

HOUSE POLICY FOR AML/CTF

Introduction and Scope

As with any hospitality organisation, there is a risk of Lightning Ridge District Bowling Club products and services being used to launder money and finance terrorism. Australian law and applicable local laws in the jurisdictions in which we operate, requires us to put training, processes and systems in place to identify, manage and mitigate this risk. We do this to protect Lightning Ridge District Bowling Club's reputation, to comply with relevant laws and to be a good corporate citizen. Failure to do so may result in social harm and penalties that may include legal and regulatory action.

Our AML/CTF policy

This sets out how the Lightning Ridge District Bowling Club complies with its legislative obligations. It applies to all department and employees (permanent, part time and casuals) working within the organisation.

Definitions

Money laundering is the process of hiding or disguising the source of illegally obtained (“dirty”) funds to make them appear legitimate (“clean”), e.g. by filtering them through the legitimate channels.

Money laundering reduces the risk of detection and confiscation by authorities. It is just as serious as the criminal activity behind it – and preventing it can help reduce crime.

Terrorism financing differs from money laundering in 3 main ways:

Its primary purpose is to disguise the ultimate use of the funds, as opposed to their origin

It can involve relatively small sums of money, which can have a huge impact in terms of death, destruction and disruption.

Although terrorists may finance their activities through crime, legitimate funds can also be misappropriated to finance terrorism.

Customer identification

The AML/CTF Act provides a list of ‘designated services’, such as opening an account, placing a bet, receiving winnings or making a deposit. Before receiving any of these designated services, customers will be required to provide proof of identity or similar documentation.

Lightning Ridge District Bowling Club is required to collect and verify this information

Please note the Lightning Ridge District Bowling Club complies with the National Privacy Principles.

Suspicion

Money laundering and terrorism financing (ML/TF) are sometimes detected because a customer acts or behaves in a suspicious way.

For a ‘suspicion’ to be valid, we must have reasonable grounds to believe ML/TF activity may be occurring. To support this, employees receive training in identifying and reporting suspicious matters.

Lightning Ridge District Bowling Club ‘s 4 key AML/CTF principles

Comply with AML/CTF legislation.

Work in conjunction with the Australian Government and support its objectives in relation to the prevention, detection and control of ML/TF.

Lightning Ridge District Bowling Club may decide not to provide products or services based upon decisions guided by ML/TF risk appetite and corporate social responsibility.

Maintain and comply with an AML/CTF program, as required by Australian AML/CTF legislation.

Policy Roles and Responsibilities

Lightning Ridge District Bowling Club’s Board of Directors and Senior Management have ongoing oversight of our AML/CTF policy and procedures. All permanent, part time and casual employees must comply with these, attend training specific to their role, and report suspicious matters or behaviours.

Our Financial Controller is the Lightning Ridge District Bowling Club AML/CTF Officer, responsible for monitoring the status and effectiveness of the Lightning Ridge District Bowling Club 's AML/CTF risk management and compliance and reporting it to our Board of Directors and Executive Management team on a monthly interval and whenever any transaction or more to the value of \$10,000.00 has taken place.

Lightning Ridge District Bowling Club's AML/CTF program

The design and implementation of the program was tailored to our ML/TF risk profile, applying specific systems and controls, including:

ML/TF risk assessment monitoring and updated when required

Employee training annually

Employee and customer due diligence

Transaction monitoring

Monitoring and reporting

We also report the following information to AUSTRAC, Australia's AML/CTF regulator:

Transactions with a cash component of \$10,000 or more

Any transactions or other activities regarded as suspicious

Maintaining a Compliance Officer, approved by the Board of Directors

Maintaining Board of Directors approval of all policies procedures and training including revisions

Comply to the AML/CTF Act 2006 using AML/CTF Rules February 2018.