




MEMORANDUM

TO : MR. JAIME DE LEON MELENDRES
CEO
Hi-Source Services, Inc.

FROM : 
SEC. KATRINA PONCE ENRILE
Administrator and Chief Executive Officer
Chairperson, CEZA AML/CFT Task Force

DATE : MAY 29, 2024

SUBJECT : NOTICE TO CONDUCT RANDOM ON-SITE INSPECTION
OF CASINOS, OFFSHORE GAMING OPERATORS, AND ITS
SERVICE PROVIDERS

Pursuant to Section 2.2 (c), Rule 2018 Implementing Rules and Regulations of Republic Act No. 9160, otherwise known as the “Anti Money Laundering Act of 2001”, as amended (AMLA), which provides:

“xxx the supervising authorities shall perform the following with regard to their respective jurisdiction:

(c) Supervise, assess, and monitor compliance with AML/CFT requirements, through the conduct of AML/CFT inspection, examination, audit, or such other mechanism the SAs deem appropriate”

CEZA is authorized to conduct on-site compliance checking to validate CEZA-covered persons' compliance with the requirements of AMLA, as amended, its implementing rules, and other issuances. Therefore, CEZA hereby informs you that the on-site inspection has been scheduled for June 10-14, 2024.

With this, the covered person shall make available all documents including the customer identification documents, CTRs and STRs, and your respective MTPPs upon request. Hence, full access to all information and documents pertaining to the account, customer, and transaction subject of examination.

Specifics are laid down below:

DATES: June 10-14, 2024

TIME: Reasonable working hours.

DOCUMENTS TO BE INSPECTED: See Annex A

For proper facilitation of the inspection, covered persons are enjoined to prepare a presentation which shall briefly describe the following:

12. Business model;
13. Services being offered including relevant AML controls;
14. Status of AML compliance directives, if any;
15. Overall money laundering and terrorist financing (institutional) risk assessment;
16. Status of implementation of MTPP particularly on risk profiling, risk tagging and due diligence on existing clients and any clean-up activities;
17. Status of Employee's AML Training;
18. AML system being used;
19. Procedures on monitoring of customer transactions/accounts including any manual processes in reporting covered or suspicious transactions;
20. Other plans/programs implemented regarding AML Compliance;
21. Future strategies and initiatives to improve AML compliance; and
22. General overview of functions/operations of the following:
 - e. Compliance Office/Officer
 - f. Internal Audit;
 - g. IT Support Services;
 - h. Gaming Software/platform provider, if any.

This inspection is being conducted to assess the extent of your compliance with the AML/CFT legislation. Please ensure that the documents to be inspected are accessible for reproduction/verification as the examination progresses. Rest assured, the conduct shall be in cognizance of the data privacy rights under the Data Protection Act of 2012.

For your information and guidance.