



**EDEN FISHERMEN'S
RECREATION CLUB LIMITED**

ANTI MONEY LAUNDERING

AND

**COUNTER TERRORISM
FINANCING PROGRAM**

AML/CTF ACT 2006

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Glossary of Terms

Term	Definition
AML & CTF	Anti Money Laundering and Counter - Terrorism Financing (AML & CTF)(ML & TF)
AML/CTF Program	Established by reporting entity to document the identification and mitigation and risk management of activities to combat Money Laundering (ML) and Terrorism Financing (TF)
AUSTRAC	Australian Transaction Reports and Analysis Centre
Reporting Entity	Organisation that provides designated services
Designated Services	Provision of Gambling on Poker Machines Provision of TAB Agency Services
KYE	Know Your Employee
KYC	Know Your Customer
OCDD	Ongoing Customer Due Diligence
Threshold Transaction	\$10,000 or greater
Money Laundering	Converting money and or assets derived from criminal activity into legitimate funds
PEP (Politically Engaged Person)	A person who holds a prominent public position in a government body or international organisation
Placement	The process of converting illegitimate funds into legitimate monetary instruments
Layering	Further filtering this money into legitimate bank accounts, investments etc
Integration	Funds are used to purchase other assets and or reinvested into funding further criminal activity

Eden Fishermen's Recreation Club Ltd

AML/CTF Policy Statement

The following document has been prepared for Eden Fishermen's Recreation Club Ltd as a guide and resource to assist the club in meeting key AML and CTF legislation.

Eden Fishermen's Recreation Club Ltd is committed to ensuring that appropriate policies and procedures are implemented and adhered to on a daily basis.

Policies and procedures as addressed by this document have been developed and implemented in fulfillment of the Eden Fishermen's Recreation Club Ltd statutory requirements as a reporting entity providing gambling service which under Section 6 of the AML/CTF Act is defined as a designated service.

According to AML/CTF Act, a reporting entity is required to have an AML/CTF program in place consisting of Part A and Part B. The AML/CTF program is a risk-based approach used to combat the risks of Anti Money Laundering and Counter Terrorism Financing activities that can be associated with the provision of gambling services.

The AML/CTF Act 2006 defines Part A and Part B as follows:

- *Part A General – the primary purpose of Part A is to identify, mitigate and manage the risk that the provision of a designated service by a reporting entity might knowingly, inadvertently or otherwise, involve or facilitate money laundering or terrorism financing.*
- *Part B Customer Identification – The primary purpose of Part B is to set out the applicable customer identification procedures for customers of the reporting entity.*

This AML/CTF program was developed on the basis that the designated services offered by Eden Fishermen's Recreation Club Ltd are offered to individuals and that the risk level for Eden Fishermen's Recreation Club Ltd regarding money laundering and terrorism financing is **LOW**.

This policy has the approval of the Board of Directors.

SIGNATURE OF CHAIRMAN

DATE

Eden Fishermen's Recreation Club Ltd

AML/CTF Program

It is the policy of this Club to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorists or criminal activity.

Money Laundering

Money laundering is best defined as any attempted activity to disguise and or conceal the source and or origin of money and or assets derived from criminal activity providing a legitimate source and or origin, allowing this money and or assets to be filtered unnoticed into legitimate business activity.

Any kind of criminal activity including but not limited to: fraud, theft, tax evasion, drug trafficking, racketeering, prostitution, smuggling, kidnapping for ransom and threats to extort money can be a source of criminal funds.

Money laundering strengthens the position of criminals in our society, undermines the global financial system and harms Australia's reputation as a country in which to do business.

Money laundering is generally defined as engaging in acts designed to conceal or disguise the true origin of criminally derived proceeds so that the unlawful proceeds appear to have been derived from legitimate origins or constitute legitimate assets.

Generally, money laundering occurs in three stages:

- **Placement:** Cash generated from criminal activities is converted into monetary instruments, such as money orders or traveller's cheques, or deposited into accounts at financial institutions or washed, through the use of gambling machines
- **Layering:** Funds are transferred or moved into other accounts or other financial institutions to further separate the money from its criminal origin
- **Integration:** Funds are reintroduced into the economy and used to purchase legitimate assets or to fund other criminal activities or legitimate businesses

Terrorism Financing

Terrorism financing is the process of using funds to support terrorist groups and terrorism.

Terrorist financing may not involve the proceeds of criminal conduct, but rather an attempt to conceal the origin or intended use of the funds, which will later be used for criminal purposes.

Funds can come from private contributions or donations from people who may or may not be aware that they are financing terrorism. These funds often enter the financial system in relatively small amounts. Therefore, they can be difficult for financial institutions and other designated service providers to detect.

AUSTRAC

The Australian Transaction Reports and Analysis Centre (AUSTRAC) is Australia's Anti-Money Laundering and Counter-Terrorism Financing Regulator.

AUSTRAC is responsible for:

- Regulating and monitoring retail banks and other regulated businesses
- Monitoring compliance with applicable laws
- Gathering and disseminating information and reports from regulated businesses
- Assisting in enforcement actions
- Developing the Anti-Money Laundering and Counter-Terrorism Financing Rules

EDEN FISHERMEN'S RECREATION CLUB LIMITED

ANTI MONEY LAUNDERING AND COUNTER TERRORISM FINANCING PROGRAM

PART A

AML/CTF Program – Part A

Introduction

Part A of the program enables Eden Fishermen’s Recreation Club Ltd to identify the risk associated with Money Laundering or Terrorism Financing (ML/TF) that the Club may face by the provision of a designated service.

Focus on identifying, mitigating and managing AML/CTF risk associated with the provision of gambling services is the primary objective of this AML/CTF Program. This requires Eden Fishermen’s Recreation Club Ltd to assess the associated risk of ML/TF resulting from current operations and any changes or developments within the reporting entity which may alter the risk profile.

Manage Risk

- Independent Review Internal

Mitigate Risk

- Implement AML/CTF Program
- Internal Controls and Policy

Identify Risk

- Monitoring of customers and gambling services provided

AML/CTF Program – Part A

Risk Identification, Mitigation and Management

An assessment has been carried out which identifies the designated services provided by the Eden Fishermen's Recreation Club Ltd with regard to the AML/CTF Act Section 6 and the risks the Club may face in the provision of these services.

Consideration has been given to the following:

- Type of customers of the Club including politically exposed persons
- Type of designated services provided
- Method by which the designated services are delivered
- Foreign jurisdictions

Type of Customers of the Club including Politically Exposed Persons

The Club is regulated by the Registered Clubs Act 1976 and must maintain Registers of all customers who enter the Club. Section 30 (2) determines entry requirements for the Club. This Club has in place mechanisms to ensure this legislation is adhered to. These procedures include:

- A Register is maintained of all Members of the Club. The name, address and occupation of all members is noted in this register. Procedures are in place to ensure a person applying for membership of the Club undertakes identification procedures prior to being granted membership of the Club. An identification card with a membership number specific to each member is issued upon acceptance of membership and upon renewal of membership.
- Non- members undergo identification processes prior to admission to the Club.
- Member and Non-Member Registers must be kept for a period of three years from the date of the last entry in the Register.
- Regular reviews of these registers are conducted to ensure compliance with entry requirements. These reviews should identify any Politically Exposed Persons (PEP's) or adverse persons utilizing the Club.

PEP's are described as:

"Individuals who are or have been entrusted with prominent public functions in a foreign country for example Heads of State or Government, Senior Politicians, senior Government judicial or military officials, Senior Executives of state-owned corporations, important political party official. The definition is not intended to cover middle ranking or more junior individuals in the foregoing categories".

There is no evidence to suggest any of the Club's patrons are politically exposed.

It is determined that the Club's level of risk in this area is **LOW**.

Types of Designated Services Provided

Table 3 of Section 6 of the AML/CTF Act 2006 lists 14 types of designated services with relation to the provision of Gambling Services. We have reviewed the information and determined the following designated services are provided by the Club:

Item No	Designated Service	Customer of Designated Service	Comments
4	Paying out winnings in respect of a bet, where the service is provided in the course of carrying on a business	The person to whom the winnings are paid	<p>The service is provided by the Club's TAB Agency. AML/CTF Rule 10.2.4 exempts this as a designated service if the payout is less than \$10,000.</p> <p>Minor payouts may be included in the Club's Suspicious Transaction Reporting Program and TAB Operations Manual</p>
5	In the capacity of a controller of an eligible gaming machine venue, allowing a person to play a game on a gaming machine located at the venue, where the service is provided in the course of carrying on a business	The Patron	<p>This service relates to payment of winnings from playing a poker machine AML/CTF Rule 10.3.4 exempts this as a designated service for transactions less than \$10,000.</p> <p>Minor payouts may be included in the Club's Suspicious Transaction Reporting Program</p>
10	In the capacity of controller of an eligible gaming machine venue, paying out winnings or awarding a prize in respect of a game where: <ul style="list-style-type: none"> (a) the game is played on a gaming machine located at the venue (b) the winnings are paid out or the prize is awarded, by the controller as agent of the owner or lessee of the gaming machine; and (c) the service is provided in the course of carrying on a business 	The patron to whom the prize is paid	<p>This service relates to payment of winnings from playing a poker machine AML/CTF Rule 10.3.4 exempts this as a designated service for transactions less than \$10,000.</p> <p>Minor payouts may be included in the Club's Suspicious Transaction Reporting Program</p>

The Manner In Which The Designated Services Are Delivered

Gaming Machines

The provision of this dedicated service in New South Wales is highly regulated. The Gaming Machines Act (GMA) and Regulations there to, impose strict requirements on Clubs in the operation of Gaming Machines.

Regulation 30 of GMA Regulations 2010 provides that Registered Clubs and Hotels must pay as much of the total prize money payable to the person as exceeds \$5,000 by crossed cheque payable to the person or by EFT deposit into an account nominated by the person. The club's internal rules restrict the amount paid out in cash to \$3,000.

This Club maintains payout records in accordance with this legislation.

Regulation 15 of GMA 2002 requires a Registered Club to keep a written record with respect to the awarding or payment of each prize and the payment of short-pays from an approved gaming machine kept on the premises of the club (other than monetary payments released directly by the gaming machine or prizes awarded or paid by way of redemption of a gaming machine ticket that contains the following particulars:

- (a) the date of the award or payment,
- (b) the serial number of the gaming machine in respect of which the award or payment was made,
- (c) the prize-winning combination or the number of credits accumulated that are to be redeemed,
- (d) the amount of the prize, the value of the credits or the amount of the short-pay,
- (e) the name and signature of the person to whom the award or payment was made,
- (f) the signature of 2 other persons certifying that each has sighted the prize-winning combination or the number of credits and that the record made in accordance with this clause is correct in all details.

The Eden Fishermen's Recreation Club Limited currently operates 61 Gaming Machines at the Fishermen's Club site and 30 Gaming Machines at the Country Club site under the compliance requirements of the GMA and RCA and supervised by trained Club employees. The machines are played by members and guests of the Club on Club premises only.

AML/CTF Rule 10.3.4 exempts this as a designated service if the prize is less than \$10,000.

Club TAB Agency

The Club operates an agency for wagering through the TAB. Tabcorp provides an operations manual which addresses the requirements of the legislation and which will be used in conjunction with this manual. The Club TAB Agency accepts bets and pays winnings on various forms of sport on behalf of the TAB.

AML/CTF Rule 10.2.4 exempts this as a designated service if the prize is less than \$10,000.

The Eden Fishermen's Recreation Club Ltd site operates 2 TAB terminals under the supervision of trained Club employees.

If a bet is placed, or a prize issued, of \$10,000 or greater in physical cash a Threshold Transaction Report must be issued to AUSTRAC. The TAB will notify the Club and lodge a Threshold Transaction Report with AUSTRAC and the Club must also issue a Threshold Transaction report to AUSTRAC within 10 days. This forms part of the duties of the Compliance Officer.

Risk Identification

The Club has identified the following types of risk associated with the provision of the designated services and has implemented monitoring processes to minimize risk of ML/TF occurring in the Club.

Third Party Risk

- Claiming gaming machine prizes/payout whilst not being the legitimate prize winner
- Exchanging cash for prize winning cheques or gaming machine tickets
- Individual members buying winning tickets from other members

This is the most common form of risk associated with gaming machines and may be difficult to detect. The Club has endeavoured to mitigate this risk by placing surveillance cameras in the gaming area. The surveillance cameras will record the operation of the gaming machines and the behaviour of persons playing the machines.

Behaviour of persons playing gaming machines will also be observed by staff working in the gaming area. Staff may also be provided with information from other patrons where a patron is behaving suspiciously.

Where there is any suspicion of ML or suspicious or unusual behaviour by a patron, a staff member on duty in the designated area will monitor the behaviour of the person, report it to the Duty Manager and if deemed necessary lodge an Internal Suspicious Transaction Report to the Compliance Officer.

The staff person issuing payout cheques will monitor the number of payment cheques being claimed by any one player in a short or regular time frame and an Internal Suspicious Transaction Report will be completed by the staff member and provided to the Compliance Officer if a high number of cheques is claimed.

Other Possible Types of Risk

- Customers inserting large amounts of cash into gaming machines and then cancelling the credits after minimal play being carried out on the machine

This type of behaviour may be detected during a review of cheques and payouts issued from any one machine where there has been low turnover but a high volume of payouts. The staff member with the responsibility of reviewing payout information will collect all information pertaining to such suspicion and complete an Internal Suspicious Transaction Report and provide it immediately to the Compliance Officer for further investigation.

- Employee collusion in money laundering activities. - advising accomplice of large winnings or not reporting suspicious transactions
- Amounts being bet are quite significant indicating that the individual gambling has access to large amounts of money
- Using stolen or counterfeit money – this may be detected by note acceptors in some gaming machines

The behaviours listed above may be difficult to detect, however, by observation of our staff and information provided by other parties it is likely that these activities will be detected. Often persons undertaking such activities will act suspiciously or with unusual behaviour which will draw attention to their activities.

Suspicious behaviour will be monitored and reported by the staff on duty to the Compliance Officer on an Internal Suspicious Transaction Report.

The behaviour of staff working in areas where designated services are provided will be monitored by Senior Management of the Club.

A sample of an Internal Suspicious Transaction Report is attached at Annexure 1.

Foreign Jurisdictions and Foreign Currency Transactions

There is no provision of designated services through any permanent establishments of this reporting entity in a foreign country and no foreign currency transactions are undertaken. Therefore, this risk is regarded as NOT APPLICABLE.

Transaction Monitoring – Compliance Officer

The Compliance Officer will review all Internal Suspicious Transaction Reports received from staff as detailed above and use the following methods to determine if further action is required.

In addition to the monitoring carried out by staff of the Club in the provision of designated services as outlined above, the Compliance Officer will undertake Transaction Monitoring where transactions fall into the following categories:

- Complex transactions
- Unusually large transactions
- Unusual patterns of transactions
- Transactions which have no apparent economic or visible lawful purpose

This monitoring will include review of the information provided by the staff, review of the Club's CCTV footage, payout and TAB documentation and if necessary, the Club's gaming machine control computers to monitor suspicious transactions.

If necessary, for patron identification the Compliance Officer will review the Club's Membership and Sign-in registers and the additional identification collected and verified by staff at the time of the transaction.

It is not necessary for the Compliance Officer or the Club to take action against the suspect.

Determination of Risk Rating

It has been reasonably implied that larger establishments where turnover from gaming machines is high provide greater opportunity for ML due to the difficulty in identifying suspicious behaviour.

With regard to the designated services in Item 5 and Item 10 of Table 3 of the AML/CTF Rules, we have adopted Clubs NSW classification of risk for clubs as follows:

- Gaming Machine Revenue, of less than \$2million annually – VERY LOW RISK
- Gaming Machine Revenue of \$2million to \$10million annually – LOW RISK
- Gaming Machine Revenue above \$10million annually –LOW – MEDUIM

Based on the gaming machine revenue rating, the strict State Government regulation in place governing the Club industry, the procedures this Club has in place to monitor customer behaviour and

the high reporting and identification procedures of the Registered Clubs Act, Gaming Machines Act and the Regulations to these Acts, the risk rating for this Club is assessed as follows:

Eden Fishermen's Recreation Club Limited- Gaming Machine Revenue of \$2 million to \$10 million annually – **LOW RISK**

Eden Gardens Country Club Limited - Gaming Machine Revenue of \$0 to \$2 million – **VERY LOW RISK**

Regular Review of The AML/CTF Program

Part A of the AML/CTF program requires that an independent review of the AML/CTF program be undertaken on a timely basis.

In order to uphold the requirements of the AML/CTF Act 2006 and demonstrate the independence and quality of the review process an independent party will be engaged to undertake an independent review of Eden Fishermen's Recreation Club Ltd program on a regular basis and/or in response to changes and developments of the AML/CTF Act 2006 and when the Club introduces a new gambling service or changes in technology regarding gambling services.

Additional Designated Services

Before the introduction of any further designated services an independent reviewer will be engaged to undertake a review of these proposed services as required by the AML/CTF Act 2006.

A report detailing the proposed additional designated service(s) impact and findings will be issued to Management and the Board. The report will form part of this policy as a supplement and any requirements for employee training will be included in the Employee Training Program.

A Review Log is attached at Annexure 2. This will be maintained by the Compliance Officer.

Culture of Compliance

Eden Fishermen's Recreation Club Ltd has diligently promoted the importance of compliance and creating a culture within the organisation where a commitment to achieving risk management and regulatory objectives is embedded at all levels of the organisation. Compliance is an inherent requirement and expected behaviour within the organization.

Oversight by the Board of Directors

The Board of Directors is required to approve the Program and oversee compliance with the AML/CTF Act 2006.

The Compliance Officer will notify The Board and/or Senior Management of Suspicious Activity/ Suspicious Transactions and Threshold Transactions relating to gaming services.

The Agenda for the Board of Directors monthly meeting has been amended to include a report from the Compliance officer on all activity regarding the Club's AML/CTF for the period.

A Checklist of Board requirements is attached at Annexure 3.

Compliance Officer

As required under the AML/CTF Act 2006, the Eden Fishermen's Recreation Club Ltd has designated an employee the specific responsibility of the Anti-Money Laundering Program. The Compliance Officer has assumed full responsibility for this Club's AML program.

The criteria for appointment to the role of AML/CTF Compliance Officer is as follows:

- Seniority
- Accountability
- Ability to maintain strict confidentiality

The AML Compliance Officer will ensure the proper maintenance and storage of all AML records and about the Privacy Act and Secrecy requirements. The Compliance Officer will undertake transaction monitoring procedures as described above and in his Duty Statement. Records pertaining to Suspicious Transaction Reports, and reliable identification of customers in receipt of winnings of \$10,000 or greater will be retained for a period of seven years. The records of transactions of \$10,000 or greater will be de-identified before disposal.

When and if required, the Compliance Officer will ensure the Significant Transaction Report and all other reporting requirements are filed with AUSTRAC within the appropriate timeframe. The Significant Transaction Report and where possible all other reports will be made online at the AUSTRAC website.

The Responsibilities of the Compliance Officer are detailed at Annexure 4.

Should the position of Compliance Officer become vacant, Management and the Board of Directors are required to put into place procedures necessary to ensure that a replacement person is appointed without delay.

A record of the appointment of all Compliance Officers and the duration of their term must be kept on file at the reporting entity.

A copy of the Record of Compliance Appointments Log is attached at Annexure 3(1).

Employee Due Diligence

New employees involved in the provision of designated services will be screened at the start of their employment with the Club. This includes checking of all references and further screening, including police checks, will be carried out if deemed necessary.

Based on the Risk Rating of Eden Fishermen's Recreation Club Ltd there is no committed timeframe during which screening of existing employees will take place. Reference checking of prospective employees has long been a part of this Club's employment policy. However, it is the policy of this Club to undertake further screening if a change or development occurs regarding employee's duties associated with the provision of gambling services.

Employees will be screened intermittently throughout the duration of their employment should it be deemed necessary. The degree and frequency of screening is dependent upon the potential risk associated with Money Laundering or Terrorism Financing of the Club which in turn is related to individual positions held. The Compliance Officer will keep a record of all related screenings for AML/CTF purposes.

The Employee Screening Log is attached at Annexure 4(2) and Employee Screening Form is attached at Annexure 4 (3).

ML/TF Risk Awareness Training Program

In accordance with AML/CTF Act 2006, a Money Laundering and Terrorism Financing Awareness Training Program has been designed to ensure all employees understand their obligations under this legislation.

The training program for existing and new employees is based upon this Program to ensure the employees understand the following:

1. The obligations of a reporting entity under the new AML/CTF Act 2006
2. Consequences of non-compliance with the AML/CTF legislation
3. The types of ML/TF risk that may be faced by this reporting entity based on the designated services provided, and the transaction monitoring processes to be undertaken by employees of this Club to mitigate the risks facing the Club
4. The secrecy provisions of the AML/CTF Act 2006 with regard to Suspicious Transaction Reporting
5. The obligations of employees of Eden Fishermen's Recreation Club Ltd involved in providing the designated services

After completion of the initial training program Eden Fishermen's Recreation Club Ltd will schedule regular updates and review workshops to ensure that the risk awareness and training program is maintained. AML/CTF training will be included in the induction process for all new employees. All employees will receive refresher training once a year on how to identify potential Money Laundering operations and the obligations of the Club with regard to its compliance with the AML/CTF Legislation.

A copy of this Program document is always available to all employees from the Compliance Officer. This Program Document forms the basis of training provided to all staff during the initial training session. A Self-Assessment Questionnaire will be provided to all staff completing their AML/CTF training. Staff Awareness Flyers have been placed in employee only areas of the Club as a constant reminder to staff to be alert for suspicious behaviour.

Eden Fishermen's Recreation Club Ltd has resolved to schedule intermittent training sessions as required in response to changes in the legislation governing AML/CTF activity and/or in response to changes and/or developments regarding the designated services at the Club.

A copy of the Training Log is attached at Annexure 4(1).

A Quick Reference Guide and will be provided to all employees involved in the provision of gambling services on the completion of initial training. The Quick Reference Guide includes information to assist staff identify Suspicious Transactions and sets out their reporting obligations. This is designed to be used in conjunction with the Information Sheet and this Program document. NOTE: The Reference Guide is **not** the training program but purely a quick reference tool to assist staff.

All Staff will be required to sign an Acceptance Sheet to signify their understanding of this Program and their obligation to uphold the requirements of this Program and ongoing updates.

A copy of Employee Acceptance Log is provided at Annexure 4 (4).

A copy of the Employee Acceptance Sheet is provided at Annexure 4(5).

Consequences of Non-Compliance with this Policy

An environment of voluntary compliance with the AML/CTF regime is the aim of AUSTRAC. However, in the case of serious non-compliance AUSTRAC has a broad range of enforcement powers. Breaches of the AML/CTF Act may result in criminal or civil penalties.

The criminal offences include imprisonment for up to 10 years and fines of up to \$4.2 million. Civil offences may attract a penalty of up to \$21 million for a corporation and up to \$4.2 million for an individual.

Any employee of this Club not complying with this policy will in the first instance be given a verbal warning which will be recorded. Subsequent, non-compliance incidents will be forwarded through the Compliance Officer to the Board of Directors for further action.

Eden Fishermen's Recreation Club Ltd Annexures – Part A

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Employee Screening Form	4(3)
Employee Acceptance Log	4(4)
Employee Acceptance Form	4(5)

Eden Fishermen’s Recreation Club Ltd Internal Suspicious Transaction Report

Date	
Customer name member number:	
Membership Number or Temporary Number	
Address:	
Date of birth:	
Relationship: (Please Circle)	Member / Guest Of Member / Temp Member
Suspicious Activity <i>Please provide details of what led you to forming a suspicion of the customer’s activities.</i>	
Suspicious Activity Detail	
Amount Of Transaction	\$
Details of any Patterns	
Employee Signature	
Compliance Officer Notes	
Compliance Officers Signature and Date	

Eden Fishermen's Recreation Club Ltd Program Review Log

Date of Review	Updates Required	Officer Completing Review	Signature of Completing Officer	Date Updates Completed	Signature of person completing update

Eden Fishermen's Recreation Club Ltd Checklist for Oversight by Board of Directors

Task	Due Date	Completed Date	Name & Signature of Person completing
Review Risk Assessment			
Sign off on Policy and Program			
Appoint Compliance Officer			
Conduct Screening of Compliance Officer			
Approve Screening Procedures for Staff.			
Amend Monthly Board Minutes to include AML/CTF Report.			
Ensure Annual Review Completed			
Develop Policy for Recruitment of new Compliance Officer when required.			
Maintain Compliance Officer Log as required.			

Annexure 4

Eden Fishermen's Recreation Club Ltd Responsibilities of the Compliance Officer AML/CTF Act 2006

Required	In Place
Ensure there is an effective and documented Anti Money Laundering and Counter Terrorism Financing Program in place which identifies, mitigates and manages AML/CTF Risk.	
Complete/ or obtain external risk assessment in relation to the business and the requirements of the AML/CTF Act.	
Ensure the Board Agenda has been amended to include AML/CTF Report monthly.	
Develop a process for monitoring, reviewing and reporting the AML/CTF Program requirements including - reporting to AUSTRAC when necessary. AUSTRAC reporting is to be completed on line at www.austrac.com.au where possible.	
Develop a review process of CCTV footage of Gaming Lounge to identify Suspicious Behaviour such as "buying" payout cheques and document results, OCDD and if necessary report to the Board of Directors and AUSTRAC.	
Review list of Cheque Payouts weekly to identify Suspicious Behaviour, undertake necessary actions, include in monthly Board Report.	
Develop standard monthly reporting program to the Board of Directors to include Suspicious and Threshold Transactions reported by Staff, other relevant information to assist the Board in its monitoring obligations and advise Board of all Reports lodged with AUSTRAC.	
Ensure a secure filing location for all Suspicious Transaction Reports, Customer Identification Reports and other information collected regarding AML/CTF compliance.	
Develop process to ensure all new staff members are screened prior to commencement of duties and maintain Screening Results Log.	
Assess the Risk and requirement for screening of existing staff relevant to their position held and ensure existing staff members are screened if transferred or promoted to a higher risk position re ML/TF and maintain Screening Results Log.	
Ensure all existing staff have undergone the Club's training program designed to meet the needs of the Club and the requirements of the AML/CTF Act.	
Ensure the induction process for all new employees includes AML/CTF training in accordance with the Club's AML/CTF Program.	
Maintain Training Log for Existing and New Staff and ensure regular updates/training is provided in accordance with Program.	
Ensure AML/CTF Policy is included in Staff Handbook and the Quick Reference Guide is provided to all staff.	
Ensure process in place for an independent Annual Review of the Club's Program.	

Annexure 4(1)

Eden Fishermen's Recreation Club Ltd Employee Training Log

The following staff have attended AML/CTF Training: -

Date of Training Course	Staff Member – Print Name	Signature of Staff Member	Compliance Officer Signature	Training Update by when?

[Type here]

Annexure 4(2)

Eden Fishermen's Recreation Club Ltd Employee Screening Log

The following staff have been screened in accordance with the requirements of the Club's AML/CTF Policy: -

Date of Screening	Staff Member – Print Name	Result	Compliance Officer Signature

[Type here]

Eden Fishermen's Recreation Club Ltd

Know Your Employee

Employee Screening Form

Key Employees with regard to provision of Designated Services will be screened in accordance with the Club's AML/CTF Policy.

The information contained on this form will be treated in strictest confidence and used only for the purpose for which it has been collected.

Information has been collected by the Club's Compliance Officer who will use the information only in determining the ML/CT risk associated with the employment of this person.

Name of Person being screened.....

Signature of person being screened to signify authority to proceed.....

Date Screening to commence.....

Date Screening completed.....

Result – (circle) Acceptable Not Acceptable Form Securely Filed by Compliance Officer

Name of Compliance Officer.....

Signature of Compliance Officer.....

[Type here]

Eden Fishermen's Recreation Club Ltd Employee Screening Form

Name.....	
Address.....	
Previous Employer.....	Period of Employment.....
Reference Check.....	
Previous Employer.....	Period of Employment.....
Reference Check.....	
Visa or Passport Number.....	Country of Issue.....
Visa Check.....	
Drivers Licence No.....	Licence Check.....
Banned or Disqualified Register Check.....	
ITSA Public Record Summary.....	
Individual Public Record Summary.....	
Education Check – University.....	
Degree Name and Number.....Date Completed.....	
Professional Memberships Check – Organisation.....	Membership Number.....
Professional Memberships Check – Organisation.....	Membership Number.....
Professional Memberships Check – Organisation.....	Membership Number.....
Other Checks	

[Type here]

Eden Fishermen's Recreation Club Ltd Employee Acceptance Log

The following staff members have READ and AGREE TO BE BOUND BY the requirements of the Club's AML/CTF Policy.

Date	Name of Employee issued with Manual	Acceptance Form Returned Date	Follow up notes	Compliance Officer Signature

Eden Fishermen's Recreation Club Ltd Employee Acceptance / Understanding of Obligations

Employee Name	
Address	
Position Held	
Have you read the manual?	YES / NO
Do you understand your obligations under the AML/CTF Act 2006?	YES / NO
Are you willing to undertake these responsibilities	
Do you authorize Employee Screening as required	YES / NO
Signature:	
Date:	
Accepted – Compliance Officer	
Date:	
Signature of Compliance Officer	

**EDEN FISHERMEN'S RECREATION
CLUB LIMITED**

**ANTI MONEY LAUNDERING
AND
COUNTER TERRORISM FINANCING PROGRAM**

PART B

Eden Fishermen's Recreation Club Ltd

AML/CTF Program – Part B

Part B of the program requires Eden Fishermen's Recreation Club Ltd to put in place a program to collect certain information to identify our customers and to verify this information should a reporting obligation occur. This process is known as Know Your Customers (KYC).

Customer Identification – Know your Customers

In accordance with the AML/CTF Act 2006, Eden Fishermen's Recreation Club Ltd has in place policies and procedures to ensure that the requirements of Part B *Customer Identification* are adequately met.

For the purposes of the AML/CTF Act 2006 in the provision of gambling services, customer identification procedures **do not apply** unless winnings or payouts or payins/bets are in the amount of \$10,000 or greater or unless other suspicious activity occurs.

The Club is required to undertake Customer Due Diligence where this Club identifies that a Suspicious Matter Reporting Obligation has arisen, even if the amount is less than \$10,000.

The information that will be collected and verified in our KYC Program is in accordance with our Customer Due Diligence program.

A copy of the Customer Identification Form – KYC - is attached at Annexure 5

Should a Suspicious Matter Reporting Obligation occur staff are required to undertake the following steps:

1. Apply the customer identification procedures practiced by the club, (required only if no previous identification check was conducted on that individual)
2. Collect any KYC information about the customer
3. Verify, via a reliable independent source, certain parts of the KYC information obtained about the customer

Minimum information to be collected to fulfil the KYC and OCDD procedures is:

1. Full name
2. Date of birth
3. Residential Address

Minimum verification information to be collected to fulfil KYC procedures is:

- Full name (and)
- Date of birth (or) residential address

Verification procedures involve the sighting of one of the following photographic identification documents:

- Driver's License
- Passport issued by the Commonwealth, International Passport (if contains photo)
- Proof of Age Card
- National Identity Card
- Other identification as detailed on the Customer Identification Form

In circumstances where further verification is required or "initials" rather than a full name are provided, the Club is to undertake secondary identification measures as specified in the AML/CTF Act 2006, referred to as "Safe Harbour Procedures".

Safe Harbour Procedures

There are two (2) types of Safe Harbour Procedures - Documentation based and Electronic based.

Documentation Based Procedures require the Club to verify a customer's Name and Residential Address and/or Date of Birth from the following documents that have not expired (except for a passport issued by the Commonwealth that expired within the preceding two (2) years):

1. An original or certified copy of a primary photographic identification document, or
2. Both:
 - I. An original certified copy of a primary non-photographic identification document
 - II. An original or certified copy of a secondary identification document

Electronic Data - Based Procedures require the Club to verify the following:

1. Customer's Name and Residential Address using reliable and independent electronic data from at least two separate data sources, and either
2. Customer's Date of Birth using reliable and independent electronic data from at least one data source, or
3. That the customer has a transaction history for at least the past three (3) years.

In cases where a discrepancy in the information is noted, an Exception Note should be made and attached to the Customer's file and handed to the Compliance Officer who will carry out Due Diligence. Further appropriate information will be collected to support the Member's/Guest's details.

If further evidence is not able to be collected the incident may be a Suspicious Activity and should be reported to the Compliance Officer on the Internal Suspicious Activity/Transaction Report Form.

An Internal Suspicious Matter Reporting Form is attached at Annexure 1.

Ongoing Customer Due Diligence (OCDD)

When to gather additional information on our customers?

For Eden Fishermen's Recreation Club Ltd collecting additional information means collecting information that is in addition to that which is provided on the Sign In Sheet or Members Register.

OCDD is applicable if the Member or Guest takes part in the gambling service and the payout or payin/bet is considered significant i.e. \$10,000 or greater.

This would mean verifying the information that is contained on the Membership database or verifying the details on the Sign In Sheet completed by Guests or Temporary Members and collecting and verifying the other information required on the Customer Identification Form.

Transaction Monitoring

Staff are required to monitor gaming machines reports to ensure that payouts and payins of \$10,000 or greater are recorded, whether in physical cash or otherwise. This includes transactions through the Club's TAB Agency

Any such occurrence should be reported to the Compliance Officer to enable a Significant Cash Transaction Report to be lodged with AUSTRAC if the transaction is by way of physical cash. This report must be lodged within ten days of the occurrence.

At the time of a transaction of \$10,000 or greater, the Name, Address and Date of Birth of the customer should be collected and verified as per the KYC Policy.

Record Keeping

The club is required to compile, keep and maintain customer records relevant to this AML/CTF Program for 7 years.

These requirements apply to:

- The payout information completed by the member or guest
- Records of the customer identification procedure, which may include copies of documents provided by the member or guest, and records detailing any documents that have been sighted when completing customer identification and noted on the customer identification form
- When a Suspicious Activity Report has been generated

When such records can be disposed, customer identification must first be removed from the documentation.

Suspicious Matters

Suspicious Matters are events, patterns of behaviour or transactions that are unusual or that could indicate that a customer is involved in ML or TF.

Suspicious Matters arise when there are reasonable grounds to suspect that a customer, or a potential customer, is involved in criminal or terrorist acts.

Suspicious Matters can involve (but are not restricted to) the following:

- Activities that fall outside a customer's business or profile
- Activities that make little or no business sense
- The customer's inability to provide appropriate identification or explanation
- Cash-intensive transactions
- Information which may be relevant to investigations relating to Taxation evasion
- Proceeds of Crime
- Claiming gaming machine prizes/payouts whilst not being the legitimate prize winner
- Exchanging cash for prize winning cheques or gaming machine tickets
- Customers inserting large amounts of cash into gaming machines and then cancelling the credits after minimal play on the machine
- Employee collusion in money laundering activities
- Individual members buying winning tickets from other members
- Amounts being bet which are of significant value indicating that the individual playing the machine has access to large amounts of money

The Club must report Suspect Transactions to the AUSTRAC. These reports must be made within tight deadlines. Noncompliance with these deadlines could result in regulatory sanctions against the Club.

To enable the club to meet its obligations, staff will immediately report any suspicious activity to the Compliance Officer. The report will include as much detail as possible if activity is encountered or identified that appears suspicious.

The Internal Suspicious Matter Reporting Form is provided at Annexure 1.

The AML Compliance Officer will make the assessment of whether the matter is suspicious and should be reported to AUSTRAC.

It is extremely important that the patron is not informed of the intention to lodge a Suspicious Matter Report to the Compliance Officer or to AUSTRAC.

Red Flags

The following behaviours which may indicate suspicious activity:

- A customer is unusually nervous
- A customer loitering in the Gaming area but not playing the machines
- A customer is unable or unwilling to provide background information
- A customer provides unusual, suspicious, or falsified identification or income documentation

- A customer provides information that is inconsistent with information obtained from third party sources
- The permanent address provided by the customer is a Post Office Box
- The home or business telephone number provided is disconnected
- A customer discusses the club's record keeping or reporting duties with the apparent intention of avoiding them or exhibits unusual concern regarding these particularly with respect to identity

Threshold Transactions Reporting

A Threshold Transaction Reporting Obligation exists where a CASH transaction is in the amount of \$10,000 or greater. Cash is defined as physical currency.

The Compliance Officer is required to lodge a Significant Cash Transaction Report with AUSTRAC within 10 days of the transaction.

Due to this Club's adherence to the requirements of the Registered Clubs Act and the Gaming Machines Act and the Regulations thereto, it is unlikely such a report will ever have to be lodged.

It is possible for a Threshold Transaction to occur through the Club's TAB Agency

Eden Fishermen's Recreation Club Ltd

Annexures – Part B

Know Your Customer

Part B	Annexure
Customer ID Form	5

Know Your Customer – Minimum Information to Be Collected

Full name of customer _____

Date of birth / / Day Month Year

Residential address _____
Number Street Name Suburb State/Territory Country Postcode

COLLECTION OF ADDITIONAL KYC INFORMATION – IF DEEMED HIGH RISK
Other information collected

If more information is required to be collected, please attach to this record.

VERIFICATION OF KYC

At a minimum, **CUSTOMER'S FULL NAME** and either their **DATE OF BIRTH** or **RESIDENTIAL ADDRESS** must be verified.

Type of document		
Document number		
Person to whom it relates		
Date of birth (age if relevant)		
Place of residence		
Date of issue		
Place/Office of issue		
Expiry date		

NAME OF CHECKING OFFICER

Date / / _____

Instructions for Verification of KYC Information

You must verify the:-

Customer's Full Name

Date of Birth and Residential Address Using:

An Original or Certified Copy of a Primary Photographic Identification Document

- A licence or permit issued under a law of a State or Territory or equivalent authority of a foreign country, for the purpose of driving a vehicle, that contains a photograph of the person in whose name the document is issued;
- a passport issued by the Commonwealth;
- a passport or a similar document issued for the purpose of international travel, that:
 - a. contains a photograph and the signature of the person in whose name the document is issued;
 - b. is issued by a foreign government, the United Nations or an agency of the United Nations; and
 - c. if it is written in a language that is not understood by the person carrying out the verification – is accompanied by an English translation prepared by an accredited translator.
- A card issued under a law of a State or Territory for the purpose of proving the person's age which contains a photograph of the person in whose name the document is issued.
- a national identity card issued for the purpose of identification, that:
 - a. contains a photograph and the signature of the person in whose name the document is issued;
 - b. is issued by a foreign government, the United Nations or an agency of the United Nations;
 - c. if it is written in a language that is not understood by the person carrying out the verification – is accompanied by an English translation prepared by an accredited translator.

Or an Original or Certified Copy of a Primary Non-Photographic Identification Document

- A Birth Certificate or birth extract issued by a State or Territory;
- a Citizenship Certificate issued by the Commonwealth;
- a Citizenship Certificate issued by a foreign government that, if it is written in a language that is not understood by the person;
- carrying out the verification, is accompanied by an English translation prepared by an accredited translator;
- a Birth Certificate issued by a foreign government, the United Nations or an agency of the United Nations that, if it is written in a language that is not understood by the person carrying out the verification, is accompanied by an English translation prepared by an accredited translator;
- a pension card issued by Centrelink that entitles the person in whose name the card is issued, to financial benefits.

And An Original or Certified Copy of a Secondary Identification Document

- a notice that:
 - a. was issued to an individual by the Commonwealth, a State or Territory within the preceding twelve months;
 - b. contains the name of the individual and his or her residential address; and
 - c. records the provision of financial benefits to the individual under a law of the Commonwealth, State or Territory (as the case maybe);
- a notice that:
 - a. was issued to an individual by the Australian Taxation Office within the preceding 12 months;
 - b. contains the name of the individual and his or her residential address; and
 - c. records a debt payable to or by the individual by or to (respectively) the Commonwealth under Commonwealth law relating to taxation;
- a notice that:
 - a. was issued to an individual by a local government body or utilities provider within the preceding three months;
 - b. contains the name of the individual and his or her residential address; and
 - c. records the provision of services by that local government body or utilities provider to that address or to that person.
- in relation to a person under the age of 18, a notice that:
 - a. was issued to a person by a school principal within the preceding three months;
 - b. contains the name of the person and his or her residential address; and
 - c. records the period of time that the person attended at the school.

Policy Statement - AML/CTF Manual

Eden Fishermen's Recreation Club Ltd

It is the policy of this club to implement and adhere to this AML/CTF Program, consisting of Parts A and B ensuring that the club properly identifies, mitigates and manages risk associated with Money Laundering and Counter Terrorism Financing.

It is the policy of this club to ensure that through the implementation of this AML/CTF program the Club, as a reporting entity will:

- Have procedures in place to allow it to evaluate and report suspicious matters to AUSTRAC in a timely manner within the specified timeframe
- Have procedures in place to ensure a Suspicious Matter Report contains all relevant details of the customer and of the matter that has triggered the suspicion.
- Have procedures and controls in place to prevent the offence of 'tipping off' the person involved
- Have procedures in place to ensure a Threshold Transaction Report contains all relevant details of the customer and transaction in accordance with the Rules.
- Have procedures in place to allow it to report Threshold Transactions to AUSTRAC in a timely manner.
- Have procedures in place to train relevant employees to ensure adherence to the AML/CTF Program and ensure that employees understand the obligations of the club as a reporting entity, and consequences of non-compliance both as an employee and as a reporting entity.
- Have procedures in place to maintain proper record keeping and information custody procedures regarding information collected related to the AML/CTF program.

Policy Statement – Appointment of Compliance Officer Eden Fishermen’s Recreation Club Ltd

It is the policy of this club to have, at all times, a designated Compliance Officer to ensure that the AML/CTF Program is adhered to as required in order to continually identify, mitigate and manage risk associated with AML/CTF.

Should the position of Compliance Officer become vacant, Management and the Board of Directors will put into place procedures necessary to ensure that a replacement person is appointed without delay.

A record of all Compliance Officers and the duration of their term will be kept on file at this reporting entity.

A copy of the Record of Compliance Officer Appointments is attached at Annexure 3(1).

Policy Statement – Responsibilities of the Compliance Officer Eden Fishermen’s Recreation Club Ltd

It is the policy of this Club that the designated Compliance Officer will assume full responsibility for the Club’s Anti-Money Laundering (AML) program.

The designated Compliance Officer will at all times ensure that the AML/CTF program is adhered to as required in order to continually identify any risk, mitigate and manage risk associated with AML/CTF.

The designated Compliance Officer will maintain proper storage of all AML records.

The designated Compliance Officer will ensure that all required reports including the Significant Cash Transaction Report is completed as and when required and filed with AUSTRAC.

The AML/CTF Compliance Officer will complete all duties as specified in the AML/CTF Manual.

A copy of the Duties of the Compliance Officer is attached at Annexure 4.

Policy Statement – Employer – Due Diligence Eden Fishermen’s Recreation Club Ltd

It is the policy of this Club to undertake proper and appropriate Due Diligence procedures regarding new and existing employees.

It is the policy of this Club that all new employees involved in the provision of designated services will be screened at the start of their employment with the Club. Screening includes checking of all references and further screening including police checks if deemed necessary.

It is the policy of this Club that based on the risk rating of this Club existing employees involved in the provision of designated services will be screened at a time considered appropriate by the Club.

It is the policy of this Club to undertake employee screening if and when a change or development occurs regarding employee’s associated with the provision of gaming services.

It is the policy of this Club to screen employees intermittently throughout the duration of their employment should it be deemed necessary.