

312 Investments Ltd

**Social
Responsibility
and Compliance
Pack**

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1 Introduction

312 Investments Limited (312 Investments/The Company) and all of its employees are committed to a safer gambling experience for all customers.

These policies and procedures are designed to ensure that the Gambling Act 2005, the LCCP and all relevant guidance is understood and followed by all employees of 312 Investments.

The Social Responsibility & Compliance Pack is in addition to the following:

- Money Laundering and Terrorist financing Risk Assessment
- Proceeds of Crime and Anti Money Laundering Policy
- Staff Training Policy
- The Local Area Risk Assessment (L.A.R.A)

1.1 The Gambling Act 2005

Mandatory Licence Conditions implemented by the Gambling Act 2005 (“GA05”):

- A notice must be displayed at all entrances to AGCs stating that no person under the age of 18 years will be admitted to the premises.
- There can be no direct access between an AGC and any other premises licensed under the Act or premises with a Family Entertainment Centre (FEC), club gaming, club machine or alcohol licensed premises gaming machine permit. (England and Wales only). This is not relevant for 312 Investments style of operation.
- Any ATM made available for use on the premises shall be located in a place that requires any customer who wishes to use it to cease gambling at any gaming machine in order to do so.
- The consumption of alcohol in AGCs is prohibited at any time during which facilities for gambling are being provided on the premises. A notice stating this should be displayed in a prominent place at every entrance to the premises.

1.2 The Licensing Objectives

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
- Ensuring that gambling is conducted in a fair and open way
- Protecting children and other vulnerable person from being harmed or exploited by gambling

1.3 The Licensing Conditions and Codes of Practice

The Licence conditions and codes of practice (“LCCP”) set out the requirements 312 Investments must meet in order to hold its operating licence. Relevant Senior Management must subscribe to the Gambling Commission news updates and regularly check the website for updates.

Section 24 of the Gambling Act 2005 sets out two types of provisions:

- Social responsibility provisions

Compliance with these is a condition of licences, therefore any breach of them by an operator may lead the Commission to review the operator’s licence with a view to suspension, revocation or the imposition of a financial penalty and would also expose the operator to the risk of prosecution

- Ordinary code provisions

These do not have the status of licence conditions but are admissible in evidence in criminal or civil proceedings and must be taken into account in any case in which the court or tribunal think them relevant and by the Commission in the exercise of its functions. Any breach of ordinary code provisions by an operator may be taken into account by the Commission on a licence review, but cannot lead to the imposition of a financial penalty

These codes consist of: Financial Requirements (including Anti Money Laundering); Protection of Children & Vulnerable People; Combating Problem Gambling; Access to Gambling by children and young persons; Information on how to gamble responsibly and help for problem gamblers; Customer Interaction; Self Exclusion; Employment of Children & Young Persons; Money lending between customers; Fair & Open provisions; Marketing; Complaints & Disputes; Gambling Licensees’ staff; Information Requirements; Primary Gambling Activity

Adult Gaming Centres must comply with the relevant sections of the LCCP and all members of staff must be familiar with, and are trained on, these sections.

1.4 The Powers of the Gambling Commission and others

Members of staff are to co-operate at all times with the Commission’s Compliance officers, Local Authority Licensing officers and the police in the proper performance of their compliance functions.

These individuals rights of entry to premises are contained in Part 15 of the Act which deals with inspection (Sections 303 to 326). A constable, enforcement officer or authorised person under the Act may enter premises for the purpose of assessing compliance or assessing whether an offence is being committed. A constable or enforcement officer can enter a premises if he reasonably suspects that an offence may be being committed or is about to be committed (Section 306). Entry may also be for the purpose of discovering whether facilities for gambling are being provided, to

determine whether an operating licence or premises licence is held and to determine whether facilities are being provided in accordance with terms and conditions of an operating licence (Section 307).

Entry may also be made to assess the likely effects of activity when an application has been made for a premises licence. A constable or enforcement officer may require the holder of an operating licence to produce, within a specified period, a copy of the authorisation (Section 316). Failure to comply (without reasonable excuse) to a request to produce a copy of the authorisation may result in an offence and be liable on summary conviction to a fine not exceeding level 2.

Section 317 sets out powers of the constable, enforcement officer or authorised person and include inspection of any part of the premises or any machine on anything on the premises, questioning any person, access to written or electronic records, remove or retain evidence of committing an offence or breach of terms and conditions. Section 20 provides that the power of inspection must be exercised only at a reasonable time. The enforcement officer or authorised person must provide evidence of their identity and authority (Section 321). Section 323 provides that a constable, enforcement officer or authorised person may use reasonable force to enter a premises. Section 326 provides that it is an offence to obstruct a constable, enforcement officer or authorised person in carrying out their duties.

2 Social Responsibility

2.1 Promotion of Socially Responsible Gambling

The third objective of the Gambling Act is to protect children and other vulnerable persons from being harmed or exploited by gambling and as a condition of our Adult Gaming Centre licence we have appropriate controls in place. The need to prevent young and vulnerable persons from being able to access our products and services is of paramount importance to 312 Investments.

2.2 Problem Gambling and the Provision of Information

312 Investments monitors customer activity and uses a range of in person indicators to identify potential problem gambling. These are all set out within the Customer Interaction section below.

312 Investments clearly displays posters and provides leaflets for customers which detail key organisations which can help, including GamCare.

The following organisations also provide help and assistance in dealing with gambling addiction:

- Counselling Directory
- The National Council on Problem Gambling
- GamCare/GambleAware
- Gamblers Anonymous
- Gam-Anon UK and Ireland
- Y-Gam

2.3 Self-Exclusion

312 Investments is a member of the AGC sector's multi-operator self-exclusion scheme, which prevents the self-excluded individual from gambling in any AGC or High street Bingo venue for up to one kilometre of the venue in which they excluded. Self-exclusion is recognised by the gambling industry as a way for players who feel that their gambling is out of control and want assistance to help them stop.

312 Investments takes all reasonable steps to ensure that customers on the self-exclusion register are prevented from entering the premises. Whilst on the self-exclusion register, customers also have certain obligations contained in the terms and conditions that they acknowledge when joining the self-exclusion program.

The Self-Exclusion Process:

- When a customer has requested that they be refused entry to our premises, the customer and the appointed manager will formally acknowledge the request on the self-exclusion tablet, which links with the Multi Operator Self Exclusion Scheme (MOSES). This will be preceded by a meaningful discussion about the terms and conditions applicable to the scheme and will include other options available to assist a person having a gambling disorder, including being signposted to counselling and support services. A copy of the terms and conditions will be electronically signed by the excluded as acknowledgement of understanding and consent. Customers are given the opportunity of discussing self-exclusion in a quiet area, but should never be alone in a back office space with any individual.
- A customer can self-exclude without having to enter the premises if necessary. The appointed manager will arrange to meet in an appropriate alternate location on a case by case basis.
- Photographic identification and signature of the excluded person is required for self-exclusion agreements. A photograph is taken. In the event a customer refuses or is unable to provide photographic ID they can still enter into a self-exclusion agreement provided staff are able to identify and verify the individual (for example a bank card)
- The appointed manager will offer the exclusion for a minimum duration of not less than six months, nor more than twelve months; the customer thereafter may request to extend the length of the self-exclusion for one or more further periods of at least six months.
- 312 Investments will take all reasonable steps not to allow the excluded person admittance to the premises during the term of the self-exclusion agreement.
- It is made clear to the customer that they may not revoke the self-exclusion during the agreed period and that if found either in the gambling area or attempting to gamble they will be asked to leave.
- Members of staff must be alert to self-excluded individuals attempting to breach agreements and instances of them getting another person to gamble on their behalf. It is a requirement that staff check the self-excluded register before every shift.

Those self-excluded are removed from any marketing databases held by 312 Investments within two days of receiving the completed self-exclusion request, but we will take all reasonable steps to prevent details being knowingly sent as soon as practicable.

At the end of the self-exclusion period, the exclusion will remain in place for a further six months, unless the customer takes positive action in order to gamble again during that time. At the end of the exclusion period, if the customer wishes to return to gambling, they with the Manager, review the terms of agreement in person.

Where a customer chooses not to extend the self-exclusion and makes a positive request to begin gambling again, the customer is given a 24-hour 'cooling off' period before being allowed access to the gambling facilities.

312 Investments retains self-exclusion records for the length of the agreement plus a further 6 months.

3 Children and Vulnerable Persons

3.1 Access to Gambling

312 Investments implements age verification procedures that use various methods to try and detect and deter children and young people from entering including no U18 signage.

The premises themselves have been designed to ensure staff on the floor can see who is accessing the premises and floor staff must be vigilant. Specific risks have been considered in the Local Area Risk Assessment.

3.2 Challenge 25

312 Investments operates a challenge 25 policy across all venues.

Acceptable forms of documentation include:

- Any ID carrying the PASS logo (e.g. Citizen Card, Connexions Card)
- Full Driving Licence with photo card
- Military ID card
- Provisional Driving Licence with photo card
- International Passport

The staff must check to see that the ID is acceptable and then record the interaction.

If suitable photographic ID cannot be produced, then the customer should be politely requested to leave the premises with the challenge subsequently recorded

Challenge 25 signage is positioned on or close to the entrance/exit door and displayed in conjunction with existing signage.

The Gambling Commission, Local Licensing Authority and police may conduct underage test entries to assess whether or not 312 Investments Adult Gaming Centre's are allowing under 18's to enter or gamble on the premises. The police are permitted to use individuals under the age of 18 to carry out test purchases.

312 Investments also conduct 3rd party age verification testing in all venues, they are only permitted to use individuals over the age of 18, although they may appear younger.

If at any time staff are informed that they have been the subject of an underage test by the Gambling Commission and/or the Local Licensing Authority, this is immediately reported to Max Davitt.

All age verification test failures are fully investigated

If a person over the age of 18 knowingly brings a child under the age of 18 in to the

Adult Gaming Centre and or refuses to leave immediately, that person will be banned from the premises. The names and details where available, will be recorded and the incident reported to senior management.

If an employee of 312 Investments becomes aware that a child or young person is using or has used facilities for gambling provided in relation to the licence, they shall ensure that:

- Any money paid in respect of the use of those facilities (whether by way of fee, stake or otherwise) by the child or young person is returned as soon as is reasonably practicable; and
- Any prize must not be given to the child or young person.
- The child/young person must then leave the premise.

This must be recorded and reported to senior management.

Any member of staff who knowingly allows access to a person under the age of 18 will be subject to disciplinary action.

3.3 Employment of Children and Young Persons

312 Investments do not permit any employee to be hired who is under 18 in any capacity.

3.4 Vulnerable Persons

Although vulnerability is not strictly defined, there are a number of factors which can contribute towards an individual being more vulnerable to experiencing gambling related harms:

- Personal and demographic - if the individual is experiencing poor physical or mental health, physical or cognitive impairment, suffering side effects from a brain injury or medication or has an addiction
- Situational - if the individual is experiencing financial difficulties, is homeless, is suffering from domestic or financial abuse, has caring responsibilities, experiences a life change or sudden change in circumstances
- Behavioural - if an individual has a higher than standard level of trust or high appetite for risk
- Vulnerable factors such as ill health, disability, change in life circumstances such as bereavement, homelessness and loss of a job, financial difficulties, dyslexia, brain injury or the taking of medication
- Previous self-exclusions or customer interactions
- Market-related - if an individual is engaged in an activity which is highly complex; that they have a lack of knowledge and/or experience of the market

- Access - if an individual has difficulty accessing information because of poor literacy or numeracy skills, knowledge, dyslexia.

In the event a customer exhibits any of the above and is suspected of being vulnerable, this is likely to trigger a customer interaction pursuant to the Customer Interaction Policy.

4 Customer Interaction

312 Investments requires staff to observe and interact with all customers who enter their premises.

312 Investments operates the Identify - Interact - Evaluate model.

4.1 Identify

There are several signs which can indicate an individual who has or may have a potential problem with gambling and consequently warrant further investigation.

The following constitute signs of problem gambling:

- Vulnerability factors: ill health, disability, change in life circumstances such as bereavement, homelessness and loss of a job, financial difficulties, dyslexia, brain injury or the taking of medication
- Previous self-exclusions or customer interactions
- Time and spend indicators: observed amount and frequency of time spent or large losses. For example a customer increasing their usual game play by playing on multiple machines, or by becoming more agitated as they attempt to play faster.
- Customer contact and potential social problems: information or hints from customers, frequent complaints, or signs of distress. This might include a customer discussing serious life changes, unemployment or financial struggles, death or illness in their family, or a traumatic event.
- Play indicators: chasing losses or erratic gaming patterns
- Finding it hard to manage or stop gambling
- Such as signs of distress, agitation, or changes which could be an indication that gambling is having a negative impact on a customer's wellbeing. Customers may target aggression at staff following a loss.
- Customer contacts management regularly to express dissatisfaction with gaming outcomes and overall gameplay. This can include actions such as complaining about "rigged" machines Customer-led contact
- May not be displaying obvious signs of, or overt behaviour associated with, problem gambling, however the staff member has suspicions that they are gambling beyond their means
- Have triggered session reminders, present on most B3 machines.
- Multiple interactions with the same customer regarding any of the above

In the event any of the above signs are observed, staff members must then record their findings and interact with the customer.

4.2 Interact

A customer Interaction can take on many forms of action, depending on the circumstances and the individual. Staff members are not provided with a script, or questions which they must ask, as this does not tend to warrant honesty from customers due to the impersonal feel. Staff members are trained on how to interact with customers, and the below constitutes suggestions on how to initiate and carry out conversations.

The staff member should start any interaction by:

- Engaging the customer in friendly conversation to ascertain how the customer is

- feeling
- Offering the customer refreshments as a way to prolong the engagement from the customer.
- Asking the customer if they are comfortable with their level of gambling, helping the customer to think about their gambling activity

A customer may then demonstrate to the staff member that they are happy with their level of gambling, or provide some explanation as to signs of harm that have been observed.

In any event, that customer will continue to be monitored.

If the staff member is still concerned by the customer's behaviour they must continue the interaction with the customer. This may include asking Further Follow Up Questions such as:

- Do you feel that your gambling spends are controlled?
- Do you acknowledge that your activity may result in losses and can withstand these losses?
- When you lose, do you feel you the need to return as soon as possible to win back your losses?
- Do you ever borrow to finance your gambling?

The interaction, along with the customer's description/details must be logged for the purposes of further interaction including further gambling management options including up to possible exclusion from future participation, should any similar incidents re-occur. This recording will also be reviewed by a member of the Senior Management Team to assess whether the interaction was appropriate in the circumstances, and whether the correct course of action was taken.

Where appropriate, the member of staff will explain the various management tools in place such as self-exclusion, and will provide information on GamCare, to any customers with whom an interaction has taken place. Information regarding self-exclusion and GamCare is clearly displayed throughout the venue.

4.3 Evaluate

The following constitutes the possible result of a customer interaction:

- Allow the customer to continue gambling under observation
- Provide information on available gambling management options
- Conduct Customer Due Diligence on the customer
- Conduct Enhanced Due Diligence on the customer
- Self-Exclusion
- Barring the customer from the premises.

The circumstances of the customer interaction will dictate which of the above takes place. The staff in the premises are well trained and get to know their customers each time they visit the premises. Senior Management are always involved in the evaluation of a customer when Further Questions have been asked.

By way of example, the following would normally result in a customer being asked to consider self-exclusion, and if they refuse they will likely be barred:

- Serious aggression, refusal to engage with staff, refusal to discuss gambling tools such as self-exclusion
- Openly discussing that they are unable to stop
- Openly discussing that they cannot afford to be gambling

This is not an exhaustive list. A combination of any of the indicators listed, repeated observations of any of the indicators or any extreme behaviour can also result in a customer self-excluding or being barred.

Any customer interaction may also be assessed from a Money Laundering or POCA perspective as well if information listed or identified raises a concern in this area

4.4 Customer Due Diligence

In the event a customer is evaluated as requiring Customer Due Diligence (“CDD”), this will likely be carried out by the Area Manager or a member of the Senior Team.

The customer due diligence includes:

- Name, verified with ID such as a driving licence or passport
- Address, verified with ID as above or a utility bill no older than 3 months
- Any other information which a customer might offer during an interaction, for example their employment, any family business, their financial circumstances generally, any financial problems they may be experiencing, any address history (such as a recent move from overseas).

This must be recorded.

4.5 Enhanced Due Diligence

In the event a customer is evaluated as requiring Enhanced Due Diligence (“EDD”), this will be carried out by a member of the Senior Team.

Enhanced Due Diligence is likely to vary between customers but should normally include:

- A secondary piece of ID
- A recent Bank Statement
- Source of Wealth
- Background checks using open sources
- Any other information which a customer might offer during an interaction

This must be recorded.

The Senior Management team will review this process regularly to assess whether it is effective and appropriate.

5 Crime and Disorder

5.1 Money Laundering and Proceeds of Crime

312 Investments maintains a separate ML and POCA policy as well as an AML and TF Risk Assessment which is available to all staff.

5.2 Suspicious Activity Reports

All employees are aware of how and when to records suspicious activity to the Nominated Officer.

Further information is contained in the ML and POCA policy.

5.3 Cash Handling

All members of relevant staff are trained specifically on cash handling and in particular with regard to security, accounting practices and record keeping in respect of:

- (i) Monetary stakes introduced to machines (gross takings)
- (ii) Money introduced to re-float machines
- (iii) Customer refunds due to machine malfunctions
- (iv) Money removed from machines (net takings)
- (v) No keys are to be handed to anybody who is unknown – their ID needs to be confirmed with the Operations Manager. The person who hands over the keys will be held responsible. All external visiting engineers need to sign in.

Cash Collection

[Cash is collected and stored in a time-delay safe. The external cash collection will take place every 7-10 days.]

Empty of Machines

The full empty of machines needs to be carried out only when there are no customers in the venue, whilst note empties can be carried out whilst the venue is open under strict security protocols, where licensing conditions permit.

Once each machine/terminal has been emptied/re-floated the keys need to be locked away again in the safe.

Cash Reconciliation

The Premises Manager is responsible for this and any discrepancies / variances will be recorded as cash losses and investigated as necessary.

All accounting procedures will be recorded by senior management.

5.4 Keeping Alcohol Out

312 Investments implements clear rules and guidelines on the consumption and influence of alcohol.

Individuals under the influence of alcohol on entry will be asked to leave the premises.

Alcohol consumption on site

- Under no circumstances should customers be served alcoholic drinks on site, nor should they bring alcoholic drinks onto the premises to be consumed.

5.5 Dealing with Aggressive Customers

Violence and aggression are used to show distress and dominance. Whilst there are some individuals for whom such behaviour is normal, members of staff must be extremely cautious of treating such behaviour as normal.

Staff must be aware of any signs of aggression including, but not limited to:

- Tensed muscles or sweating
- Twitching muscles, particularly in the face
- Pacing
- Changes in voice (pitch, volume)
- Language, obscenities, threats

In the event a member of staff comes across a customer displaying signs of aggression they should complete the following where there is no danger to themselves:

- Listen to the customers views or complaints
- Try to understand what their problem is and discuss it with them
- See if they can resolve the situation by taking any actions needed

Staff should be cautious in their approach and ensure they do not adopt a confrontational approach and are aware of how they can contact another member of staff if necessary safely. Staff should never put themselves in a violent situation and should always remove themselves to the office.

6 Fair and Open

6.1 General Terms and Conditions

312 Investments utilise and comply with BACTAs general Terms and Conditions and all relevant sections of the LCCP.

6.2 Complaints Procedure

The Complaints procedure is contained within the Complaints policy.

6.3 Marketing and Promotional guidelines

312 Investments has an Advertising and Media Policy which is available to all relevant senior staff. It is important to note, that no employees in venues have any right to create or amend any promotional or marketing material.

7 Recording and Reporting Requirements

7.1 General Reporting Requirements

312 Investments acknowledges its obligation to ensure that staff openly co-operate with the Gambling Commission in the proper performance of their compliance functions and that they are made aware of those officers' rights of entry to premises contained under Part 15 of the Gambling Act 2005 and that:

- They must provide the Gambling Commission with any information that the Commission would reasonably need to be aware of in exercising its regulatory functions or suspect may relate to the commission of an offence under the Act, including an offence resulting from a breach of a licence condition or a code of practice provision having the effect of a licence condition. Changes in key circumstances must be reported within five days of their occurrence in accordance with the terms set out in the Operating Licence.
- 312 Investments must provide the Gambling Commission with such information as the Commission may require from time to time about the use of facilities provided such as:
 - (i) the range of gambling activities provided by the licensee; and
 - (ii) the licensee's policies in relation to, and experience of, problem gambling.
- 312 Investments must submit a Regulatory Return to the Gambling Commission containing such information as the Commission may require from time to time, and provide evidence that the terms on which gambling is offered are not unfair under the Unfair Terms in Consumer Contracts Regulations 1999 and, where applicable, meet the reasonableness test under the Unfair Contract Terms Act 1977.
- The Appointed Manager will be informed immediately when a Gambling Commission Enforcement Officer properly identifies themselves on the premises, and will attend to the Officer without undue delay. Staff will co-operate at all times with the Commission's Enforcement Officers.
- Members of staff are trained as part of their induction process in the understanding of, and the strict adherence to this policy, and required to sign to this effect retaining a copy for their future reference. The original is retained in the venues compliance folder.

7.2 Challenge 25 Register

312 Investments will, at all times, maintain a register at each of its trading venues of all incidents of customers being challenged if they look under the age of 25.

7.3 Self Exclusion Register

312 Investments will at all times maintain a register at each of its trading venues of all customers who enter into a Self Exclusion Agreement and link in to the National Self Exclusion scheme for the AGC and Bingo sector and therefore fulfils the requirement to be part of a Multi Operator Self Exclusion Scheme (MOSES).

7.4 SAR's Register

312 Investments will, at all times, maintain a register at each of its trading venues all incidents that require a SAR's report (Suspicious Activity Report).

7.5 Register of Incidents Requiring Police Attendance

312 Investments will, at all times, maintain a register at each of its trading venues of all incidents that require Police Attendance.

Each of these registers will be available for inspection by the relevant authorities.

8 Training

8.1 Please see Staff Training Policy.

9 Appendices

9.1 Management

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10 Monitoring

To ensure that the policies and procedures continues to be fit for purpose:

312 Investments are committed to carrying out an ongoing risk assessment of its policies and procedures, tailoring them to and any training around new products and newly identified risks as appropriate.

This policy is subject to review following any new guidance published by the Gambling Commission.

Document review:

Date Reviewed	Reviewed by

**312 INVESTMENTS LIMITED
TERMS AND CONDITIONS**



These Terms and Conditions (the “Generic Terms”) apply to all gaming transactions entered into on these premises (the “Premises”) except for Promotions which are covered by separate terms and conditions available on the premises.

Any gaming transactions entered into on the premises shall be between the customer taking part in the particular transaction (the “Customer”) (1) and 312 Investments Limited (the “Company”) (2)

In these General Terms, the terms/conditions/rules displayed on the particular gaming machine are referred to as the “Specific Terms”.

Customers are strongly advised to read the Specific Terms. By entering into any gaming transaction by use of the particular gaming machine, the Customer shall be deemed to have read and accepted the Specific Terms applying.

Minimum and maximum stakes and maximum prizes/wins are those displayed on the gaming machine in the Specific Terms.

Members of staff have no authority to vary or amend the General Terms or the Specific Terms and any assistance or advice offered by them in relation to any gaming transaction shall be without prejudice to that position.

In the event of a disputed outcome to any game, the Company complaint procedure will apply, a copy of which is available from a member of staff or from the Company at the address below:

312 Investments Limited
Grovedell House
15 Knightswick Road
Canvey Island
Essex
SS8 9PA



**312 INVESTMENTS LIMITED
ADVERTISING AND MEDIA POLICY**

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1. INTRODUCTION

312 Investments Limited is committed to complying with the requirements of all advertising regulations applicable within any jurisdiction it operates in and recognises the importance of honest and socially responsible marketing. It is imperative that 312 Investments Limited acts responsibly and honestly when creating and executing marketing campaigns.

This Policy outlines the principles upon which 312 Investments Limited will manage marketing campaigns in order to safeguard its business and to ensure the protection of young or vulnerable people.

2. UK ADVERTISING CODES

The Codes set out five key advertising principles which must be adhered to by 312 Investments Limited in relation to the management of all advertising.

The general principles of the Codes are that advertising should be:

1. legal, decent, honest and truthful
4. prepared with a sense of responsibility to consumers and to society
5. respectful to the principles of fair competition generally accepted in business
4. not intended to bring advertising into disrepute

The Codes require all gambling advertising to be socially responsible and 312 Investments Limited will ensure it respects the need to protect children, young persons, and other Vulnerable Persons from being harmed or exploited by advertising that features or promotes gambling. Although 'vulnerable' person is not defined in the Gambling Act, the ASA will look at factors such as mental, social, or emotional immaturity, impaired judgement, for example, because of alcohol or drug addiction, or those who are at risk of gambling more than they can afford to or want to. Nothing in Adverts should condone or encourage criminal or anti-social behaviour.

This means 312 Investments Limited must:

- Be socially responsible, with particular regard to the need to protect Children, Young Persons and other Vulnerable Persons.

312 Investments Limited must not:

- Portray, condone, or encourage gambling behaviour that is socially irresponsible or could lead to financial, social or emotional harm.
- Condone or encourage criminal or anti-social behaviour.

A breach of the more specific principles of the Codes will often involve a breach of the social responsibility rules. Adverts that have been investigated under the social responsibility rules have included: portraying gambling as a possible solution to financial concerns and debt; linking gambling and alcohol consumption; and showing problem-gambling behaviours, such as solitary gambling or gambling taking priority in life.

312 Investments Limited's Policy sets out the rules and guidance for advertising and marketing. It is important that all employees, contractors, agents, consultants, partners, or other parties working on behalf of 312 Investments Limited are aware of and understand 312

Investments Limited's Policy. Advertising or media campaigns must not be initiated without prior approval from the Board.

3 CHILDREN AND YOUNG PERSONS

The Codes require marketing communications for gambling products to be socially responsible, with particular regard to the need to protect children, young persons and other vulnerable persons from being harmed or exploited.

This means 312 Investments Limited must:

- Be socially responsible, with particular regard to the need to protect children, young persons and other vulnerable persons from being harmed or exploited.

312 Investments Limited must not:

- Exploit the susceptibilities, aspirations, credulity, inexperience or lack of knowledge of Children, Young Persons or other Vulnerable Persons.
- Suggest peer pressure to gamble or disparage abstention.
- Suggest gambling is a rite of passage.
- Create marketing or advertising likely to be of particular appeal to children or young persons, especially by reflecting or being associated with youth culture.
- Create marketing or advertising directed at those aged below 18 years through the selection of media or context in which they appear.
- Include a child or a young person in marketing or advertising. No-one who is or seems to be under-25 years old may be featured gambling. No-one may behave in an adolescent, juvenile or loutish way.

No advertising should be based around individuals who are or seem to be under 25 years old (18-24 years old).

An advertisement featuring a character that particularly appeals to children is likely to fall foul of the rules. The use of cartoons or licensed characters, such as superheroes and celebrities popular with children, must be used with a due sense of responsibility. In other words, care should be taken when using cartoon-like images; they might be acceptable if they are adult in nature but run the risk of appealing to under-18s if cartoon images are too childish in their execution; and that might be a problem when advertising gambling products. In all cases, steps should be taken to prevent under-18s from viewing ads (for example age-gating online ads) and the likely age of the audience viewing the ad should always be considered.

4 IRRESPONSIBLE APPEAL

312 Investments Limited recognises that irresponsible advertising and marketing related to gambling may appeal to Children, Young Persons or Vulnerable People and create a certain level of attractiveness to gambling. 312 Investments Limited must ensure that all advertising and marketing is created responsibly and as such the below rules and codes must be applied when considering any marketing or advertising campaigns.

Seduction, sexual success and enhanced attractiveness

There must not be any direct or implied link between gambling, seduction, sexual success or enhanced attractiveness through any marketing or advertising.

The CAP & BCAP Codes state:

Marketing communications must not:

- Link gambling to seduction, sexual success or enhanced attractiveness.

It is acceptable to feature attractive people in advertising, as long as the ad as a whole does not link gambling with seduction, sexual success or enhanced attractiveness. Where characters in ads are treated with admiration by others as a result of their gambling, this can breach the Codes by linking gambling and enhanced attractiveness. References to fame, being special and VIP status are common themes in ads that the ASA has investigated under these rules.

Ads linking transformations of characters' appearance after gambling can create an implication that gambling could result in enhanced attractiveness and an improvement in self-image, thereby breaching the rules.

Toughness, resilience, and recklessness

The CAP & BCAP Codes state:

Marketing communications must not:

- Portray gambling in a context of toughness or link it to resilience or recklessness.

No advert or marketing campaign should be created without considering if the context as a whole might create a link between gambling and resilience or toughness, or portraying gambling in a context of toughness.

Enhancing personal qualities

The CAP & BCAP Codes state:

Marketing communications must not:

- Suggest that gambling can enhance personal qualities, for example, that it can improve self-image or self-esteem, or is a way to gain control, superiority, recognition or admiration.

Again, it is acceptable to feature attractive or admired people in advertising, as long as the ad as a whole does not link gambling with these qualities. Where characters in ads are treated with admiration by others as a result of their gambling, this can breach the Codes by linking gambling and improved self-image or self-esteem. References to fame, being special and VIP status are common themes in ads that the ASA has investigated under these rules.

Ads linking transformations of characters' appearance after gambling can create an implication that gambling could result in an improvement in self-image, thereby breaching the rules.

Cultural beliefs or traditions about gambling or luck

The CAP & BCAP Codes state:

Marketing communications must not:

- Exploit cultural beliefs or traditions about gambling or luck.

Advertisements should avoid the use of cultural symbols and systems such as horoscopes if those symbols relate to an existing, strongly, and communally held belief. These rules are not intended to prevent references to symbols or obsolete superstitions that are unlikely to be taken seriously, such as a clover leaf.

Gambling adverts must not:

“be likely to be of strong appeal to children or young persons, especially by reflecting or being associated with youth culture.”

These means not using prominent sports people and celebrities as well as individuals like social media influencers, who are of strong appeal to those under-18.

5 PROBLEM GAMBLING BEHAVIOUR

Taking priority and solving problems

The CAP & BCAP Codes state:

Marketing communications must not:

- Suggest that gambling can provide an escape from personal, professional, or educational problems such as loneliness or depression.
- Suggest that gambling can be a solution to financial concerns, an alternative to employment or a way to achieve financial security.
- Portray gambling as indispensable or as taking priority in life; for example, over family, friends or professional or educational commitments.
- Condone or feature gambling in a working environment. An exception exists for licensed gambling premises.

No marketing activity suggesting that gambling is a solution to financial concerns should be implemented by 312 Investments Limited. 312 Investments Limited views this as socially irresponsible and a breach of this Policy.

Even where risks are clearly set out, care and consideration should always be given to ensure gambling is not portrayed as a viable alternative to employment, or solution to financial concerns in any given context.

References to salary or debts in gambling should also be given specific consideration when planning any marketing or advertising campaign, to ensure there is no breach of the Codes or rules outlined in this Policy.

It is generally acceptable to show gambling as being important and interesting to characters, as long as it is not to the exclusion of other activities or interactions with people.

Solitary gambling

The CAP & BCAP Codes state:

Marketing communications must not:

- Suggest that solitary gambling is preferable to social gambling.

Any advertisement that features an adult losing track of time, retreating into private fantasy, or engaging in secretive gambling is likely to breach the general principle of the Codes that advertisements should not portray, condone or encourage gambling behaviour that is socially irresponsible or could lead to financial, social or emotional harm.

Solitary gambling should not be shown favourably contrasting with social gambling.

6 MISLEADINGNESS

All marketing communications and advertisements must state significant limitations and qualifications. Qualifications may clarify but must not contradict the claims that they qualify and should be presented clearly.

The terms “free”, “gratis”, “without charge” or similar should not be used unless the customer will not pay anything except the unavoidable cost of responding, collecting, or paying for delivery of an item.

All marketing communications and advertising must make clear the extent of the commitment the consumer must make to take advantage of a “free” offer.

312 Investments Limited should ensure:

- Marketing communications or advertisements must not materially mislead or be likely to do so; and
- Marketing communications or advertisements must not mislead the consumer by omitting material information. They must not mislead by hiding material information or presenting it in an unclear, unintelligible, ambiguous, or untimely manner.

Material information is information that the consumer needs in context to make informed decisions in relation to a product and to help them decide whether or how to buy a product or service. Whether the omission or presentation of material information is likely to mislead the consumer depends on the context, the medium and, if the medium of the marketing communication or advertisement is constrained by time or space, 312 Investments Limited must take all measures possible to make that information available to the consumer by other means.

Marketing communications or advertisements that include a promotion and are significantly limited by time or space must include as much information about significant conditions as practicable and must direct consumers clearly to an easily accessible alternative source where all the significant conditions of the promotion are prominently stated. Participants should be able to retain those conditions or easily access them throughout the promotion.

When using media such as banners for adverts, any significant terms and conditions should be no further than one click away from the banner or advert.

Examples of significant terms and conditions are:

- Requiring consumers to deposit the same amount of their own money as a free bet in order to take advantage of the offer.
- Requiring new customers to bet their initial deposit.
- Requiring customers to match a free bet amounts on a certain number of occasions before they are able to withdraw any cash winnings from their account.

- Imposing time limits in which bets must be made before winnings are forfeited; and
- Preventing consumers from being able to withdraw any of their own funds deposited into their account until they have placed bets totalling a certain number of times the value of the free bet.

The terms and conditions of each marketing incentive must be made available for the full duration of the promotion.

The term “risk-free bet” should be avoided unless the offer or free bet is completely free, requires no deposit, has no wagering requirements, and is paid as cash that can be withdrawn by customers.

All free bet, bonus or similar offers should not be created or initiated without prior approval from the Board.

Any and all marketing and promotions must be approved by a manager relevant to the site and must be compliant with this policy.

7 SELF-EXCLUSIONS & SUBSCRIPTIONS

312 Investments Limited is committed to complying with the requirements of the Act and LCCP and recognises the importance of respecting our customer’s rights and freedoms. 312 Investments Limited therefore ensures adherence to the following:

312 Investments Limited must take steps to remove the name and details of a self-excluded individual or any customer that unsubscribes from marketing communications from any marketing databases used by 312 Investments Limited or group (or otherwise flag that person as an individual to whom marketing material must not be sent), as soon as practicable after receiving relevant notification.

8 MONITORING THE POLICY

To ensure that the policy continues to be fit for purpose:

312 Investments Limited are committed to carrying out an ongoing risk assessment of this Advertising and Media policy tailoring it to and any training around new products and newly identified risks as appropriate.

In the course of day-to-day activities and in reaction to any advertising or media cases, 312 Investments Limited will continue to seek best practices and new techniques to improve the processes and procedures in place.

This policy is subject to review following any new guidance published by the Gambling Commission.

Document review:

Date Reviewed	Reviewed by

312 INVESTMENTS LIMITED COMPLAINTS PROCEDURE

312 Investments Limited is committed to providing excellent levels of service and are constantly striving to meet the expectations of clients, and welcome feedback where services can be improved or where expectations have not been met.

Issues of concern can usually be resolved by contacting the Customer Support team. A database record will be completed at the time of the contact, detailing your contact details, which team member dealt with the issue, the nature of the complaint and how the complaint was resolved. A copy of this complaint's procedure will be provided to customers upon request, or whenever they make a complaint.

However, we recognise that sometimes it may not be appropriate to contact us in this way, or you may feel your concerns have not been properly addressed internally after talking to the team. Where this is the case, we actively encourage our clients to use our Complaints Procedure so that issues and concerns can be raised with management and addressed appropriately. This document explains how the Complaints Procedure works, what you need to do and what you can expect.

There are two levels – Complaints Co-ordinator and the Lead Contact for the Supplier

Level 1 – Complaints Co-Ordinator

If 312 Investments Limited haven't reasonably met your expectations or you wish to make a complaint relating to services, you should write or e-mail in the first instance to the Complaints Co-ordinator: Operations Manager

Please put in the subject line 'FAO: Complaints Co-ordinator'.

In expressing concerns, it is helpful to include all relevant details such as nature of complaint, date, people contacted and the other circumstances relating to your complaint. This helps to quickly and fully understand the nature of the complaint and begin investigations. Once the Complaints Co-ordinator acknowledges receipt of your letter or email in writing within 48 hours, he will also provide a copy of this complaints policy. You can normally expect a full written response within 10 working days of this acknowledgement. His aim is to resolve the complaint to your complete satisfaction at this level.

Level 2 - Lead Contact for the Supplier

If, after receiving our response at the 1st level you feel that your concerns have not been fully addressed you can ask for your complaint to be referred to the lead contact in relation to the service provided. Please contact Max Davitt. You can normally expect a full written response to your complaint within 10 working days of acknowledgement of the complaint reaching the 2nd level.

It may be necessary for additional information to be sought from an external source. When this is necessary, it may not be possible to respond to your complaint within 10 working days and the Lead contact will contact you again. He will explain the reasons for asking for a time extension and seek your approval.

Level 3 – External arbitration

The Gambling Commission requires that every operator registers with an Alternative Dispute Resolution Service provider; in the case where a Gaming dispute cannot be resolved by the operator, the customer may take their complaint to this provider.

312 Investments Limited intends to contract with Pegasus ADR.

ML and Terrorist Financing Risk Assessment

1 RISK ASSESSMENT PURPOSE

The purpose of this document is to establish a separate Money Laundering and Terrorist Financing (“ML TF”) risk assessment for 312 Investments Limited (“312 Investments”). This risk assessment will be implemented to ensure that sufficient focus is given to ML TF risk. It is noted that in section 17 of the Proceeds of Crime and Anti-Money Laundering policy, reference is made to ML risk assessment, and this document is intended to be read in conjunction with the Proceeds of Crime and Anti-Money Laundering policy whilst operating as a standalone document.

This document is regularly reviewed to take into account changes to circumstances, the introduction of new products or technology, new payment methods and changes to customer demographic. This can be seen on the Document Review table at the end of this Risk Assessment.

2 GUIDANCE DOCUMENTS: DUTIES & RESPONSIBILITIES UNDER THE PROCEEDS OF CRIME ACT

An addendum to this document is the Gambling Commission guidance advice to operators dated November 2020 ‘Duties and Responsibilities under the Proceeds of Crime Act 2002’. All gambling staff will be trained on the contents of this document as part of their Anti-Money Laundering and Proceeds of Crime training. Along with its importance in terms of applying the ML TF risk assessment. A risk based approach will be adopted by 312 Investments, as set out at section 18 of the guidance document, and a number of steps will be established to assess the most proportionate way to manage and mitigate the money laundering risks faced by 312 Investments.

The possibility of gambling facilities being used by criminals to assist in money laundering poses many risks for operators. These include criminal and regulatory sanctions for operators and their employees, civil action against the operator and damage to the reputation of the operator leading to a potential loss of business.

All gambling staff must continually identify, assess, and manage these risks, assess the level of risk in the context of how their business is structured and operated, and put in place controls to minimise the risk posed to businesses by money launderers.

This money laundering risk assessment is based on methodology and sets out attempts to identify, analyse and understand money laundering risks. It serves as the first step in addressing the risks, and involves making judgements about threats, vulnerability, and consequences.

This document will be reviewed every 12 months during an audit of policies, procedures, and all internal documents, or as a result of any changes in circumstances, including for example operational changes or changes to the LCCP.

3 IDENTIFYING AND ASSESSING THE RISKS

This section of the document sets out potential risks and the assessment of the risk posed to this particular business. The risks considered include the country and geographical risks, customer risks, transaction risks and product risks.

The risk assessment is conducted by identifying the potential risk (denoted below as 'Risk') and then an analysis of the potential risk to the operator and an evaluation of how any potential risk will be dealt with (denoted below as 'Assessment').

The operator carries the following risk profile which has been considered for each of the below risks identified:

- The operator has a non-remote Adult Gaming Centre operating licence issued by the Gambling Commission
- The operator contracts directly with customers and has a number of customer facing staff
- The operator utilises experienced individuals in the industry to advise on their operations, particularly for regulatory and compliance matters

As a consequence of the above profile this risk assessment is appropriate to the nature of the operator's business.

Risk	Assessment and Mitigation	Overall Risk Category
Operator Risks		
Operators failing to comply with prevention of money laundering and terrorist financing legislation and guidance	312 Investments has a robust set of policies and procedures based on the legislation and guidance which are continuously monitored and updated by senior management. Staff training occurs on induction and at a minimum of 12 monthly intervals.	Low
Arcade businesses being acquired by organised crime to launder criminal proceeds	312 Investments is approved and regulated by the Gambling Commission. Any change in ownership would require a Change of	Low

	Corporate Control.	
Lack of competency of key personnel and licence holders which can then be exploited by criminals seeking to launder the proceeds of crime	312 Investments will train all staff on induction and at regular intervals. It engages with a specialist law firm on a variety of matters including regulatory and compliance issues. Key personnel are all annex A holders.	Low
Third party business relationships and business investors	312 Investments implements a thorough due diligence procedure in relation to all third party business relationships and contracts.	Low
Customer Risks		
What risk is posed by the business profile and the profile of customers using the gambling facilities? Is there a risk of anonymous customers laundering proceeds of crime through gaming machines? Is there a risk posed by customers using forged or stolen identities to remain anonymous?	312 Investments premises tend not to attract more than [XXX] individuals at any one time in any individual premises, the customer profile is [XXX]. The staff are trained to interact with all customers entering the premises and the risk of anonymous customers is medium. Staff are trained on the types of ID they can accept.	Low
Is the business local with regular and generally well-known customers? Is there any concerns relating to country/geographical risk?	312 Investments operates [XXX] style venues. The staff in each venue get to know their regular customers. Staff do not sit behind a screen or a desk, but walk the shop floor and interact with every customer who enters the shop. Senior management are aware of the international sanctions list and will utilise	Low

	this if they are ever concerned about a customer.	
Is the business high volume consisting of many low spending consumers? Is the business low volume with high spending consumers?	312 Investments operates Adult Gaming Centres which tend to be low stake high volume. There are usually machines in the venue with stakes ranging 10p to a maximum of £2, with jackpots of up to £500. Customers tend to spend short periods of time in the venue.	Low - Medium
Is the business a mixed portfolio? That is, consumers are a mix of high spenders and lower spenders and/or a mix of regular and occasional consumers?	312 Investments generally has customers who are low spenders due to the nature of the machines.	Low - Medium
Product Risk		
Are automated ticket redemption (ATR) machines used to facilitate the laundering of criminally derived funds?	ATR machines are not used/Staff are carefully trained on the specific risks of these machines and monitor their use to minimise the risk of them being abused.	Low - Medium
What risk is posed by the products generally on offer to the customers?	Generally low risk, the products on offer are low stakes. The stake and prize limits of machines are strictly regulated through the Gambling Act 2005 and subsequent regulations. At least 80% of the machines in AGCs have the same stake and prize limits as pub fruit machines, with 20% having the same limits as high street bingo premises. The maximum stake is £2. This	Low

	will be monitored and may be amended in light of any changes to the legislation as a result of the white paper.	
Are gaming machines, particularly category B3, being used to launder criminally derived funds?	The premises are all designed to ensure staff, and CCTV, have full view of the premises. The staff also walk the floor continuously and are not sat behind screens, meaning they interact with all customers.	Low
Are Privacy booths available?	312 Investments does not have any privacy booths.	Low
Ticket-in-ticket-out (TITO) facilities used to launder funds when used in conjunction with ATR machines	Staff are trained on the risks of TITO machines and they are careful to monitor any use of them. The Local Area Risk Assessment also deal with any such risks, particular in terms of the physical design of the premises and the CCTV layout.	Low
Customers inserting money then attempting to withdraw it without playing	312 Investments trains its staff to carefully observe and interact with customers to look out for such behaviour. Staff members are all aware of the offence of 'tipping off'.	Medium
Means of Payment Risk		
Are there likely to be situations where the source of funds cannot easily be established or explained by the customer?	312 Investments adheres to strict policies and procedures and where any signs of concern are observed they are escalated as appropriate.	Low- Medium

	No forms of Cryptocurrency are accepted.	
Are there a large proportion of over-seas consumers using foreign currency or over-seas based bank cheques or debit cards?	312 Investments does not accept foreign currency or cheques in any capacity from customers	Low
Are consumers likely to be engaged in a business which involves significant amounts of cash?	This will vary from customer to customer and premises to premises, as to what their consumer base will look like. 312 Investments will assess each customer individually and will operate a risk-based approach.	Low - Medium
Cash transactions	312 Investments risk assesses each customer and particular caution is given to cash transaction. All staff members are trained on cash transactions and ML procedures.	Low - Medium
Scottish notes	The machines and ATR have a high threshold for fraudulent currency recognition.	Low
Contactless Payments	[There are no machines within the premises which accept contactless payments.]	Low
Other Risks		

Inadequate/lack of due diligence checks on any third party providers (e.g., machine providers).	312 Investments will carry out due diligence checks on any third party providers of gambling product, and only those licensed by the UK Gambling Commission will be used to provide facilities for gambling.	Low
Are procedures in place to monitor consumer transactions across outlets, products and platforms to mitigate any money laundering potential? Is there a potential transaction risk?	312 Investments does not operate remotely, it only operates Adult Gaming Centres. Senior management moves between all venues and shares intelligence as needed.	Low

4 CUSTOMER RISK

The following are categories of potential 312 Investments customers whose activities may indicate a higher risk:

- Unknown or anonymous customers
- High spending customers
- Disproportionate spenders
- Regular customers or casual customers with changing or unusual or inconsistent spending patterns
- Customers using forged or stolen identities to remain anonymous
- Customers from high risk or non-cooperative jurisdictions
- Customers who appear on international sanction lists
- Customers who are citizens or residents of, or associated with, countries of theft by non-government organisations as high risk for corruption and financial crime

In assessing the risk of the above posed to this particular business, the main risk tends to be casual or regular customers with unusual or inconsistent spending patterns. However 312 Investments trains staff on how to spot any concerning behaviour and how to act in such situations.

5 TRANSACTION RISKS

The following are potential transaction risks:

- Proceeds of crime
- Larger cash transactions
- Transfers between customers/in particular customers borrowing money from other customers

312 Investments does not operate account based play and staff are trained to identify and manage any such transactional risks, as well as adherence to the relevant policies and procedures which are updated as necessary with the relevance of any transactional risks to the products it operates.

There are also risks surrounding dyed notes within Adult Gaming Centres and staff are trained to look out for any such occurrences and are aware of the SAR procedure.

6 PRODUCT RISK

Product risks particularly relate to the potential for a money launderer to place funds anonymously such as by using third parties.

Staff at 312 Investments are trained to look out for warning signs of any fraudulent activity taking place in its premises, for example money lending.

In the event a member of staff knows or suspects money lending has taken place or is proposed this matter would be dealt with including a likely possibility of banning those individuals from the premises.

These risks have been considered as part of the assessment and have not been identified as

being present risks. They are also analysed and monitored as part of the Local Area Risk Assessments carried out for each individual premises.

7 SUMMARY OF ASSESSMENT OF RISK AT 312 INVESTMENTS

The AML risks of 312 Investments are limited to the customers visiting its premises. 312 Investments keeps a set of robust and viable policies and procedures which are designed to support and guide its staff in dealing with any potential situations which may arise. This includes any situation which may involve money laundering or terrorist financing.

The overall risk rating to money laundering and terrorist financing is low-medium.

This is corroborated by the Gambling Commission money laundering and terrorist financing risks within the British gambling industry which states Adult Gaming Centres are medium risk.

This document is reviewed annually as a minimum, however it reviewed as a result of any changes within the industry or within 312 Investment's customer base. Internal and External audits are conducted as and when required to ensure this document is robust and is being implemented correctly.

Document review:

Date Reviewed	Reviewed by

312 INVESTMENTS LIMITED

PROCEEDS OF CRIME & ANTI MONEY LAUNDERING POLICY

1	POLICY PURPOSE
2	PROCEEDS OF CRIME (POC) & MONEY LAUNDERING (ML)
3	POCA OFFENCES & PENALTIES
4	KNOWLEDGE OR SUSPICION
5	RESPONSIBILITIES
6	PRODUCTS & RISK MITIGATION
7	RISK TRIGGERS
8	CUSTOMER MONITORING
9	SYSTEM CONTROLS
10	PROACTIVE ANALYSIS- THRESHOLD REVIEW & REPORTS
11	SUSPICIOUS ACTIVITY REPORTS (SARs)
12	SAR MONITORING AND TERMINATION OF CUSTOMER RELATIONSHIPS
13	PREJUDICING AN INVESTIGATION
14	ADVERSE INFORMATION & POLICE INVOLVEMENT
15	INTERNAL RISKS
16	CUSTOMER DUE DILIGENCE AND ENHANCED DUE DILIGENCE
17	TRAINING AND SCREENING
18	MONITORING THE POLICY

1 POLICY PURPOSE

The purpose of this document is to detail the responsibilities of the Company and its staff in relation to the Proceeds of Crime Act 2002 (POCA), Terrorism Act 2000 and to uphold the licensing objective of 'Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime' as outlined within the Gambling Act 2005.

In addition, the contents of the document will outline our Company's policies and procedures to prevent the Company being used in connection with money laundering or terrorist financing as well as our continued compliance with anti-money laundering, counter terrorist financing, licensing and legislative requirements.

312 Investments Limited is committed to ensuring that all necessary safeguards are in place in regard to the receipt of money in order to avoid it being used to launder money that may originate from the proceeds of crime.

2 PROCEEDS OF CRIME & MONEY LAUNDERING

2.1 Proceeds of Crime

The Proceeds of Crime can be broadly defined as property from which a person benefits directly or indirectly, by being party to criminal activity - i.e. stolen money, money from drug dealing, tax evasion or stolen, thieved or robbed property. It includes property that a person gains by spending the proceeds of criminal activity, for example, if a person used money gained in a bank robbery to gamble.

2.2 Money Laundering

Money Laundering is a term used to describe the practice of converting money that has been unlawfully or criminally obtained into legitimate funds, concealing and disguising the original source of the funds.

2.3 Differences

The law does not make any distinction between these two activities. The action we should take, and the penalties for not taking action are the same for both.

3 PROCEEDS OF CRIME ACT (POCA) OFFENCES & PENALTIES

There are 3 key offences under the POCA that are applicable to anyone who knows or suspects that property relates to the Proceeds of Crime:

- Section 327 states that a person commits an offence if they conceal, disguise, convert, or transfer criminal property in the UK.
- Section 328 provides that a person commits an offence if he or she enters into or becomes concerned in an arrangement which he or she knows or suspects facilitates, by whatever means, the acquisition, retention, use or control of criminal property to or on behalf of another person.
- Section 329 states that a person commits an offence if he or she acquires, uses, or has possession of criminal property.

The above offences can be committed by any person, including employees who have knowledge or suspicion that a customer is using the POC. The penalty upon conviction of these sections is a maximum term of 14 years imprisonment, a fine, or both.

There is a defence available for a person to show that they made an authorised disclosure under sections 338 and 339, either for an employee to report to the Compliance Team, and further for responsible parties in the Compliance Team to assess and report where they believe knowledge or suspicion exists to the National Crime Agency (NCA).

Once a report has been made, responsible parties in the Compliance Team will consider whether they hold knowledge or suspicion based on the information provided. However, responsible parties in the Compliance Team may commit an offence under section 332 if there is a failure to report knowledge or suspicion to the NCA as soon as reasonably practicable after the information has been received. The sanction under POCA is a prison term up to 5 years, a fine, or both.

It is also an offence under section 342 to disclose knowledge of the existence of any investigation prior to or following a report which could prejudice the investigation' (this is often related to as 'tipping off' though this is not to be confused with the actual offence of tipping off which is only an offence in the regulated sector). The penalty upon conviction is a maximum of 5 years imprisonment.

4 KNOWLEDGE OR SUSPICION

312 Investments Limited and its employees have an obligation to report when we either have knowledge or suspicion that another person is using the POC or engaged in ML.

The POCA regulations do not define knowledge or suspicion, but case law has provided guidance.

Common sense provides that if, for example, a customer confirms they are laundering money or using money from a robbery, the member of staff would in fact know rather than suspect. Courts have previously gone further and also defined knowledge to include situations where the facts would be clear to an honest and reasonable person. It could also include a member of staff turning a blind eye, for example, if staff do not make normal enquiries of a customer where they believe they already know the answer and do not want to hear it.

Suspicion is subjective and may be based on picking up something unusual or where facts do not tally up. Suspicion does not need to be based on actual facts, but there needs to be some satisfaction beyond speculation that the customer is involved in the use of the POC or ML. A feeling of unease does not amount to suspicion.

5 RESPONSIBILITIES

The POCA and AML regime within 312 Investments Limited is managed within the Compliance Team and supported by the operational management.

All staff have a role to play in combatting the use of criminal proceeds and ML, and are trained to pick up triggers which may lead to concern and further suspicion or knowledge.

Staff are also trained to report general concerns or otherwise knowledge or suspicion to the Compliance Team. Where knowledge or suspicion of money laundering is believed to exist,

the Head of Compliance will determine whether a Suspicious Activity Report (SAR) should be raised with the NCA.

6 PRODUCTS & RISK MITIGATION

312 Investments Limited intends to run AGC premises in the UK.

To identify and manage the risks associated with the above products, 312 Investments Limited applies controls in four broad ways.

RISK TRIGGERS: Training key staff to be aware of risk triggers which may be indicative of ML or the use of POC and how to report concerns.

CUSTOMER MONITORING: Providing facilities to allow 312 Investments Limited to monitor customers, allowing staff to log consumer information, transactions and emerging concerns.

SYSTEM CONTROLS: Implementing controls to mitigate areas of potential risk and highlight potential irregularities.

PROACTIVE ANALYSIS: Carrying out proactive analysis of purchasing activity to help detect unusual activity and risk triggers. This is supported by record keeping, monitoring and customer reviews.

Each is considered in turn below.

7 RISK TRIGGERS

Considering the above product type, there are different types of activity or customer behaviours which could lead to cause for concern leading to the possible formulation of knowledge or suspicion that an individual is participating in gambling activity with the POC or involved in ML.

Some examples of risk triggers are:

- Staff knowledge or reasonable suspicion of local crime, or individuals engaged in local crime
- Asking to or attempting to lend money between customers, staff with a reasonable knowledge or suspicion of money lending taking place
- Customers appearing to engage in potential criminal activity, or discussing potential criminal activity
- Geographical Risk - a customer being located in a high risk jurisdiction. A high risk jurisdiction includes those on the FATF Black List and the FATF Grey list, both of which can be accessed online by the MLRO
- A customer behaving in a secretive manner, refusing to speak to staff or concealing funds
- Customers appearing to have a sudden change in financial circumstances without a reasonable explanation

- Customers playing with a large volume of coins, or attempting to exchange a large volume of coin for notes
- Attempting to cash out another customer's ticket
- Machine play which indicates a possible involvement in POC or ML include:
 - Trying to use cash to load credit and asking for cheque or debit card payment
 - Asking or attempting to use one debit card to load credit and then using another to collect winnings
 - Requesting receipts/copies of their tickets from their pay outs.
 - Loading credit and trying to cash the ticket after little or no play.

These behaviours may be identified by any employee, and are most likely to be recognised by staff working in the Adult Gaming Centres. Full training is carried out on induction and at 6 monthly refreshers. All staff are therefore fully equipped with the skills they need to identify any suspicious behaviour.

Staff are encouraged to ask themselves the following questions to help them understand the nature of the situation. In some circumstances these may be more appropriate for EDD conducted by management (Please see below) however it is useful for staff to be alive to them as ML issues:

- Is the customer employed?
- Are they seeking to play gaming machines with large sums of money?
- Is the customer gambling significant amounts of money and has a lavish lifestyle with no visible means of legitimate support?
- Is the customer located in a high risk jurisdiction, or are there any other geographical risks
- Is the family wealthy?
- Are they known to have criminal connections?
- Have they been in prison, if so, did their lifestyle continue as before, after being released?
- Is there any local knowledge (newspaper articles, gossip, etc.) that may indicate their involvement in criminal activities?
- Is there any background knowledge about the customer that would give concern?
- Who do they talk to in the arcade?

In the event the member of staff has any concerns as a result they must report the customer to the Nominated Officer (Max Davitt) and continue to monitor the customer, being careful not to commit the offence of 'tipping off'. This monitoring must including making notes in the customer observation log.

The Nominated officer (Max Davitt) must then assess the situation and make a decision as to whether a SAR should be submitted, the business relationship with that customer should be terminated, conduct Enhanced Due Diligence, conduct Basic Due Diligence or to continue monitoring.

8 CUSTOMER MONITORING

312 Investments Limited will record any concerns they have with its customers by using the data provided for its own internal records. The customer interaction section of the Responsible Gambling Compliance Pack contains more information on this.

9 SYSTEM CONTROLS

General system controls exist to mitigate the risk of our products and business being used from a POC or ML perspective, and create an environment in which suspicious activity may be effectively detected.

Cash Handling

Location specific operating policies and procedures will be put in place with regards to accounting practices and record keeping, in particular in respect of the following:

- Monetary stakes
- Token transactions
- Customer refunds (due to machine malfunctions)
- Money removed from machines
- Ticket in ticket out functions

This is not an exhaustive list and the risks of each location will be analysed.

10 PROACTIVE ANALYSIS

The Compliance Team are aware and complete pro-active analysis of the data recorded to complete the necessary checks for the purposes of POC and ML.

11 SUSPICIOUS ACTIVITY REPORTS (SARs)

POCA requires SARs to be raised to the NCA in the event of knowledge or suspicion of the use of the proceeds of crime.

A SAR will be raised with the NCA by the MLRO or appropriate deputy as soon as is reasonably practicable where suspicion is held that the customer is engaged in money laundering.

12 SAR MONITORING AND TERMINATION OF CUSTOMER RELATIONSHIPS

If the level of concern leading to the SAR is maintained in future transactions or has increased thereafter, then further SARs will be considered.

312 Investments Limited understands that SAR reporting and the defence of making a disclosure under section 338 of POCA is not intended to be used repeatedly in respect of the same customer.

Wherever knowledge or suspicion exists, the Head of Compliance will make an assessment with regards to the continuation of the customer relationship. This decision is made with awareness of the potential offences under POCA if transactions are allowed to continue where knowledge or suspicion exists.

In accordance with Gambling Commission guidance, advice may be sought from the NCA around the most effective approach in respect of terminating a customer relationship.

Where a relationship is terminated, steps will be taken to uphold this as effectively as possible.

13 PREJUDICING AN INVESTIGATION (“Tipping Off”)

Staff are trained that subsequent to a report to the Compliance Team, or a SAR being raised with the NCA, it is a criminal offence under section 342 of POCA to release information about the knowledge of the existence of an investigation that may prejudice that investigation.

The Compliance Team will work particularly closely with customer facing staff to ensure that investigations are not disclosed when a payment is being held pending consent, or during the process of ceasing the relationship with a customer.

14 ADVERSE INFORMATION & POLICE INVOLVEMENT

14.1 Previous Convictions or Previous Police Involvement

Where information is obtained which indicates previous Police interest or convictions for a financial crime or related offence, a file will be updated and steps may be taken to gather customer information from the stages above. Where concerns remain, the customer may be requested to provide proof of identity and source of funds.

14.2 Current Police Investigation

All Police requests for information are logged and a file is created in respect of customers subject to the enquiry (where a file does not already exist), and information provided.

If Police request information in respect of a financial crime enquiry, contact will be made to understand the current status of the investigation.

Provided that the following criteria are met, and there is no overriding knowledge of laundering activity, 312 Investments Limited will support and formally cooperate with the Police if there is an explicit request to continue business to preserve the case and evidence.

- The Police must submit a Data Protection Act request for information;
- A formal timeframe for engagement must be established with Police;
- Assurances must be provided by Police that there is a formal investigation, and that the case will be subject to regular review dates. RIPA authority (to provide Police with investigatory and surveillance powers) must be obtained within the first 28 days of engagement;

A Disclosure will be made to the Gambling Commission to advise.

Suspicious Activity Reports will be considered by 312 Investments Limited at the point of Police engagement and at each subsequent Police review date.

This cooperative approach seeks to help to ensure that crime is kept out of gambling in the longer term.

15 INTERNAL RISKS

The internal risks of an AGC premises include, but are not limited to, the following:

Money lending

312 Investments Limited recognises the risks presented by customers who may seek to transfer money to other customers or third parties or receive funds from other customers or third parties. In order to mitigate this risk, identified transfers between customers and third parties must be assessed by the Management team who must satisfy themselves that systematic, organised or commercial money lending is not taking place. Staff will be trained on identifying factors to look out for.

Collusion

Collusion can be the agreement between people to act together secretly or illegally in order to deceive or cheat someone. 312 Investments Limited are aware of the risks collusion present to both the premises and in the context of money laundering and proceeds of crime. All staff are trained to be aware of the signs of collusion and to report such signs to management immediately.

Fraud

Machine fraud is an ever present threat and all staff must be aware of the ways in which fraud can take place and what to do in the event they spot a customer defrauding a machine.

Management will ensure the venue floor is never left unattended and that customers who are not known, or with whom the staff are not familiar with, are given due consideration. Management will ensure photos of known fraudsters are available to all members of staff. Staff must take special care to be aware of situations where large amounts of credit are being played with, machines are regularly going empty, suspicious activity such as large numbers of customers entering a venue trying to distract employees takes place and customers covering parts of machines.

In the event a machine is defrauded, floor staff must inform a manager immediately. Employees must take care not to endanger themselves when dealing with a fraudster.

16 CUSTOMER DUE DILIGENCE AND ENHANCED DUE DILIGENCE

Staff must approach customers on a risk based approach. This may differ between Adult Gaming Centres and will be informed by the Money Laundering Risk Assessment, which is required under LCCP 12.1.1, and the Local Area Risk Assessment.

The customer due diligence includes:

- Name, verified with ID such as a driving licence or passport
- Address, verified with ID as above or a utility bill no older than 3 months

ENHANCED DUE DILIGENCE

Staff must approach customers on a risk based approach. This may differ between Adult Gaming Centres and will be informed by the Money Laundering Risk Assessment which is required under LCCP 12.1.1.

A customer may require enhanced due diligence if the Nominated Officer deems it appropriate in the circumstances, or if a member of staff, having consulted with senior management, deems it appropriate in the circumstances.

Enhanced due diligence can only be carried out by the Area Manager or above. The EDD process will always be supervised either by the CEO or the COO as well as the MLRO.

Enhanced Due Diligence may be carried out on any individuals based in or with strong connections to a high risk jurisdiction.

Enhanced Due Diligence is likely to vary between customers but should normally include:

- A secondary piece of ID
- Source of Wealth and documentary evidence of the same
- A recent Bank Statement
- Background checks using open sources

All EDD must be recorded.

Staff must ensure they also consider the behaviour of established customers when deciding when enhanced due diligence may be appropriate.

In the event there is increasing level of suspicion of money laundering, or even actual knowledge of money laundering, the MLRO must be alerted immediately and a decision made on a case by case basis whether to terminate the customer and/or submit a SAR. All staff are aware of the offence of tipping off.

RECORDING

All customer due diligence and enhanced due diligence interactions must be recorded.

Further, these interactions must be monitored and reviewed monthly in order to ensure that any patterns emerging are noticed and dealt with if appropriate. This review must be conducted by senior management.

Should the customer refuse to provide the requested documents the business relationship with the customer will be terminated and the customer banned.

17 TRAINING AND SCREENING

312 Investments Limited are committed to ensuring that all key staff understand their responsibilities in respect of POCA and this policy, including internal risks, and in particular the triggers to be alert to and the requirement to report concerns, knowledge, or suspicion to the Compliance Team immediately.

Staff are trained as follows:

All employees of 312 Investments Limited are required to undertake and complete AML training and understand our policy and reporting processes.

Head Office

Key customer facing head office staff, including the compliance team, are required to understand and adhere to the Company's POCA & AML policy.

Training refreshers will be held every 12 months and new starters are trained upon induction.

Ad hoc training sessions may be provided to react to developing risks in particular areas.

18 MONITORING THE POLICY

To ensure that the policy continues to be fit for purpose:

312 Investments Limited are committed to carrying out an ongoing risk assessment of its POC & ML regime, tailoring this policy and training around new products and newly identified risks as appropriate.

In the course of day to day activities and in reaction to any POC or ML cases, 312 Investments Limited will continue to seek best practices and new techniques to improve the processes and procedures in place.

This policy is subject to review following any new guidance published by the Gambling Commission.

Document Reviewed By	Date of Review

312 INVESTMENTS LIMITED STAFF TRAINING POLICY

1. INTRODUCTION

312 Investments Limited is committed to high levels of compliance and to providing its customers with a safe and enjoyable experience. It recognises that the members of staff who are in the premises and interacting with customers are crucial in making this happen.

2. INDUCTION

All members of staff employed by 312 Investments will receive training before they begin work. This training will be:

- Introduction to 312 Investments
- Safer Gambling, Compliance and the LCCP
- Underage Gambling
- Basic Machine Management
- Bullying and Harassment
- Conflict Management
- Venue Management Basics
- Venue Conditions (for each venue)
- Anti- Money Laundering

3. ONGOING TRAINING

All members of staff will receive refresher training every 12 months.

If there are any changes or updates to any key area, for example a change to the LCCP, then staff will receive specific training on this area.

If it is identified that there is any area, or an individual, which requires further training, this will be organised at the earliest possible time.

4. TRAINING COURSE

312 Investments Limited will implement an in person training course.

This includes all of the areas listed above. Each area has a course with a test at the end, the test consists of several questions.

No aspect of the course can be skipped and staff must complete all sections of the course before they attempt the test.

If an employee passes the test they will be issued with a certificate which lasts for 12 months. After 12 months they will have to redo the training and retake the test. They will receive a reminder at 12 months.

If an employee fails the test, they will have to retake the test. They only have 3 chances to pass the tests. An employee who fails the test on the third attempt will have their employment contract terminated.

Senior management receives reports on who has completed the training and whether there have been any fails recorded.

5. EMPLOYMENT DETAILS

If a member of staff leaves the company, for whatever reason, their records, including those captured on the training system, will be retained for xx before being confidentially destroyed.

Date Reviewed	Reviewed by