



Date: 2017-12-08

John Karlovcec
Director AML and Investigations
British Columbia Lottery Corporation
2940 Virtual Way,
Vancouver, BC, V5M0A6

e-mail: [REDACTED]

Dear Mr. Karlovcec:

On September 14th, 2017 Ross Alderson, Director, BCLC AML and Investigations advised GPEB Compliance via e-mail that a matter of concern had occurred at the River Rock Casino Resort on 2017-09-13. The level of concern was determined to be serious enough that both the Great Canadian Gaming Corporation and BCLC requested that GPEB take conduct of the investigation which centered around an incident where a: "third party cash buy-in for 200K on behalf of a banned individual was allowed by the site". The specific concerns regarding the matter were detailed in the e-mail as follows:

- "In June 2017 new FINTRAC requirements came out regarding third party buys in and reasonable measures. BCLC provided new policy that every \$10K buys in and disbursement required a declaration of ownership. In this case BCLC have obtained a copy of the declaration and it appears the individual buying in claimed the funds were his although it is alleged that some RRCR clearly knew this to be false. This would be a violation of the record keeping requirements as set out by FINTRAC.
- The alleged knowledge by at least 2 members of RRCR Management (unverified).
- BCLC do not allow third party buy in transactions and this transaction therefore should have been refused.
- Avoidance of FINTRAC reporting by a banned individual.
- Disregard of previous BCLC Direction around Chip Security."

After completing a thorough investigation GPEB Compliance forwarded the results to our Registration Division for independent review. Pursuant to Section 81(4)(b) we are reporting that on 2017-11-24 GPEB Registration cancelled the gaming worker registration of RRCR Director of VIP Guest Relations, Yang (Lisa) Gao, GAMW# 26951. Ms. Gao was found to have violated her conditions of registration pursuant to Section 35(b) of the Gaming Control Regulation subsequently placing her in contravention of Section 68(c)(i) of the Gaming Control Act. Ms. Gao has thirty days to appeal the decision. GCGC has been advised.

**Ministry of
Attorney General**

Gaming Policy and
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BCLC0007026

In regards to the allegation that there was knowledge of this matter “by at least two RRCR Management” please be advised that the investigation did not uncover evidence or information to support further wrongdoing in relation to this incident by any other employees of the GCGC.

Please contact me if you wish to discuss further.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R Stewart', with a stylized flourish at the end.

Bob Stewart,
Senior Regional Director,
Lower Mainland, Compliance Division
Gaming Policy and Enforcement Branch

c.c. Anna Fitzgerald, Executive Director, GPEB Compliance Division
Daryl Tottenham, Manager AML Programs, BCLC