

**COMMISSION OF INQUIRY INTO MONEY LAUNDERING IN BRITISH COLUMBIA
The Honourable Mr. Austin F. Cullen, Commissioner**

AFFIDAVIT OF DIANA BENNETT

I, DIANA BENNETT, of the City of Las Vegas, in the State of Nevada in the United States of America, MAKE OATH AND SAY:

1. I am the Chair of the Board of Paragon Gaming, Inc. (“**Paragon**”) having held this position since 2016. Prior thereto, I was the Chief Executive Officer of Paragon, and occupied that position continuously from 2001. In my capacities as aforesaid, I have personal knowledge of the facts hereinafter deposed. Where I make statements of fact in this affidavit that are not within my personal knowledge, I have stated the source of my information and belief that such statements are true.
2. Annexed hereto and marked as **Exhibit “1”** to my affidavit is a copy of my business resume.
3. Paragon has held gaming licenses in the United States (“**U.S.**”) since 2003 and has owned and/or operated numerous casinos in the years since. Currently, Paragon owns and/or operates the Hard Rock Hotel & Casino Lake Tahoe in Stateline, Nevada and the Oyo Hotel and Casino in Las Vegas. Paragon has never been sanctioned and remains in good standing with the AML and gaming regulators in the U.S.

4. In September 2006, Paragon acquired the Edgewater Casino in Vancouver through a Canadian subsidiary and operated it as the service provider pursuant to the Casino Operating Services Agreement (“**COSA**”) with British Columbia Lottery Corporation (“**BCLC**”) until September 29, 2017 when Parq Casino opened. At that time, the COSA was transferred to Parq Casino and the Edgewater Casino closed. Paragon was not involved in the day-to-day management of Parq Casino due to management restructuring by the majority owner of the company that controlled by Parq Casino. On January 31, 2019, Paragon sold its interest in Parq Casino and since then Paragon has not carried on a gaming business in Canada.

5. In addition to its operations at the Edgewater Casino, Paragon managed the River Cree Casino in Alberta for several years. During its management of the River Cree Casino, audits of Paragon’s AML program were conducted by the Financial Transactions and Reports Analysis Centre of Canada (“**FINTRAC**”) and such audits did not find any material departures.

6. In Canadian casinos, the final determination on whether to file Suspicious Transaction Reports with FINTRAC and whether the gambling privileges of patrons should be restricted lies with the entity that “conducts and manages” the casino operations, which in British Columbia (“**BC**”) is the BCLC pursuant to the provisions of the *Proceeds of Crime, Money Laundering and Terrorist Financing Act, Canadian Criminal Code* and *BC Gaming Control Act and Regulations*.

7. All day-to-day records of the Edgewater Casino were transferred to Parq Casino when the Edgewater Casino closed. However, Paragon does have copies of several reports of the periodic and regular compliance audits conducted by the BCLC and provided to the Edgewater Casino. Annexed hereto and marked as **Exhibit “2”** to my affidavit are copies of the audit reports. These audit reports are styled as “*AML Compliance*”, “*Patron Gaming Funds Reports*” or “*LCTR &*

Cheque Issuance Audit” covering the period from October 2011 to March 2017 with a few gaps during this period. The stated objectives of the audits are “..... to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operations are identified and resolved”.

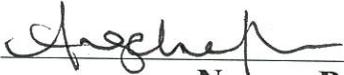
8. The audit reports reflect that the scope of the review undertaken by the BCLC Gaming Compliance Officer included “identifying security and integrity issues” and “all or parts of relevant sections of BCLC policy detailed in the audit reports”. As well, the reports reflected that the scope involved “information collected through the review of relevant documents or logs, Casino Reporting System, surveillance and security system, financial documents and /or visual inspections. Interviews of gaming employees were also completed to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment”.

9. Annexed hereto and marked as **Exhibit “3”** to my affidavit are Audit Reports of BC Gaming Policy and Enforcement Branch (“**GPEB**”) which are the only copies in the possession and/or control of Paragon. They cover the periods from July 10, 2010 to July 21, 2011, July 22, 2011 to June 1, 2012, November 2, 2013 to July 18, 2014, July 19, 2014 to May 22, 2015 and May 23, 2015 to December 15, 2016. The Reports reflected that GPEB conducted audits of the Edgewater Casino to verify compliance with the *Gaming Control Act* and all applicable standards, policies and directives including GPEB standards, policies and directives, BC Casino Standards, Policies and Procedures (“**CSPP**”) and that best practices are followed in the absence of policy. The areas reviewed were Cash Cage including compliance with FINTRAC, Regulatory, Security, Slot Machines, Surveillance and Table Games.

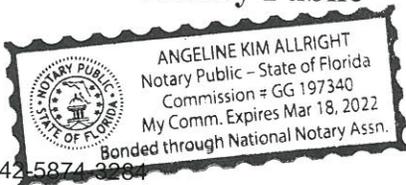
10. Annexed hereto and marked as **Exhibit "4"** to my affidavit are abstracts of section 3-8.1 "Cage - Large Cash Transactions" of the CSPP that were applicable to the Edgewater Casino during the periods of time referred to therein.

11. Annexed hereto and marked as **Exhibit "5"** to my affidavit is a copy of an AML Position Paper prepared on behalf of Paragon by Dennis Amerine, the Chair of the Audit and Compliance Committee of Paragon and presented to Dr. Peter German Q.C. in December 2017. The Paper provides Paragon's perspective as a service provider on the then current state of AML practices in British Columbia, outlines the AML background in British Columbia and makes recommended policy changes.

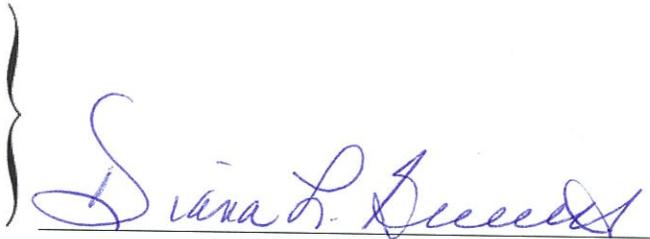
State of ~~Nevada~~ Florida
County of Broward
Signed and sworn before me on
~~September~~, 2021 August 31, 2021



Notary Public



#4842-5874-3284



Diana Bennett

COMMISSION OF INQUIRY INTO MONEY
LAUNDERING IN BRITISH COLUMBIA
The Honourable Mr. Austin F. Cullen, Commissioner

PROCEEDING COMMENCED AT
VANCOUVER, B.C.

AFFIDAVIT OF DIANA BENNETT

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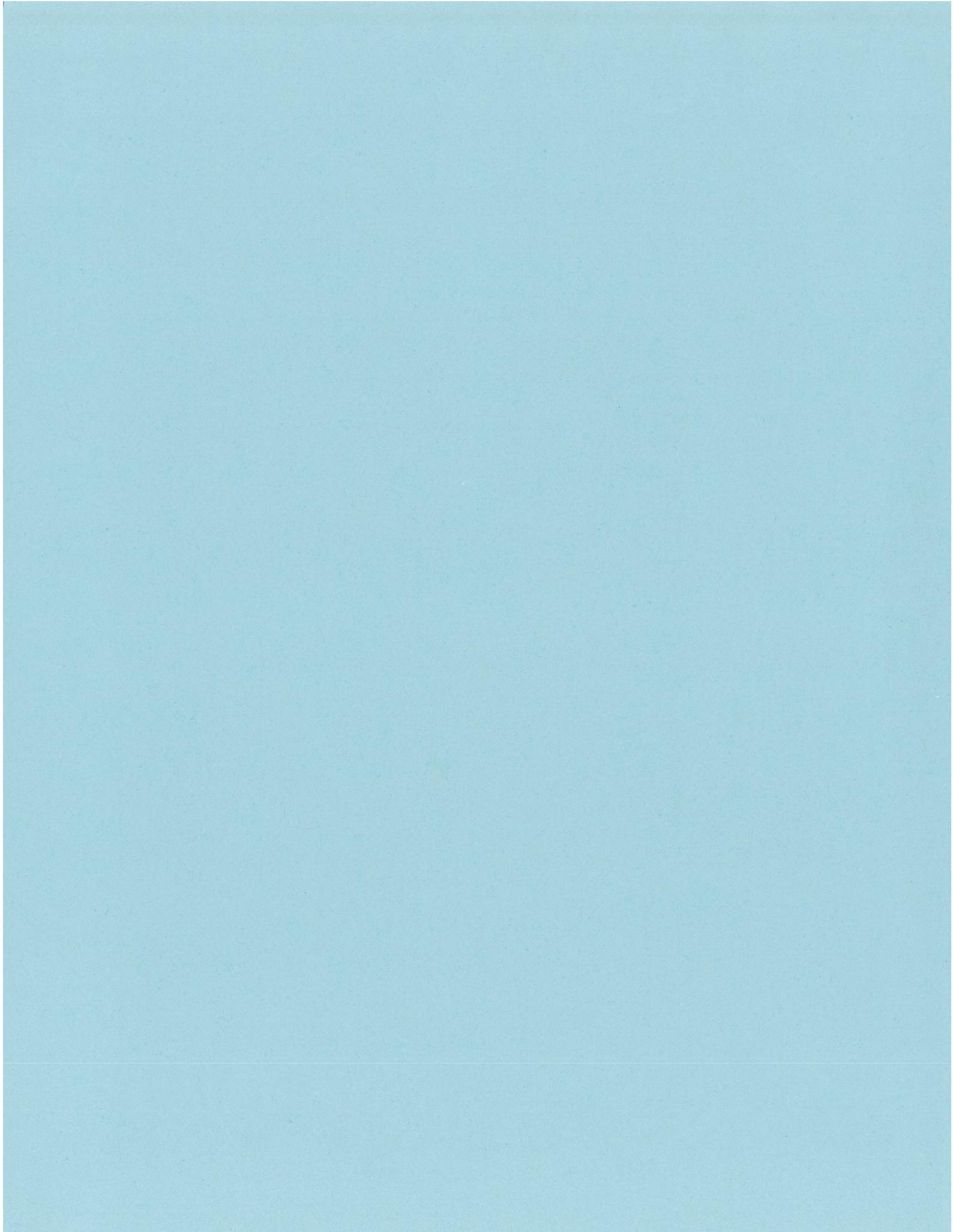
KEVIN J. WEBER (42369R)

Email: [REDACTED]
Tel: [REDACTED]

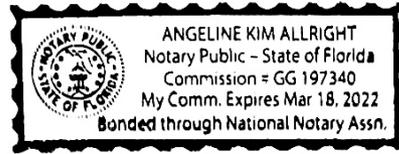
TED A. KALNINS (50619C)

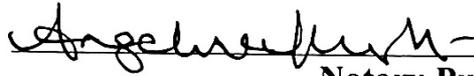
Email: [REDACTED]
Tel: [REDACTED]

Lawyers for Paragon Gaming, Inc.



This is Exhibit 1 referred to in the Affidavit of Diana Bennett sworn
~~September~~, 2021 August 31 2021





Notary Public



Diana Bennett
Chairman of the Board & Co-Founder

A second-generation casino operator, renowned philanthropist, and one of the most effective and respected executives in the gaming industry, Diana Bennett serves as Chairman of the Board and is the co-founder of Paragon Gaming, a developer and operator of gaming-based properties. Under the leadership of Ms. Bennett and co-founder, the late Scott Menke, Paragon has grown its reputation and footprint with the successful management of properties in North America.

A native of Phoenix, Arizona who grew up in northern and southern Nevada, Ms. Bennett attended college at Arizona State University before beginning her hospitality career in Las Vegas, where she rose quickly from an entry-level to a management position at Flamingo Las Vegas. Ms. Bennett later joined her father, industry icon William Bennett, at Circus Circus Las Vegas, and, as an executive of Circus Circus Enterprises' leadership team, she led the development and operation of several landmark gaming properties, including Luxor Las Vegas and Excalibur Hotel and Casino. She also led the merger of the executive staffs of the Edgewater Hotel-Casino in Laughlin, Nevada, and the Colorado Belle Hotel-Casino; and directed the purchase, takeover, and integration of new management into one of the timeless icons of the Las Vegas Strip, the Sahara Hotel and Casino, acquired by the Bennett family's Gordon Gaming division in 1995.

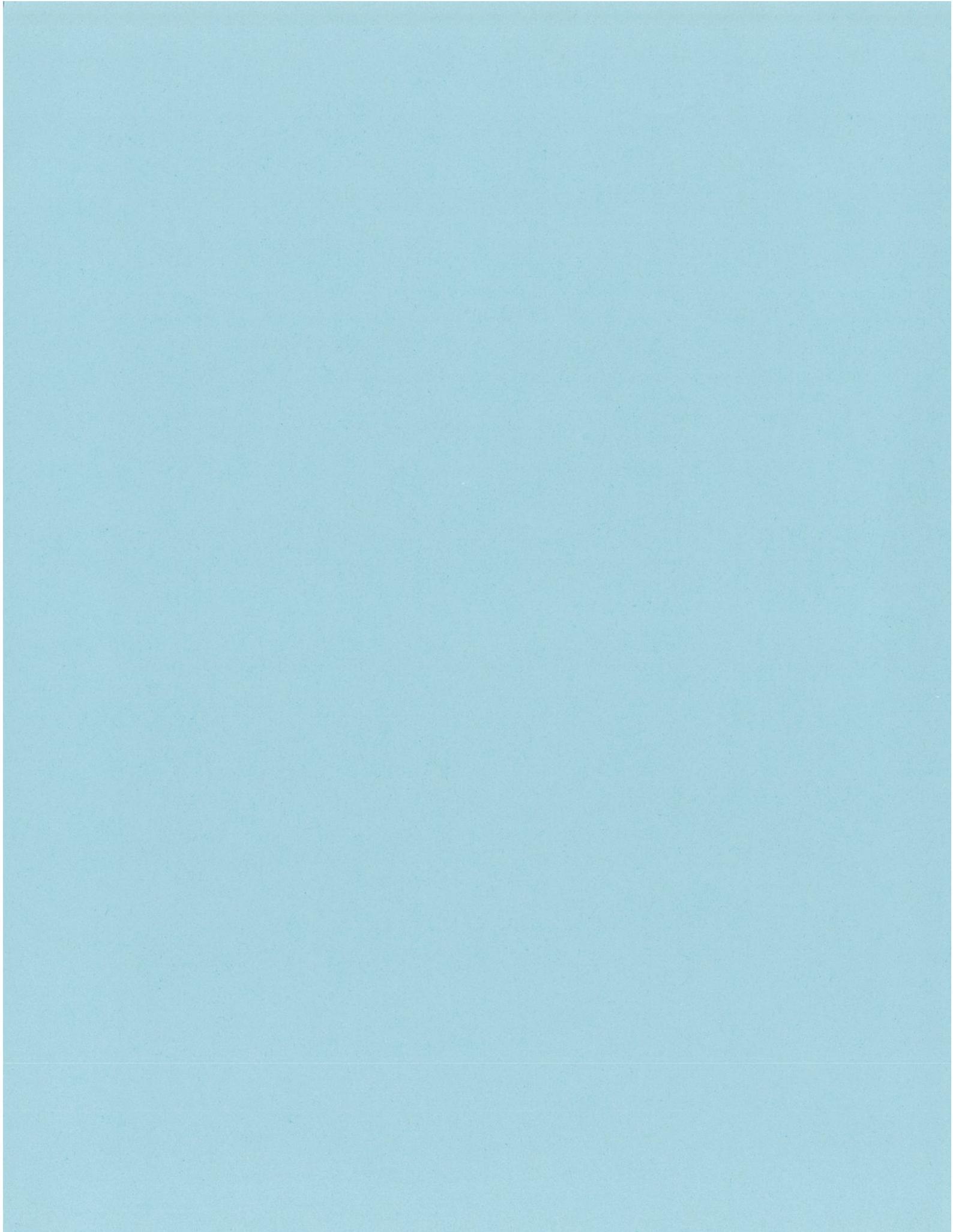
Throughout her career Ms. Bennett has been responsible for management of multiple casino operations and has been licensed in multiple jurisdictions. Recognized as an expert in establishing gaming systems, she served as President and Chief Operating Office of Casino Data Systems (CDS), where she planned, grew and managed one of the major gaming manufacturers in North America.

Following the formation of Paragon Gaming in 2000 and the acquisition of multiple properties in the United States and Canada, Ms. Bennett spearheaded development of the River Cree Resort and Casino in Edmonton, Alberta, and led revitalization efforts at Las Vegas' Riviera Hotel. The successful turnaround at the legacy resort can be credited to Ms. Bennett's philosophy of the "circle of service," which empowers employees to address issues of concern without the burden of bureaucracy, forming a personal

connection with the customer and ensuring a positive experience at every level of the organization. Under Ms. Bennett's stewardship, Paragon expanded further, assuming operations at Westgate Las Vegas and the Hooters Casino-Hotel, acquiring the Hard Rock Hotel and Casino Lake Tahoe, and co-developing Parq Vancouver in the heart of that city's thriving entertainment district.

As President of the Bennett Family Foundation, Ms. Bennett has become one of Southern Nevada's most recognized philanthropists, inspiring employees and leading charitable efforts from Paragon's gaming properties and the Foundation to support youth and women's organizations, educational and health initiatives, and the arts; including Three Square Food Bank, Noah's Animal House at the Shade Tree Women's Shelter, Communities in Schools of Nevada, Child Focus, and The Children's Heart Foundation. She is the Chair of the UNLV Foundation Board of Trustees and has a fellowship in her name at the University, and is a member of the Board of Noah's Animal House.

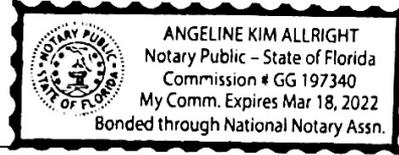
Ms. Bennett has also served as chair of the National Children's Miracle Network Telethon for the University Medical Center Foundation, has served on the board of the I Have a Dream Foundation, and was a founding board member of The Smith Center for the Performing Arts. Ms. Bennett has also been recognized as one of the Outstanding Women of Nevada since 1994, and in 2007 was named as one of the Top Ten Great Women of Gaming in the United States. In 2011, Ms. Bennett received the industry's highest honor with her induction into the American Gaming Association Hall of Fame. In 2018 she was honored by Ellis Island with their medal of honor.



This is Exhibit 2 referred to in the Affidavit of Diana Bennett sworn
~~September~~, 2021 August 31, 2021



Notary Public



NOTE: Exhibit 2 consists of 35 documents from Oct 2011 to March 2017

Edgewater

LCTR & Cheque Issuance Audit

January 21, 2011

Distribution:

Lynn HOLT, Edgewater Casino, General Manager

Timothy STORMS, Acting Director, Commercial Gaming Audit-GPEB

Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations

Brandi OSBOURNE, Edgewater Casino, Cage Manager

Ros SMITH, Edgewater Casino, Surveillance Manager

Brett LAWRENCE, BCLC Casino Site Operations Manager

Bal BAMRA, BCLC Regional Manager

Cathy ANASTASIO - BCLC Compliance & Trend Analyst

Tom PLANTE - BCLC Casino Security Investigator

Kevin SWEENEY, BCLC Operational Gaming Audit, Manager

January 26, 2012

GRINAM, Robert

BCLC Operational Gaming Auditor

Objectives

The purpose of this audit is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this audit encompasses the time period from October 21, 2011 to January 21, 2011.

During the course of this audit, in addition to identifying security and integrity issues, the Auditor reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 1-4.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.3 Service Providers Cheques	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	
BCLC Casino Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Compliant	

Outstanding Findings

There are no outstanding findings to report at this time.

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Conclusion

This audit found no variances.

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Edgewater

LCTR & Cheque Issuance Audit

April 15, 2011

Distribution:

Barry PRITCHARD, Edgewater Casino, General Manager
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
Brandi OSBOURNE, Edgewater Casino, Cage Manager
Ros SMITH, Edgewater Casino, Surveillance Manager
Brett LAWRENCE, BCLC Casino Site Operations Manager
Bal BAMRA, BCLC Regional Manager
Cathy ANASTASIO - BCLC Compliance & Trend Analyst
Tom PLANTE - BCLC Casino Security Investigator
Kevin SWEENEY, BCLC Operational Gaming Audit, Manager
David PYATT, Director Commercial Gaming Audit, GPEB

April 18, 2011

GRINAM, Robert

BCLC Operational Gaming Auditor



Objectives

The purpose of this audit is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this audit encompasses the time period from January 21, 2011 to April 15, 2011.

During the course of this audit, in addition to identifying security and integrity issues, the Auditor reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 1-4.1 General Customer Service Standards and Expectations	Partially Compliant	
Issue: Corrections made on Slot request slips were not initialled and required staff information for verified wins were sometimes omitted from the special notes section on LCTR records.		Follow up Required
Action: This was reviewed with the Director of Slots and the Table Games Manager, who will address this with their staff; the auditor will follow up.		
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Partially Compliant	
Issue: There are some differences between the LCT paper copy and iTRAK files. LCT 20110009303; Paper copy has " New west" iTRAK has "Burnaby" LCT20110010171; Address typo Apt 201 should be 212. LCT 20110007480; ID on paper copy appears to belong to a different customer (SID 3956) LCT20110010297; Customer's Company name not in iTRAK, ok on paper copy.		Resolved
Action: The LCTs were corrected by the Assistant Surveillance Manager.		
Issue: A LCTR was created for the wrong customer (LCT 20110009303) The LCTR was created for the third party customer and not the owner of the chips.		Resolved
Action: This was reviewed with the various departments; The auditor noted that other "third party" reports were completed correctly. This issue will be closed as no further action was taken.		

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Policy	Finding	Status
Issue: Various copies of Customer's First LCT were not filled in completely. LCT20110005479; First LCT...Needs a copy of the ID attached. LCT20110007022 ID information not on paper copy. LCT20110009870 First LCT...Paper copy does not have the customer's Date of Birth. LCT20110006558 First LCT...Occupation not on paper copy		
Action: The LCTs were corrected by the Assistant Surveillance Manager.		
BCLC Casino Standards, Policies and Procedures: Section 3-9.3 Service Providers Cheques	Partially Compliant	
Issue: Slot Cheque # 2412 was documented in CMS under the wrong account(C-Stud)		Resolved
Action: The CMS entry was corrected by the Cage Manager.		
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

The variances were addressed by the Director of Slots and the Table Games Manager and will be followed up by the auditor.

Edgewater

LCTR & Cheque Issuance Audit

July 30, 2011

Distribution:

Barry PRITCHARD, Edgewater Casino, General Manager
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
Brandi OSBOURNE, Edgewater Casino, Cage Manager
Ros SMITH, Edgewater Casino, Surveillance Manager
Brett LAWRENCE, BCLC Casino Site Operations Manager
Bal BAMRA, BCLC Regional Manager
Cathy ANASTASIO - BCLC Compliance & Trend Analyst
Tom PLANTE - BCLC Casino Security Investigator
Kevin SWEENEY, BCLC Operational Gaming Audit, Manager
David PYATT, Director Commercial Gaming Audit, GPEB

August 17, 2011

GRINAM, Robert

BCLC Operational Gaming Auditor



Objectives

The purpose of this audit is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this audit encompasses the time period from May 01, 2011 to July 30, 2011.

During the course of this audit, in addition to identifying security and integrity issues, the Auditor reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 1-4.1 General Customer Service Standards and Expectations	Partially Compliant	
Issue: Electronic copy of LCT20110018493 does not clearly state why cheque #2551 for \$27,300.00 from EZB is a verified win, and attestation notes not complete. The iTRAK copy shows no buy ins and no explanation in notes. The auditor noted that there was an explanation on the copy of the cheque.		Resolved
Action: This was reviewed with the Cage Manager and the Table Games Manager who will address this issue and the auditor will follow up.		
Update: August 17, 2011 The site is now aware that all transaction on the paper copy should be on the hard copy. The BCLC investigator has added a note in iTRAK to explain the buy in.		
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Partially Compliant	
Issue: There were some LCTR records which did not have all the required transactions listed. 20110015874 - Buy in amounts not stated on LCT and transaction times seem incorrect. 20110014088; 20110014524 - Appears to be first LCT..paper copy need to be filled in completely. 20110014290 and 20110015069, 20110016019, 20110015897, 20110015792 - Pit card		Resolved

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Policy	Finding	Status
buy-in amounts should be listed in the LCT.		
Action: These records were reviewed with the cage manager, the auditor will follow up.		
Update: August 17, 2011 Buy-ins amount under the \$10,000 were not documented on the CRS LCTR. This has now been corrected. LCTR were incorrectly thought to be on file. The site now knows how to correctly identify 'on- file' LCTRs.		
Issue: There were some LCTR records which had iTRAK amounts which did not match the hard copy. 20110015583 - \$9600 buy in @ 9:27 in iTRAK; paper copy has \$3600 @ 9:27 20110015673 - Cash out at 8:37 not shown in iTRAK. 20110014397 - iTRAK copy has \$500.00 buy in, not shown on paper copy.	Resolved	
Action: There were some LCTR records which had iTRAK amounts which did not match the hard copy..		
Update: August 17, 2011 The auditor was informed that the Cage Managers now have more admin shifts; this allows them to enter LCTR on time in CRS.This also allows for more scrutiny of these records to reduce mistakes.		
Issue: The site had some LCTR which were created more than 24 hours after the last transaction date and time. 20110013226 and 20110013233 - Transaction date May 1 created May 03. 20110016694 - Transaction date May 28, itrak created date June 04.	Resolved	
Action: These records were reviewed with the Cage Manager. These issues are being addressed.		
Update: August 17, 2011 The auditor was informed that the Cage Managers now have more admin shifts; this allows them to enter LCTR on time in CRS.This also allows for more scrutiny of these records to reduce mistakes.		
Issue: Some inconsistencies were noted on some LCTR documents. 20110014047 - Special Notes indicate a cheque was issued; cheque info not filled in. iTRAK shows no cheque issued...Cheque log shows cheque issued. 20110016368 - Special notes need position and signature/ itrak has no verified win notes.	Resolved	
Action: This was reviewed with the Cage. This issue has been addressed and the auditor will follow up.		
Update: August 17, 2011 The auditor was informed that the Cage Managers now have more admin shifts; this allows them to enter LCTR on time in CRS.This also allows for more scrutiny of these records to reduce mistakes.		

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Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 3-9.3 Service Providers Cheques	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	

Outstanding Findings

There are no outstanding findings to report at this time.

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Conclusion

The variances found in this audit were reviewed at a meeting with various Edgewater Management staff and the BCLC Investigators. The site has addressed these issues and the auditor will follow up.

These 17 CRS reports listed with variances found are all considered to be BCLC SPP exceptions.

BCLC SPP exception - 17
PCMLTFA exception - 0
Unresolved exception - 0

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Edgewater

LCTR & Cheque Issuance Audit

November 01, 2011

Distribution:

Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations

Brandi OSBOURNE, Edgewater Casino, Cage Manager

Ros SMITH, Edgewater Casino, Surveillance Manager

Brett LAWRENCE, BCLC Casino Site Operations Manager

Bal BAMRA, BCLC Regional Manager

Cathy ANASTASIO - BCLC Compliance & Trend Analyst

Tom PLANTE - BCLC Casino Security Investigator

Kevin SWEENEY, BCLC Operational Gaming Audit, Manager

David PYATT, Director Commercial Gaming Audit, GPEB

November 28, 2011

GRINAM, Robert

BCLC Operational Gaming Auditor

Objectives

The purpose of this audit is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this audit encompasses the time period from August 01, 2011 to November 01, 2011.

During the course of this audit, in addition to identifying security and integrity issues, the Auditor reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 1-4.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.3 Service Providers Cheques	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	
BCLC Casino Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Partially Compliant	
Issue: A review of the AML training found that there are staff members who need to complete the AML training.		Follow up Required
Action: The Variances found in the AML training was sent to the Service Provider H.R. Department, and the BCLC AML coordinator. The additional staff training will be completed and the auditor will be updated.		

Outstanding Findings

There are no outstanding findings to report at this time.

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Conclusion

The Variances found in the AML training were sent to the Service Provider H.R. Department, and the BCLC AML coordinator. The additional staff training will be completed and the auditor will be updated.

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Edgewater

Casino Patron Gaming Funds Review

March 01, 2012

Distribution:

Lynn HOLT, Edgewater Casino, General Manager

Timothy STORMS, Acting Director, Commercial Gaming Audit-GPEB

Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations

Brandi OSBOURNE, Edgewater Casino, Cage Manager

Ros SMITH, Edgewater Casino, Surveillance Manager

Brett LAWRENCE, BCLC Casino Site Operations Manager

Bal BAMRA, BCLC Regional Manager

Tom PLANTE - BCLC Casino Security Investigator

Kevin SWEENEY, BCLC Operational Gaming Audit, Manager

April 05, 2012

GRINAM, Robert

BCLC Operational Gaming Auditor

Objectives

The purpose of this audit is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this audit encompasses the time period from December 01, 2011 to March 01, 2012.

During the course of this audit, in addition to identifying security and integrity issues, the Auditor reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts	Partially Compliant	
Issue: The signature card for account # 547533 could not be located during the audit, on March 07, 2012.		Resolved
Action: The PGF account holder's signature card has been located on March 09, 2012.		
Issue: A declaration of funds form is not completed for re-deposits of funds to PGF accounts.		Resolved
Action: The Service Provider is now completing the required declaration of funds form for re-deposits to PGF accounts.		

Outstanding Findings

There are no outstanding findings to report at this time.

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Conclusion

The Service Provider is now completing the required declaration of funds form, for re-deposit to PGF accounts; and the missing signature card has been located.

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Edgewater

Casino AML Compliance Review

May 17, 2012

Distribution:

Lynn HOLT, Edgewater Casino, General Manager
Timothy STORMS, Acting Director, Commercial Gaming Audit-GPEB
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
Linda BABIC, Edgewater Casino, Cage Manager
Ros SMITH, Edgewater Casino, Surveillance Manager
Bob Brett, BCLC Casino Site Operations Manager
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Cathy ANASTASIO - BCLC Compliance & Trend Analyst
Tom PLANTE - BCLC Casino Security Investigator
Kevin SWEENEY, BCLC Operational Gaming Audit, Manager

June 20, 2012
GRINAM, Robert
BCLC Operational Gaming Auditor



Objectives

The purpose of this audit is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this audit encompasses the time period from February 17, 2012 to May 17, 2012.

During the course of this audit, in addition to identifying security and integrity issues, the Auditor reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 1-4.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.3 Service Providers Cheques	Partially Compliant	
Issue: The Cage Manager informed the GCO that Cheque # 3001 for \$90,500.00 was reported as lost by the customer, and this cheque was replaced with cheque # 3004 for the same amount. The incident was not documented in an iTRAK incident file. The original cheque was issued on March 14, 2012 and the replacement cheque was dated March 15, 2012.		Resolved
Action: The Cage Director has reminded staff that an iTRAK report should be completed for replacement cheques.		
BCLC Casino Standards, Policies and Procedures: Section 3-9.4 Cage – Certified Cheques	Not Applicable	
BCLC Casino Standards, Policies and Procedures: Section 3-9.5 Cage – Hold Cheque Option	Not Applicable	

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Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

The Cage Director has reminded staff that an iTRAK report should be completed for replaced cheques.

BCLC SPP Exceptions: 1

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

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Edgewater

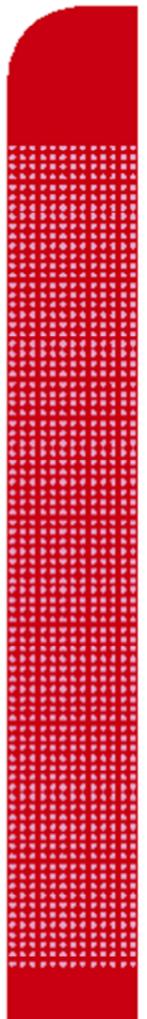
Casino Patron Gaming Funds Review

June 27, 2012

Distribution:

Lynn HOLT, Edgewater Casino, General Manager
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
Brandi OSBOURNE, Edgewater Casino, Cage Manager
Ros SMITH, Edgewater Casino, Surveillance Manager
Bob Brett, BCLC Casino Site Operations Manager
Bal BAMRA, BCLC Regional Manager
Kevin SWEENEY, BCLC Operational Gaming Audit, Manager
Timothy STORMS, Acting Director, Commercial Gaming Audit,-GPEB

July 04, 2012
GRINAM, Robert
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from March 27, 2012 to June 27, 2012.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts	Compliant	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

No issues were found during this review.

Edgewater

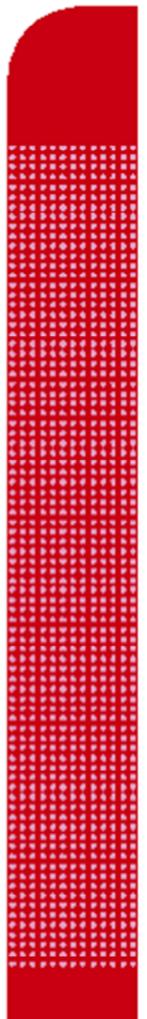
AML Compliance Review

August 30, 2012

Distribution:

Lynn HOLT, Edgewater Casino, General Manager
Rick DUFF, Edgewater Casino, Executive Director of Business Development
Karen KRAAN, Acting Director, Commercial Gaming Audit-GPEB
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
Linda BABIC, Edgewater Casino, Cage Manager
Ros SMITH, Edgewater Casino, Surveillance Manager
Bob Brett, BCLC Casino Site Operations Manager
Gina IANDIORIO, BCLC Regional Manager
Cathy ANASTASIO - BCLC Compliance & Trend Analyst
Tom PLANTE - BCLC Casino Security Investigator
Kevin SWEENEY, BCLC Operational Gaming Compliance, Manager

September 11, 2012
GRINAM, Robert
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from May 30, 2012 to August 30, 2012.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
Itrak Version 5.4 - 24 July 2012	Not Applicable	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations	Partially Compliant	
Issue: A review of cheque copies found some cheques issued for table wins did not have the required supporting verified win documentation (Table tracking sheet). e.g. Cheques 3202, 3222 and 3242		Resolved
Action: The Cage Manager has sent reminders to the cage staff to attach the required table tracking sheet to copies of table win cheques.		
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Partially Compliant	
Issue: The notes section of LCT 20120026737 which included a win cheque did not indicate who verified the win cheque. If the patron has been issued a cheque for a verified win, the Notes in iTRAK must contain the following information ..The Gaming Employee's name, position, & GPEB # along with		Resolved

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Policy	Finding	Status
the phrase "verified win from slot/table # ____."		
Action: The Cage Manager has advised the appropriate staff to ensure that the notes for verified win cheques are completed fully.		
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Partially Compliant	
Issue: A review of AML training on August 27, 2012 showed 9 staff members had July 2012 expired AML training dates.		Resolved
Action: Eight staff members have received the required AML training and one is currently inactive, and will receive training before they work their next shift.		
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques	Not Applicable	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option	Not Applicable	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

The Cage Manager has sent reminders to the cage staff to attach the required table tracking sheet to copies of table win cheques and to include the applicable verified win notes in the LCTR, for issued cheques. Eight staff members have received the required AML training.

BCLC SPP Exceptions: 3

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

AML Compliance Review

November 30, 2012

Distribution:

Lynn HOLT, Edgewater Casino, General Manager
Rick DUFF, Edgewater Casino, Executive Director of Business Development
Karen KRAAN, Acting Director, Commercial Gaming Audit-GPEB
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
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Bob Brett, BCLC Casino Site Operations Manager
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Cathy ANASTASIO - BCLC Compliance & Trend Analyst
Tom PLANTE - BCLC Casino Security Investigator
Kevin SWEENEY, BCLC Operational Gaming Compliance, Manager

November 29, 2012
GRINAM, Robert
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from August 20 2012 to November 30, 2012.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Partially Compliant	
Issue: Expiry date on 2 Drivers License information entered in iTRAK was incorrect. (SID 13172 and 16885). Address on scanned ID differs from subject profile address.(SID 60186)		Resolved
Action: The BCLC investigator corrected the expiry date in iTRAK and put a note in the comments section for SID 60186 requesting that the current address be verified.		
Issue: The notes section of the LCT for a RTW car did not indicate that this was a merchandise car win. There does not appear to be any documentation in this LCT for the value of the car won. LCT20120033884. The RTW car was won on October 21, 2012 and the LCTR was not submitted to fintrac for this win.		Follow up Required
Action: The BCLC investigator will re-open the file and the corrections will be made by the cage.		

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Policy	Finding	Status
Issue: There are 2 reports written by a Slots/Table department staff documenting that the staff member had informed the customer that they may be suspected of money laundering and suspicious transaction. Incident File # IN20120039547 and IN20120045937 . The incidents occurred on August 25, 2012 and October 02, 2012. (BCLC CCGCSPP 1-2.3 : 3.2)		Resolved
Action: The Table Games Manager have reviewed this incident with the staff member involved. Staff will be informed of the allowable information to pass on to customers in these instances.		
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques	Not Applicable	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques	Partially Compliant	
Issue: There does not appear to be an iTRAK report for replacement cheque 3292. Cheque 3256 had a stop payment and was replaced with 3292(BCLC CCGCSPP 3-9.4 : 1.8) The original cheque # 3256 was issued on September 03, 2012 and the replaced cheque was issued on October 17, 2012.		Resolved
Action: The Table Games Manager and the Cage Manager have completed their supplemental reports for IN20120055548.		
Issue: A replacement cheque # 3292; does not appear to be documented in CMS. The cheque was issued on October 17, 2012. (BCLC CCGCSPP 3-1.1 : 5)		Resolved
Action: The Cage Manager advised that future incidents will be reversed and re-entered with the new cheque number written in the comments section.		
Issue: Convenience Cheque # 2 for \$15.89 for BC gold points cash out for self excluded customer was cancelled, but was not reversed in CMS. (BCLC CCGCSPP 3-1.1 : 5) The cheque was issued on October 03, 2012 and was reported as cancelled on October 12, 2012.		Follow up Required
Action: The Cage Manager will reverse the CMS entry.		

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Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option	Not Applicable	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

The BCLC investigator has corrected the expiry date in iTRAK and put a note in the comments section for SID 60186 requesting that the current address be verified; and have re-opened the required LCTR files so that the corrections can be made.

The Table Games Manager has reviewed the suspicious financial transaction incident with the staff member involved. The Table Games Manager and the Cage Manager have completed their supplemental reports to explain the replaced cheque and the Cage Manager will make the required CMS entry for the convenience cheque.

BCLC SPP Exceptions: 4

PCMLTFA Exceptions: 2

Unresolved Exceptions: 2

Edgewater

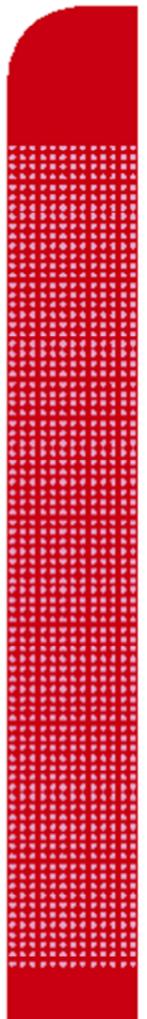
AML Compliance Review

March 03 2013

Distribution:

Lynn HOLT, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
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Gina IANDIORIO, BCLC Regional Manager
Cathy ANASTASIO - BCLC Compliance & Trend Analyst
Tom PLANTE - BCLC Casino Security Investigator
Laird ROBINSON, BCLC Operational Gaming Compliance, Manager

March 19, 2013
GRINAM, Robert
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from November 03, 2012 to March 03 2013.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques	Not Applicable	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option	Not Applicable	

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Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

There were no issues found during this review.

BCLC SPP Exceptions: 0

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

Patron Gaming Funds Review

March 13, 2013

Distribution:

Lynn HOLT, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
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Linda BABIC, Edgewater Casino, Cage Manager
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Bob Brett, BCLC Casino Site Operations Manager
Gina IANDIORIO, BCLC Regional Manager
Tom PLANTE - BCLC Casino Security Investigator
Laird ROBINSON, BCLC Operational Gaming Compliance, Manager

March 19, 2013
GRINAM, Robert
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from December 13, 2012 to March 13, 2013.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts	Partially Compliant	

Outstanding Findings

There are no outstanding findings to report at this time.



Conclusion

There were no variances found during this review.

Edgewater

AML Compliance Review

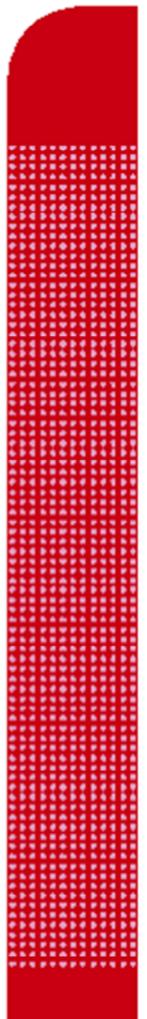
May 27, 2013

Distribution:

Jennifer FIELDS, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
Linda BABIC, Edgewater Casino, Cage Manager
Ros SMITH, Edgewater Casino, Surveillance Manager
Bob Brett, BCLC Casino Site Operations Manager
Gina IANDIORIO, BCLC Regional Manager
Cathy ANASTASIO - BCLC Compliance & Trend Analyst
Tom PLANTE - BCLC Casino Security Investigator
Laird ROBINSON, BCLC Operational Gaming Compliance, Manager

June 03, 2013

BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from Mar 04, 2013 to May 27, 2013.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information	Partially Compliant	
<p>Issue:</p> <p>GCO reviewed all cheques issued during the review period and identified six occurrences that the patrons identification was photocopied and filed with the daily paperwork, causing unnecessary storage of personal information. The following Cheque numbers were associated to these occurrences: 3515, 3516, 3518, 3544, 3596, 3618.</p> <p><i>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures 1-2.1 General - Privacy and Protection of Personal Information</i></p>		Resolved
<p>Action:</p> <p>GCO confirmed through discussion with the Cage Manager on 29 May 2013 that all collected information is outlined in procedures to be purged at the end of the 24h period by the on duty cage shift manager and recorded in the shift transfer notes. Service Provider will assist GCO in destroying the identified records and will ensure all cage shift managers are aware of the requirements for storage of personal information. Issue considered resolved due to action plan development and implementation.</p>		

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Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations	Partially Compliant	
<p>Issue:</p> <p>GCO reviewed all cheque issuance and supplemental documentation during the review period on 28 May 2013 and identified the following issue:</p> <p>i) Two (2) "verified win" cheques that were issued above the documented verified win level. Cheque numbers 3510 and 3560 refers. These findings were confirmed through review of the documentation with the Casino Shift Manager on 29 May 2013.</p> <p>ii) Eight (8) "verified win" cheques did not have the required documentation attached and provided to BCLC and therefore the GCO was unable to verify the win. Cheque #3625, 3548, 3538, 3525, 3509 - Table tracking form was not attached Cheque #3628 - No copy of the cheque was provided (incorrect cheque number in lieu) Cheque #3611, #3530 - no CMS "Slot Jackpot" slip attached</p> <p>BCLC CCGCSPP 1-5.1 - General - Customer Service Standards and Expectations 4 PRIZE PAYMENTS 4.2 Upon request, the Service Provider shall provide winner's cheques only for 'verified wins', as directed in Cage - Service Provider Cheques. 4.2.1 'Verified win' means the casino or community gaming centre employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game, a jackpot on an electronic gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize. 4.2.1.d A table game win shall be verified through the tracking of a player's activity and shall be verified by the Dealer Supervisor. 4.2.2 A copy or photocopy of the CMS/GMS jackpot payout slip shall be attached to the cheque stub or duplicate cheque copy as evidence of the verification.</p>		Resolved
<p>Action:</p> <p>GCO informed the Cage Manager and Tables Manager of the identified issue on 19 May 2013 and 30 May 2013 respectively. The Service Provider will inform the associated staff of the issue and ensure the related policy is used to re-educate the staff. The Casino Shift Managers and Tables Managers are also to be informed of the requirements to verify the values before authorizing verified amounts. Issue considered resolved due to no further action required.</p>		
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques	Compliant	

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Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Compliant	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

The GCO identified two (2) issues during this review as outlined. Both issues were discussed with the departmental managers and are considered resolved.

BCLC SPP Exceptions: 2

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

Patron Gaming Funds Review

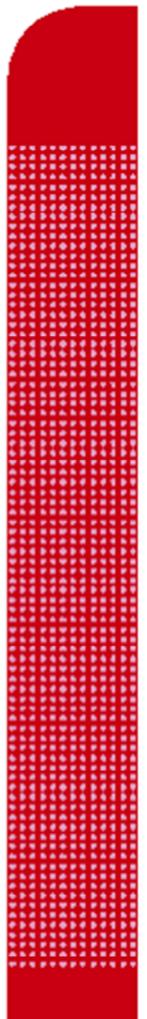
June 25, 2013

Distribution:

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Linda BABIC, Edgewater Casino, Cage Manager
Ros SMITH, Edgewater Casino, Surveillance Manager
Bob Brett, BCLC Manager Business Operations
Gina IANDIORIO, BCLC Regional Manager
Tom PLANTE - BCLC Casino Security Investigator
Rick PANNU - BCLC Casino Security Investigator
Laird ROBINSON, BCLC Operational Gaming Compliance, Manager

July 10, 2013

BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from March 14, 2013 to June 25, 2013.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts	Compliant	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

GCO noted no issues during this review.

Edgewater

AML Compliance Review

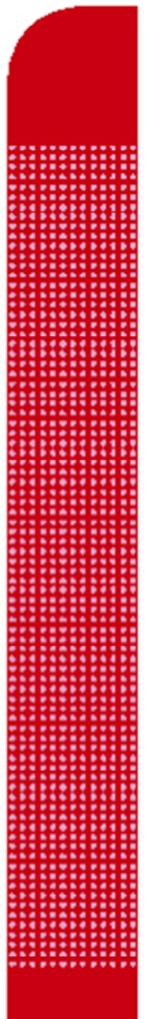
Aug 13, 2013

Distribution:

Jennifer FIELDS, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
Linda BABIC, Edgewater Casino, Cage Manager
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Cathy ANASTASIO - BCLC Compliance & Trend Analyst
Tom PLANTE - BCLC Casino Security Investigator
Laird ROBINSON, BCLC Operational Gaming Compliance, Manager

August 19, 2013

BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from May 28, 2013 to Aug 13, 2013.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information	Partially Compliant	
<p>Issue: GCO interviewed the cage shift manager and confirmed the process of shredding personal patron information collected by the service provider, which is not required to be retained in the cage procedures on 13 Aug 2013. However, through review of the cheques and supported documents during the review period on the same date, the GCO identified four incidents where the patron identification was retained in the daily paperwork. Supplemental documents associated to cheque numbers 3647, 3649, 3668, 3951 pertain to this issue.</p> <p>It is noted that this is a reoccurring issue as identified on VANCAS 2013 AML Q1.</p>		Resolved
<p>Action: Through discussion with the cage manager on 14 Aug 2013 and the cage director on 16 Aug 2013, communication will be distributed to the cage supervisors and managers to ensure all relief and permanent cage managers are aware of this requirement and can ensure continued compliance. Issue considered resolved.</p>		
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Compliant	

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Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques	Partially Compliant	
<p>Issue: GCO reviewed the site cheque logs, CMS Account Audit Report and cheque copies and CRS iTrak for the review period on 13-14 Aug 2013 and identified the following issues:</p> <p>i) There is no associated iTrak report created for Convenience Cheques #9 and #10, which were issued on 17-June-2013.</p> <p><i>BCLC CCGCSPP Section: 3-9.4 Cage - Service Provider Cheques</i> 3.2.3 The Service Provider shall create an Incident Report in CRS for the issuance of any 'Return of Funds - Not Gaming Winnings' Convenience cheque</p> <p>ii) The PGF - Return of Funds Cheques are not stamped with the required "Not Gaming Winnings" on the face of the cheque.</p> <p><i>BCLC CCGCSPP Section: 3-9.4 Cage - Service Provider Cheques</i> 3.3 Return of PGF Cheques 3.3.1 A Service Provider 'Return of Funds - Not Gaming Winnings' Return of PGF cheque must; 3.3.1.b Have prominently endorsed on the face the phrase - 'Return of Funds - Not Gaming Winnings';</p> <p>iii) For all PGF - Return of Funds cheques issued during the review period (as well as previous to these dates reviewed) there are no associated CRS iTRAK incident reports created.</p> <p><i>BCLC CCGCSPP Section: 3-9.4 Cage - Service Provider Cheques</i> 3.3 Return of PGF Cheques 3.3.3 The Service Provider shall create an Incident Report in CRS for the issuance of any 'Return of Funds - Not Gaming Winnings' Return of PGF cheque, and shall: 3.3.3.a Set the appropriate drop down menus to: (1) Type - Gaming (2) Specific - Cage (3) Category - Return of PGF Cheque (4) Note in the 'Narrative' field the Surname and Given name of patron, date of birth and cheque amount (ie. SMITH, John - \$4,500) (5) If patron already has a Subject Profile in CRS, add the profile to the incident report.</p>		Resolved
<p>Action: GCO informed the cage shift manager and cage director of the identified issues on 14th and 16th of August, 2013 respectively. The site will inform all managers and potential relief supervisors of the requirement to complete an iTRAK incident report upon the issuance of all return of funds cheques (PGF and Convenience) effective immediately. No completion of CRS incidents for previously issued cheques was requested at this time. The cage director will obtain and implement the use of a stamp to add "Not Gaming Winnings" to each PGF return of funds cheques. This new procedure is estimated to be in place by 15 Sept 2013. GCO to be informed upon implementation of new stamp procedures. Issue considered resolved due to time line and developed action plan.</p>		

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Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option	Not Applicable	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Compliant	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

The GCO identified two (2) issues during this review as outlined. Both issues were discussed with departmental managers and are considered resolved.

BCLC SPP Exceptions: 2

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

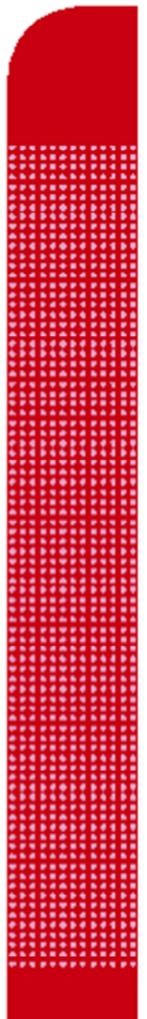
Patron Gaming Funds Review

Sept 23, 2013

Distribution:

Jennifer FIELDS, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
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Gina IANDIORIO, BCLC Regional Manager
Tom PLANTE - BCLC Casino Security Investigator
Rick PANNU - BCLC Casino Security Investigator

October 07, 2013
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from June 26, 2013 to Sept 23, 2013.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts	Compliant	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

GCO identified no issues during the VANCAS 2013 PGF Q2 review.

Edgewater

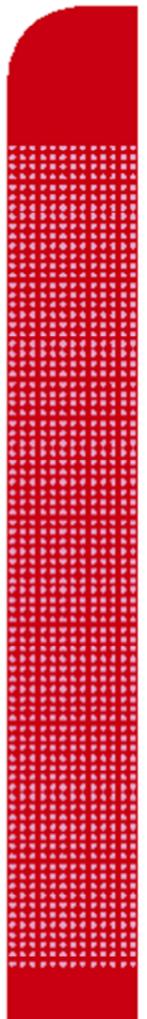
AML Compliance Review

Nov 14, 2013

Distribution:

Jennifer FIELDS, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
Lisa REID-FORGIE, Edgewater Casino, Director of Cage Operations
Linda BABIC, Edgewater Casino, Cage Manager
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Cathy ANASTASIO - BCLC Compliance & Trend Analyst
Tom PLANTE - BCLC Casino Security Investigator

November 28, 2013
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from Aug 13, 2013 to Nov 14, 2013.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Compliant	

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Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques	Partially Compliant	
<p>Issue: GCO reviewed the cheque issuance logs for the review period on 20 Nov 2013 and identified one (1) replacement cheque, issued on 04 Oct 2013 for \$100k, cheque #3851. CRS iTrak was reviewed on the same date to confirm that no incident file was created for this replacement cheque. This finding was confirmed by the surveillance supervisor and the cage shift manager on 21 Nov 2013.</p> <p>BCLC CCGCSP Section: 3-9.4 Cage - Service Provider Cheques 1.8 If a replacement cheque is issued, the Casino/CGC Manager shall complete an Incident Report in CRS.</p> <p>Action: GCO informed the cage manager of the identified issue on 21 Nov 2013. The site acknowledged the issue and created a back dated incident report in CRS iTrak to record the re-issuance of cheque #3851 - IN20130056489 refers. Issue is considered resolved.</p>		Resolved

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

GCO identified one (1) issue during this review. The site was informed of the issue on 21 Nov 2013 and is subsequently considered resolved.

BCLC SPP Exceptions: 1

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

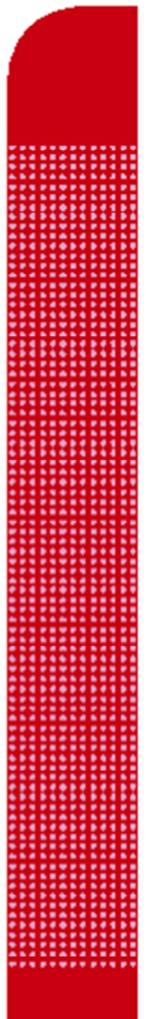
Patron Gaming Funds Review

Dec 30, 2013

Distribution:

Jennifer FIELDS, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
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January 08, 2014
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from Sept 24, 2013 to Dec 30, 2013.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts	Partially Compliant	
<p>Issue: GCO reviewed a sample of PGF account re-deposits on 07 Jan 2014 and was unable to confirm the allowable amount for PGF re-deposits, due to the tables tracking form not being attached to the transaction documentation. Although the Source of Funds form is signed to attest to table play, this does not confirm the net win or loss of the associated table tracking form to ensure that the table play matches the amount of redeposit.</p> <p>*It is noted that the site is retaining the table tracking form in the associated LCT, however it is not copied and referenced in the PGF account files.</p> <p>BCLC CCGCSPP Section: 3-8.3 Cage - Patron Gaming Funds Accounts 3.14.1 Patrons who have withdrawn funds for gaming from PGF Accounts may re-deposit up to the exact amount withdrawn after any period of continuous play after the withdrawal, subject to the following conditions: 3.14.1.a Patron use of the withdrawn funds must have been for gaming wagers within the facility gaming floor; 3.14.1.b Dealer Supervisor shall have tracked and substantiated the play at gaming table; (1) If play cannot be substantiated, re-deposit shall not be accepted; 3.14.1.c If Patron's play results in a net loss, only the portion of the withdrawal remaining shall be eligible for re-deposit; 3.14.1.d If Patron's play results in a net win, the exact withdrawal amount plus the</p>		Resolved
<p>Action: GCO informed the Cage Director of the request on 07 Jan 2014. The site will ensure that the table tracking form associated to all PGF re-deposits will be copied and retained in the PGF account file.</p>		

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Policy	Finding	Status
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Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

BCLC Gaming Compliance Officer identified one (1) issue during the field portion of this review. This request was forwarded to the site Director of Cage Operations on 07 Jan 2014 and considered resolved.

Edgewater

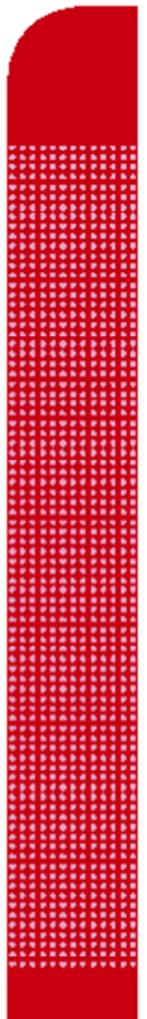
AML Compliance Review

17 Feb 2014

Distribution:

Jennifer FIELDS, Edgewater Casino, General Manager
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Bill BOYD - BCLC Casino Security Investigator

March 19, 2014
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from 15 Nov 2013 to 17 Feb 2014.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Partially Compliant	
<p>Issue: GCO reviewed a sample of LCT's on 07 March 2014 and identified the following issues:</p> <ul style="list-style-type: none"> i) The race to win associated LCT - LCT20130043516, the payout was indicated as a cash pay out, rather than the required merchandise prize. ii) One LCT was issued to a VSE barred patron without an associated violation incident or explanation - LCT20130042914 iii) One LCT disbursements does not include all entries entered on the tracking sheet attached - value of 25k. - LCT20140005679 <p>In addition to the issues outlined above, it was further identified that multiple LCT entries were with incorrect times as well as one with a missing cheque number.</p> <p>BCLC CCGCSPP 3-8.1</p>		Resolved
<p>Action: GCO informed the Director of Cage Operations on 13 March 2014 of the identified issues. The site ensures that all issues that can be corrected will be immediately. The site ensures that all associated staff will be informed of the LCT completion policy requirements and will provide additional management oversight of the process and completion. Issue is considered resolved, however will be monitored accordingly.</p>		

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Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques	Partially Compliant	
Issue: GCO reconciled the site cheque log with the associated LCT's in CRS on 07 March 2014. Two (2) LCT incidents were identified that did not indicate that the pay out was a cheque, rather than cash. LCT20130045630, LCT20130047543 BCLC CCGCSPP 3-8.1		Resolved
Action: GCO informed the site Director of Cage Operations of the identified issue. The site will ensure to inform all associated staff of the policy requirements and will provide management oversight to the process. Issue is considered resolved.		
Issue: GCO reviewed GMS - Report Account for Cheques for the review period noted and reconciled the return of funds cheques with CRS iTrack. It was identified on 07 March 2014 that there was no associated iTrack incident created for Convenience Cheque #58, issued on 13 Feb 2014 for \$8000. *It is noted that this is a repeat finding* BCLC CCGCSPP 3-9.4		Resolved
Action: GCO informed the site Director of Cage Operations of the identified issue. The site acknowledges awareness of this policy requirements and that this issue was previously identified. The site will re-inform the associated parties of the convenience cheque incident policy requirements and will provide management oversight to this process. Issue is considered resolved.		

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

GCO identified three (3) issues during this review. All issues were discussed with the Director, Cage Operations and are subsequently considered resolved.

BCLC SPP Exceptions: 3

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

Patron Gaming Funds Review

28 March 2014

Distribution:

Jennifer FIELDS, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
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Bob Brett, BCLC Manager Business Operations
Gina IANDIORIO, BCLC Regional Manager
Bill BOYD - BCLC Casino Security Investigator

April 02, 2014
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from 31 Dec 2013 to 28 March 2014.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts	Partially Compliant	
<p>Issue: GCO reviewed all PGF accounts that have been opened since 31 Dec 2013 and all associated transaction documentation retained within the file folders on 01 April 2014. The following issues were identified:</p> <p>* It is noted that these issues are in addition to multiple issues previously identified by the BCLC Investigator with the account opening review for all PGF accounts.</p> <p>i) A copy of a bank draft was missing for a \$22,000 deposit made on 04 Feb 2014 for PGF#98432.</p> <p>ii) Errors and omissions on the PGF deposit source of funds form. These issues include multiple occurrences of missing information such as the patron signature, amount being deposited, type of funds, draft reference numbers and patron information. PGF#'s 75698, 10926, 123914 refer</p> <p>iii) Patron signature card omissions. The areas missing the required information include the date of completion and witness name on three forms. PGF #'s 75698, 14008 refer</p> <p>iv) Multiple omissions on the PGF Account Application and Operating Agreement. These areas missing required information include patron local address, iTrak incident reference number, phone number date of completion. PGF #'s 149043, 14008, 123914, 151519, 75698 refer</p> <p><i>BCLC CCGCSPP Section 3-8.3 Patron Gaming Funds Accounts</i></p>		Follow up Required
<p>Action: GCO informed the Director of Cage Operations of the identified issues on 01 April 2014. The site acknowledges the issue and will ensure that all cage staff are informed of the PGF account opening and transaction requirements. This site has been forwarded a list of all identified errors and omissions on an ongoing basis by the BCLC Investigator and BCLC Gaming Compliance Officer. This issue will require follow up to assess the ongoing completion of the required procedures. BCLC GCO will review all new PGF accounts until 15 April 2014 prior to closing the issue.</p>		

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Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

GCO identified one (1) issue during this review. This issue was discussed with the Director of Cage Operations on 01 April 2014 and will require follow up steps to ensure the implementation of management oversight to ensure ongoing compliance. This issue will be assessed ongoing until 15 April 2014.

Edgewater

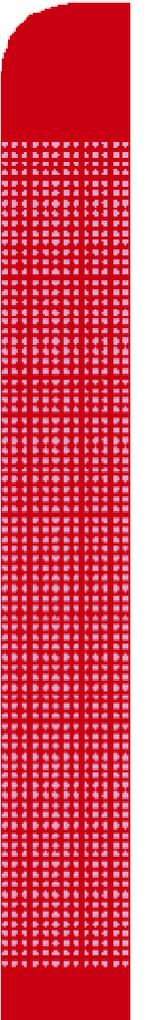
AML Compliance Review

07 May 2014

Distribution:

Jennifer FIELDS, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
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Cathy ANASTASIO, BCLC Compliance & Trend Analyst
John KARLOVCEC, BCLC Manager, AML & Operational Analytics Unit

May 23, 2014
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from 17 Feb 2014 to 07 May 2014.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General <input type="checkbox"/> Assessment of Service Provider Operational Management's ability to research and/or provide the most current BCLC Casino Standards, Policies and Procedures relevant to Large Cash Transactions and Cheque Issuance.	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information <input type="checkbox"/> Assessment of the Service Providers' understanding/practices to collect, use, retain, disclose, safeguard and dispose of Personal Information of players in accordance with applicable laws upon approaching LCTR reporting thresholds.	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations <input type="checkbox"/> Assessment to determine if cheques are only issued for verified wins, return of gaming funds up to \$5,000 or return of PGF Funds <input type="checkbox"/> Assessment to determine if electronic gaming device jackpot wins are verified through Last Game Recall or slot jackpot verification through the slot management system (CMS/GMS Jackpot slip – Table Tracking sheet/cards)	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions <input type="checkbox"/> Review of Large Cash Transaction tracking, recording, timely entry into the FINTRAC module <input type="checkbox"/> Assessment of the completeness of Large Cash Transaction records <input type="checkbox"/> Assessment of the validity/recording of patron identification required for Large Cash Transactions <input type="checkbox"/> Discussions with relevant personnel in regards to Suspicious Financial Transaction understanding and reporting	Compliant	

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Policy	Finding	Status
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training</p> <p><input type="checkbox"/> Reconciliation of Service Provider HR Listing to BCLC Anti-Money Laundering (AML) training certification to assess compliance to the mandatory training for all Service Provider staff, with the exception of janitorial or food and beverage staff</p>	Partially Compliant	
<p>Issue: GCO reviewed the site Learn@BCLC training for the Anti-Money Laundering course on 05 May 2014 and confirmed the employment status of the outstanding employees with the HR Department on 07 May 2014. Five (5) employees were confirmed working on the gaming floor prior to the completion of the required AML training and/or the completion of the required recertification of the material. These employees are staffed in the tables, cage, security and customer service departments.</p> <p>BCLC CCGCSPP 3-8.1 Cage - Anti-Money Laundering Training</p>		Resolved
<p>Action: GCO informed the site Surveillance Manager (Compliance Officer) of the identified issue of employees without the required Anti-Money Laundering training on 08 May 2014. The site acknowledged the issue and has informed all associated departments of the required training. All employees are scheduled to complete the required training prior to the next operational shift. GCO has been informed of ongoing completion from these employees and is subsequently considered resolved.</p>		
<p>BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques</p> <p><input type="checkbox"/> Assessment of the Certified Cheque redemption understanding and procedures with Cage staff including signs of alteration and/or tampering as well as suspicious activity</p>	Compliant	
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques</p> <p><input type="checkbox"/> Assessment of the Service Provider's cheque issuance and cashing procedures and record keeping practices, and iTrak reporting, if applicable</p> <p><input type="checkbox"/> Review of the Service Provider's cheque documentation specifically relating to Large Cash Transactions</p> <p><input type="checkbox"/> Review of the "Return of Funds - Not Gaming Winnings" cheque issuance procedures and record keeping</p>	Partially Compliant	
<p>Issue: GCO reconciled the cheque logs with any associated LCT's on 09 May 2014 for the sample period of 01 March - 01 April 2014. Three (3) occurrences were identified that the patron had a cheque issued, however the pay-out tab indicated a cash payment. LCT20140009374, LCT20140009805 and LCT20140010359 refer.</p> <p>BCLC CCGCSPP 3-9.4 Service Provider Cheques</p>		Resolved
<p>Action: GCO informed the Director of Cage Operations on 12 May 2014 of the identified issue. The site ensures all associated staff will be informed of the policy requirements and additional oversight will be provided to monitor implementation. No changes to the LCT's identified are required. Issue is considered resolved.</p>		

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Policy	Finding	Status
<p>Issue: GCO reconciled the Service Provider Cheque Log with CRS iTrak on 09 May 2014 for convenience cheque incidents issued during the review period noted. There was two (2) convenience cheques issued on 26 April 2014 (#59 and #61), neither of which had an associated incident file created to outline the issuance details as required.</p> <p>It is noted that this is a reoccurring issue at Edgewater Casino.</p> <p><i>BCLC CCGCSPP 3-9.4 Service Provider Cheques</i></p>		Resolved
<p>Action: GCO informed the Director of Cage Operations of the identified issue on 09 May 2014. The site has created iTrak incidents to outline the details of the cheque issuance as required (22407 and 22409 refer). Further to this, the site will inform all associated staff of the policy requirements to maintain ongoing compliance with this requirement. Issue is considered resolved, however will be monitored accordingly.</p>		
<p>BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets</p> <p><input type="checkbox"/> Review of the procedures and practices and redemptions (if applicable) of any Mailed In IVS tickets received by the Service Provider</p>	Compliant	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

GCO identified three (3) issues during this review. Through discussion with the Director of Cage Operations and site Compliance Officer, all issues are now considered resolved.

BCLC SPP Exceptions: 3

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

Patron Gaming Funds Review

June 30, 2014

Distribution:

Jennifer FIELDS, Edgewater Casino, General Manager
David PYATT, Director, Commercial Gaming Audit-GPEB
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Bob Brett, BCLC Manager Business Operations
Gina IANDIORIO, BCLC Regional Manager
Bill BOYD - BCLC Casino Security Investigator

July 14, 2014
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from March 29, 2014 to June 30, 2014.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
<p>BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts</p> <ul style="list-style-type: none"> • Review of Casino Reporting System (CRS) reports and subject profiles related to PGF accounts. • Review of Service Provider trust accounts and comparison entries within GMS. • Review of PGF reporting between the Service Provider, BCLC Investigator and the BCLC Manager Business Operations. • Review of reporting and documentation required by the BCLC Investigator. • Review duties and documentation required by Cage personnel. 	Partially Compliant	
<p>Issue: GCO reviewed the account opening incident files for all patrons that have signed up since March 15, 2014 (end of last review) on 03 July 2014 and confirmed one incident file was not created for a new PGF account opening.</p> <p>BCLC CCGCSPP 3-8.3 Patron Gaming Fund Accounts</p>		Resolved
<p>Action: GCO informed the Cage Manager and Director of Cage Operations of the identified issue on 03 July 2014. The site confirmed the findings and created an account opening incident file for the referenced patrons account for review by the BCLC Investigator on 08 July 2014. Through discussion, it was determined that this was an isolated incident. All associated staff would be reminded of policy requirements. Issue is considered resolved.</p>		
<p>Issue: GCO reviewed all account holders in the subject profile module of CRS iTrak on 03 July 2014 and confirmed that one (1) account holder with an active account was found to be a VSE, enrolled at Edgewater Casino. Through review of the associated supplemental reports, the security officer noted that the PGF account verification procedure was completed and no PGF account was associated to the patron.</p> <p>BCLC CCGCSPP 3-8.3 Patron Gaming Funds Accounts</p>		Resolved
<p>Action: GCO informed the Security Manager, Cage Manager and Director of Cage Operations of the identified issue on 03 July 2014. Upon notification, the site closed the PGF account and added the required information into iTrak on the associated VSE and PGF incident files. All security and cage staff shall be informed of the procedural requirements for VSE account closures. Issue is considered resolved.</p>		

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Policy	Finding	Status
<p>Issue: GCO reviewed the PGF account holder documentation and initial deposit paperwork for all accounts opened from March 15, 2014 to July 02, 2014 on 03 July 2014 and noted the following issues:</p> <p>i) Account #144419 is missing the patron signature for three subsequent deposits, with no source of funds documentation and an additional return of funds withdrawal with no patron signature.</p> <p>ii) Multiple source of funds without an actual source indicated, date, patron details, witness signature, occupation, dollar amounts and without supporting documentation for verified wins (accounts #17575, 113605, 43868,75406, 144419)</p> <p>iii) One initial deposit Draft Copy for account #3391 was not included in the account opening documentation</p> <p>iv) Multiple omissions on the PGF Application Form, including identification details, signature dates, PGF account number, iTrak reference number, contact information and citizenship details. (Account #75406, 11708, 157951, 144307, 144419, 113605, 43868 refer)</p> <p>v) Initial Source of Funds documentation is not present for account #111396</p> <p>vi) Two tri-part receipts are not present from the two most recent transactions of \$50,000 each for account #75698</p> <p>BCLC CCGCSPP 3-8.3 - Patron Gaming Funds Accounts</p>		Follow up Required
<p>Action: GCO discussed the identified issues with the Cage Manager and Director of Cage Operations on 08 July 2014. All associated staff will be informed of policy requirements and will provide additional cage supervisor oversight to ensure the new account opening documentation is complete to be able to inform responsible staff in a timely manner to encourage ongoing compliance. All required information will be collected upon the patron returning to the site to use the PGF account. Due to the multiple issues identified during the account opening and deposit process, follow up will be completed to ensure ongoing compliance with policy requirements.</p>		
<p>Issue: GCO reviewed the site account holder information list and noted 2 active account holders that have been inactive for more than 365 days, as found on 03 July 2014. GCO reviewed the PGF account incident file in iTrak on the same date with no supplemental reports added. Through discussion with the Cage Manager on 03 July 2014, it was confirmed that no contact was made with these account holders.</p> <p>BCLC CCGCSPP 3-8.3 - Patron Gaming Fund Accounts</p>		Resolved
<p>Action: GCO informed the Cage Manager and Director of Cage Operations of the identified issue on 03 July 2014. The site confirmed with the Director of Player Development and confirmed that the patrons no longer require the use of the active PGF. The accounts were confirmed closed with incident supplemental entries by the GCO on 08 July 2014. Issue is considered resolved.</p>		

Outstanding Findings

There are no outstanding findings to report at this time.

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Conclusion

GCO identified four (4) issues during this review. All issues were discussed with the Director of Cage Operations on 08 July 2014 for development and completion of corrective measures. Three (3) of the issues identified are considered resolved and one (1) will require further follow up to ensure ongoing compliance.

Edgewater

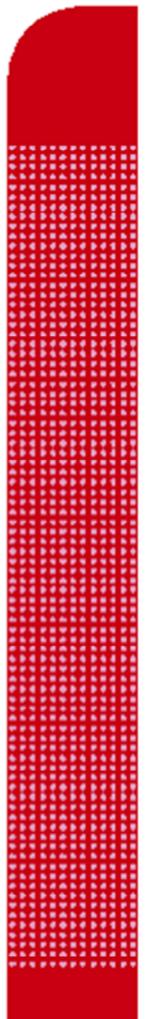
AML Compliance Review

Aug 07, 2014

Distribution:

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September 02, 2014
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from May 08, 2014 to Aug 07, 2014.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General <input type="checkbox"/> Assessment of Service Provider Operational Management's ability to research and/or provide the most current BCLC Casino Standards, Policies and Procedures relevant to Large Cash Transactions and Cheque Issuance.	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information <input type="checkbox"/> Assessment of the Service Providers' understanding/practices to collect, use, retain, disclose, safeguard and dispose of Personal Information of players in accordance with applicable laws upon approaching LCTR reporting thresholds.	Compliant	
Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations <input type="checkbox"/> Assessment to determine if cheques are only issued for verified wins, return of gaming funds up to \$10,000 or return of PGF Funds <input type="checkbox"/> Assessment to determine if electronic gaming device jackpot wins are verified through Last Game Recall or slot jackpot verification through the slot management system (CMS/GMS Jackpot slip – Table Tracking sheet/cards)	Partially Compliant	

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Policy	Finding	Status
<p>BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports</p> <ul style="list-style-type: none"> <input type="checkbox"/> Review of Large Cash Transaction tracking, recording, timely entry into the FINTRAC module <input type="checkbox"/> Assessment of the completeness of Large Cash Transaction records/ Casino Disbursement Reports <input type="checkbox"/> Assessment of the validity/recording of patron identification required for Large Cash Transactions <input type="checkbox"/> Discussions with relevant personnel in regards to Unusual/ Suspicious Financial Transaction understanding and reporting 	Partially Compliant	
<p>Issue: GCO reviewed all LCT's (50) that occurred at Edgewater Casino between June 24 @ 1329h and June 26 @ 0729h as the sample period on 07 Aug 2014 as well as all LCT's with associated cheques issued during the review period on 11/12 Aug 2014. During this review, the following issues were noted:</p> <ul style="list-style-type: none"> i) Two Casino Disbursement Reports were missed during the review period. <ul style="list-style-type: none"> -The first was a required LCT for a combined disbursement of over 25k on 05 July 2014 for cheque numbers 4461 and 4462 for the same patron. -The second was a required LCT for a combined disbursement of over 15k on 05 Aug 2014 for the associated transactions for cheque number 4501 and 4502 ii) One transaction was not recorded in the associated LCT, which was a \$4,150 cheque issuance on 18 May 2014. This patron had a recorded LCT on the same day, which did not note this transaction in any of the tracking forms and was further confirmed to be issued within the 24h period of the first recorded transaction. <p><i>BCLC CCGCSPP 3-8.1 Cage - Large Cash Transactions / Casino Disbursement Reports</i></p>		Follow up Required
<p>Action: GCO informed the Director of Cage Operations of the identified issue on 12 Aug 2014. The site ensures additional oversight will be placed on the cheque issuance and LCT completion to ensure ongoing compliance. This issue was forwarded to the BCLC AML and Analytics Department on 12 Aug 2014 for follow up and action plan development.</p>		
<p>Issue: GCO reviewed all LCT's (50) that occurred at Edgewater Casino between June 24 @ 1329h and June 26 @ 0729h as the sample period on 07 Aug 2014 as well as all LCT's with associated cheque issued during the review period on 11/12 Aug 2014. During this review, GCO confirmed that in multiple incidents, the full disbursement record was not scanned into media, to include the cheque issuance section as well as the tables tracking card to show the complete tracking process.</p> <p><i>BCLC CCGCSPP 3-8.1 Cage - Large Cash Transactions / Casino Disbursement Reports</i></p>		Resolved
<p>Action: GCO informed the Director of Cage Operations on 12 Aug 2014 of the identified issues. The site ensures that additional management oversight will be provided for LCT and cheque issuance procedures to ensure the ongoing compliance and accountability can be maintained. All associated parties will be provided with policy requirements and position duties effective immediately. Issue is considered resolved due to prompt action plan and implementation.</p>		

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Policy	Finding	Status
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training</p> <p><input type="checkbox"/> Reconciliation of Service Provider HR Listing to BCLC Anti-Money Laundering (AML) training certification to assess compliance to the mandatory training for all Service Provider staff, with the exception of janitorial or food and beverage staff</p>	Partially Compliant	
<p>Issue: GCO reconciled the AML training list provided by the BCLC Compliance and Trend Analyst to the site employee list on 06 Aug 2014. It noted through review that three current employees were working without the completion of the required AML training. This finding was confirmed with the site COmpliance Officer on the same date.</p> <p>BCLC CCGCSPP 3-8.1. 15 Cage - Anti-Money Laundering Training</p>		Follow up Required
<p>Action: GCO informed the site Compliance Officer of the identified issue, which was then forwarded to the departmental managers for the completion of the required training. GCO to be informed upon the completion of this training.</p>		
<p>BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques</p> <p><input type="checkbox"/> Assessment of the Certified Cheque redemption understanding and procedures with Cage staff including signs of alteration and/or tampering as well as suspicious activity</p>	Compliant	
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques</p> <p><input type="checkbox"/> Assessment of the Service Provider's cheque issuance and cashing procedures and record keeping practices, and iTrak reporting, if applicable</p> <p><input type="checkbox"/> Review of the Service Provider's cheque documentation specifically relating to Large Cash Transactions</p> <p><input type="checkbox"/> Review of the "Return of Funds - Not Gaming Winnings" cheque issuance procedures and record keeping</p>	Partially Compliant	
<p>Issue: GCO reviewed the duplicate cheque copies and associated documentation for all cheques issued during the review period on 11 and 12 Aug 2014. During review, it was noted that 16 cheques issued during the review period were not provided in duplicate as required, and an additional 13 cheques did not include the associated verification paperwork.</p> <p>BCLC CCGCSPP 3-9.4 Service Provider Cheques</p>		Resolved
<p>Action: GCO informed the Director of Cage Operations of the identified issues on 12 Aug 2014. The site will provide additional management oversight on the documentation and filing of cheque issuance forms immediately. All managers will be informed of the documents required to be attached and implement a review process to ensure all cheques are accounted for in the associated binders. Issue is considered resolved.</p>		

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Policy	Finding	Status
<p>Issue: GCO reconciled the site cheque logs to the associated LCT transactions for the review period on 11 and 12 Aug 2014 and noted that in 12 LCT's, the associated cheque issuance is not indicated in the "pay-out" tab within the disbursements. All transactions noted are recorded as "Paid in Cash".</p> <p>BCLC CCGCSPP 3-9.4 Cage - Service Provider Cheques</p>		Follow up Required
<p>Action: GCO informed the Director of Cage Operations on 12 Aug 2014 of the identified issue. The cage managers will be reminded of LCT oversight responsibilities and will be re-informed of all policy requirements. It is noted that this is a repeat issue at this site. This issue is considered resolved, however will be monitored accordingly to ensure ongoing compliance.</p>		
<p>Issue: GCO reconciled the GMS entries to the Service Provider Return of Funds cheque logs, associated cheque copies and iTrak incident reports on 11 Aug 2014. During review, the following issues were noted:</p> <p>i) The GMS entry for convenience cheque #68 was entered into GMS as a verified win</p> <p>ii) There was no associated iTrak incident report for PGF Return of Funds cheque #303 for \$310,000 on 25 July 2014.</p> <p>BCLC CCGCSPP 3-9.4,3</p>		Follow up Required
<p>Action: GCO informed the Director of Cage Operations on 12 Aug 2014 of the identified issues. This process is completed by the cage managers, who will be directly informed of associated policy requirements and will provide oversight and accountability for the ongoing compliance in this process. It is noted that this is a repeat issue at this site and will require follow-up review to ensure ongoing compliance.</p>		

<p>BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets</p> <p><input type="checkbox"/> Review of the procedures and practices and redemptions (if applicable) of any Mailed In IVS tickets received by the Service Provider</p>	Partially Compliant	
<p>Issue: GCO reviewed CRS iTrak incident files and cheque issuance logs for the review period on 07 Aug 2014 and confirmed one cheque was issued for mail in IVS tickets during this review period (IN20140029355). The following issues were noted during review of this incident:</p> <p>i) No subject profile was created for the patron identified in the incident file with all associated information collected for the issuance of the convenience cheque, which includes valid identification reference number, full name, address and birthday.</p> <p>ii) The GMS - Return of Funds entry comments did not reference the CRS incident number as required</p> <p>iii) The iTrak incident report did not include information regarding the collection of information, ticket validity, location or machine. The IVS tickets were confirmed over the 30 day validity date without mention in the incident report as required.</p> <p>BCLC CCGCSPP 3-12.2 Cage - Mail In Electronic Gaming Tickets</p>		Resolved
<p>Action: GCO informed the Director of Cage Operations of the identified issue on 12 Aug 2014. The site ensures all cage managers will be informed of the policy requirements. In addition, accountability and oversight will be implemented to ensure ongoing compliance. Issue is considered resolved.</p>		

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Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

GCO identified seven (7) issues during this review. Through discussion with the Director of Cage Operations and site Compliance Officer, four (4) issues are considered resolved, while three (3) will require follow up actions.

BCLC SPP Exceptions: 5

PCMLTFA Exceptions: 2

Unresolved Exceptions: 3

Edgewater

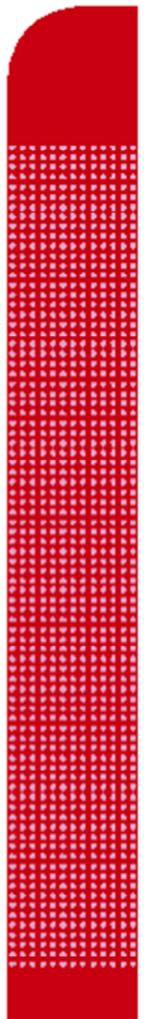
Patron Gaming Funds Review

Sept 30, 2014

Distribution:

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October 29, 2014
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from July 1, 2014 to Sept 30, 2014.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts • <i>Review of Casino Reporting System (CRS) reports and subject profiles related to PGF accounts.</i> • <i>Review of PGF reporting between the Service Provider, BCLC Investigator and the BCLC Manager Business Operations.</i> • <i>Review duties and documentation required by Cage personnel.</i>	Partially Compliant	
Issue (1): The GCO reconciled the PGF account holders list to CRS iTrak on 17 Oct 2014 and identified two PGF accounts without the required CRS incident file created on Sept 20 and Sept 21, 2014. It was further confirmed that the BCLC Investigators were not notified in any other methods regarding the opening of these accounts. <u>*It is noted that this is a repeat finding, previously referenced on the 2014 Q1 PGF review*</u> <i>BCLC CCGCSPP Section 3-8.3, 5.2.10</i>		Resolved
Action (1): GCO informed the Cage Manager and the Chief Financial Officer (CFO) of the identified issue on 17 Oct 2014. The site acknowledges the issue and has completed the incident reports to show the details of the account openings and notified the BCLC Investigators of the actions taken. The site ensures additional oversight in daily reporting requirements has been implemented through the cage shift managers to ensure ongoing compliance. Issue is considered resolved.		
Issue (2): The GCO reviewed the account opening documentation for all accounts opened during the review period on 22 Oct 2014. Through review, multiple issues were noted, which include two patron signature cards without the patron or witness signatures, source of funds documents without the source of funds indicated or patron signatures and initial deposits made without retaining the table tracking card with the associated paperwork in the account file. The site Cage Manager and CFO were informed of all specific details of the discrepancies noted. <u>*It is noted that this is a repeat finding, previously referenced on the 2014 Q1 PGF review*</u> <i>BCLC CCGCSPP 3-8.3, 5.2 & BCLC CCGCSPP 3-8.3, 5.3.9.d</i>		Resolved

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Policy	Finding	Status
<p>Action (2): The GCO informed the Cage Manager and the CFO of the details of the outlined issues. The site has placed notes on the associated files to collect the required information and signatures upon the next visit of the PGF account holding patrons. Issue is considered resolved due to no additional follow up required until the patrons return.</p>		
<p>Issue (3): The GCO reviewed the recent activity of all active PGF account holders on 17 Oct 2014 and identified that six patrons had active accounts without activity for over 1 year. Through review of the PGF incident files for the associated patrons, no noted communication was recorded to provide authorization to have the accounts remain open beyond the required timeframe, which was confirmed through discussion with the cage shift manager.</p> <p><u>*It is noted that this is a repeat finding, previously referenced on the 2014 Q1 PGF review*</u></p> <p><i>BCLC CCGCSPP Section 3-8.3, 7.3.1</i></p>		<p>Resolved</p>
<p>Action (3): The GCO informed the Cage Manager and CFO of the identified issue on 17 Oct 2014. It was confirmed that all accounts are now closed as per policy requirements. The site ensures the additional oversight of this process will be completed by the cage shift managers to ensure ongoing compliance. Issue is considered resolved as all current accounts are now up to date for this process.</p>		

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

GCO identified three (3) issues during this review. The site was informed of the outlined issues and are subsequently considered resolved due to mitigating actions taken and additional processes put in place.

Edgewater

AML Compliance Review

Nov 16, 2014

Distribution:

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November 21, 2014
STEPHENS, Sam
BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from Aug 08, 2014 to Nov 16, 2014.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General <input type="checkbox"/> Assessment of Service Provider Operational Management's ability to research and/or provide the most current BCLC Casino Standards, Policies and Procedures relevant to Large Cash Transactions and Cheque Issuance.	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information <input type="checkbox"/> Assessment of the Service Providers' understanding/practices to collect, use, retain, disclose, safeguard and dispose of Personal Information of players in accordance with applicable laws upon approaching LCTR reporting thresholds.	Compliant	
Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations <input type="checkbox"/> Assessment to determine if cheques are only issued for verified wins, return of gaming funds up to \$10,000 or return of PGF Funds <input type="checkbox"/> Assessment to determine if electronic gaming device jackpot wins are verified through Last Game Recall or slot jackpot verification through the slot management system (CMS/GMS Jackpot slip – Table Tracking sheet/cards)	Partially Compliant	
Issue: The GCO reviewed the table tracking forms for all verified win cheques over 25k on 18-19 Nov 2014 and identified one 45k cheque #5128 where the associated table tracking for did not support the verified amount. BCLC CCGCSPP 3-9.4, 2.3		Resolved

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Policy	Finding	Status
<p>Action: The GCO informed the Cage Manager and CFO of the identified issue on 20 Nov 2014. It was confirmed through discussion that the casino shift manager would only sign to confirm the win if the play was verified for cheque issuance. The site will inform all associated parties of this incident and will ensure cheques are only issued when the table tracking form verifies the amount of cheque issuance.</p>		
<p>BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports</p> <ul style="list-style-type: none"> <input type="checkbox"/> Review of Large Cash Transaction tracking, recording, timely entry into the FINTRAC module <input type="checkbox"/> Assessment of the completeness of Large Cash Transaction records / Casino Disbursement Reports <input type="checkbox"/> Assessment of the validity/recording of patron identification required for Large Cash Transactions <input type="checkbox"/> Discussions with relevant personnel in regards to Unusual/ Suspicious Financial Transaction understanding and reporting 	Compliant	
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training</p> <ul style="list-style-type: none"> <input type="checkbox"/> Reconciliation of Service Provider HR Listing to BCLC Anti-Money Laundering (AML) training certification to assess compliance to the mandatory training for all Service Provider staff, with the exception of janitorial or food and beverage staff 	Compliant	
<p>BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques</p> <ul style="list-style-type: none"> <input type="checkbox"/> Assessment of the Certified Cheque redemption understanding and procedures with Cage staff including signs of alteration and/or tampering as well as suspicious activity 	Compliant	
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques</p> <ul style="list-style-type: none"> <input type="checkbox"/> Assessment of the Service Provider's cheque issuance and cashing procedures and record keeping practices, and iTrak reporting, if applicable <input type="checkbox"/> Review of the Service Provider's cheque documentation specifically relating to Large Cash Transactions <input type="checkbox"/> Review of the "Return of Funds - Not Gaming Winnings" cheque issuance procedures and record keeping 	Compliant	
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option</p> <ul style="list-style-type: none"> <input type="checkbox"/> Review of "Hold Cheque Option" understanding and practices in use, if in use at the site <input type="checkbox"/> Examination of the Initial Agreements for completion and records maintained <input type="checkbox"/> Assessment of the tracking, withdrawals and holding of each related transaction 	Compliant	

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Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets <input type="checkbox"/> Review of the procedures and practices and redemptions (if applicable) of any Mailed In IVS tickets received by the Service Provider	Partially Compliant	
Issue: The GCO confirmed on 17 Nov 2014 that one mail in IVS ticket was processed, IN20140050086 refers. Through review it was determined that the player identification was not verified, the patron was not contacted and ticket payment circumstances and details were not included in the incident report. BCLC CCGCSPP 3-12.2, 1.1.1		Resolved
Action: The GCO informed the site Cage Manager and CFO of the identified issue on 20 Nov 2014. It was confirmed on 21 Nov 2014 that the site has informed associated staff of the identified issue and confirmed knowledge of required actions. Issue is considered resolved.		

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

GCO identified two (2) issues during this review. Both issues were discussed with the Cage Manager and CFO on 21 Nov 2014 and are subsequently considered resolved.

BCLC SPP Exceptions: 2

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

AML Compliance Review

January 11, 2015

Distribution:

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January 19, 2015

Rick TSANG

BCLC Operational Gaming Compliance Officer



Objectives

The purpose of this review is to ensure that all parts of BCLC policy and procedures are being met and to further ensure that all issues that affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from November 17, 2014 to January 11, 2015.

During the course of this review, in addition to identifying security and integrity issues, the BCLC Gaming Compliance Officer reviewed all or parts of relevant sections of BCLC policy detailed within the body of this report.

Current Findings

Policy	Finding	Status
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General</p> <p><input type="checkbox"/> Assessment of Service Provider Operational Management's ability to research and/or provide the most current BCLC Casino Standards, Policies and Procedures relevant to Large Cash Transactions and Cheque Issuance.</p>	Compliant	
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information</p> <p><input type="checkbox"/> Assessment of the Service Providers' understanding/practices to collect, use, retain, disclose, safeguard and dispose of Personal Information of players in accordance with applicable laws upon approaching LCTR reporting thresholds.</p>	Compliant	
<p>Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance</p>	Compliant	
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations</p> <p><input type="checkbox"/> Assessment to determine if cheques are only issued for verified wins, return of gaming funds up to \$10,000 or return of PGF Funds</p> <p><input type="checkbox"/> Assessment to determine if electronic gaming device jackpot wins are verified through Last Game Recall or slot jackpot verification through the slot management system (CMS/GMS Jackpot slip – Table Tracking sheet/cards)</p>	Compliant	

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Policy	Finding	Status
<p>BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports</p> <p><input type="checkbox"/> Review of Large Cash Transaction tracking, recording, timely entry into the FINTRAC module</p> <p><input type="checkbox"/> Assessment of the completeness of Large Cash Transaction records/ Casino Disbursement Reports</p> <p><input type="checkbox"/> Assessment of the validity/recording of patron identification required for Large Cash Transactions</p> <p><input type="checkbox"/> Discussions with relevant personnel in regards to Unusual/ Suspicious Financial Transaction understanding and reporting</p>	Partially Compliant	
<p>Issue: A review of fifty (50) Large Cash Transactions (LCT) for the review period was conducted and found three (3) LCTs with errors.</p> <p><i>BCLC CCGCSPP 3-8.1 ss 2.1.1.d and 8</i></p>		Resolved
<p>Action: On January 15, 2015, the BCLC Investigator corrected and/or submitted a note in each of the three (3) LCT files.</p> <p>On January 15, 2015, the Cage Manager informed the GCO that the Cage Shift Managers/Supervisors will be advised to ensure that the LCTs are completed accurately as required.</p>		
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training</p> <p><input type="checkbox"/> Reconciliation of Service Provider HR Listing to BCLC Anti Money Laundering (AML) training certification to assess compliance to the mandatory training for all Service Provider staff, with the exception of janitorial or food and beverage staff</p>	Not Applicable	
<p>BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques</p> <p><input type="checkbox"/> Assessment of the Certified Cheque redemption understanding and procedures with Cage staff including signs of alteration and/or tampering as well as suspicious activity</p>	Compliant	
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques</p> <p><input type="checkbox"/> Assessment of the Service Provider's cheque issuance and cashing procedures and record keeping practices, and iTrak reporting, if applicable</p> <p><input type="checkbox"/> Review of the Service Provider's cheque documentation specifically relating to Large Cash Transactions</p> <p><input type="checkbox"/> Review of the "Return of Funds - Not Gaming Winnings" cheque issuance procedures and record keeping</p>	Compliant	
<p>BCLC Casino and Community Gaming Centre Standards,</p>	Not Applicable	

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Policy	Finding	Status
Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option <input type="checkbox"/> Review of "Hold Cheque Option" understanding and practices in use, if in use at the site <input type="checkbox"/> Examination of the Initial Agreements for completion and records maintained <input type="checkbox"/> Assessment of the tracking, withdrawals and holding of each related transaction		
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets <input type="checkbox"/> Review of the procedures and practices and redemptions (if applicable) of any Mailed In IVS tickets received by the Service Provider	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds Accounts	Not Applicable	

Outstanding Findings

There are no outstanding findings to report at this time.

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Conclusion

An Anti-Money Laundering review was conducted at the Edgewater Casino and one exception was identified. The exception was resolved by the BCLC Investigator and the Cage Manager on January 15, 2015.

BCLC SPP Exceptions: 1
PCMLTFA Exceptions: 0
Unresolved Exceptions: 0

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Edgewater

AML Compliance Review

June 2015

Distribution:

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Cathy CUGLIETTA, Compliance & Trend Analyst, BCLC
Laird ROBINSON, Manager Operational Gaming Compliance, BCLC

Rick TSANG
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of the review is to verify that the gaming facility is operating in accordance with BCLC Policy and Procedures and to ensure that issues which affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

The information contained within this report was collected through the review of relevant documents or logs, Casino Reporting System (CRS), surveillance and security systems, financial documents (if applicable), and/or visual inspections.

Interviews were also completed with gaming employees to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment.

The Gaming Compliance Officer reviewed the relevant material from January 12, 2015 to June 1, 2015.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions (LCT)/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Partially Compliant	
Issue: A review of the LCTs filed during the review period was conducted and identified		Resolved

three (3) LCTs that were filed after 72 hours of the patron's initial transaction.

BCLC CCGCSPP 3-8.1, 14.1

Action:

On June 22, 2015, the Cage Manager advised the GCO that the Cage Supervisors were reminded of the requirement through emails and pre-shift reports. In addition, the LCT Compliance Auditors will also review LCTs to ensure that the LCTs are filed within 72 hours of the patron's initial transaction.

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training Assessment of this section by the GCO may include, but is not limited to, reconciliations of staff lists, reviews of BCLC generated reports	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds Accounts Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS as well as interviews of site staff	Compliant
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Partially Compliant

Issue:

A review of the CRS iTrak Incident reports for Convenience Cheques issued during the review period was conducted, and identified that the Subject Profile was not attached to two (2) files and the Date of Birth was not recorded in the narrative field on one (1) file.

BCLC CCGCSPP 3-9.4, 3.2.3.a (4) & (5)

Resolved

Action:

On June 16, 2015, the Surveillance Manager advised the GCO that the three (3) CRS files have been updated and the issue will be addressed with the Surveillance Operator(s).

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, inspections of documentation and interviews with site staff	Compliant
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS	Compliant

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

An Anti-Money Laundering Compliance review was conducted at the Edgewater Casino and two (2) exceptions were identified. As of June 22, 2015, the exceptions have been resolved by the Cage Manager and the Surveillance Manager.

BCLC SPP Exceptions: 2
PCMLTFA Exceptions: 0
Unresolved Exceptions: 0

Edgewater

AML Compliance Review

September 2015

Distribution:

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Rick TSANG
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of the review is to verify that the gaming facility is operating in accordance with BCLC Policy and Procedures and to ensure that issues which affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

The information contained within this report was collected through the review of relevant documents or logs, Casino Reporting System (CRS), surveillance and security systems, financial documents (if applicable), and/or visual inspections.

Interviews were also completed with gaming employees to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment.

The Gaming Compliance Officer reviewed the relevant material from June 2, 2015 to September 30, 2015.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 1-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Partially Compliant	
Issue: A review of the LCTs filed during the review period was conducted and identified five		Resolved

(5) LCTs that were filed after 72 hours of the patron's initial transaction.

BCLC C OGCSP 3-8.1, 14.1

Action:

On October 14, 2015, the Director of Cage Operations advised the GCO that the LCTs in question were reviewed and that the LCT Team has been instructed to focus on filing LCTs within 72 hours of the patron's initial transaction.

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training Assessment of this section by the GCO may include, but is not limited to, reconciliations of staff lists, reviews of BCLC generated reports	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds Accounts Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS as well as interviews of site staff	No : Applicable
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, inspections of documentation and interviews with site staff	No : Applicable
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS	Compliant

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

An Anti-Money Laundering review was conducted at the Edgewater Casino and one (1) exception was identified. The Director of Cage Operations has resolved the exception on October 14, 2015.

BCLC S P Exception : 1
PCMLTFA Exceptions: 0
Unresolved Exception : 0

Edgewater

AML Compliance Review

December 2015

Distribution:

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Rick TSANG
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of the review is to verify that the gaming facility is operating in accordance with BCLC Policy and Procedures and to ensure that issues which affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

The information contained within this report was collected through the review of relevant documents or logs, Casino Reporting System (CRS), surveillance and security systems, financial documents (if applicable), and/or visual inspections.

Interviews were also completed with gaming employees to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment.

The Gaming Compliance Officer reviewed the relevant material from October 1, 2015 to December 28, 2015.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Partially Compliant	

Issue:

A review of the LCTs filed during the review period identified nine (9) LCTs filed after 72 hours of the patron's first transaction. Two of the nine LCT reports to FINTRAC were not filed within fifteen (15) calendar days after the transaction.

BCLC CCGCSPP 3-8.1, 14

Resolved

Action:

On January 6, 2016, the Director of Cage Operations advised the GCO that the employees who missed the LCTs will be held accountable for the errors.

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training Assessment of this section by the GCO may include, but is not limited to, reconciliations of staff lists, reviews of BCLC generated reports	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds Accounts Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS as well as interviews of site staff	Compliant
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, inspections of documentation and interviews with site staff	Not Applicable
BCLC Casino Standards, Policies and Procedures: Section 3-12.3 Cage – Mail In Electronic Gaming Ticket Redemptions Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS	Compliant
BCLC Casino Standards, Policies and Procedures: Section 3-12.3 Cage – Ticket In, Ticket Out (TITO) Ticket Purchases Assessment of this section by the GCO may include, but is not limited to, interviews of site staff and reviews of Cage tracking logs and GMS reports	Compliant

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

An Anti-Money Laundering review was conducted at the Edgewater Casino and there was one (1) exception identified. As of January 6, 2015, the Director of Cage Operations has resolved the exception.

BCLC SPP Exceptions: 0

PCMLTFA Exceptions: 1

Unresolved Exceptions: 0

Edgewater

AML Compliance Review

June 2016

Distribution:

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Laird ROBINSON, Manager, Corporate Security & Compliance, BCLC

Rick TSANG, BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of the review is to verify that the gaming facility is operating in accordance with BCLC Policy and Procedures and to ensure that issues which affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

The information contained within this report was collected through the review of relevant documents or logs, Casino Reporting System (CRS), surveillance and security systems, financial documents (if applicable), and/or visual inspections.

Interviews were also completed with gaming employees to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment.

The Gaming Compliance Officer reviewed the relevant material from March 14, 2016 to June 6, 2016.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Partially Compliant	
Issue: A review of fifty (50) Large Table Buy Ins (LTBI) was conducted and identified three (3) possible Unusual Financial Transactions (UFT). The BCLC Investigator reviewed the three (3) LTBI and deemed that the transactions are subject to an Incident Report in CRS.		
<i>BCLC CCGCSPP 1-2.3, 1.6</i>		Resolved
Action: On June 1, 2016, the BCLC Investigator has informed the Director of Surveillance & Compliance and Surveillance Manager of the criteria around UFT reporting. The Director of Surveillance & Compliance has acknowledged on June 6, 2016, that the Surveillance Team is aware of the UFT reporting and that there is no set dollar		

threshold on reporting.

CRS UFT incident reports have been created for the three (3) possible UFTs and the BCLC Investigator has submitted the files to FINTRAC within 30 days of the incidents.

<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports</p>	Compliant
<p>BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff</p>	Partially Compliant
<p>Issue: A review of fifty (50) LCTs filed during the review period identified five (5) LCTs that were completed after 72 hours of the patron's first transaction in the CRS FINTRAC module.</p>	
<p><i>BCLC CCGCSPP 3-8.1, 14.1</i></p>	
<p>Note: the said LCTs were submitted to FINTRAC within 15 calendar days after the transactions and have met the FINTRAC reporting requirements.</p>	Resolved
<p>Action: On June 2, 2016, the Director of Cage Operations advised the GCO that the Cage department had some staffing complications at the time and has resolved the staffing levels at present time. The Cage department has also been reminded to collect all the pertinent information required for LCTs.</p>	
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds Accounts Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS as well as interviews of site staff</p>	Compliant
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff</p>	Compliant
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff</p>	Compliant
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, inspections of documentation and interviews with site staff</p>	Compliant

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.1 Cage – Ticket In, Ticket Out (TITO) Ticket Purchases

Compliant

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff and reviews of Cage tracking logs and GMS reports

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.3 Cage – Mail In Electronic Gaming Ticket Redemptions

Compliant

Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 5-1.1 Table Games – General Rules and Regulations

Compliant

Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and Surveillance footage, inspections of Table forms and interviews of site staff

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

An Anti-Money Laundering review was conducted at the Edgewater Casino and identified two (2) exceptions. The Director of Cage Operations and Director of Surveillance & Compliance have resolved the exceptions.

BCLC SPP Exceptions: 2

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

AML Compliance Review

August 2016

Distribution:

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Cathy CUGLIETTA, Compliance & Trend Analyst, BCLC
Laird ROBINSON, Manager, Corporate Security & Compliance, BCLC

Rick TSANG, BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of the review is to verify that the gaming facility is operating in accordance with BCLC Policy and Procedures and to ensure that issues which affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

The information contained within this report was collected through the review of relevant documents or logs, Casino Reporting System (CRS), surveillance and security systems, financial documents (if applicable), and/or visual inspections.

Interviews were also completed with gaming employees to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment.

The Gaming Compliance Officer reviewed the relevant material from June 7, 2016 to August 19, 2016.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Partially Compliant	
Issue: A review of fifty large cash buy ins (LCBI) for the review period was conducted and identified one (1) patron with unusual financial transactions (UFT), however, there were no UFTs filed for this patron in CRS. On August 22, 2016, the BCLC AML Investigator was informed of the findings and has forwarded the information to the AML Programs Manager for further investigations.		Follow up Required
<i>BCLC CCGCSPP 1-2.3, 3</i>		
Action: On September 9, 2016, the BCLC AML Investigator confirmed that some of the patron's transactions should have been reported in CRS with UFT incident reports. The BCLC AML Investigator advised the GCO that the Edgewater Management team		

will be instructed to file UFTs in CRS for this patron and will follow up on the UFT filing requirements so that UFT transactions will not be missed in the future.

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Partially Compliant
<p>Issue: A review of the 2140 LCTs filed during the review period identified six (6) LCTs that were filed after 72 hours of the first transaction. One (1) LCT was filed after the fifteen (15) day FINTRAC LCT reporting requirement, and four (4) late LCTs had a CRS incident report and/or note in the LCT file stating the reason.</p> <p><i>BCLC CCGCSPP 3-8.1, 14.1</i></p> <p style="text-align: right;">Resolved</p>	
<p>Action: The Director of Cage Operations advised the GCO on August 26, 2016, that the errors were mainly from the new relief Cage Supervisors, and that the LCT team will be reminded to file LCTs within 72 hours and be re-trained on the LCT procedures when applicable.</p>	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds Accounts Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS as well as interviews of site staff	Not Applicable
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, inspections of documentation and interviews with site staff	Not Applicable
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.1 Cage – Ticket In, Ticket Out (TITO) Ticket Purchases Assessment of this section by the GCO may include, but is not limited	Compliant

to, interviews of site staff and reviews of Cage tracking logs and GMS reports

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.3 Cage – Mail In Electronic Gaming Ticket Redemptions	Compliant
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Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 5-1.1 Table Games – General Rules and Regulations	Compliant
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Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and Surveillance footage, inspections of Table forms and interviews of site staff

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

An Anti-Money Laundering review was conducted at the Edgewater Casino and two (2) exceptions were identified. One exception has been resolved by the Director of Cage Operations and the BCLC AML Investigator will be following up with the Edgewater Management team on the other exception.

BCLC SPP Exceptions: 1
PCMLTFA Exceptions: 2
Unresolved Exceptions: 0

Edgewater

AML Compliance Review

December 2016

Distribution:

Anna FITZGERALD, Director of Audit and Compliance, GPEB
Dennis AMERINE, VP of Compliance, Paragon
Joe BRUNINI, President, Edgewater Casino
Chad BOYNAK, Chief Financial Officer, Edgewater Casino
Phuong WALDNER, Director of Cage Operations, Edgewater Casino
Shehbaz AHMAD, Internal Auditor, Edgewater Casino
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Cathy CUGLIETTA, Compliance & Trend Analyst, BCLC
Laird ROBINSON, Manager, Corporate Security & Compliance, BCLC

Rick TSANG, BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of the review is to verify that the gaming facility is operating in accordance with BCLC Policy and Procedures and to ensure that issues which affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

The information contained within this report was collected through the review of relevant documents or logs, Casino Reporting System (CRS), surveillance and security systems, financial documents (if applicable), and/or visual inspections.

Interviews were also completed with gaming employees to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment.

The Gaming Compliance Officer reviewed the relevant material from August 20, 2016 to December 12, 2016.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Partially Compliant	
Issue: A review of the December 13, 2016, BCLC Anti-Money Laundering (AML) training database was conducted and three (3) employees (1 cage, 1 surveillance, 1 table games) have not completed AML retraining.		
<i>BCLC CCGCSPP 1-2.3, 5.2</i>		Resolved
Action: The Human Resources Assistant advised the GCO that the three associates have completed AML retraining on December 15, 2016. In addition, the BCLC Learning Management System AML list will be reviewed so that training for all applicable associates will be up-to-date in the future.		

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Partially Compliant
Issue: A review of the four Mystery Games Merchandise Prizes, won during the review period, was conducted and two (2) Race to Win Vehicle prizes were not reported in FINTRAC.	
<i>BCLC CCGCSPP 4-6.4, 5.1</i>	
Action: On December 12, 2016, the Director of Cage Operations was informed of the findings and the Casino Disbursement Reports were created and filed in FINTRAC. On December 15, 2016, the Director of Cage Operations advised the GCO that a checklist has been attached to the Race to Win paperwork and the creation of an LCT is part of the checklist and will be reviewed so that LCTs will not be missed.	Resolved
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds Accounts Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS as well as interviews of site staff	Not Applicable
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, inspections of documentation and interviews with site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.1 Cage – Ticket In, Ticket Out (TITO) Ticket Purchases Assessment of this section by the GCO may include, but is not limited to, interviews of site staff and reviews of Cage tracking logs and GMS reports	Compliant

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.3 Cage – Mail In Electronic Gaming Ticket Redemptions

Not Applicable

Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 5-1.1 Table Games – General Rules and Regulations

Compliant

Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and Surveillance footage, inspections of Table forms and interviews of site staff

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

An Anti-Money Laundering review was conducted at the Edgewater Casino. There were two (2) exceptions identified and the Director of Cage Operations and Human Resources Assistant has resolved the exceptions.

Edgewater

AML Compliance Review

March 2017

Distribution:

Anna FITZGERALD, Director of Audit and Compliance, GPEB
Dennis AMERINE, VP of Compliance, Paragon
Joe BRUNINI, President, Edgewater
Frank CORLIS, Director of Surveillance & Compliance, Edgewater Casino
Phuong WALDNER, Director of Cage, Edgewater Casino
Paul AHLUWALIA, Director of Table Games, Edgewater Casino
Devin MCCORMACK, Security Manager, Edgewater Casino
Laird ROBINSON, Manager, Corporate Security & Compliance, BCLC
Tom PLANTE, Casino Investigator, BCLC
Gina IANDIORIO, Regional Operations Manager, BCLC
Ray PALUMBO, Manager, Business Operations, BCLC
Aleksandar CVJETKOVIC, Senior Technician, BCLC

Billy HAN
BCLC Operational Gaming Compliance Officer (GCO)



Objectives

The objective of the review is to verify that the gaming facility is operating in accordance with BCLC Policy and Procedures and to ensure that issues which affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

The information contained within this report was collected through the review of relevant documents or logs, Casino Reporting System (CRS), surveillance and security systems, financial documents (if applicable), and/or visual inspections.

Interviews were also completed with gaming employees to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment.

The Gaming Compliance Officer reviewed the relevant material from December 13, 2016 to March 29, 2017.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Compliant	

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.1 Cage – Ticket In, Ticket Out (TITO) Ticket Purchases Assessment of this section by the GCO may include, but is not limited to, interviews of site staff and reviews of Cage tracking logs and GMS reports	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.3 Cage – Mail In Electronic Gaming Ticket Redemptions Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 5-1.1 Table Games – General Rules and Regulations Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and Surveillance footage, inspections of Table forms and interviews of site staff	Compliant

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

During the course of this review, there were no exceptions was identified. The GCO would like to thank all staffs for their time and assistance with this review.

BCLC SPP Exceptions: 0
PCMLTFA Exceptions: 0
Unresolved Exceptions: 0

There are no outstanding findings to report at this time.

Conclusion

During the course of this review, two (2) exceptions were identified. The matters have been addressed, and can now be considered resolved.

BCLC SPP Exceptions: 2

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

AML Compliance Review

June 2017

Distribution:

Anna FITZGERALD, Director of Audit and Compliance, GPEB
Dennis AMERINE, VP of Compliance, Paragon
Joe BRUNINI, President, Edgewater
Frank CORLIS, Director of Surveillance & Compliance, Edgewater Casino
Phuong WALDER, Director of Cage, Edgewater Casino
Paul AHLUWALIA, Director of Table Games, Edgewater Casino
Laird ROBINSON, Manager, Corporate Security & Compliance, BCLC
Tom PLANTE, Casino Investigator, BCLC
Laurie STEWART, Regional Operations Manager, BCLC
Ray PALUMBO, Manager, Business Operations, BCLC

Billy HAN
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of the review is to verify that the gaming facility is operating in accordance with BCLC Policy and Procedures and to ensure that issues which affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

The information contained within this report was collected through the review of relevant documents or logs, Casino Reporting System (CRS), surveillance and security systems, financial documents (if applicable), and/or visual inspections.

Interviews were also completed with gaming employees to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment.

The Gaming Compliance Officer reviewed the relevant material from March 30, 2017 to June 19, 2017.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds	Compliant	

Accounts

Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS as well as interviews of site staff

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques	Compliant
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Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques	Compliant
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Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.3 Cage – Mail In Electronic Gaming Ticket Redemptions	Compliant
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Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 5-1.1 Table Games – General Rules and Regulations	Compliant
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Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and Surveillance footage, inspections of Table forms and interviews of site staff

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

During the course of this review, there were no exceptions identified. The GCO would like to thank all staffs for their time in assisting with this review.

BCLC SPP Exceptions: 0

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

Edgewater

AML Compliance Review

August 2017

Distribution:

Anna FITZGERALD, Director of Audit and Compliance, GPEB
Dennis AMERINE, VP of Compliance, Paragon
Joe BRUNINI, President, Edgewater
Chad BOYNAK, Chief Financial Officer, Paragon
Frank CORLIS, Director of Surveillance & Compliance, Edgewater Casino
Phuong WALDER, Director of Cage, Edgewater Casino
Paul AHLUWALIA, Director of Table Games, Edgewater Casino
Laird ROBINSON, Manager, Corporate Security & Compliance, BCLC
Daryl TOTTENHAM, BCLC Manager, AML Programs
Bal BAMRA, BCLC Manager, AML Intelligence
Tom PLANTE, Casino Investigator, BCLC
Ken BACH, Regional Operations Manager, BCLC
Ray PALUMBO, Manager, Business Operations, BCLC

Billy HAN, BCLC Operational Gaming Compliance Officer (GCO)



Objectives

The objective of the review is to verify that the gaming facility is operating in accordance with BCLC Policy and Procedures and to ensure that issues which affect the integrity and/or security of the gaming operation are identified and resolved.

Scope

The information contained within this report was collected through the review of relevant documents or logs, Casino Reporting System (CRS), surveillance and security systems, financial documents (if applicable), and/or visual inspections.

Interviews were also completed with gaming employees to obtain their comments and to determine their understanding and capability to apply the BCLC Policy and Procedures in their gaming environment.

The Gaming Compliance Officer reviewed the relevant material from June 20, 2017 to August 25, 2017.

Current Findings

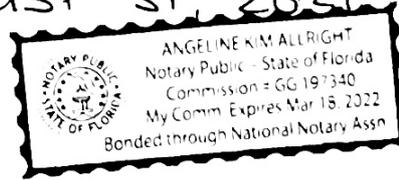
Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Partially Compliant	
Issue: Upon review of the staff roster and the BCLC Learning Management System (LMS) on August 11, 2017, it was found that one (1) employee was overdue for the required AML recertification training.		
BCLC CCGCSPP 1-2.3 Subsection 5.2		Resolved
Action: The matter was discussed with the Human Resources Manager on August 11, 2017. As a result, it appears that the BCLC Learning Management System (LMS) profile for this employee was incorrectly set as inactive. Moving forward, the Human Resources designate will be conducting weekly audits of the LMS database. The employee in question was now confirmed to have completed the required training as of August 15,		

2017.

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds Accounts Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS as well as interviews of site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.1 Cage – Ticket In, Ticket Out (TITO) Ticket Purchases Assessment of this section by the GCO may include, but is not limited to, interviews of site staff and reviews of Cage tracking logs and GMS reports	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 5-1.1 Table Games – General Rules and Regulations Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and Surveillance footage, inspections of Table forms and interviews of site staff	Partially Compliant
Issue: Upon review of the sites procedures, it was noted that on July 14, 2017, a patron with no play was permitted to cash out two (2) unsourced \$5000 chips. The transaction resulted in an LCT being created, which was processed accordingly as per FINTRAC requirements.	
BCLC CCGCSPP 5-1.1 Subsection 10	Resolved
Action: On August 29, 2017, the Director of Cage acknowledged the incident, and stated that a memo has been sent to all cage staff reminding them of the chip tracking policies.	

Outstanding Findings

This is Exhibit 3 referred to in the Affidavit of Diana Bennett
sworn ~~September~~, 2021 August 31, 2021



Angelina Kim Allright

Notary Public

**GAMING POLICY &
ENFORCEMENT
BRANCH**



AUDIT REPORT

**Edgewater Casino
Paragon Gaming Inc.
GPEB File # COMM-6358
2011/2012**

1.0 EXECUTIVE SUMMARY

An audit of Edgewater Casino was conducted to verify compliance with the Gaming Control Act, Regulation and all applicable standards, policies and directives.

The scope of the audit included a review of casino gaming operations for the period July 10, 2010 to July 21, 2011. The following areas of the casino were reviewed: Cage, CSOM, Slot Machines, Regulatory, Responsible Gambling, Security, Surveillance, and Table Games.

Exceptions include issues regarding responsible gambling, tables, cage, slots and CSOM.

2.0 AUDIT OBJECTIVES

The objectives of the audit were to:

- Verify compliance with the Gaming Control Act (GCA) and Regulation (GCR);
- Verify compliance with GPEB standards, policies and directives;
- Verify compliance with BCLC Casino Standards, Policies and Procedures (CSPP);
- Verify best practices are followed in the absence of policy.

3.0 AUDIT SCOPE

We perform a risk assessment process of the entire site to identify the areas to be reviewed. Specific fieldwork was performed in the following areas:

- Cage (administration, procedures, gaming asset controls, FINTRAC);
- CSOM (administration, procedures, gaming asset controls);
- Regulatory compliance (registration, liquor service);
- Responsible gambling program (signage, advertising, voluntary self-exclusion);
- Security (administration, procedures, gaming asset controls);
- Slot operations (administration, procedures, gaming asset controls);
- Surveillance (administration, procedures and equipment);
- Table games (administration, procedures, gaming asset controls).

The audit period was July 10th, 2010 to July 21st, 2011.

4.0 AUDIT PROCEDURES

The period of field work was July 18th – 21st, 2011. Audit procedures were conducted on a sample testing basis to provide reasonable assurance of compliance. The auditor(s) performed on-site compliance work through observation, interview and testing. Substantial additional testing was performed off-site through the review of records provided by the service provider and BCLC.

An exit interview was conducted on July 21st, 2011 with the Casino Manager, BCLC Auditor, BCLC CSOM to discuss preliminary audit findings.

5.0 EXCEPTIONS

The details of the issues resulting from the audit procedures are discussed below:

Responsible Gambling

1. A review of eight Voluntary Self Exclusion applications from July 2011 identified two incidents that had no information provided about the patron's vehicle. As well there is no information regarding how the patrons left the site (on foot/in a car). A third incident states that vehicle information was added to the patron's file but no vehicle information was found on the patron's subject profile.

Control Failure: Intelligent License Plate Recognition (iLPR) software is one of the most efficient tools for preventing Self Excluded individuals from violating their exclusion. Failure to collect and record accurate information of the patron's vehicle significantly increases a risk that the patron will be able come to the casino unnoticed. (CSPP S.7.3.2, ss.3.1.3.e & 3.8)

Impact: Medium

2. A review of voluntary self exclusion applications identified that a BC Gold card was not suspended for five days after the voluntary self exclusion was processed.

Control Failure: A BCLC representative is required to check on a daily basis for any Self Exclusion reports, to suspend any related membership of the BC Gold Encore Player Club Program. Ability to use BC Gold card in gaming facilities represents an incentive for patrons to play more. If the BC Gold card is not suspended, it creates an incentive that Self Excluded players will attempt to use and violate their exclusion (CSPP S.7.3.2, 3.9).

Impact: Medium

3. A sample of 174 of 649 employees was reviewed against the ART database listings. There were 11 employees who had not completed the mandatory ART level 1 and 6 employees who had not completed the mandatory ART level 2 training for their job requirements.

Control Failure: ART training ensures that staff is appropriately equipped to deal with those who may require assistance with a problem gambling issue. There is risk that without a proper training, employees will not be able to adequately assist players who may be in distress related to their gambling habits (CSPP Section 1-3.1, 7.5.1).

Impact: Medium

Cage

4. A review of iTrak entries for the period July 14 - 18, 2011, determined three instances where entries were not made for vault asset handovers including asset verifications (counts and reconciliations).

Control Failure: BCLC standards require Surveillance to be notified each time vault assets are accessed, and for Surveillance to record the notification in the daily log. Recording this information into iTrak provides evidence Surveillance was notified as well as the time and date of the handover. (CSPP 3-4.1, 1.6; SSPP 2-5.1, 3.4)

Impact: Low

5. A review of cash cage counting equipment testing procedures determined testing was performed by two drop team staff, neither of which was a supervisor. The Cage Supervisor also signed the log confirming testing was performed, but did not participate in testing.

Control Failure: BCLC standards state two registered gaming employees, one of whom shall be a Cage Supervisor or Drop Team Supervisor, shall undertake the testing procedure. (CSPP 1-14.1, 9.4)

Impact: Low

CSOM

6. A review of the Lock and Key Activity Log for the period May 22, 2011 – July 18, 2011 identified two incidents (May 23, 2011 and June 12, 2011) where the daily key inventory was not conducted.

Control Failure: BCLC staff is required to verify the inventory of BCLC keys and spare locks held by the Gaming Systems Coordinator on a daily basis, using the Lock and Key

Activity Log. Failure to perform this function could result in the inability to track and verify who has specific keys and locks. Without the inventory control unauthorized employees could have keys and locks they are not permitted to have. (ISPP 2-7.1, 4.1.6)

Impact: Medium

7. A review of the CMS and Casino Link access list noted that one terminated employee still had access to Casino Link.

Control Failure: Casino Service Providers are required to inform the BCLC Representative of staff changes, including terminations in order to ensure appropriate system access for all staff. (CSPP 1-8.4, 1.5.3)

Impact: Medium

Slots

8. A sample of 10 incident reports was reviewed, which related to slot machines. It was determined that one incident required a supplemental report, however it was not completed by the employee who was directly involved in the incident.

Control Failure: Supplemental Reports are required to be completed by each individual involved in the incident. This procedure ensures that if the incident is investigated further, all information regarding the incident is captured and all parties involved in the incident are known. (CSPP 1-9.1, 2.4)

Impact: Medium

Table Games

9. A tour of the table games identified that on a gaming day when all drop boxes labelled "A" were to be in place at each gaming table, 15 boxes labelled "B" were in place.

Control Failure: BCLC Standards require that each of two sets of drop boxes shall be separately and clearly identified. Although the provision does not specifically state that the tables should have either A or B boxes for each gaming day, it is a recommended measure to prevent box mix-ups and to ensure that the full drop boxes have not been left on the gaming tables. Labeling each set "A" and "B" ensures surveillance and gaming floor staff can verify that the correct boxes have been pulled for the count. (CSPP S.5-2-1, 2.5 & S.5-10-3, 2-4-2)

Impact: Medium

10. On several occasions the auditor observed that a dealer was not announcing buy-ins or colour changes for amounts ranging from \$25.00 to - \$300.00.

Control Failure: BCLC Standards require that buy-ins and color changes are announced by dealers to the Dealer Supervisor, the dealer will announce the transaction amount, colour and chip denomination. This requirement is essential in maintaining proper supervision of all cash and chip transactions that occur at the gaming tables. (CSPP 6-2-1, 6.2.2.3)

Impact: Medium

11. The auditor interviewed two dealer supervisors regarding card replacements. They stated that cards for Fortune Pai Gow and & Four Card Poker are replaced every 9 hours; this is in excess of the 4.5 hour maximum set out in the CSPP.

Control Failure: BCLC Standards require that cards for FPG & FCP should be replaced every 4.5 hours or sooner, or at the discretion of the Dealer Supervisor. A timely card replacement is an important procedure relating to the card control system. (CSPP 5-2.2, 5.1, 5.2)

Impact: Medium

6.0 BCLC RESPONSE

To be completed by BCLC

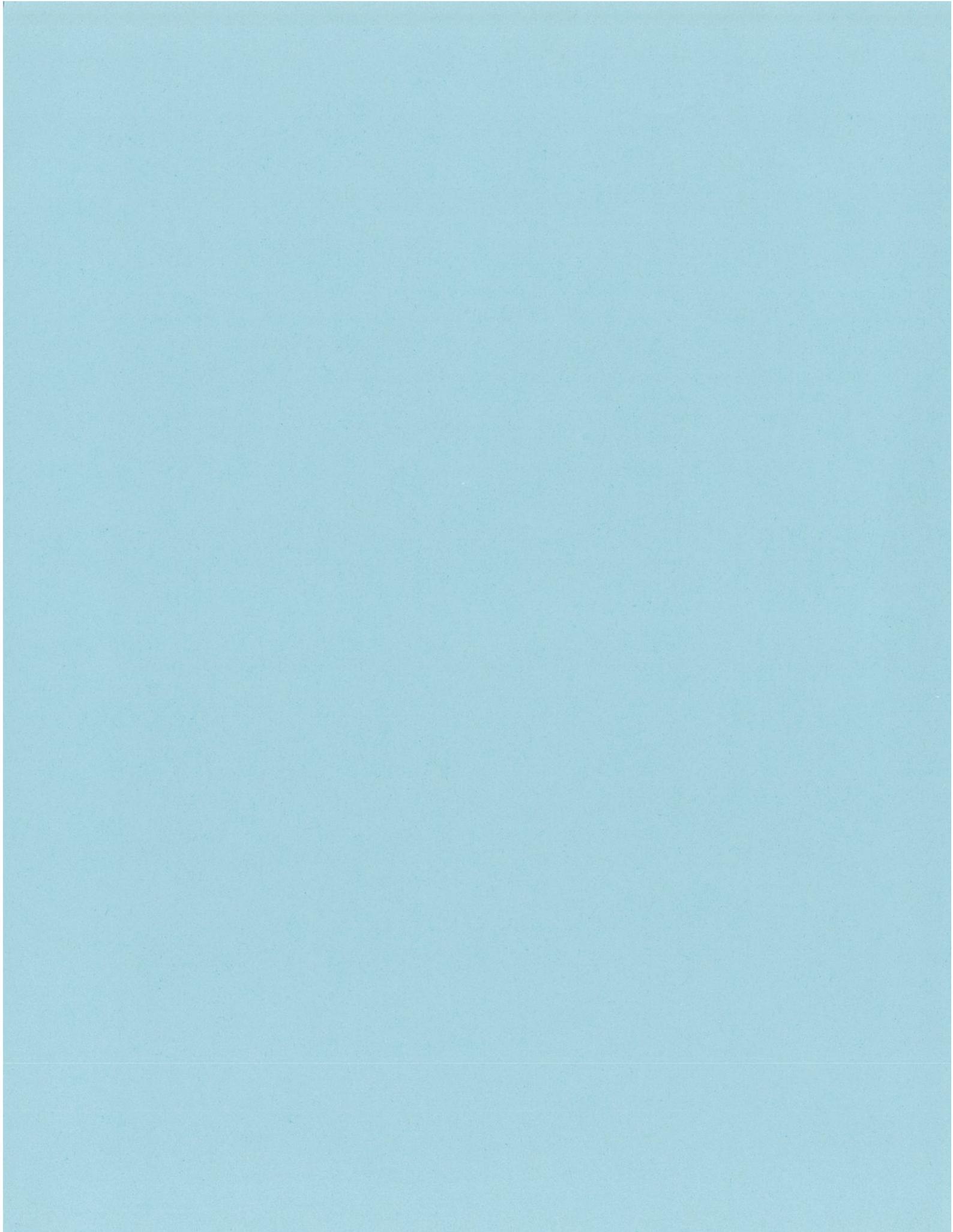
7.0 CONCLUSION

Issues were identified in this audit, GPEB requires BCLC to provide in its response an action plan indicating how the outstanding issues will be corrected and the date by which the issue will be addressed.

Commercial Gaming Audit
Audit and Compliance Division
August 26, 2011

Distribution List:

Mr. Kevin Sweeney, Manager, Operational Gaming Audit, BCLC
Mr. Barry Pritchard, General Manager, Edgewater Casino



AUDIT REPORT

**Edgewater Casino
Paragon Gaming Inc.
GPEB File # COMM-6940
2012/2013**

EXECUTIVE SUMMARY

An audit of the Edgewater Casino was conducted to verify compliance with the *Gaming Control Act*, Regulation and all applicable standards, policies and directives.

The scope of the audit included a review of casino gaming operations for the period July 22, 2011 to June 1, 2012. The following areas of the casino were reviewed: Cash Cage, CSOM, Slot Machines, Regulatory, Security, Surveillance, and Table Games.

Although exceptions were identified in this audit, there was no high impact areas noted.

AUDIT OBJECTIVES

The objectives of the audit were to:

- Verify compliance with the *Gaming Control Act* (GCA) and Regulation (GCR);
- Verify compliance with GPEB standards, policies and directives;
- Verify compliance with BCLC Casino Standards, Policies and Procedures (CSPP);
- Verify best practices are followed in the absence of policy.

AUDIT SCOPE

A risk assessment was performed to identify areas to be reviewed. The audit period was July 22, 2011 to June 1, 2012. Specific fieldwork was performed in the following areas:

- Cash Cage (administration, procedures, gaming asset controls, FINTRAC);
- CSOM (administration, procedures, gaming asset controls);
- Regulatory compliance (GPEB registration, liquor service);
- Security (administration, procedures, gaming asset controls);
- Slot Machines operations (administration, procedures, gaming asset controls);
- Surveillance (administration, procedures and equipment);
- Table Games (administration, procedures, gaming asset controls).

AUDIT PROCEDURES

The period of field work was May 29, 2012 to June 1, 2012. Audit procedures were conducted on a sample testing basis to provide reasonable assurance of compliance. The auditors performed on-site compliance work through observation, interview and testing. Substantial additional testing was performed off-site through the review of records provided by the Service Provider and BCLC.

An exit interview was conducted on June 1, 2012 with the site Director of Security & Property Management, Surveillance Manager, Casino Shift Manager, BCLC CSOM and BCLC GOS to discuss preliminary audit findings.

EXCEPTIONS

Details of the issues resulting from the audit procedures are discussed below:

Cash Cage

1. A surveillance review of a May 31, 2012 cashier closing noted the cashier float was not verified by a cage supervisor, or another employee under the supervision of the Cage Supervisor.

Control Failure: Dual verification of the float is required to ensure that the recorded information is accurate and to avoid misappropriation of assets. BCLC standards require the float be counted and verified by the cashier and a supervisor or by the cashier and another cage employee, under the supervision of the Cage Supervisor. (CSPP S. 3-2.1, 1.5)

Impact: Medium

BCLC Response

The GCO reviewed the cashiers' closing procedures with the Cage Manager and the Cage Director. The Service Provider understands the importance of having the cashier's float opening and closing verified by a Supervisor. The Cage Director has posted a memo reminding staff about following this requirement and in addition this was also documented in their "daily pre-shift" meetings which is read and signed off by all cage staff prior to starting their shift.

2. A review of the promotional coupons noted a discrepancy in total amount of coupons on hand at Guest Services for the \$25 free table play coupons. The inventory listing on May 30, 2012 listed 250 on hand, whereas only 100 were found in the cabinet.

Control Failure: Failure to adequately track coupons could result in their unauthorized use. (CSPP S. 2.3.1, 3.1.2.a)

Impact: Medium

BCLC Response

The GCO reviewed promotional coupon inventory with the Guest Services Manager. The Servicer Provider understands the importance of keeping an accurate inventory of coupons stored at the guest service station. The coupons transferred from the Vault are stored in a locked cabinet in the back of the guest services area. The procedure is that these coupons are entered in the computer system as soon as they are received by guest services.

The guest services staff have been reminded by the Guest Services Manager to enter the coupons in the inventory system as soon as they are transferred from the vault to prevent an inventory miss-match in the future.

CSOM

3. A review of the CMS and CasinoLink User Access Lists noted several terminated employees with active access.

Control Failure: Failure to maintain accurate and current access control to gaming systems could result in unauthorized access. (CSPP s. 1-9.4, 1.5)

Impact: Low

BCLC Response

The GCO reviewed CMS and Casino link user access with the BCLC CSOM. On July 03, 2012 the CSOM sent a list with 25 terminated employees received from the Service Provider to CMSRequest@bclc.com, to have their CMS and Casinolink access removed. The CSOM will now send the names of terminated employees to CMSRequest as soon as they are received from the service provider.

Security

4. A review of Security Officer note-books identified a notebook that started with the first day of the month on the first line and then each following line was numbered for the subsequent days, not allowing any space for entries. There were other notebooks reviewed with no start and end time of security officer shifts, no incidents or duties identified during the day, and multiple dates on one page with no specific information.

Control Failure: BCLC standards require security officers at the beginning of their shifts to enter into their notebooks the time, date, location, name and shift hours. Information entered into security notebooks may be used in legal proceedings; therefore it is important to include all pertinent information including the information listed above. (CSPP s. 8-1.1, 9.3, 9.3.1, 9.3.2, 9.4)

Impact: Medium

BCLC Response

The GCO reviewed Security Officer's note-books with the Security Shift Manager and the Security Manager. The Security Manager has reviewed the note-book requirements with the Security Officers and the Security Shift Managers. The Security Shift Manager will carry out regular periodic audits of the note-books to ensure that Security Officers keep up with the required note-book entries.

5. A review of the iFob Exception report for the month of April 2012 noted that there were 146 exceptions. There were 23 where there was no recording of who returned the key and 123 where the keys were signed out by one individual and returned by another. Some of the transactions suggest keys may be passed at shift change from one employee to another.

Control Failure: Failure to ensure that keys remain in the possession of the individual who signed them out could result in unauthorized access to areas of the casino and the assets.
(CSPP S.1-9.3, 1.1, 2.1.1)

Impact: Medium

BCLC Response

The GCO reviewed the performance of the Traka Key Cabinet with the Security Shift Manager and the Security Manager. A review of the Traka exceptions with the Security Manager shows that the majority of the key exceptions are caused by Traka key system malfunctions. The Security Manager advises that a new Key system will be put in place during the next capital budget in 2013 to address the Traka exceptions. The security team will continue to monitor the key exceptions and replace key fobs as needed and continue to work with staff to reduce exceptions.

Table Games

6. While reviewing Table operations and transactions it was observed that there was a lack of consistency with some dealers announcing buy-ins and colour changes. There were dealers who announced buy-ins but not colour changes, or colour changes but not buy-ins. As well it was observed that dealers would announce both for one transaction but neither for subsequent transactions. This exception was identified in the previous GPEB audit.

Control Failure: BCLC Standards require that for all buy-ins / color changes, dealers will call the attention of the Dealer Supervisor and announce the transaction amount, colour and chip denomination. This process is required to maintain proper supervision and management of all cash and chip transactions at the gaming tables. (CSPP s. 6-2.1, 6.2.2.3)

Impact: Medium

BCLC Response

The GCO reviewed table transactions by dealers with the Shift Manager and the Table Games Director. In addition to posting the memo reminding staff of the requirement to announce all buy-ins and colour change; the Service Provider has taken the additional step of including these reminders in the pre-shift meetings. There are three pre-shift meetings each day which are attended by all dealers on shift.

CONCLUSION

BCLC has acknowledged the exceptions in this report and either the risk will be accepted or changes will be made to service provider operations as noted.

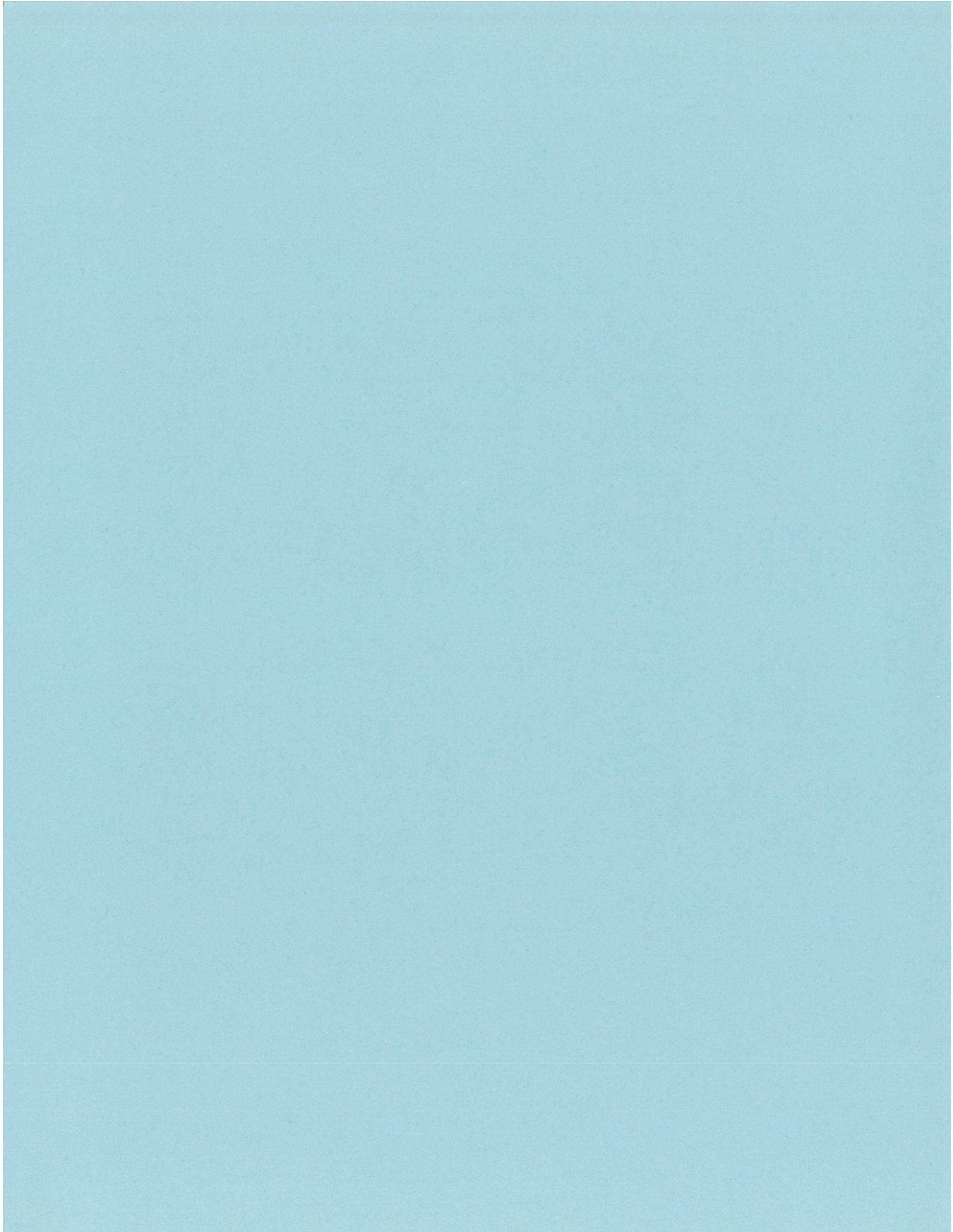
Commercial Gaming Audit

Audit and Compliance Division

July 26, 2012

DISTRIBUTION LIST

Kevin Sweeney, Manager, Operational Gaming Compliance, BCLC
Lynn Holt, General Manager, Edgewater Casino



AUDIT REPORT

**Paragon Gaming Inc.
Edgewater Casino
GPEB File # COMM-8017
2014/2015**

EXECUTIVE SUMMARY

An audit of Edgewater Casino was conducted to verify compliance with the Gaming Control Act, Regulation and all applicable standards, policies and directives.

The scope of the audit included a review of casino gaming operations for the period November 2, 2013 to July 18, 2014. The following areas of the casino were reviewed: BCLC Internal, Cash Cage, Regulatory, Security, Slot Machines, Surveillance, and Table Games.

Notable exceptions include inappropriate transfer of foreign currency at the cash cage and surveillance system not giving alerts for a video recording interruption and not engaging the redundancy system.

AUDIT OBJECTIVES

The objectives of the audit were to:

- Verify compliance with the Gaming Control Act (GCA) and Regulation (GCR);
- Verify compliance with GPEB standards, policies and directives;
- Verify compliance with BCLC Casino and Community Gaming Centre Standards, Policies and Procedures (CCGC SPP);
- Verify best practices are followed in the absence of policy.

AUDIT SCOPE

A risk assessment was performed to identify areas to be reviewed. The audit period was November 2, 2013 to July 18, 2014. Specific fieldwork was performed in the following areas:

- BCLC Internal (administration, procedures, gaming asset controls);
- Cash Cage (administration, procedures, gaming asset controls, FINTRAC);
- Regulatory (GPEB registration, liquor service);
- Security (administration, procedures, gaming asset controls);
- Slot Machines (administration, procedures, gaming asset controls);
- Surveillance (administration, procedures and equipment);
- Table Games (administration, procedures, gaming asset controls).

AUDIT PROCEDURES

The period of field work was July 16 to 18, 2014. Audit procedures were conducted on a sample testing basis to provide reasonable assurance of compliance. The auditors performed on-site compliance work through observation, interview and testing. Additional testing was performed off-site through the review of records provided by the service provider and BCLC.

An exit interview was conducted on July 18, 2014 with the Director of Casino Operations, Surveillance Manager, BCLC Manager of Business Operations and BCLC Gaming Compliance Officer to discuss preliminary audit findings.

EXCEPTIONS

Details of the issues resulting from the audit procedures are discussed below:

BCLC Internal

1. A review of the BCLC program cabinet inventory identified one ram clear chip from the inventory listing that could not be located.

Control Failure: Keeping accurate program inventory records helps to safeguard BCLC gaming assets from unauthorized use or removal. When not in use, the programs are required to be kept in the cabinet. (CCGC SPP s.4-5.4, 1.1, 1.5; Internal CCGC SPP s.1-7.1, 1.3)

Impact: Medium

BCLC Response:

BCLC accepts this finding. The BCLC Gaming Compliance Officer (GCO) verified the complete inventory on 07 May 2014 and further confirmed that all required monthly verifications have been completed since this date. Although the disposition of the missing chips remains unknown, the BCLC site staff has notified all associated sites of the discrepancy. Immediately after this issue was noted, a surveillance camera was added to cover the program cabinet and additional documentation procedures were implemented, requiring BCLC staff to record specific program movement, rather than broad removals.

Cash Cage

2. During the onsite audit it was noted that a cashier did not correctly transfer foreign currency. At break time a cashier moved the foreign currency to an unsecured drawer. The foreign currency should have been transferred to another cashier station and processed through GMS.

Control Failure: Failure to transfer the currency to a secure location could result in loss or misuse of the asset. The standards state all movements of cash shall involve a minimum of two or more staff members and shall be fully verified and document and processed on GMS. (CCGC SPP s.3-1.1, 1.1 & 1.2)

Impact: High

BCLC Response:

BCLC accepts this finding. The BCLC GCO has confirmed that the cash drawer referred to in this issue has been equipped with a lock, the key to which is accessible by the cage supervisor through the electronic key cabinet. All cage staff has been informed of the policy requirements and that upon cashier breaks, the foreign currency will be physically moved into this drawer and transferred in GMS to the vault cash desk. All foreign currency will remain here until the patron requests for the foreign currency to be returned.

3. A review of the vault handover procedures via surveillance footage noted that on July 17, 2014 at approximately 9:15 am the blind count was only performed by one employee. A second employee was in the vault room, but did not participate in the physical blind count of all cash and cash assets in the vault.

Control Failure: Dual verification of assets is required to ensure assets are recorded correctly. The outgoing employee should verify the funds they are releasing and the incoming employee should verify the funds they are taking control of. (CCGC SPP s.3-4.1, 2.2)

Impact: Medium

BCLC Response:

BCLC acknowledges the findings outlined in this issue. The BCLC GCO reviewed the vault hand over processes with assistance from the Director of Cage Operations. It was confirmed that all associated staff were informed of the count participation requirements and will ensure all parties take part in the physical blind count as required. The vault hand over process at this site is completed in two separate steps, which consists of a closing process by the outgoing cage manager and a subsequent re-opening by the incoming cage manager, both with a second employee and security in attendance. This process allows for a true blind count procedure as both cage managers must balance the amounts without the presence of the other party.

4. A review of four ex-gratia payments of \$50 or more for the period December 1, 2013 to July 10, 2014 noted:
 - Two instances where no supplemental was completed by the slot shift manager.
 - One instance where no incident report was created.

Control Failure: An incident report is required to be opened in iTrak for all ex-gratia payments of \$50 or more. Each individual involved in the incident shall write a separate, supplemental report to detail the circumstances of the event. These requirements help to ensure that all instances of ex-gratia payments of \$50 or more are properly documented. (CCGC SPP s.1-10.1, 1.1.5 & 2.2, 2.3; 3-10.1, 3)

Impact: Medium

BCLC Response:

BCLC accepts this finding. The site has provided additional oversight to ensure the completion of the required documentation. This Cage Manager will send notification to the slot manager involved for the completion of the required supplemental reports to ensure ongoing compliance. The BCLC GCO reviewed CRS and reconciled against all ex-gratia payments for the period of 19 July 2014 to 11 Sept 2014 and confirmed the two occurrences noted were completed and documented as required.

5. A review of the slot count via surveillance footage noted the slot drop team was not displaying the empty cassette to another count team member.

Control Failure: Empty cassettes must be displayed to another count team member to help ensure all assets have been removed from the cassette. (CCGC SPP s. 4-7.3, 2.2.3)

Impact: Medium

BCLC Response:

BCLC acknowledges this finding. The BCLC GCO previously reviewed the slot count process in June 2014, with no issues noted. Through discussion with the Director of Cage Operations, it was confirmed that all count supervisors will closely monitor this practice and provide ongoing tracking and assistance to the staff to ensure this procedure is completed on an ongoing basis. In addition, all count room staff have been provided with additional training for the count process requirements. The BCLC GCO reviewed recorded surveillance footage of the slot count for the gaming dates of 09-10 Sept 2014 and confirmed that this process is being consistently completed as per policy requirements.

Regulatory

6. Although GPEB tags are being returned on a regular basis there were six (6) terminated employees that still had active GPEB registration. GPEB was not notified within the required timeframe that these employees had ceased employment.

Control Failure: Failure to return GPEB identification tags in a timely manner may result in misuse of the identification. It is policy that tags are to be returned to GPEB Registration within 30 days after the expiry of a month in which the employee ceased employment with the provider. (Gaming Control Regulation Sec. (34) (r))

Impact: Low

BCLC Response:

BCLC accepts this finding. BCLC GCO reviewed the GPEB tag returning process with the site administrator in January 2014 and confirmed all tags were returned as per policy requirements. This process was further discussed with the HR Manager, whereby it was confirmed that a site termination report will be compiled at the end of each week and each department manager will ensure all GPEB tags are returned as required. If the tag is not returned by the following week, GPEB will be informed of the tag status, which will be within the 30 day requirement.

7. A review of the Provisional Card procedures identified the service provider, when issuing a provisional card, is not always retaining the “Provisional Card Request Form” as required. The auditor reviewed the issuance of five provisional cards. In three cases the service provider could not provide the approved Provisional Card form.

Control Failure: Once a Provisional Card Authorization form has been forwarded to and authorized by GPEB, the returned approving fax should be attached to the book to show it was approved. (*GPEB Registration Directive dated September 19, 2002 with follow up email dated March 11, 2010.*)

Impact: Low

BCLC Response:

BCLC accepts this finding. The BCLC GCO discussed the issuance procedures with the Casino Shift Managers, who have been informed of the correct procedures and ensure this process will be completed for all further issuance. The site ensures additional oversight will be provided to maintain ongoing compliance.

8. Although family member relationship reviews were conducted by the BCLC representative, the reviews did not take place on a quarterly basis or were not documented.

Control Failure: A quarterly review by the BCLC representative of family member relationships among the site’s staff is necessary to ensure that their work interactions are appropriate and do not constitute conflicts of interest. (*CCGC SPP s.1-8.1, 7.6.1*)

Impact: Low

BCLC Response:

BCLC acknowledges this finding. This issue was previously identified by the BCLC GCO on 06 May 2014, at which time it was noted that the family relationship list is sent to and reviewed by the site BCLC Manager, Business Operations on a monthly basis. However, these reviews were not accurately documented in the associated iTrak incident report. The BCLC GCO confirmed through review of the associated iTrak incident, that all quarterly reviews have been completed as required since the issue was originally identified

Security

9. Through discussion with the Security Manager on July 31, 2014, it was confirmed that four Security Officers did not have Gaming Security Officer (GSO) Training Completion Certificate even though their 90-day assessment period has passed. This was also noted on the site’s BCLC Security report dated June 9, 2014.

Control Failure: All Security Officers employed at casinos are required to complete the GSO training except new hires within the 90-day assessment period. The training helps to improve skills and knowledge of Security Officers so they can successfully perform their duties within the gaming facilities. (*CCGC SPP s.8-1.1, 1.2*)

Impact: Medium

BCLC Response:

BCLC acknowledges this finding. The BCLC GCO previously identified this issue on 25 June 2014, which outlined the structure of GSO training administration and provided an implementation action plan. The BCLC GCO confirmed with the Security Manager that all security officers without the required training have been removed from the schedule until the required training is completed. All new officers will be enrolled in the online course after 60 days of work, allowing for 30 days to complete the course and examination. If the officer fails to complete the GSO certification course, they will be removed from the schedule until the course is complete.

10. A review of the Inconsistent Returns report for the period July 2-16, 2014, noted the following:

- On a daily basis a number of keys were obtained from the key cabinet by one employee and returned by a different one. In one such case, a key was returned to the cabinet after 31 hours in use. (*CCGC SPP s.1-9.3, 2.1.8*)
- On 10 instances the key system did not identify key users, marking them as “unknown”, either when taking or returning keys. (*CCGC SPP s.1-9.3, 1.1*)

Control Failure: Key systems at gaming sites must be able to track use of keys by identifying key users and time of use. For this reason the casino employees are required not to share keys among themselves. This requirement helps to maintain staff accountability and to protect the service provider’s and BCLC assets.

Impact: Medium

BCLC Response:

BCLC accepts this finding. The BCLC GCO previously identified this issue on 26 June 2014. The Security Manager confirmed that each department will be provided with a memo outlining the associated job key control policies, along with each employee’s responsibilities for key control, to ensure these keys are treated as per policy requirements,. Additional signage has also been posted at the key cabinet to remind associates of the relevant policy. Two (2) faulty key fobs were identified as having caused the, “unknown” error referenced. Both of these key fobs were replaced immediately upon identification of this issue.

11. A review of the Key Daily Activity report for the period July 17-20, 2014, noted a number of instances where C or D keys were not returned to the cabinet immediately after use.

Control Failure: BCLC standards require slot machine keys which include C & D keys to be returned to the key cabinet immediately after use. This procedure helps maintain controls over access to slot machines. (*CCGC SPP s.1-9.3, 6.1.3*)

Impact: Low

BCLC Response:

BCLC accepts this finding. The BCLC GCO previously identified this issue on 26 June 2014. The Security Manager confirmed that each department will be provided with a memo outlining the associated job key control policies to ensure these keys are treated as per policy requirements. All departments were reminded that each key noted is for single use and must be returned immediately after the keys are used.

12. A review of Door Access by Person report identified 22 former/unknown employees with access to the back of the house premises.

Control Failure: Failure to adequately control access could result in unauthorized access to secure areas of the facility and the assets contained within. (CCGC SPP s.1-9.1, 1.1; 1-9.3, 1.1)

Impact: Medium

BCLC Response:

BCLC acknowledges this finding. The BCLC GCO reviewed the system access list and confirmed all noted employees were removed. It is noted that although the employees remained active in the access system, the back of house areas that were accessible were limited to the hallway connecting the gaming floor to management offices and break areas. The departed employees were not able to access any sensitive operational areas. To further mitigate this issue, an additional monthly audit process has been implemented to confirm departed employees have been removed from the access systems and any positional changes have been accurately captured using an HR employment change summary report. In addition, a quarterly internal system audit will be conducted by the Security Shift Manager.

13. A review of Access Request/Change forms noted three missing forms for new employees.

Control Failure: BCLC standards require the security manager or designate to review, sign and file completed forms. This procedure ensures a record of authorization is completed and available for review. (CCGC SPP s.1-9.3, 13.3)

Impact: Low

BCLC Response:

BCLC acknowledges this finding. The BCLC GCO previously identified an associated issue on 26 June 2014, which outlined procedural gaps in the monthly access verification process, including the review of the access request change forms. It was confirmed with the Security Manager that the access request change form process has been adjusted to provide additional reviews to ensure accurate access issuance based on these forms. This process will include monthly departure list confirmations and quarterly system wide audits in addition to the required policy reviews.

14. The auditor conducted a review of Lost and Found reports in iTrak for the period July 1-14, 2014. On numerous reports where the found item was returned, the claimant's address and phone number were not recorded and his/her ID number was not truncated.

Control Failure: Security is required to complete Return portion of Lost and Found report and record the claimant's information. This helps to ensure the return of the property is appropriately documented. (CCGC SPP s.1-14.1, 3.4.2)

Impact: Low

BCLC Response:

BCLC accepts this finding. The BCLC Gaming Compliance Officer previously identified this issue on 15 Jan 2014. The Security Manager confirmed that all security staff have been reminded of the policy requirements and the importance of recording claimant information in the lost and found module. The BCLC GCO further reviewed Aug 28-Sept 11, 2014 sample period for found property transactions and noted only 1 further discrepancy.

Surveillance

15. A sample of 50 recently hired staff was reviewed in the iTrak Personnel Module to verify the employee record contained the required detail and photograph. Employee records were not available for 15 newly hired staff. Also, an additional 12 new employees did not have a photo attached to their iTrak record.

Control Failure: Complete and accurate employee records in iTrak assist surveillance to identify staff. (CCGC SPP s.1-8.1, 1.4)

Impact: Medium

BCLC Response:

BCLC acknowledges this finding. BCLC GCO confirmed through review of CRS iTrak, that all identified employees have now been entered into the CRS Personnel Module, This issue was the result of an isolated error, whereby fifteen (15) employees were entered into the learn@bclc.com database but not the CRS Personnel Module. The site has ensured all pictures will be collected by each departmental manager and updated accordingly.

16. While on site reviewing footage the auditor could not find footage of a camera on DVR 1. A review found that DVR 1 was down from July 17, 2014 at 10:19 PM to July 18, 2014 at 9:59 AM. The video interruption system did not alert surveillance staff and the system did not revert to the redundancy system so that footage was lost. As well, an incident report was not created for the equipment malfunction and loss of data.

Control Failure: System redundancy helps ensure no historical or live video data is lost. Timely notification of equipment outages ensures that loss of recorded surveillance footage is minimized when a malfunction occurs and timely reporting of information helps to maintain

an accurate account of incidents occurring at gaming sites. (BCLC SSPP s. 2-1.1, 5.1, 16.1 & 20.1.2)

Impact: High

BCLC Response:

BCLC accepts this finding. The BCLC Gaming Compliance Officer previously identified this issue on 12 June 2014, which outlined the ineffective loss alert function and associated documentation requirements. It is noted that the DVR that failed was loaned to the site from their CCTV service provider, and was confirmed to have been configured incorrectly upon installation. Immediately upon identification, the CCTV technicians corrected the issue to resume system recording. The Surveillance Manager has reminded all staff of the policy reporting requirements for footage loss and has further confirmed the use and effectiveness of the loss alert systems in place.

Table Games

17. A tour of the gaming floor noted the wheels of closed roulette tables covered with black cover instead of Plexiglas.

Control Failure: The wheels of roulette tables should be covered with a locking, transparent, Plexiglas covers. This requirement improves transparency and protection of the casino equipment. (CCGC SPP s. 5-2.1, 7.3)

Impact: Low

BCLC Response:

BCLC acknowledges this finding. The BCLC GCO confirmed that the black, leather covers were used temporarily due to the previous Plexiglas cover sustaining damage. The roulette wheels have been fitted with new Plexiglas, lockable covers which are now in use during all periods of table closures. All dealer supervisors and managers have been informed of the associated policy requirements to ensure ongoing compliance.

18. A review of GMS and iTrak records for the period February 1-July 17, 2014, identified that numerous table opening variances of \$100 or more had no corresponding incident reports in iTrak.

Control Failure: The Table Games Floor Manager/Pit Boss is required to prepare an Incident Report in iTrak for any table opening variance of \$100 or more. This procedure helps to ensure the variances are appropriately reviewed and documented. (CCGC SPP s.5-8.1, 5.6)

Impact: Medium

BCLC Response:

BCLC accepts this finding. The BCLC GCO confirmed that the site has informed all dealer supervisors, Casino Shift Managers and Pit Managers of the identified issue and confirmed that they have been reminded of the requirement to include supplemental reports during these incidents. Further incidents of this nature will be addressed by site management.

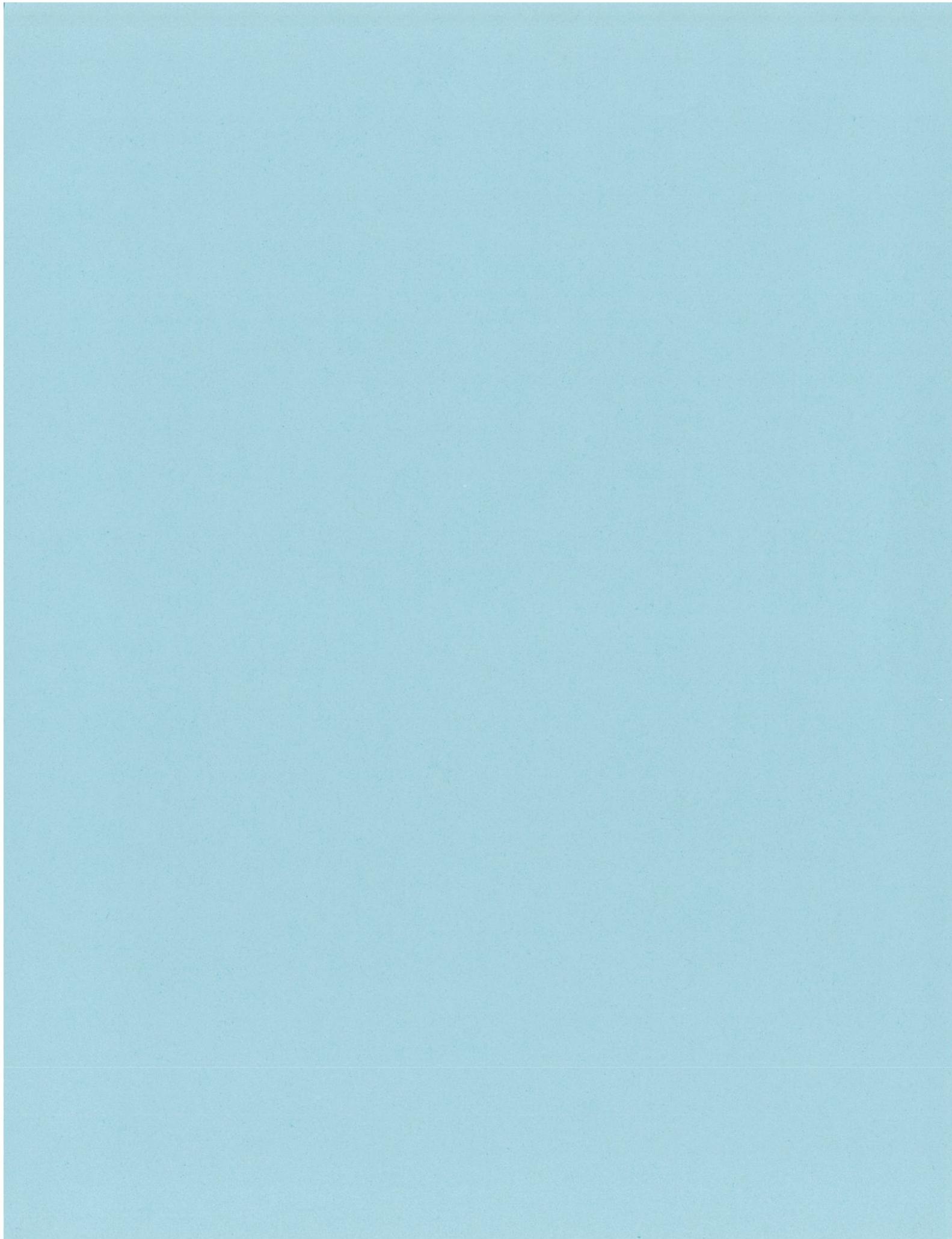
CONCLUSION

Issues were identified in this audit. BCLC has acknowledged the exceptions in this report and either risk will be accepted or changes will be made to service provider operations as noted.

Commercial Gaming Audit
Audit and Compliance Division
September 23, 2014

DISTRIBUTION LIST

Brad Desmarais, Vice President, Corporate Security & Compliance, BCLC
Gurmit Aujla, Director, Internal Audit, BCLC
Jennifer Fields, General Manager, Edgewater Casino



**GAMING POLICY
AND
ENFORCEMENT
BRANCH**

AUDIT REPORT

**Paragon Gaming Inc.
Edgewater Casino
GPEB File # COMM-8433
2015/2016**

EXECUTIVE SUMMARY

An audit of Edgewater Casino was conducted to verify compliance with the Gaming Control Act, Regulation and all applicable standards, policies and directives.

The scope of the audit included a review of gaming operations for the period July 19, 2014 – May 22, 2015. The following areas were reviewed: BCLC Internal, Cash Cage, Regulatory, Security, Slot Machines, Surveillance, and Table Games.

Although exceptions were identified in this audit, no high impact areas were noted.

AUDIT OBJECTIVES

The objectives of the audit were to:

- Verify compliance with the Gaming Control Act (GCA) and Regulation (GCR);
- Verify compliance with GPEB standards, policies and directives;
- Verify compliance with BCLC Casino and Community Gaming Centre Standards, Policies and Procedures (CCGC SPP);
- Verify best practices are followed in the absence of policy.

AUDIT SCOPE

A risk assessment was performed to identify areas to be reviewed. The audit period was July 19, 2014 – May 22, 2015. Specific fieldwork was performed in the following areas:

- BCLC Internal (administration, procedures, gaming asset controls);
- Cash Cage (administration, procedures, gaming asset controls, FINTRAC);
- Regulatory (GPEB registration, liquor service);
- Security (administration, procedures, gaming asset controls);
- Slot Machines (administration, procedures, gaming asset controls);
- Surveillance (administration, procedures and equipment);
- Table Games (administration, procedures, gaming asset controls).

AUDIT PROCEDURES

The period of field work was May 20 – 22, 2015. Audit procedures were conducted on a sample testing basis to provide reasonable assurance of compliance. The auditors performed on-site compliance work through observation, interview and testing. Additional testing was performed off-site through the review of records provided by the service provider and BCLC.

An exit interview was conducted on May 22, 2015, with the Casino General Manager, Director of Casino Operations, Director of Surveillance and Compliance, and the BCLC Gaming Compliance Officer to discuss preliminary audit findings.

EXCEPTIONS

Details of the issues resulting from the audit procedures are discussed below:

Cash Cage

1. A review of cage daily paperwork for the gaming days May 9, 11, and 12, 2015, identified the following issues:
 - Instances where the foreign exchange “Buy Currency” transaction slips did not contain the patron’s signatures.
 - Numerous slot jackpot request forms that did not contain the signature of the cashier. The request forms in question were signed by the slot attendant only.
 - A slot jackpot in the amount of \$8,000 that did not have the required number of signatures for the prize amount. The jackpot request form was only signed by the cage supervisor (authorization) and slot attendant (requestor). It was not signed by the cashier.
 - Instances where the GPEB identification number of the signatory was not legible.

Control Failure: Foreign exchange transaction slips must be signed by all patrons who exchange foreign currency. This requirement ensures completeness of records even when the patron does not return to the cage to buy back their foreign currency. The slot jackpot request form must be signed, at minimum, by the slot attendant and the cashier verifying the slot request to the jackpot amount. For jackpot payouts over \$5,000, the slot request form must be signed by the slot attendant, cashier and a supervisor. Documentation of the GPEB identification number on the request form assists in providing a clear audit trail to verify who participated in the payout process. This is of greater importance when signatures are illegible. (CCGC SPP S.3-9.1, 3.1.5; S.4-6.3, 1.2, 1.3)

Impact: Medium

BCLC Response: BCLC acknowledges this finding. The Chief Financial Officer and Director of Cage has reminded all Cage personnel: to obtain the patron's signature on all the GMS foreign exchange transaction slips, and that the Cashiers shall sign all processed Slot Request Forms and GMS Jackpot slips and record their GPEB identification number legibly. In addition, random audits will be conducted by Cage Management for the required signatures and GPEB identification numbers.

Note: a review of the Slot Request Forms dated May 9, 11, and 12, 2015, was conducted and identified 16 of 283 forms did not have the signature of the Cashier.

2. A review of the soft drop surveillance footage for May 17, 2015, identified that at approximately 7:57 a.m. a patron was playing a slot machine in a bank of slots where the drop was occurring. The machine immediately to the right of the patron is open and the security officer is in the process of closing it. The machine where the patron is standing appears to have spinning reels indicating that the patron is playing while the drop is taking place.

Control Failure: At 24 hour facilities, the security officer shall assist patrons to move away from any open slot machine or drop cart. Vacating the area where the soft drop is occurring serves to protect assets within the gaming facility. (CCGC SPP S.4-7.1, 3.1.1)

Impact: Medium

BCLC Response: BCLC recognizes this finding. This exception is similar to the issue identified in the March 2015 BCLC Slot Review. The Chief Financial Officer and Director of Cage has instructed the Drop Team Members to either wait for the patron to finish playing the game on the slot machine and then have the patron vacate the area, or proceed to the next bank on the slot plan and return after the patron has vacated the area. The Count/Drop Team Supervisor noted that this incident was a case where the patron was in a slot bonus game (slot bonus games may be automatically spun by the slot machine and can take some time to complete).

Regulatory

3. A review of nine alcohol related incident reports in iTrak for the period December 1, 2014 - May 14, 2015, identified five instances where the supplemental did not document how the intoxicated person left the property.

Control Failure: Incident reports are required to include all relevant information pertaining to the occurrence. Details about whether the intoxicated patron was given a ride home or drove a vehicle in such condition and whether in that case local police was notified shall be stated in the supplemental. This helps to ensure all incidents are properly documented. (CCGC SPP S.1-6.1, 3.11, 3.12; 1-10.1, 2.1)

Impact: Low

BCLC Response: BCLC acknowledges this finding. Two (2) out of the five (5) instances did not state how the intoxicated individual left the property, and the other three (3) instances did report that the subject left the property with a companion. The Director of Surveillance & Compliance has instructed all Security personnel to offer any intoxicated individual(s) a cab ride home or overnight accommodations and to document the events in the Casino Reporting System (CRS).

Security

4. A review of the key transaction report for the period May 16 – 23, 2015, identified the following issues:
 - In four instances, keys were issued for more than 24 hours, with the greatest duration being 41 hours.
 - In 19 instances, keys were not returned by the same individual that obtained them.
 - In one instance, the system did not trigger an alarm when the check-out duration for a key exceeded the 12 hour threshold. The threshold time was confirmed with the security manager.

Control Failure: Keys are required to remain in the possession of the individual that signed them out. Failure to ensure proper possession could result in unauthorized access to secure areas. Specific keys which provide access to gaming assets are required to be returned to the key cabinet immediately after use. This procedure prevents misuse of keys and enhances accountability of staff. (CCGC SPP S.1-9.3. 1, 2.1.7, 2.1.8)

Impact: Medium

BCLC Response: BCLC acknowledges this finding. The Security Manager will be instructed to program the electronic key cabinet so all Key sign-out times are limited to ten (10) hours, after which the alarm will be triggered and investigated by Security. The electronic key cabinet manual will be reviewed to check if the cabinet can be programmed to permit only the individual who signed out the key(s) to be the only individual to sign back in the key(s). In addition all Edgewater personnel will be reminded that keys must remain with the individual who signed them out, and that passing of keys is strictly prohibited. The Security Manager will inform the Director Surveillance & Compliance on the electronic key cabinet functions and if the exception has been resolved by the end of the second week in August 2015.

5. A review of the access control system users identified seven former employees/contractors that still had active door access and 17 employees who did not have correct door access levels assigned.

Control Failure: The service provider shall ensure that only GPEB registered employees are permitted access to restricted areas. Access is permitted only as required to fulfill the duties of the employee's position. (CCGC SPP S.1-9.1, 1)

Impact: Medium

BCLC Response: BCLC recognizes this finding. This exception is similar to the issue identified in the March 2015 BCLC Security Review. The access for the seven (7) former personnel has been disabled and the door access levels have been adjusted to the employee's position.

6. Through discussions with the security manager it was confirmed that access control audits are being conducted every month, however the results are not documented or kept on file.

Control Failure: Results of the monthly access control audit are required to be filed and stored onsite. (CCGC SPP S.1-9.3, 15)

Impact: Low

BCLC Response: BCLC recognizes this finding. This exception is similar to the issue identified in the March 2015 BCLC Security Review. The monthly access audit was performed after the BCLC Security Review however June 2015 was missed. The Security Manager is aware of this requirement and will monitor the monthly access control audit to ensure that it is completed.

Slot Machines

7. Two of the nine unscheduled drops occurring in 2015 did not contain a supplemental report from the approval authority.

Control Failure: A supplemental to an existing incident report is required to be written by each individual involved in an incident to ensure all required information is captured. The individual that authorized the unscheduled drop is required to enter a supplemental to document their approval. (CCGC SPP S.1-10.1, 2.1, 2.3, 4-7.2, 1.3)

Impact: Medium

BCLC Response: BCLC recognizes this finding. The June 2015 BCLC Slot Review documented this issue and the General/Assistant/Shift Manger has submitted a supplemental report of the involvement in the Unscheduled Drop since June 18, 2015. The two (2) Unscheduled Drops identified in this audit were dated January 26, 2015, and February 21, 2015.

Surveillance

8. A review of eight pertinent events was conducted with the surveillance supervisor to determine whether recordings were backed up as required. The following issues were identified:
- The surveillance footage for an incident in which a slot machine was vandalized was of poor quality. Specifically, the footage was dark and unclear.
 - Only a still image was available for an incident in which security confiscated counterfeit currency from a patron.
 - Surveillance footage for two incidents involving cheating was of poor quality. The footage was illuminated to the extent that the chip denomination and cards in play were not determinable.

Control Failure: Surveillance is required to retain digital recordings of pertinent events. The recordings must be of sufficient quality to be admissible as evidence and to assist in reviews. Failure to do so may result in liability for BCLC and the service provider. (*SSPP PCL 1&2, S.3-1.1, 7.1*)

Impact: Medium

BCLC Response: BCLC acknowledges this finding. A review of the quarantined surveillance video footage was conducted, and the quality of two (2) of the four (4) video footage segments identified in this audit was not of sufficient quality. The Surveillance Manager has corrected the quality of the two (2) cameras on April 6 and May 15, 2015. One (1) incident of cheat at play was reviewed and the colour of the gaming chips and card pips were identifiable by the video footage. The Surveillance Manager has instructed the Surveillance department to quarantine the surveillance video footage of counterfeit currency incidents. The Director of Surveillance & Compliance will be reviewing the surveillance system, and will make the necessary modifications to ensure that the surveillance system requirements are met.

9. On May 22, 2015, a current version of the Surveillance System Component Plan (SSCP) was not available for review. The version of the plan shown to the auditors was dated from 2011. A current version of the SSCP was emailed to the auditors by the surveillance manager post fieldwork.

Control Failure: The Surveillance System Component Plan is required to be updated at calendar year end and stored on-site in the surveillance room. The SSCP ensures that all site changes have been reviewed and approved by BCLC. The plan should be accessible to surveillance staff to ensure they have current and accurate information. (*SSPP PCL 1&2, S.2-1.1, 1.3.4*)

Impact: Low

BCLC Response: BCLC acknowledges this finding. The Surveillance Component Plan was updated at the time of this audit, however the Component Plan was in the Surveillance Manager's office computer. This Component Plan has been made available to all Surveillance personnel as of July 16, 2015.

Table Games

10. A review of the GMS 'Report Difference in Opening Amount' for the period December 1, 2014 – May 15, 2015, identified 20 table opening variances of \$100 or more, where a related incident report was not created in iTrak.

Control Failure: The table games floor manager/pit boss is required to prepare an incident report in iTrak for any variance of \$100 or more. This procedure helps to ensure the variances are appropriately reviewed and documented. (CCGC SPP S.5-8.1, 5.6)

Impact: Medium

BCLC Response: BCLC recognizes this finding. This exception was identified in the November 2014 BCLC Tables Review. The Table Game Manager has distributed a memo reminding all Dealer Supervisors and Managers to immediately report all table opening variances of \$100 or more to Surveillance and submit a CRS supplemental. In addition, the Shift Managers have been instructed to review the CMP Chip Opening Variance Report on a daily basis to ensure that the variances are reported as applicable.

11. A review of surveillance footage of the opening of five gaming tables for play on May 19, 2015, found that card deck confirmation procedures were not completely followed on three tables, as described below:

- The cards were checked face down only once instead of twice.
- The cards were fanned face down twice but not looked at for flaws and markings.
- The cards were fanned face down twice but due to inadequate spread out, the back side could be checked only for some of them.

Control Failure: Prior to opening of a table game for play, the dealer shall check new playing cards for their completeness and for flaws and markings on the back of the cards. This requirement with other controls in place helps to maintain the integrity of gaming equipment. (CCGC SPP S.5-2.2, 4.1)

Impact: Low

BCLC Response: BCLC acknowledges this finding. The Table Game Manager has instructed all Dealer Supervisors and Managers to remind and will retrain Dealers if necessary on the

proper card deck confirmation procedures. This reminder and offer of retraining will occur at the daily pre-shift meetings with the Table Dealers.

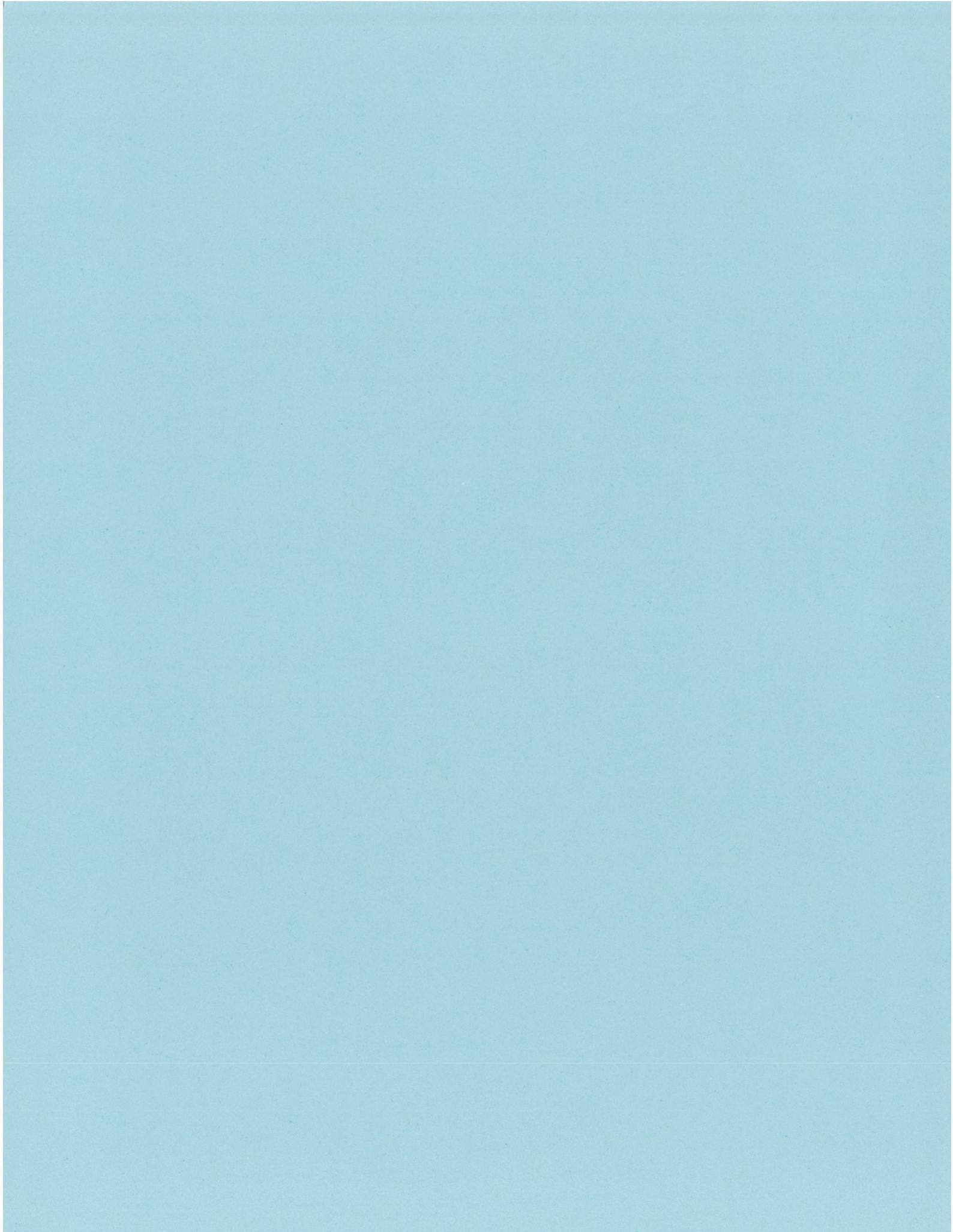
CONCLUSION

Issues were identified in this audit. BCLC has acknowledged the exceptions in this report and either risk will be accepted or changes will be made to service provider operations as noted.

Commercial Gaming Audit
Compliance Division
July 29, 2015

DISTRIBUTION LIST

Brad Desmarais, Vice President Corporate Security and Compliance, BCLC
Gurmit Aujla, Director, Audit Services, BCLC
Jennifer Bell-Fields, Edgewater Casino, General Manager





Gaming Policy and Enforcement Branch
Gaming Facility Audit Report
2016/2017

Edgewater Casino
Paragon Gaming Inc.

COMM File #: 8849

Final Issue Date: May 2, 2017

Distribution List

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EXECUTIVE SUMMARY

An audit of Edgewater Casino was conducted to verify compliance with the Gaming Control Act, Regulation and all applicable standards, policies and directives.

The scope of the audit included a review of gaming operations for the period May 23, 2015 to December 16, 2016. The following areas were reviewed: BCLC Internal, Cash Cage, Regulatory, Responsible Gambling, Security, Slot Machines, Surveillance and Tables.

Although exceptions were identified in this audit, no high impact areas were noted.

AUDIT OBJECTIVES

The objectives of the audit were to verify compliance with:

- Gaming Control Act (GCA) and Regulation (GCR);
- GPEB standards, policies and directives;
- BCLC Casino and Community Gaming Centre Standards, Policies and Procedures;
- Best practices in the absence of policy.

AUDIT SCOPE

A risk assessment was performed to identify areas to be reviewed. The audit period was May 23, 2015 to December 16, 2016. Specific fieldwork was performed in the following areas:

- BCLC Internal (administration, procedures, gaming asset controls);
- Cash Cage (administration, procedures, gaming asset controls, FINTRAC);
- Regulatory (GPEB registration, liquor service);
- Responsible Gambling (signage, advertising, ART, voluntary self-exclusion);
- Security (administration, procedures, gaming asset controls);
- Slot Machines (administration, procedures, gaming asset controls);
- Surveillance (administration, procedures and equipment);
- Tables (administration, procedures, gaming asset controls).

AUDIT PROCEDURES

The period of field work was December 14 to 16, 2016. Audit procedures were conducted on a sample testing basis to provide reasonable assurance of compliance. The auditors performed on-site compliance work through observation, interview and testing. Additional testing was performed off-site through the review of records provided by the service provider and BCLC.

An exit interview was conducted on December 16, 2016, with the Casino President, Director of Casino Operations, Director of Surveillance and Compliance, Security Manager and the BCLC Senior Slot Tech to discuss preliminary audit findings.

EXCEPTIONS

Details of the issues resulting from the audit procedures are discussed below:

BCLC Internal

1. A review of BCLC logs and iTrak records for access to the BCLC key cabinet in November and December 2016 found a number of instances where daily logs were not created in iTrak for BCLC key cabinet access.

Policy Reference: When accessing the key cabinet in their office, BCLC staff is required to contact surveillance and request a daily log entry to be made in iTrak. This requirement helps to ensure the oversight of access to the BCLC key cabinet. (*BCLC Internal S.1-14.1, 3.3.1*)

Impact: Low

BCLC Response: BCLC recognizes this finding and a similar exception was identified in the May 2016 and January 2017 BCLC Internal Reports. On March 29, 2017, the Senior Technician sent an email to all the Edgewater BCLC Representatives on the required procedures when accessing the BCLC Key Cabinet. In addition, the Senior Technician will conduct periodic audits in CRS to confirm that the BCLC Representatives are notifying Surveillance each time the Key Cabinet is accessed.

2. A review of a Gaming Management System (GMS) access list identified one former employee with access and 20 current employees whose job descriptions do not warrant the access.

Policy Reference: Failure to maintain accurate and current access control to gaming systems could result in unauthorized use. (*CCGC SPP S.1-9.4, 7*)

Impact: Low

BCLC Response: BCLC acknowledges this finding. A similar exception was identified in the November 2016 BCLC Security Compliance Report. There was one (1) employee whose job description did not warrant access, and has now been deactivated. The one (1) former employee mentioned in this exception, is currently still employed, and on medical leave of absence and access will not be terminated at this time. The remaining nineteen (19) employees whose job descriptions do not warrant the access has been further investigated. The employees in question are Gaming Security Officers (GSO) and require

access to the BCLC Systems. The GSOs have been granted access to GMS/CasinoLink as it is a linked system. Based on their given roles however, they cannot access any features of the GMS software applications. Upon verification, Gaming Security Officers could not log into any of the GMS applications, even though their login credentials are the same for CasinoLink, which is a requirement for their roles. This in turn, posed no risk for unauthorized access into the GMS system.

3. A review of a Program Activity Log and SLOTS – Options Setting and Verification log for the period November 1 – December 14, 2016, found numerous instances where options resets were not verified or recorded to be verified by another BCLC slot technician.

Policy Reference: Once theme and payout options are reset on a slot machine, a different slot technician than the one that worked on the machine will verify the settings are correct. The requirement helps to ensure that the slot machines operate with the correct option settings. (CCGC SPP S. 1-16.1, 4.1)

Impact: Low

BCLC Response: BCLC acknowledges this finding. The BCLC Senior Technician has reminded staffs to sign off on the internal tracking sheet once dual verifications are completed.

Cash Cage

4. A review of slot and table count procedures via surveillance footage found that the verification of empty cash boxes during the slot count on December 14, 2016, was inadequate – emptied boxes were not shown to another count team member.

Policy Reference: Empty cassettes must be displayed to another count/drop team member to help ensure that all assets have been removed from the cassette. (CCGC SPP S. 5-10.3, 2.3.3)

Impact: Medium

BCLC Response: BCLC acknowledges this finding. The Director of Cage has addressed this with Count team staff. Mitigating controls include Surveillance live monitoring the count process, as well as having the physical count figures reconciled with the electronic metered drop once the count is complete.

5. Through discussion with the Director of Cage Operations and review of Combination Control sheet it was found that the vault combination was not changed annually during the period 2015-2016.

Control Failure: In order to ensure the confidentiality of the vault combination and the security of the assets contained within the vault, the combination is required to be

changed at a minimum once a year and whenever staff with the combination cease employment. (CCGC SPP s. 1-9.2, 1.5)

Impact: Low

BCLC Response: BCLC acknowledges this finding. The Director of Cage has indicated that the combination has been changed as of January 2017.

Regulatory

6. A review of the casino employee list found 13 individuals whose employment with the casino ceased prior to November 1, 2016, while their status in the GPEB registration database was still active as of March 8, 2017.

Policy Reference: Gaming services providers are required to submit to GPEB a list of former employees and their identification cards within 30 days after the expiry of a month in which one or more registered employees ceased employment with the provider. Failure to do so increases chances for misrepresentation and unauthorized access to gaming facilities. (Gaming Control Regulation S.34(r))

Impact: Low

BCLC Response: BCLC acknowledges this finding. A similar exception was identified in the November 2016, and March 2017 BCLC Security reports. The Human Resources department has indicated that moving forward, follow ups will be conducted internally to ensure terminated employees have returned their GPEB identification cards.

7. A review of nine alcohol related incident reports in iTrak for the period April 1 – November 1, 2016, identified four instances where the supplemental reports did not document how the intoxicated individuals left the property.

Policy Reference: Incident reports are required to include all relevant information pertaining to the incidents. Such would be details about whether the intoxicated patron was provided a ride home or he/she drove a vehicle in such condition, and whether in that case a local police was notified. This helps to ensure all incidents are reported and properly documented. (CCGC SPP s.1-6.1, 3.11, 3.12; 1-10.1, 2.1)

Impact: Low

BCLC Response: BCLC recognizes this finding. A similar exception was identified in the March and July 2016 BCLC Security Compliance Reports. The Security Manager has stated moving forward, CRS reports will be reviewed daily by a Shift Manager, to ensure

supplemental reports have been documented accordingly, and if not, staff involved will be approached to complete prior to the end of their shift.

Responsible Gambling

8. A review of 10 iTrak reports and Casino Market Place (CMP) records related to the enrollment into the voluntary self exclusion (VSE) program identified one report where the application was missing the authorized witness signature on the VSE Agreement and Notice of Prohibition pages.

Policy Reference: VSE Application must be completed in full and signed by the applicant and authorized witness for any VSE enrolment. The requirement serves to ensure the completeness of the VSE enrollment process. (CCGC SPP s. 8-3.1, 3.1.3.i)

Impact: Low

BCLC Response:

BCLC acknowledges the finding relating to the VSE application form. The hard copy agreement has been retrieved and scanned into the media file of the iTrak report. Gaming Security Officers are aware that should the electronic pen malfunctions, the physical hard copy must be scanned in immediately.

Slots

9. During a review of jackpot verification and payout procedures, a slot attendant was observed paying out a jackpot winner by handing cash without counting it.

Policy Reference: Slot attendants are required to count cash when paying out the patron, starting with the largest denomination, working consecutively to the smallest denomination. This requirement helps to ensure the correct amount was paid to the jackpot winner. (CCGC SPP Sec. 4-6.3, 9.2)

Impact: Medium

BCLC Response: BCLC acknowledges this finding. On December 3, 2016, the Surveillance Manager identified a similar exception and advised the BCLC Gaming Compliance Officer (GCO). The GCO informed the Surveillance Manager that this is not an approved procedure. Through a conversation with the Slots Manager, it was confirmed that the Slot Attendants will count out the cash to the patrons.

10. A review of free play error resolution procedures found that the spreadsheet used to document the instances where the players' Encore Rewards points are transferred to the

service provider's Encore Rewards card, does not record the amount of free play left on the slot machine.

Policy Reference: When slot players finish playing without spending all of their free play dollars and remove their Encore Rewards card from the slot machine, it may happen that the free play balance stays on the machine in error. In such cases the service provider uses its Encore Rewards card to transfer the free play dollars from the machine and secure the balance for the rightful owner. The spreadsheet used to document this must contain information about the machine number, date and time, amount of free play left on the machine and the name of the player, if known. The procedure ensures free play transfer to the service provider's Encore Rewards card is properly documented. (CCGC SPP Sec. 4-5.2, 9.4.2c)

Impact: Low

BCLC Response: BCLC acknowledges this finding. The Slot Manager implemented a new spreadsheet on December 7, 2016, which captures all the required information. In addition, the BCLC representatives run a weekly report, to flag any points outstanding that have not been downloaded accordingly. Adjustments are then made, to ensure no Encore points are left outstanding.

Security

11. A review of lost and found procedures and documentation for claimed items determined instances where ID numbers were recorded but not truncated.

Policy Reference: BCLC standards require Security to complete the Returned portion of the report in CRS, verifying the type of ID produced as well as the truncated reference number(s) and, if applicable, expiry date, in addition to other personal information. These procedures help to ensure property is returned to appropriate individuals only. (CCGC SPP S. 1-14.1, 3)

Impact: Low

BCLC Response: BCLC acknowledges this finding, and a similar exception was identified in the March & November 2016 and March 2017 BCLC Security Compliance Reports. On March 31, 2017, the Security Manager stated that the Lost & Found procedures and CRS entries will be reviewed daily by a designated Shift Manager, to confirm the processes are completed accordingly. In addition, a designated Security Shift Manager will conduct weekly audits of CRS reports to confirm that the Lost & Found incidents have been completed with the required information.

Surveillance

12. A review of surveillance recordings of pertinent events (e.g. medical, criminal events) was performed to determine whether incidents were retained and backed up on two separate computer hard drives as required. The Surveillance Manager and IT technician stated the data is backed up to a mirrored drive. The technician provided evidence the mirrored drive exists, but was not able to demonstrate data for the specific events reviewed was in fact backed up to the mirrored drive. (Note: Other sites reviewed have been able to direct GPEB auditors to two separate hard drives to confirm retention and back up of pertinent events).

Policy Reference: Service providers are required to retain and back up on two separate computer hard drives surveillance recordings of critical incidents to protect against loss of valuable evidence. Failure to do so could impair investigations into pertinent events. (*SSPP s.3-1.1, 7.1*)

Impact: Medium

BCLC Response: BCLC acknowledges that the security systems technician was able to demonstrate that the secondary mirrored drive is present, and operational. The service provider has now also gone beyond requirements, by implementing external hard drives, which will be able to demonstrate that data for specific events is backed up.

Tables

13. A review of all iTrak incident reports related to counterfeit currency in 2016 found that detecting of suspect currency by table games' staff was insufficient. There were 87 such reports out of which 29 were for the counterfeit currency found in the tables' cash boxes during box counts, indicating these bills were not detected as counterfeits during buy-ins at the tables, and only one for a counterfeit bill found at a playing table. During the same period, as a comparison, there were 25 reports related to the counterfeit currency found at the cash cage, out of which 13 reported cashiers detecting counterfeit bills given by the patrons.

Policy Reference: Service providers are responsible for detecting and reporting incidents of known or suspected counterfeit cash. Employees who handle cash are required to be trained in counterfeit bill detection so they can use the knowledge to prevent counterfeit bills being put into circulation and mixing with legitimate bills. (*CCGC SPP S. 1-12.6, 1.2*)

Impact: Medium

BCLC Response: BCLC acknowledges the information contained herein, but does not agree with this finding. During the period examined by the Auditor, approximately two (2) counterfeit notes per month appear to have been passed undetected at gaming tables.

This is an extremely small percentage of the total number of bank notes passed at gaming tables in this facility. The service provider has received counterfeit detection training from a Bank of Canada representative in May of 2016. This training has been disseminated amongst all required personnel, and is part of the on boarding process for newly hired staff.

14. During a review of the table games areas it was noted that not all of the drop boxes were labeled in the same manner each day. The drop boxes were generally labeled “A” on December 14th, 2016, and “B” on December 15th, 2016. However, in the poker table area some boxes were labeled “B” on December 14th and “A” on December 15th.

Policy Reference: BCLC standards require drop boxes to bear the appropriate game type acronym and number of the gaming table on the exposed end. Each set of drop boxes (e.g. “A”, “B” and “EM”) are also to be separately and uniquely identified. This lettering allows drop team staff and surveillance operators to ensure all drop boxes are installed in the appropriate place and exchanged for other sets when required. This procedure also assists in tracking cash assets from tables to the count room. (CCGC SPP 5.5-2.1, 2.2, and 2.5)

Impact: Low

BCLC Response: BCLC does not agree with this finding. The Service Provider appears to be operating in compliance with BCLC Standards, Policies and Procedures. BCLC CCGCSPP Section 5-2.1, S.S. 2.2 and 2.5 have been met for the Poker Table drop boxes. The boxes are labeled PT for Poker (the appropriate game type acronym) and the corresponding number. For example PT1, PT2, PT3 etc.

15. A review of the GMS ‘Report Difference in Opening Amount’ for the period September 1, 2016 – November 30, 2016, identified two table opening variances of \$100 or more, where a related incident report was not created in iTrak.

Policy Reference: The table games floor manager/pit boss is required to prepare an incident report in iTrak for any variance of \$100 or more. This procedure helps to ensure variances are appropriately reviewed and documented. (CCGC SPP 5.5-8.1, 5.6)

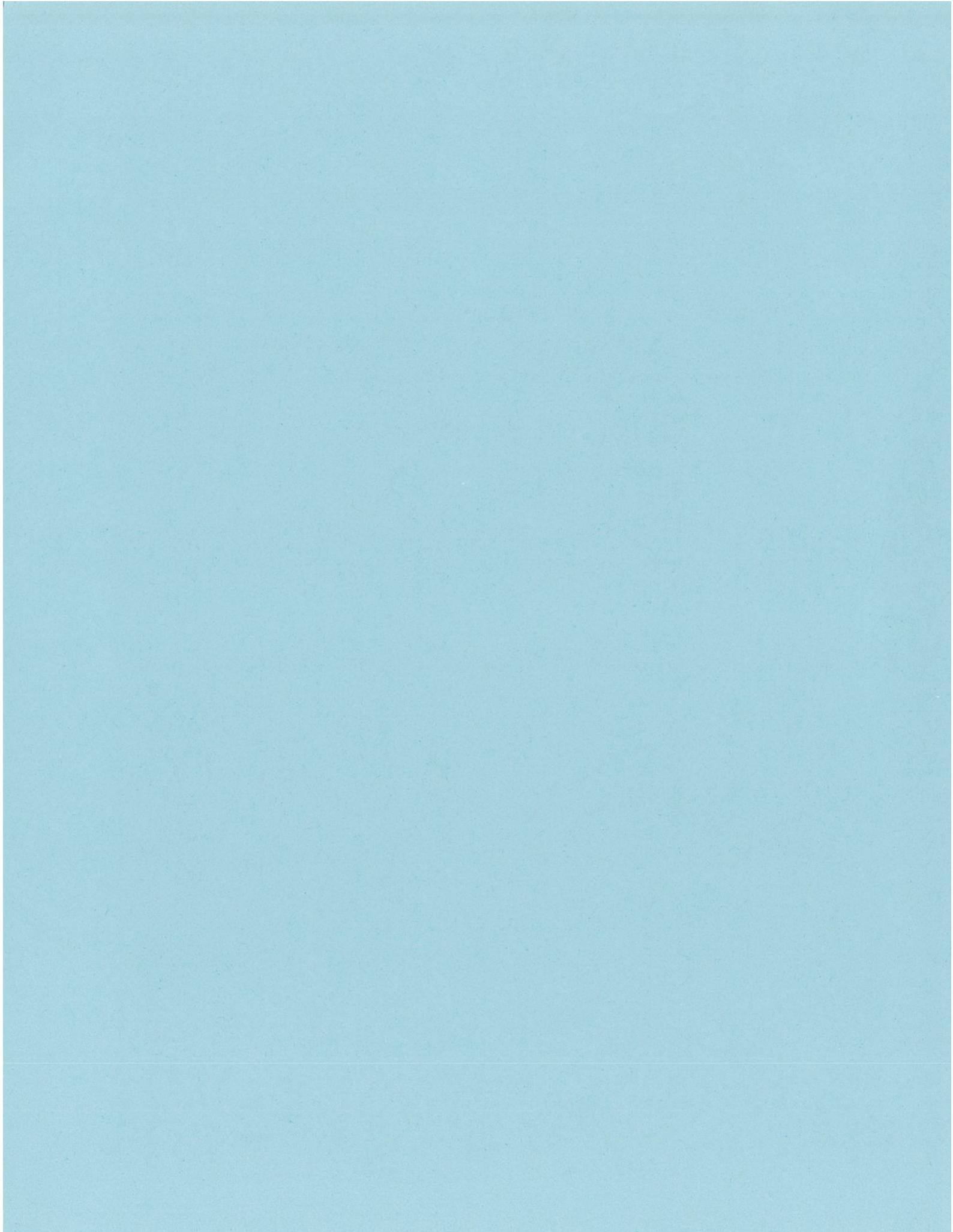
Impact: Low

BCLC Response: BCLC acknowledges this finding, and a similar exception was identified in the January 2017 BCLC Security Compliance Report. On January 18, 2017, the Shift Manager reminded all Tables Managers that Table Opening Variances (TOV) of \$100 or more require Surveillance notification and submit a supplemental in the CRS Report.

On January 26, 2017, the Pit Manager created the CRS report for the two (2) TOVs as stated in this exception.

CONCLUSION

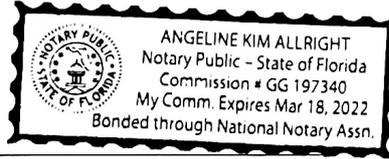
Issues were identified in this audit. BCLC has acknowledged the exceptions in this report and either risk will be accepted or changes will be made to service provider operations as noted.



This is Exhibit 4 referred to in the Affidavit of Diana Bennett
sworn ~~September~~, 2021 August 31, 2021

Angeline Kim Allright

Notary Public



	Casino Standards, Policies and Procedures	Effective Date November 15, 2003	Section Page 3-8.1—1
		Last Revised Date May 2, 2006	Authorized by Vice President, Casino Gaming
Section: 3-8.1 Cage – Large Cash Transactions			

Section: 3-8.1 Cage - Large Cash Transactions

1 GENERAL

1.1 All casinos in British Columbia are required under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act/Regulations to obtain and report to BCLC Security and Surveillance on the Large Cash Transaction and Foreign Exchange Record (LCTR) information from any patron who:

1.1.1 Exchanges \$3,000.00 (CDN) equivalent or more in foreign currency in one or more transactions in a twenty-four (24) hour period;

[Line 1.1.1.a, Deleted 6/24/04]

1.1.2 Buys in for \$10,000.00 (CDN) or more in one or more transactions in a twenty-four (24) hour period;

1.1.3 Cashes out for \$10,000.00 (CDN) or more in one or more transactions in a twenty-four (24) hour period;

1.1.4 Wins a jackpot of \$10,000.00 (CDN) or more in one or more transactions in a twenty-four (24) hour period;

1.1.5 Is subject to a Casino Incident Report of a “suspicious financial transaction in relation to money laundering” by buying in with a large amount of small denomination bills or buys in for \$3,000.00 or more (CDN) and after minimal play cashes out;

1.1.6 Is subject to an Incident Report for any other “suspicious financial activity of any amount of dollars in relation to money laundering”; or

1.1.7 Receives a Service Provider cheque for a transaction of \$1,000.00 (CDN) or more made out to third parties or without a specified payee.

1.1.7.a BCLC would not expect any Service Provider to complete this type of transaction.

[Amended 05/02/2006]

1.2 A ‘single operating day’ shall be interpreted as:

1.2.1 At a casino having regularly scheduled closed hours: from casino opening to casino closing;

1.2.2 At a 24-hour casino: from system start-of-day (07:01 AM) to the following system end-of-day (07:00 AM).

1.3 Casino employees shall follow the appropriate patron tracking and identification procedures when multiple transactions with or for the benefit of the rightful owner of the cash/chips, or by a 3rd party or agent are transacted. When such transactions exceed \$10,000.00 or more in a single operating day or, in the casino’s knowledge, within twenty-four (24) consecutive hours, a Large Cash Transaction Report (LCTR) shall be completed.

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[Amended 05/02/2006]

2 PERSONAL INFORMATION

- 2.1 For the purposes of this section, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act/Regulations require that the following personal information be obtained:
- 2.1.1 For foreign exchanges of \$3,000.00 (CDN equivalent) or more, the assigned casino employee shall complete the LCTR, recording:
- 2.1.1.a The patron's name, address (whether local or foreign), occupation and date of birth;
- 2.1.1.b The type and reference number of the acceptable identification produced to verify the name;
- 2.1.1.c The Canadian dollar value of the foreign exchange, using the last noon cash rate to pay the customer, as posted by the Bank of Canada;
- [Deletion 07/01/05]
- 2.1.1.d The assigned casino employee shall record and sign his/her name, title, and GPEB number on the LCTR attesting to the identity of the patron and the amount of the currency given to the patron.
- 2.1.1.e The assigned casino employee completing the LCTR shall provide the Cage Supervisor with the LCTR for filing.
- 2.1.2 For cash-outs, by the patron or 3rd party agents, sufficient / acceptable photo identification is required to identify both the patron and the 3rd party agents once their combined totals reach \$10,000.00 or more.
- 2.1.3 For buy-ins - the patron must provide sufficient/acceptable photo identification to identify the player, before leaving the casino.
- 2.2 Identification shall be photocopied, detailed and stapled to the Large Cash Transaction and Foreign Exchange Record (LCTR).

3 RECORD RETENTION

3.1

3.2

3.3

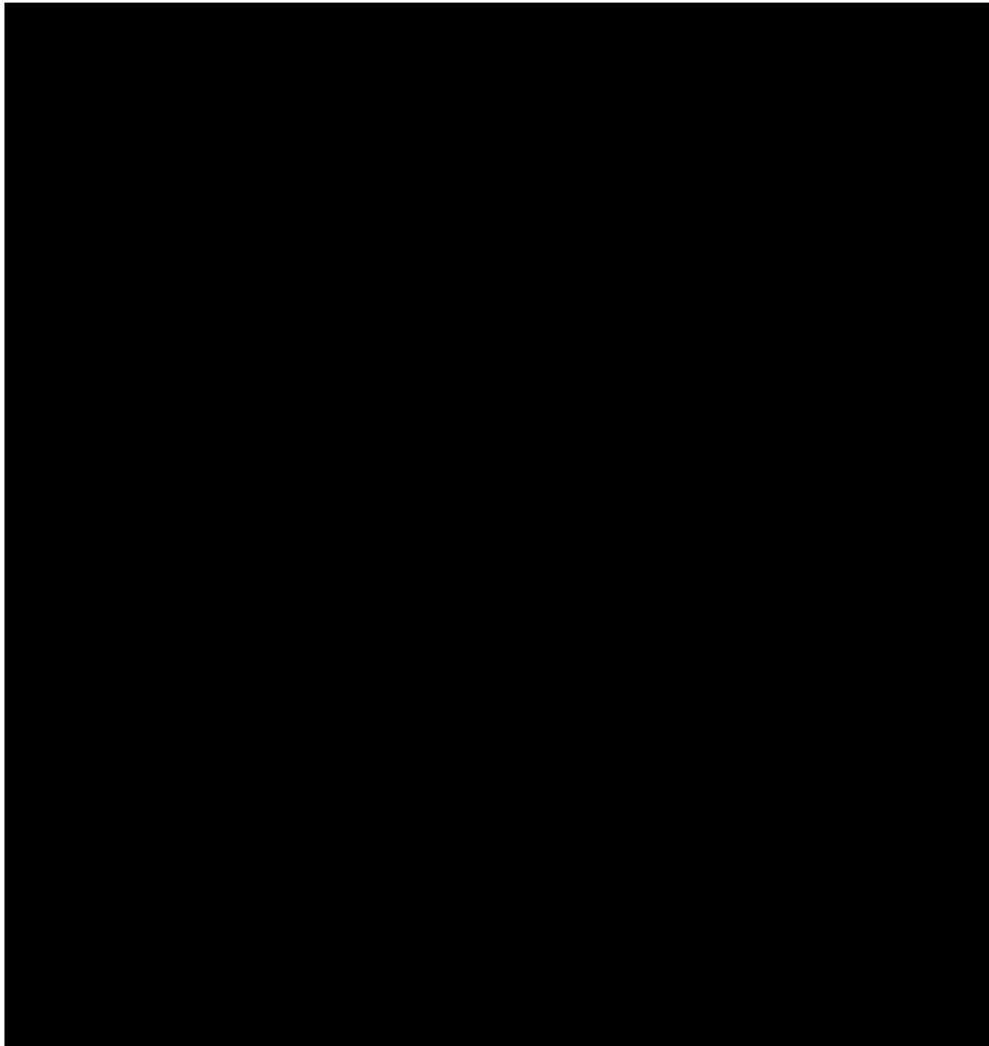


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3.4



[Amended 6/24/04]

4 CONFIDENTIALITY

4.1 The LCTRs shall be safe guarded at all times in order to protect the privacy of the individuals involved.

4.2



4.3 In the event the police inquire about a player, the Service Provider shall refer them to the BCLC Casino Site Operations Manager or designate, or the BCLC Casino Security and Surveillance Investigators.

4.3.1 The Service Provider shall only release a LCTR to the police upon production of a search warrant.

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4.4 The Service Provider shall advise the BCLC Casino Site Operations Manager or designate of a warrant requiring release of a LCTR.

4.4.1 In the event the police contact a Service Provider requesting a LCTR, the Casino Manager or designate shall immediately provide all relevant details surrounding the request to the BCLC Casino Site Operations Manager or designate.

4.4.2 In the event a search warrant is served on the Service Provider, the Service Provider shall ensure all documents seized by the police are photocopied and held by the Service Provider for future reference.

5 SUSPECTED MONEY LAUNDERING/“SUSPICIOUS FINANCIAL TRANSACTION”

NOTE: Please refer to the Financial Transactions and Reports Analysis Centre of Canada (FinTrac) website, www.fintrac.gc.ca, for the full list of the casino industry indicators for suspicious financial transactions.

5.1 Should any casino employee suspect an individual of money laundering, they shall:

5.1.1 Immediately notify their supervisor;

5.1.2 Complete and forward an Occurrence Report or enter an Incident Report in CRS.

5.1.2.a The BCLC Representative shall ensure the information is communicated to the BCLC Manager, Security and Surveillance as soon as possible.

[Amended 6/24/04]

5.2 The Casino Manager shall obtain all available information on the individual in question (i.e. name, address, date of birth, occupation, description, photo and vehicle license plate number) and provide this information to the BCLC Casino Site Operations Manager.

5.3 The Proceeds of Crime (Money Laundering) and Terrorist Financing Act/Regulations has made it a criminal offence for either BCLC and/or the Service Provider to advise an individual that they are suspected of a suspicious financial transaction and/or money laundering incident.

5.3.1 The law prohibits BCLC and/or the Service Providers from alerting the patron that a report will be sent to the Financial Transactions and Reports Analysis Centre of Canada (“Fin Trac”).

5.4 [Casino Security shall complete an Incident Report in the Casino Reporting System \(CRS\).](#)

[Amended 05/02/2006]

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- 5.5 BCLC Casino Security and Surveillance shall report all suspicious financial transactions and/or money laundering incidents, on behalf of BCLC and the Service Providers, to Fin Trac within 30 days of the incident.

6 FOREIGN EXCHANGE

- 6.1 As per the Proceeds of Crime (Money Laundering) and Terrorist Financing Act / Regulations, the foreign exchange rate to pay the patron shall be converted into Canadian dollars based on the official conversion rate of the Bank of Canada for that currency, as published in the Bank of Canada's Daily Memorandum of Exchange Rates, using the last noon cash rate.

- 6.1.1 The Bank of Canada last noon cash rate can be found at:
www.bankofcanada.ca/en/exchform.htm

[Amended 04/30/06]

- 6.1.2 Casino employees may obtain the Bank of Canada last noon cash rate from the BCLC Representative or BCLC Casino Finance.

- 6.2 For one or more transactions totaling \$3,000.00 or more (CDN equivalent), the assigned casino employee shall complete the Large Cash Transaction Record (LCTR), recording:

- 6.2.1 The patron's name, address (whether local or foreign), occupation and date of birth.
- 6.2.2 The type and reference number of the acceptable identification produced to verify the name.
- 6.2.3 The Canadian dollar value of the foreign exchange, using the last noon cash rate as posted by the Bank of Canada. This is updated in CMS by BCLC every weekday.

[Deletion 07/01/05]

- 6.3 The casino employee shall record their name, title, GPEB number and sign page 1 and 2 of the LCTR, attesting to the identity of the player and the amount of Canadian currency given to the patron.

- 6.4 The Cashier shall provide the Cage Supervisor with the LCTR for filing.

- 6.5 [The Cage Supervisor shall complete the LCT module in the Casino Reporting System \(CRS\).](#)

[Amended 05/02/2006]

- 6.6 The Cashier shall decline the exchange request in the event the patron refuses or is unable to produce acceptable identification.

- 6.6.1 The Cashier shall explain the requirements of the legislation and return the monetary instrument to the patron.

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7 BUY IN

7.1 The LCTR shall be completed by the assigned casino employee for any patron buying chips, cash and/or coin for \$10,000.00 or more, in one or more transactions in a single operating day, or if the casino knows the transactions were made within the previous twenty-four (24) consecutive hours, recording:

- 7.1.1 The patron's name, address (whether local or foreign), occupation and date of birth.
- 7.1.2 The type and reference number of the acceptable identification produced to verify the name
- 7.1.3 The assigned casino employee shall record and sign their name, title and GPEB number on the LCTR attesting to the identity of the patron and forward the LCTR for filing.
- 7.1.4 The assigned casino employee shall record the total dollar value of the "buy-in" in the "Pit Transactions" area on page 1 of the LCTR.

[Amended 05/02/2006]

7.2 In the event a patron exceeds the \$10,000.00 buy-in limit, through two or more transactions, then refuses or is unable to produce acceptable identification, as applicable:

- 7.2.1 The patron shall not be allowed any cage transactions;

[Deletion 2/11/04]

- 7.2.2 When the individual is about to exit the casino, floor security shall attempt to obtain ID from the individual;
- 7.2.3 Surveillance shall be notified and requested to photograph the individual;
- 7.2.4 The photograph shall be attached to an LCTR completed and signed by a Security Officer or other appropriate casino employee and filed with the other LCTRs under "Unidentified Player";

[Amended 09/23/04]

- 7.2.5 The patron shall be advised that they shall not be permitted to return to play in the casino until acceptable identification is produced;

- 7.2.6 An Occurrence Report or Incident Report in CRS shall be generated.

[Amended 6/24/04]

7.3 If the patron visits the casino again, they shall be asked at the front door to present identification prior to being admitted.

- 7.3.1 If the identification is acceptable, it shall be photocopied and/or detailed and stapled to the applicable LCTR, with the rest of the required information, by a Security Officer.

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7.3.2 The Security Officer shall complete the LCT module in the CRS.

[Amended 05/02/2006]

8 CASH OUT

8.1 The LCTR shall be completed by the assigned casino employee for any patron cashing out chips or receiving payment for a slot or table game jackpot/CC for \$10,000.00 or more, in one or more transactions in a single operating day, or if the casino knows the transactions were made within the previous twenty-four (24) consecutive hours, recording:

8.1.1 The patron's name, address (whether local or foreign), occupation and date of birth.

8.1.2 The type and reference number of the acceptable identification produced to verify the name.

8.1.3 The dollar value of the cash-out documented on page 2 of the LCTR.

8.1.3.a Document the cheque reference number and amount;

8.1.3.b If a cheque was issued, provide in the "Special Notes" area on Page 2 of the LCTR the casino employee's name and GPEB number that verified the win and the table or slot number of the win.

[Deletion 07/01/05]

8.1.4 The assigned casino employee shall record and sign their name, title and GPEB number on the LCTR attesting to the identity of the patron and the amount of the cash-out by the patron.

[Amended 05/02/2006]

8.2 The assigned casino employee completing the LCTR shall provide the Cage Supervisor with the LCTR for filing.

8.3 The Cage Supervisor shall complete the LCTR module in CRS.

8.4 If the patron advises they do not and cannot obtain acceptable identification the casino shall contact the BCLC Manager or Supervisor Security and Surveillance for alternate measures to identify the patron.

9 PATRON TRACKING

9.1 All large cash "buy-in" and "cash-out" transactions shall be tracked in the event a series of transactions may amount to a total of \$10,000.00 or more in an operating day or, in the casino's knowledge, within a twenty-four (24) consecutive hour period. For example, a buy-in of \$3,000.00 must be tracked because there is a reasonable chance that the patron's total buy-ins for the day may amount to \$10,000.00.

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- 9.2 All large “cash-out” transactions shall be tracked in the event they occur with a person (agent or 3rd party) a casino employee knows, or has reason to believe, is conducting the transaction on behalf of the rightful owner.
- 9.3 When the total amount of “cash-outs” by the rightful owner and agent / 3rd party equals \$10,000.00 or more in one operating day or, in the casino’s knowledge, within a twenty-four (24) consecutive hour period, all parties must be properly identified on LCTR’s, as per previous instructions.
- 9.4 All foreign exchanges under \$3,000.00 shall be tracked as described in Cage – Foreign Currency.
- 9.5 All large foreign exchanges shall be tracked in the event a series of transactions may amount to the total of \$3,000.00 (CDN equivalent) or more in one operating day, or, in the casino’s knowledge, within a twenty-four (24) consecutive hour period.

[Amended 05/02/2006]

10 REPEAT PATRONS

- 10.1 Once an LCTR has been fully completed it shall be considered sufficient as acceptable identification.
- 10.1.1 A new LCTR must be completed for each operating day, with the assigned casino employee recording:
- 10.1.1.a The name of the patron and any casino LCT or VIP reference number on page 1 of the LCTR.
- 10.1.1.b Detail “On File” in the address / occupation / ID area of the LCTR
- 10.1.1.c The assigned casino employee shall record and sign their name, title and GPEB number on the LCTR attesting to the identity of the patron.
- 10.1.1.d The reminder of the form detailing “buy-ins”, “cash-outs” and foreign exchanges over \$3,000.00 shall be completed as per previous instructions.

11 CASH OUT SPLITTING

- 11.1 Once a Cashier has refused a patron’s request for a cash out due to lack of acceptable identification, no Cashier, during the same operating day, or, in the casino’s knowledge, within a twenty-four (24) consecutive hour period shall cash out the chips when presented by:
- 11.1.1 The same individual but in lesser amounts;
- 11.1.2 A third party or agent of the patron;



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11.1.3 Several individuals, having divided the chips amongst them and clearly cashing out for the benefit of the initial patron.

[Amended 05/02/2006]

12 IDENTIFICATION SHARING

12.1 Each individual casino shall obtain [or confirm identity by checking](#) acceptable identification from the patron [or reviewing the identification contained in CRS](#).

[Amended 05/02/2006]

13 FILING LARGE CASH TRANSACTION AND FOREIGN EXCHANGE RECORD

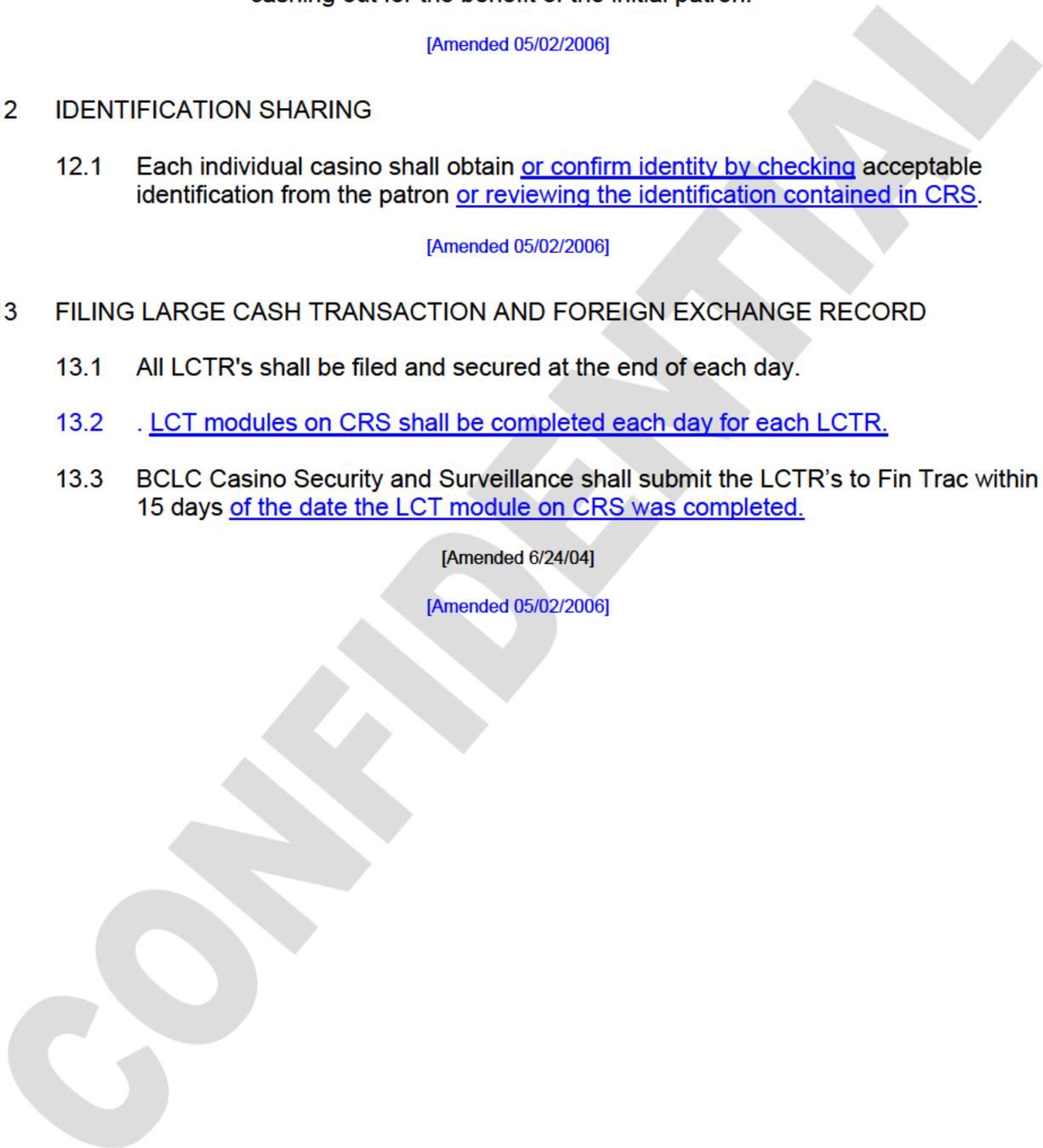
13.1 All LCTR's shall be filed and secured at the end of each day.

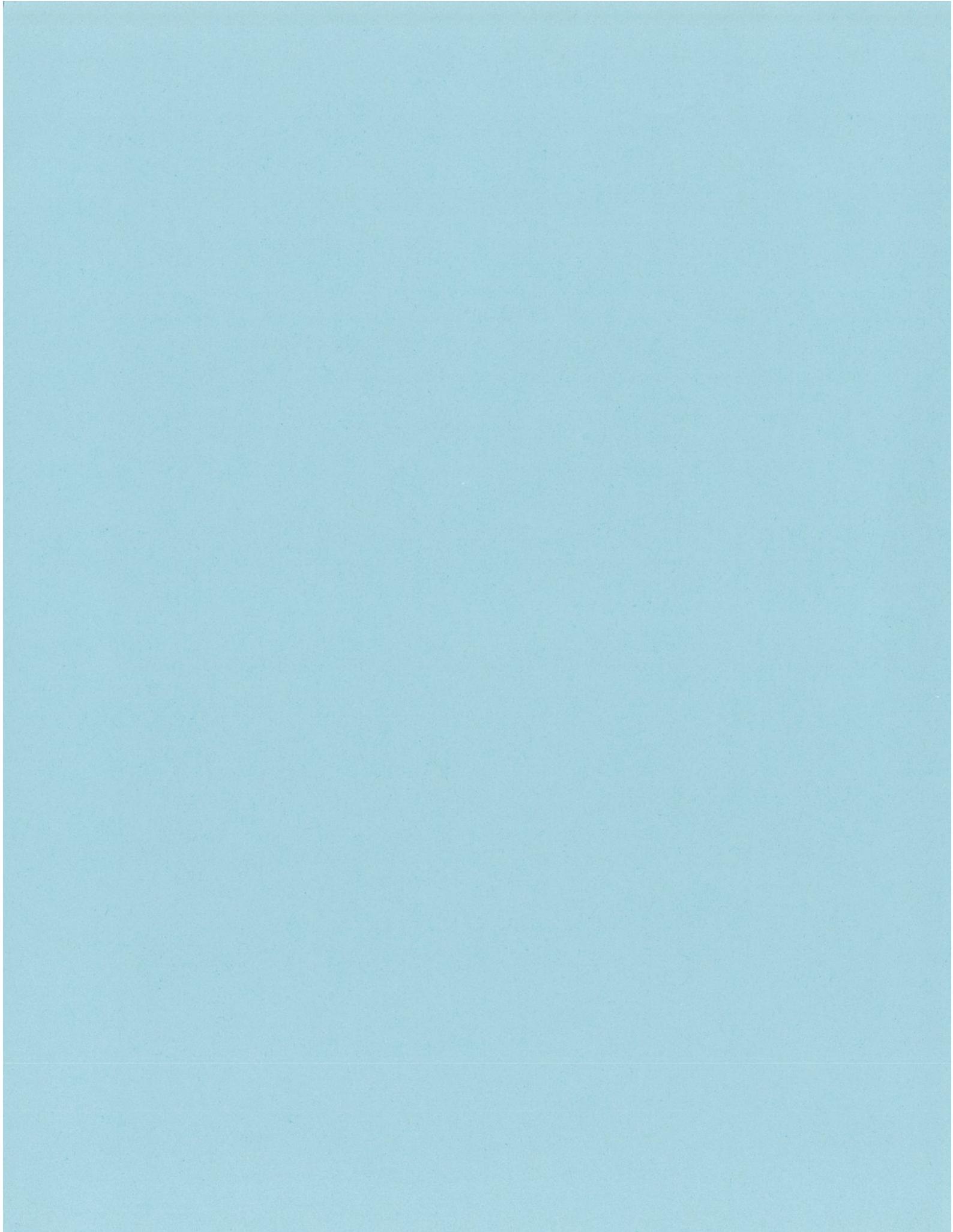
13.2 [. LCT modules on CRS shall be completed each day for each LCTR.](#)

13.3 BCLC Casino Security and Surveillance shall submit the LCTR's to Fin Trac within 15 days [of the date the LCT module on CRS was completed.](#)

[Amended 6/24/04]

[Amended 05/02/2006]





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Section: 3-8.1 Cage – Large Cash Transactions

1 GENERAL

- 1.1 A Large Cash Transaction Record (LCTR) shall be completed for any individual who:
- 1.1.1 Exchanges \$3,000.00 (CDN) equivalent or more in foreign currency in one or more transactions in a twenty-four (24) hour period;
 - 1.1.2 Buys in for \$10,000.00 (CDN) or more in one or more transactions in a twenty-four (24) hour period;
 - 1.1.3 Cashes out for \$10,000.00 (CDN) or more in one or more transactions in a twenty-four (24) hour period;
 - 1.1.4 Wins a jackpot of \$10,000.00 (CDN) or more in one or more transactions in a twenty-four (24) hour period;
 - 1.1.5 Is subject to a Casino Incident Report of a “suspicious financial transaction in relation to money laundering” by buying in with a large amount of small denomination bills or buys in for \$3,000.00 or more (CDN) and after minimal play cashes out;
 - 1.1.6 Is subject to an Incident Report for any other “suspicious financial activity of any amount of dollars in relation to money laundering”; or
 - 1.1.7 Receives a Service Provider cheque for a transaction of \$1,000.00 (CDN) or more made out to third parties or without a specified payee.
 - 1.1.7.a BCLC would not expect any Service Provider to complete this type of transaction.
- 1.2 A ‘single operating day’ shall be interpreted as:
- 1.2.1 At a casino having regularly scheduled closed hours: from casino opening to casino closing;
 - 1.2.2 At a 24-hour casino: from system start-of-day (07:01 AM) to the following system end-of-day (07:00 AM).
- 1.3 Casino employees shall follow the appropriate patron tracking and identification procedures when multiple transactions with or for the benefit of the rightful owner of the cash/chips, or by a 3rd party or agent are transacted. When such transactions exceed \$10,000.00 or more in a single operating day or, in the casino’s knowledge, within twenty-four (24) consecutive hours, a Large Cash Transaction Record (LCTR) shall be completed.

2 PERSONAL INFORMATION

- 2.1 For the purposes of this section, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act/Regulations require that the following personal information be obtained:

Section: 3-8.1 Cage – Large Cash Transactions

- 2.1.1 For foreign exchanges of \$3,000.00 (CDN equivalent) or more, the assigned casino employee shall complete the LCTR, recording:
- 2.1.1.a The patron's name, address (whether local or foreign), occupation and date of birth;
 - 2.1.1.b The type and reference number of the acceptable identification produced to verify the name;
 - 2.1.1.c The Canadian dollar value of the foreign exchange, using the last noon cash rate to pay the customer, as posted by the Bank of Canada;
 - 2.1.1.d The assigned casino employee shall record and sign his/her name, title, and GPEB number on the LCTR attesting to the identity of the patron and the amount of the currency given to the patron.
 - 2.1.1.e The assigned casino employee completing the LCTR shall provide the Cage Supervisor with the LCTR for filing.
- 2.1.2 For cash-outs, by the patron or 3rd party agents, sufficient / acceptable photo identification is required to identify both the patron and the 3rd party agents once their combined totals reach \$10,000.00 or more.
- 2.1.3 For buy-ins - the patron must provide sufficient/acceptable photo identification to identify the player, before leaving the casino.

2.2 Sufficient/acceptable photo identification for a Large Cash Transaction Record is defined as a valid (not expired) document with a unique identifier number issued by a provincial, territorial or federal government, or valid foreign identification, if equivalent to an acceptable form of Canadian identification document;

2.2.1 Identification document must be the original, not a copy.

[Amended 06/16/08]

2.3 Identification shall be photocopied, detailed and stapled to the Large Cash Transaction and Foreign Exchange Record (LCTR).

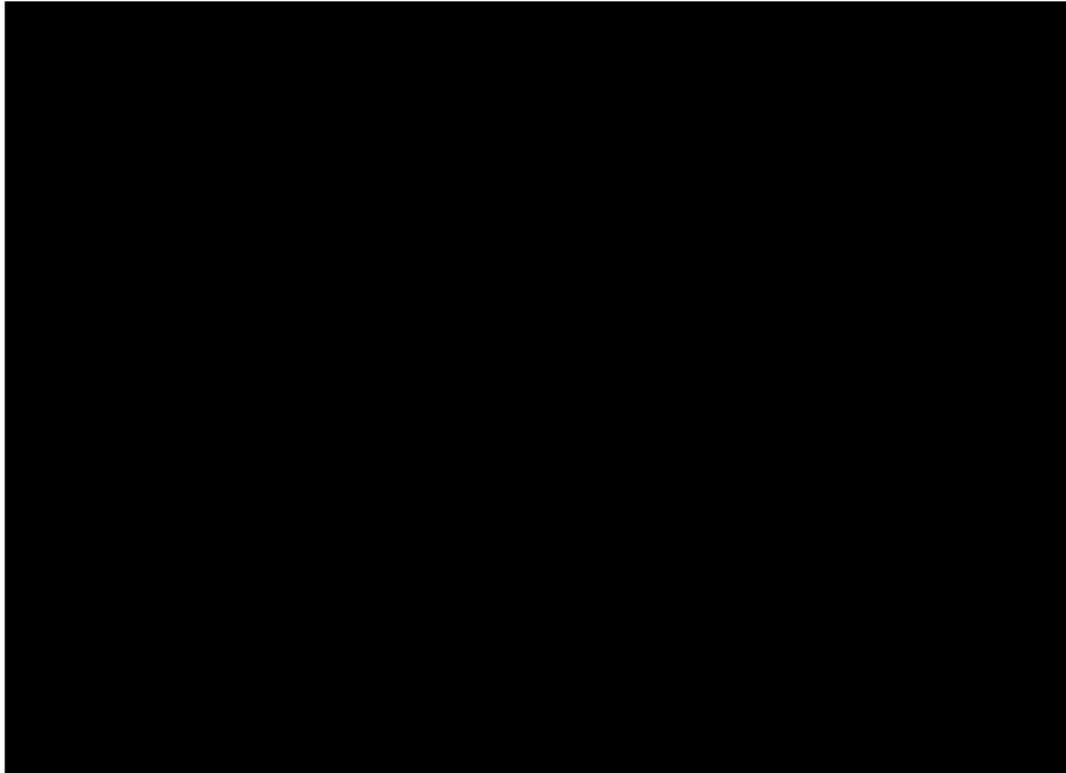
3 RECORD RETENTION

3.1

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**4 CONFIDENTIALITY**

4.1 The LCTRs shall be safe guarded at all times in order to protect the privacy of the individuals involved.

4.2

4.3 In the event the police inquire about a player, the Service Provider shall refer them to the BCLC Casino Site Operations Manager or designate, or the BCLC Casino Security and Surveillance Investigators.

4.3.1 The Service Provider shall only release a LCTR to the police upon production of a search warrant.

4.4 The Service Provider shall advise the BCLC Casino Site Operations Manager or designate of a warrant requiring release of a LCTR.

4.4.1 In the event the police contact a Service Provider requesting a LCTR, the Casino Manager or designate shall immediately provide all relevant details surrounding the request to the BCLC Casino Site Operations Manager or designate.

4.4.2 In the event a search warrant is served on the Service Provider, the Service Provider shall ensure all documents seized by the police are photocopied and held by the Service Provider for future reference.

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5 SUSPECTED MONEY LAUNDERING/“SUSPICIOUS FINANCIAL TRANSACTION”

NOTE: Please refer to the Financial Transactions and Reports Analysis Centre of Canada (FinTrac) website, www.fintrac.gc.ca, for the full list of the casino industry indicators for suspicious financial transactions.

- 5.1 Should any casino employee suspect an individual of money laundering or attempting to launder money, they shall:
 - 5.1.1 Immediately notify their supervisor;
 - 5.1.2 Complete an Incident Report in CRS.
 - 5.1.2.a The BCLC Representative shall ensure the information is communicated to the BCLC Manager, Security and Surveillance as soon as possible.
 - 5.1.3 The Casino Manager shall obtain all available information on the individual in question (i.e. name, address, date of birth, occupation, description, photo and vehicle license plate number) and provide this information to the BCLC Casino Site Operations Manager.
- [Amended 06/16/08]
- 5.2 The Proceeds of Crime (Money Laundering) and Terrorist Financing Act/Regulations have made it a criminal offence for either BCLC and/or the Service Provider to advise an individual that they are suspected of a suspicious financial transaction and/or money laundering incident.
 - 5.2.1 The law prohibits BCLC and/or the Service Providers from alerting the patron that a report will be sent to the Financial Transactions and Reports Analysis Centre of Canada (“Fin Trac”).
 - 5.3 Casino Security shall complete an Incident Report in the Casino Reporting System (CRS).
 - 5.4 BCLC Casino Security and Surveillance shall report all attempted or completed suspicious financial transactions in relation to money laundering transactions and/or money laundering incidents, on behalf of BCLC and the Service Providers, to Fin Trac within 30 days of the incident.

[Amended 06/16/08]

6 FOREIGN EXCHANGE

- 6.1 As per the Proceeds of Crime (Money Laundering) and Terrorist Financing Act / Regulations, the foreign exchange rate to pay the patron shall be converted into Canadian dollars based on the official conversion rate of the Bank of Canada for that currency, as published in the Bank of Canada’s Daily Memorandum of Exchange Rates, using the last noon cash rate.
 - 6.1.1 The Bank of Canada last noon cash rate can be found at:
www.bankofcanada.ca/en/exchform.htm

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- 6.1.2 Casino employees may obtain the Bank of Canada last noon cash rate from the BCLC Representative or BCLC Casino Finance.
- 6.2 For one or more transactions totaling \$3,000.00 or more (CDN equivalent), the assigned casino employee shall complete the Large Cash Transaction Record (LCTR), recording:
- 6.2.1 The patron's name, address (whether local or foreign), occupation and date of birth.
- 6.2.2 The type and reference number of the acceptable identification produced to verify the name.
- 6.2.3 The Canadian dollar value of the foreign exchange, using the last noon cash rate as posted by the Bank of Canada. This is updated in CMS by BCLC every weekday.
- 6.3 The casino employee shall record their name, title, GPEB number and sign page 1 and 2 of the LCTR, attesting to the identity of the player and the amount of Canadian currency given to the patron.
- 6.4 The Cashier shall provide the Cage Supervisor with the LCTR for filing.
- 6.5 The Cage Supervisor shall complete the LCT module in the Casino Reporting System (CRS).
- 6.6 The Cashier shall decline the exchange request in the event the patron refuses or is unable to produce acceptable identification.
- 6.6.1 The Cashier shall explain the requirements of the legislation and return the monetary instrument to the patron.
- 7 BUY IN
- 7.1 The LCTR shall be completed by the assigned casino employee for any patron buying chips, cash and/or coin for \$10,000.00 or more, in one or more transactions in a single operating day, or if the casino knows the transactions were made within the previous twenty-four (24) consecutive hours, recording:
- 7.1.1 The patron's name, address (whether local or foreign), occupation and date of birth.
- 7.1.2 The type and reference number of the acceptable identification produced to verify the name
- 7.1.3 The assigned casino employee shall record and sign their name, title and GPEB number on the LCTR attesting to the identity of the patron and forward the LCTR for filing.
- 7.1.4 The assigned casino employee shall record the total dollar value of the "buy-in" in the "Pit Transactions" area on page 1 of the LCTR.

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- 7.2 In the event a patron exceeds the \$10,000.00 buy-in limit, through two or more transactions, then refuses or is unable to produce acceptable identification, as applicable:
- 7.2.1 The patron shall not be allowed any cage transactions;
 - 7.2.2 When the individual is about to exit the casino, floor security shall attempt to obtain ID from the individual;
 - 7.2.3 [REDACTED]
 - 7.2.4 The photograph shall be attached to an LCTR completed and signed by a Security Officer or other appropriate casino employee and filed with the other LCTRs under “Unidentified Player”;
 - 7.2.5 The patron shall be advised that they shall not be permitted to return to play in the casino until acceptable identification is produced;
 - 7.2.6 An Incident Report in CRS shall be generated.
- 7.3 If the patron visits the casino again, they shall be asked at the front door to present identification prior to being admitted.
- 7.3.1 If the identification is acceptable, it shall be photocopied and/or detailed and stapled to the applicable LCTR, with the rest of the required information, by a Security Officer.
 - 7.3.2 The Security Officer shall complete the LCT module in the CRS.

8 CASH OUT

- 8.1 The LCTR shall be completed by the assigned casino employee for any patron cashing out chips or receiving payment for a slot or table game jackpot/CC for \$10,000.00 or more, in one or more transactions in a single operating day, or if the casino knows the transactions were made within the previous twenty-four (24) consecutive hours, recording:
- 8.1.1 The patron’s name, address (whether local or foreign), occupation and date of birth.
 - 8.1.2 The type and reference number of the acceptable identification produced to verify the name.
 - 8.1.3 The dollar value of the cash-out documented on page 2 of the LCTR.
 - 8.1.3.a If a cheque for a ‘verified win’ was issued, provide in the “Special Notes” area on Page 2 of the LCTR the casino employee’s name and GPEB number that verified the win and the table or slot machine number of the win.
 - (1) Document the cheque reference number and amount.

[Amended 06/16/08]

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- 8.1.4 The assigned casino employee shall record and sign their name, title and GPEB number on the LCTR attesting to the identity of the patron and the amount of the cash-out by the patron.
- 8.1.5 The assigned casino employee completing the LCTR shall provide the Cage Supervisor with the LCTR for filing.
- 8.1.6 If the patron advises they do not and cannot obtain acceptable identification the Casino shall contact the BCLC Manager or Supervisor Security and Surveillance for alternate measures to identify the patron.

9 PATRON TRACKING

- 9.1 All large cash “buy-in” and “cash-out” transactions shall be tracked in the event a series of transactions may amount to a total of \$10,000.00 or more in an operating day or, in the casino’s knowledge, within a twenty-four (24) consecutive hour period. For example, a buy-in of \$3,000.00 must be tracked because there is a reasonable chance that the patron’s total buy-ins for the day may amount to \$10,000.00.
- 9.2 All large “cash-out” transactions shall be tracked in the event they occur with a person (agent or 3rd party) a casino employee knows, or has reason to believe, is conducting the transaction on behalf of the rightful owner.
- 9.3 When the total amount of “cash-outs” by the rightful owner and agent / 3rd party equals \$10,000.00 or more in one operating day or, in the casino’s knowledge, within a twenty-four (24) consecutive hour period, all parties must be properly identified on LCTR’s, as per previous instructions.
- 9.4 All foreign exchanges under \$3,000.00 shall be tracked as described in Cage – Foreign Currency.
- 9.5 All large foreign exchanges shall be tracked in the event a series of transactions may amount to the total of \$3,000.00 (CDN equivalent) or more in one operating day, or, in the casino’s knowledge, within a twenty-four (24) consecutive hour period.

10 REPEAT PATRONS

- 10.1 Once an LCTR has been fully completed it shall be considered sufficient as acceptable identification.
 - 10.1.1 A new LCTR must be completed for each operating day, with the assigned casino employee recording:
 - 10.1.1.a The name of the patron and any casino LCT or VIP reference number on page 1 of the LCTR.
 - 10.1.1.b Detail “On File” in the address / occupation / ID area of the LCTR

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- 10.1.1.c The assigned casino employee shall record and sign their name, title and GPEB number on the LCTR attesting to the identity of the patron.
- 10.1.1.d The remainder of the form detailing “buy-ins”, “cash-outs” and foreign exchanges over \$3,000.00 shall be completed as per previous instructions.

11 CASH OUT SPLITTING

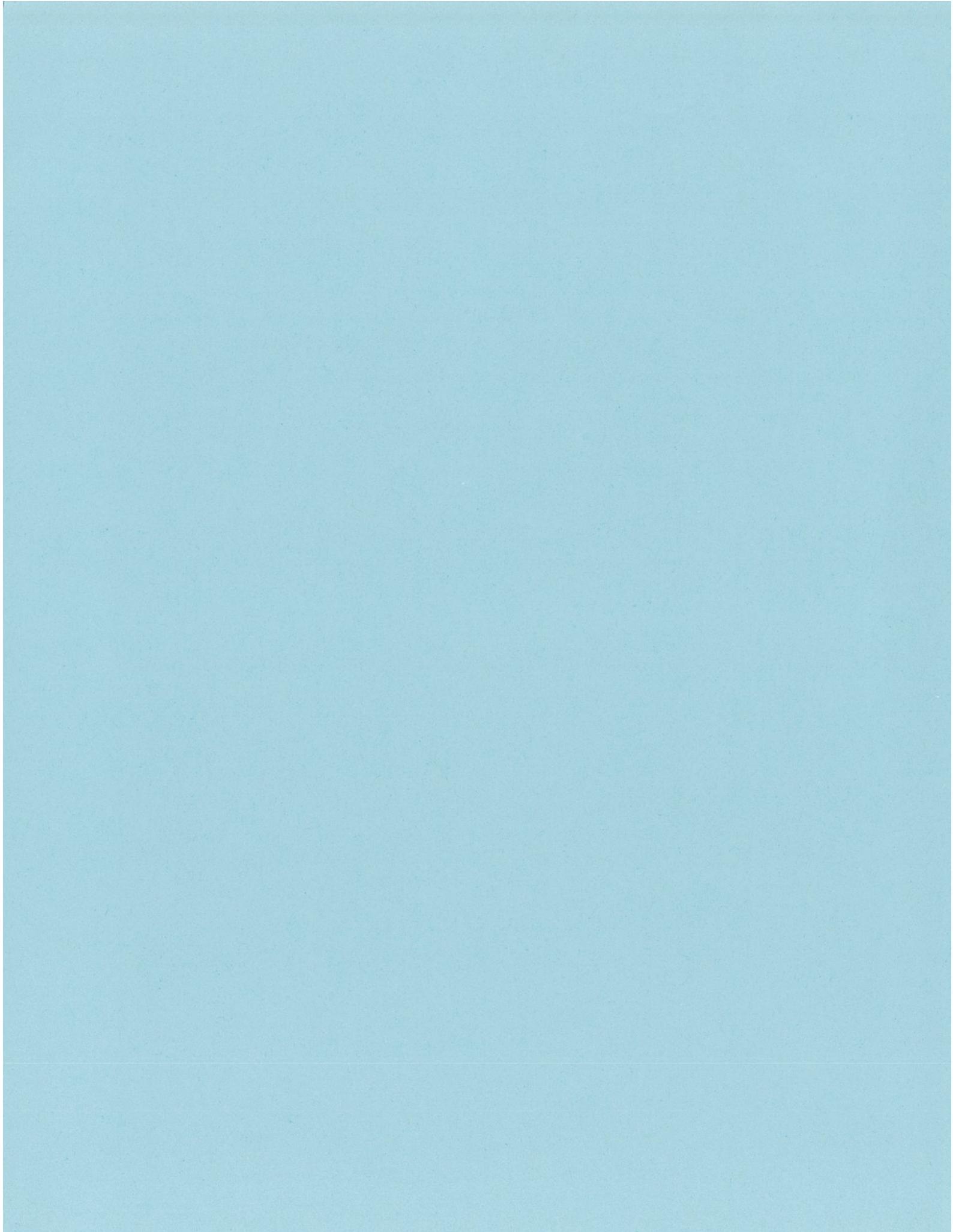
- 11.1 Once a Cashier has refused a patron’s request for a cash out due to lack of acceptable identification, no Cashier, during the same operating day, or, in the casino’s knowledge, within a twenty-four (24) consecutive hour period shall cash out the chips when presented by:
 - 11.1.1 The same individual but in lesser amounts;
 - 11.1.2 A third party or agent of the patron;
 - 11.1.3 Several individuals, having divided the chips amongst them and clearly cashing out for the benefit of the initial patron.

12 IDENTIFICATION SHARING

- 12.1 Each individual casino shall obtain or confirm identity by checking acceptable identification from the patron or reviewing the identification contained in CRS.

13 FILING LARGE CASH TRANSACTION AND FOREIGN EXCHANGE RECORD

- 13.1 All LCTR's shall be filed and secured at the end of each day.
- 13.2 LCT modules on CRS shall be completed each day for each LCTR.
- 13.3 BCLC Casino Security and Surveillance shall submit the LCTR’s to Fin Trac within 15 days of the date the LCT module on CRS was completed.



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Section: 3-8.1 Cage – Large Cash Transactions (v.2)

[Revised to version 2 - 09/28/09]

1 GENERAL

- 1.1 Casino employees shall follow the appropriate patron tracking and identification procedures when multiple transactions with or for the benefit of the rightful owner of the cash/chips, or by a 3rd party or agent are transacted.
- 1.2 When such transactions ~~exceed~~ reach \$10,000.00 or more in a single operating day or, in the casino's knowledge, within any twenty-four (24) consecutive hours, all transactions recorded on the LCTR shall be entered into the FinTrac Entry screen in the FinTrac Module of the Casino Reporting System. The system shall ensure the appropriate records are created for forwarding to FinTrac.
- 1.2.1 Each buy-in, cash-out (disbursement), or jackpot payment (disbursement) shall be recorded separately on the LCTR form for entry in the FinTrac Entry screen.

[Amended 01/15/2010, 07/02/2010]

- 1.3 A Large Cash Transaction, Foreign Exchange and Disbursement Record (LCTR) shall be completed for any individual who:
- 1.3.1 Exchanges \$10,000 (CDN) equivalent or more in foreign currency in one or more transactions in a twenty-four (24) hour period;
- 1.3.1.a Each type of foreign currency (i.e. US or Yen, etc.) exchanged in a rolling 24 hour period requires a separate entry;
- 1.3.1.b Any exchange of \$3000.00 (CDN) equivalent or more shall be documented on the LCTR and entered into the FinTrac Entry screen.
- (1) The system will ensure the appropriate record is created and sent to FinTrac when reporting thresholds are reached.

[Amended 01/15/2010].

- 1.3.2 Buys in for \$10,000.00 (CDN) or more in one or more transactions in a twenty-four (24) hour period;
- 1.3.3 Cashes out for a disbursement of \$10,000.00 (CDN) or more in one or more transactions in a twenty-four (24) hour period;
- 1.3.4 Wins a jackpot of \$10,000.00 (CDN) or more in one or more transactions in a twenty-four (24) hour period;
- 1.3.5 Is subject to a Casino Incident Report of a "suspicious financial transaction in relation to money laundering" by buying in with a large amount of small denomination bills or buys in for \$3,000.00 or more (CDN) and after minimal play cashes out;
- 1.3.5.a Is subject to an Incident Report for any other "suspicious financial activity" or attempts thereof of any amount of dollars in relation to money laundering.
- 1.3.6 Each separate entry/incidence of a transaction \$10,000.00 or more in one or more transactions in a rolling 24 hour period will generate a new LCTR;

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- 1.3.7 Example of a situation requiring more than 1 LCT to be generated by the FinTrac Module in a rolling 24 hour period for an individual:
 - 1.3.7.a Buy in for \$12,000 lump sum at 12 noon – first LCT & beginning of first 24 hour rolling period;
 - 1.3.7.b Further buy-in for \$2000.00 at 1500 hrs, then \$3000.00 at 1700 hrs, then \$6000.00 at 2400 hrs = \$11,000.00 – second LCT;
 - 1.3.7.c Cash out (disbursement) for \$11,000.00 at 1100 hrs – third LCT.
- 1.3.8 As long as all transactions have been entered separately into the FinTrac Entry screen, the FinTrac Module in the Casino Reporting System will generate any reports required for compliance to FinTrac reporting legislation.
- 1.4 A 'single operating day' shall be interpreted as:
 - 1.4.1 At a casino having regularly scheduled closed hours: from casino opening to casino closing;
 - 1.4.2 At a 24-hour casino: from system start-of-day (07:01 AM) to the following system end-of-day (07:00 AM).
 - 1.4.3 For Large Cash Transaction, Foreign Exchange and Disbursement Record tracking purposes, once a patron buys in to begin gaming, the rolling 24 hour tracking period begins, regardless of the time of the system start of day.

[Amended 01/15/2010]

2 PERSONAL INFORMATION

- 2.1 For the purposes of this section, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act/Regulations require that the following personal information be obtained:
 - 2.1.1 For foreign exchanges of \$3,000.00 (CDN equivalent) or more, the assigned casino employee shall complete the LCTR, recording:
 - 2.1.1.a The patron's name, address (whether local or foreign), occupation and date of birth;
 - (1) If a foreign address is given but the patron is known to be gaming at the site often enough such that patron does not appear to be a visitor, a local resident address shall also be obtained.
 - 2.1.1.b The type, place of issue and reference number of the acceptable identification produced to verify the name;
 - 2.1.1.c The Canadian dollar value of the foreign exchange, using the last noon cash rate to pay the customer, as posted by the Bank of Canada;
 - (1) Each type of foreign currency exchanged requires a separate entry on the LCTR and in the FinTrac Entry screen.
 - 2.1.1.d The assigned casino employee shall record and sign his/her name, title, and GPEB number on the LCTR attesting to the identity of the patron and the amount of the currency given to the patron.
 - 2.1.1.e The assigned casino employee completing the LCTR shall provide the Cage Supervisor with the LCTR for entry in the Casino Reporting System and filing.

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[Amended 01/15/2010]

- 2.1.2 For cash-outs (disbursements), by the patron or 3rd party agents, sufficient / acceptable photo identification is required to identify both the patron and the 3rd party agents once their combined totals reach ~~\$10,000.00 or more~~ \$9000.00.
- 2.1.3 For buy-ins - the patron must provide sufficient/acceptable photo identification to identify the player upon request. ~~before leaving the casino;~~
 - 2.1.3.a The patron shall be asked to produce the identification upon reaching \$9000.00 total buy-in or if an additional request for buy-in would reach or exceed or exceeding the reportable threshold.
 - (1) If patron refuses to produce identification, buy-in shall not be accepted.

[Amended 07/02/2010]

- 2.2 Sufficient/acceptable photo identification for a Large Cash Transaction, Foreign Exchange and Disbursement Record is defined as a valid (not expired) document with a unique identifier number issued by a provincial, territorial or federal government, or valid foreign identification, if equivalent to an acceptable form of Canadian identification document;
 - 2.2.1 Identification document must be the original, not a copy.

[Amended 01/15/2010]

- 2.3 Identification for LCTRs shall be:
 - 2.3.1 Photocopied, detailed and attached to the Large Cash Transaction, Foreign Exchange and Disbursement Record (LCTR); and
 - 2.3.2 Scanned into the Media field of the patron's Subject Profile in CRS.

[Amended 01/15/2010]

- 2.4 The Service Provider shall obtain the patron's principal business or occupation prior to completing the applicable transaction.
 - 2.4.1 It is not sufficient for the patron to provide vague information such as "self-employed" or "business owner."
 - 2.4.1.a Service Provider shall question the patron further to establish the specific occupation and employment specifics;
 - (1) If patron refuses to provide the information, Service Provider shall record details of the patron's statements on the LCTR.

- 2.5 Personal information of the patron must be obtained before the patron reaches the LCTR reporting threshold.
 - 2.5.1 If the patron refuses to provide the identification when asked, further transactions shall not be completed. (see also BUY-INS and DISBURSEMENTS).
 - 2.5.2 An Incident Report in CRS shall be completed detailing the particulars of the patron's refusal.

[Amended 07/02/2010]

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3 RECORD RETENTION



4 CONFIDENTIALITY

4.1 The LCTRs shall be safeguarded at all times in order to protect the privacy of the individuals involved.

4.2



4.3 In the event the police inquire about a player, the Service Provider shall refer them to the BCLC Casino Site Operations Manager or designate, or the BCLC Casino Security and Surveillance Investigators.

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- 4.3.1 The Service Provider shall only release a LCTR to the police upon production of a search warrant.
 - 4.4 The Service Provider shall advise the BCLC Casino Site Operations Manager or designate of a warrant requiring release of a LCTR.
 - 4.4.1 In the event the police contact a Service Provider requesting a LCTR, the Casino Manager or designate shall immediately provide all relevant details surrounding the request to the BCLC Casino Site Operations Manager or designate.
 - 4.4.2 In the event a search warrant is served on the Service Provider, the Service Provider shall contact the BCLC Manager, Security and Surveillance prior to release.
 - 4.4.3 The Service Provider shall ensure all documents seized by the police are photocopied and held by the Service Provider for future reference.
- 5 SUSPECTED MONEY LAUNDERING/"SUSPICIOUS FINANCIAL TRANSACTION"
- NOTE: Please refer to the Financial Transactions and Reports Analysis Centre of Canada (FinTrac) website, www.fintrac.gc.ca, for the full list of the casino industry indicators for suspicious financial transactions.
- 5.1 Should any casino employee suspect an individual of money laundering or attempting to launder money, they shall:
 - 5.1.1 Immediately notify their supervisor;
 - 5.1.2 Complete an Incident Report in CRS.
 - 5.1.2.a The BCLC Representative shall ensure the information is communicated to the BCLC Manager, Security and Surveillance as soon as possible.
 - 5.1.3 The Casino Manager shall obtain all available information on the individual in question (i.e. name, address, date of birth, occupation, description, photo and vehicle license plate number) and provide this information to the BCLC Casino Site Operations Manager.
 - 5.2 The Proceeds of Crime (Money Laundering) and Terrorist Financing Act/Regulations make it a criminal offence for either BCLC and/or the Service Provider to advise an individual that they are suspected of a suspicious financial transaction and/or money laundering incident.
 - 5.2.1 The law prohibits BCLC and/or the Service Providers from alerting the patron that a report will be sent to the Financial Transactions and Reports Analysis Centre of Canada ("FinTrac").
 - 5.3 Casino Security shall complete an Incident Report in the Casino Reporting System (CRS).
 - 5.4 BCLC Casino Security and Surveillance shall report all attempted or completed suspicious financial transactions in relation to money laundering transactions and/or money laundering incidents, on behalf of BCLC and the Service Providers, to FinTrac within 30 days of the incident.
- 6 FOREIGN EXCHANGE
- 6.1 As per the Proceeds of Crime (Money Laundering) and Terrorist Financing Act / Regulations, the foreign exchange rate to pay the patron shall be converted into Canadian dollars based on the official conversion rate of the Bank of Canada for that currency, as published in the Bank of Canada's Daily Memorandum of Exchange Rates, using the last noon cash rate.

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- 6.1.1 The Bank of Canada last noon cash rate can be found at:
www.bankofcanada.ca/en/exchform.htm
- 6.1.2 Casino employees may obtain the Bank of Canada last noon cash rate from the BCLC Representative or BCLC Casino Finance.
- 6.2 For one or more transactions totaling \$3,000.00 or more (CDN equivalent), the assigned casino employee shall complete the Large Cash Transaction, Foreign Exchange and Disbursement Record (LCTR), recording:
 - 6.2.1 The patron's name, address (whether local or foreign), occupation and date of birth.
 - 6.2.2 The type, place of issue and reference number of the acceptable identification produced to verify the name;
 - 6.2.2.a The identification shall be scanned into the Media field of the Subject Profile in CRS.
 - 6.2.3 The Canadian dollar value of the foreign exchange, using the last noon cash rate as posted by the Bank of Canada. This is updated in CMS by BCLC every weekday.
 - 6.2.4 Each type of foreign currency (i.e. US or Yen, etc.) exchanged requires a separate entry on the LCTR and in the FinTrac Entry screen.

[Amended 01/15/2010]

- 6.3 The casino employee(s) shall record their name, title, GPEB number and sign page 1 and page 3 of the LCTR, attesting to the identity of the player and the amount of Canadian currency given to the patron.
- 6.4 The Cashier shall provide the Cage Supervisor with the LCTR for entry in the Casino Reporting System and filing.
- 6.5 The Cage Supervisor shall complete the FinTrac Entry Screen in the FinTrac module in the Casino Reporting System (CRS).
- 6.6 The Cashier shall decline the exchange request in the event the patron refuses or is unable to produce acceptable identification.
 - 6.6.1 The Cashier shall explain the requirements of the legislation and return the monetary instrument to the patron.

7 BUY IN

- 7.1 The LCTR shall be completed by the assigned casino employee for any patron buying chips, cash and/or coin for \$10,000.00 or more, in one or more transactions in a single operating day, or if the casino knows the transactions were made within the previous twenty-four (24) consecutive hours.
- 7.2 Patrons shall be asked for the following particulars of identification as soon as it becomes apparent their buy-ins may approach the LCTR threshold, recording:
 - 7.2.1 The patron's name, address (whether local or foreign), occupation and date of birth.
 - 7.2.2 The type, place of issue and reference number of the acceptable identification produced to verify the name;

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- 7.2.2.a The identification shall be scanned into the Media field of the Subject Profile in CRS.
- 7.2.3 The assigned casino employee shall record and sign their name, title and GPEB number on the LCTR attesting to the identity of the patron and forward the LCTR for entry in the Casino Reporting System and filing.
- 7.2.4 The assigned casino employee shall record each of the individual “buy-in” dollar value amounts as well as the total dollar value of the “buy-in” in the “Pit Transactions” area on page 2 of the LCTR.
- 7.2.5 If patron refuses to produce identification, the buy-in shall not be accepted.
- 7.2.6 In no case will a patron be allowed to reach the reporting threshold without producing identification, including all particulars detailed in PERSONAL INFORMATION;
- 7.2.7 Patrons shall be asked for identification when the buy-in total reaches \$9000.00 or if the buy-in amount would place the total buy-in at the reporting threshold.
 - 7.2.7.a Examples:
 - (1) If patron has already bought in for \$6000, then requests a further buy-in of \$4000 and refuses to produce identification, the \$4000 buy-in shall be refused and an Incident Report in CRS shall be completed;
 - (2) If patron has bought in for smaller amounts totaling \$8000, then requests a further buy-in of \$1000 and refuses to produce identification, the \$1000 buy-in shall be refused and an Incident Report in CRS shall be completed.
- 7.3 In the event a patron ~~exceeds the \$10,000.00~~ reaches a buy-in limit, through two or more transactions, of \$9000.00 then refuses or is unable to produce acceptable identification, as applicable:
 - 7.3.1 The patron shall be advised no further buy ins may be accepted until identification is produced;
 - 7.3.2 The patron shall not be allowed any cage transactions;
 - 7.3.3 When the individual is about to exit the casino, floor security shall attempt to obtain ID from the individual;
 - 7.3.4 
 - 7.3.5 ~~The photograph shall be attached to an LCTR completed and signed by a Security Officer or other appropriate casino employee and filed with the other LCTRs under “Unidentified Player”;~~
 - 7.3.6 The patron shall be advised that they shall not be permitted to return to play in the casino until acceptable identification is produced;
 - 7.3.7 An Incident Report in CRS shall be generated.
- 7.4 If the patron visits the casino again, they shall be asked at the front door to present identification prior to being admitted.
 - 7.4.1 If the identification is acceptable, the Security Officer shall:

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- 7.4.1.a ~~Photocopy and/or detail and staple the identification to the applicable LCTR, with the rest of the required information;~~
- 7.4.1.b Scan the identification into the Media field of the patron's Subject Profile in CRS; ~~and~~
- 7.4.1.c ~~Complete the FinTrac module in the CRS.~~

[Subsection 7 amended 07/02/2010]

8 CASH OUT (DISBURSEMENT)

- 8.1 The LCTR shall be completed by the assigned casino employee for any patron cashing out chips or receiving payment for a slot or table game jackpot/CC (disbursements) for \$10,000.00 or more, in one or more transactions in a single operating day, or if the casino knows the transactions were made within the previous twenty-four (24) consecutive hours, recording:
 - 8.1.1 The patron's name, address (whether local or foreign), occupation and date of birth.
 - 8.1.2 The type, place of issue and reference number of the acceptable identification produced to verify the name;
 - 8.1.2.a The identification shall be scanned into the Media field of the Subject Profile in CRS.
 - 8.1.3 The dollar value of the disbursement documented on page 3 of the LCTR.
 - 8.1.3.a If a cheque for a 'verified win' was issued, provide in the "Special Notes" area on Page 3 of the LCTR the casino employee's name and GPEB number that verified the win and the table or slot machine number of the win.
 - (1) Document the cheque reference number and amount.
 - 8.1.4 The assigned casino employee shall record and sign their name, title and GPEB number on the LCTR attesting to the identity of the patron and the amount of the cash-out (disbursement) by the patron.
 - 8.1.5 The assigned casino employee completing the LCTR shall provide the Cage Supervisor with the LCTR for entry in the Casino Reporting System and filing.
 - 8.1.5.a If a cheque for a 'verified win' was issued, the Cage Supervisor shall provide the casino employee's name and GPEB number that verified the win and the table or slot machine number of the win, as well as the cheque reference number in the Notes field of the Disbursement Entry.
 - 8.1.6 If the patron advises they do not and cannot obtain acceptable identification the disbursement shall not be completed. Casino shall contact the BCLC Manager or Supervisor Security and Surveillance for alternate measures to identify the patron.
 - 8.1.6.a For slot or table game jackpot wins, a 'Postpone or Delay Jackpot' shall be processed and notice forwarded to the BCLC Security Investigator;
 - 8.1.6.b For chip exchanges, the chips shall be pushed back and the patron shall be notified the cash out will not be completed until identification is presented;
 - 8.1.6.c An Incident Report in CRS shall be completed.

[Amended 07/02/2010]

Section: 3-8.1 Cage – Large Cash Transactions (v.2)

9 PATRON TRACKING

- 9.1 All large cash "buy-in" and "cash-out" (disbursement) transactions shall be tracked in the event a series of transactions may amount to a total of \$10,000.00 or more in an operating day or, in the casino's knowledge, within a twenty-four (24) consecutive hour period. For example, a buy-in of \$3,000.00 must be tracked because there is a reasonable chance that the patron's total buy-ins for the day may amount to \$10,000.00.
- 9.2 All large "cash-out" (disbursement) transactions shall be tracked in the event they occur with a person (agent or 3rd party) a casino employee knows, or has reason to believe, is conducting the transaction on behalf of the rightful owner.
- 9.3 When the total amount of "cash-outs" (disbursement) by the rightful owner and agent / 3rd party equals \$10,000.00 or more in one operating day or, in the casino's knowledge, within a twenty-four (24) consecutive hour period, all parties must be properly identified on LCTR's, as per previous instructions.
- 9.4 All foreign exchanges under \$3,000.00 shall be tracked as described in Cage – Foreign Currency.
[Amended 01/15/2010]
- 9.5 All large foreign exchanges shall be tracked in the event a series of transactions may amount to the total of \$10,000.00 (CDN equivalent) or more in one operating day, or, in the casino's knowledge, within a twenty-four (24) consecutive hour period.
- 9.6 Each transaction (buy-in, disbursement, foreign exchange or jackpot payment) shall be recorded separately on the LCTR form;
- 9.7 The patron tracking card or a photocopy of the patron tracking card used in the process of tracking buy-ins and cash-outs shall be stapled to the LCTR;
- 9.7.1 LCTR form or copy of page 2 of LCTR form may be used as the original patron tracking form in smaller casinos that average less than 30 reports per week, at Service Provider's discretion.

10 REPEAT PATRONS

- 10.1 Once an LCTR has been fully completed it shall be considered sufficient as acceptable identification.
- 10.1.1 For any new LCTR required, the assigned casino employee shall record:
- 10.1.1.a The name of the patron and any casino LCT, CRS subject profile reference number or VIP reference number on page 1 of the LCTR.
- 10.1.1.b Detail "On File" in the address / occupation / ID area of the LCTR
- 10.1.1.c The assigned casino employee shall record and sign their name, title and GPEB number on the LCTR attesting to the identity of the patron.
- 10.1.1.d The remainder of the form detailing "buy-ins", "cash-outs" and foreign exchanges shall be completed as per previous instructions.

[Amended 01/15/2010]

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10.2 The Service Provider shall ensure that the identification scanned into the Media field of the Subject Profile in CRS is valid, and that it is updated periodically.

11 CASH OUT SPLITTING

11.1 Once a Cashier has refused a patron's request for a cash out (disbursement) due to lack of acceptable identification, no Cashier, during the same operating day, or, in the casino's knowledge, within a twenty-four (24) consecutive hour period shall cash out the chips when presented by:

- 11.1.1 The same individual but in lesser amounts;
- 11.1.2 A third party or agent of the patron;
- 11.1.3 Several individuals, having divided the chips amongst them and clearly cashing out for the benefit of the initial patron.

12 IDENTIFICATION SHARING

12.1 Each individual casino shall obtain or confirm identity by checking acceptable identification from the patron or reviewing the identification contained in CRS;

12.2 Each individual casino that obtains acceptable identification from a patron for LCTR purposes shall scan the identification into the Media field of the patron's CRS Subject Profile.

13 FILING LARGE CASH TRANSACTION, FOREIGN EXCHANGE AND DISBURSEMENT RECORD

13.1 All LCTR's shall be filed and secured at the end of each day.

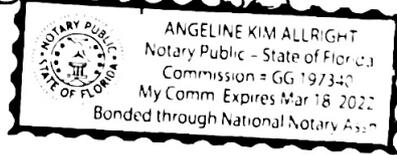
13.2 FinTrac entries in the FinTrac Module on CRS shall be completed each day for each LCTR.

13.3 BCLC Casino Security and Surveillance shall monitor the submissions of the FinTrac Reports to FinTrac from the system to ensure they have been sent within 15 days of the date the FinTrac Module on CRS was completed.

[Amended 01/15/2010]

This is Exhibit 5 referred to in the Affidavit of Diana Bennett

sworn ~~September~~, 2021 August 31, 2021



Angeline Kim Allright

Notary Public

PARQ VANCOUVER/PARAGON GAMING
AML POSITION PAPER
December 15TH, 2017

I. OVERVIEW

Following a discussion with Peter German and Jerome Malysz held in early December, Paragon Gaming was afforded the opportunity to provide a Service Provider's perspective on the current state of Anti-Money Laundering (AML) practices in an open dialogue.

Paragon believes it can meaningfully contribute to the AML discussion. We are well positioned to speak to the issue of how to deliver gaming in a responsible manner as we have been held to a higher standard than any other Service Provider in British Columbia and, quite possibly, Canada. It must be stated for the record that we did not initiate these standards on our own volition: they were imposed upon us by the City of Vancouver as conditions of approval of our proposed project, Parq, which opened on September 29, 2017.

The City's concern over the social impacts of gambling and the proliferation of casino crimes such as money laundering and loansharking were memorialized in 2011 in over 40 hours of public hearings, which resulted in the City approving our application for a destination hotel/casino/entertainment project, but denying our request to expand the number of gaming devices beyond the 600 slot machines and 75 table games we had at the Edgewater casino. Most importantly, in 2014, the City imposed covenants – recorded on title – for a number of unprecedented contractual obligations in the areas of responsible gaming and community benefit agreements that remain to this day unique in Canada.

Paragon chose to initially view the City's conditions as the opportunity cost for the privilege of developing and operating the only Class 2 casino in Vancouver, and set out to meet those conditions. Paragon's experience and record in other gaming jurisdictions provided it with a working knowledge to network, identify and retain acknowledged experts in areas such as internal audit, compliance, surveillance, responsible and problem gambling. These other gaming jurisdictions had all faced similar AML concerns and challenges, the ones that were able to meet those challenges have contributed to a body of best practices from which to draw from.

The current landscape provides a unique opportunity to make regulatory and Service Provider changes that are both sustainable and scalable. As best practices and policies are being devised, we believe that working collaboratively with industry experts, regulators and Service Providers, will ensure successful outcomes. This unified approach for developing a well-rounded, integrated strategy will keep British Columbians and its Service Providers safe from existing criminal activity. Our advantage to the conversation is our ability to bring this knowledge to British Columbia. Over the last four years Paragon has had as a prime objective the creation of a corporate culture of the highest attainable responsible gaming standards from the top down. In 2016 Edgewater Casino received the highest RG Check score in Canada: we have demonstrated our ability to be an industry leader in responsible gaming practices, we are willing to take the next step and work with the British Columbia government

and its regulators and advisors to develop pilot programs and validate recommendations at Parq Vancouver.

II. AML BACKGROUND

The anti-money laundering requirements in British Columbia currently implemented are based on FINTRAC requirements. FINTRAC designates BCLC as the reporting entity rather than the casinos that actually participate in reportable transactions, which is *not* the international standard. As a Service Provider, you can appreciate that this is a confusing structure as it results in a bifurcated compliance regime for customer due diligence, recording and assessing transactions in its reporting to FINTRAC. The Know Your Customer (“KYC”) process is currently owned entirely by BCLC rather than the casino Service Provider, resulting in Service Provider not being able to trend and track player behavior as we do not own our data. BCLC has implemented specific requirements that Service Providers must follow in order that compliance with FINTRAC requirements is maintained province wide. In addition to implementing FINTRAC requirements, BCLC is also subject to GPEB oversight to ensure proper implementation of FINTRAC requirements.

Historically, communication between GPEB, BCLC and Service Providers has been very limited as it relates to the implementation of AML policies. Certain recommendations suggested by GPEB have resulted in unworkable solutions implemented by BCLC and imposed on Service Providers. Specifically, BCLC imposed international wire transfer procedures and dictated policies for the acceptance of international casino checks are not consistent with accepted commercial and gaming industry practices. These restrictions have not lessened many of the cash issues the industry is facing.

Currently, transaction monitoring is fragmented due to regulators not sharing real-time high-risk player data with the Service Providers. Sharing of information is mandatory for operators to shield themselves from criminal activity as the current structure has forced players into a cash-only market.

British Columbia does not allow credit play in any form. This policy has forced the use of cash rather than providing qualified customers access to gambling entertainment through internationally accepted credit practices. Thus, allowing Service Providers to implement socially responsible policies.

To date, Service Providers have not been included in any meaningful way in the development of AML operating policies and procedures. The lack of operational expertise in the development of workable solutions has delayed the implementation of policies that will have a positive impact on the issues facing the British Columbia gaming industry. The approach in general terms has been to restrict players rather than developing workable solutions that maintain the financial health of the industry. Since the 2016 GPEB report numerous policies have been put in place to confirm the source of funds. These restrictions have resulted in numerous customers being prohibited from using unsourced cash.

III. RECOMMENDED POLICY CHANGES

1. Allow Service Providers to develop and implement their own KYC program that meets the expectations of FINTRAC, GPEB and BCLC and allow transactions to take place in a commercially

acceptable time frame. Service Providers would be required to select from GPEB and BCLC approved open source information services.

Discussion

The current AML compliance structure separates the facilitator of patron transactions from the KYC and FINTRAC reporting aspects of the AML regime. Service Providers are in the best position to know their customers and should be part of the process. Effective KYC due diligence processes have been in place in other highly regulated gaming jurisdictions for decades. Internationally, Financial Intelligence Units ("FIU's") recognize and rely on the fact that casino staff and their compliance personnel are best suited to detect patrons involved in unusual activity.

2. Promote and implement cash alternative policies consistent with commercially and gaming industry accepted practices. This will allow Service Providers more flexibility to implement workable non-cash alternatives.

Discussion

There is no denying that cash is an important part of the casino gaming industry. However, we need to open our offerings so as to not force a cash-only market, thus, workable non-cash alternatives should be provided and promoted to patrons. This is particularly the case for high value patrons that wager large sums of money and typically require funds with which to gamble during hours when financial institutions are closed.

3. Commercially accepted and gaming industry standards for the use of international wire transfers and check acceptance policies should be explored in British Columbia. We propose that government immediately review existing internationally accepted commercial practices for wire transfers and casino check acceptance policies. Any new policies to modernize existing practices should be done with Service Provider input. Service Providers should be allowed to conduct their own due diligence on the patron (KYC) and perform due diligence on the source of funds, allowing transactions to take place in a commercially acceptable time frame.

Discussion

Existing restrictions imposed by BCLC on international wire transfers and for the acceptance of international casino checks make their implementation burdensome and unworkable.

For international wire transfers, the patron must take a BCLC developed form to their bank and have it signed off by the bank. The form is then transmitted to BCLC for approval to conduct the transaction. BCLC then notifies the Service Provider whether they can accept the wire transfer. While the policy provides that BCLC will approve or deny the transaction within 24 hours, that time frame has been delayed as long as 3-4 days due to weekends and holidays. BCLC should not be responsible for pre-approval of wire transfers provided the Service Provider conducts its own KYC.

Third party international casino checks may be approved for acceptance by BCLC provided the casino that issues the check to the patron completes and submits to BCLC a lengthy questionnaire about its AML program, including its written AML policies, AML training programs, IRS audit results and recordkeeping policies. In our opinion, no international casino will complete such a form and provide such detailed information. A Service Provider should be able to accept international casino checks

after conducting its own due diligence provided the casino issuing the check is located in a jurisdiction with AML laws and requirements similar to those dictated by FINTRAC.

4. Limited credit play options should be authorized in conjunction with BCLC for selected high value patrons in cases where adequate financial due diligence has been performed by the Service Provider and BCLC. Due to the high percentage that BCLC receives from table games revenue and the expected increase in revenues to BCLC, any such program would require BCLC to participate pro rata in any uncollectable gaming debts.

Discussion

Due to the nature of high stakes gambling, many high value players require funds to continue their gambling activity. If they desire to continue gambling when financial institutions are closed, they sometimes look to other sources of cash. The ability to offer short term credit (or cash advances) will minimize the potential for high value players to obtain cash from individuals.

In order to reduce the risk of uncollectable gaming debts, sources of wealth and availability of cash in bank accounts would be confirmed by the Service Provider as part of its KYC program. There are various information sources such as Central Credit and other companies available to obtain adequate due diligence information.

In today's environment, casino bad debt expenses are an immaterial percentage of total gaming revenues. However, credit play contributes a material amount to table games gaming revenues in jurisdictions such as Nevada. Recommended credit policies for British Columbia should be more restrictive than jurisdictions like Nevada and limited to high value players. Credit play or cash advance markers would be processed through banks the same as personal checks within a short period of time after issuance.

5. Access to funds to KYC confirmed player accounts, will decrease problem gambling and criminal activity. The reality is, that when funds are accessible, the propensity to "beat the system" decreases. With trained staff to ascertain the source of funds through thoughtful, clear protocols, we increase the touch points between staff and patron. Notably, our associates have the enhanced training on responsible and problem gambling behaviors, thus allowing for point to point assessment in real-time. When we discourage patrons from play, we ultimately don't stop play, we encourage this play to go underground where there are no regulations- this prohibition approach clearly does not work.

Discussion

Onsite KYC verification tools can be utilized by Service Providers to access national and international data points to ascertain previous fraudulent behavior and be a piece of the puzzle to determine source of funds. Service Providers should look at international best practices for a seamless, quick verification tool that does not interfere with play from a customer perspective i.e. comfort and time. This KYC will be interoperable from a data share perspective to the BCLC and GPEB system and will meet all privacy and Patriot Act requirements from a data perspective, by being on an SSL and pushing data vs, pulling data. All data will be stored on secured accounts, thereby, if an audit is necessary, Service Providers hold onto this information on a secured network. This simple step can eliminate a number of issues. Currently, Service Providers are relying on archaic tools of form filling forcing staff to be critically assessing the player, and filling out forms (assessing and executing) resulting in human judgment and error. This should be eased and eliminated. This real-time solution can be quick and

seamless. Furthermore, building in-house capacity, allows for transaction monitoring to warrant further investigation of suspicious behavior which we are not set up to do currently.

Responsible and problem gaming identification- Service Providers need to have robust training modules that ensure staff are literate in the signs and symptoms of problem gambling behaviors. Staff at all levels of the organization must be fluent in the resources available and know to pass ownership to that resource in a seamless and timely manner.

6. The roles of GPEB and BCLC should be more clearly defined. In many cases, BCLC functions like a quasi-regulator by dictating operating requirements and sometimes onerous restrictions on Service Providers.

Discussion

Internationally, it is not common to have two regulatory authorities overseeing the same gaming operations. The inherent overlapping of responsibilities in the existing regulatory scheme causes significant delays in updating and modernizing policies to current internationally accepted best practices. Typically, the regulatory authority dictates the conditions by which casinos are to be operated. Casinos are then required to adopt policies to comply with regulatory requirements. In British Columbia, while GPEB dictates certain regulatory requirements, they are interpreted and expanded by BCLC - many times without Service Provider input. This sometimes results in unexpected outcomes such as the current issues with international wire transfers.

IV. SUMMARY

As laid out, we can all agree that the current structure has limitations. The complicated and complex regulatory structure does not allow for seamless integration of KYC and source of funds knowledge transfer in a timely and clear manner. Accordingly, loop holes are created and magnified as a result of human error reconciling fragmented backend verification systems. We welcome the opportunity to participate in these conversations, as we firmly believe that implementing best practices is a collaborative exercise. This integrated approach of government, regulators and Service Providers working together to come up with sustainable solutions is the only way to ensure the recommendations gain traction and uptake. Our common goal to keep British Columbians and Service Providers safe from criminal activities is our collective motivator.