



# How Gaming Entities Might Approach Their CRAs

Under Australia's AML laws, reporting entities must assess the ML/TF (and PF) risks posed by the customers who use their designated services. AUSTRAC's guidance recognises that customer risk is a primary risk driver - the behaviours, characteristics and risk profile of your customers can create or amplify vulnerability to money laundering, terrorism financing and proliferation financing. A documented customer risk assessment methodology is foundational to a compliant enterprise-wide risk assessment (EWRA) and individual customer risk assessment (ICRA) framework.

## 01 MAP YOUR CUSTOMER COHORTS

Who are the customers that use your designated services? Are they only individuals? Identify every distinct cohort that accesses your products.

**Consider:** general members, non-member walk-ins, loyalty program participants, third-party players, and higher-risk cohorts such as politically exposed persons (PEPs) and higher-risk customers (HRCs).

Understanding who plays is foundational to assessing the risk your customer base presents.

## 02 ASSESS AT THE RIGHT LEVEL

Customer risk operates at two levels:

- At the **enterprise** level, your EWRA captures the overarching risk profile of your customer base.
- At the **individual** level, your ICRA methodology assigns a risk rating to each customer.

The enterprise assessment of customer risk should be conducted per venue, and then again at the reporting entity level. The ICRA is then conducted per customer.

## 03 SCORE AGAINST SUB-FACTORS

Customer risk factors break your customer population down into individual dimensions that can be scored, compared and actioned in your EWRA.

Key factors include source of funds, source of wealth, transaction behaviour, geographic indicators, adverse media and PEP or sanction status, product usage intensity, and visit frequency.

Scoring each factor produces a composite risk rating that drives CDD and monitoring obligations.



# Sub-Factors You Might Consider In Your EWRA

CUSTOMER COHORT COMPOSITION	CUSTOMER IDENTIFIABILITY	TRANSACTION PROFILE	CUSTOMER DEMOGRAPHICS
<p><b>Customer type complexity:</b> <i>what is the mix of members, non-members, walk-ins, and higher-risk cohorts?</i></p> <p><b>Membership and KYC depth:</b> <i>what proportion of gaming customers are long-term members with known profiles versus new, temporary or anonymous visitors?</i></p>	<p><b>Transaction anonymity:</b> <i>what proportion of gaming activity at each venue is uncarded, limiting the data available to support monitoring and detection?</i></p> <p><b>KYC completeness:</b> <i>does the venue hold verified, current identification for a material proportion of its gaming customer base?</i></p>	<p><b>Volume and velocity:</b> <i>high-frequency or high-value play, or activity disproportionately concentrated in a small number of customers?</i></p> <p><b>Cash and redemption profile:</b> <i>what is the volume/value of TITO redemptions, hand pays and gaming cheques? Is activity consistent with recreational play?</i></p>	<p><b>Age and vulnerability profile:</b> <i>does the customer base include a significant proportion of older patrons or financially vulnerable individuals?</i></p> <p><b>Occupational risk profile:</b> <i>is there a material concentration of cash-handling professions or other high-risk occupations within the customer base?</i></p>
PEP AND HRC EXPOSURE	SOURCE OF FUNDS AND WEALTH	GEOGRAPHIC NEXUS	RELATIONSHIP AND TRANSIENCE
<p><b>PEP and designated person exposure:</b> <i>have any PEPs or designated persons been identified?</i></p> <p><b>HRC concentration:</b> <i>what proportion of the customer base has been flagged as higher-risk, and does any concentration indicate a systemic issue at a particular venue?</i></p>	<p><b>SOF and SOW availability:</b> <i>for what proportion of gaming customers is SOW/SOF information available?</i></p> <p><b>Wealth profile consistency:</b> <i>does the level of gaming expenditure appear broadly consistent with the customer's known or apparent financial means?</i></p>	<p><b>Jurisdictional connections:</b> <i>do any venues attract customers from high-risk or FATF grey-listed jurisdictions?</i></p> <p><b>Local demographic context:</b> <i>are any venues located in areas with elevated rates of predicate crime, financial stress, or vulnerable populations?</i></p>	<p><b>Customer transience:</b> <i>do any venues attract a significant transient population e.g. interstate visitors, tourists?</i></p> <p><b>Relationship depth:</b> <i>what is the average tenure of the venue's relationship with its gaming customers? Shallow relationships can increase inherent risk.</i></p>



# Sub-Factors You Might Consider In Your ICRA's

CUSTOMER PROFILE	GAMING ACTIVITY	VENUE TRANSACTIONS	BEHAVIOURAL INDICATORS
<p><b>Customer type and occupation:</b> <i>is the customer a local patron, interstate visitor, PEP, or cash-intensive business owner?</i></p> <p><b>Identification quality:</b> <i>has the customer provided verified identification, and does it align with their stated profile?</i></p> <p><b>Membership Status:</b> <i>Is the customer a member of your club or loyalty program? What information does that tell you?</i></p> <p><b>Behaviour / Demeanour:</b> <i>is the customer open, transparent and consistent when approached or secretive?</i></p> <p><b>Customer postcode:</b> <i>does the customer have connections to high-risk jurisdictions? Or does the customer live in an area that has higher predicate crime rates?</i></p>	<p><b>Gaming frequency and volume:</b> <i>does the customer play occasionally, or with high frequency and large session values?</i></p> <p><b>Gaming pattern:</b> <i>any erratic play, use of secluded or multiple machines by the customer?</i></p> <p><b>Machine preference:</b> <i>does the customer display any unusual pattern of machine selection? Esp. higher load limits?</i></p> <p><b>Multiple Venues:</b> <i>does the customer seem to rotate across venues with no apparent pattern?</i></p> <p><b>Redemption Behaviour:</b> <i>is the customer seeking to use the payment of winnings process to introduce, layer or extract funds through the venue?</i></p>	<p><b>Cash and payment methods:</b> <i>does the customer use large or unusual cash amounts, and do they avoid electronic payment?</i></p> <p><b>Structuring indicators:</b> <i>are there repeated transactions just under reporting or identification thresholds?</i></p> <p><b>Third Parties:</b> <i>a customer who regularly involves companions, plays on behalf of others, refuses to receive winnings in their own name could be acting as a surrogate to obscure the true beneficial owner of the funds.</i></p> <p><b>Frequency and Timing:</b> <i>transactions high in number, in rapid succession, look to be under set thresholds or occur at open/close/shift changeover warrant enhanced scrutiny.</i></p>	<p><b>Social interaction and Documentation:</b> <i>does the customer avoid staff contact or actively monitor cameras and personnel? Do they provide documents willingly?</i></p> <p><b>Response to venue controls:</b> <i>does the customer comply with venue AML controls, or attempt to circumvent or avoid them?</i></p> <p><b>Companion Association:</b> <i>does the customer associate with multiple changing companions with whom they have minimal visible interaction? Do their associates have links to organised crime or are known to law enforcement?</i></p> <p><b>Tech Usage:</b> <i>does the customer use multiple mobile phones, avoid wifi, or display counter-surveillance awareness to avoid being 'seen' n venue?</i></p>

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