

Casinos fail to flag huge sums of cash, Mounties say - Vancouver Sun

Written by Administrator
Thursday, 06 January 2011 02:03 -

B.C. casinos are routinely failing to flag large cash transactions as suspicious, making the fight against money laundering more difficult, according to the head of the B.C. RCMP's Integrated Proceeds of Crime section.

Under Canadian law, any cash transaction larger than \$10,000 -- whether at a bank, currency exchange or casino -- must be reported to the Financial Transactions and Reports

Analysis Centre of Canada (Fintrac) using a Large Cash Transaction Report.

But agencies are also required to send a Suspicious Transaction Report to Fintrac whenever they have reasonable grounds to believe a transaction is related to money laundering or terrorist financing.

Suspicious Transaction Reports include more detailed information -- such as a description of why the activity was suspicious -- and are generally given higher priority by both Fintrac and police.

Insp. Barry Baxter, head of the B.C. RCMP's proceeds-of-crime section, said his investigators began to notice a few months ago that dozens of casino transactions they believe should have been flagged as suspicious were in fact only reported as large.

"It's still reported," said Baxter. "[But] there's the letter of the law and the spirit of the law."

As an example, said Baxter, in one case someone bought \$250,000 in chips with \$20 bills and the casino only reported it as a large transaction.

"What is not suspicious about \$250,000 in twenties?" said Baxter. "The average person on the street would go: 'There's something stinky about that.' So why would that be a large transaction and not a suspicious transaction?"

Casinos fail to flag huge sums of cash, Mounties say - Vancouver Sun

Written by Administrator

Thursday, 06 January 2011 02:03 -

Baxter said he doesn't believe the province's casinos are purposely withholding information.

He said some casino workers may simply deal with so much cash in a day they've become numb to transactions that should set off alarm bells.

Great Canadian Casino spokesman Howard Blank said someone bringing a large amount of cash into a casino isn't necessarily suspicious.

He said there are many high rollers -- especially from Asia -- who don't trust banks and deal in cash.

"The vast majority of these large cash transactions are absolutely benign," said Blank. "It's their money and legal. ... [They] just have a propensity to gamble at a higher level than you or I would be used to."

Gateway Casinos chief executive officer Lorenzo Creighton said he's confident his staff properly report all suspicious transactions in his facilities.

Baxter said his office is now working with the casinos to encourage them to flag more transactions as suspicious.

CBC News reported this week that over a three-month period this summer, just two Metro Vancouver casinos -- Great Canadian's River Rock in Richmond and Gateway's Starlight in New Westminster -- reported 90 large cash transactions totalling \$8 million.

The documents obtained by CBC indicate that in one case in May, a man bought \$460,000 in gambling chips at River Rock with \$20 bills.

Casinos fail to flag huge sums of cash, Mounties say - Vancouver Sun

Written by Administrator

Thursday, 06 January 2011 02:03 -

Days later, a man walked into Starlight Casino with \$1.2 million in gambling chips and asked for them to be converted into cash. The man, who was leaving for Montreal, said he was worried about being questioned about the cash by airport security, so asked the casino for a letter confirming the payout. The casino complied.

[Online Business Consulting](#) | [Internet Business Consulting](#)

Source: http://news.google.com/news/url?sa=t&fd=R&usg=AFQjCNHQmluZJYJhOK3oCsYgBQmTKgj_KA&url=http://www.vancouversun.com/business/Casinos+fail+flag+huge+sums+cash+Mounties/4067916/story.html