



澳門金融管理局
AUTORIDADE MONETÁRIA DE MACAU

Circular No. 011/B/2019-DSB/AMCM
(Effective Date: 23 August 2019)

Industry Guidance on AML/CFT Controls – “Gaming-related” Customers
(Supplementary to the AMCM AML/CFT Guideline)

In view of the significance of gaming activity that is cash intensive and the potential risks associated with gaming activity, as well as to supplement the AMCM AML/CFT Guideline and the Industry Guidance on AML/CFT Controls, this Authority would like to express our expectations of additional enhanced controls by banks over other customers with transactions that could be related to gaming activities, in addition to the enhanced due diligence and ongoing monitoring measures over the Macao gaming concessionaires/sub-concessionaires and licensed junket promoters.

1. Customer acceptance policy

- a. For effective implementation of the AML/CFT measures, banks should establish clear policies and procedures to assess the acceptability of customers that have connection to gaming activities.
- b. Banks may establish business relationships with companies within the same economic group of the Macao gaming concessionaires/sub-concessionaires as defined in Article 17 of Instruction No. 1/2016 issued by the Gaming Inspection and Coordination Bureau, Macao SAR (hereinafter “gaming-related companies” or “gaming-related customers”) for the purpose of organizing movement of funds for gaming activities carried out in Macao provided that:
 - i. They have a robust AML/CFT framework as well as competent and well-trained staff to manage and mitigate the specific and higher risks inherent in the activities of these customers; and
 - ii. They have verified that the customers have obtained approval from the Gaming Inspection and Coordination Bureau, Macao SAR where the purpose of account is for organizing movement of funds of patrons for gaming activities carried out in Macao.
- c. Banks are prohibited from establishing business relationships with overseas gaming operators, as well as related-companies and junket promoters of overseas gaming operators with the purpose of organizing movement of funds for gaming activities outside Macao.



2. *Customer due diligence*

- a. Where banks maintain business relationships with gaming-related customers, they are required to conduct enhanced due diligence procedures, which should include but not limited to:
 - i. Obtaining further information on their operations, especially the types of activities in Macao;
 - ii. Obtaining further information on the purpose of account to verify that the account is utilized to organize movement of funds in Macao casinos for patrons and the approval from the Gaming Inspection and Coordination Bureau, Macao SAR has been obtained;
 - iii. Obtaining further information on the reasons for the intended and/or performed transactions, such as incoming funds from patrons for gaming in Macao or in overseas casino jurisdiction, repayment of casino markers or other expenses, etc.; and
 - iv. Conducting enhanced monitoring of business relationships by obtaining additional documentary evidence for each transaction performed.
- b. Particular attention should be paid when performing transactions for gaming-related customers. For accounts that are opened to organize movement of funds for patrons, banks should have measures in place to identify and verify the beneficial owners of these transactions being performed, i.e. the patrons whom the gaming-related customers act on behalf. Prior to these transactions, banks should:
 - i. Obtain KYC information on the patrons according to the requirements set out in Paragraph 8.4 Minimum requirements for establishing business relationship and Paragraph 10.6 Ongoing monitoring measures of the AMCM AML/CFT Guideline;
 - ii. Obtain documentary evidence, such as credit repayment record, to verify the purpose of transactions, in particular to determine whether the funds are used for the intended purposes;
 - iii. Sign agreements with the gaming-related customers for the elements of customer due diligence set out in (i) and (ii) above to ensure that information about patrons can be obtained from them upon request; and
 - iv. Obtain the approval of senior management.
- c. Where banks rely upon a third party, such as a Macao gaming concessionaire/sub-concessionaire, to perform the customer due diligence measures set out in (i) and (ii) of Paragraph 2b of this guidance, banks should enter into a legally binding document to clearly define the responsibilities of the third party so that such measures are duly implemented. In addition, to ensure that proper records are maintained by the third party, the legally binding document should also cover the record-keeping requirements set out in Paragraph 4 of this guidance.



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3. *Ongoing monitoring*

- a. Banks should maintain up-to-date and relevant knowledge about gaming-related customers through periodic reviews.
- b. Banks are required to equip themselves with transaction monitoring system that are configured with appropriate parameters and thresholds in view of the specific risks of these gaming-related customers, particularly to identify account activities that are irregular or not commensurate with the claimed purpose of account. In addition, banks should conduct periodic review on the parameters and thresholds to ensure they remain effective in identifying transactions that warrant attention.
- c. Where banks identify that the activities of these customers are not commensurate with the claimed purpose of account and cannot satisfactorily resolve the doubts, banks should have measures to terminate relevant business relationships. For transactions exhibit reasonable grounds of suspicion, the transactions should be reported to the Compliance Officer or the delegates for investigation and suspicious transaction reports should be filed with the Financial Intelligence Office if deemed necessary.

4. *Record-keeping*

- a. Banks, whether or not relying upon third parties to perform customer due diligence set out in (i) and (ii) of Paragraph 2b of this guidance, should assume ultimate responsibility that relevant information and documents, including those in relation to patrons, are properly maintained and can be timely retrieved upon request.

For business relationships that were established with gaming-related customers before the effective date of this supplementary guidance, banks should take immediate action to review the relationships so as to fulfil the requirements as prescribed. All the above procedures should be included in the relevant internal guidelines for due implementation by staff.