



OVERVIEW - GLOBAL OPERATIONS

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GLOBAL OPERATIONS



- Investment in technology, systems and people enables us to provide the safest possible regulated gaming environment
- Every hand, every game is recorded in full detail and has been since the inception of the company. These records can be scrutinized by investigators, when any potential suspicions arise
- Database records can be queried to analyse customer behaviour, thus providing the scope to identify outlying and thus potentially suspicious behaviour
- Integrity and fraud risk systems have been fine tuned over many years
- **900** people covering a **24/7/365** operation – **600** of these provide customer support; **300** of them are looking to **prevent** customers from playing outside the scope of policy and regulations





SECURITY SERVICES

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SECURITY SERVICES OVERVIEW



- **240** staff, offering **24/7/365** coverage from **7** global offices
- Security Services are tasked with both enforcing a safe regulatory environment and preventing customers from defrauding the company
- Main tasks include:
 - Establishing customer age and identity (Know Your Customer/Customer Due Diligence)
 - Ascertaining customer geo-location while gaming
 - Preventing and detecting money laundering attempts
 - Screening transactions (deposits, transfers, withdrawals)
 - Screening for potential multiple and duplicate accounts
 - Ensuring customer account login security
 - Ensuring regulatory compliance



KEY FACTS & FIGURES



- We capture full biographical information, electronically referencing it against government databases and third party databases such as Aristotle, to verify customer age and identity. **+750K checks completed globally annually**
- All players are screened at Real Money stage and daily thereafter against PEP and recognised sanctions lists (OFAC, HMT, EU, UN etc.)
- Certain licenses require us to capture “National Numbers” (e.g. SSN in New Jersey)
- We often require full KYC from players (ID and proof of address); KYC is requested based upon financial risk and regulatory requirements. **Almost 1 Million docs annually**
- All transactions are screened in real time automatically, 24hrs a day. Deposit Fraud Alerts are picked up by agents within **120 seconds of creation** and every flagged transaction (Deposit/Transfer/Withdrawal) is reviewed by a trained investigator
- Account security, whilst a players responsibility, has multiple layers of protection. Unauthorised access of player accounts affect **less than 1%** of overall player-base and most are account holders culpability
- **Over 2,000,000 Fraud Alerts created annually**



SECURITY – LEGAL OVERVIEW



- Account password hacking – very good level of evidence because the hacking pattern is shown in the technical history of the suspects
- Money laundering – good level of technical evidence provided by behavioural patterns, gameplay patterns and statistical outliers
- Appeals – legal escalations are quite rare, especially given the relative level of account closures and confiscation amounts.
- Third party tools – are separately vetted and individually licensed according to jurisdictional regulations.



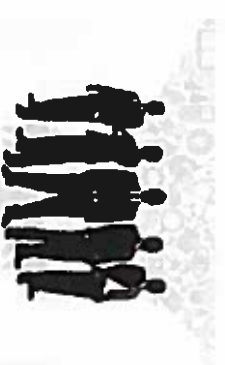


GAME INTEGRITY

GAME INTEGRITY OVERVIEW



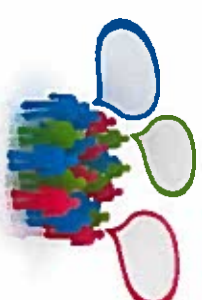
- **67 staff**, offering **24/7** coverage
- Proprietary automated detection systems augmented by manual reviews are responsible for the success rates of preventive and proactive work
- Largely concerned with “customers defrauding other customers”
- Department has 3 main responsibilities:
 - Collusion investigation and escalated game-play fraud reviews
 - Prohibited software and “Bot” Detection
 - Signature Tournament Review & Account sharing Detection



KEY FACTS & FIGURES



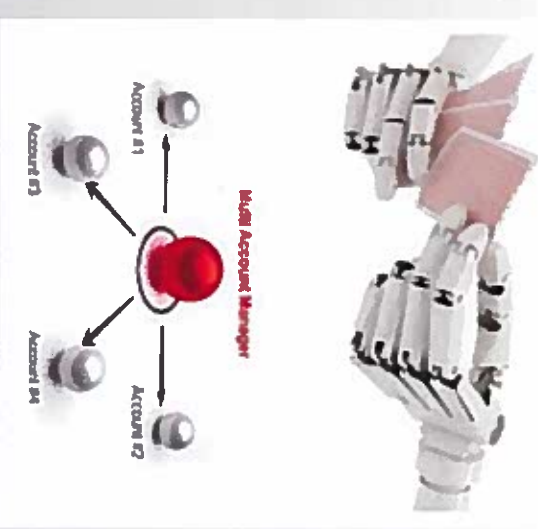
- Collision and bots are Identified both proactively by systems and reactively. Every customer report is investigated in full
- Internal systems use a 'suspicious hand detection algorithm' in order to highlight potential suspicious play and chip dumping
- Average number of customer collusion reports is **7.5 per day**
- Average number of customer bot reports is 4 per day
- **90% of all colluders** and **86% of bots** found are detected proactively by PokerStars systems
- **Over 28,000 reviews** of irregularities carried out YTD
- Major tournament winners are reviewed for any irregularity (such as account sharing, account handover)



KEY FACTS & FIGURES



- Collusion – very good level of evidence because the cheating pattern is shown in the documented playing history of the suspects
- Bots – good level of technical evidence provided by 'Turing tests' and statistical outliers
- Account sharing – more difficult to conclusively prove, due to inability for us to really know who made the playing decisions, but we have proven success in this area
- Appeals – legal escalations are quite rare, given the relative level of account closures and confiscation amounts.





Thank you for your attention

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