

**AGCO**Alcohol and Gaming
Commission of Ontario

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AGCO issues penalties to Fallsview Casino operator for anti-money laundering violations

Wednesday, January 24, 2024

Toronto ON – The Registrar of the Alcohol and Gaming Commission of Ontario (AGCO) has issued an Order of Monetary Penalty totaling \$70,000 to MGE Niagara Entertainment Inc., the registered operator of Fallsview Casino Resort in Niagara Falls Ontario, for failing to meet requirements in place to minimize the risk of unlawful activity, including money laundering, at the gaming site.

In April 2023, a patron attended the Salon Privé at the Fallsview Casino Resort and presented \$80,000 in strapped \$100 bills from a reusable grocery bag. Surveillance showed that once the money was counted and confirmed, the patron left the table with casino chips without playing at that time. Despite having previously identified the player as 'high risk,' the casino failed to notify the AGCO and on-site police of this transaction as required. The casino operator also failed to take any meaningful steps to ascertain and corroborate the patron's source of funds, as is required by anti-money laundering rules set out in the Registrar's Standards for Gaming.

The prevention of unlawful activities at Ontario's gaming sites is a key priority for the AGCO. Casino operators have an important role to play and must take steps to effectively identify and prevent criminal activity from occurring on their gaming sites. Among the regulatory requirements casino operators must meet, the [Registrar's Standards for Gaming](#) (the Standards) require operators to report suspicious behaviours and to validate a patron's source of funds when presented with significant amounts of bulk cash.

The AGCO, along with the Ontario Provincial Police bureau attached to it, continue to focus on the safety and security of gaming in Ontario and actively monitor all Ontario gaming sites for compliance with the Standards.

A registered gaming operator served with an Order of Monetary Penalty by the AGCO has the right to appeal the Registrar's action to the [Licence Appeal Tribunal \(LAT\)](#), an adjudicative tribunal independent of the AGCO and part of Tribunals Ontario.

Quotes

“The AGCO is committed to protecting the public interest and public safety and remains vigilant in its efforts to guard against potential money laundering at Ontario’s gaming sites. Casino operators are important front-line partners in this effort and the AGCO holds all operators to rigorous standards when it comes to the prevention of unlawful activity.”

Dr. Karin Schnarr, Chief Executive Officer and Registrar, AGCO

Additional Information

Contrary to section 3.8 of the *Gaming Control Act (GCA)*, MGE Niagara Entertainment Inc. is alleged to have failed to comply with the following provisions of the Standards:

6.1.5 – Report suspicious behaviour, cheating at play and unlawful activities in accordance with the established notification matrix.

6.3.2 – Implement policies, procedures and controls that specify times and situations, based on the assessment of risk, where the Operator will ascertain and reasonably corroborate a patron’s source of funds.

In accordance with AGCO Board Guidelines, the Registrant has been served an Order of Monetary Penalty totaling \$70,000 for these alleged infractions.

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About the AGCO

The Alcohol and Gaming Commission of Ontario (AGCO) is an Ontario provincial regulatory agency reporting to the Ministry of the Attorney General (MAG). It is a corporation under the *Alcohol and Gaming Commission of Ontario Act, 2019*.

The AGCO is responsible for regulating the alcohol, gaming, horse racing and private cannabis retail sectors in Ontario in accordance with the principles of honesty and integrity, and in the public interest.

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