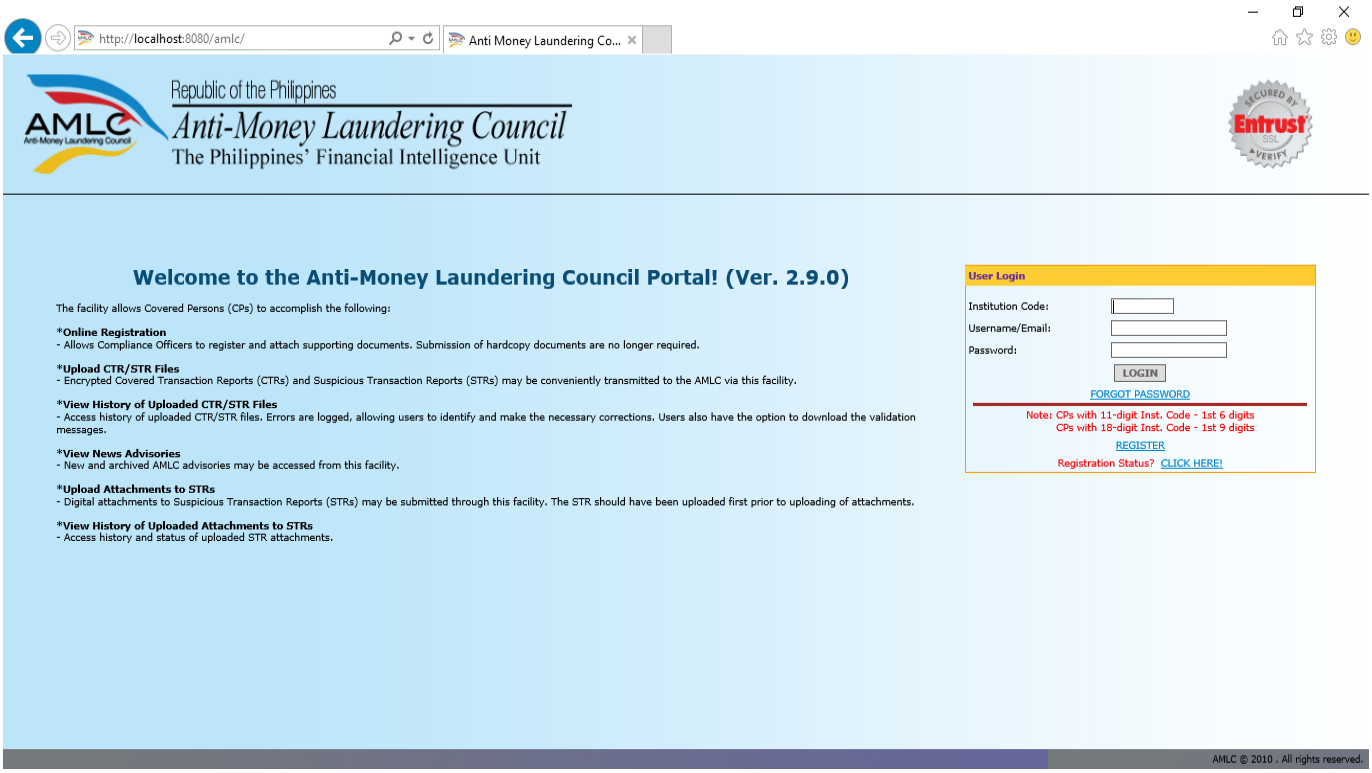
Click **Finish**.



B.2 Transferring of Files (File Transfer Reporting Facility version 2.0)

B.2.1 Log-in Page

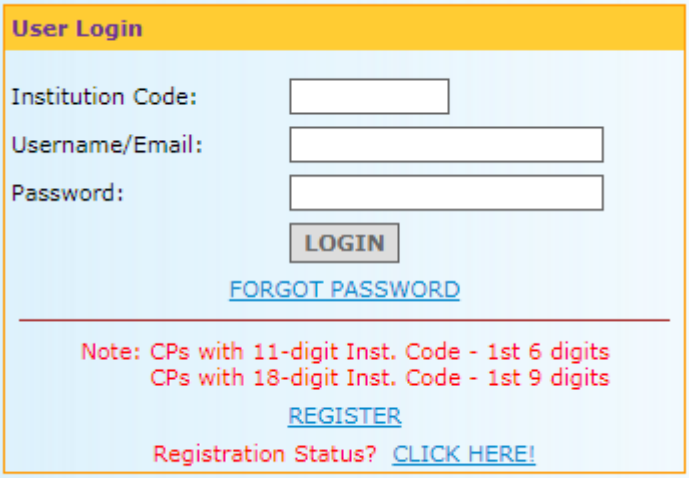
Log-on to https://portal.amlc.gov.ph

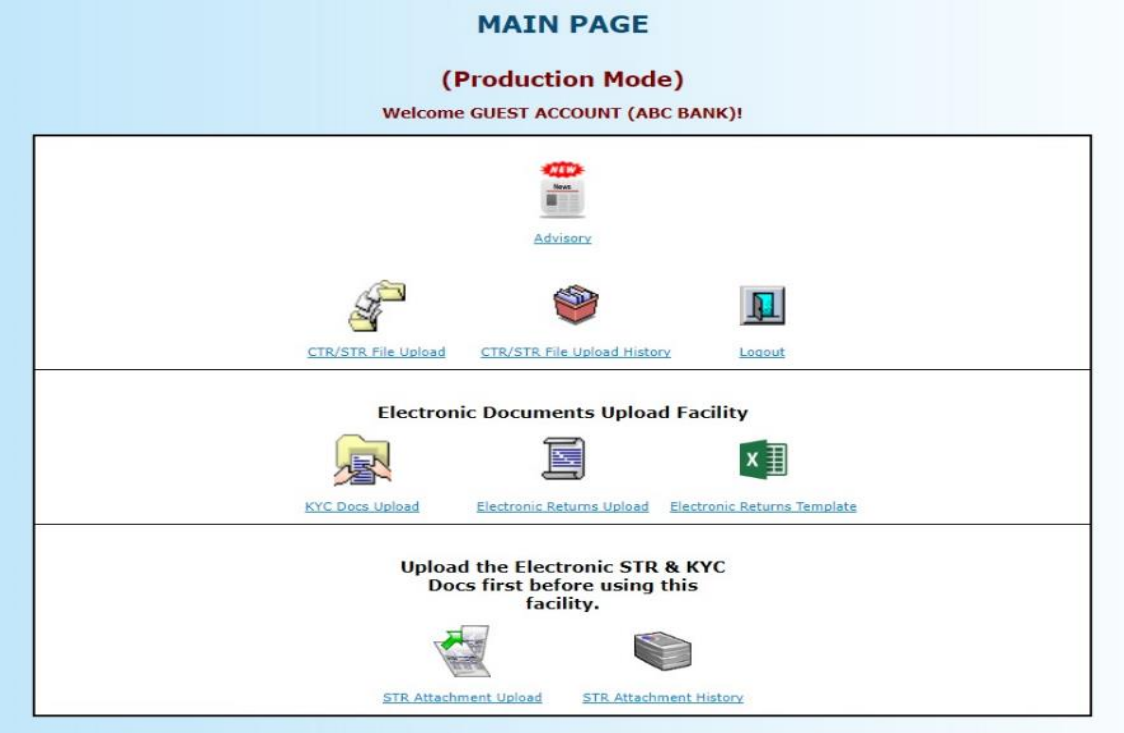


Enter the 1st 6-digits of the Inst. Code for CPs with 11-digit Inst. Code

Enter the 1st 9-digits of the Inst. Code for CPs with 18-digit Inst. Code

Enter the Username or Registered email address





A successful login will show the CP User Main Page.

There are nine (9) options or links available in CP User Main Page:

a.  **Advisory**, if the icon is clicked, it will automatically display latest advisory/announcement of AMLC.

b.  **CTR/STR File Upload** provides access for the registered CP user to upload the electronic CTRs and STRs.

c.  **CTR/STR File Upload History** gives the option for the registered CP user to inquire and view the files uploaded; only files uploaded by the particular CP can be viewed.

d.  **Logout** will log the CP user out of the system and go back to CP User Login Page.

e.  **KYC Docs Upload** provides access for the registered CP user to upload KYC Documents for STRs.

f.  **Electronic Returns Upload** provides access for the registered CP user to upload E-Returns for Freeze Orders

g.  **Electronic Returns Template** provides a template facility (excel file) for Electronic Returns.

h.  **STR Attachment Upload** gives the option for the registered CP user to upload a STR attachment, provided that the STR has been uploaded and processed

i.  **STR Attachment History** gives the option for the registered CP user to check the status of the STR attachment that has been uploaded.

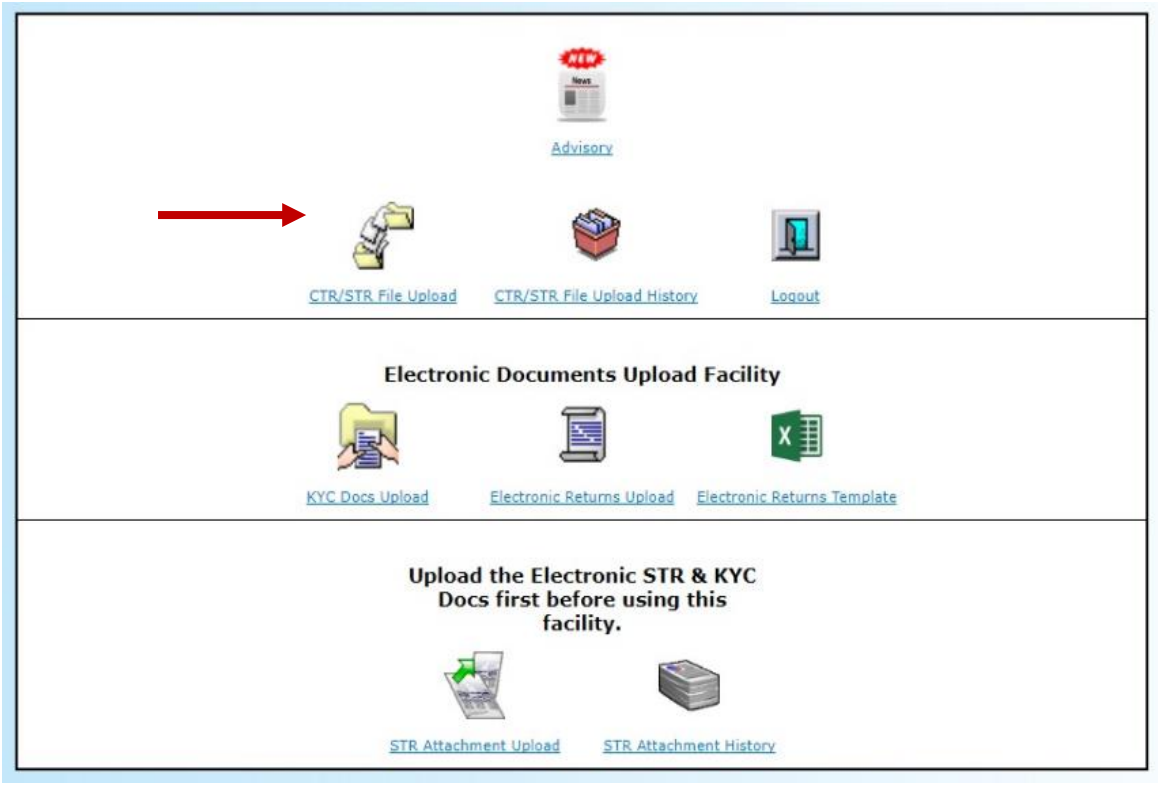
B.2.2 CTR/STR File Upload

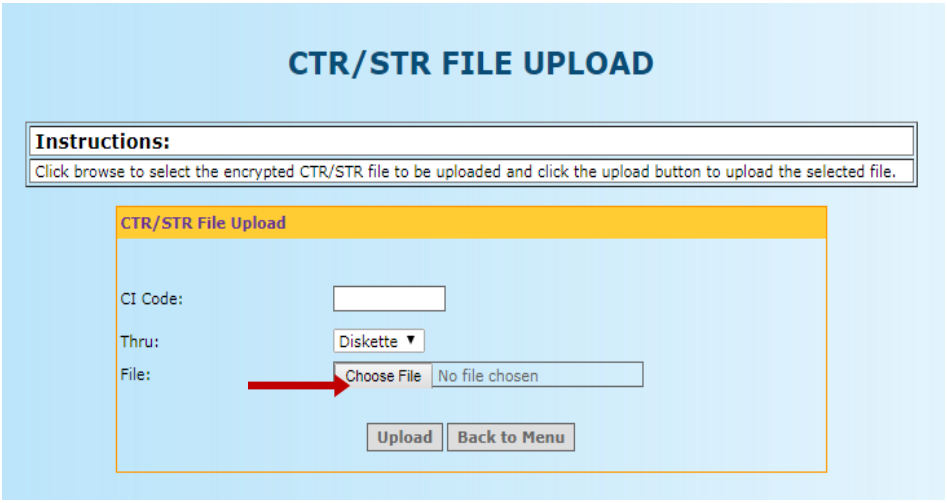
When the registered CP's Institution Code, user name and its corresponding password are entered correctly, the CP user should be able to use the FTRF to upload the electronic reports.

Upon successful login, Click **File Upload** link or

icon

The file upload window will be displayed on the screen.





Click **Browse** button to locate the file to be uploaded.

Note: Only files with [.csv.gpg] or [.csv.enc] or [.csv.pgp] as extension at the end of the filename will be accepted for uploading through the FTRF. The filename should follow the file naming convention 123456yyyymmddss of 123456789yyyymmdd where:

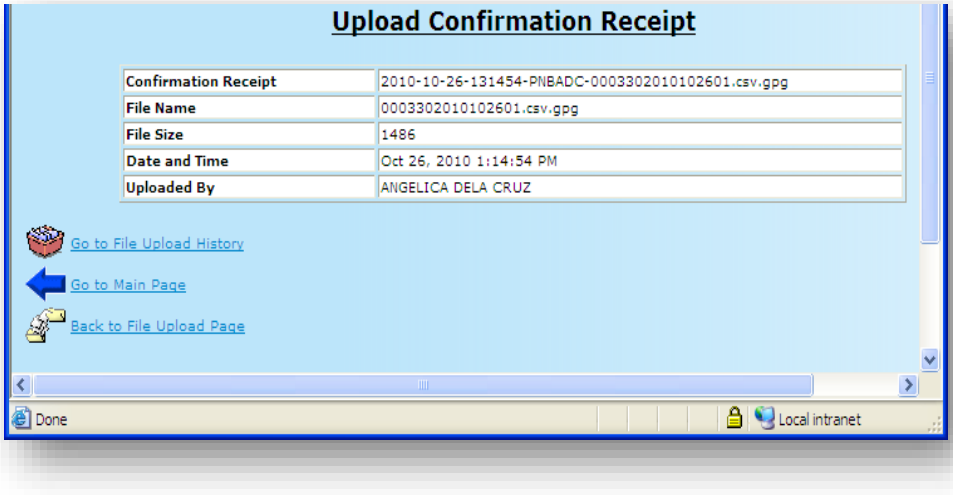
123456/123456789	– 1st six digits/1st 9 digits of the institution code
yyyymmdd	– report date (date the report is sent to AMLC)
ss	– Sequence number (from 01-99) representing no. of files transmitted for the day

After locating the file, click **UPLOAD** to upload the selected file or click **BACK TO MENU** to cancel the upload and return to the User Main Page.

After the Upload button is clicked and upon every successful upload, the "Upload Confirmation Receipt" is displayed.

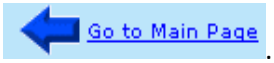
The Upload Confirmation Receipt has the following information:

- Confirmation Receipt: Date and time of receipt + Username + FileName
- File Name: Name of the file that was uploaded
- File Size: size of the file that was uploaded
- Date and Time: Receipt date and time of the file at AMLC Secretariat
- Uploaded by: Name of the CP user who uploaded the file



If there are still file for uploading, click 

.

If there are no more file for uploading, click 

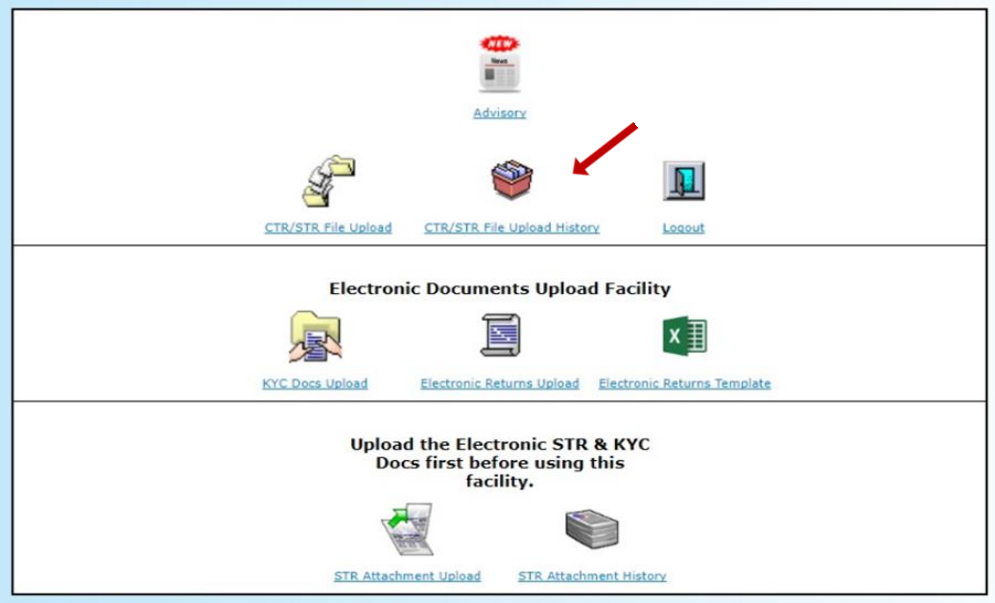
.

If a CP user wants to search view files that have been uploaded, click 

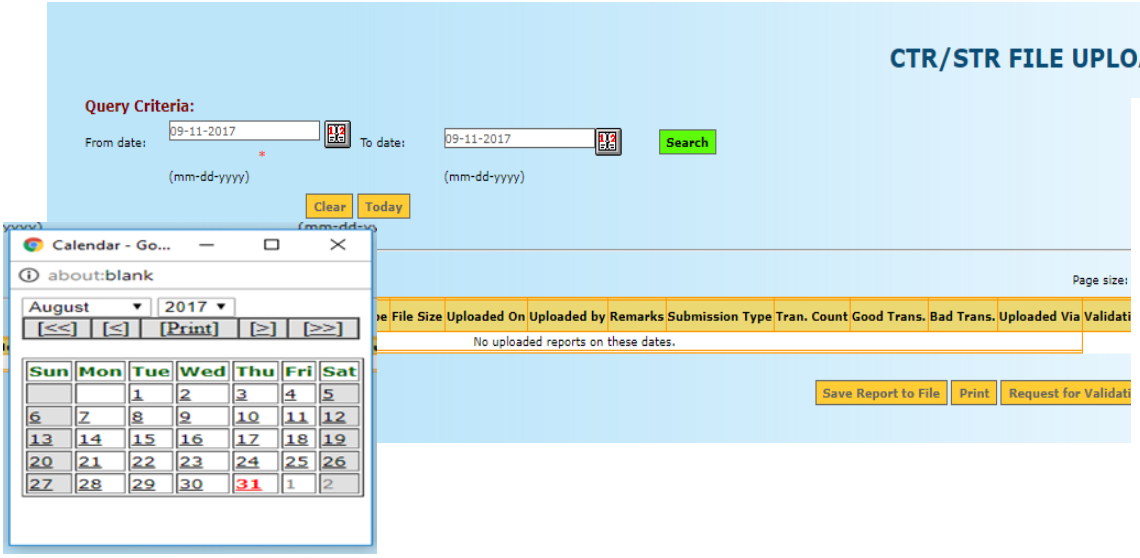
Note: The Upload Confirmation Receipt does not guarantee that all CTRs/STRs in the CSV file/s have been uploaded. To check the status of the submission, files should be viewed in the File Upload History Page.

B.2.3 File Upload History

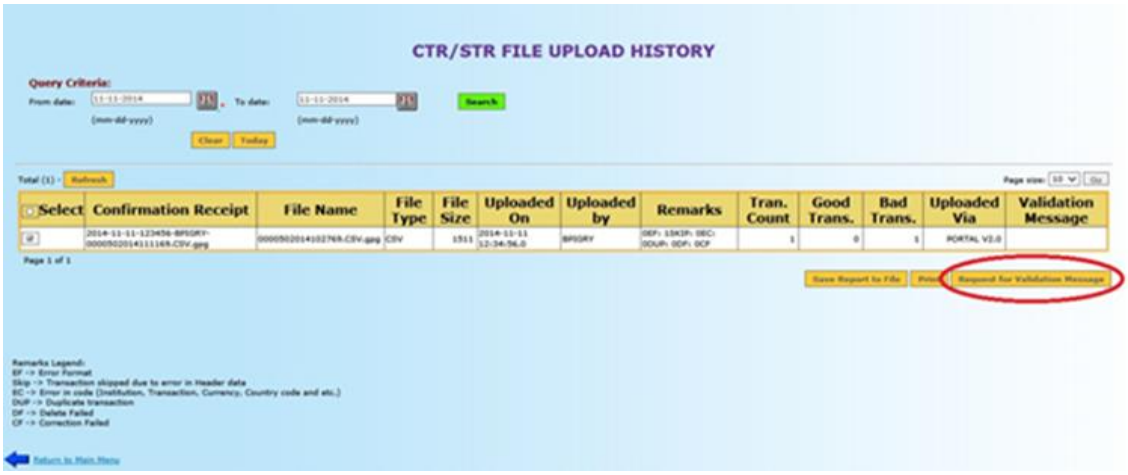
A registered CP User can search/view anytime the files that have been uploaded for the registered CP he is representing. Status of each file uploaded is indicated in the search result.



From the User Main Page, click >**FILE UPLOAD HISTORY.**



- To view specific past date or date range, click (calendar icon) to specify START DATE and END DATE.
- Click >**SEARCH** to start the search.
- When the search is completed, the query result is displayed.



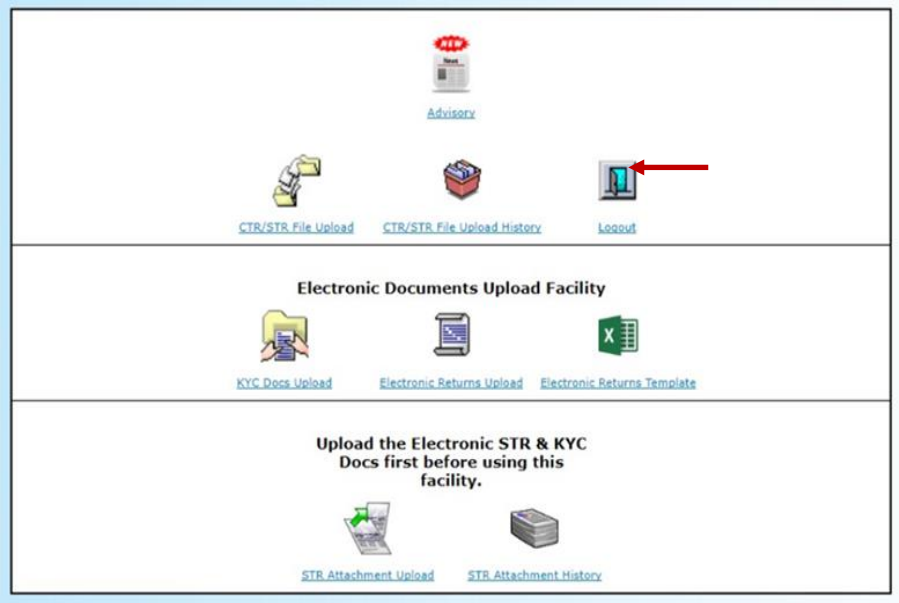
Check the result of the file uploaded by comparing the number of transaction count with the number of good transactions.

a. If the transaction count is equal to the number of good transactions, the CP can save a copy of the confirmation receipt by clicking on the "**SAVE REPORT TO FILE**" button, or the "**PRINT**" button to have a printed copy for filing.

b. If the transaction count is not equal to the number of good transactions, the CP should select the report file with Bad Transactions and click on the "**Download Validation Message**" button. The validation message of the selected uploaded file will be sent via email. Check the validation message for the details of the error/s and make the appropriate correction.

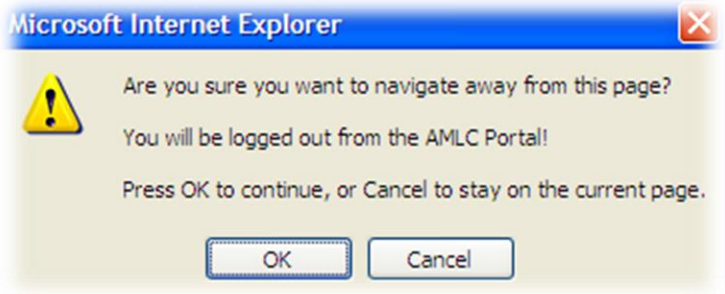
To search another date or date range, click**> CLEAR** button before entering the new search dates.

B.2.4 How to Log-out



From the User Main Page, click Logout link 

- If CP User closes the browser, a notification message below will be displayed on the screen.
- Click **Ok** to logout or click **Cancel** to stay on the current page.



B.3 Uploading of KYC Documents for Suspicious Transaction Reports

B.3.1 Mandatory Uploading of KYC Documents

Uploading of KYC Documents is mandatory if the Reason of Suspicion falls under any of the following:

PC1	–	Kidnapping for Ransom
PC2	–	Drug Trafficking
PC12	–	Hijacking; destructive arson; and murder, including those perpetrated by terrorists against non-combatant persons and similar targets
PC13	–	Terrorism and conspiracy to commit terrorism
PC14	–	Financing of Terrorism

Uploading of KYC documents should be performed prior to the upload of the STR, otherwise the STR will be rejected for processing due to non-submission of KYC documents.

The customer reference number (CRN) will be mandatory for the Account Holder Party or Subject of Suspicion Party, whichever is applicable for the above mentioned predicate crimes.

Uploading of KYC Documents for a CRN of a subject STR will only be done once, if a subsequent STR is filed on the same CRN, CPs need not re-upload the corresponding KYC Documents.

Mandatory update of submitted KYC Documents is required every three (3) years, however this is optional if no STR will be filed under the same CRN. In cases where the CP has no updated KYC documents, reason for which should be indicated in the **Remarks** portion of the KYC Docs Update window.

Below is the Acceptable KYC Documents:

Account Opening Forms are the following:

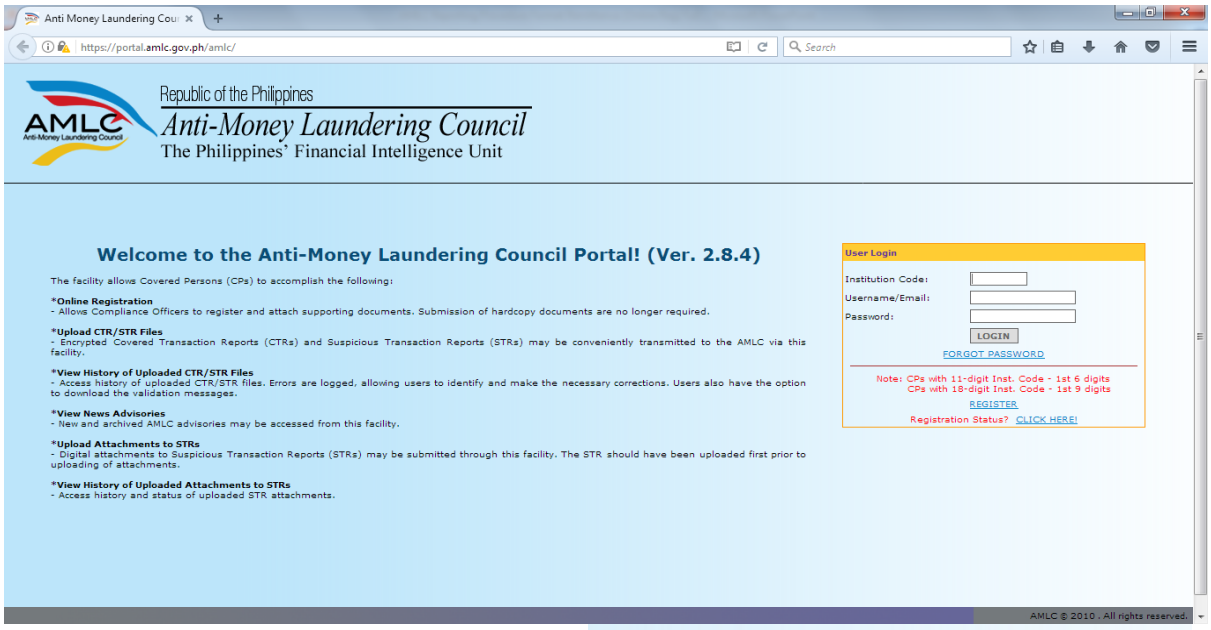
- Signature Cards
- Customer Information File/Sheet

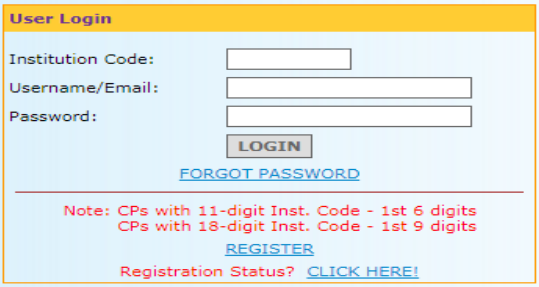
Scanned copy of the following for ID Documents presented:

- Government IDs
- Articles of Incorporation/General Information Sheet for Corporation/Articles of Partnership
- Authorized Signatory's ID for Corporate accounts
- DTI Certificate for Sole Proprietor
- Digital Photo, if available

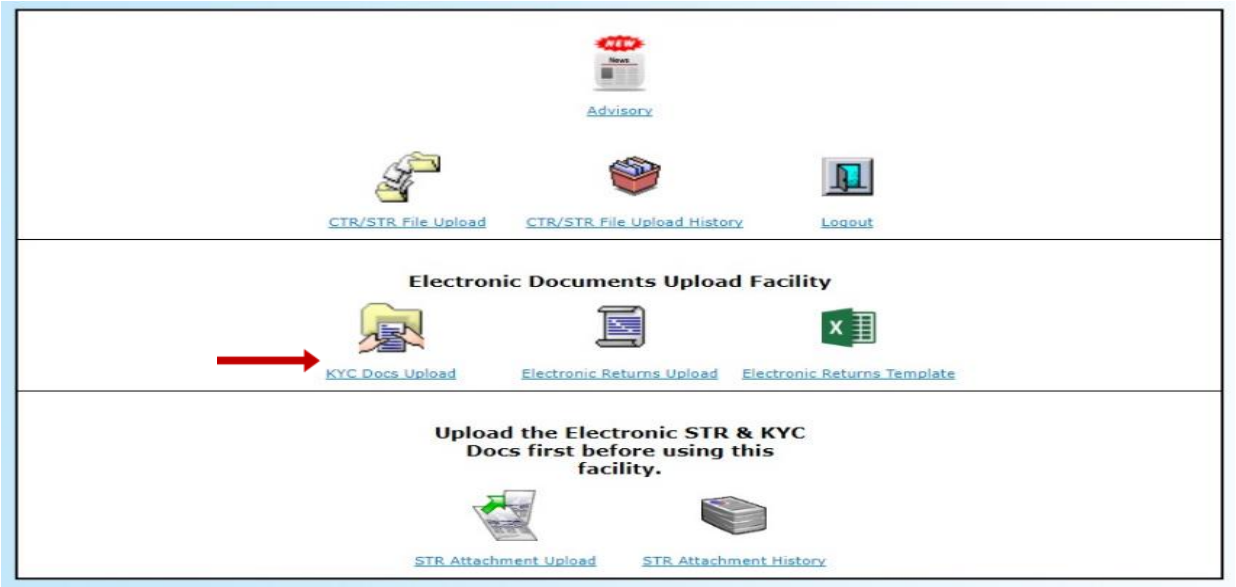
Procedures for Uploading of KYC Documents

Log-on to https://portal.amlc.gov.ph

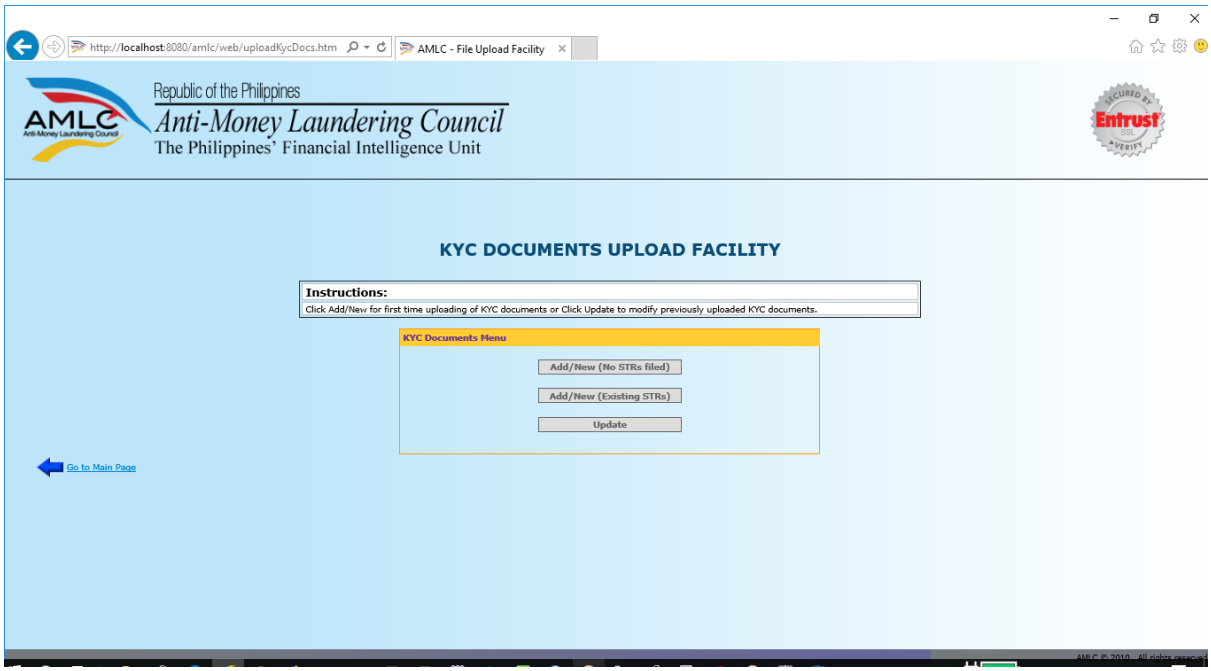




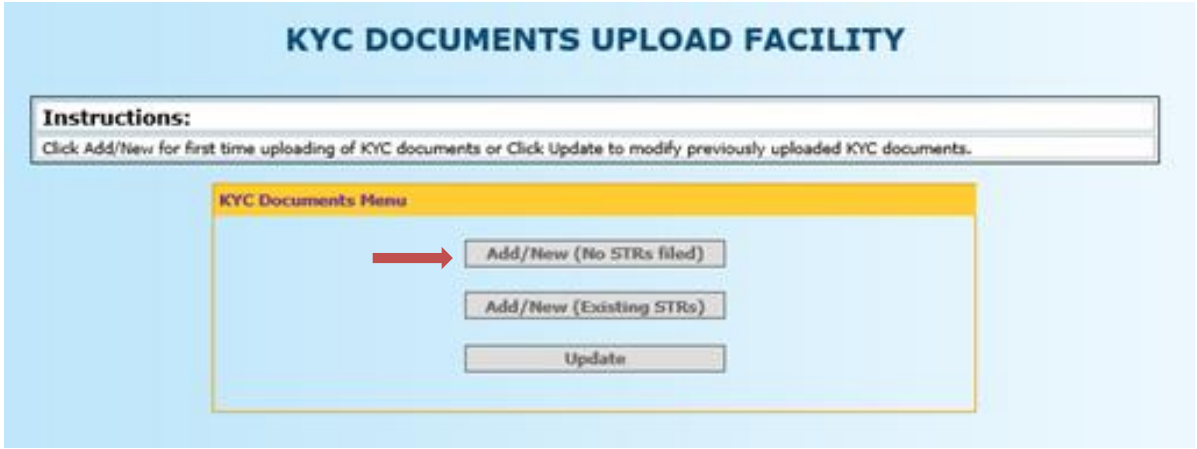
A successful log-in will show the Covered Person go to the Upload window.



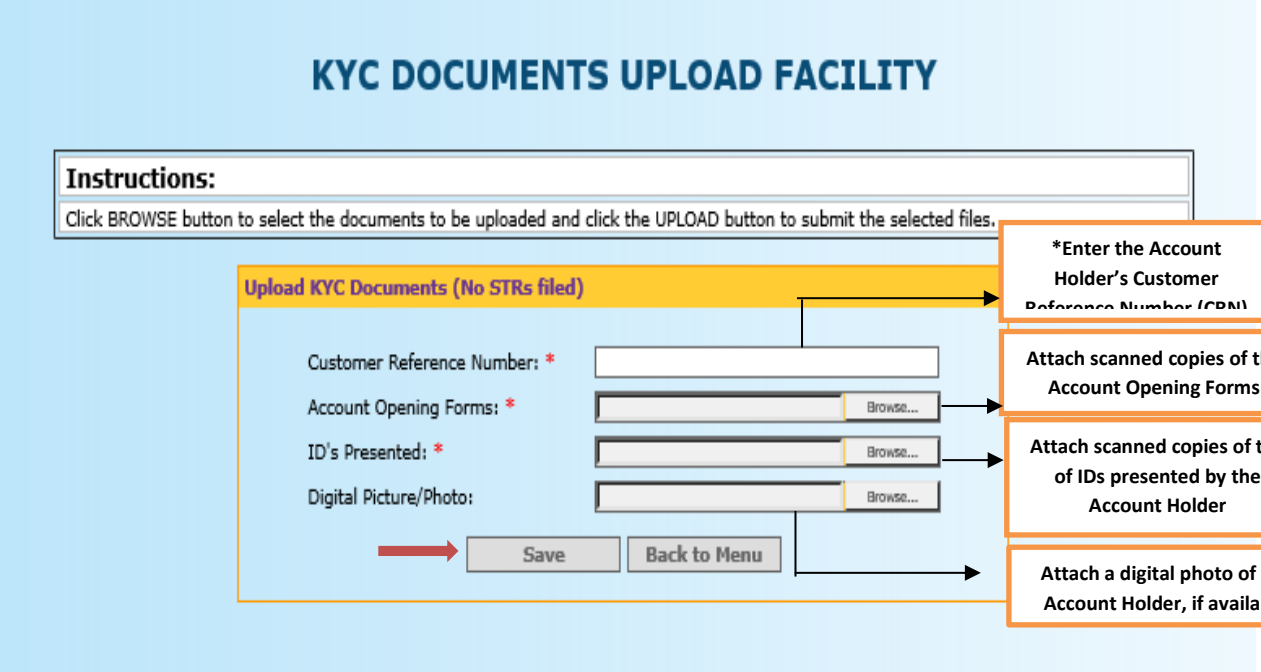
In the initial KYC Docs Upload window, three options will be available: Choose **Add/New STR (No STRs filed)**, if the KYC Docs to be uploaded corresponds to an STR not previously uploaded; **Add/New STR (Existing STRs)**, if the KYC Docs to be uploaded is for previously uploaded STRs with no KYC docs on file; and **Update**, for updating previously filed KYC Docs.



Click **Add/New (No STRs filed)** button to enable the KYC Docs Upload Facility.



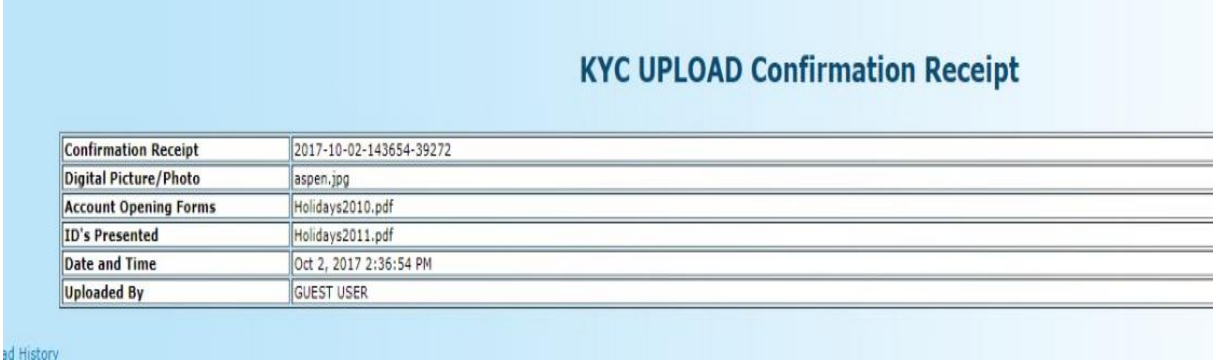
Enter the Customer Reference Number and attach the corresponding KYC Documents, attach the KYC documents then Click the Save Button.



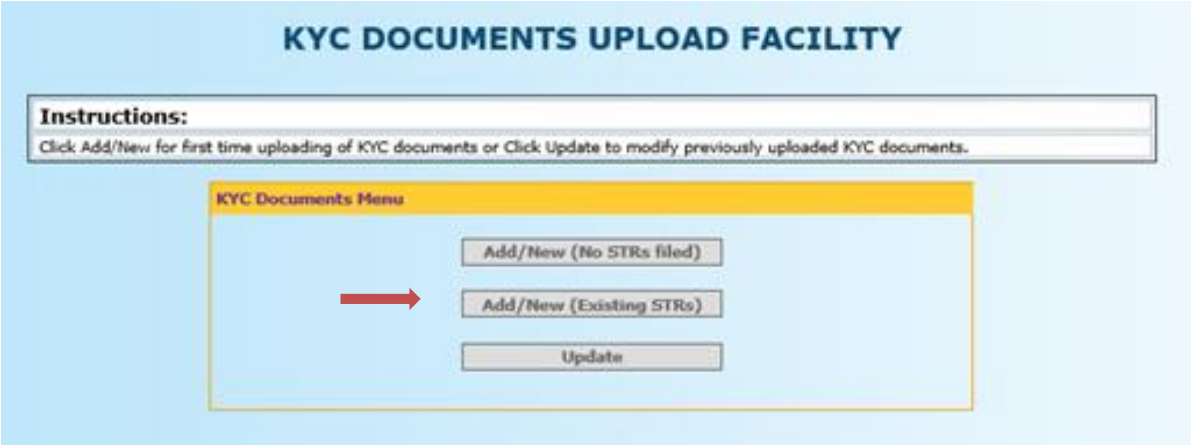
*All fields with asterisk are mandatory

*Customer Reference Number (CRN) is a unique number assigned to a customer of a CP; please make sure that the CRN indicated in the KYC Docs upload window will be the same CRN inputted in the STR where the KYC Docs will be attached.

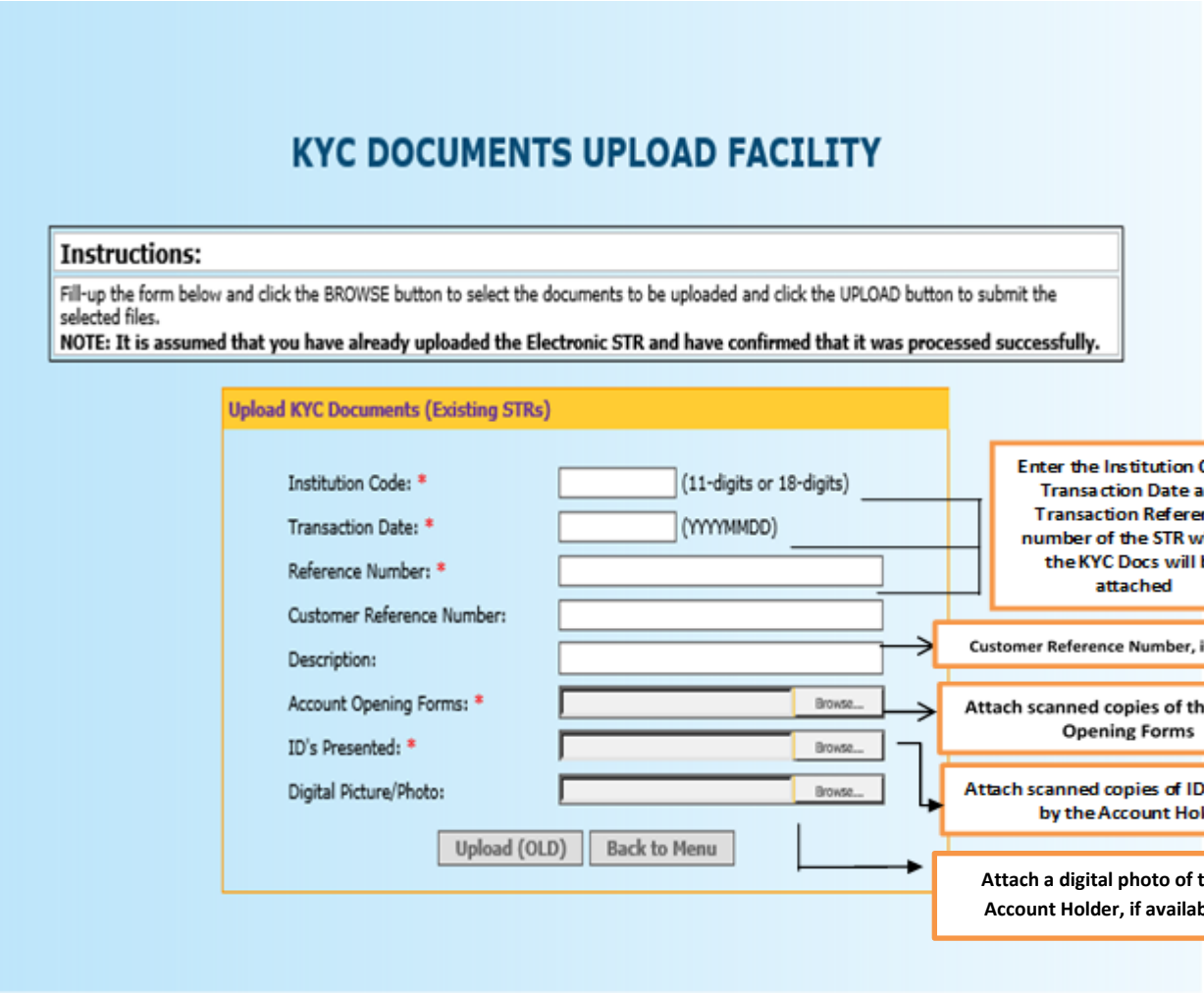
*After the Save button is clicked and upon every successful upload, the "KYC Upload Confirmation Receipt" is displayed.



Click **Add/New (Existing STRs)** to enable Upload KYC Documents (Existing STRs).

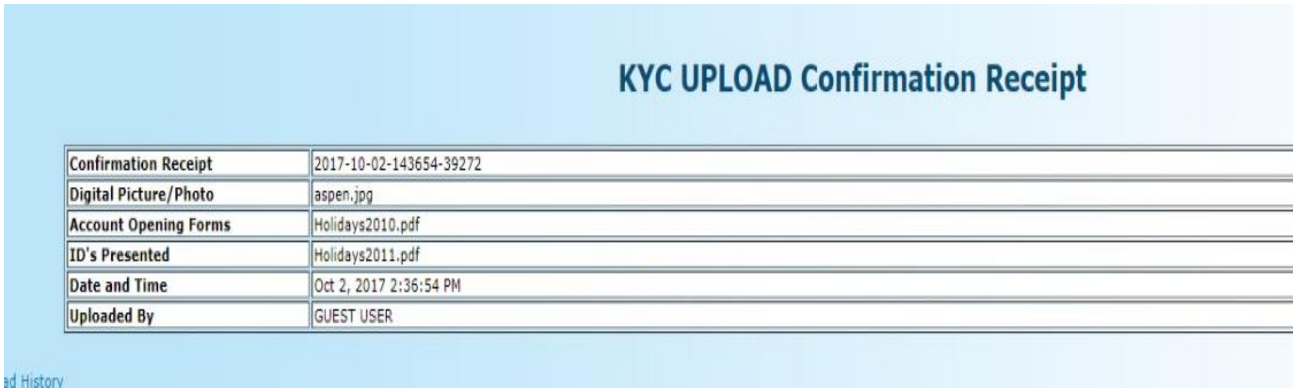


Fill up the mandatory fields and attach KYC documents, then click the Upload button.

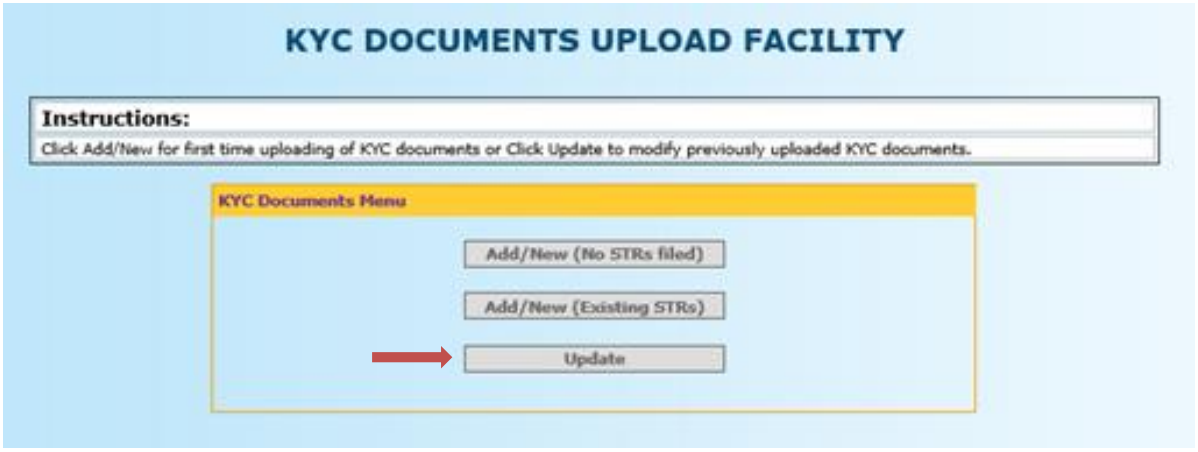


*All fields with asterisk are mandatory

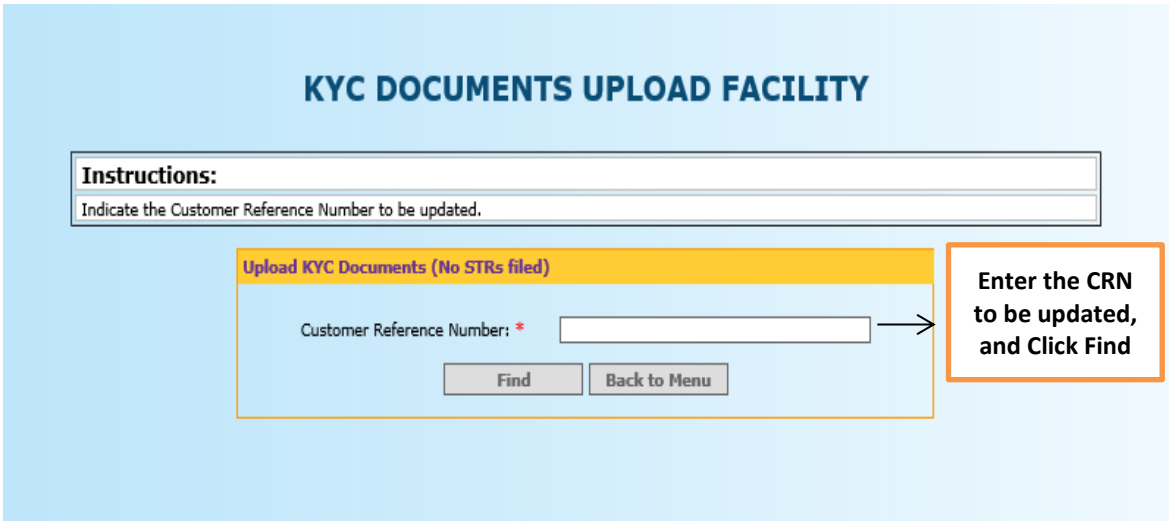
* After the Upload button is clicked and upon every successful upload, the “KYC Upload Confirmation Receipt” is displayed.



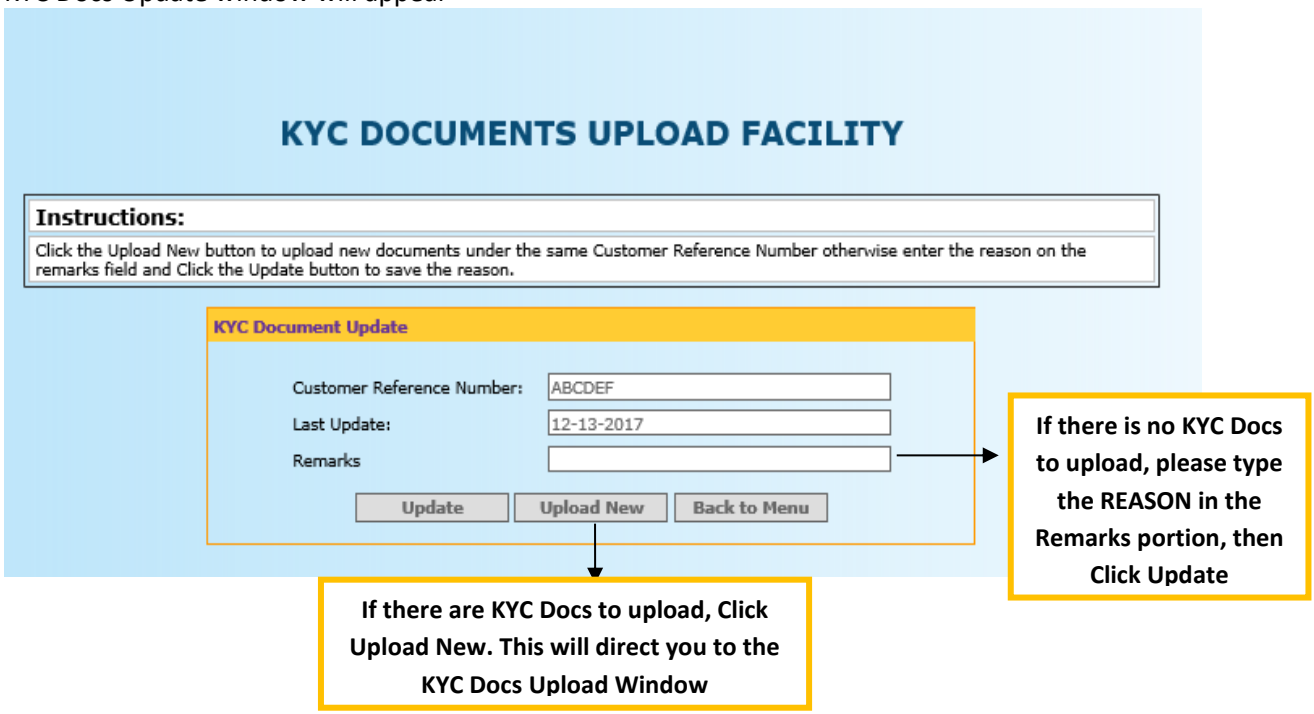
Click **Update** to update a previously uploaded KYC Documents.



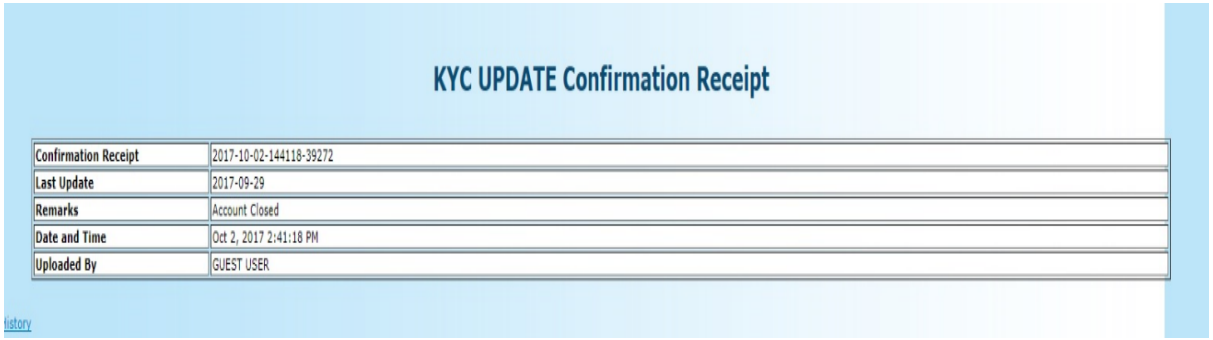
To update type in the CRN with a previously filed KYC Documents, then click the Find button.



KYC Docs Update window will appear



After the Update/Upload button is clicked and upon every successful update, the "KYC Update Confirmation Receipt" is displayed.



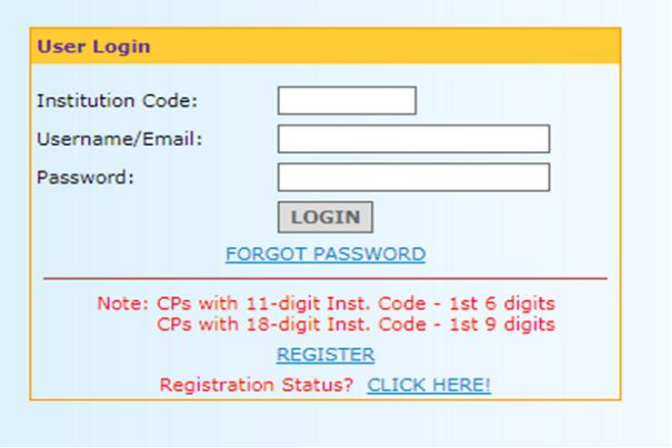
B.4 STR Attachment Upload

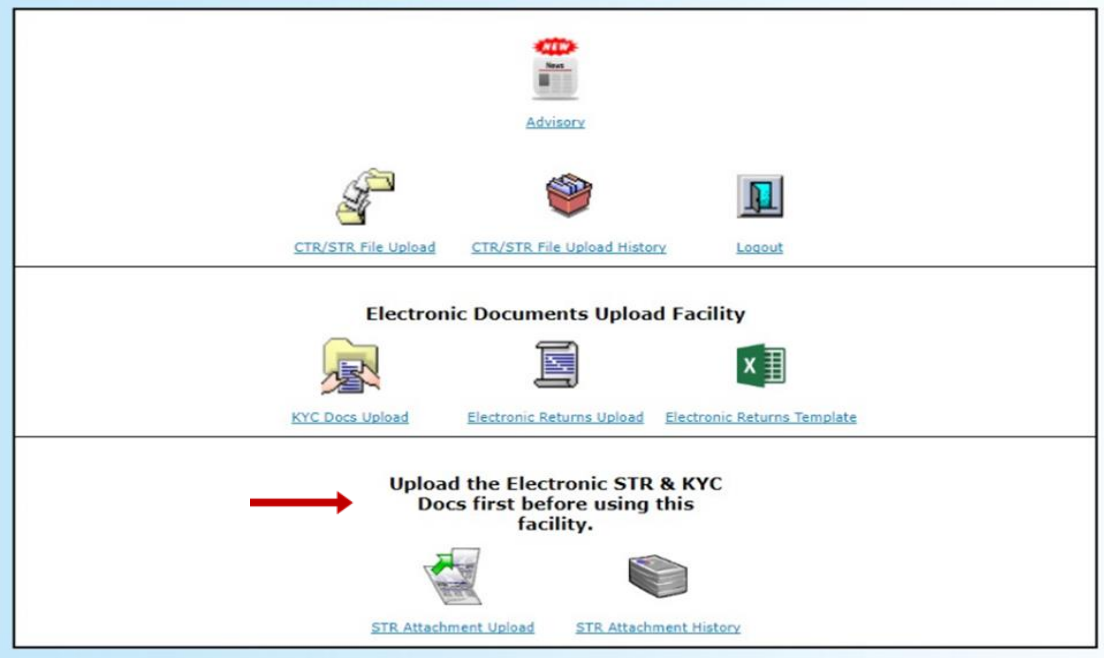
Please note, that a successfully processed and uploaded STR is required before a Covered Person can upload an STR attachment.

Enter the 1st 6-digits of the Inst. Code for CPs with 11-digit Inst. Code

Enter the 1st 9-digits of the Inst. Code for CPs with 18-digit Inst. Code

Enter the Username or Registered email address





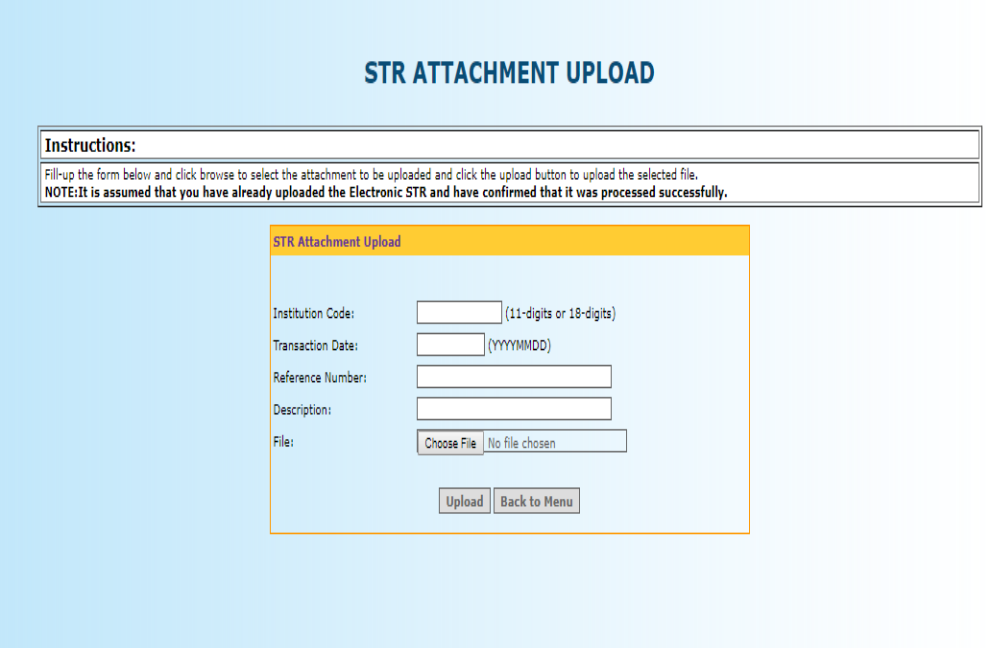
From the User Main Page, click >**STR Attachment Upload.**

Enter the 11 or 18 - digit Inst. Code of the uploaded STR (Please note that the Inst. Code should be the same as the uploaded STR up to the branch level)

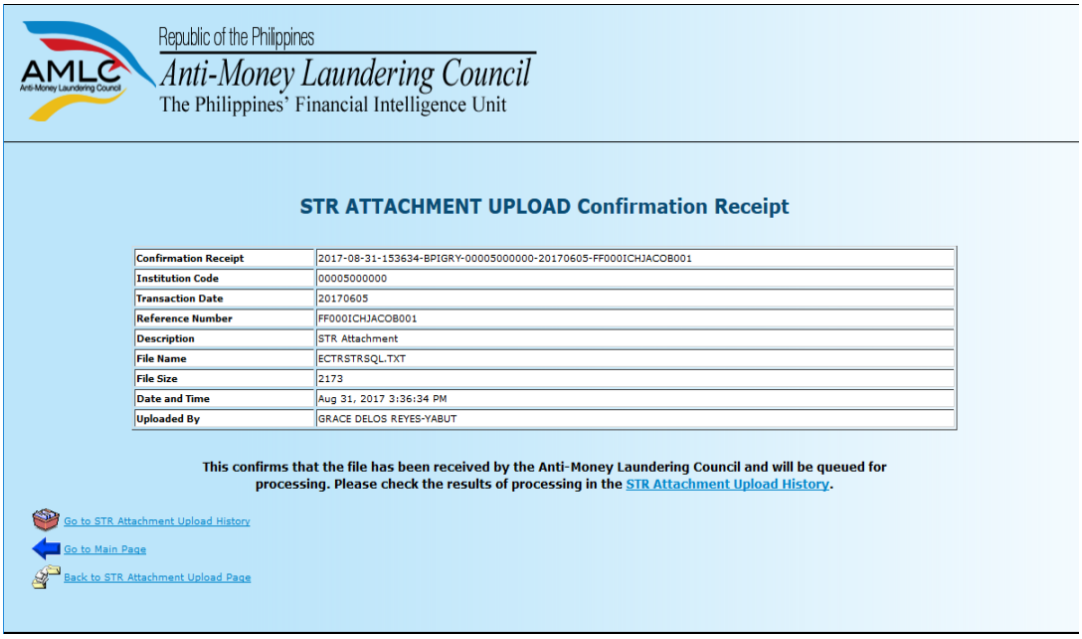
Enter the Transaction Date and Transaction Reference No. of the STR where the file will be attached.

Enter a brief description of the file to be attached.

Locate the file to be attached, then Click the Upload Button.



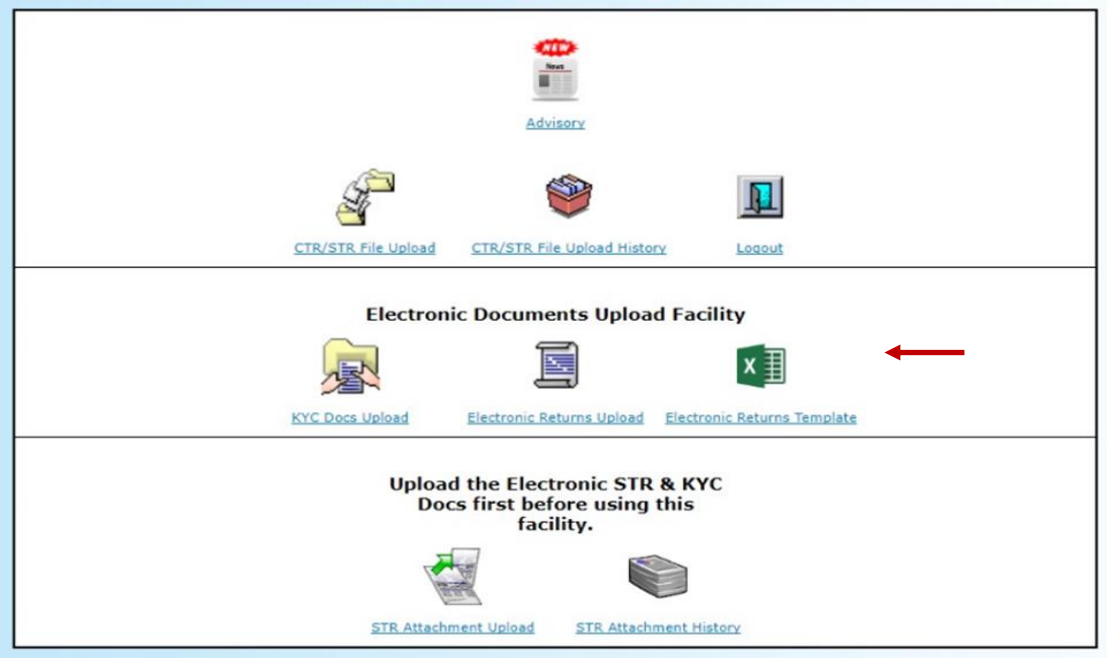
After the Upload button is clicked and upon every successful upload, the "STR Attachment Upload Confirmation Receipt" is displayed.

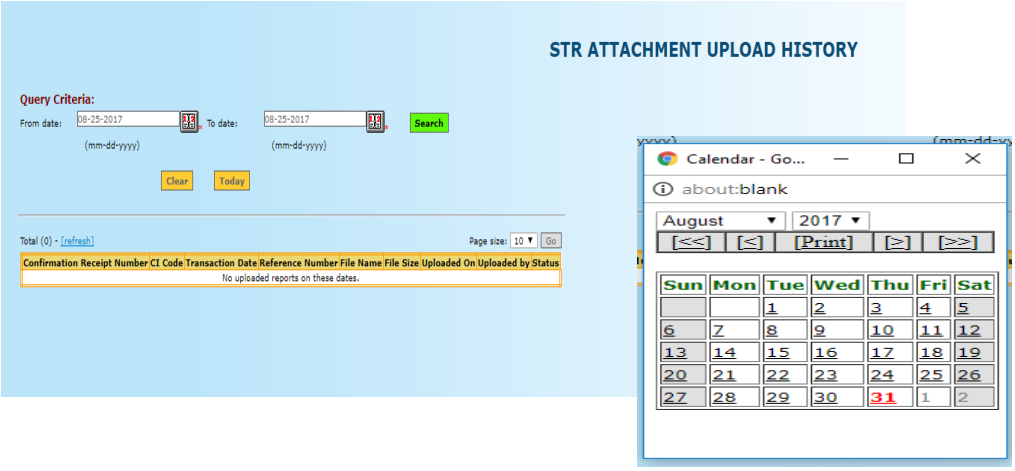


B.5 STR Attachment History

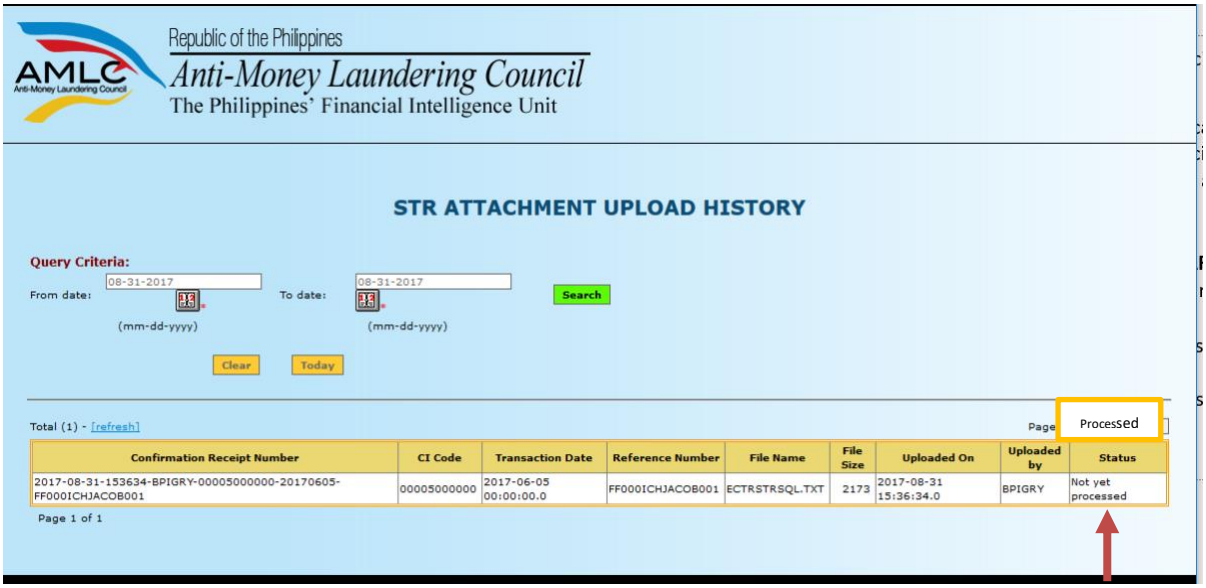
A registered CP User can search/view anytime the STR attachment/s uploaded for the registered CP he is representing. Status of each attachment is indicated in the search result.

From the User Main Page, click >**STR Attachment History.**





- To view specific past date or date range, click  (calendar icon) to specify START DATE and END DATE.
- Click >**SEARCH** to start the search.
- When the search is completed, the query result is displayed.



Check the result of the STR Attachment, Status should show "Processed" otherwise, re-upload the attachment.

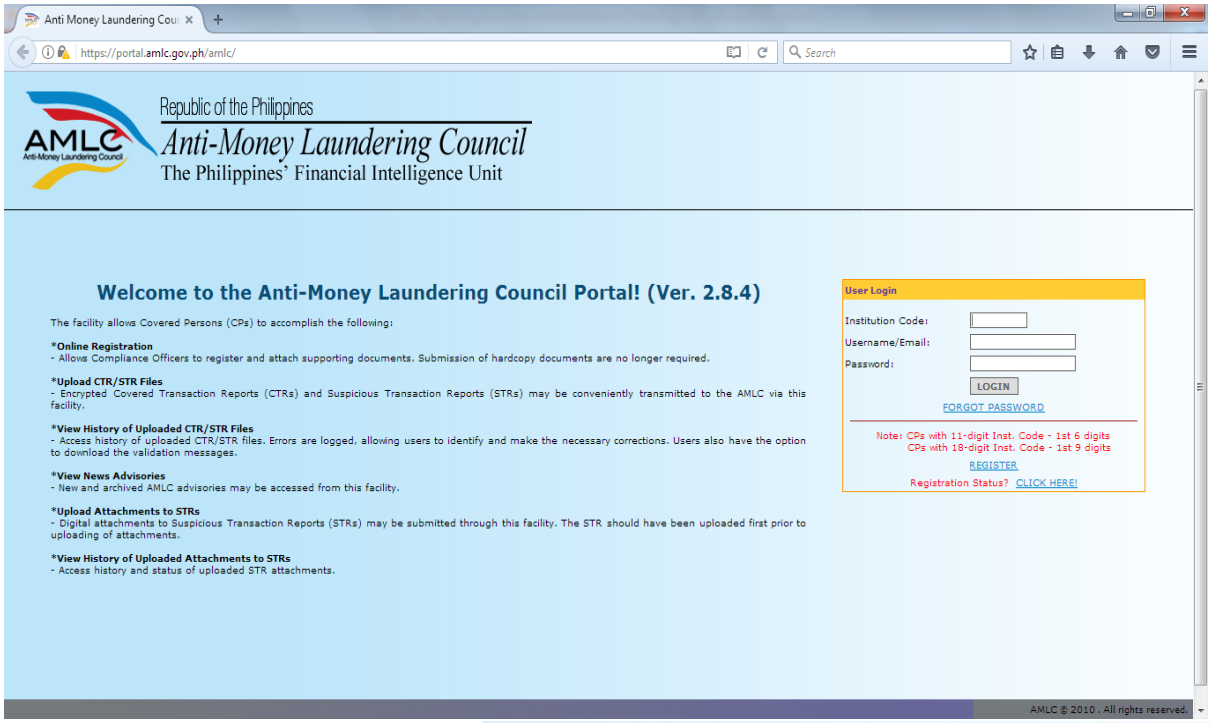
B.6 Uploading of Electronic Returns (E-Return) for Freeze Order

Rule 10, E.4 paragraph 2 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9160, as amended states that:
"The covered person shall also submit to the AMLC, through the internet, an electronic detailed return in a format to be prescribed by the latter."

For uniformity of E-Returns Format, CP user should first download the Electronic Return Template. This template is an excel worksheet where CPs must encode their E-Returns.

To download the template:

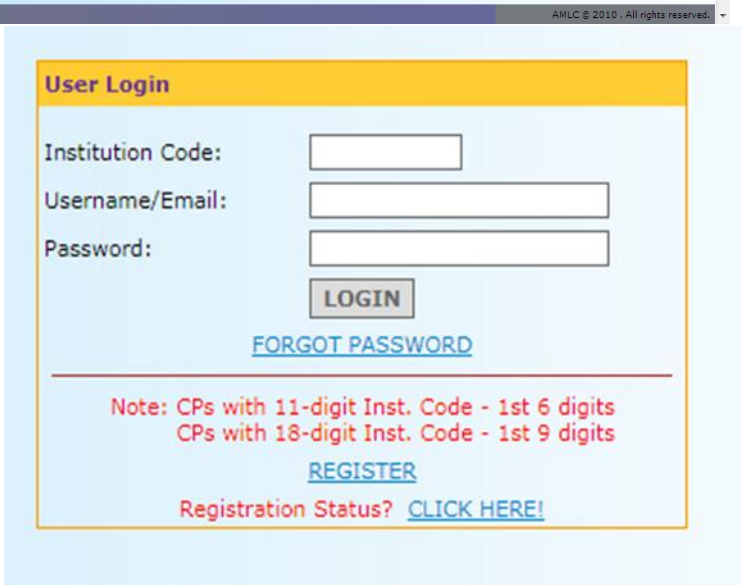
Log-on to https://portal.amlc.gov.ph



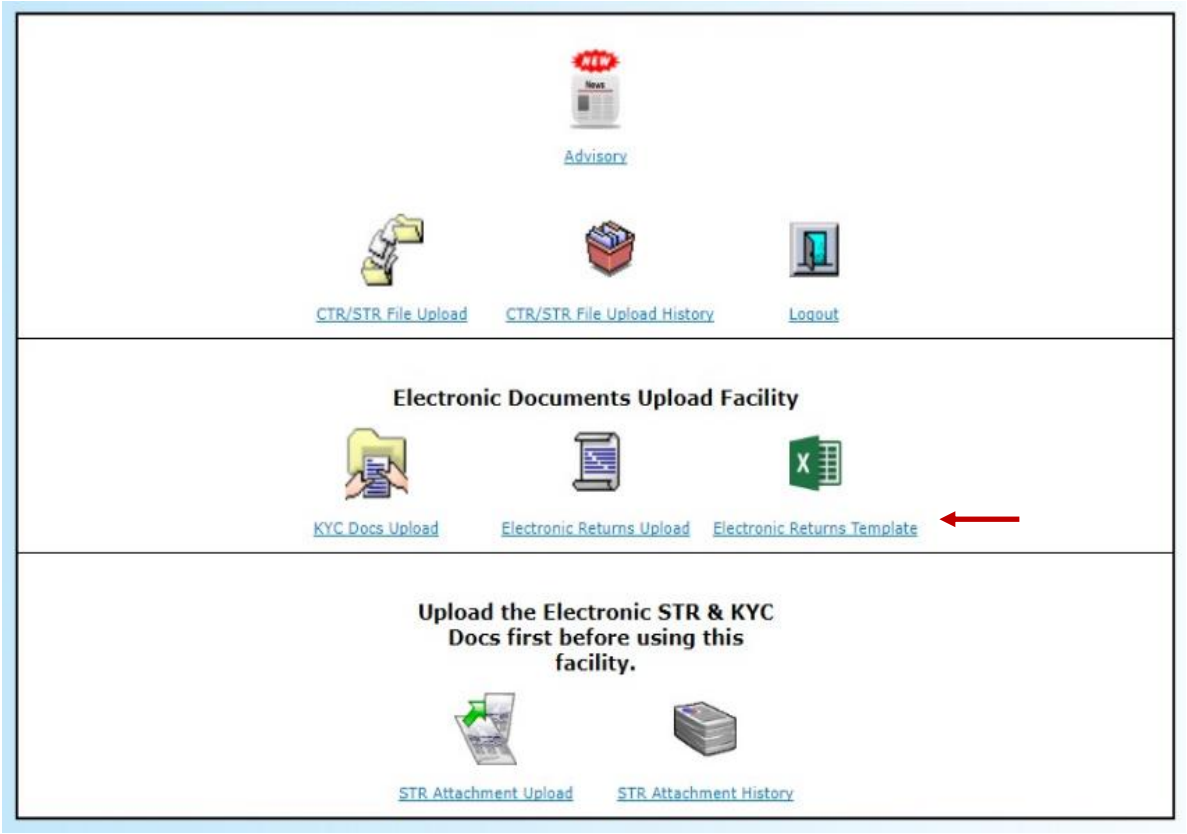
Enter the 1st 6-digits of the Inst. Code for CPs with 11-digit Inst. Code or the 1st 9-digits of the Inst. Code for CPs with 18-digit Inst. Code

Enter the Username or Registered email address

Enter password

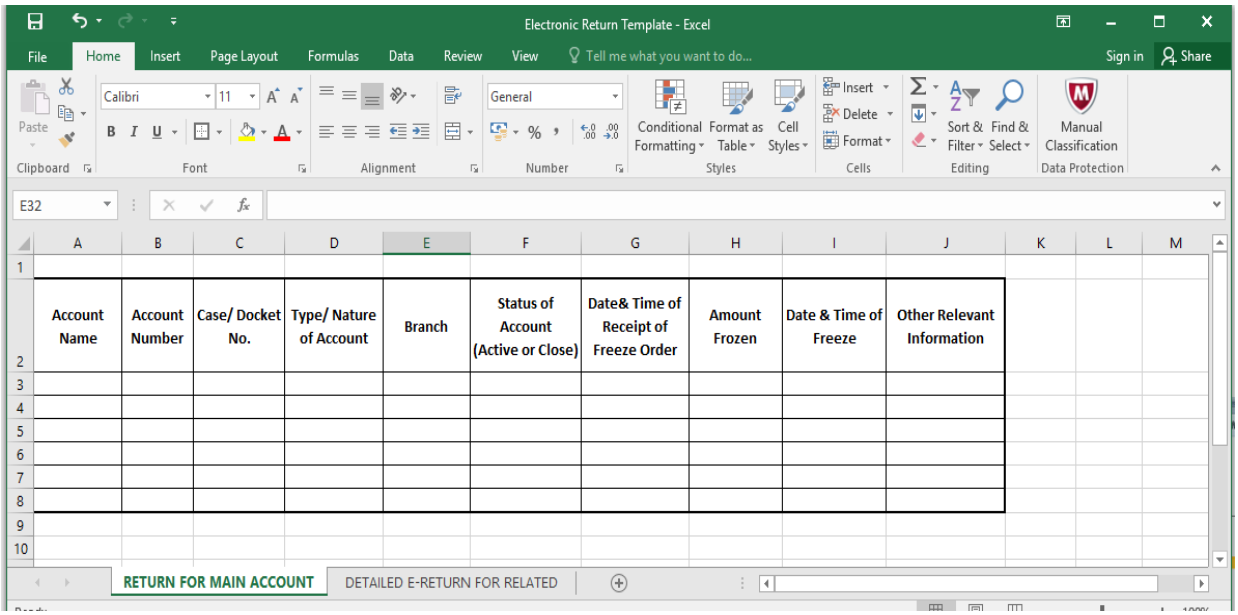


A successful log-in will show the Covered Persons' User Main Page. Click on Electronic Returns Template,



The excel file contains two sheets, 1st sheet is for the main account and the 2nd sheet is for the related account/s.

1st Sheet is for the Main Account which is the subject of the Freeze Order



Account Name	Account Number	Case/ Docket No.	Type/ Nature of Account	Branch	Status of Account (Active or Close)	Date& Time of Receipt of Freeze Order	Amount Frozen	Date & Time of Freeze	Other Relevant Information

2nd Sheet is for Related/Materially-linked account which contains two (2) tables:

Table 1 is for materially-linked accounts as defined under Rule 3-Definition of Terms, R.1-5 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9160, as Amended.

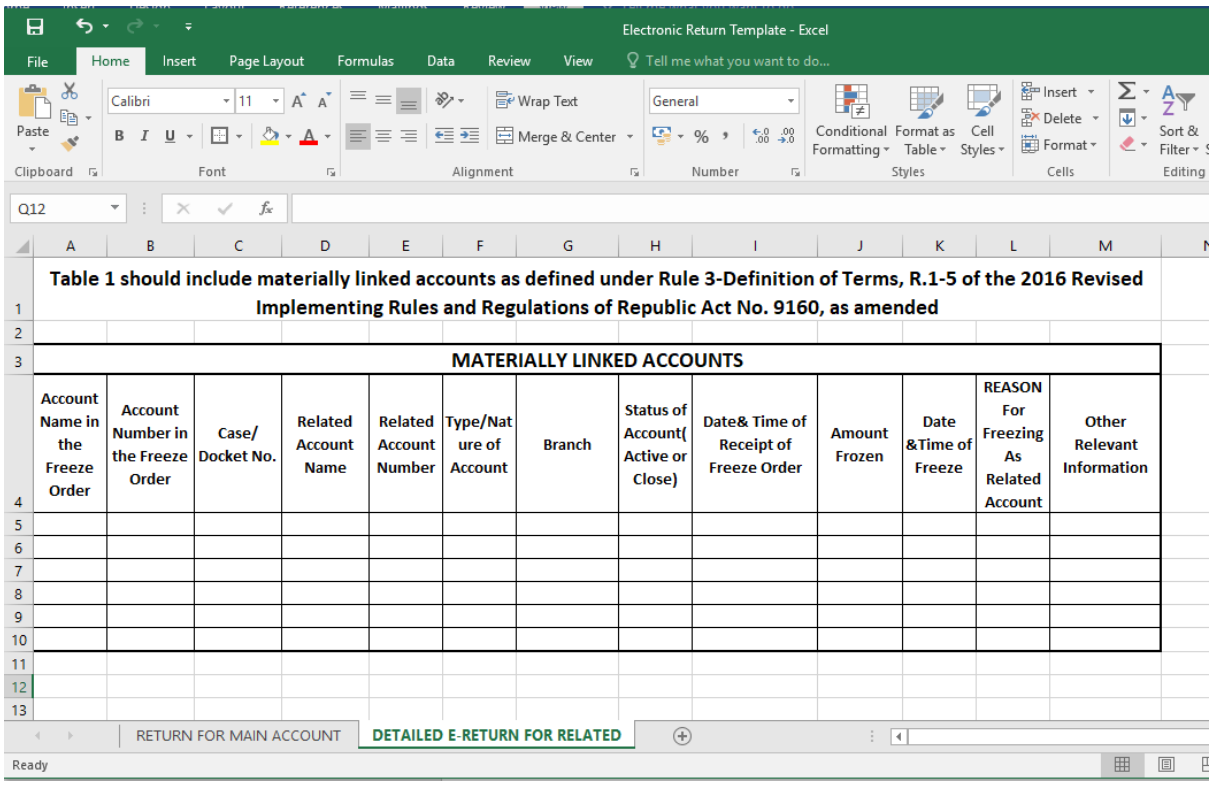
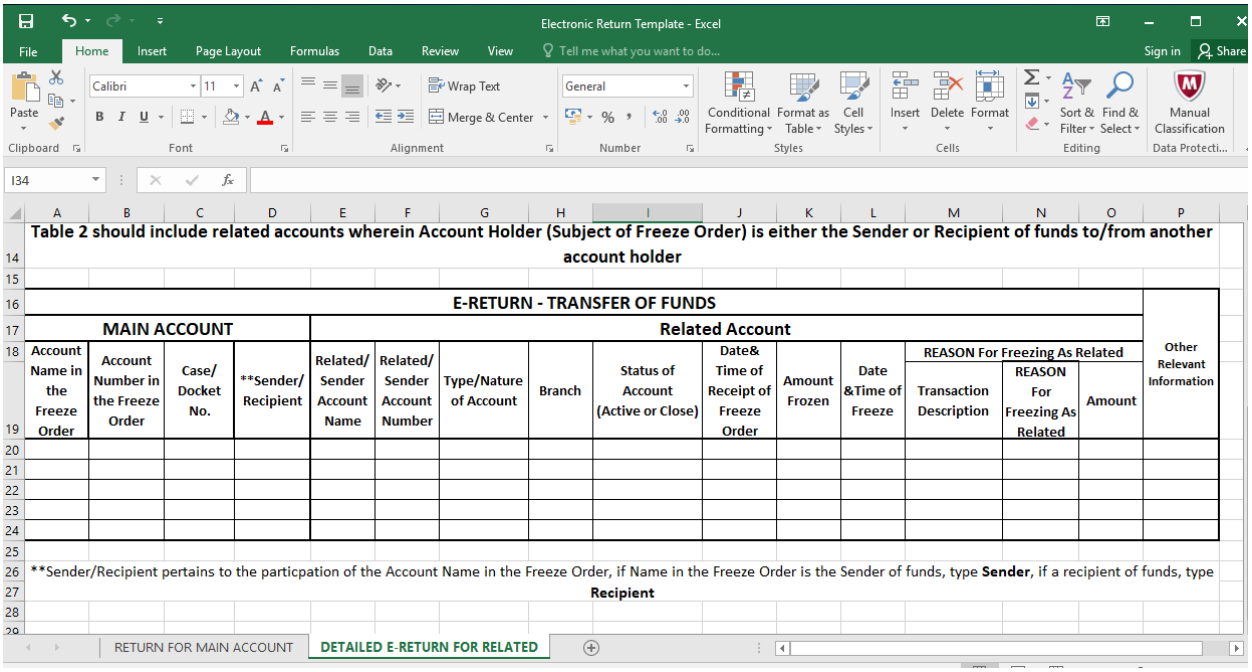


Table 2 should include related accounts wherein Account Holder (Subject of Freeze Order) is either the Sender or Recipient of funds to/from another account holder.



Electronic Return Template - Excel

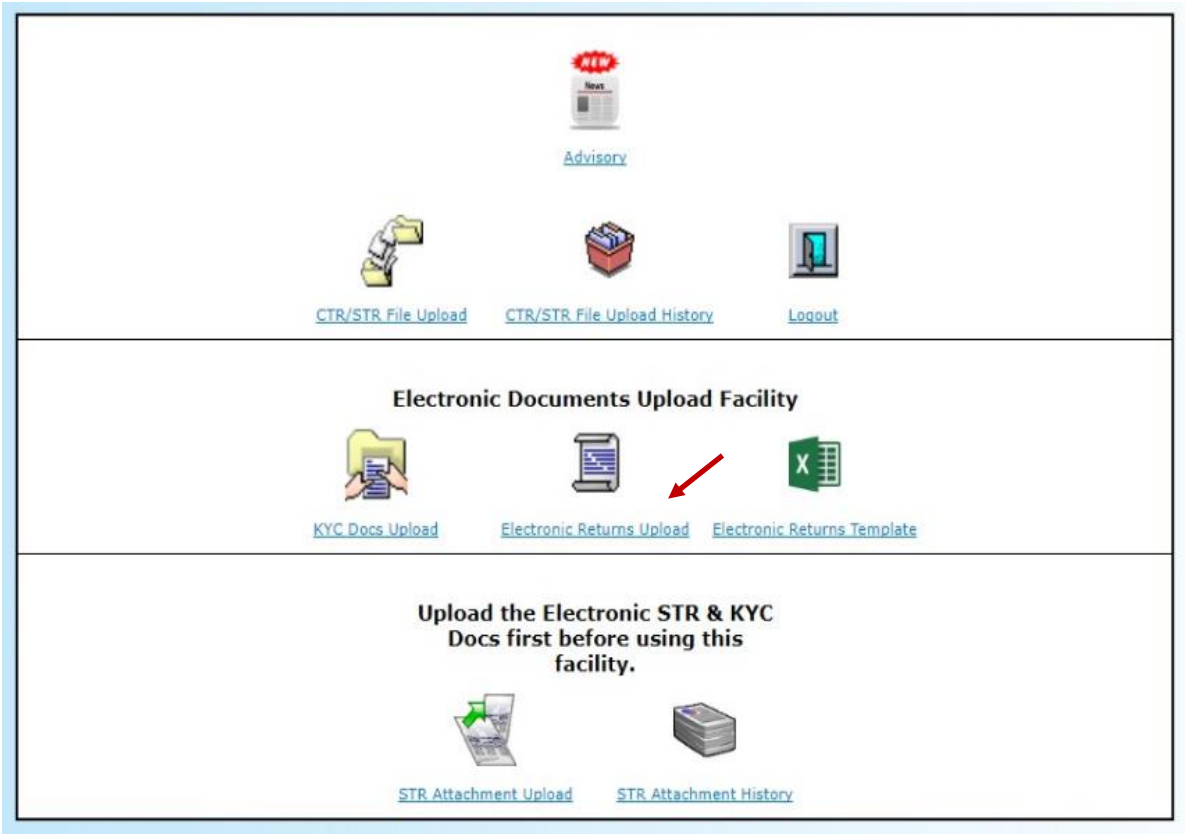
Table 2 should include related accounts wherein Account Holder (Subject of Freeze Order) is either the Sender or Recipient of funds to/from another account holder

E-RETURN - TRANSFER OF FUNDS															
MAIN ACCOUNT				Related Account											
Account Name in the Freeze Order	Account Number in the Freeze Order	Case/ Docket No.	**Sender/ Recipient	Related/ Sender Account Name	Related/ Sender Account Number	Type/Nature of Account	Branch	Status of Account (Active or Close)	Date& Time of Receipt of Freeze Order	Amount Frozen	Date &Time of Freeze	REASON For Freezing As Related			Other Relevant Information
												Transaction Description	REASON For Freezing As Related	Amount	

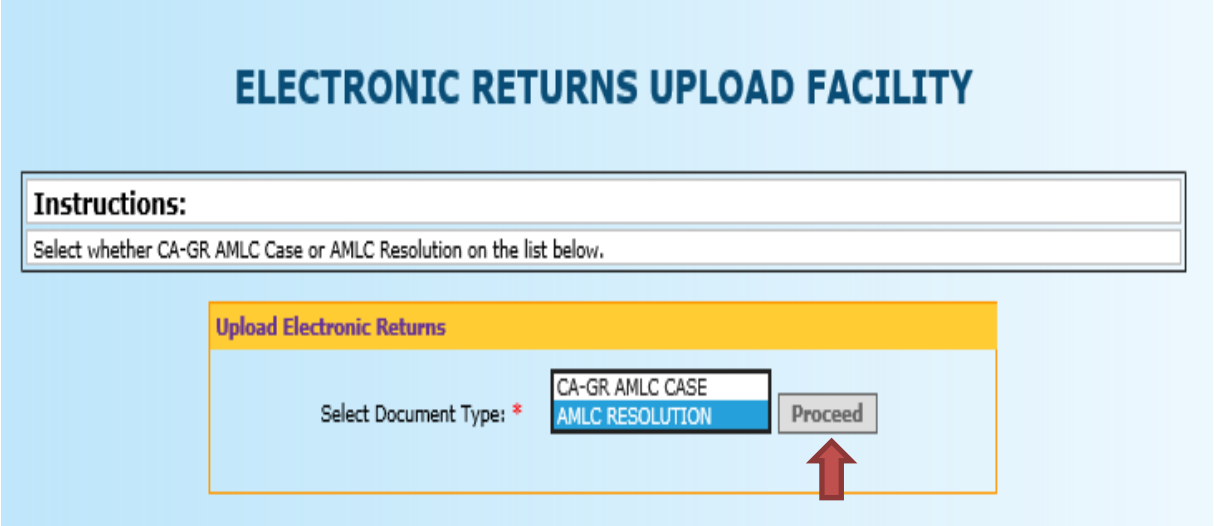
Sender/Recipient pertains to the particpation of the Account Name in the Freeze Order, if Name in the Freeze Order is the Sender of funds, type **Sender, if a recipient of funds, type **Recipient**

RETURN FOR MAIN ACCOUNT | DETAILED E-RETURN FOR RELATED

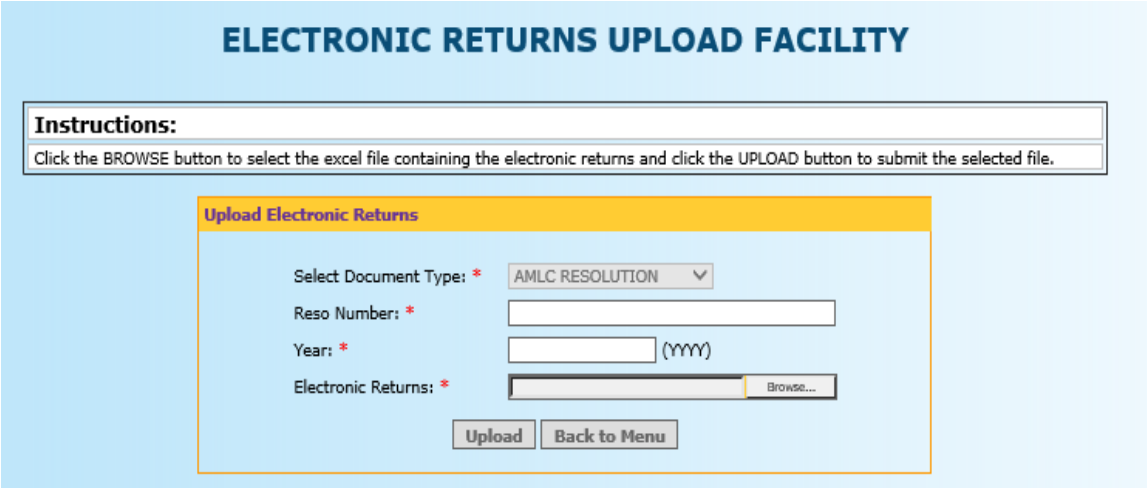
Once the E-Return Worksheet/s has been accomplished, CP user may again log-in to the AMLC Portal and click on Electronic Returns Upload.



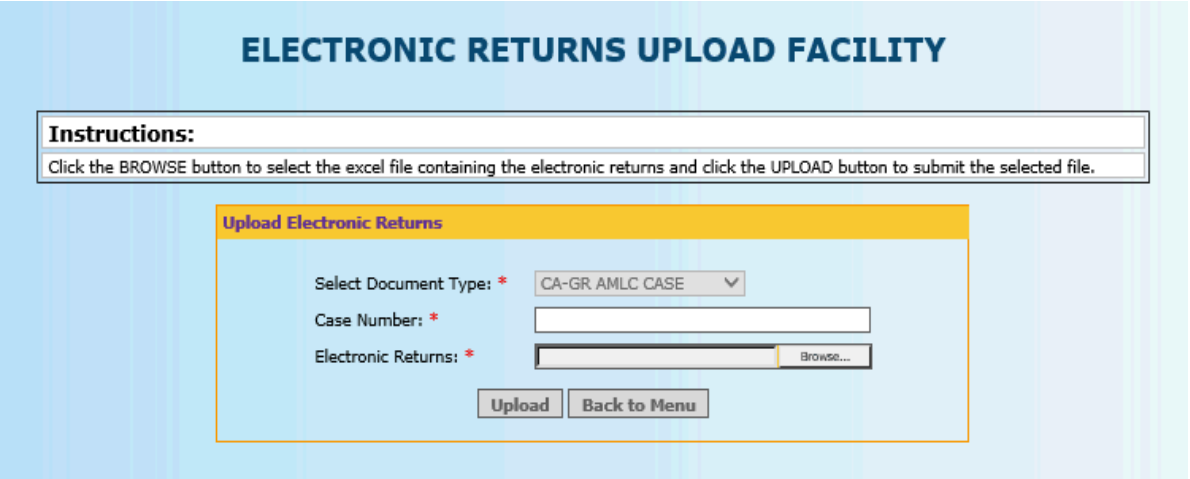
In the Electronic Returns Upload Facility, select between CA-GR AMLC Case and AMLC Resolution then click Proceed.



If AMLC Resolution is selected, enter the AMLC Resolution Number, its corresponding year then click Browse to attach the E-Return file.



If CA-GR AMLC Case is selected, enter the Case Number then click Browse to attach the E-Return file.



C. General Guidelines. –

4.C

1. REPORTING FORMAT. –

A. The electronic CTR/STR file is a comma separated variable file or **CSV** (see Attachment A) where each column/field/variable is separated by a comma. Text/Data fields must **not contain commas, single and double quotes**. A comma is used to separate the different fields of the record. The CSV file may be created by extracting all the required data (those above PHP 5,000,000.00) from the CP's database and building records following the format provided by AMLC or inputting the information in Excel and saving it using CSV as its file type. **Header column names or columnar headings should not be included in the file**. This file is structured to have several header records for CPs with branches and several detail records for the various transactions under each header record. At the end of the file is a trailer record containing the total number of transactions and the total Php amount of all the detail records. (See Attachment A)

B. A single report format (Format 1.0) applicable to all covered persons shall be adopted for both CTRs/STRs in which the following **MANDATORY** fields shall be strictly filled up.

1. All fields in the HEADER RECORD.

2. In the DETAIL RECORD – TRANSACTION DATA

    a. TRANSACTION DATE AND TIME (D-2), TRANSACTION CODE (D-3), REFERENCE NO. (D-4), and PESO AMOUNT (D-5).
    b. FX CODE if the FX AMOUNT has a value.
    c. For wire transactions, Correspondent Bank details are mandatory.

3. For DETAIL RECORD – SUBJECT DATA

    a. For Name Fields – for foreign nationals with one (1) name only, the following should be observed: 1. there should be five (5) dots (**.....**) either in first name or last name and 2. Nationality will be mandatory.
    b. For ID Type 27 – Others – the ID no. should be preceded by the ID Type. (Please make sure that the ID type indicated does not fall in any one of the ID types before using ID 27.).
    c. For Customer Party (CTRs only) – all fields are mandatory.
    d. For Subject of Suspicion (STRs only) – all fields are mandatory.

        i. The REASON and NARRATIVE fields.
        ii. If the value in the reason field is "SI6", the description of the suspicious activity should always be specified separated by a semicolon.

    e. For Other Participant (Used for Junket Operators) – optional; If other participant is present, all fields are mandatory.

C. The CTR/STR report file has three (3) parts identified by the Record Indicator located at the first field of every record with values H, D, or T:

1. The Header Record identifies the Covered Person (CP), up to branch level, **where the transaction occurred**. A file may have several header records, if the reporting CP has several transactions from different branches to report;
2. There is one Detail Record for every transaction to report. Since the file may contain transactions from several branches, each group of Detail Records from one (1) branch is preceded by a Header Record; and
3. Trailer Record (T) is the last record of the file and contains the total peso amount of the transactions and the total number of transactions in the file.

D. The CTR/STR may be submitted in four (4) types.

1. The CTR/STR with submission type value "A" refers to a new CTR/STR to be submitted to AMLC.
2. The CTR/STR with submission type "E" edits or amends the previously submitted, uploaded and successfully processed CTR/STR with ERRONEOUS VALUE.

   Note: The Institution code, Transaction date and reference number of the corrected transaction must be the same as the original transaction.

3. The CTR/STR with submission type "D" is a request to delete the previously submitted, uploaded and successfully processed CTR/STR. This shall be followed by an email request stating the reason for deletion. Email to be sent at imag@amlc.gov.ph

   Note: The deleted transaction must be exactly the same as the original transaction previously submitted to AMLC.

4. The submission type "T" is used by CPs under test mode. Once they are comfortable with the reporting of covered and suspicious transactions, they should shift to submission type "A".

E. The list of valid entries for the TRANSACTION TYPE, FX CURRENCY CODE and COUNTRY CODE fields are provided in pages B-1 to B-43.

F. Definition of Field Names

HEADER RECORD

H-1. Header Record Indicator - This is the first field of the electronic record and will contain "H" to indicate that it is the beginning of the electronic file being sent by the CP to AMLC.

H-2. Supervising Agency – This field represents the supervising agency (whether PAGCOR/APECO/CEZA) of the reporting covered person.

H-3. Institution Code – This refers to the 11-digit code or 18-digit code of the reporting CP as assigned by the AMLC.

H-4. Report Date – Date of report in year, month, day format (YYYYMMDD). It should not be greater than the current date and not less than 20011017.

H-5. Report Type – Identifies whether report is CTR or STR.

H-6. Format Code – This identifies the format of the record.

H-7. Submission Type – Indicates whether the report being submitted is new, correction of previously submitted report and for deletion.

DETAIL RECORD

D-1. Detail Record Indicator – Contains "D" indicating start of detail record for each and every transaction belonging to the same date and transaction group defined in the header record.

D-2. Transaction Date and Time – Date and Time when transaction occurred in year, month, and day format (YYYYMMDDHHMMSS). Date should not be greater than the current date but not less than 20011017.

D-3. Transaction Code – Refers to the type of transaction based on AMLC's table of codes.

D-4. Transaction Reference No. – Refers to the unique reference number assigned by the reporting covered person to its individual transaction per transaction date.

D-5. Transaction Amount (Php) – Philippine Peso amount involved in the transaction or its equivalent if transaction is in foreign currency. Amount should be greater than 0.

D-6. Transaction Amount (FX) – If applicable, amount in original foreign currency involved in the transaction.

D-7. FX Currency Code – Indicates the currency of the FX transaction following AMLC's currency codes. Mandatory if FX Amount is not null.

D-8. Nature/purpose of Transaction – Explains the nature or purpose of transaction or the risk being insured.

D-9. Correspondent Bank – Where applicable, indicates the correspondent bank or remittance partner, i.e., remitter's bank in case of inward remittance transaction or the beneficiary's bank for outward remittance.

D-10. Address of Correspondent Bank – Gives the detailed address of the correspondent bank or remittance partner specifying the Room

No./Office Name, building/house no., street, District, Town, City, Country, and ZIP code.

D-11. Country Code of Correspondent Bank – Indicates the country of the correspondent bank following BSP country codes.

D-A-1. Party Type Flag - Indicates that the person is a customer (A)

D-A-2. Customer Reference Number - Refers to the CP's reference number of their client. This will serve as reference for the static data to be submitted by the reporting institution.

D-A-3. Name of Customer – Refers to the customer specifying the last name, first name, middle name of the individual person or the registered name of the corporation or partnership.

D-A-4. Address of Customer – Gives the detailed address of the account holder specifying the Room No./Office Name, building/house no., street, Barangay, District, Town, City, Province, Country, and ZIP code.

D-A-5. Birthdate of Customer – Date of birth of the customer. For individual accounts, the difference between the current date and the birthdate must be less than 150 and should also be less than the current date.

D-A-6. Place of Birth – Birth place of the customer (City, Municipality, Country).

D-A-7. Nationality – Nationality of the customer.

D-A-8. ID Type – Type of ID presented by the customer (SSS, GSIS, Company, etc.).

D-A-9. Identification No. – Identification No. of the customer.

D-A-10. Telephone No. – Contact number of the customer.

D-A-11. Nature of Business - Specifies the occupation of the customer or nature of the business of the corporation or partnership.

D-P-1. Party Type Flag – Indicates that the person is the Other Participant (P).

D-P-2. Customer Reference Number – Refers to the CP's reference number of their client. This will serve as reference for the static data to be submitted by the reporting institution.

D-P-3. Name Flag – “N” if Other Participant is an individual, “Y” if Other Participant is a corporation.

D-P-4. Name of Other Participant - Identifies the other party/person/entity involved in the transaction other than the beneficiary, counterparty, etc., specifying the last name, first name, middle name of the individual person or the registered name of the corporation or partnership. This is usually used for the Junket Operator.

D-P-5. Address of Other Participant – Gives the detailed address of the other party/person/entity involved in the transaction other than the beneficiary, counterparty, etc., specifying the Room No./Office Name, building/house no., street, Barangay, District, Town, City, Province, Country, and ZIP code.

D-S-1. Party Type Flag - Indicates that the person/corporation is the Subject of Suspicion (S).

D-S-2. Customer Reference Number - Refers to the CP’s reference number of their client. This will serve as reference for the static data to be submitted by the reporting institution.

D-S-3. Name of Subject of Suspicion - Identifies the subject of suspicion, specifying the last name, first name, middle name of the individual person or the registered name of the corporation or partnership.

D-S-4. Address of Subject of Suspicion – Gives the detailed address of the subject of suspicion, specifying the Room No./Office Name, building/house no., street, Barangay, District, Town, City, Province, Country, and ZIP code.

D-S-5. Birthdate of Subject of Suspicion – Date of birth of the subject of suspicion. For individual accounts, the difference between the current date and the birthdate must be less than 150 and should also be less than the current date.

D-S-6. Place of Birth of Subject of Suspicion – Birth place of the subject of suspicion (City, Municipality, Country).

D-S-7. Nationality of Subject of Suspicion – Nationality of the subject.

D-S-8. ID Type of Subject of Suspicion – Type of ID presented by the subject (SSS, GSIS, Company, etc.).

D-S-9. Identification No. of Subject of Suspicion – Identification No. of the subject.

D-S-10. Telephone No. of Subject of Suspicion – Contact number of the subject.

D-S-11. Nature of Business of Subject of Suspicion - Specifies the occupation of the subject or nature of the business of the corporation or partnership.

D-D-1. Reason – For STRs, reason field refers to the coded reason for suspicion categorized by suspicious indicator (SI) or predicate crime (PC).

D-D-2. Narrative - Narrates the events leading to the suspicion including other information which might be of help or importance to the report, i.e., where the possible violation took place, related litigations, relation to other transactions, description of supporting documents, etc.

TRAILER RECORD

T-1. Trailer Record Indicator - Contains "T" indicating start of trailer record of every file.

T-2. Total CTR Amount – refers to the total/sum of all peso transaction amounts in the file.

T-3. Records Total – refers to the number of transactions included in the file.

Party Flag

- The party flag value "A" is for the customer of the reporting institution.
- For transactions involving parties other than the customer, beneficiary and counterparty, the party flag "P" for other party shall be used.
- The party flag "S" is for the subject of suspicion.

G. The parties do not follow a particular order in the CSV file.

H. The parties in the detail record are not mandatory for all transactions. Attached as Annex C, is the summary of the required parties per transaction. Failure to provide the mandatory parties shall cause the rejection of the file.

I. For multiple valued name field, such as &/or account holders' names, multiple beneficiaries etc., each name shall be preceded by their corresponding party flags.

Example:
For Joint Accounts:
If Name Flag = N

A,1234,DELA CRUZ,JUAN,REYES,123 ABC STREET,MAKATI CITY,MAKATI PHILIPPINES 2000,19700101,MANILA PHILS.,FILIPINO,ID1,XX1234567,7210202,REAL ESTATE, **A**,5678,DELA CRUZ,MARIA,ALCANTARA,123 ABC STREET,MAKATI CITY,MAKATI PHILIPPINES 2000,19720203,MANILA PHILS.,FILIPINO,ID1,XX7654321,7210202,REAL ESTATE,

J. The address is divided into address 1 (Room No. /Office Name, building/house no., street, barangay), address 2 (District, Town, City) and address 3 (Province, Country Code, Zip Code).

K. For STRs.

1. Uploading of KYC Documents for STRs is mandatory, if an STR filed has no corresponding upload of KYC Documents, such STR will be rejected. (Complete guidelines are discussed in Section 4.B.3)

2. In cases where in the perpetrator is not identified, CPs shall use the term **"Unknown"** in the Subject of Suspicion Name.

3. The reporting institution shall choose the applicable Reason for Suspicion as enumerated in Section 2.A.2 [Electronic Record Format (Format 1.0–Casinos)]. For reasons other than the specified, the institution shall use the "SI6" followed by a semi-colon and the reason for suspicion.

   Note: Please make sure that the reason for suspicion indicated in SI6 does not fall in any one of the Suspicious Indicators or Predicate Crimes before using SI6.

   Example:
   xxx,SI6;suspected boiler room operations, the client was named in one foreign news article xxx

4. The transaction code "ZSTR" shall be used if the subject is not a customer of the reporting institution or is a customer but has no monetary transaction with the covered person at the time the suspicious activity is determined.

5. In filing an STR, the following questions should be answered:[1]

[1] Presentation materials on Intelligence Analysis & Intelligence Reports: A Workshop for FIUs held on 11 July 2008.

- WHO – are the individuals/entities involved
    - People – real, false IC
    - Business or companies, shell companies, legitimate businesses
    - Non – profit organization/ charities

- WHAT – is the activity of concern
    - Financing of terrorism
    - Drug Trafficking
    - People smuggling

- WHEN – is the activity taking place

    - One-off transaction
    - Daily
    - Weekly
    - Monthly
    - Patterns within these time frames – how many times, number of entities involved

- WHERE – is the activity taking place

    - Consider all levels
    - Countries
    - Cities
    - Towns
    - Are these patterns in location or use of same address?

- WHY – is the activity taking place

    - Providing finance for terrorist activity
    - Moving proceeds of drug activity or other illegal activity
    - Purchase of Drugs or other illegal commodity etc.

- HOW – is the activity taking place

    - Movement of funds, wire transfers, traditional banks, underground banks, cash couriers
    - Quantity
    - Currency used
    - Other commodities – diamonds, precious gems, stored value cards, traveler's checks.

6. The narrative should contain all the details and events leading to the suspicion including other information which might be of help or importance to the report, i.e. where the possible violation took place, related litigations, relation to other transactions, description of supporting documents, etc.

    a. Additional documents may be attached to the STR through the AMLC Portal. An STR attachment may be any of the recognized file types (.xls,.doc, .docx, .pdf, .bmp, .jpeg, .jpg , .tiff, .tif).

       A facility in the AMLC portal allows the submission of this attachment. To upload an attachment, please make sure that the STR has been uploaded in the AMLC portal before uploading attachments. Please make sure you enter the complete eleven (11) or eighteen (18) digit institution code for the uploaded STRs; if the institution code used is that of the branch please ensure that you input this in the institution code field, then enter the transaction date and transaction reference number of the STR where the file will be attached.

L. Key fields – the key fields consist of the **institution code, transaction date and transaction reference number**. Together, they should be **unique** at all times. This means that the transaction reference number should be distinct per transaction date per institution.

M. All amount values must **not** contain commas or special characters except the decimal point to indicate centavos, i.e., P550,120.50 should be encoded as 550120.50.

N. Validity of each field values in terms of length and data type must be observed.

O. The number of commas must be less than one from the required total number of field values

field1**,**field2**,**field3**,**field4
Total Fields = 4
Total Commas = 3

Note: field3 should always be followed by a comma whether or not field4 has data

CRN,Lastname,Firstname,Middlename or
CRN,Lastname,Firstname,

P. CTR/STR reports should reflect **where the transaction occurred**, i.e. Head Office or branch. This is identified by the institution code in the Header record which must be 11 or 18 digits (up to branch level). There may be several detail records less than one (1) header record to report several transactions of one branch, and there may be several header records in one (1) file to report transactions of several branches.

For Covered Persons with Different Branches, the CTR/STR Format Structure should be as follows:

H - Header Record of Head Office
D - 1st Detail Record of Head Office
D - 2nd Detail Record of Head Office

D - Last Detail Record of Head Office
H - Header Record of Branch1
D - 1st Detail Record of Branch1

D - Last Detail Record of Branch1
H - Header Record of Branch2
D - 1st Detail Record of Branch2
D - 2nd Detail Record of Branch2

D - Last Detail Record of Branch2

H - Header Record of Branch n
D - 1st Detail Record of Branch n
D - 2nd Detail Record of Branch n

D - Last Detail Record of Branch n
T - Trailer Record

Q. File Name convention for CPs with 11-digit institution code- **999999yyyymmddss.csv** where **999999** = first 6 digits of institution code, **yyyymmdd** = reporting date (year, month, day the report is sent to AMLC), **ss** = sequence number from 01-99 representing number of files transmitted for the day (batch number or number of transmission). Default sequence no. is **01**.

File Name convention for CPs with 18-digit institution code- **999999999yyyymmddss.csv** where **999999999** = first 9 digits of institution code, **yyyymmdd** = reporting date (year, month, day the report is sent to AMLC), ss = sequence number from 01-99 representing number of files transmitted for the day (batch number or number of transmission). Default sequence no. is 01.

2. Additional Guideline in CT/ST Reporting. –

A. The amount indicated in the CTRs or STRs shall include all taxes, or other fees incidental to the execution of the transaction.

B. The AMLC supports the use of "multi-legged transactions" (series of transactions initiated by one (1) action within a covered person). Only the main transaction is required to be reported as CTR and the transactions inherent to the main transaction need not be reported.

E.g. Purchase of Manager's Check wherein amount will be paid by debiting the account of the client, instead of reporting two (2) CTRs for this, which is the debiting of the account and the actual purchase of MC; transaction code to be reported under Format 1.0 will be Purchase of MC via debit to account wherein the accountholder's account details (client who purchased the MC) will be reported.

C. The Customer Reference Number (CRN) is mandatory for the Customer Party or Subject of Suspicion Party, whichever is applicable for Suspicious Transaction Reports, especially if the reason of Suspicion will fall in any of the following predicate crimes: Kidnapping for Ransom; Drug Trafficking; Hijacking; destructive arson; and murder, including those perpetrated by terrorists against non-combatant persons and similar targets; Terrorism and conspiracy to commit terrorism; and Financing of Terrorism. CRN will be used in the uploading of KYC documents.

D. Deferred reporting shall be applicable to covered transactions only. The responsibility of CPs to report suspicious transactions, where applicable, remains. Should there be further adjustments/modifications in the application thereof; the foregoing policy shall be prospective.

E. Digital certificate shall be implemented to ensure integrity, efficiency and security of the report files. The Gnu Privacy Guard (GPG) shall be provided to all the CPs to be used for encrypting and digital signing.

F. To ensure that only authorized officials will be allowed to send reports to AMLC electronically, there shall be a registration and continuous data updating of business units, and their authorized compliance officers.

G. Functional trainings for authorized persons are usually conducted on the last Wednesday of the month or upon announcement by the AMLCS.

H. Rejected transaction due to invalid codes (transaction, currency and country) should be sent again using submission type A. Please take note that the reference number of the original transaction should be used for the resent transaction.

I. The AMLC Web Services is a facility for CPs to transmit CTR/STRs automatically. To avail of the service, CPs should send an email to the Secretariat (imag@amlc.gov.ph) requesting enrolment to the facility. Thereafter, an email shall be sent by the Secretariat with the attached Registration Form and Web Services specifications.

J. For COs handling multiple CPs under the same company umbrella, a single User Account may be arranged to be able to log-on and submit CTRs/STRs of the different subsidiaries/affiliates. To apply for this arrangement, an email request specifying the list of subsidiaries/affiliates to be grouped should be sent.

K. The advisory icon in the AMLC portal which contains advisories, resolutions and guidelines shall be the main process of communication with the CPs. The **"New Advisory"** icon will flash whenever a new advisory is published, and will continue to do so until such time the user opens or reads the advisory.

L. Electronic returns for Freeze orders shall be uploaded in the AMLC portal, guidelines please refer to Section 4.B.6 (Uploading of Electronic Returns (E-Return) for Freeze Order.

M. Updates on the UNSC Designated list (include both the Taliban 1988 Sanctions List and the Al-Qaida Sanctions List) shall be posted in both the AMLC website and AMLC portal for reference and guidance.

Section 5. **ANNEXES.** –

5

The attached Annexes shall form part and parcel of this ARI:

A. Annex A – Sample CSV File (Format 1.0)

B. Annex B – System Codes

C. Annex C – Examples of Alerts and Red Flag Indicators

D. Annex D – Typologies of Money Laundering for Casinos

FOR THE AMLC:

MEL GEORGIE B. RACELA
Executive Director

21 February 2018

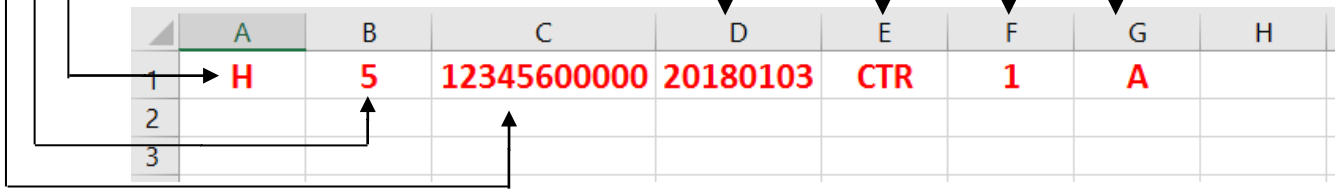
SAMPLE CSV File (Format 1.0)

A

Sample Plotting of a CSV file (Format 1.0), using Microsoft Excel

Header Record

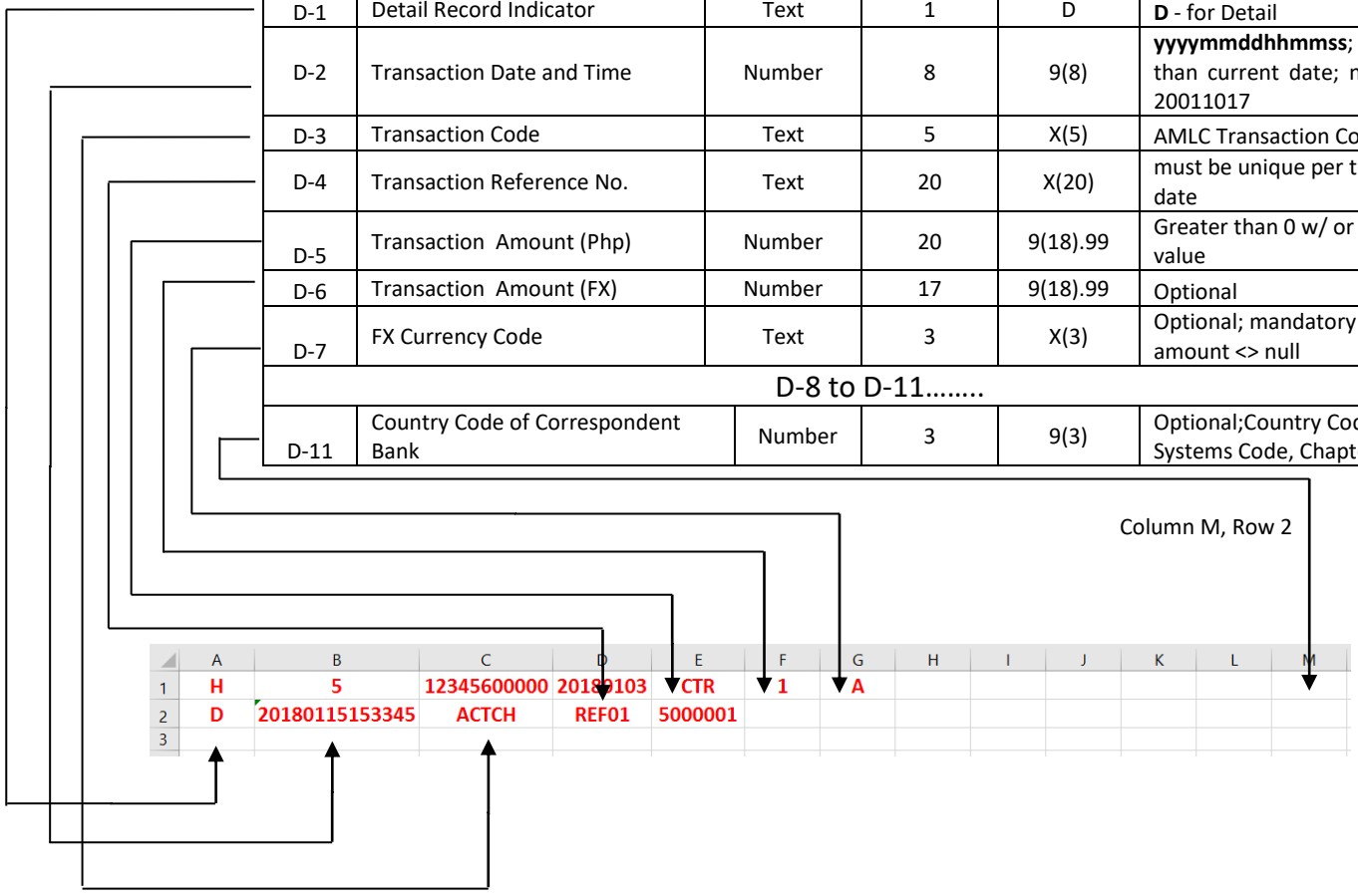
FIELD NO.	FIELD NAME	TYPE	LENGTH	FORMAT	VALUE/REMARKS
H-1	Header Record Indicator	Text	1	H	**H** - for Header
H-2	Supervising Agency	Number	1	9	**5** – PAGCOR, **6**-CEZA, **7**-APECO
H-3	Institution Code	Number	11/18	9(11) / (18)	AMLC Library
H-4	Report Date	Number	8	9(8)	**yyyymmdd**; not greater than current date; not less than 20011017
H-5	Report Type	Text	3	X(3)	**CTR,STR**
H-6	Format Code	Number	2	99	**1**
H-7	Submission Type	Text	1	X(1)	**A**- add, **E**- edit/correction, **D**-delete, **T**-test



Note: Header Record consists of seven (7) fields; these 7 fields will be inputted from Columns A-G

DETAIL RECORD
TRANSACTION DATA (ROW 2, COLUMNS A-M)

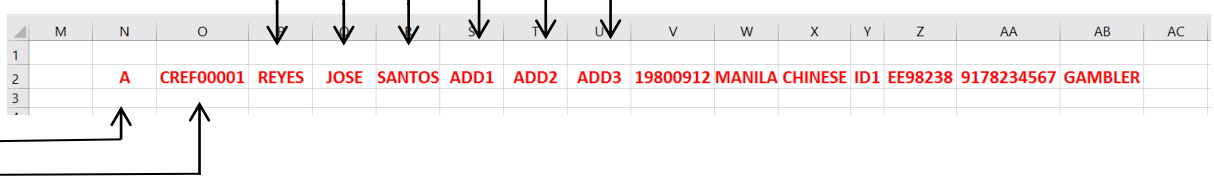
FIELD NO.	FIELD NAME	TYPE	LENGTH	FORMAT	VALUE/REMARKS
D-1	Detail Record Indicator	Text	1	D	**D** - for Detail
D-2	Transaction Date and Time	Number	8	9(8)	**yyyymmddhhmmss**; not greater than current date; not less than 20011017
D-3	Transaction Code	Text	5	X(5)	AMLC Transaction Codes
D-4	Transaction Reference No.	Text	20	X(20)	must be unique per transaction date
D-5	Transaction Amount (Php)	Number	20	9(18).99	Greater than 0 w/ or w/o decimal value
D-6	Transaction Amount (FX)	Number	17	9(18).99	Optional
D-7	FX Currency Code	Text	3	X(3)	Optional; mandatory if FX amount <> null
D-8 to D-11……..					
D-11	Country Code of Correspondent Bank	Number	3	9(3)	Optional;Country Code (Refer to Systems Code, Chapter 8.3)



Note: Detail Record Transaction Data will occupy Columns A-M

SUBJECT DATA (Customer)

Detail Record–Party details (Multiple)					
D-A-1	Party Type Flag	Text	1	X	**A** - Customer
D-A-2	Customer Reference Number	Text	30	X(30)	
					N – if acct. holder is an individual
D-A-4	Name	Text			
	Last Name		100	X(100)	Last name of account holder
	First Name		100	X(100)	First name of account holder
	Middle Name		50	X(50)	Middle name of account holder
D-A-5	Address	Text			
	Address1		100	X(100)	Room No./Office Name, Bldg./House No., Street, Subd./ Brgy.
	Address2		100	X(100)	District, Town, City
	Address3		100	X(100)	Province, Country , ZIP
D-A-6	Birthdate/Registration Date	Number	8	9(8)	
D-A-7	Place of Birth/Registration	Text	90	X(90)	City, Municipality, Country
D-A-8	Nationality	Text	40	X(40)	
D-A-9	ID Type	Text	4	X(4)	**ID1** – Passport……
D-A-10	Identification No.	Text	30	X(30)	
D-A-11	Telephone No.	Text	15	X(15)	
D-A-12	Nature of Business	Text	35	X(35)	

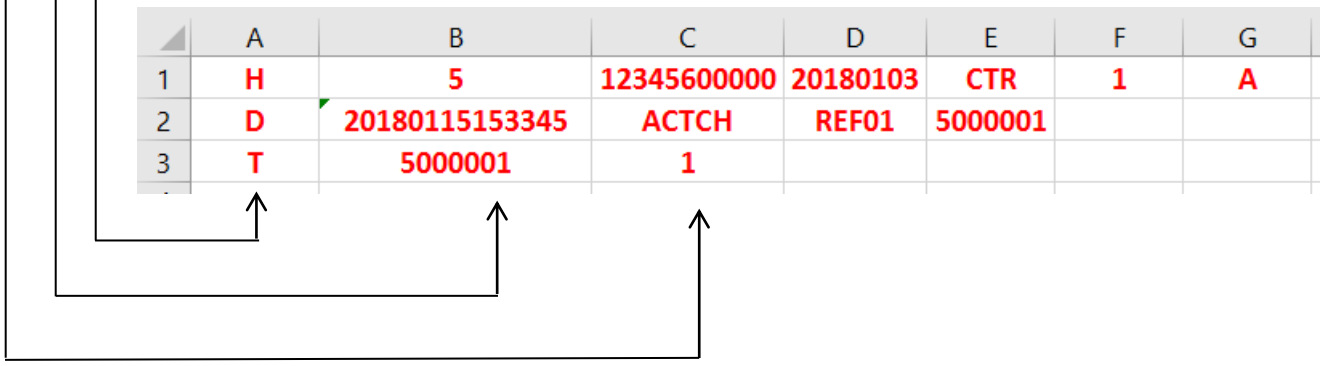


	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC
1																	
2		A	CREF00001	REYES	JOSE	SANTOS	ADD1	ADD2	ADD3	19800912	MANILA	CHINESE	ID1	EE98238	9178234567	GAMBLER	
3																	

Note: Subject Data will immediately follow the details of the transaction data, D-A-1 (Customer Party Flag) should be inputted at Column N, same row as that of the transaction data.

TRAILER RECORD

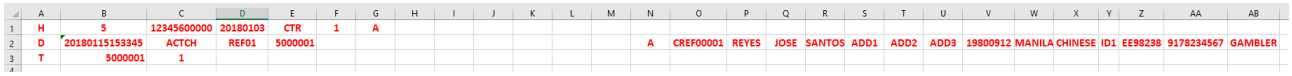
FIELD NO.	FIELD NAME	TYPE	LENGTH	FORMAT	VALUE/REMARKS
T-1	Trailer Record Indicator	Text	1	T	**T** - for Trailer
T-2	Php Amount Total	Number	20	9(18).99	Total Transaction Amount
T-3	Records Total of batch to be sent	Number	10	9(10)	Total number of CTR/STRs



	A	B	C	D	E	F	G
1	H	5	12345600000	20180103	CTR	1	A
2	D	20180115153345	ACTCH	REF01	5000001		
3	T	5000001	1				

Note: Trailer Record will occupy the last row of the file to be uploaded, there are only three (3) fields, which will only be inputted from Columns A-C.

Below is a complete CSV file (Format 1), which consists of a Header Record, Detail Record (Transaction Data and Subject Data) and a Trailer Record.

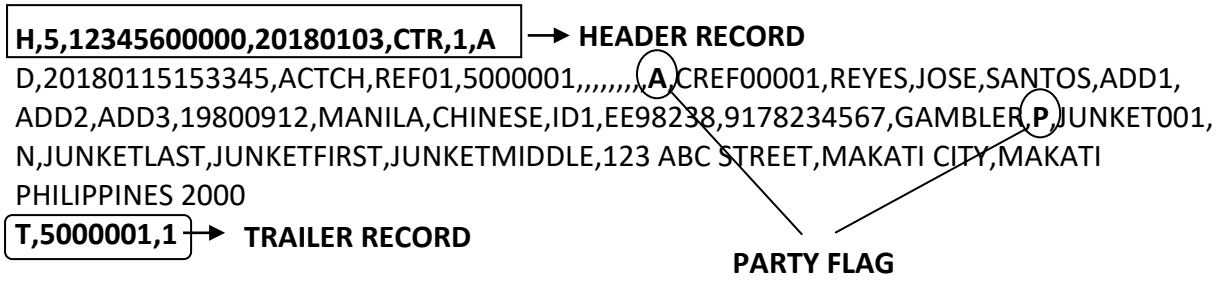


	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB
1	H	5	12345600000	20180103	CTR	1	A																					
2	D	20180115153345	ACTCH	REF01	5000001									A	CREF00001	REYES	JOSE	SANTOS	ADD1	ADD2	ADD3	19800912	MANILA	CHINESE	ID1	EE98238	9178234567	GAMBLER
3	T	5000001	1																									

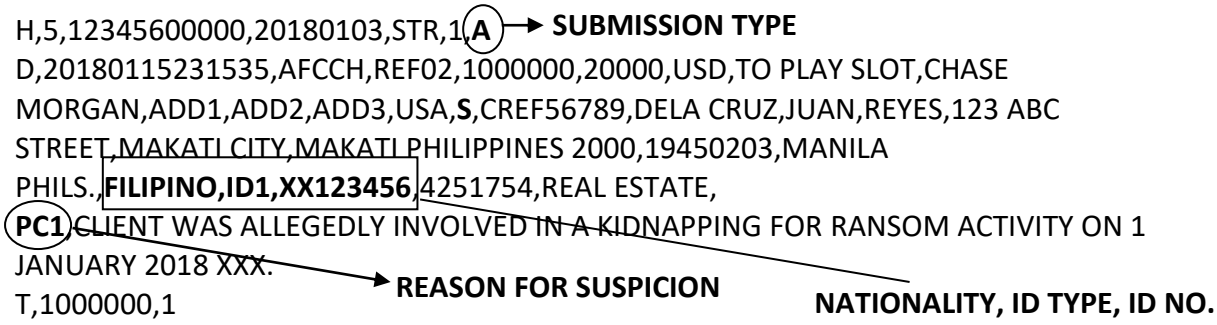
Sample using Notepad:

CASINOS

CASH TO CHIPS TRANSACTION (CTR)



FOREIGH CURRENCY TO CHIPS TRANSACTION (STR)



SYSTEM CODES

B

B.1 Transaction Codes for Casinos

GROUP	REVISED CODE	TRANSACTION TITLE	TRANSACTION DEFINITION
A	ACTCH	Cash to Chips	The purchase of chips using Cash
A	ACCCH	Purchase of Chips – Credit Card	The purchase of chips using Credit Cards.
A	ATITOP	Ticket-in-ticket-out (TITO) Ticket Purchase	Players purchase TITO tickets from the teller's cage to be used in the slot machine.
A	AFCCH	Foreign Currency to Chips	Exchange of Foreign Currency to tokens or peso bills to used in the slot machines with the option to redeem foreign currency at the same rate it originally used.
A	AFCCH	Foreign Currency to Tokens/Bills	Exchange of Foreign Currency to chips with the option to redeem foreign currency at the same rate it originally used.
A	AIRCH	Purchase of Chips via telegraphic transfer/wire	Players remit funds to the Treasury Fund Capital accounts of casino branches maintained with Land Bank of the Philippines. Chips are released after confirmation of the credit of funds.
A	ADDCH	Purchase of Chips via Demand Draft	Player deposits demand drafts issued by foreign banks to Land Bank of the Philippines. Chips are released once demand drafts are cleared.
A	ACHTC	Chips to Cash	The payment in cash in exchange for the players' chips holdings
A	ATITOR	Ticket-in-ticket-out (TITO) Ticket Redemption	Payment of TITO tickets presented for redemption to the teller's cage.
A	APAYW	Payment of winnings via telegraphic transfer/wire	Players' winning will be sent via wire to any bank in the country, subject to bank requirements and issuance of Certificate of Winnings.
A	APAYK	Payment of winnings via Demand Draft/Manager's Check	Players' winning shall be released via issuance of Demand Draft/Manager's Check, subject to bank requirements and issuance of Certificate of Winnings.
A	ATFC	Payment of winnings via TFC	Players' winning shall be released via issuance of Treasury Fund Capital Check (TFC) drawn against the branch's TFC account with Land Bank of the Philippines duly supported with a Certificate of Winnings from the Gaming Division, Slot Machine Division or Bingo Section.
A	ACCKC	Chip check (cash)	Issuance of chip check in exchange of players' cash. Chip checks are negotiable only at PAGCOR casinos.
A	ACCKCH	Chip check (Chips)	Issuance of chip check in exchange of players' chips. Chip checks are negotiable only at PAGCOR casinos.
A	ACCKE	Chip Check Encashment	Encashment of Chip Checks in casinos

A	AFTCH	Fund transfer to chips	Transfer of players' personal funds deposited to the Branch Treasury, wherein withdrawal of chips will be done in another branch.
A	ACHSF	Safekeeping	Players deposit playing chips for safekeeping with the Casino Treasury Division.
A	ACAPC	Capital Infusion - Cash	Infusion of funds by a shareholder of the reporting covered Person via cash
A	ACAPK	Capital Infusion - Check	Infusion of funds by a shareholder of the reporting covered person via check
A	ACAPD	Capital Infusion - Debit	Infusion of funds by a shareholder of the reporting covered person via debit to account
A	ACAPW	Capital Infusion - Wire	Infusion of funds by a shareholder of the reporting covered person via wire
Z	ZSTR	STR transactions	STR filed on the basis of suspicious trigger (ex. subject of news report, qualified theft, etc.) even if the subject has no monetary transaction with the covered institution at the time the suspicious activity was determined.

GROUP LEGEND:
A - Casinos

B.2 Currency Codes

Description	Code
AFGHANISTAN AFGHANI	AFN
ALBANIAN LEK	ALL
ALGERIAN DINAR	DZD
ANDORRAN PESETA	ADP
ANGOLAN KWANZA	AOA
ARGENTINE PESO	ARS
ARMENIAN DRAM	AMD
ARUBAN GUILDER	AWG
AUSTRALIAN DOLLAR	AUD
AUSTRIAN SCHILLINGS	ATS
AZERBAIJANIAN MANAT	AZM
BAHAMIAN DOLLAR	BSD
BAHRAINI DINAR	BHD
BANGLADESHI TAKA	BDT
BARBADOS DOLLAR	BBD
BELARUSSIAN RUBLE	BYR
BELGIAN FRANC	BEF
BELIZE DOLLAR	BZD
BERMUDIAN DOLLAR	BMD
BHUTAN NGULTRUM	BTN
BOLIVIAN BOLIVIANO	BOB
BOTSWANAPULA	BWP
BRAZILIAN REAL	BRL
BRUNEI DOLLAR	BND
BULGARIAN LEV	BGL
BULGARIAN LEV	BGN
BURUNDI FRANC	BIF
CANADIAN DOLLAR	CAD
CAPE VERDE ESCUDO	CVE
CAYMAN ISLANDS DOLLAR	KYD
CFA FRANC BCEAO	XOF
CFA FRANC BEAC	XAF
CFP FRANC	XPF
CHILEAN PESO	CLP
CHINESE RENMINBI	RMB
COLOMBIAN PESO	COP
COMORO FRANC	KMF
CONVERTIBLE MARKS	BAM
COSTA RICAN COLON	CRC
CROATIAN KUNA	HRK
CUBAN PESO	CUP
CYPRUS POUND	CYP

CZECH KORUNA	CZK
DANISH KRONE	DKK
DEUTSCHE MARK	DEM
DJIBOUTI FRANC	DJF
DOBRA	STD
DOMINICAN PESO	DOP
EAST CARRIBEAN DOLLAR	XCD
EGYPTIAN POUND	EGP
EL SALVADORCOLON	SVC
ERITREA NAKFA	ERN
ESTONIAN KROON	EEK
ETHIOPIAN BIRR	ETB
EURO CURRENCY	EUR
EURO CURRENCY UNIT	ECU
FALKLAND ISLANDS POUND	FKP
FIJI DOLLAR	FJD
FINLAND MARKKA	FIM
FRANC CONGOLAIS	CDF
FRENCH FRANC	FRF
GAMBIAN DALASI	GMD
GEORGIAN LARI	GEL
GHANAIAN CEDI	GHC
GIBRALTAR POUND	GIP
GREECE DRACHMA	GRD
GUATEMALAN QUETZAL	GTQ
GUINEA FRANC	GNF
GUINEA-BISSAU PESO	GWP
GUYANA DOLLAR	GYD
HAITIAN GOURDE	HTG
HONDURAN LEMPIRA	HNL
HONGKONG DOLLAR	HKD
HUNGARIAN FORINT	HUF
ICELAND KRONA	ISK
INDIAN RUPEE	INR
INDONESIAN RUPIAH	IDR
IRANIAN RIAL	IRR
IRAQI DINAR	IQD
IRISH	ILE
IRISH POUND (PUNT)	IEP
ITALIAN LIRA	ITL
JAMAICAN DOLLAR	JMD
JAPANESE YEN	JPY
JORDANIAN DINAR	JOD
KAMPUCHEAN RIEL	KHR
KAZAKHSTAN TENGE	KZT
KENYAN SHILLING	KES

KUWAITI DINAR	KWD
KYRGYZSTANIAN SOM	KGS
LAO KIP	LAK
LATVIAN LATS	LVL
LEBANESE POUND	LBP
LEONE	SLL
LIBERIAN DOLLAR	LRD
LITHUANIAN LITAS	LTL
LUXEMBOURG FRANC	LUF
LYBIAN DINAR	LYD
MACAU PATACA	MOP
MACEDONIAN DENAR	MKD
MALAGASY FRANC	MGF
MALAWI KWACHA	MWK
MALAYSIAN RINGGIT	MYR
MALDIVE RUFIYAA	MVR
MALTESE LIRA	MTL
MAURITANIAN OUGUIYA	MRO
MAURITIUS RUPEE	MUR
MEXICAN PESO	MXN
MEXICAN UNIDAD DE INVERSION (UDI)	MXV
MOLDOVAN LEU	MDL
MONGOLIAN TUGRIK (TUGRUG)	MNT
MOROCCAN DIRHAM	MAD
MOZAMBIQUE METICAL	MZM
MVDOL	BOV
MYANMAR KYAT	MMK
NAMIBIA DOLLAR	NAD
NAMIBIAN DOLLAR	NAM
NEPALESE RUPEE	NPR
NETHERLAND GUILDER	NLG
NETHERLANDS ANTILLAN GUILDER	ANG
NEW ISRAELI SHEQEL	ILS
NEW TAIWAN DOLLAR	TWD
NEW ZEALAND DOLLAR	NZD
NICARAGUAN CORDOBA ORO	NIO
NIGERIAN NAIRA	NGN
NORTH KOREAN WON	KPW
NORWEGIAN KRONE	NOK
PAKISTAN RUPEE	PKR
PANAMANIAN BALBOA	PAB
PAPUA NEW GUINEA KINA	PGK
PARAGUAY GUARANI	PYG
PERUVIAN NUEVO SOL	PEN
PESO URUGUAYO	UYU
PHILIPPINE PESO	PHP

POLISH SLOTY	PLN
PORTUGUESE ESCUDO	PTE
POUND STERLING	GBP
QATARI RIAL	QAR
RIAL OMANI	OMR
ROMANIAN LEU	ROL
RUSSIAN RUBLE	RUR
RUSSIAN RUBLE	RUB
RWANDA FRANC	RWF
SAINT HELENA POUND	SHP
SAMOAN TALA	WST
SAUDI RIAL	SAR
SERBIAN DINAR	CSD
SEYCHELLES RUPEE	SCR
SINGAPORE DOLLAR	SGD
SLOVAK KORUNA	SKK
SLOVENIAN TOLAR	SIT
SOLOMON ISLANDS DOLLAR	SBD
SOMALI SHILLING	SOS
SOUTH AFRICAN RAND	ZAR
SOUTH KOREAN WON	KRW
SPANISH PESETA	ESP
SRI LANKA RUPEE	LKR
SUDANESE DINAR	SDD
SUDANESE POUND	SDG
SURINAME GUILDER	SRG
SWAZILAND LILANGENI	SZL
SWEDISH KRONA	SEK
SWISS FRANC	CHF
SYRIAN POUND	SYP
TAJIKISTANI SOMONI	TJS
TANZANIAN SHILLING	TZS
THAILAND BAHT	THB
TONGAN PA'ANGA	TOP
TRINIDAD & TOBAGO DOLLAR	TTD
TUNISIAN DINAR	TND
TURKISH LIRA	TKL
TURKMENISTAN MANAT	TMM
U.S. DOLLAR	USD
UAE DIRHAM	AED
UGANDA SHILLING	UGX
UKRAINE HRYVNIA	UAH
UNIDADES DE FOMENTO	CLF
UZBEKISTAN SUM	UZS
VANUATU VATU	VUV
VENEZUELAN BOLIVAR	VEB

VIETNAMESE DONG	VND
YEMENI RIAL	YER
YENI TURK LIRAS (YTL)	TRY
YUAN RENMINBI	CNY
ZAMBIAN KWACHA	ZMK

B.3 Country Codes

Description	Code
ABU DHABI - U.A.E.	248
AFGHANISTAN	102
AFRICA N.E.S.	997
ALBANIA	081
ALGERIA	103
AMERICANPACIFICISLAND	021
AMERICAN SAMOA	034
AMERICANVIRGINISLANDS	027
ANDORRA	104
ANGOLA	105
ARGENTINA	106
ARMENIA	270
ARUBA	030
AUSTRALIA	107
AUSTRIA	051
AZERBAIJANIREPUBLIC	271
AZORES	036
BAHAMAS COMM OF	108
BAHRAIN	109
BANGLADESH	247
BARBADOS	110
BELARUSREPUBLIC OF	280
BELGIUM	052
BELIZE	118
BENIN	139
BERMUDA	113
BHUTAN	114
BOLIVIA	115
BOSNIA	277
BOTSWANA	112
BRAZIL	116
BRITISH ARAB STATES	121
BRITISH IND. OCEAN T.	119
BRITISH OCEANIA N.E.	120
BRITISHVIRGINISLAND	029
BRITISH WEST INDIES	122
BRUNEI	123
BULGARIA	082
BURKINA FASO	239
BURMA/MYANMAR	124
BURUNDI	125
CAMEROUN UNITED REP	127

CANADA	022
CANARYISLANDS	039
CAPE VERDEISLANDS	040
CAROLINE ISLANDS	041
CAYMANISLANDS	028
CENTRAL AFRICAN REP.	128
CHAD	130
CHANNELISLANDS	031
CHILE	131
CHINA	083
CHRISTMASISLANDS	042
COLUMBIA	133
COMORES ARCHIPELAGO	043
CONGO REP OF	134
COOKISLANDS	260
COSTA RICA	136
CROATIA	094
CUBA	137
CURACAO	032
CYPRUS	138
CZECHOSLOVAKIA	084
CZECH REPUBLIC	288
DENMARK	053
DJIBOUTI (REP OF)	261
DOMINICAN REPUBLIC	140
DUBAI - U.A.E.	249
ECUADOR	141
EGYPT	238
EL SALVADOR	142
ESTONIA	096
ETHIOPIA	143
EUROPE N.E.S.	998
FAEROE ISLANDS	145
FALKLANDISLAND& DEP	144
FIJI	146
FINLAND	147
FRANCE	054
FRENCH GUINA	148
FRENCH OCEANIA N.E.S.	149
FRENCH SOMALILAND	150
FRENCH WEST AFRICA	151
FRENCH WEST INDIES	152
GABON	153
GAMBIA THE	154
GERMANY DEM REP OF	085
GERMANY FEDERAL REP	055

GHANA	155
GIBRALTAR	156
GREECE	056
GREENLAND	157
GUADALOUPE	158
GUAM (MARIANASISLAND)	023
GUATEMALA	159
GUINEA	160
GUINE-BISSAU REP OF	206
GUYANA	117
HAITI	161
HONDURAS	162
HONGKONG	163
HUNGARY	086
ICELAND	057
INDIA	164
INDONESIA	165
IRAN	166
IRAQ	167
IRELAND REP OF	058
IRIAN (WEST/BARAT)	168
ISLE OF MAN	046
ISRAEL	169
ITALY	059
IVORY COAST	170
JAMAICA	171
JAPAN	060
JORDAN	172
KAMPUCHEA	126
KAZAKHSTAN	089
KENYA	173
KIRGHIZIAREPUBLIC OF	273
KIRIBATIREPUBLIC	262
KOREAREPUBLIC OF	221
KUWAIT	174
LAOS	175
LATVIA	284
LEBANON	176
LEEWARD & WINDWARD	035
LESOTHO	111
LIBERIA	177
LIBYA	178
LIECHTENSTEIN	061
LITHUANIA	097
LUXEMBOURG	062
MACAO	983

MACAU	047
MACEDONIAREPUBLIC OF	268
MADAGASCAR DEM REP	179
MADEIRA	048
MALAWI REP OF	180
MALAYSIA	245
MALDIVEISLANDS	049
MALIREPUBLIC OF	181
MALTA	182
MARSHALL ISLANDS	050
MARTINIQUE	183
MAURITANIA	184
MAURITIUS	185
MEXICO	186
MOLDOVAREPUBLIC OF	282
MONACO	033
MONGOLIA	087
MONTENEGRO	285
MOROCCO	187
MOZAMBIQUE	188
NAMIBIA	266
NAURU	189
NEPAL	190
NETHERLANDS	063
NETHERLANDS ANTILLES	191
NEW CALEDONIA	192
NEW ZEALAND	194
NICARAGUA	195
NIGER	196
NIGERIA REP OF	197
NORFOLK ISLAND	263
NORTH KOREA	088
NORWAY	064
OCENIA N.E.S.	990
OMAN SULTANATE OF	246
OTHER COUNTRIES	999
PAKISTAN	199
PALAUREPUBLIC OF	269
PALESTINIANTERRITORIES	301
PANAMA	200
PANAMA CANAL ZONE	024
PAPUA NEW GUINEA	201
PARAGUAY	202
PERU	203
PHILIPPINES	204
POLAND	090

PORTUGAL	065
PORTUGUESE AFRICA	244
PORTUGUESE ASIA	205
PORTUGUESE TIMOR DEP	207
PUERTO RICO	025
QATAR	208
REPUBLIC OF SERBIA	287
REUNION ISLAND	209
RODRIGUEZISLAND	045
ROMANIA	091
RUSSIAN FEDERATION	281
RWANDA	210
RYUKYU ISLANDS	198
SABAH	211
SAIPAN	098
SAO TOME & PRINCIPE	283
SARAWAK	212
SAUDI ARABIA	213
SENEGAL	214
SEYCHELLES	215
SIERRA LEONE	216
SINGAPORE	217
SLOVAK REPUBLIC	286
SLOVENIA	278
SOCIETYISLANDS	038
SOLOMON ISLANDS	264
SOMALIREPUBLIC	218
SOUTH AFRICA REP OF	219
SOUTH WEST AFRICA TE	220
SOUTHERN RHODESIA	223
SPAIN	066
SPANISH AFRICA (ORO/M	224
SRI LANKA	129
ST. HELENA & DEP	225
STPIERRE ET MIGUELON	226
SUDAN DEP REP OF	227
SURINAM	228
SWAZILAND	229
SWEDEN	067
SWITZERLAND	068
SYRIA	251
TAHITI	252
TAIWAN	132
TAJIKISTANREPUBLIC OF	275
TANZANIA	230
THAILAND	231

TOGO	232
TONGA	233
TRIESTE	236
TRINIDAD & TOBAGO	234
TUNISIA	235
TURKEY	069
TURKMENISTANREPUBLIC OF	276
TURKS & CAICOSISLAND	044
U.S.S.R.	092
UGANDA	237
UKRAINE	267
UNITED KINGDOM	070
UNITED STATES	026
URUGUAY	240
UZBEKISTAN	095
VANUATU	193
VENEZUELA	241
VIET-NAM SOC REP OF	222
WEST INDIES N.E.S.	991
WESTERN SAMOA	265
YEMENARABREPUBLIC	242
YEMEN PEOPLE'S DEM	101
YUGOSLAVIA	093
ZAIREREPUBLIC	135
ZAMBIA	243
ZIMBABWE	037

EXAMPLES OF ALERTS AND RED FLAG INDICATORS

C

1. **There is no underlying legal or trade obligation, purpose or economic justification**

- Offsetting bets
- Acquaintances betting against each other in even-money games and appearing that they are intentionally losing to one of the parties.
- Customer requesting for fund transfer to charity that is unfamiliar to the casino or appears to have links to countries that have lack AML/CFT controls.
- Buying casino chips and cashing them in, without gambling, by way of a casino cheque, bank draft of money transfer.
- Putting money into slot machines and claiming the accumulated credits as a jackpot win.
- Customers asking to combine winnings and his and her own cash not played in the casino into casino cheques
- Customers frequently inserting substantial amounts of banknotes in gaming machines that have high payout percentages and do not play "max bet" to limit chances of significant losses or wins, thereby accumulating gaming credits with minimal play.
- Frequent even-money wagering when conducted by a pair of betters covering both sides of an even bet (e.g., in roulette, baccarat/mini-baccarat, or craps).
- Customer's intention to win is absent or secondary.
- Two or more customers frequently wagering against one another on even-money games.
- Customer in possession of large amounts of coinage or bills.
- Customer befriending/attempting to befriend casino employees.
- Purchasing and cashing out casino chips with little or no gaming activity.
- Customer requests to add cash to casino winnings and then exchanging the combined cash and winnings for a single cheque.
- Multiple cheques being requested or drawn on account.
- Chip cash out is same/similar to chip purchase.
- Requests for credit transfers to other casinos.
- Use of multiple names to conduct similar activity.
- Use of third parties to purchase casino chips.
- Customer purchases chips and leaves casino shortly after.
- CPV, TITO, ticket or voucher dated prior to date of redemption.
- Large chip purchases.
- Frequent purchase of casino gift certificates.
- Detection of chips brought into the casino.
- Deliberation on losing a bet to other party(ies) on

    - peers to peers games; or
    - opposite bets with similar odds in banker hosted games

- Exchange of cash/ casino currencies without commensurate gambling activities
- Structuring transactions to stay below reporting threshold
- Chip walk
- Customer conducting small changing of chips or deposit or withdrawal of funds without gambling.
- Customer requesting for multiple payments of winnings and capital to the same account of a third party.
- Frequent access to safety box without commensurate gambling activities
- A patron provides a wire transfer, cashier's check or other form of payment and such instrument reflects that the transaction is being made for a purpose other than related to gaming
- Fund transfer to a customer or from a customer that is through multiple financial institutions or jurisdictions in an attempt to disguise their origin.
- Transfer of funds between customers through means such as hand to hand, wire transfer, safety box deposit, front money, or online casino accounts etc
- Inserting funds into gaming machines and immediately claiming those funds as credits.
- Customers claiming gaming machine credits/payouts with no jackpot.
- Customers claiming a high level of gaming machine payouts.

2. The client is not properly identified

- Client refused to provide details/ provide fake details
- Proxy betting
- Bettor employed by other parties to place bets
- Client receives money/ casino currencies from 3rd parties through means such as hand to hand, wire transfer, safety box deposit, front money, or online casino accounts etc
- Customer due diligence challenges, e.g. refusals, false documents, one-offs, tourists passing trade.

3. The amount involved is not commensurate with the business or financial capacity of the client

- Unexplained income inconsistent with financial situation/customer profile.
- Client's gaming/ cage activity dramatically increases with no known substantiation for the source of those funds
- Client's gaming/ cage activity or wagers incommensurate to the profile originally established by the covered person
- Customers with unclear source of wealth/ funds betting in large amount
- A negotiable instrument or wire transfer is presented for the benefit of multiple patrons, or multiple patrons engage in play on a single patron account
- A patron presents funds which the casino has a basis for suspecting to be the proceeds of illegal activity;

- A patron presents funds in any form that derive from a high risk jurisdiction

4. **Taking into account all known circumstances, it may be perceived that the client's transaction is "structured" in order to avoid being the subject of reporting requirements under the law**

    - Structuring transactions to stay below reporting threshold
    - A patron requests information about how to avoid AMLC reporting requirements
    - A patron refuses to provide information for the completion of a CTR, or identifying information more broadly
    - Multiple players requesting for payments to the same beneficiary (except for customers of junket operators)
    - Structuring the purchase of chips below the mandatory cash transaction reporting threshold.
    - Regularly depositing or transacting similar amounts of cash, which are below a country's reporting disclosure limit.
    - The use of third parties to undertake transactions using single or multiple accounts.
    - Using cheques from multiple financial institutions or branches of a financial institution to "buy in" while the amount of each cheque is below the reporting threshold.
    - Utilizing shift changes to systematically "cash in" chips or other value instruments to avoid threshold reporting.
    - Regularly switching gaming tables, gaming rooms, junkets or casinos within a chain when the wagering amounts are approaching the reporting threshold.
    - Requesting the division of winnings or prize money, which exceeds the reporting threshold, to be broken down into cash and chips below the reporting threshold in order to exchange it at the cashier's desk.
    - High volume of transactions within a short period.
    - Multiple chip cash outs on the same day.
    - Structuring of chip/cheque transactions.

5. **Any circumstance relating to the transaction which is observed to deviate from the profile of the client and/or the client's past transactions with the covered person**

    - Dramatic or rapid increase in size and frequency of transactions for a regular card holder.
    - Noticeable spending/betting pattern changes.
    - Dramatic or rapid increase in size and frequency of transactions for regular account holder.
    - Client's gaming activity dramatically increases with no known substantiation for the source of those funds
    - Client's gaming activity or wagers incommensurate to the profile originally established by the covered person

- Cage perform wire transfer/ remittance to customer(s) or a different beneficiary without apparent reason/ supporting gaming activity records
- Client request for winner cheques without commensurate gaming activities/ winnings

6. The transaction is in any way related to an unlawful activity or offense under this Act that is about to be, is being or has been committed; or

- Use of fraudulent identity/ credit cards/ payment cards to perform any form of cage transactions
- Withdraw money using fraudulent credit cards/ payment cards in the casino
- Use of counterfeit casino currencies
- Booking of fictitious gaming activities/ transactions by junkets (e.g. for the purpose of bypassing table limit/ facilitation of cross border transfer etc)
- Client(s) who perform the transactions are found to be known or related associates of criminal/ wanted persons
- Funds involved in the transaction/ activity originates from casino cheat/ scam or another other offenses as described under the AMLA

7. Any transaction that is similar or analogous to any of the foregoing.

- Supposed winnings do not correspond with recorded winnings.
- Use of credit cards to purchase casino chips.

TYPOLOGIES OF MONEY LAUNDERING IN CASINOS

D

Typology 1: Use of Junkets

A Syndicate Member in Country A wants to send (beneficiary) drug proceeds to Syndicate Head in Country B. With the help of a junket promoter, Syndicate Member caused the transfer of said proceeds to a casino in country A. The junket operator then informed an underground remitter in Country B about the amount and beneficiary of the funds. The remitter would then arrange payment of the fund to the beneficiary. When the beneficiary arrives at the casino in Country B, he immediately obtains the amount transferred by the Syndicate Member in County A through gambling. Both the casino and the remitter would perform reconciliation for net settlement, and thus, basically no transfer of monies between two sides was required.

Typology 2: Use of Junkets

A casino in Las Vegas, operated a marketing team ("junket") catering to Korean customers. The junket representative lent gambling money to Koreans in the form of cards (coupons), not cash, so that the corresponding loan would be spent only for gambling at the Las Vegas Casino. Representatives of this junket visited Korea to collect debts or make the customer's relatives in Korea do so on their behalf. The collected money was paid to trading companies in Korea for the goods that these companies sold to importing companies in the United States. The importing companies paid the amount to the Las Vegas Casino.

Typology 3: Hedging

a) A customer routinely bets both sides of the same line and thus the amount of overall loss to the customer is minimal (known as hedging).

b) A pair of bettors frequently cover between them both sides of an even bet, such as: (1) betting both "red and black" or "odd and even" on roulette; (2) betting both with and against the bank in baccarat/mini-baccarat; or (3) betting the "pass line" or "come line" and the "don't pass line" or "don't come line" in craps; and, the aggregate amount of both bettors' total wagering is in excess of USD5,000.00.

Typology 4: Use of Junkets

Mr. A contacted junket operator AA in Jurisdiction X to facilitate a junket game for him and his friends at Casino 1 and Casino 2.

Junket operator AA, through an officer in Bank B, caused the opening of four (4) bank accounts in Bank B. The accounts would be used as a depository account to receive money from Mr. A for his casino gaming activity.

A total of USD81 million was wired to the four (4) accounts opened in bank B by Junket operator AA. Junket AA instructed the bank officer of Bank B to transfer USD65.8 million to another fictitious account, and to transfer USD15.2 million to the bank account of remittance agent C. Thereafter, junket operator AA and bank officer B instructed remittance agent C to perform the following: (a) Transfer Php1 billion to the account of junket operator AA; (b) Deliver cash to junket operator AA; and (c) Transfer funds to the account of Casino 1.

Junket operator AA facilitated the gaming activity of Mr. A and his friends at the VIP gaming program of Casino 1 and junket program of Casino 2. Mr. A and his friends requested Casino 1 to transfer most of their gaming funds to an account with another junket operator, BB, also located inside Casino 1.

Mr. A and company played in Casino 2 briefly, then played for several days in the VIP program of Casino 1 and junket operator BB. In the course of their gaming activities, they withdrew a substantial amount of winnings.

When Casino 1 found out that the money being played by Mr. A and his friends were proceeds of a bank hacking incident in jurisdiction Z, its officers immediately stopped the gaming activities and seized all chips and money in the gaming tables, gaming accounts and those that were found inside their hotel rooms.

Investigation by the Financial Intelligence Unit (FIU) into the casino transactions of Mr. A and his friends revealed that some of them do not have previous gaming activities, while the gaming transactions of others substantially deviated from their gaming profiles. The large transactions, deviation from transaction profiles, and unusual gaming patterns displayed by Mr. A's group would have been reportable as Suspicious Transactions under the anti-money laundering laws of Jurisdiction X. However, casinos are not required to file said reports there because casinos were not covered by the country's anti-money laundering/counter-financing of terrorism (AML/CFT) regime. Thus, the FIU in jurisdiction X and the law enforcement agencies there were unable to conduct a timely investigation.

Cases of money laundering were filed against junket operator AA, officers of bank B, and officers of remittance agent C.

Typology 5: Casino to bank transactions

A law enforcement investigation identified a professional money laundering syndicate operating between Australia, Jurisdiction X and Jurisdiction Y.

The investigation revealed that the offender flew to Australia from Jurisdiction X, and two (2) days upon arrival, played at a casino. There she received USD473,000.00 in cash stashed in a backpack from an associate (suspect A), at the casino car park, then deposited it into her casino account. After unsuccessfully attempting to transfer a portion of the funds from her casino account to the bank account of another associate (Ms. X), the offender withdrew USD227,000.00 in cash. Then she attempted to deposit the cash with the intention of transferring it to Ms. X, who worked for an Australian money remittance business based in a different state. The offender was unable to provide satisfactory information when questioned by bank staff as to the origins of the cash and purpose of the transaction. The

results of the law enforcement investigation led to the offender's arrest at the bank as she was attempting to deposit the cash.

The offender was charged with one count of dealing with more than AUD100,000.00 based on a reasonable suspicion that the funds represented the proceeds of crime; she was sentenced to sixteen (16) months' imprisonment.

Typology 6: Use of gambling coupons

Person M, a well-known entrepreneur, is the suspect of money laundering and dealing with the proceeds of crime. Person M sells coupons used for gambling in District "T" supplied by person P, who lives in district "B". Person M has two (2) accounts used to carry out the gambling transactions, account "1", used for placement, transfer and receipt of proceeds from gambling, and account "2", used to place profits from the sale of gambling coupons supplied by person P. The profit represented up to 17% of all coupon transactions.

Typology 7: Use of licensed casinos

Mr. X, an employee of a point of sale business for two (2) casinos (FDJ and PMU), located in the greater Paris region, and run by Mr. Y. Tracfin (France FIU) was alerted to an unusually large number of cheques and wire transfers of winnings credited to the bank accounts of these two casinos. Over a fifteen (15)-month period, Mr. X deposited more than 4,000 separate winnings totaling about €1.5million (USD1.69 million). Mr. Y deposited nearly 700 separate winnings for more than €200,000.00 (USD225,600.00). The winning tickets, nearly all of them sports and horseracing betting products, were validated in Mr. Y's outlet, whose turnover in gaming products increased exponentially over the same period. However, the origin of the money bet by Messrs. X and Y was not clear. Upon investigation it was determined that although payments by cheque, wire transfer or credit card were registered with their bank accounts, they did not sufficiently account for the recurrence and the extremely high amount of the winnings. Mr. X and Y must have been injecting additional money into gaming, whose origin was unknown and therefore raised red flags. Finally, Mr. X, whose official sources of income were quite modest, lived a quite comfortable lifestyle and also acquired real estate.

Typology 8: Use of Casino Gaming Account

AUSTRAC (Australian FIU) disseminated an intelligence assessment report to law enforcement agencies regarding the financial activities of a suspect attempting to launder the proceeds of crime raised through drug related activity. The suspect used bank and casino accounts to launder the funds.

The suspect was the subject of five (5) suspicious matter reports (SMRs) submitted to AUSTRAC. Over a four (4)-day period the suspect made five (5) structured cash deposits of between AUD8,000.00 and AUD9,000.00 into his personal bank account. The structured cash deposits totaled AUD41,500.00. Bank staff reported in the SMRs that the deposited cash smelled of mothballs. After the deposits, the suspect undertook a domestic electronic transfer to move AUD40,000.00 from his bank account into an account with an Australian casino. The suspect deposited another AUD40,000.00 cash directly into the casino account.

An additional SMR submitted by the bank reported that the suspect received a deposit via domestic electronic transfer of AUD131,000.00 from the casino. Following this deposit into his bank account, the suspect withdrew AUD9,000.00 in cash.

The casino submitted an SMR. indicating that the suspect was known by two (2) aliases and that he would become aggressive when casino staff requested identification as part of the casino's normal identification procedures for customers cashing out gaming chips. The casino also reported that the suspect was known to cash out chips in amounts under the AUD10,000.00 cash reporting threshold, presumably to avoid the requirement to present identification to staff.

The suspect was arrested at a domestic Australian airport after a drug detector dog reacted to his suitcase. The suitcase contained ten (10) vacuum-sealed plastic bags containing a total of 4.5 kilograms of cannabis. The suspect was charged with attempting to traffic a controlled drug, contrary to sections 11.1 and 302.4 of the Criminal Code Act 1995 and was sentenced to two-and-half years' imprisonment.

Typology 9: Significantly large wire transfer to a casino gaming account

AUSTRAC contributed to a joint international investigation sparked by the suspicious behavior of a prominent Asian businessman. The investigation exposed a multi-million-dollar global fraud committed by an Asian finance manager, who was known as a habitual gambler and international casino 'high roller'.

Authorities in Asia suspected that the suspect had defrauded a number of international banks. AUSTRAC received an international request for information from counterparts in Asia, seeking assistance with their enquiries with regard to the financial activity of the target while he was in Australia.

AUSTRAC data identified that the suspect had conducted significant international funds transfers to Australian casinos, had visited Australia to gamble at the casinos, and had left Australia with substantial amounts of money, presumed to be the proceeds of his gambling. This information proved the initial suspicions of AUSTRAC's Asian counterparts that the suspect had transferred funds to casinos in Australia.

The suspect was arrested and subsequently admitted to Asian authorities that he had embezzled approximately AUD78 million (USD72,003,360.00) from four (4) international banks by forging signatures of his company's executives and opening accounts in the name of his employer.

Over a four (4)-year period the suspect transferred approximately AUD190 million (USD175 million) into an Australian casino account via international funds transfer instructions (IFTIs). In addition, the suspect had visited a number of casinos in London, Macau and Malaysia, in some instances placing bets worth up to AUD400,000.00 (USD369,248.00).

Asian authorities requested further assistance from Australian law enforcement to trace additional proceeds of the suspect's fraud. In conjunction with AUSTRAC, Australian law

enforcement discovered an additional AUD30 million (USD28 million) in accounts with various Australian casinos, held in the name of the suspect. Of this amount, AUD7 million (USD6.5 million) was restrained by Australian law enforcement under the Proceeds of Crime Act 2002, and a portion of this was repatriated back to the investigating authorities in Asia.

The suspect pleaded guilty in Asia to six (6) counts of forgery and eight (8) counts of cheating and was subsequently sentenced to forty-two (42) years' imprisonment.

Typology 10: Cashing out without record of chips purchase

Suspect A was arrested by law enforcement upon arrival in Australia, where he was found to be in possession of card skimming technology. This included computer disks, a laptop, a card encoder, an ATM feeder 'face unit' and thirty-one (31) blank ATM cards. The suspect was an international student residing in Australia.

Upon his arrest, law enforcement commenced an investigation into his activity and discovered a card skimming syndicate operating in Australia which laundered the proceeds of its crimes through casinos. Analysis of AUSTRAC financial transaction data associated with suspect A identified three additional members of the syndicate and their activities.

Members of the syndicate regularly visited casinos. Over a five (5)-month period, AUSTRAC received threshold transaction reports (TTRs) indicating that suspect A had cashed in more than AUD180,000.00 (USD166,612.00) worth of gaming chips at an Australian casino. However, transaction records showed that the suspect had not previously purchased a corresponding amount of gaming chips at the casino. This suggested that the suspect may have purchased the chips directly from another player before cashing them out, while claiming they were actually his 'winnings'.

AUSTRAC information was also used to identify the irregular gaming activity of suspect B. Information on AUSTRAC's database indicated that, over a twelve (12)-month period, suspect B had purchased AUD50,000.00 (USD46,156.00) worth of gaming chips at a casino. However, records indicated that the suspect had cashed out more than AUD610,000.00 (USD563,103.00) worth of gaming chips at the casino. Suspect B also made regular cash deposits and withdrawals, often in amounts over the reporting threshold of AUD10,000.00 (USD9,231.00), into bank accounts in Australia in the days following the casino transactions.

A suspect transaction report (SUSTR) was submitted by an Australian casino, noting that: (a) suspect B presented AUD28,000.00 (USD25,847.00) worth of casino chips to a cashier to be cashed out, before handing the cash proceeds to another person, believed to be suspect A; and (b) The value of gaming chips cashed out by suspect B did not correspond with the suspect's observed game play at the casino due to the high volumes of winnings compared to funds withdrawn for gambling purposes, nor did it correspond with the expected financial activity of a young university student.

A second SUSTR was also submitted by an Australian financial institution detailing suspicious transactions conducted by suspect B. Over a (3) three-month period suspect B deposited more than AUD155,000.00 (USD143,084.00) in cash into an account, indicating to bank staff

that these funds were casino winnings. The majority of these funds were then withdrawn in cash at the bank and via ATMs at the casino.

Suspect A was charged under section 480.6 of the Criminal Code Act 1995 for the importation of a thing to dishonestly obtain or deal in personal information.

Typology 11: Use of casino accounts, third party placement, infiltration of junket management

CYK, a Hong Kong tycoon and owner of British soccer club in Birmingham (UK), was convicted of laundering HKD93 million through, inter alia, junket operators and casinos in Macau.

The prosecution charged that since 2001 various parties made deposits to their accounts, many for no apparent reason. Some were made by securities firms and a Macau casino company, while others were made by unknown parties. Some 437 deposits totaling more than HKD97 million were made in cash.

Throughout the trial, CYK said he accumulated hundreds of millions of dollars through stock trading, business ventures in main land China, winnings from gambling and even hair dressing. The Court showed that CYK moved funds for Neptune VIP Club, a junket operator in Macau. One of Neptune's owners, CCT, is alleged to be the head of a powerful Hong Kong Triad gang. According to the evidence at trial, more than HKD18 million was washed by Mr. Yeung for Mr. Cheung.

Typology 12: Use of third parties, triggering transaction reports to legitimize suspicious transactions

A number of persons purchased chips with illicit cash in amounts below the CTR threshold, but then passed the chips to one individual who cashed out, receiving a casino cheque and triggering the filing or a CTRC that gave the appearance of further authenticating the transaction.

Over a twelve (12)-month period, one individual was named in casino CTRCs reporting USD1.1 million paid out, but was not named in a single CTRC for cash taken in.

Typology 13: Use of third parties to move illicit funds

John in Macau could not perform a large remittance to China due to its foreign exchange control. Susan in China wished to gamble in this casino of Macau, but had difficulty in bringing in the cash. Junket and remitter (aka "M") performed matchmaking and reconciliation/ settlement to solve the demand.

John paid M's Macau account the desired remittance amount. Susan paid M's China account the desired gaming funds amount. As Susan arrives in Macau, M provide gaming capital to Susan via Macau account using the funds from John. M also pays John's beneficiary in China via China account using the funds from Susan. M would perform reconciliation for net settlement (insofar John and Susan has paid their ends in advance), and basically no transfer of monies between two sides was required.

Typology 14: Use of third parties and false identities to structure gambling transactions

A Person of Interest (POI) of a drug trafficking organization, utilizing both the money he was paid for his services and the large sums of money put into his possession to be laundered, recruit third parties at the casino to purchase, or cash in, chips for him, paying them a nominal fee to do so. He then gambles. After gambling, he would cash some of these third-party purchased chips back out again, claiming they were his gambling winnings.

According to the CTRs a USD 313,000.00 discrepancy was found to exist between chip purchases and cash out. Twenty-four of the CTRCs recording his activities revealed the use of aliases and multiple social security numbers. On numerous other CTRCs he had refused to provide a social security number.

Typology 15: Use of debit cards to conduct money laundering transactions

An existing member of a casino introduced a number of people over a period of time. Suspicious was raised as the new members were completing debit card transactions to the maximum limit and receiving gaming plaques in exchange, which in turn were passed to the existing member.

Most of the new members never returned to the casino after the initial visit. The nationalities of the new members varied widely, but all are believed to have recently arrived from foreign jurisdictions. The transactions varied from GBP1,000.00 to 7,000.00.

Typology 16: Proxy betting

Gamblers in China obtain credit lines from Macau junket operators, who are repaid using funds derived from unlawful activities by the players ("beneficial owners") inside China. The gaming credit stays outside China, away from scrutiny by the Chinese government and its currency controls – and where it can be cashed out in Macau as gambling proceeds.

To launder funds, these gamblers use Macau's junket operators as fronts, especially for high-rollers, to bet on their behalf. Hired hands of these junket operators often use wireless headsets to receive instructions from the "beneficial owners" in China. Some proxy players hide their phones inside their elaborate coiffure.

While Macanese law prohibited phone betting in 2001, there was no enforcement as long as operators reported the bets and the identities of the gamblers to the regulator. Proxy betting, therefore, represents high risks for money laundering.