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Historic AML Prosecution, Previously Led by Shareholder Daniel Silva: Wynn Las Vegas Agrees to \$130M Penalty in Largest-Ever Casino Forfeiture to DOJ

By: [Daniel Silva](#) and [David Wilson](#)

On September 6, 2024, Wynn Las Vegas (“Wynn LV”) agreed to forfeit over \$130 million to resolve a criminal investigation into the gaming giant’s suspected violated federal anti-money laundering (“AML”) laws. Daniel Silva, a Buchalter Shareholder and former federal prosecutor, led the investigation from its inception in 2014 while working at the U.S. Attorney’s Office for the Southern District of California. The settlement is the largest-ever criminal forfeiture by a casino. Wynn LV’s agreement to a deferred prosecution was part of a wider crackdown on fifteen other defendants who were ordered to forfeit \$7.5 million across several years.

As reported by the U.S. Attorney’s Office, Wynn LV violated the Bank Secrecy Act—the laws, regulations, and policies the form America’s AML legal regime—when it solicited certain gamblers. For example, the company admitted to contracting with third-parties operating unlicensed “money transmitting businesses,” who loaned money to Wynn LV patrons to finance gambling and gaming debts. This arrangement allowed international gamblers to evade both foreign and U.S. financial transaction laws and regulations, in addition to the AML violations.

There was more. Wynn LV acknowledged that it turned a blind eye to unlawful gambling schemes, including one referred to as the “human head”—where a gambler with a checkered past would stand next to and direct a proxy gambler. All this took place in Wynn LV’s casinos in the United States.

Wynn LV also encouraged the surreptitious transfer of funds by patrons whose activity should have triggered the filing of Suspicious Activity Reports, a requirement for financial institutions in the United States, including casinos. These oversights allowed certain patrons—such as an individual who had previously served six years in prison in China for conducting unauthorized monetary transactions—to circumvent Bank Secrecy Act and law enforcement scrutiny.

Following the agreement, IRS-Criminal Investigation noted that Bank Secrecy Act obligations that require reporting of financial transactions “are in place to detect and stop illegal activities. Deliberately avoiding Bank Secrecy Act requirements is a form of money laundering.”

The Wynn LV investigation is a great reminder that financial institutions, such as banks, casinos, and money services businesses, have strict compliance obligations. Criminal actors constantly seek to exploit gaps in the compliance programs of all companies, with a particular interest in financial institutions. Their conduct is limited only by their ingenuity. Similarly, the Wynn LV investigation shows that U.S. law



enforcement is prepared to bring a similar amount of creativity in prosecuting the most complex financial crimes.

Many businesses engage in complex, international funds flows. It is critical to understand how these transactions may implicate the Bank Secrecy Act, as AML violations carry significant financial penalties, jail time, reputational damage, regulatory scrutiny, and lost business opportunities. If you have any questions, Buchalter's white-collar attorneys have the experience to provide the necessary insights to advise on the most complex issues and develop a robust defense.



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