Affidavit #1 of D. Tottenham
Sworn October 30, 2020

COMMISSION OF INQUIRY INTO MONEY LAUNDERING IN BRITISH COLUMBIA

The Honourable Mr. Austin F. Cullen, Commissioner

AFFIDAVIT

I, Daryl Tottenham, with a business address of 2940 Virtual Way, Vancouver, British Columbia, SWEAR THAT:

1. I am the Manager, Anti-Money Laundering ("AML") Programs for British Columbia Lottery Corporation ("BCLC"), a participant in this Commission of Inquiry, and as such, have personal knowledge of the facts and matters hereinafter deposed to, save and except where such facts and matters are stated to be made upon information and belief, and as to such facts and matters I verily believe them to be true.

2. I swear this affidavit to provide evidence to the Commission of Inquiry into Money Laundering in British Columbia pursuant to a summons issued to me pursuant to the *Public Inquiry Act,* SBC 2007, c. 9.

Policing Background

3. Prior to joining BCLC in 2011, I was employed with the New Westminster Police Department ("NWPD").

4. I joined NWPD in 1984 and spent 14 years on patrol. In or about 1998, I was promoted and began doing plainclothes police work. Over the remainder of my career with NWPD, I was involved with subject targeting, drug investigations, human sources and homicides.

5. As a police officer with NWPD, to my recollection I rarely accessed information from the Financial Transactions and Reports Analysis Centre of Canada ("FINTRAC").

Joining BCLC (Investigator – Starlight Casino – 2011-2013)

a. Investigator Role

6. I joined BCLC as a casino investigator in 2011, immediately after retiring from the NWPD. I was initially assigned as an investigator at the Starlight Casino in New Westminster, where I had an office.

7. Upon joining BCLC, I understood – based on my training with Don Merkel, another casino investigator at Starlight, and information discussed during monthly investigators' meetings – that my role as an investigator was to observe and report, both to regulators as required and law enforcement as necessary. At the time I joined BCLC (and until in or about 2015), BCLC was not conducting regular interviews of patrons, although I am aware from reviewing BCLC records that at least one interview was conducted in 2014.

8. On a typical day as a casino investigator, I would arrive at the casino in the morning, review reports of transactions identified by the casino surveillance staff as suspicious, and review those transactions. I would also watch surveillance video, trace patrons involved in suspicious transactions back in time to identify how they arrived and who they met with, and identify vehicles and license plates.

9. My role as a casino investigator was, amongst other things, to bundle all of this information together into a suspicious transaction report ("STR") (discussed in further detail below) and send it out to certain agencies. At that time, to my recollection, STRs were sent to FINTRAC, Integrated Proceeds of Crime ("IPOC"), the Gaming Policy & Enforcement Branch ("GPEB"), and in some cases the police of jurisdiction (depending on the location of the transaction(s) at issue). For example, while I was an investigator at Starlight, I shared STRs with NWPD. This has changed over time; STRs are currently sent by BCLC to FINTRAC, GPEB, and the Joint Illegal Investigation Team ("JIGIT").

10. Given my background with NWPD, I made an effort to prepare STRs in a way that would have been useful to me as a police officer. Rather than simply describing the incident we were reporting on, I tried to include relevant information obtained through open sources,

including adverse media information on suspected activities, and information about potential connections to other patrons and possible persons of interest.

11. I understand from my review of BCLC records that in or about 2009, BCLC began assigning investigators review functions to ensure that reporting to FINTRAC and GPEB was occurring as required. When I joined BCLC in 2011, I understood based on discussions with Merkel and other investigators at our monthly investigators' meetings that this was an attempt by BCLC to get all investigators involved in AML activities to ensure they recognized key patrons at their respective sites, including VIP patrons who were the subject of most of our reports and suspected cash facilitators who were suspected to be providing funds to some of those VIPs.

12. I use the term "VIP" throughout my affidavit. To the best of my knowledge, BCLC does not have a formal definition for a "VIP" patron. It is a broad term that I use in my affidavit to refer to high value patrons that play mostly in the high limit areas of BCLC casinos, though it may also capture a patron that does not play often at high limits but travels in a niche social circle within BCLC casinos. To the best of my knowledge there is no buy-in or wealth threshold for a patron to be considered a "VIP" by BCLC or Service Providers.

13. There are three types of cheques that a person may receive from a BCLC casino. The first is a "verified win" cheque: such a cheque is issued by a casino only for gaming winnings which are won by a patron during gaming play. The second is a "convenience cheque", which was introduced in about April 2012 and is issued by a casino when a patron "cashes out" following an initial buy-in. A convenience cheque may include winnings and/or buy-in cash, which may or may not have been sourced.

14. The monetary restrictions on convenience cheques have changed over the years since they were introduced in 2012; initially they were limited to $5,000 per patron per week, but the limits have increased and now they may be issued for up to $10,000 weekly per patron. In 2012, when convenience cheques were introduced, cash could be used to buy in which was not "sourced" (meaning no documentation was required by the patron to

prove the source of the fund at buy-ins), although now this is not possible for any cash buy-ins over $10,000, which must always be sourced.

15. The third type of cheque is a "return of funds" cheque, which refers to a cheque issued out of a Patron Gaming Fund ("PGF") account, described in greater detail below. Since its inception in its current form in April 2012, money placed into a PGF account has had to be "sourced". Therefore, a return of funds cheque issued by a casino, which can only be drawn on a PGF account, will be for funds which when initially deposited were sourced.

16. I understand from my review of BCLC records that from about 2009 to 2014, BCLC investigators' duties included regular review of verified win cheques for compliance with BCLC policies. Investigators created iTrak files to record their reviews. I routinely performed this function once I joined BCLC as an investigator in 2011.

17. Attached collectively to this affidavit and marked as **Exhibit "1"** is a copy of BCLC0015941, BCLC0015947, BCLC0015952, BCLC0015956, and BCLC0015960, which are samples of iTrak reports for verified wins from 2009 to 2014. According to my review, these sample iTrak reports are consistent with and representative of the type of iTrak reports that BCLC investigators were preparing for verified win cheques in that time period. To my knowledge, it was rare for investigators to identify an error, which I understand led BCLC to eventually discontinue this particular review process in 2015.

18. At the time I joined BCLC in 2011, Starlight was one of the busier casinos in the Lower Mainland and, along with River Rock Casino Resort ("River Rock"), appeared to me based on my knowledge of the industry to have a good base of VIP patron activity (3 to 4 regular high level VIP patrons). However, the level of cash buy-ins I observed at the Starlight in 2011 was not what I observed it would become in 2014 or 2015. A substantial cash buy-in in 2011 at Starlight might reach $100,000 to $250,000, often made in $20 bills. Although the frequency of these substantial cash buy-ins varied weekly, to the best of my recollection I observed that Starlight was receiving on average 2 to 3 buy-ins in this range per week.

19. In my view, BCLC's due diligence at the time (2011/2012) in respect of large cash buy-ins was different than BCLC's practice today. The focus in those days was on a patron's source of wealth, which BCLC investigators took steps to inquire about through open source data. Although BCLC had no formal policies at the time in this regard, investigators would make judgment calls based on the circumstances of a patron's buy-in to determine whether further inquiries were necessary.

20. I was confident, based on investigators' inquiries, that the majority of patrons making large cash buy-ins at that time had the wealth to play at the levels at which they were playing. In addition, I observed that the majority of patrons making large cash buy-ins tended to lose most if not all of the money they gambled, which in my experience confirmed they had the financial means to gamble and lose large sums. In the event that an investigator was unable to confirm the source of wealth of a patron making large cash buy-ins, BCLC had the ability to ban that patron pending further investigation into their source of wealth.

21. At the time, BCLC was taking some steps to identify the source of the cash with which the patrons were buying in, but did not have any formal policies in place as to circumstances where cash would need to be sourced at the time of buy-in. For example, if BCLC investigators observed a large cash drop-off, investigators would try to identify the driver and owner of the vehicle involved and would provide that information to law enforcement, FINTRAC and GPEB. BCLC was also reporting all suspicious transactions regardless of amount to FINTRAC, IPOC and GPEB.

22. While I was a BCLC investigator at Starlight, I would attend monthly investigators' meetings at the BCLC Vancouver office. Investigators in the Lower Mainland would attend in person, while others would call in. In addition to casino investigators, Gord Friesen (Manager, Casino Security & Surveillance) and John Karlovcec (Assistant Manager, Casino Security & Surveillance) attended these meetings. Occasionally, Terry Towns (Vice President, Corporate Security & Compliance) would also attend. The meetings involved discussions of issues at different sites and patrons of interest, especially incidents that had occurred since the previous monthly meeting.

23. As a former police officer, I viewed the volume of cash coming into BCLC casinos at that time as suspicious. The volume of cash entering BCLC casinos, who was involved in bringing cash into BCLC casinos and what the investigators could do about it, were often topics of conversation at our monthly meetings. I suspected, based on my policing experience and discussions with other investigators and our managers at monthly meetings, that some patrons could be obtaining the cash through underground banking networks. I was concerned about the potential use by patrons of underground banking networks to fund gaming because we were unable to detect and confirm the source of the cash obtained from underground banking, which could possibly include the proceeds of crime.

24. I do not recall receiving any response to the STRs submitted by BCLC to law enforcement during this time. I recall one NWPD officer named Todd Sweet, who was an intelligence officer at NWPD, showing interest in BCLC's STR reporting. Sweet had been seconded to the RCMP headquarters during this time and was working within an RCMP intelligence group. While I was working as an investigator at Starlight, Sweet informed me on multiple occasions that the information BCLC had been providing was of interest to his intelligence group. Although he informed me that he shared some of our intelligence with this group, I am not aware of any project or target team that was developed as a result.

b. Treatment of VIPs

25. BCLC enters into services agreements with private sector service providers for administering and carrying on the day-to-day operations of gambling facilities ("Service Providers").

26. From 2011 to 2013, and based on my conversations with Service Provider staff and management on an almost-daily basis, my observation was that Service Providers considered they had invested a lot of money in their VIP rooms and in wooing VIP patrons. In my experience during my first few years at BCLC, including through conversations with Service Provider management, any actions by BCLC which were perceived to interfere with those efforts, such as by speaking with VIP patrons or

considering bans on VIP patrons, appeared to cause a negative reaction from Service Providers.

27. My assumption, based on conversations with Service Provider staff and management, is that this reaction was due, at least in part, to concerns that patrons might become offended, resulting in potential loss of revenue. My perception was that Service Providers were very competitive with each other.

28. As set out above, BCLC was not interviewing patrons in 2011 or 2012. Although there was no formal protocol at the time, my understanding based on monthly investigators' meetings, conversations with BCLC upper management (including in particular Terry Towns), and my training from Don Merkel was that it was not appropriate for investigators to speak with patrons. That was the responsibility of Service Provider staff.

29. I recall one incident in particular in 2012 when Stone Lee, Steve Beeksma and Ross Alderson were pulled out of an investigators' meeting (of which I was a part) to meet with Terry Towns. I did not attend the meeting with Mr. Towns, but I understand from subsequent conversions with Lee and Beeksma that this was the result of an incident in which they spoke with a VIP patron. I also understand from my conversations with Lee and Beeksma that they believed this incident caused upset within senior management at the River Rock, which then made its way to BCLC.

30. I was subsequently told by Lee and Beeksma that the three investigators were chastised very strongly by Towns for pulling the patron off the floor. They told me that they were told it was not their job to interview and talk to patrons, and that their job was to "observe and report".

31. Lee, Alderson and Beeksma told the other investigators about the meeting. This meeting with Towns really set the tone for the other investigators, including me. The clear message that I believed was being sent was for casino investigators to simply focus on the "observe and report" aspect of our job and leave the criminal investigations to law enforcement, GPEB and FINTRAC. I understood the message to be that under no

circumstance were we to interact with the VIP patrons, which might cause the Service Providers to become upset.

32. Shortly thereafter, the meeting with Towns came up in another investigators' meeting. We investigators asked Gord Friesen and John Karlovcec what our boundaries were. I recall being told by Friesen and Karlovcec to follow Towns' orders.

c. *Cash Facilitators*

33. Prior to his 5-year banning in 2012 at BCLC casinos, Paul Jin was a BCLC casino patron.

34. From my discussions with other investigators, including Mike Hiller and Steve Beeksma, I understood it became clear to BCLC investigators by in or about 2012 that Jin was observed bringing large amounts of cash into BCLC casinos. I observed that, on most occasions where Jin would attend a casino, he would be accompanied by another person, often driving his car. I observed that it was often one of 4 or 5 people who accompanied him and in some cases appeared to make cash deliveries on Jin's behalf. I suspected these associates worked for Jin. These acts were generally observed after the fact of gaming and not in "real time", through video surveillance review.

35. BCLC investigators worked to learn what they could about Jin, including through reviewing video surveillance, acquiring vehicle information, tracking the casino activities of Jin's suspected associates, liaising with law enforcement and looking at open source information such as corporate searches. Eventually, BCLC investigators determined that Jin appeared to be running a cash facilitation operation. BCLC first banned Jin in 2012 because of repeated suspicious cash transactions and cash deliveries to patrons, including a cash delivery of $150,000 on October 25, 2012 to Guo Shi at Starlight.

36. Attached collectively to this affidavit and marked as **Exhibit "2"** are copies of BCLC0012814 – BCLC0012817, which are letters from BCLC to Jin dated September 26, 2012 and November 7, 2012 with attached Notices of Prohibition.

37. Attached to this affidavit and marked as **Exhibit "3"** is a copy of BCLC0004261 entitled "File Summary" (undated), which is a summary of the 2012 Jin barrings that I prepared.

38. After Jin was banned, BCLC investigators began banning his known associates, because they were also observed to be involved in making cash deliveries. Even after Jin's banning, based on subsequent investigation of gaming incidents after the fact, BCLC observed through video surveillance reviews that Jin continued to attend casino properties, park in the parking lot, and deliver cash, presumably knowing that he was being captured on surveillance cameras. Because BCLC bans are only in effect on the gaming floor and BCLC does not have the authority to ban individuals from entering the surrounding property (such as the River Rock parking lot or hotel), there was nothing BCLC could do other than to try to identify the patrons receiving the cash from Jin and take action against them as well as a preventative measure against future cash drop-offs.

39. Starting in 2014, the AML Unit began compiling a list of patrons known to be receiving cash deliveries from Jin, a known associate of Jin, or a person driving Jin's vehicle. These patrons were subsequently placed on sourced cash conditions for all buy-ins and were targeted for player interviews. As a result of these imposed conditions, these patrons were only able to buy in with funds that were sourced from (a) an approved banking institution, or (b) recent previous gaming winnings.

40. In 2016, the AML Unit also implemented a process to require Service Provider surveillance staff to review video surveillance prior to acceptance of suspicious cash buy-ins in small denominations. This was an attempt to try and determine the source of the funds the patron was presenting prior to buy-in. The AML Unit did not impose a threshold at which this process would be triggered, in the event that might deter Service Providers from looking at all the circumstances regardless of the amount of buy-in; rather, Service Providers were directed to use their judgment based on their experience when receiving a large cash buy-in with small bills.

41. For clarity, this video review is not done "live". Rather, when a patron attends the cage with a large cash buy-in, the cage stuff must call surveillance immediately and pause the buy-in process pending surveillance review. Surveillance must then review available video footage to attempt to follow the patron backwards.

42. If it is observed that the patron acquired the funds under suspicious circumstances, such as by a cash drop-off in the parking lot, the transaction must be refused. In addition, an entry must be made on iTrak indicating further large cash buy-ins from that patron must also be refused until the AML Unit has interviewed the patron. This is to ensure that the patron does not attend another BCLC casino and attempt to buy-in with the same cash. If the patron refuses to come in for an interview, they will be banned pending investigation from all BCLC casinos. An Unusual Financial Transaction ("UFT") report, discussed further below, would then be created by the Service Provider to document the incident for further investigation by the AML Unit and for potential STR reporting.

43. Attached to this affidavit and marked as **Exhibit "4"** is BCLC0015984, which is a BCLC directive from BCLC to Service Providers dated October 7, 2016 regarding steps to be taken when a patron has been denied a cash buy-in for suspicious behaviour.

44. In or about 2012 to 2013, I also identified Kwok Chung Tam as potentially being at the center of a cash facilitation network, based on his activities that I reviewed after the fact through BCLC records including video surveillance. Although Tam's network seemed smaller in terms of the number of suspected patron links (I observed 4 to 5 patrons who received cash deliveries from Tam), he appeared to loan money to high level VIPs. I initially thought that Tam and Jin ran two separate networks, but ultimately realized (in part from my discussions with RCMP) that it was likely a single group and that Tam was believed to be Jin's boss.

45. Tam was banned by BCLC on June 6, 2012 for 5 years. I renewed Tam's ban in July, 2017 for a further 5 years.

46. Based on the high volume of STR reports being sent to IPOC, FINTRAC and GPEB in the period of 2011 to 2013, I assumed that those entities would be very interested in what BCLC investigators were observing and reporting regarding Jin and Tam and their suspected associates. However, based on the apparent lack of response to our reporting on those patrons and activities, they appeared to show no interest. By the time BCLC began trying more actively to generate law enforcement interest in 2014, I estimated from my video reviews that on average $2-$3 million in cash weekly was showing up in BCLC

casinos through Jin's suspected network. This was a main reason we were actively pursuing law enforcement engagement at that time.

47. I was not concerned at the time that this cash was being laundered in BCLC casinos because I observed that players were buying in with cash, putting their buy-ins at risk, and often losing most or all of their buy-in. I estimate that 90-95% of the large cash buy-ins in this period were being lost in BCLC casinos. I was concerned, and I understood that BCLC's primary concern in this era was, that this cash was suspicious and could be proceeds of crime.

48. Controls existed at that time to serve to prevent suspected money laundering practices in BCLC casinos, such as the monitoring of game play to determine whether bet sizing was commensurate with buy-in amounts and whether patrons were placing their funds at risk. BCLC investigators also reviewed patron buy-ins after receiving large cash disbursements to identify anomalies that might trigger FINTRAC indicators. For example, if a patron received $200,000 in winnings paid out in $100 bills and returned the next day with $200,000 in $20 bills, this would be an indicator of potential money laundering that would cause BCLC investigators to make further inquiries into the transaction which would result in an STR and could lead to a ban.

d. Large cash transactions

49. When working as an investigator at Starlight, one of my focuses was to attempt to track all of Jin's known activities at all BCLC casinos. I monitored Jin's buy-ins (prior to his BCLC ban) and the activities of his known associates, and put this information together for discussion at our monthly investigators' meetings. Mike Hiller and Steve Beeksma were also interested and involved in gathering information on Jin.

50. I would meet monthly with the other investigators to share information I had gathered in my review and investigation of Jin's casino activity. However, because BCLC did not have access to the Canadian Police Information Centre or the Police Records Information Management Environment, it was difficult to develop a complete understanding of Jin's activities.

51. Initially, my understanding was that BCLC did not direct Service Providers to decline cash known to be coming from Jin because, at the time, BCLC did not have sufficient information about the alleged criminality of Jin's operations. BCLC's AML Unit (created in October 2013, as set out in greater detail below) was still trying to establish the source of Jin's funds. Once BCLC obtained credible information about Jin's alleged criminal links in or about July 2015, as set out below, BCLC took steps to stop all cash coming from patrons known to be using Jin's services by putting them on sourced cash conditions.

52. In the early years of my tenure at BCLC, prior to the practice of imposing sourced cash conditions, I did not consider it to be my role or within my authority to decide whether or not Service Providers should accept large cash buy-ins.

53. After I began working for BCLC, I would go to Las Vegas two or three times per year. I met with people from MGM and Caesar's and asked what they would do when confronted with large cash transactions. I was told that if someone walked into a casino with $500,000 in cash, the Las Vegas casino would take down their driver's license information for ID, escort them to the VIP room and allow them to gamble. Las Vegas casinos are also required to report cash transactions of $10,000 USD and over to the U.S. equivalent of FINTRAC (the Financial Crimes Enforcement Network).

54. I recall having a conversation with Terry Towns in or about 2012 where Towns told me that the casino world is cash-based and there is an expectation that casinos will see large volumes of cash. I recall Towns saying something to the effect of: unless we know that money is criminal, why not take it?

55. Despite BCLC's practice of not refusing (or not directing refusal of) large cash transactions where there was no proof of criminality, I was never directed by anyone at BCLC not to take any steps that would interfere with revenue generation.

e. *Law Enforcement and Regulator Engagement*

56. By the time of the "Towns meeting" described in paragraphs 29 to 32 above in 2012, the STRs that BCLC was preparing and submitting to FINTRAC, GPEB and law

enforcement were very detailed. The reports were long with significant amounts of information relating to the transaction in question and the individual(s) involved.

57. For clarity, there are two main types of reports that BCLC is required to submit to FINTRAC pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act"): STRs and Large Cash Transaction Reports ("LCTRs").

58. With respect to LCTRs, BCLC is the reporting entity for all BCLC casinos and is required to report via LCTR all cash transactions of $10,000 or more in a 24-hr period to FINTRAC. This includes any single cash buy-in of $10,000 or more, or multiple cash transactions by a patron within a 24-hour period that total $10,000 or more, and applies to transactions in foreign currency equivalent to $10,000 CAD or more.

59. BCLC is also obligated to report via LCTR to FINTRAC any disbursement of $10,000 or more within a 24-hour period from any BCLC casino. This includes any disbursement by cash, cheque or electronic funds transfer (only available where transferred from a PGF account).

60. An LCTR must be reported within 15 days of the transaction(s). For BCLC casinos, all LCTRs are completed and filed by the Service Providers. The LCTRs are also delivered by Service Providers to BCLC, which keeps and maintains these reports pursuant to the Act.

61. With respect to STRs, any transaction that is considered potentially suspicious according to prescribed FINTRAC indicators, whether it be an attempted or completed transaction, must be documented in iTrak by the creation of a UFT report ("UFT"). UFT reports are generally created by the Service Providers and delivered to BCLC for review. Where the circumstances of the file are reviewed by BCLC and confirmed to be suspicious, BCLC must submit to FINTRAC an STR as soon as practicable, reporting on the circumstances that led to the creation of the UFT.

62. An STR may be filed with FINTRAC regardless of the amount of cash involved, based on the presence of FINTRAC indicators and suspicious behaviours.

63. In addition to reviewing in-house data and documents for the purpose of creating STRs, BCLC investigators also request and review open source data obtained from the BCLC AML analysts. We also have good relationships with VIP staff at casinos and use those connections to learn about and understand connections between patrons, which is information that might be included in an STR.

64. As the volume of cash entering casinos increased over the years, all of this information was being submitted to FINTRAC, GPEB and law enforcement over and over again in STRs. For reference, based on my review of BCLC records, in 2008/09 BCLC submitted an average of 15-20 STRs per month. By 2011, the STR counts averaged around 50 per month, and that number continued to climb over the next few years, with some months in 2014 seeing as many as 150 STRs. The biggest increase occurred during 2012 to 2014, with peaks during Chinese New Year and Christmas in each calendar year. Most of these related to suspicious cash buy-ins, including large cash buy-ins in small denominations. For cash buy-ins, any substantial large cash buy-ins would automatically generate an STR. Lower amounts would also result in STRs if other suspicious indicators were present.

65. To the best of my knowledge, Service Providers were also reporting all cash buy-ins of $10,000 or more in a 24-hr period by way of LCTR.

66. Over time, through discussions with FINTRAC personnel including during audits, I learned more about how to effectively present information to FINTRAC, GPEB and law enforcement, and began to set up STRs in a way that would align with FINTRAC's analytics. For example, where available, BCLC investigators began to include registered owner information for vehicles, information regarding suspected associates, and "bundled" reports for the same patron's activities over several days at different BCLC casinos.

67. From 2011 to 2014, I observed that BCLC investigators (and as of 2013 the AML Unit) did not receive any reaction to or feedback about these reports from FINTRAC or GPEB, and was not receiving any assistance from law enforcement on the issues identified in the reports. It became apparent to me, and I believe to other BCLC investigators, that BCLC

needed to come up with its own plan to address the increasing amounts of suspicious cash entering casinos.

68. In my view, these reports should have been very useful to law enforcement. If someone had provided that kind of information to me when I was working as a police officer, I would have immediately attempted to initiate a project on Jin and his suspected associates.

69. I was also shocked at the lack of response I observed from proceeds of crime units and GPEB during the period of 2011 to 2014. There was no indication to me that either were working on the information identified in BCLC's STRs.

70. I recall GPEB investigators coming into BCLC casinos and reviewing files, including STRs, from 2011 to 2013. At that time, GPEB investigators seemed most interested in reviewing files on thefts, assaults and cheat at plays. GPEB was not doing what I thought it should be doing with respect to investigating suspicious large cash buy-ins.

71. That said, GPEB did seem to have an interest in who BCLC had banned. I observed that GPEB would take copies of iTrak reports, take notes and inquire with BCLC investigators as to whether a patron had been banned. However, I did not observe GPEB taking any other action. The BCLC investigators would provide GPEB investigators with everything they requested, and I believe we had a good relationship with the GPEB investigators.

72. This continued for years. To my knowledge when I was a casino investigator, BCLC was not seeing any action from GPEB, law enforcement, or FINTRAC in response to the STRs and other reports BCLC was submitting. It seemed to me as though the reports were going into a black hole.

73. Attached collectively to this affidavit and marked as **Exhibit "5"** are BCLC0008059 and BCLC0008060, which is an email exchange dated February 20 – 21, 2019 between John Karlovcec, Bal Bamra, Jennifer Gallaway and me attaching a spreadsheet listing incidents involving Jin from 2012 to 2017 that were reported by BCLC to GPEB and RCMP.

AML Unit (2013 – present)

a. *Creation of AML Unit*

74. I consider the replacement of Terry Towns with Brad Desmarais as Vice President, Corporate Security & Compliance and the replacement of Michael Graydon with Jim Lightbody as President and CEO, to be pivotal moments in the AML approach at BCLC.

75. Prior to his departure from BCLC in December 2012, as referenced above, I believe Towns made his views clear to investigators, including me, that we were supposed to do our job of observing and reporting, that cash was not the proceeds of crime unless it could be proven so, and that investigators were never to speak to VIPs.

76. My experience was that BCLC's AML approach changed when Desmarais was hired in or about February 2013. Desmarais had significant experience with the Vancouver Police Department homicide unit and with the investigation of money laundering. It was immediately apparent to me upon his hiring that things were going to change at BCLC. It seemed to me that Desmarais had a more proactive approach than Towns in trying to determine the source of large cash buy-ins coming into BCLC casinos and the need to identify and address suspected cash facilitators. While changes to BCLC's AML process and policies did not happen overnight, I believe there was clearly a change in attitude within BCLC that started at that time.

77. As set out above, in October 2013, the BCLC AML Unit was created and I was promoted to AML Specialist. I was later promoted to Manager, AML Programs in April 2016 and have remained in that position ever since.

78. After Towns left BCLC, I was never told by BCLC management that I could not do something I proposed to do related to AML investigation and programming. Rather, once it was formed, the AML Unit received encouragement and significant resources from BCLC management. I believe that, following the arrival of Desmarais and the development of the AML Unit, investigators were no longer worried about upsetting VIP patrons and Service Providers. When the AML Unit needed additional people, we

received them; when we needed additional resources, funding was always made available to us. That was how things progressed from that point forward.

79. I am not able to comment on the reason for BCLC not implementing sourced cash conditions on patron buy-ins prior to 2013. This was implemented shortly after the creation of the AML Unit in 2013. Early 2014 was spent by the AML Unit, including me, producing an AML manual and looking at programs and data to identify targets and build out a plan for BCLC's AML program. The first patron actually placed on sourced cash conditions, Kesi Wei, occurred in November 2014.

80. Attached to this affidavit and marked as **Exhibit "6"** is a copy of BCLC0007975, which is an email dated November 26, 2014 from Brad Desmarais to Jim Lightbody and others, reporting on the Wei sourced cash conditions.

81. Attached to this affidavit and marked as **Exhibit "7"** is a copy of GCGC_PROD_0022745, which is an email exchange dated December 26 – December 31, 2014 between Brad Desmarais, John Karlovcec, and me regarding another patron's activities and a proposed interview.

82. After Kesi Wei was placed on sourced cash conditions, the AML Unit's next target was Jia Gao who, at the time, may have been the biggest patron in the province, playing with up to a million dollars per day. The AML Unit tried to determine from where Gao was getting his money. Based on file and video review of incidents where Gao was receiving cash for game play, the AML Unit suspected he was receiving cash, at least in part, from Jin and his known associates.

83. Gao was placed on sourced cash conditions on April 14, 2015 and as a result could not play with unsourced cash. I recall that when Gao was placed on sourced cash conditions, Great Canadian Gaming Corporation ("GCGC") management expressed concern to me that River Rock may lose Gao as a patron. He eventually had to open bank accounts and began coming in with bank drafts so that he could continue to play.

84. After Gao was placed on sourced cash conditions, the AML Unit continued to monitor his play. We observed that there was a short drop-off in his level of play following the

imposition of conditions, but within a month he began depositing substantial bank drafts into his PGF account and his buy-in levels went back to a comparable level. We observed that he was depositing drafts into his PGF account between $100,000 to $1,000,000. His high level of play continued through to June 2016, when his play stopped suddenly and he did not return to BCLC casinos. I am unable to confirm the reason for the stop in his play.

85. After the AML Unit was formed, Bal Bamra and I regularly attended IAFCI (International Association of Financial Crimes Investigators) meetings, to better understand banking processes and to present on BCLC's operations. Attendees included banks, credit unions, police, Canada Border Services Agency, US Immigrations and Customs Enforcement, and numerous private sector investigators.

86. Ross Alderson eventually became Director, AML & Investigations on April 17, 2015. Alderson took on the role of communicating with stakeholders and law enforcement, and took on some of my previous duties including being the direct, and ultimately the sole, contact with law enforcement.

87. From in or about July to September, 2015, the BCLC AML Unit received names of individuals from Federal Serious and Organized Crime ("FSOC") that were apparently known to be receiving cash from Jin, who FSOC had then reportedly linked to a criminal organization, a cash house and transnational organized crime. As a result of learning this information, actions were taken by BCLC against these patrons, most of which came into effect on September 11, 2015.

88. Attached collectively to this affidavit and marked as **Exhibit "8"** are copies of BCLC0004504 – BCLC0004506, which is an email dated September 11, 2015 with attachments related to the sourced cash conditions imposed in September, 2015.

89. BCLC also commenced targeted interviews of patrons in September, 2015, including of (but not limited to) those patrons who were placed on sourced cash conditions in September, 2015. Attached collectively to this affidavit and marked as **Exhibit "9"** are

BCLC0008924 – BCLC0008926, which is an email dated September 15, 2015 from Tom Caverly to BCLC investigators with attachments regarding interviews of the patrons.

90. Attached to this affidavit and marked as **Exhibit "10"** is BCLC0007933, which is an email thread dated September 3, 2015 between Bruno Gatto, Steve Beeksma, me and others regarding an upcoming patron interview.

91. The BCLC AML Unit currently has 642 (and growing) patrons who are on sourced cash conditions. Once the decision is made to place a patron on full sourced cash conditions, those conditions will not be removed.

92. As set out above, I believe BCLC's AML work was better resourced and supported once Brad Desmarais was hired. I did not expect that BCLC was going to do a 180 degree turn-around when Desmarais took over. I knew, and I believe others in the AML Unit knew, that we had to show a clear picture to BCLC management, including Desmarais, of where we were, where we wanted to go, and how that could impact Service Providers. I knew, and I believe others in the AML Unit knew, that we had to develop a strong plan to address the cash buy-in activities that were growing rapidly, and we received strong support from Desmarais. From there, it took time to build up the program, gather information and work with the Service Providers to enhance our AML practices.

93. Attached to this affidavit and marked as **Exhibit "11"** is GPEB1600, which is a document entitled "AML Roadmap" dated December, 2013. This document outlines the AML Unit's proposal to engage an automated AML case management system (SAS).

94. Attached to this affidavit and marked as **Exhibit "12"** is a copy of BCLC0004155 entitled "AML Chronology" (undated), which is a chronology I prepared with respect to BCLC's AML efforts between 2012 – 2017.

95. Attached to this affidavit and marked as **Exhibit "13"** is a copy of BCLC0005830, which is a BCLC PowerPoint presentation dated December 5, 2018 providing an overview of the AML Unit.

96. Attached to this affidavit and marked as **Exhibit "14"** is a copy of BCLC0007196, which is version 7 of BCLC's "Anti-Money Laundering and Anti-Terrorist Financing Compliance Manual" dated March 1, 2019.

97. Attached to this affidavit and marked as **Exhibit "15"** is a copy of BCLC0007201, which is BCLC's "AML Unit Control Procedures" manual prepared in or about 2019.

b. *PGF Accounts*

98. PGF accounts were introduced in their current form in 2012 and in my view have become one of BCLC's most successful cash alternative initiatives, based in part on my observations about the frequency of their use by patrons. I understand from my review of BCLC records that a form of PGF account was introduced by BCLC in 2009, prior to my hiring, but I do not know the details of those accounts and understand they were not frequently used. The PGF account process that I am referring to in my affidavit was re-worked in 2012 and remains in use today.

99. In order to open and deposit into a PGF account, a patron must use a bank draft from an accredited Canadian financial institution, sourced cash withdrawn from a bank teller with full documentation, or a pre-approved electronic funds transfer that has been cleared by BCLC in advance. The account is held by the Service Provider who pools all PGF funds. As patrons use their PGF accounts, money is drawn from the pooled account and reconciled on a daily basis.

100. Attached to this affidavit and marked as **Exhibit "16"** is a copy of BCLC0008218, which is an informational sheet entitled "Patron Gaming Fund (PGF) Due Diligence Process", prepared by the AML Unit and dated October 6, 2017. This informational document sets out certain procedures for AML investigation upon the opening of a PGF account, as of October 6, 2017. As the document is informational, it is not necessarily reflective of BCLC's formal PGF policies.

101. Attached to this affidavit and marked as **Exhibit "17"** is a copy of BCLC0006146, which is an email from me to Service Providers dated February 13, 2018 regarding requirements for bank drafts deposited into PGF accounts.

c. *Top 10 Package and Barrings*

102. By 2014, the AML Unit decided that there was a need to be more proactive, as a result of the sharp increase in large cash buy-ins that the AML Unit had been observing from 2012 to 2014 and the identification of Jin and Tam and their respective networks as suspected cash facilitators. The AML Unit began actively approaching law enforcement to urge them to investigate certain patrons.

103. I prepared a package of information about potential targets, including information on Jin, Tam and eight other targets who appeared to be implicated in cash facilitation. This package also included information on the targets and their vehicles, though it did not include video evidence (which could have been provided on request).

104. I, along with John Karlovcec, first presented the package in April, 2014 to the Guns and Gangs Unit with the Combined Forces Special Enforcement Unit ("CFSEU"). I believed CFSEU would be a good fit because they had province-wide jurisdiction and had access to surveillance capacity and intelligence.

105. Karlovcec and I presented a package on Jin and his suspected associates to CFSEU, led by Trevor Emmerson, during a meeting at Green Timbers. We suggested two weeks of surveillance at River Rock. My perception was that the information seemed well received by CFSEU and they seemed interested in what BCLC was presenting, though they indicated to us at the meeting that they had other commitments.

106. Around this time, the AML Unit created a public safety barring program. Previously, BCLC was not barring patrons based on gang associations or criminal records as a standardized practice. Attached to this affidavit and marked as **Exhibit "18"** is a copy of BCLC0000236, which is the "Extreme Risk Patron Program" summary, dated effective June 2014.

107. Attached to this affidavit and marked as **Exhibit "19"** is BCLC0006467, which is an email thread from May 28, 2015 to March 16, 2018 between Brad Desmarais, Ross Alderson and others discussing the barring of a patron for public safety purposes.

108. In April, 2014, BCLC wrote to local RCMP detachments in jurisdictions where BCLC had a casino in operation, requesting information from RCMP (and CFSEU) as to certain categories of individuals who BCLC would consider banning from BCLC casinos for public safety purposes. Attached to this affidavit and marked as **Exhibit "20"** is a copy of BCLC0007676, which is a sample letter dated April 15, 2014 from BCLC to the Kelowna RCMP Detachment. I understand from my review of BCLC records that at least 30 such letters were sent to various RCMP detachments throughout the province in April, 2014.

109. In or about May, 2014, BCLC's AML Unit received from CFSEU a working list of its top 1,000 targets in the province. BCLC's AML Unit cross-referenced the list with the iTrak database and conducted further inquiries into those BCLC patrons who were on the list. The AML Unit considered that any patron on CFSEU's top 1,000 list would clearly meet the threshold for an automatic public safety barring.

110. Attached to this affidavit and marked as **Exhibit "21"** is BCLC0005646, which is an email exchange dated June 4 – June 6, 2014 between John Karlovcec and me regarding the CFSEU list.

111. Attached to this affidavit and marked as **Exhibit "22"** is BCLC0005645, which is an email exchange dated June 9 – June 10, 2014 between John Karlovcec, Brad Desmarais, me and others regarding the patrons identified by CFSEU.

112. Attached to this affidavit and marked as **Exhibit "23"** is BCLC0000038, which is an email exchange dated June 10, 2014 between John Karlovcec, Brad Desmarais and me regarding the CFSEU list, without enclosure.

113. Attached to this affidavit and marked as **Exhibit "24"** is BCLC0000039, which is an email exchange dated June 10, 2014 between John Karlovcec, Brad Desmarais and me regarding a potential target for the CFSEU list. This is an example of BCLC scanning media sources to identify potential subjects for public safety barring.

114. Attached collectively to this affidavit and marked as **Exhibit "25"** are BCLC0000040 and BCLC0000041, which are emails between John Karlovcec and Kurt Below of CFSEU dated June 17, 2014 regarding BCLC and CFSEU collaboration.

115. On June 19, 2014, CFSEU was given a tour of the River Rock, including the security and surveillance rooms. BCLC also gave CFSEU information about how to access the camera room. I was advised by CFSEU that they did some surveillance on site at River Rock following this meeting, but I understand that another project came up and they were unable to continue their surveillance.

116. Attached to this affidavit and marked as **Exhibit "26"** is BCLC0000044, which is an email dated June 20, 2014 from John Karlovcec to Robert Grace of CFSEU, thanking him for meeting with BCLC on June 19, 2014.

117. Attached to this affidavit and marked as **Exhibit "27"** is BCLC0000045, which includes an email from John Karlovcec to Trevor Emmerson of CFSEU regarding the top 10 casino cash facilitator targets identified by the AML Unit. Attached to this affidavit are copies of the packages we prepared on the top 10 targets:

a. **Exhibit "28"** is BCLC0007905;

b. **Exhibit "29"** is BCLC0007906;

c. **Exhibit "30"** is BCLC0007907;

d. **Exhibit "31"** is BCLC0007908;

e. **Exhibit "32"** is BCLC0007909;

f. **Exhibit "33"** is BCLC0007910;

g. **Exhibit "34"** is BCLC0007911;

h. **Exhibit "35"** is BCLC0007912;

i. **Exhibit "36"** is BCLC0007913; and

j. **Exhibit "37"** is BCLC0007914.

118. In the fall of 2014, the BCLC AML Unit began seeking out further law enforcement engagement by email. I recall an CFSEU member - probably Trevor Emmerson – advised me CFSEU might re-engage if they had time, but explained that their focus is on guns and gangs, not proceeds of crime.

119. The AML Unit also approached the Real Time Intelligence Centre ("RTIC"). I attended a tour and meeting with RTIC at Green Timbers along with other members of the BCLC AML Unit in or about March, 2015, where we were told that RTIC's focus was on real-time emergency scenarios, and they were not set up to investigate long-term project such as money laundering or proceeds of crime in casinos.

120. The AML Unit also approached contacts from IPOC (who received all our STRs) with our proposal for engagement. Although I understand IPOC was officially disbanded prior to 2015 and that the RCMP's Criminal Intelligence Service for British Columbia and Yukon ("CISBC/YT") eventually took over IPOC's work, the transition to CISBC/YT occurred over time. The AML Unit continued to use the email address and personal contacts associated with IPOC until in or about August 2016, including for the delivery of STRs. I recall that the AML Unit continued to communicate with at least one contact who remained under the IPOC title until 2016.

121. In or about March, 2015, members of the BCLC AML Unit, including me, met with a couple of former IPOC contacts to discuss our proposal. We were told at this meeting that IPOC's, and now CISBC/YT's, focus was on the processing, packaging and disseminating of intelligence to other intelligence groups, and that they did not have the investigative or surveillance resources to pursue this type of investigation.

122. I recall that the BCLC AML Unit was also informed by the Richmond RCMP that they were unable to take on this type of investigation due to project conflicts and lack of capacity.

123. Attached collectively to this affidavit and marked as **Exhibit "38"** are copies of BCLC0008063 and BCLC0008064, which is an email exchange dated October 24 –

December 2, 2014 between John Karlovcec, Trevor Emmerson of CFSEU, me and others, attaching a spreadsheet regarding specific incidents at River Rock.

124. BCLC was eventually able to arrange a meeting with FSOC in or about February, 2015. At this meeting, Ross Alderson and I gave the same presentation that we had given CFSEU in April, 2014. We also provided them with the 10 target sheets, and asked for 24/7 surveillance for a two to three week period at River Rock. I understood from subsequent conversations with Brad Desmarais that FSOC had received authorization from their bosses to commence surveillance at River Rock. BCLC put together more information for FSOC, provided them with site-specific information, and offered to provide any help that FSOC needed.

125. I was the main BCLC point of contact with FSOC members who were involved in this particular surveillance at River Rock. After three weeks of surveillance in or about April, 2015, I understood from discussions with certain FSOC members that FSOC had observed Jin meeting with suspected high-level members of criminal organizations. My understanding is that the E-Pirate investigation commenced from there.

126. I was contacted by Glenn Atkins of FSOC a couple of months into the E-Pirate investigation and was advised that the RCMP were considering stopping the project due to funding. I recall being contacted by email and phone by Atkins advising me of this, and requesting that BCLC prepare a presentation on an urgent basis to justify the funding for the River Rock surveillance project. This exacerbated the frustration that I and others at BCLC were feeling as we attempted to engage law enforcement to target Jin's group. Even with the initial success in engaging FSOC/RCMP and the commencement of E-Pirate, it seemed like a constant battle to keep RCMP engaged.

127. BCLC's AML Unit rushed to prepare a presentation for the E-Pirate team to convince them to extend funding and the project. Attached to this affidavit and marked as **Exhibit "39"** is a copy of BCLC0000164, which is the presentation BCLC prepared and presented to RCMP in May, 2015, entitled "Economic and Social Consequences of Money Laundering". Following this presentation, I was informed by Glenn Atkins or

Kevin Uganec of FSOC that E-Pirate was going to continue to be resourced, and would proceed.

128. Attached to this affidavit and marked as **Exhibit "40"** is a copy of BCLC0007923, which is an email exchange between Ross Alderson, Brad Rudnicki and me regarding the FSOC presentation, with RCMP redactions.

129. Attached to this affidavit and marked as **Exhibit "41"** is a copy of BCLC0004252, which is a draft chronology document titled "FSOC info sharing and request" dated February 14, 2019 that I prepared.

130. Attached to this affidavit and marked as **Exhibit "42"** is a copy of BCLC0005940, which is an email dated December 12, 2017 between Jim Husler, John Karlovcec and me regarding BCLC monitoring proceedings involving Silver Investments Ltd. at the Richmond courthouse.

131. Attached to this affidavit and marked as **Exhibit "43"** is a copy of BCLC0003874 entitled "BCLC Chronology, Timeline" (undated), which is a chronology I prepared with respect to Paul Jin.

132. Attached to this affidavit and marked as **Exhibit "44"** is a copy of BCLC0007918, which is a timeline document I created.

d. *Interviews and Conditions*

133. In September, 2015, as set out above, BCLC imposed sourced cash conditions on 36 patrons due to their history of buy-ins facilitated by Jin or his related associates. These included some of the highest value casino patrons in the province.

134. When a patron is placed on sourced cash conditions, it means that all of the patron's cash buy-ins – regardless of the amount – must be sourced from an accredited financial institution with receipts. The Service Provider must scan the receipt(s) presented into a BCLC file. If a patron on sourced cash conditions cannot prove the source of their cash buy-in, the buy-in must be refused.

135. For the use of chips by a patron on sourced cashed conditions, the patron must be able to prove the chips were obtained through previous play. If the Service Provider is unable to source the chips by tracking the patron's play, Service Providers are directed to seize the chips and initiate a UFT report. The BCLC AML Unit will then investigate to try to ascertain the origin of the chips. If the patron is unable to explain to the AML Unit where the chips originated, the chips will not be returned to the player.

136. In some circumstances, sourced cash conditions might include additional restrictions on the patron such as preventing them from opening or holding a PGF account or from betting in high limit rooms unless they are actively playing with their own sourced funds. The purpose of this latter restriction is to attempt to eliminate the ability of a patron on sourced cash conditions to direct the play of others who may try to buy in on their behalf.

137. I observed that the move to impose sourced cash conditions affected all casinos across the province. Overall, by late 2015, approximately 80% of BCLC's top 100 active patrons (in terms of buy-ins over a 6 month or one year period) were placed on sourced cash conditions. Once BCLC began placing these types of patrons on sourced cash conditions, I observed that BCLC began getting more cooperation from Service Providers, including through their assistance to BCLC in explaining the sourced cash conditions to patrons.

138. Throughout 2015, BCLC was sending out directives and giving Service Providers a strict timeline to comply.

139. Attached collectively to this affidavit and marked as **Exhibit "45"** are BCLC0008927 and BCLC0008928, which is an email from Ross Alderson to Service Providers regarding "Sanctions on high limit patrons" with attached list of players being placed on sourced cash conditions.

140. In or about May, 2015, BCLC also began interviewing patrons about specific incidents and sources of funds. Interviews were, and still are, triggered by patron behaviour, such as indications of cash facilitation. Initially, representatives from Service Providers were rarely present for patron interviews and in those cases usually only for interpretation

purposes. Some Service Provider representatives requested that they be present at all interviews but BCLC never allowed it once we formalized the interview process within the AML Unit.

141. Attached collectively and marked as **Exhibit "46"** are GCGC_PROD_109 and GCGC_PROD_110, which is a letter from Kris Gade to Service Providers dated April 16, 2015 with attached "BCLC Investigations Protocol for Educating, Warning, Sanctioning or Barring Patrons".

142. Attached collectively to this affidavit as **Exhibit "47"** are copies of BCLC00012923, BCLC0012924, and BCLC00012926, which are documents related to a patron interview on August 6, 2015. Summaries of additional patron interviews will be attached to a separate affidavit.

143. From the beginning of the formalized interview process, BCLC's AML Unit heard in these interviews that some of the patrons we interviewed had friends and business contacts in British Columbia and that they would ask these people for cash when they wanted to play. The vast majority of patrons interviewed said they had homes in British Columbia and kept cash in safes in their homes. BCLC's AML Unit documented these responses and began building a catalogue to see if these responses were reasonable.

144. BCLC's AML Unit began to see that some patrons would come to a casino on multiple visits a week for two to three week periods with large cash buy-ins in $20 bills on each visit. It became clear to BCLC's AML Unit that the suggestion that these patrons were keeping all of this money in safes at home was implausible, and BCLC began placing these patrons on sourced cash conditions. Once sourced cash conditions were imposed, some of these patrons disappeared altogether. Others were able to source their cash, and did not stop gambling.

145. Patron interviews have never been audio or video recorded. After an interview was completed by a BCLC investigator, a summary of the interview would be prepared by the investigator who conducted the interview and sent to me for review and response. The investigator would make a recommendation to me as to whether to take action against the

patron (such as by imposing sourced cash conditions or barring the patron) based on their assessment of the interview. I would then review the interview along with other records and make a decision as to the appropriate action to take, if any. This process continues to the present day.

146. Attached to this affidavit and marked as **Exhibit "48"** is a copy of BCLC00012970, which is an email exchange dated October 2 – 3, 2017 between Lynn Cousins, a BCLC investigator, and me regarding a patron interview. This exchange is an example of my review and recommendation following an interview.

147. In May 2016, the AML Unit established a source of fund initiative for 34 targeted high value patrons to obtain information about the source of their funds for large cash buy-ins at the time of buy-in. Attached as **Exhibit "49"** is BCLC0006479, which is the "Reduction in STR Initiative – May 2016". As we identified more subjects, we added them to the source of funds program and required Service Providers to complete the source of funds questionnaire at the time of each large cash buy-in for these patrons.

148. Attached to this affidavit and marked as **Exhibit "50"** is BCLC0007233, which is a clarification letter from Ross Alderson to Service Providers dated April 3, 2017 clarifying what constitutes "sourced" funds.

149. Attached to this affidavit and marked as **Exhibit "51"** is BCLC0007231, which is a direction from BCLC to Service Providers dated April 18, 2017 regarding the source of funds questionnaires.

150. When BCLC's AML Unit began interviewing patrons and imposing sourced cash conditions, I anticipated that underground casinos would begin to appear in the province. As the interviews progressed, BCLC's AML Unit began to receive information about suspected underground casinos through the interviews and other sources including Service Providers. In some cases, patrons who were interviewed would offer to drive to the site of suspected underground casinos and identify them to the BCLC investigators. BCLC investigators always declined these invitations.

151. Until about April, 2016, I was responsible for packaging information obtained about suspected underground casinos and criminal activity and sending it to GPEB and JIGIT. I understand from my review of BCLC records that once Alderson took over direct communications with law enforcement in or about April, 2016, he was also sending this information to CFSEU.

152. Based on feedback and further requests for information, I understand that the sharing of information with law enforcement about suspected underground casinos resulted in some action from FSOC and JIGIT who requested further information from BCLC, but to my knowledge nothing was done by GPEB to further these potential investigations. On at least one occasion during the Mancini investigation, described below, Derek Dickson of GPEB told me that they do not do money laundering investigations.

153. As set out above, since the inception of the formalized interview process in 2015, I have consistently reviewed the summaries of every patron interview conducted by the AML Unit. According to the summaries, some of the interviewees have said their lives would be at risk if anyone found out they were speaking to BCLC, but have nonetheless provided names of suspected loan sharks and other information including interest rates.

154. The interview process has been very important for BCLC in identifying suspected loan sharks. The identification of a suspected loan shark may result in a ban, depending on the results of further investigation by BCLC into that individual and corroboration by other sources. Similarly, where a patron has openly admitted in an interview to using the services of a known loan shark, BCLC may ban the patron.

155. BCLC protected the identities of these individuals by limiting access to information about the interviews. Access to the these materials within the AML Unit's records was (and is) restricted to certain individuals. When I was responsible for providing information obtained in interview summaries to GPEB and JIGIT (until about April, 2016), I provided the information at first instance in summary form to protect identities. In some instances GPEB would request further information through delivery of a request issued under s. 86 of the *Gaming Control Act,* SBC 2000, c. 14.

156. Following an interview, BCLC's AML Unit would follow up with the sources of cash identified by a patron to confirm that the information provided was consistent with the operations of those sources. Through this process, BCLC's AML Unit identified three money services businesses ("MSBs") that – although legal and registered with FINTRAC – were highly suspicious. BCLC began to closely monitor cash buy-ins receipted from these MSBs and has, since 2018, stopped taking any money sourced from any MSBs.

157. Attached collectively to this affidavit and marked as **Exhibit "52"** are BCLC0004627 and BCLC0004628, which is an email exchange dated January 11 – January 12, 2018 between Rob Kroeker, Bal Bamra, me and others regarding MSBs, and an attached memo from Bal Bamra entitled "MSB Due Diligence".

158. Attached to this affidavit and marked as **Exhibit "53"** is a copy of BCLC0000081, which is a compilation of emails between Ross Alderson, Brad Rudnicki, RCMP and me regarding MSB investigations.

159. Attached to this affidavit and marked as **Exhibit "54"** is a copy of BCLC0007190, which is a BCLC directive on the acceptance of money sourced from MSBs, dated March 15, 2018.

160. As the sourced cash conditions program progressed, I observed that the amount of suspicious cash entering casinos began to decline. Starting in early 2016, BCLC's AML Unit began focusing on the highest value cash patrons not currently on sourced cash conditions and considering placing them on conditions, which quickly resulted in 40-50 additional people being placed on sourced cash conditions. The AML Unit then moved down to considering placing patrons buying in over $100,000 on sourced cash conditions.

161. The AML Unit continued to lower the cash buy-in threshold at which it would consider sourced cash conditions for a patron. By the time of the German recommendations in 2018, BCLC was already considering sourced cash conditions for patrons buying in for $30,000 to $40,000. My goal was to reach $25,000 as the buy-in threshold for considering sourced cash conditions.

162. Effectively, BCLC implemented a form of its own source of funds requirements two years before Dr. Peter German recommended it (although the threshold amounts differed). BCLC did not publicly identify these lowered thresholds that BCLC's AML Unit was working with, or identify them to Service Providers. Beginning in 2016, I was being informed by Service Provider management, in particular River Rock management (David Zhou and Patrick Ennis) that the sourced cash conditions were impacting their business.

e. *Ongoing AML Measures*

163. BCLC is still conducting patron interviews triggered by patron behaviour. As set out above, summaries of patron interviews will be attached to a separate affidavit.

164. Attached to this affidavit and marked as **Exhibit "55"** is BCLC0006507, which is an email thread between John Karlovcec, Rob Kroeker, me and others dated February 23 – 24, 2018 discussing whether a patron interview is required.

165. Much of BCLC's AML work now focuses on reviewing cash transactions in the $2,000 - $9,000 range. For anything above $10,000, BCLC requires documentation including identification and receipts to prove source of funds before a buy-in will be accepted.

i. Bank Drafts

166. The AML Unit reviews data related to all bank drafts processed in BCLC casinos on a daily basis, and has completed extensive analysis of past bank draft buy-ins including any issues raised through BCLC's participation in Project Athena. Project Athena is an RCMP initiative to examine the use of bank drafts for possible money laundering practices.

167. Attached to this affidavit and marked as **Exhibit "56"** is a copy of BCLC0004177, which is a BCLC report on bank drafts dated March 9, 2018 prepared by Brad Rudnicki with redactions made by RCMP.

168. Attached to this affidavit and marked as **Exhibit "57"** is a copy of BCLC0004640, which is a BCLC report titled "PGF Account Bank Draft Analysis: Summary of Findings" dated

November 30, 2017 prepared by the AML Unit. This review was completed in 2017 as a direct response to media articles that centered on statements from law enforcement to the effect that bank drafts were becoming a huge issue for criminal use. In my view, this review shows that this reporting on bank drafts was inaccurate, to the extent it concerned the use of bank drafts in BCLC casinos.

169. Attached collectively to this affidavit and marked as **Exhibit "58"** are copies of BCLC0004644, BCLC0004648, BCLC0004649, BCLC0006534, BCLC0006535, BCLC0006536 and BCLC0006537, which are "PGF Account Bank Draft" analyses for Parq Casino, Starlight, Grand Villa, River Rock, Hard Rock, Elements and Cascades respectively, all dated November, 2017.

170. Attached to this affidavit and marked as **Exhibit "59"** is a copy of BCLC0004651, which is an email thread between Rob Kroeker, Bal Bamra, me and others dated October 25 – October 27, 2017 regarding bank drafts. The proposal discussed in this email thread would require certain targeted patrons and all new PGF patrons to bring in bank receipts along with their bank draft before a deposit could be allowed.

171. Attached to this affidavit and marked as **Exhibit "60"** is a copy of BCLC0005103, which is an email from me to Rob Kroeker dated October 27, 2017 regarding the bank draft proposal discussed in the email attached above as Exhibit 59.

172. Attached collectively to this affidavit and marked as **Exhibit "61"** are copies of BCLC0006382 and BCLC0006383, which is an email dated May 16, 2019 from Rob Kroeker to me attaching a report prepared by Mitasha Sewpersad titled "Bank Draft Analysis September 2018" for the period of June 1 – December 31, 2018.

173. Attached to this affidavit and marked as **Exhibit "62"** is a copy of BCLC0006420, which is an email dated January 3, 2019 from Bal Bamra to Rob Kroeker regarding 2018 bank draft statistics.

174. Attached collectively to this affidavit and marked as **Exhibit "63"** are BCLC0015647 and BCLC15648, which is an email thread between Bal Bamra, John Karlovcec and me

dated April 17 – April 18, 2018 attaching a bank draft analysis for the period of August – October 2018.

ii. $25,000 Maximum Cash Payout

175. In 2018, BCLC planned to issue a directive imposing a limit on the amount of cash that could be paid out to a patron to $25,000, and removing limits on convenience cheques.

176. Attached to this affidavit and marked as **Exhibit "64"** is a copy of BCLC0004611, which is an email from Rob Kroeker to Jim Lightbody and Brad Desmarais dated February 2, 2018, proposing amongst other things the $25,000 limit on cash payouts.

177. Attached to this affidavit and marked as **Exhibit "65"** is a copy of BCLC0005463, which is an email from me to Service Providers dated March 1, 2018, advising that the rollout of the $25,000 maximum cash payout directive would be delayed until the "Peter German Report has been released". At the time this email was sent to Service Providers, BCLC had not yet issued the $25,000 maximum cash payout directive.

178. Attached to this affidavit and marked as **Exhibit "66"** is a copy of BCLC0004588, which is the BCLC directive on "$25,000 Maximum Cash Payouts", to be effective August 7, 2018. Attached to this affidavit and marked as **Exhibit "67"** is a copy of BCLC0004589, which is a Q&A document for the BCLC directive on "$25,000 Maximum Cash Payouts".

179. This directive was withdrawn before it came into effect.

180. Attached to this affidavit and marked as **Exhibit "68"** is a copy of BCLC0011639, which is a letter dated August 9, 2018 from GPEB to Jim Lightbody requesting that BCLC continue to delay implementation of the $25,000 cash limit directive and advising that Dr. German's recommendations "should be considered before the proposed changes are implemented". I understand based on this correspondence and conversations with Rob Kroeker that Minister David Eby, Q.C. directed that the directive be withdrawn so that it could be implemented after release of the German recommendation.

181. Attached collectively to this affidavit and marked as **Exhibit "69"** is a copy of BCLC0005093 and BCLC0005094, which is an email thread dated August 1 – August 2, 2018 between the AML Unit and Service Providers, attaching a further BCLC "Do Not Implement" directive retracting the directive on $25,000 maximum cash payouts.

iii. $3,000 Tracking Threshold

182. BCLC is currently working on the implementation of mandatory tracking of cash buy-ins beginning at $3,000 and above. I understand that FINTRAC will be introducing legislative amendments effective June 2021, which will require casinos to collect patron identification and receipts for any cash buy-ins of $3,000 or more. This will be a significant change for BCLC and I believe it will greatly enhance patron tracking capabilities for AML purposes.

183. Attached to this affidavit and marked as **Exhibit "70"** is BCLC0004204, which is a BCLC memo prepared by the AML Unit dated November 2, 2018, considering reducing the threshold for requiring ID to $3,000.

184. Attached to this affidavit and marked as **Exhibit "71"** is BCLC0005761, which is an email between Rob Kroeker, Anna Fitzgerald (GPEB) and others dated November 9 – 11, 2018, in which Rob Kroeker presented BCLC's view that the threshold for requiring identification should be lowered to $3,000. I attended the meeting referred to in this correspondence.

185. Attached to this affidavit and marked as **Exhibit "72"** is BCLC0006208, which is an email exchange between Brad Desmarais, John Karlovec and others dated November 27, 2018 regarding the proposed $3,000 threshold.

186. Attached to this affidavit and marked as **Exhibit "73"** is BCLC0005839, which is a BCLC briefing document dated December 5, 2018 regarding "Identification Requirements for Table Game Buy-Ins at B.C. Casinos".

187. Attached to this affidavit and marked as **Exhibit "74"** is BCLC0005936, which is an email exchange between Chris So, Brad Desmarais, John Karlovec and others dated January 8 – 21, 2019 regarding the proposed $3,000 threshold.

188. Attached to this affidavit and marked as **Exhibit "75"** is GPEB1464, which is a letter dated December 4, 2018 from GPEB to Jim Lightbody, supporting BCLC's proposal to reduce the threshold to $3,000.

iv. Chip Tracking

189. Since 2019, BCLC has also been considering a new program to automate chip tracking. Chips are a particular vulnerability from an AML perspective because they do not result in FINTRAC reporting except when purchased or cashed out. Paul Jin was known by BCLC to be distributing chips as well as cash. This was observed by the AML Unit on a number of occasions (through video surveillance reviewed after the fact) where Jin, or one of his known associates, delivered chips to a patron.

Additional Documents related to BCLC's AML Measures

190. Attached to this affidavit and marked as **Exhibit "76"** is a copy of GCGC_PROD_10195, which is an email exchange dated April 30 – May 1, 2017 between Patrick Ennis, Arlene Strongman, and others at GCGC. Although I am not copied and had not seen this correspondence until preparing for this Inquiry, the emails refer to statements I allegedly made. I do not recall and deny having the conversation or providing the information that is attributed to me in this email thread, which is contrary to BCLC policy and inconsistent with training provided by BCLC to Service Providers. According to BCLC policy, if a patron is on sourced cash conditions they must always prove the source of their cash prior to buy-in, regardless of the amount of the buy-in.

191. Attached to this affidavit is a sampling of documents related to the BCLC AML Unit's efforts from 2014 – 2019:

a. **Exhibit "77"** is BCLC0003685, which is a rolling document I prepared including emails, information regarding large cash buy-ins and other documents related to AML from 2014 – 2015;

b. **Exhibit "78"** is GCGC_PROD_023002, which is a "High Risk Patron (HRP) Enhancement Program" directive issued by BCLC. I believe this directive was issued in 2012 or 2013;

c. **Exhibit "79"** is GCGC_PROD_0030946, which is an email thread dated November 2, 2015 between Jim Husler, Patrick Ennis and me regarding LCTR reporting;

d. **Exhibit "80"** is GCGC_PROD_0031187, which is an email thread dated March 22 – 28, 2017 between Arlene Strongman (GCGC) and me regarding River Rock's 24 hour tracking of patrons related to LCTRs;

e. **Exhibit "81"** is BCLC0004378, which is a BCLC PowerPoint dated May 11, 2017 titled "Top 100 Cash Analysis: FY15 and FY16" prepared by Brad Rudnicki;

f. **Exhibit "82"** is collectively BCLC0006548 and BCLC0006549, which is an email dated October 21, 2017 from me to Rob Kroeker with attachment, regarding GPEB's COMM-8669 Report;

g. **Exhibit "83"** is GCGC_PROD_0038208, which is an email thread dated February 17 – 20, 2018 between River Rock employees and me regarding a UFT report submitted by River Rock;

h. **Exhibit "84"** is BCLC0004276, which is a BCLC report on STRs, LCTRs, and table performance dated May 2018;

i. **Exhibit "85"** is BCLC0004271, which is a BCLC overview document showing the number of STRs filed between 2008 and 2019, as of April 2019;

j. **Exhibit "86"** is BCLC0004373, which is a BCLC PowerPoint comparing statistics of the top 45 patrons in 2012 versus the top 100 patrons in 2016; and

k. Exhibit "87" is BCLC0006523, which is a BCLC presentation titled "Large Cash Transactions by Year", measuring years 2012 – 2017.

Implementation and Impact of German Source of Funds Recommendations

192. Attached to this affidavit are the following documents regarding the implementation and impact of Dr. Peter German's source of funds recommendations:

a. **Exhibit "88"** is BCLC0005636, which is an email exchange between Rob Kroeker, me and others dated December 1 – 2, 2017 regarding Dr. German's recommendations;

b. **Exhibit "89"** is BCLC0005600, which is a BCLC memo dated December 11, 2017 regarding "German Interim Recommendation #1 – Source of Funds Declarations";

c. **Exhibit "90"** is BCLC0005526, which is a BCLC Source of Funds Directive dated effective January 10, 2018;

d. **Exhibit "91"** is BCLC00004084, which is a BCLC memo dated January 4, 2018 regarding "GPEB Recommendations on Source of Funds Process";

e. **Exhibit "92"** is BCLC0004157, which is a BCLC report titled "LCT Buy-ins Source of Funds Review" prepared by the AML Unit and dated August 10, 2018 for February 2018 transactions;

f. **Exhibit "93"** is BCLC0006090, which is a BCLC report prepared by the AML Unit dated January 31, 2019 regarding "Reasonable Measures/Source of Funds (RM/SOF Review)";

g. **Exhibit "94"** is BCLC0006432, which is a summary review prepared by the BCLC AML Unit dated June 4, 2018 regarding "UFT Refused Buy-Ins" for May, 2018;

h. **Exhibit "95"** is BCLC0006444, which is a summary review prepared by the BCLC AML Unit dated May 9, 2018 regarding "UFT Refused Buy-Ins" for January 10 – April 30, 2018;

i. **Exhibit "96"** is BCLC0006491, which is a summary review prepared by the BCLC AML Unit dated April 9, 2018 regarding "Unsubstantiated UFT/Refused Buy-Ins Review" for January 10 – February 28, 2018;

j. **Exhibit "97"** is BCLC0007131, which is a BCLC reference guide on "Source of Funds and Reasonable Measures" for Service Providers, dated July, 2019;

k. **Exhibit "98"** is GAT418, which is an email from me to Service Providers dated April 5, 2018 regarding buy-ins of $10,000 or more, following the release of Dr. Peter German's interim recommendations;

l. **Exhibit "99"** is GPEB1495, which is an email from Parminder Basi of GPEB to other GPEB employees dated April 9, 2019 regarding BCLC's source of funds policy, attaching BCLC Q&As and other policy documents;

m. **Exhibit "100"** is PAR769, which is a letter from Bal Bamra and me to Parq Casino employees dated October 12, 2018 regarding source of funds policies;

n. **Exhibit "101"** is PAR810, which is an email thread between Parq Casino employees, Bal Bamra, me and others dated January 17 – January 18, 2019 regarding source of funds policies;

o. **Exhibit "102"** is PAR2010, which is a letter dated November 27, 2018 from GPEB to Parq Casino regarding Parq's compliance with BCLC's source of funds policies;

p. **Exhibit "103"** is GPEB1462, which is a letter from GPEB to BCLC dated November 29, 2018 regarding Service Provider compliance; and

q. **Exhibit "104"** is PAR2735, which is GPEB's "Source of Funds Directive Audit for years 2018/2019, issued May 13, 2019.

Specific Incidents/Individuals

a. *Federal Court proceedings*

193. Attached to this affidavit and marked as **Exhibit "105"** is a copy of BCLC0015656, which is a Consent Order dated August 11, 2017 in Federal Court File No. T-1801-10.

b. *October, 2014 Buy-in*

194. On October 15, 2014, River Rock patron [redacted] was observed by River Rock staff to have bought in with $496,960 in $20 bills. I reviewed a UFT created by River Rock staff on the following day and reviewed video surveillance to confirm the information in the report.

195. Attached to this affidavit and marked as **Exhibit "106"** is a copy of BCLC0005642, which is an email exchange including John Karlovcec, Brad Desmarais and me regarding the buy-in and BCLC's proposed response to the buy-in.

c. *Reasonable Measures Directive*

196. Attached to this affidavit and marked as **Exhibit "107"** is a copy of GAT292, which is a BCLC directive dated June 15, 2017 regarding FINTRAC amendments and enhanced due diligence efforts.

d. *Impact of JIGIT Arrests*

197. Attached to this affidavit and marked as **Exhibit "108"** is a copy of BCLC00004339, which is an email exchange between Rob Kroeker, me and others regarding impact on table revenues following the public announcement of arrests by JIGIT.

e. *Patron A*

198. Attached collectively to this affidavit and marked as **Exhibit "109"** is a copy of BCLC0005938 and BCLC0005939, which is an email dated December 4, 2017 from me to Steve Ly (RCMP) and others, attaching a spreadsheet tracking the buy-ins of a patron that I will refer to as Patron A.

199. This patron was considered by BCLC to be a very major patron, buying in at BCLC casinos in amounts well in excess of $100,000 (sometimes as high as $900,000), and often using bank drafts. Patron A also had cash buy-ins which exceeded at times $50,000, but based on my subsequent review these numbers aligned with a number of cash disbursements he had received from the casinos.

200. BCLC's AML Unit began closely following Patron A beginning in around 2015, and our investigation concluded he had ample wealth and also had major winnings from gaming to funds his play. The AML Unit never observed Patron A receiving cash from a suspected cash facilitator. Nevertheless, Patron A was reported to GPEB and law enforcement.

201. GPEB investigated Patron A, and I personally met with GPEB to discuss BCLC's information and to assist in GPEB's investigations. GPEB remained concerned about this patron. Ultimately, in 2017, I understand that GPEB persuaded FSOC to investigate Patron A based on his level of play. I learned of this directly from Cpl. Stephen Ly of the RCMP.

202. In the email attached above as Exhibit 109, I am providing assistance to FSOC in this investigation by providing buy-in and other information. I understand through Cpl. Ly that FSOC later advised GPEB that FSOC did not regard there to be anything suspicious about Patron A's gaming.

203. This serves as an example of a patron who was reported to law enforcement by BCLC for large buy-ins where law enforcement concluded, following investigation, that the patron's play was found not to be criminal. It serves of an example, in my mind, that not all patrons who play with extremely large amounts at BCLC casinos are necessarily using

proceeds of crime. BCLC is able to identify suspicious transactions, and report it to GPEB and law enforcement, which is what it did in this instance.

f. *Lisa Gao*

204. On September 13, 2017, Lisa Gao, a VIP host at River Rock, allowed a person who was not a patron to buy in for $200,000, knowing that person was buying in on behalf of a banned patron.

205. BCLC learned of these events by reviewing video surveillance and interviewing Gao on the following day. Gao admitted in the interview that she knew the purchaser was buying in for a banned patron. According to the video surveillance review, Gao watched him conduct the transaction, apparently knowing that he was purchasing the chips for a third party who was banned. I believe that Gao must have known her actions were unauthorized.

206. BCLC notified GPEB on the day following the incident. This ultimately led to Gao's deregistration with GPEB. Gao was well-known within the BC gaming industry, and I believe her deregistration by GPEB sent a strong message to the industry about the importance of Service Provider compliance with legislative requirements.

207. Attached to this affidavit and marked as **Exhibit "110"** is a copy of GPEB34, which is an email thread between Ross Alderson, Richard Akin (GPEB), me and others dated September 14 – September 15, 2017, first reporting to GPEB on the Gao event.

208. Attached to this affidavit and marked as **Exhibit "111"** is a copy of BCLC0007056, which is an email thread between Laura Piva-Babcock and me dated December 5 – 6, 2017 providing additional information regarding the Gao event.

209. Attached to this affidavit and marked as **Exhibit "112"** is a copy of BCLC0007039, which is an email dated December 12, 2017 from me to John Karlovcec, summarizing the Gao event.

210. Attached to this affidavit and marked as **Exhibit "113"** is a copy of BCLC0007026, which is a letter dated December 18, 2017 from GPEB to John Karlovcec, advising of GPEB's decision to cancel the registration of Gao.

211. Attached to this affidavit and marked as **Exhibit "114"** is a copy of BCLC0007813, which is an undated GPEB Investigation Report of "Casino VIP Operations".

212. Attached to this affidavit and marked as **Exhibit "115"** is a copy of GPEB24, which is a File Outline of "BCLC File 2017-52344" regarding Gao. This appears to be GPEB's copy of the file outline that I prepared.

g. *Michael Mancini*

213. Michael Mancini was a patron who I understand from my discussions with Rob Kroeker and Jared Larson (Director, Civil Forfeiture Office) was the subject of a civil forfeiture action which alleged he laundered money through casinos, specifically, using slot machines. I was first alerted about Mancini by Don Merkel (who at that time was based in the Okanagan) on October 6, 2015.

214. After I was contacted by Merkel about Mancini, I reviewed video footage of Mancini and other BCLC records related to his play. My investigation into this matter concluded that Mancini was not, in my view, using casinos to launder money, which I explained to GPEB when they interviewed me about Mancini on March 10, 2016. My investigation revealed that Mancini had over 90 LCTRs in 3 years, totalling over $2 million in total disbursements. His playing sessions ranged from 12-18 hours in length. He typically took his disbursements in cash and recycled them back into the slot machines. He had no adverse media or suspected gang connections and rarely took verified win cheques.

215. At the end of my interview with GPEB, Derek Dickson of GPEB told me that he agreed with my assessment of Mancini's game play and stated they (GPEB) were not AML investigators or experts. Derek Dickson also openly stated to me at the conclusion of the interview that GPEB did not have the expertise, knowledge or resources to conduct money laundering investigations.

216. Attached to this affidavit and marked as **Exhibit "116"** is a copy of GPEB780, which is an Incident File Report dated October 7, 2015 regarding Mancini.

217. Attached to this affidavit and marked as **Exhibit "117"** is a copy of GPEB782, which is an email exchange between Don Merkel, me and others dated October 6, 2015 regarding Mancini.

h. *Ross Alderson*

218. Ross Alderson was promoted to Director, AML & Investigations by Brad Desmarais on April 17, 2015. Once Rob Kroeker was hired on September 8, 2015 as VP of Legal, Security & Compliance, Alderson reported directly to him. From my observations, Alderson and Kroeker appeared to have a very good relationship and it appeared to me that Kroeker was grooming Alderson to take over his position one day.

219. After he became a Director, Alderson began taking on more responsibilities, including some of my former responsibilities. Alderson made himself the lead contact for law enforcement and began cutting me out of meetings. I believe that Alderson took on more than he could handle, which resulted in what I believe was his eventual breakdown near the time he departed BCLC in October, 2017.

220. During the period of 2016 to October, 2017, Bal Bamra, Ross Alderson and I met regularly with Rob Kroeker to discuss any AML issues that needed to be discussed, including in particular STRs. Typically, Kroeker would ask technical questions of Bamra and me. Alderson was not usually that active in these regular meetings.

221. I was never present in a meeting with Alderson and Kroeker in which Kroeker instructed anyone to ease up on cash conditions, or said anything that could be misinterpreted as such an instruction. I am aware that Alderson has made such an allegation, which I understand was thoroughly investigated by GPEB, with GPEB concluding that the comment was never made.

222. I would have been shocked if Kroeker had said anything like what Alderson alleged, and would definitely have remembered it and made notes of it. I am confident that Bamra would have reacted similarly.

223. Eventually, on October 5, 2017, Alderson was placed on leave and all staff at BCLC, including myself, were told not to contact him. On December 21, 2017, BCLC announced he was leaving BCLC and advised BCLC staff he could be contacted if we wished from that point.

224. After that, Alderson invited me to lunch to say goodbye in early January, 2018. We had a lengthy discussion that included Alderson telling me that he had been leaking information to the media while he was employed with BCLC. Alderson told me that he felt he had been receiving push back from BCLC management from the time he was a casino investigator, which surprised me and was inconsistent with my own experience. Alderson also told me at this lunch meeting that he had decided to make himself a martyr for the gaming industry in BC. He told me that the fight was on and that he was not going to end it until Jim Lightbody, Rob Kroeker, and Brad Desmarais were removed from BCLC.

225. From my experience, the AML Unit had full control of its own activities from its inception in 2013. To my recollection, nothing the AML Unit proposed to senior management at BCLC was ever turned down. The only direction the AML Unit was ever given in this regard was to let BCLC leadership know when they were going to place conditions on major patrons so they could give Service Providers some advance notice. I recall receiving that message from Alderson, who directed me to first advise Alderson if action was going to be taken against a high value patron.

226. Attached to this affidavit and marked as **Exhibit "118"** is BCLC0006501, which is an email dated May 14, 2015 from Ross Alderson to the AML Unit regarding "VVIP Players and sanctions".

227. I was advised on more than one occasion from around 2014 to 2016 by Brad Desmarais and Rob Kroeker that BCLC executives had received calls from GCGC executives, who were unhappy about BCLC banning or placing sanctions on some of their high value

patrons. I was also personally on one call with Alderson and Patrick Ennis of GCGC in 2016, where Ennis appeared angry over the number of VIP patrons BCLC had either banned or placed conditions on, saying that BCLC was effectively killing their business. Despite this, to my knowledge the AML Unit has never received any push back at any level at BCLC, from the CEO down, for any programs or actions that we have taken since the time that Desmarais joined BCLC and Jim Lightbody became CEO.

228. Based on my meetings and conferences with casino investigators in other Canadian jurisdictions, my understanding is that no one in the Canadian gaming industry was (or is) going to the same lengths as BCLC with respect to interviews and source of funds conditions and source of wealth investigations. Based on these meetings and conferences, my perception was (and is) that other casinos in Canada could not believe what BCLC was able to do.

SWORN BEFORE ME at Vancouver, British Columbia, on 30/10/2020.)

A commissioner for taking affidavits for British Columbia)

JULIA E. ROOS
Barrister & Solicitor
Hunter Litigation Chambers
Suite 2100 - 1040 West Georgia Street
Vancouver, BC V6E 4H1
Telephone: 604-891-2406

DARYL TOTTENHAM

This is Exhibit "1" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Incident File Full Report

Incident File #IN20090031592

		Record Creation Details	
Date/Time Occurred:	8/ 7/2009 2:56 PM	**Department:**	BCLC Corporate Security
Day of Week Occurred:	Friday	**Owner:**	dslobodian
Date/Time Created:	8/ 7/2009 2:56 PM	**Operator ID:**	dslobodian
Date/Time Closed:	11/25/2009 3:44 PM	**Operator Name:**	
Closed By:	canastasio	**Personnel ID:**	
		Card Number:	
		Job Position	
		Secondary Operator:	

Location of Incident:

Property:	Richmond (BCLC)
Location:	Corporate Security (BCLC Richmond)
Sublocation:	

Details of Incident:

Daily Log #:	DL20090596042

Reporting Party:	**Supervisor:**

Incident File Full Report **Incident File #IN20090031592**

Related Incidents: IN20090030267, IN20090030397, IN20090031462, IN20090031567, IN20090031571, IN20090031573, IN20090031577, IN20090031582, IN20090031587, IN20090031590, IN20090031593, IN20090031598, IN20090031723, IN20090032271, IN20090032350, IN20090032638, IN20090033312, IN20090033313, IN20090033314, IN20090033429, IN20090034017, IN20090034034, IN20090034204, IN20090034215, IN20090035210, IN20090036063, IN20090036179, IN20090036742, IN20090036953, IN20090036978, IN20090037083, IN20090037127, IN20090037945, IN20090038067, IN20090038077, IN20090038778, IN20090039793, IN20090039902, IN20090039903, IN20090040206, IN20090040299, IN20090040895, IN20090041038, IN20090041040, IN20090041124, IN20090041137, IN20090041141, IN20090041286, IN20090041686, IN20090042109, IN20090043743, IN20090043745, IN20090043865, IN20090044000, IN20090045058, IN20090045462, IN20090045471, IN20090045627, IN20090045996, IN20090046682, IN20090047544, IN20090047547, IN20090047682, IN20090047781, IN20090047799, IN20090047806, IN20090048340, IN20090048349, IN20090048500, IN20090048569, IN20090048573, IN20090050118, IN20090050122, IN20090051192, IN20090051194, IN20090051283, IN20090051416, IN20090051418, IN20100000632, IN20100000912, IN20100001024, IN20100001033, IN20100001044, IN20100001045, IN20100001046, IN20100002477, IN20100002998, IN20100003000, IN20100003011, IN20100003717, IN20100003859, IN20100004469, IN20100004489, IN20100004620, IN20100004741, IN20100004761, IN20100005009, IN20100005474, IN20100005607, IN20100005618, IN20100005982, IN20100006474, IN20100006573, IN20100007544, IN20100007549, IN20100007565, IN20100007688, IN20100007846, IN20100007847, IN20100007964, IN20100007992, IN20100007994, IN20100007996, IN20100008002, IN20100008007, IN20100008013, IN20100008016, IN20100008431, IN20100008467, IN20100008706, IN20100008721, IN20100008723, IN20100008725, IN20100009818, IN20100009820, IN20100010400, IN20100010401, IN20100010545, IN20100010696, IN20100010917, IN20100011416, IN20100011522, IN20100011628, IN20100011781, IN20100011908, IN20100012718, IN20100012720, IN20100013631, IN20100013639, IN20100013981, IN20100013988, IN20100014862, IN20100015463, IN20100015466, IN20100017169, IN20100017171, IN20100017676, IN20100017681, IN20100017806, IN20100018382, IN20100018385, IN20100018387, IN20100018391, IN20100018394, IN20100018395, IN20100018494, IN20100018496, IN20100018513, IN20100018642, IN20100019817, IN20100021444, IN20100021693, IN20100021873, IN20100022381, IN20100022382, IN20100022385, IN20100022391, IN20100022392, IN20100022770, IN20100023438, IN20100025858, IN20100025860, IN20100025862, IN20100026495, IN20100026496, IN20100026497, IN20100026629, IN20100027644, IN20100027650, IN20100027749, IN20100027791, IN20100027879, IN20100027880, IN20100028616, IN20100028617, IN20100030998, IN20100030999, IN20100031004, IN20100031854, IN20100031893, IN20100032685, IN20100033632, IN20100033867, IN20100033871, IN20100033890, IN20100034476, IN20100035752, IN20100035754, IN20100037053, IN20100037820, IN20100037948, IN20100038002, IN20100038244, IN20100038746, IN20100040369, IN20100041002, IN20100041397, IN20100041411, IN20100043195, IN20100043339, IN20100043344, IN20100043346, IN20100044214, IN20100044515, IN20100044518, IN20100044549, IN20100044716, IN20100044847, IN20100044863, IN20100046895, IN20100049802, IN20100049818, IN20100050844, IN20110000813, IN20110001473, IN20110001474, IN20110002013

Type: Gaming

Specific: BCLC

Category: Verified Cheque Report

Incident Status: Closed

Synopsis: Monthly verified cheque report.

Checklist:

Narrative:

Reporting Party:	**Supervisor:**

Incident File Full Report **Incident File #IN20090031592**

Created On	Created By	Modified On	Modified By
8/ 7/2009 2:56 PM	dslobodian		

Monthly verified cheque report.

Executive Brief:

Participants Involved:

Subject

Full Name: [redacted] Company:

Role: Patron

Supplemental Entries:

SP20090063087 Attached by dslobodian on Aug 7, 2009 14:57

Description 2009-08-07 As a result of a BCLC Corporate Security Audit conducted to ensure adherence to the BCLC verified win policy for the month of June 2009, it was noted that [redacted] was issued numerous service provider cheques for verified wins that were in excess of $25,000.00. Please find below the circumstances surrounding the issuance of these cheques;



Reporting Party:

Supervisor:

SP20090063087 Attached by dslobodian on Aug 7, 2009 14:57

SP2009006308
7 - Continued-



D.SLOBODIAN
BCLC Investigator
Richmond.

Incident File Full Report

Incident File #IN20100041406

		Record Creation Details	
Date/Time Occurred:	10/15/2010 10:47 AM	**Department:**	BCLC Corporate Security
Day of Week Occurred:	Friday	**Owner:**	dmerkel
Date/Time Created:	10/15/2010 10:47 AM	**Operator ID:**	dmerkel
Date/Time Closed:	10/15/2010 11:09 AM	**Operator Name:**	
Closed By:	dmerkel	**Personnel ID:**	
		Card Number:	
		Job Position	
		Secondary Operator:	

Location of Incident:

Property:	Richmond (BCLC)
Location:	Corporate Security (BCLC Richmond)
Sublocation:	

Details of Incident:

Daily Log #:	DL20100113722
Related Incidents:	IN20100005742, IN20100005747, IN20100006578, IN20100006580, IN20100008727, IN20100011622, IN20100012425, IN20100012571, IN20100012708, IN20100012852, IN20100012859, IN20100012860, IN20100012861, IN20100013621, IN20100013635, IN20100013641, IN20100014472, IN20100014479, IN20100014481, IN20100015600, IN20100015603, IN20100015761, IN20100016694, IN20100016695, IN20100016704, IN20100016705, IN20100016707, IN20100016861, IN20100026648, IN20100026785, IN20100026895, IN20100027614, IN20100027615, IN20100028329, IN20100028578, IN20100029504, IN20100029906, IN20100030689, IN20100030692, IN20100030710, IN20100030720, IN20100030726, IN20100030733, IN20100030864, IN20100030978, IN20100030980, IN20100031488, IN20100032551, IN20100032552, IN20100032553, IN20100032693, IN20100033624, IN20100033625, IN20100033996, IN20100034002, IN20100034003, IN20100034005, IN20100034478, IN20100034480, IN20100034483, IN20100034775, IN20100034776, IN20100034779, IN20100034794, IN20100035170, IN20100036419, IN20100036424, IN20100036431, IN20100037682, IN20100037694, IN20100037805, IN20100037832, IN20100037951, IN20100038111, IN20100039988, IN20100040000, IN20100040240, IN20100041603, IN20100041945, IN20100041997, IN20100042138, IN20100042141, IN20100042148, IN20100042284, IN20100043202, IN20100043348, IN20100043543, IN20100046445, IN20100046759, IN20100046996, IN20100049840, IN20100049935, IN20100051162, IN20100053177
Type:	Gaming
Specific:	BCLC
Category:	PGF - redeposit/verified win
Incident Status:	Closed
Synopsis:	Master Review File, all casinos, PGF Accounts - Verified Table Wins and Re-Deposits
Checklist:	

Narrative:

Created On	Created By	Modified On	Modified By
10/15/2010 10:47 AM	dmerkel		

Reporting Party:	**Supervisor:**

Incident File Full Report

Incident File #IN20100041406

Review - PGF Re-Deposit / Verified Win - Starlight

Executive Brief:

Participants Involved:

Subject

Full Name: [redacted] Company: Century Collision

Role: Patron

Supplemental Entries:

SP20100096604 Attached by dmerkel on Oct 15, 2010 10:50

Description

This date, writer made aware of a PGF re-deposit and a verified win of (combined) $30,000 into Starliight PGF #9 account. The prepared LCTR and tracking card examined with details as follows:
Patron:
[redacted] ID# 47528

1208 hrs - w/d from PGF#9 $20,000 at MDB5 - average bets $3000
1440 hrs - patron cashed out $53,800
1437 hrs - D/S [redacted] GPEB# 28689 allowed corectly a re-deposit of $20,000 plus a verified win deposit of $10,000 total $30,000
INFO

1755 hrs - w/d from PGF #9 $20,000 - lost all
1833 hrs - w/d from PGF#9 $10,000 loswt all

DC MERKEL
BCLC Casino Investigations

Reporting Party:

Supervisor:

Incident File Full Report

Incident File #IN20120019015

Date/Time Occurred:	1/ 1/2012 1:01 AM	**Record Creation Details**	
Day of Week Occurred:	Sunday	**Department:**	BCLC Corporate Security
Date/Time Created:	4/20/2012 12:52 PM	**Owner:**	sbeeksma
Date/Time Closed:	2/26/2013 1:23 PM	**Operator ID:**	sbeeksma
Closed By:	canastasio	**Operator Name:**	
		Personnel ID:	
		Card Number:	
		Job Position	
		Secondary Operator:	

Location of Incident:

Property:	Vancouver (BCLC)
Location:	
Sublocation:	

Details of Incident:

Daily Log #:	DL20120013643
Related Incidents:	IN20120000771, IN20120001595, IN20120002564, IN20120004076, IN20120005608, IN20120007645, IN20120007839, IN20120008168, IN20120010362, IN20120011252, IN20120012652, IN20120016049, IN20120018717, IN20120021939, IN20120022515, IN20120025540, IN20120026473, IN20120026491, IN20120027658, IN20120027759, IN20120027916, IN20120032396, IN20120037697, IN20120040466, IN20120042221, IN20120048086, IN20120049826, IN20120051881, IN20120055928, IN20120057226, IN20120057236, IN20120057239, IN20120057763, IN20120058285, IN20120058289, IN20120060965, IN20130001362
Type:	Gaming
Specific:	BCLC
Category:	Verified Cheque Report
Incident Status:	Closed
Synopsis:	BCLC Verified Win Reviews for 2012
Checklist:	

Narrative:

Created On	Created By	Modified On	Modified By
4/20/2012 12:52 PM	sbeeksma		

RRCR - Verified win review RE[redacted] SID 88248 on 2012-APR-18

Executive Brief:

Reporting Party:	**Supervisor:**

Incident File Full Report

Incident File #IN20120019015

Participants Involved:

Subject

Full Name: [redacted] Company: Han Jiang Industries Real Estate

Role: Patron

Supplemental Entries:

SP20120048930 Attached by sbeeksma on Apr 20, 2012 12:54

Description

While conducting daily LCT reviews at River Rock casino the writer came across a LCT attached to a patron previously identified as [redacted]
On 2012-APR-18 [redacted] bought in for just over $104K cash. When cashing out for $190K [redacted] received a verified win cheque in the amount of $85K.
The win was verified by Tables Floor Manager Dan JOHNSTON (GPE#19331) for winning off MDB table 24.

The writer has reviewed table tracking docs (see attached media of hard copy LCT). Upon review of chip movement (player wins/losses) and applying the cash out minus buy in formula there doesn't appear to be any issues regarding this verified win.

It was verified by the appropriate site manager and documented on necessary paperwork as per policy.

Writer will review available footage in surveillance to confirm the above details.

*updates to follow

S.BEEKSMA
BCLC
Casino Security

RSONALINFO RSONALINFO

Incident File Full Report

Incident File #IN20130000255

		Record Creation Details	
Date/Time Occurred:	1/ 2/2013 8:29 AM	**Department:**	BCLC Corporate Security
Day of Week Occurred:	Wednesday	**Owner:**	mhiller
Date/Time Created:	1/ 2/2013 9:48 AM	**Operator ID:**	mhiller
Date/Time Closed:	1/ 2/2013 9:49 AM	**Operator Name:**	
Closed By:	mhiller	**Personnel ID:**	
		Card Number:	
		Job Position	
		Secondary Operator:	

Location of Incident:

Property:	Vancouver (BCLC)
Location:	
Sublocation:	

Details of Incident:

Daily Log #:	DL20130004224
Related Incidents:	IN20130000245, IN20130001639, IN20130002501, IN20130003686, IN20130004745, IN20130005429, IN20130005430, IN20130009793, IN20130017173
Type:	Gaming
Specific:	BCLC
Category:	Verified Cheque Report
Incident Status:	Closed
Synopsis:	Verified Win Cheque Reviews
Checklist:	

Narrative:

Created On	Created By	Modified On	Modified By
1/ 2/2013 9:48 AM	mhiller		

Starlight Verified Win Cheque Reviews

Executive Brief:

Reporting Party:

Supervisor:

Incident File Full Report **Incident File #IN20130000255**

Participants Involved:

Personnel

Full Name:	HILLER, Michael	Property:	Vancouver (BCLC)
Role:	Documenter	Department:	BCLC
Full Name:	Tottenham, Daryl	Property:	Vancouver (BCLC)
Role:	Documenter	Department:	BCLC

Subject

Full Name:	LIU, Chang Hu	Company:	Dalian JinZhen LTD Real Estate
Role:	Patron		
Full Name:	[redacted]	Company:	
Role:	Patron		
Full Name:	XIAN, [redacted]	Company:	Fu Li Gasoline LTD.
Role:	Patron		
Full Name:	[redacted]	Company:	
Role:	Patron		
Full Name:	QIN, [redacted]	Company:	Jiangshu Skysoon LTD CC. - China
Role:	Patron		
Full Name:	SHA, Li Lin	Company:	Yi Li Mining Co
Role:	Patron		
Full Name:	[redacted]	Company:	
Role:	Patron		
Full Name:	[redacted]	Company:	KWANTLEN UNIVERSITY
Role:	Patron		
Full Name:	[redacted]	Company:	Royal Pacific
Role:	Patron		
Full Name:	[redacted]	Company:	Zhing Hong Restaurant
Role:	Patron		
Full Name:	[redacted]	Company:	You Yuan Petro Co.
Role:	Patron		
Full Name:	[redacted]	Company:	Newcheive Enterprises Inc
Role:	Patron		
Full Name:	YANG, Yu	Company:	Prev-Construction Company Owner
Role:	Patron		

Reporting Party:

Supervisor:

Incident File Full Report **Incident File #IN20130000255**

Full Name: [redacted] Company.

Role: Patron

Full Name: [redacted] Company: Off shore drilling

Role: Patron

Full Name: [redacted] Company:

Role: Patron

Supplemental Entries:

SP20130002747 Attached by dtottenham on Jan 6, 2013 10:29

Description [redacted] #17202 Verified win cheque # 18612 for $52,750 on 2013-01-05

On 2013-01-05 at 1415 hrs [redacted] bought in for $200,000 in cash for table play at MDB19 and begins.
At 1545 hrs [redacted] finished his table play and cashed out for $252,750 and received a verified win cheque for $52,750 cheque # 18612 and took $200,000 in cash which he received in $100 bills.

Based on cash out minus buy-in rule, [redacted] received verified win cheque #18612 for $52,750 within the guidelines and policy of BCLC and no further action is required on this file.

D Tottenham
BCLC Casino INverstigations

SP20130005836 Attached by dtottenham on Jan 13, 2013 00:00

Description SHA, Li Lin #22868 Verified win cheques # 18614 and 18617 for 400K/50K 2013-01-07

On 2013-01-07 at approx 0253 hrs SHA bought in for $190,000 in cash at MDB11 and began table play. SHA played continuously throughout the night and into the morning finally finishing play at 1115 hrs and cashing out for $975,200.
SHA received 2 verified win cheques when he cashed out, the first #18614 for $400,000 and the second #18617 for $50,000 and took the remaining $525,200 in cash.

Applying the cash out minus buy-in rule, SHA received 2 certified verified win cheques for a total of $450,000 for his table play at MDB11 on 2013-01-07 in accordance with BCLC policy and no further action is required at this point.

D Tottenham
BCLC Casino Investigations

SP20130013612 Attached by dtottenham on Jan 31, 2013 07:18

Description [redacted], Guo Ping # 26484 Verified win cheque # 18649 for $60,000 on 2013-01-30

On 2013-01-30 at 1132 hrs [redacted] bought in for $49,900 in cash at MDB11 and began table play.
At 1532 hrs [redacted] finished her table play and cashed out for $113,850 taking a verified win cheque # 18649 for $60,000 and receiving $53,850 in cash.

Based on the cash out minus buy-in rule, [redacted] was issued a verified win for $60,000 for her table play at MDB11 on this date in accordance with BCLC policy and procedures and no further action is required at this point.

D Tottenham
BCLC Casino Investigations

SP20130018988 Attached by dtottenham on Feb 11, 2013 09:33

Reporting Party:	Supervisor:

BCLC0015956.03

Incident File Full Report **Incident File #IN20130000255**

SP20130018988 Attached by dtottenham on Feb 11, 2013 09:33 SP2013001898 8 - Continued-

Description [redacted] #38355 verified win cheque # 18661 50K on 2013-02-09

On 2013-02-09 at 1340 hrs [redacted] bought in for $100,000 at MDB8 for table play.
At 1607 hrs [redacted] cashed out for $275,400 and received a verified win cheque for $50,000 cheque #18661 and took the remaining $225,400 in cash in $100 bills. INFO
At 1800 hrs [redacted] bought in for $5,400 at MEZB8 and continued table play.
At 1851 hrs [redacted] cashed out and received $7,000 in cash for table play at MEZB8 and finished play.

Applying the cash out minus buy-in rule [redacted] received a certified verified win cheque for $50,000 for his table play at MDB8 on 2013-02-09 within policy and guidelines of BCLC and no further action is required.

D Tottenham
BCLC Casino Investigations

SP20130026463 Attached by dtottenham on Feb 27, 2013 08:50

Description [redacted] # 43558 verified win cheque # 18692 for 73K on 2013-02-24

On 2013-02-24 at 1233 hrs [redacted] bought in for $132,000 in cash from her PGF account at MDB22 and began table play.
At 2113 hrs [redacted] cashed out for $205,000 and received a verified win cheque # 18692 for $73,000 and took the remaining $132,000 in a cheque (not gaming winnings) from her PGF account [redacted] later determined that she did not want to remove the 132K from her PGF account and it was allowed to be put back into the PGF account as the cheques had not been cashed. INFO INFO

Based on the cash out minus table buy-in rule [redacted] received a verified win cheque for $73,000 on 2013-02-24 for her table play at MDB22 in accordance with BCLC policy and guidelines and no further action is required.

D Tottenham
BCLC Casino Investigations

SP20130043927 Attached by mhiller on Apr 3, 2013 14:26

Description [redacted] SID: 12063 - Ck # 18713 for $25,000 was issued at Starlight on March 17 at 08:26.

[redacted] had a previous buy-in at 06:06 for $4,100 cash

[redacted] cashed out at 08:26 and received $22,200 cash and the a/n verified win cheque # 18713 for $25,000.00.

I reviewed LCT 2013-9978 and the tracking sheet and determined the a/n cheque was issued in accordance to BCLC policy.

Mike HILLER
BCLC Casino Security Investigator

SP20130061191 Attached by dtottenham on May 10, 2013 00:00

Description SHA, Li Lin # 22868 Cheques # 18751 and 18752 on 2013-05-07 for 500K and 50K

On 2013-05-06 at approx 2326 hrs SHA bought in at MDB15 with $100,000 in cash and began table play.
On 2013-05-07 at 0015 hrs SHA bought in for another $200,000 cash and continued his play.

Incident File Full Report **Incident File #IN20130000255**

SP20130061191 Attached by dtottenham on May 10, 2013 00:00 SP2013006119
1 - Continued-

At approx 0635 hrs SHA finished his play and cashed out at MDB15 for $1,080,000 and received a verified win cheque # 18751 for $500,000, a verified win cheque # 18752 for $50,000, and took $530,000 in cash and left the casino. SHA received 2 verified win cheques for his table play at MDB15 on 2013-05-06/7 in accordance with BCLC policy and guidelines and no further action is required at this time.
File concluded here.

D Tottenham
BCLC Casino Investigations

SP20130061192 Attached by dtottenham on May 10, 2013 06:47

Description [redacted] # 86709 Verified win cheque # 18757 for 50K on 2013-05-07

On 2013-05-7 at approx 2118 hrs [redacted] bought in at MEZB8 with $100,000 and began table play.
At approx 2330 hrs [redacted] cashed out for $100,000 but continued playing on the table with his remaining chips. INFO
At 0205 hrs [redacted] finished his table play and cashed out for $93,500 receiving a verified win cheque # 18757 for $50,000 for his table play at MEZB8 and another $43,500 in cash and left the site. INFO

[redacted] received a verified win cheque for $50,000 Cheque # 18757 for his table play at MEZB8 on 2013-05-07 in accordance with BCLC policy and guidelines and no further action is required on this file. INFO
Concluded this point.

D Tottenham
BCLC Casino Investigations

SP20130062177 Attached by dtottenham on May 12, 2013 00:00

Description SHA, Li Lin # 22868 Verified win cheques # 18758 and 18759 for 600K and 20K on 2013-05-09

On 2013-05-08 at 1921 hrs SHA bought in for $500,000 at MDB15 and began table play.
On 2013-05-09 at 0630 hrs SHA finished his table play and cashed out for $1,236,000 receiving a verified win cheque # 18758 for $600,000, a verified win cheque # 18759 for $20,000 and he took $616,000 in cash.

Based on the cash out minus buy-in rule, SHA received 2 verified win cheques #18758 and 18759 totaling $620,000 for his table play at MDB15 on 2013-05-08/09 in accordance with BCLC policy and guidelines and no further action is required at this time.

D Tottenham
BCLC Casino Investigations

SP20130068922 Attached by dtottenham on May 27, 2013 07:57

Description [redacted] # 17202 Verified win cheque #18779 for $40,750 on 2013-05-25

On 2013-05-25 at 1647 hrs [redacted] bought in for $170,000 in cash at MDB19 and began table play. AL INFO
At 1730 hrs [redacted] finished his table play and cashed out for $210,750 and received a verified win cheque # 18779 for $40, 750 and took the remaining $170,000 (his cash buy-in) in $100 bills.

Based on the rule of cash out minus buy-in, [redacted] received a verified win cheque for $40,750 for his table play on MDB19 on 2013-05-25 in accordance with BCLC policy and guidelines and no further action is required at this point.

Reporting Party:	Supervisor:

SP20130068922 Attached by dtottenham on May 27, 2013 07:57

SP2013006892
2 - Continued-

D Tottenham
BCLC Casino Investigations

SP20130076959 Attached by mhiller on Jun 14, 2013 11:27

Description PERSONAL INFO SID: 5774 - Ck # 18789 for $30,000 was issued at Starlight on June 2 at 00:05.

PERS ONAL had a previous buy-in at 22:28 for $10,000 cash

PERSON cashed out at 00:05 and received $19,525 cash and the a/n verified win cheque # 18789 for $30,000.00.

I reviewed LCT 2013-19729 and the tracking sheet and determined the a/n cheque was issued in accordance to BCLC policy.

Mike HILLER
BCLC Casino Security Investigator

SP20130076962 Attached by mhiller on Jun 14, 2013 00:00

Description PERSONAL INFO SID: 58601 - Ck # 18795 for $33,720 was issued at Starlight on June 9 at 10:18.

P E had 2 previous buy-ins at 07:25 for $7,000 cash and at 09:01 for $10,000 cash.

PE cashed out at 10:18 and received $17,000 cash and the a/n verified win cheque # 18795 for $33,720.00.

I reviewed LCT 2013-20584 and the tracking sheet and determined the a/n cheque was issued in accordance to BCLC policy.

Mike HILLER
BCLC Casino Security Investigator

SP20130088319 Attached by dtottenham on Jul 9, 2013 08:00

Description PERSONAL INFO (F) # 5774 verified win cheque # 18819 for 40K on 2013-07-07

On 2013-07-07 PERS bought in at 1352 hrs at MDB10 for $13,000 and began table play.
At 1720 hrs PERS ONAL cashed out for $59,500 and continued table play.
At 1826 hrs finished play and cashed out for another $4,000.
When PERSO cashed out she received a verified win cheque # 18819 for $40,000 and received the remaining 23,500 in cash.

Based on the rule of cash out minus buy-in, PERSO NAL received a verified win cheque for $40,000 within the BCLC guidelines and policy and no further action is required on this file.

D Tottenham BCLC

SP20130102741 Attached by dtottenham on Aug 11, 2013 13:45

Description PERSONAL INFO #38355 -verified win cheque #18855 for 30K on 2013-08-09

On 2013-08-09 at approx 1835 hrs PERSON bought in for $100,000 in cash at MDB 11 and started table play.
At 2008 hrs PERSO NAL finished his table play and cashed out for $200.000 receiving a verified win cheque # 18855 for $30,000 and taking $170,000 in cash and leaving the site.

Applying the cash out minus buy-in rul PERSONA received a verified win cheque # 18855 for

BCLC0015956.06

Incident File Full Report **Incident File #IN20130000255**

SP20130102741 Attached by dtottenham on Aug 11, 2013 13:45 SP2013010274
1 - Continued-

$30,000 for his table play on MDB11 within the policy and guidelines of BCLC and no further action is required at this point.
File is concluded here.

D Tottenham
BCLC Casino Investigations

SP20130105756 Attached by dtottenham on Aug 18, 2013 10:23

Description [redacted] #38355- verified win cheque # 18863 for 30K on 2013-08-16

On 2013-08-16 at approx 1549 hrs [redacted] bought in at MDB8 for $50,000 in cash and began table play.
At 1802 hrs [redacted] finished play and cashed out for $210,000 receiving a verified win cheque # 18863 for $30,000 and taking $180,000 in cash.

Based on the cash out minus buy-in rule [redacted] received a verified win cheque for $30,000 for his table play on MDB8 on 2013-08-16 in accordance with BCLC policy and guidelines and no further action is required at this time. File concluded.

D Tottenham
BCLC Casino Investigations

SP20130119249 Attached by dtottenham on Sep 17, 2013 14:30

Description [redacted] #100331 Verified win cheque # 18847 for 80K on 2013-08-02

On 2013-08-01 at 1753 hrs [redacted] withdrew $10,000 from his PGF account and started stable play at MDB2.
At 2158 hrs [redacted] cashed out for $30,000 and was paid in cash but continued play with his remaining chips on the table.
At 2218 hrs [redacted] bought in for another $2,000 at MDB2 and continued play.
At 0110 hrs [redacted] cashed out for $100,000 and received a verified win cheque # 18847 for $80,000 and took $20,000 in cash and continued playing with his remaining table chips.
At 0113 hrs [redacted] re-deposited $10,000 back into his PGF account.
At 0122 hrs [redacted] re-deposited another $10,000 into his PGF account.
At 0200 hrs [redacted] finished his table play and cashed out for $39,000 and left the casino.

Based on the cash out minus buy-in rule [redacted] received a verified win cheque #18847 for $80,000 for his table play at MDB2 in accordance with the BCLC policy and guidelines and no further action is required at this point. File concluded.

D Tottenham
BCLC Casino Investigations

SP20130122740 Attached by dtottenham on Sep 25, 2013 07:03

Description LIU, Chang Hu #24307 Verified win cheque # 18902 for 50K on 2013-09-21

On 2013-09-21 at 1517 hrs LIU bought in at MDB11 with $100,000 in cash and began table play.
At 1548 hrs LIU finished table play and cashed out for $150,100 receiving a verified win cheque # 18902 for $50,000 and taking the remaining $100,100 in cash.

Based on the cash out minus buy-in rule LIU received a verified win cheque #18902 for 50K for his table play at MDB11 in accordance with BCLC policy and guidelines and no further action is required at this point.

D Tottenham

Reporting Party:	Supervisor:

Incident File Full Report **Incident File #IN20130000255**

SP20130122740 Attached by dtottenham on Sep 25, 2013 07:03 SP2013012274
0 - Continued-

BCLC Casino Investigations

SP20130122743 Attached by dtottenham on Sep 25, 2013 07:09

Description LIU, Chang Hu # 24307 Verified win cheque # 18904 for 50K on 2013-09-22

On 2013-09-22 at 1632 hrs LIU bought in for $100,000 at MDB 11 and began table play.
At 1655 hrs LIU finished his table play and cashed out for $155,000 receiving a verified win cheque # 18904 for $50,000 and taking $105,000 in cash.

Based on the cash out minus buy-in rule, LIU received a verified win cheque # 18904 for $50,000 based on his table play at MDB11 on 2013-09-22 in accordance with BCLC policy and guidelines and no further action is required at this point.

D Tottenham
BCLC Casino Investigations

SP20130122744 Attached by dtottenham on Sep 25, 2013 07:24

Description PERSON AL INFO # 100331 Verified win cheque # 18897 for 80K on 2013-09-12

On 2013-09-13 at 2050 hrs PER SO bought in for $11,000 at MDB8 and began table play.
At 0146 hrs on 2013-09-13 finished his table play and cashed out for $130,000 receiving a verified win cheque #18897 for $80,000 and taking $50,000 in cash.

Based on the cash out minus buy-in rule PERS ONAL received a verified win cheque #18897 for $80,000 for his table play at MDB8 on 2013-09-12/13 in accordance with bCLC policy and guidelines and no further action is required at this point.

D Tottenham
BCLC Casino Investigation

SP20130122745 Attached by dtottenham on Sep 25, 2013 07:29

Description PERSONAL INFO # 38355 verified win cheques X 4 (30k X 3 and 1 @$19,960) on 2013-09-24

On 2013-09-24 at 1017 hrs PERSON AL INFO bought in for $200,040 at MDB16 and began table play.
At 1313 hrs PERSON finished his table play and cashed out for $310,000 receiving 4 verified win cheques # 18908 for $30,000, cheque# 18909 for $30,000, cheque #18910 for $30,000 and cheque # 18911 for $19,960 and taking the remaining $200,040 in cash.

Based on the cash out minus buy-in rule PERSO NAL received 4 verified win cheques # 18908,18909,18910,and 18911 totaling $119,960 for his table play at MDB16 on 2013-09-24 in accordance with BCLC policy and guidelines and no further action is required at his point.

D Tottenham
BCLC Casino Investigations

SP20130126256 Attached by dtottenham on Oct 2, 2013 12:01

Description PERSONAL INFO #17202 Verified win cheque # 18920 for $84,500 on 2013-10-01

On 2013-10-01 at 1217 hrs PERSO bought in at MDB19 for $150,000 in cash and began table play.
At 1245 hrs PERSO finishes his table play and cashes out for $235,500 receiving a verified wir cheque # 18920 for $85,500 and taking the remaining $150,000 in cash.

Based on the cash out minus buy-in rule PERSO NAL received a verified win cheque # 19020 for $85,500 for his table play at MDB19 on 2013-10-01 in accordance with BCLC policy and

Reporting Party: **Supervisor:**

SP20130126256 Attached by dtottenham on Oct 2, 2013 12:01 SP2013012625 6 - Continued-

guidelines and no further action is require at his point.

D Tottenham BCLC

SP20130126270 Attached by dtottenham on Oct 2, 2013 12:11

Description PERSONAL INFO #43558 verified win cheque # 18921 for 25K on 2013-10-01

On 2013-10-01 at 1302 hrs PERSONAL INFO buys in at MDB10 for $100,000 in cash and begins table play.
At 1602 hrs PERSONAL INFO has finished table play and cashes out for $125,000 receiving a verified win cheque # 18921 for $25,000 and taking the remaining $100,000 in cash.

Based on the cash out minus buy-in rule, PERSONAL INFO received a verified win Cheque # 18921 for $25,000 for her table play at MDB10 on 2013-10-01 in accordance with BCLC policy and guidelines and no further action is required at this point.

D Tottenham
BCLC

SP20130128286 Attached by dtottenham on Oct 6, 2013 16:21

Description PERSONAL INFO #43558 verified win cheque # 18931 for 32K on 2013-10-05

On 2013-10-05 at 1202 hrs PERSONAL INFO buys in at MDB10 for $100,000 in cash and begins table play.
At 1711 hrs PERSONAL INFO has finished table play and cashes out for $132,000 receiving a verified win cheque # 18931 for $32,000 and taking the remaining $100,000 in cash.

Based on the cash out minus buy-in rule, PERSONAL INFO received a verified win Cheque # 18931 for $32,000 for her table play at MDB10 on 2013-10-5 in accordance with BCLC policy and guidelines and no further action is required at this point.

D Tottenham
BCLC

SP20130131898 Attached by dtottenham on Oct 14, 2013 12:20

Description PERSONAL INFO #72427 Verified win cheque # 18912 on 2013-09-25 for $130,000

On 2013-09-25 at approx 1700 hrs PERSONAL INFO bought in at MDB19 for $150,020 for table play.
At 1808 hrs PERSONAL INFO finished play and cashed out for $306,750 receiving a verified win cheque # 18912 for $130,000 and taking $176,750 in cash.

According to the cash out minus buy-in rule, PERSONAL INFO received a verified win cheque for $130,000 for his table play on MDB19 in accordance with BCLC policy and guidelines and no further action is required at this point.

D Tottenham
BCLC Casino Investigations

SP20130131902 Attached by dtottenham on Oct 14, 2013 12:26

Description PERSONAL INFO #72427 Verified win cheque # 18927 on 2013-10-04 for $550,000

On 2013-10-04 at approx 1018 hrs PERSONAL INFO bought in at MDB22 for $200,000 from his PGF account and began table play.
At 1140 hrs PERSONAL INFO finished play and cashed out for $808,750 receiving a verified win cheque # 18927 for $550,000, taking cash for $58,750 and re-depositing $200,000 back into his PGF account.

SP20130131902 Attached by dtottenham on Oct 14, 2013 12:26 SP2013013190 2 - Continued-

Based on the cash out minus buy-in rule, PERSONAL received a verified win cheque # 18927 for $550,000 for his table play at MDB 22 on 2013-10-04 in accordance with BCLC policy and guidelines and no further action is required at this point.

D Tottenham
BCLC Casino Investigations

SP20130131903 Attached by dtottenham on Oct 14, 2013 12:31

Description LIU, Chang Hu #24307 Verified win cheque #18914 for $60,000 on 2013-09-26

On 2013-09-26 at approx 1544 hrs LIU bought in for $100,000 cash at MDB 11 and began table play.
At 1722 hrs LIU finished his table play and cashed out for $160,000 receiving a verified win cheque # 18914 for $60,000 and taking the remaining $100,000 in cash.

Based on the cash out minus buy-in rule, LIU received a verified win cheque # 18914 for $60,000 for his table play at MDB11 on 2013-09-26 in accordance with BCLC policy and guidelines and no further action is required at this point.

D Tottenham
BCLC Casino Investigations

SP20130131906 Attached by dtottenham on Oct 14, 2013 12:36

Description SHA, Li Lin #22868 Verified win cheques X 3 on 2013-10-01- Cheques # 18917 for $130,000, #18918 for $200,000, and #18919 for $100,000

On 2013-10-01 at approx 0101 hrs SHA bought in for $190,000 at MDB15 and began table play.
At 0340 hrs SHA cashed out some of his chips and received $630,000 for the cash out which included 3 verified win cheques totaling $430,000 and taking $200,000 in cash and SHA continued playing at MDB15. The cheque issued were as follows:
#18917 for $130,000
#18918 for $200,000
#18919 for $100,000

At 0425 hrs SHA finished play and cashed out his remaining chips receiving $213,700 in cash.

Based on the cash out minus buy-in rule, SHA received 3 verified win cheques totaling $430,000 for his table play on MDB15 on 2013-10-01 in accordance with BCLC policy and guidelines and no further action is required at t his point.
D Tottenham
BCLC Casino Investigations

SP20130136404 Attached by mhiller on Oct 24, 2013 15:01

Description PERSONAL INFO SID: 17202 - Ck # 18949 for $131,000 was issued at Starlight on October 22 at 13:08.

PERSONAL had a previous buy-in at 12:35 for $130,000 from a PGF withdrawal.

PERSONAL cashed out at 13:08 and received $130,000 cash and the a/n verified win cheque # 18949 for $131,000.00.

I reviewed LCT 2013-38756 and the tracking sheet and determined the a/n cheque was issued in accordance to BCLC policy.

Mike HILLER

Reporting Party:	Supervisor:

SP20130136404 Attached by mhiller on Oct 24, 2013 15:01 SP2013013640
4 - Continued-

BCLC Casino Security Investigator

SP20130137746 Attached by dtottenham on Oct 27, 2013 13:28

Description PERSONAL INFO #145254 Verified win cheque # 18945 for $30,000 for FPG1 7 card straight flush- no joker

On 2013-10-13 at 1700 hrs PERSONAL was playing Pai Gow poker at FPG1 and got a 7 card straight flush with no joker and subsequently received a verified win cheque # 18945 for $30,000 for the bonus win.
No further action required on this file, concluded here.

D Tottenham BCLC

SP20130139095 Attached by dtottenham on Oct 30, 2013 08:01

Description PERSONAL INFO #17202 Verified win cheque #18951 for $145,650 on 2013-10-28

On 2013-10-28 at approx 1045 hrs PERSONAL deposited a bank draft into his PGF account for $300,000
At 1045 hrs PERSONAL INFO chipped in for $2,000 and started table play.
At 1050 hrs chipped in another $6,000 and continued table play.
At 1100 hrs chipped in for $5,800 and continued play.
At 1102 hrs withdrew the $300,000 from his PGf and bought in at MDB11 and continued table play.
At 1345 hrs PERSONAL finished his table play at MDB11 and cashed out for $445,650 receiving a verified win cheque # 18951 for $145,650 and received the remaining $300,000 in cash.

PERSONAL's buy-ins should have included the $300,000 from his PGF account and also included the 3 chip-ins prior to the cash buy-in which totaled $13,800. The overall total for buy-ins should have been $313,800 fo PERSONAL
Upon cashing out for $445,650, the cash out minus buy-in of $313,800 should have resulted in a verified win cheque for $131,850. PERSONAL was issued a verified win cheque for $145,650 which is an over-credit of verified win funds of $13,800.

Based on the cash out minus buy-in rules, PERSONAL received a verified win cheque #18951 for $19,800 more than he should have received for his table play on MDB 11 on 2013-10-28 contrary to BCLC guidelines.

Writer will contact the Tables manager and shift manager on duty on this date and request an Itrak file be created to document the error and include supplements as to how this occurred. It would appear that this mistake was made as the chip-ins were not calculated into his total. There is no evidence of criminality or intent to fraudulently receive an improper verified win cheque by the patron and as such no further investigative action will be required at this point once the Itrak file is completed.

D Tottenham
BCLC Casino Investigations

SP20130142327 Attached by dtottenham on Nov 5, 2013 13:36

Description PERSONAL INFO # 17202 Verified win cheque # 18957 for $135,050 on 2013-11-04

On 2013-11-04 at 0933 hr PERSONAL bought in at MDB15 for $300,00 in cash and began table play.
At 1112 hrs PERSONAL finished his table play and cashed out for $435,050 and took $300,000 in cash and received a verified win cheque for $135,050 for his table play at MDB15.
Based on the cash out minus buy-in rule PERSONAL received a verified win cheque # 18957 for $135,050 for his table play on MDB15 on 2013-11-04 in accordance with BCLC policies and

SP20130142327 Attached by dtottenham on Nov 5, 2013 13:36 SP2013014232 7 - Continued-

guidelines and no further action is required on this file.

D Tottenham
BCLC Casino Investigations

SP20130148004 Attached by dtottenham on Nov 17, 2013 10:18

Description [redacted] (M) #17202 Verified win cheques #18958 and 18959- $148,650 and $213,300

On 2013-Nov-5 at approx 1030 hrs [redacted] bought in at MDB19 for $180,000 in cash for table play and began.
At 1148 hrs [redacted] cashed out from MDB19 for $328,650 and received a verified win cheque # 18958 for $148,650 and took $180,000 in cash.

At 1423 hrs [redacted] bought back in at MDB11 for $283,700 and began table play.
At 1530 hrs [redacted] cashed out from MDB11 for $497,000 and received a verified win cheque # 18959 for $213,300 and took the remaining $283,700 back in cash (his buy-in amount).

Based on the rule of cash out minus buy-in for both these playing sessions [redacted] received 2 verified win cheques # 18958 and 18959 for $148,650 and $213,300 for his table play at MDB19 and MDB11 on 2013-11-05 based on BCLC guidelines and policy therefore no further action is required.
File is concluded here.

D Tottenham
BCLC Casino Investigations

SP20130148012 Attached by dtottenham on Nov 17, 2013 10:43

Description [redacted] #17202 Verified win cheque # 18962 for $221,700 on 2013-11-06

On 2013-11-06 at approx 1215 hrs [redacted] bought in at MDB11 with $213,300 in cash and started table play.
At 1455 hrs [redacted] finished h is table play at MDB11 and cashed out for $435,000 and received a verified win cheque # 18962 for $221,700 and took the remaining $213,000 in cash (his original buy-in)

Based on the cash out minus buy-in rule [redacted] received a verified win cheque #18962 for $221,700 in accordance with BCLC policy and guidelines and no further action is required at this point.
File is concluded here.

D Tottenham
BCLC Casino Investigations

SP20130151297 Attached by dtottenham on Nov 24, 2013 08:18

Description [redacted] #72427 Verified win cheque # 18960 for $190,000 on 2013-11-05

On 2013-11-05 at approx 11200 hrs [redacted] bought in at MDB19 for a total of $150,040 in cash and began table play.
At 1323 hrs [redacted] cashed out for $50,000 at MDB19 but continued game play with the value chips he still had on the table.
At 1649 hrs [redacted] bought in for another $20,000 , putting $10,000 at MDB19 and $10,000 at MDB18 and continued play on both tables.
At 1830 hrs [redacted] finished play and cashed out of MDB19 for $535,400 and received a verified win cheque for $190,000 # 18960 , took $27, 970 in cash and held on to $317,4530 in value chips and left the casino.

SP20130151297 Attached by dtottenham on Nov 24, 2013 08:18 SP2013015129 7 - Continued-

Based on the cash out minus buy-in rule, PERSONAL received a verified win cheque #18960 for 190K for his table play at MDB 18 and MDB19 on 2013-11-05 in accordance with BCLC guidelines and policy and no further action is required at this point.

D Tottenham
BCLC Casino Investigations

SP20130152858 Attached by dtottenham on Nov 27, 2013 15:11

Description PERSONAL INFO #130486 for verified win cheque # 18978 for $148,000 on 2013-11-25

On 2013-11-25 at approx 1735 hrs PERSONAL bought in at MEZB8 for $16,900 in cash and began table play.
At 2042 hrs PERSONAL finished table play and cashed out for $165,000 , receiving a verified win cheque for $148,000 #18978 and took $17,000 in cash.

At 2108 hrs PERSONAL bought back in for $17,000 in cash at MEZB8 and continued play.
At 2130 hrs PERSONAL finished his table play and cashed out for $3,500 and left the site.

Based on the cash out minus buy-in rule, PERSONAL received a verified win cheque #18978 for $148,000 on 2013-11-25 for his table play on MEZB8 in accordance with the guidelines and policy of BCLC and no further action is required on this file.

D Tottenham
BLC Casino Investigations

SP20140001371 Attached by dtottenham on Jan 3, 2014 07:28

Description PERSONAL INFO #11420 Cheque # 18984 for 30K on 2013-12-04

On 2013-12-04 at approx 1450 hrs PERSONAL bought in for $20,000 at MDB20 and began table play.
At 1720 hrs PERSONAL cashed out for $70,450 and received a verified win cheque for $30,000 cheque # 18984 and took $40,450 in cash.

Based on the cash out minus buy-in rule, PERSONAL received a verified win cheque for $30,000 for her table play on MDB20 on 2013-12-04 in accordance with BCLC policy and guidelines and no further action is required at this point.
File is concluded here.

D Tottenham
BCLC Casino Investigations

SP20140001373 Attached by dtottenham on Jan 3, 2014 07:33

Description [redacted] Huanying #9399 verified win cheque #18983 for 30K on 2013-12-04

On 2013-12-04 PERSONAL bought in at MDB20 at 1449 hrs and began table play.
At 1718 hrs PERSONAL finished play and cashed out for $40,000 receiving a verified win cheque # 18983 for $30,000 and taking $10,00 in cash.

Based on the cash out minus buy-in rule, PERSONAL received a verified win cheque for 30K for her table play on MDB20 on 2013-12-04 in accordance with BCLC policy and guidelines and no further action is required at this point.

D Tottenham
BCLC Casino Investigations

Reporting Party:	Supervisor:

Incident File Full Report

Incident File #IN20140005074

Date/Time Occurred:	1/ 1/2014 7:32 AM	**Record Creation Details**	
Day of Week Occurred:	Wednesday	**Department:**	BCLC Corporate Security
Date/Time Created:	1/30/2014 11:13 AM	**Owner:**	mhiller
Date/Time Closed:	1/30/2014 11:14 AM	**Operator ID:**	mhiller
Closed By:	mhiller	**Operator Name:**	
		Personnel ID:	
		Card Number:	
		Job Position	
		Secondary Operator:	

Location of Incident:

Property:	Vancouver (BCLC)
Location:	Corporate Security BCLC Vancouver
Sublocation:	

Details of Incident:

Daily Log #:	DL20140000957
Related Incidents:	IN20140000120, IN20140002770, IN20140003311, IN20140003800, IN20140012849
Type:	Gaming
Specific:	BCLC
Category:	PGF - redeposit/verified win
Incident Status:	Closed
Synopsis:	2014 BCLC PGF Reviews
Checklist:	

Narrative:

Created On	Created By	Modified On	Modified By
1/30/2014 11:13 AM	mhiller	1/30/2014 11:16 AM	mhiller

2014 Starlight PGF Re-Deposit Reviews

Executive Brief:

Reporting Party:

Supervisor:

Incident File Full Report **Incident File #IN20140005074**

Participants Involved:

Subject

Full Name:	PERSONAL INFO	Company:	
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	
Role:	Patron		
Full Name:	[redacted] Huanying	Company:	Fu Li Gasoline LTD.
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	
Role:	Patron		
Full Name:	[redacted] Hui	Company:	Jiangshu Skysoon LTD CO. - China
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	Simon Fraser University
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	PY Technology Go Ltd.
Role:	Patron		
Full Name:	CHEN, [redacted]	Company:	Kwantlen College
Role:	Patron		
Full Name:	CHEN, [redacted]	Company:	Import/Export Fruit Company
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	Venetian Casino, Las Vegas
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	KWANTLEN UNIVERSITY
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	Natural Wood
Role:	Patron		
Full Name:	LEE, [redacted]	Company:	
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	Off shore drilling
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	Prev-Canlife Enterprises LTD
Role:	Patron		
Full Name:	PERSONAL INFO	Company:	Diamond Trading
Role:	Patron		

Reporting Party:

Supervisor:

Incident File Full Report **Incident File #IN20140005074**

Supplemental Entries:

SP20140014248 Attached by mhiller on Jan 30, 2014 11:15

Description Starlight PGF Review for Jan 1 to Jan 30:

PGF Acct. # 54 for PERSONAL INFO SID: 17202:
PERSO only used his account on Jan 3 when $45,000 was deposited via bank draft. He withdrew the same amount and lost it all.
No irregularities were found. Current balance = 0.

PGF Acct. # 57 for PERSONAL INFO SID: 130486:
PERSO only used his account on 2 occasions. Deposited a bank draft for $14,900 on Jan 6, and then withdrew it and lost it all. Deposited a verified table win for $6,000 on Jan 8, but withdrew it on Jan 9 and lost it all. No irregularities were found. PERSO entered into the VSE program on Jan 14, 2014. His PGF account is now closed. Current balance = 0.

PGF Acct. # 58 for PERSONAL SID: 45627:
PER only used her account on Jan 7. Deposited a $20,000 bank draft, then withdrew and lost it all.
No irregularities were found. Current balance = 0.

PGF Acct. # 59 for PERSONAL INFO SID: 82387:
PERSON used his account on Jan 27. He deposited a $25,00 bank draft, then withdrew it and won. He did not re-deposit any funds. Instead he took cash and a verified win cheque. On Jan 29 he made 2 deposits via bank draft and immediately withdrew the total amounts, but hen lost during play. No irregularities were found. Current balance = 0.

PGF Acct. # 24 for CHEN, [redacted] SID: 90745:
CHEN re-opened her PGF account on Jan 29 with a $257,000 return of gaming funds cheque from the Edgewater Casino.
CHEN played on Jan 29 with a series of PGF withdrawals, re-deposits and the issuance of PGF return of gaming fund cheques, all for $257,000. CHEN also received a verified win cheque and a cash disbursement during her play which lasted into Jan 30. I note that she has a particular pattern of re-deposits, withdrawals and issuance of PGF return of gaming fund cheques for the same amount. No irregularities were found. Current balance = $257,000.

Mike HILLER
BCLC Casino Security Investigator

SP20140028351 Attached by tomplante on Feb 26, 2014 10:24

Description Starlight PGF Review Feb 1- Feb 28

PGF Account #24 CHEN, [redacted] SID #90745
CHEN has had a number of redeposits and return of Player Gaming cheques issued to her during the month of February. As mentioned in the previous report by BCLC HILLER, CHEN has a pattern of using return of player gaming cheques to buy in and amounts exceeding her original buy in's are disbursed by means of a verified win cheque and cash. Amounts of these chques for re deposit and return of funds cheques being issued are increasing in amounts. One cheque noted from Edgewater Casino cheque #000237 was for the amount of $500,000 No irregularites found or documented. Current balance 0

PGF Account #59 PERSONAL INFO SID #82387 In this session Bank Draft received $30,000
Play start; 12:42 PM
Session End 19:40 PM

Reporting Party: **Supervisor:**

BCLC0015960.03

SP20140028351 Attached by tomplante on Feb 26, 2014 10:24 SP2014002835
1 - Continued-

Total buy in $31,200
Cash out $ 1,500

LCT #14-4343 and tracking sheets reviewed all found to be in order, no irregularities noted.
Balance 0

PGF Account #50 QIN, [redacted] SID #100331 Session Feb-1 & 2 2014
Start 17:37
Session end 02:25
Buy in $18,400
Disbursement $100,000
$20,000 verified win deposit to PGF Account #50
$40,000 cash

Returned Feb 2, 2014 at 17:27 hours with drew his $20,000 for play. Would end up losing his bank roll Balance 0
LCT's #14-4350 and #14-4725 and all tracking sheets reviewed and found to be in order. No irregularities noted.

T. PLANTE BCLC
Casino Investigations

SP20140042254 Attached by tomplante on Mar 25, 2014 15:15

Description Starlight PGF Review March 25, 2014

PGF Account #60 LEE, [redacted] SID #118379
LEE opened his pGF account at Starlight with a Bank Draft amount of $15,900 on March 3, 2014.
LEE is a known high limit patron in the lower mainland casinos. This was LEE's only play in the month of March. Cash out for this session was $21,900.
After this session Police had arrested LEE on an Immigration warrant.
LEE listed his occupation as a Owner of a Wine Export Company with an Toronto Ontario address.

Balance Zero

PGF Account #45 [redacted] SID #26484 In this session Bank Draft received $100,000
March 10, 2014
Play start: 10:45 AM
Session End 13:15 PM
Total buy in $100,000 Bank Draft
Cash out $50,000 verified win chegue
700 cash
$100,000 redeposit to PGF Account.

LCT #14-10539 and tracking sheets reviewed all found to be in order, no irregularities noted.
Balance $100,000

Incident File Full Report **Incident File #IN20140005074**

SP20140042254 Attached by tomplante on Mar 25, 2014 15:15 SP2014004225
4 - Continued-

Session #2 continued next day for ZHU- March 11, 2014
Start; 10:34 AM
End; 17:34PM
Withdrawal $100,000 to continue play and would eventually redeposit he verified win cheque of $50,000 and another Bank Draft for $200,000, All funds were used to play.
Disbursement; Return of Gaming funds cheque in the amounts of $300,000 & $50,000 were issued
Verified win cheque for $9,600 and $400 cash were taken.
Balance Zero.

LCT #14-10653 and tracking sheets were reviewed all found to be in order, no irregularities noted.
Balance Zero

T. PLANTE BCLC
Casino Investigations

SP20140060063 Attached by tomplante on Apr 30, 2014 16:05

Description Starlight PGF Review for April 1 to 30, 2014

During the month of April, 2014 five active PGF accounts;

Account #48 CHEN [redacted] SID #90745 3 transactions Balance Zero

Account # 45 [redacted] SID #26484 1 transaction balance Zero

Account # 61 PERSONAL INFO SID #100332 Balance Zero

Account #62 PERSONAL INFO SID #82667 1 Transaction Balance Zero

Account #32 [redacted] Xian SID #9399 i Transaction Balance Zero

Not much movement this month, our biggest patron remains to be PERSONAL INFO who continues to bring in Return of Player Gaming Cheques issues by other service providers to be used to buy in. Her play activity is monitored where here disbursements are usually cashed out with verified win cheques being issued and small amounts of cash taken. Return of player gaming fund cheques are then issued back to her.

There are no irregularities noted in her actions, all amounts are documented and when at first look the amounts can be deceiving. Amounts of disbursements documented have reached total in excess of $3 million this is off set from the recording of money/cheques coming in and going out.

T. PLANTE BCLC
Casino Investigations

SP20140074657 Attached by tomplante on May 30, 2014 14:32

Description Starlight PGF Review for May1 to 30, 2014

During the month of May, 2014 active PGF accounts;

SP20140074657 Attached by tomplante on May 30, 2014 14:32 SP2014007465 7 - Continued-

Account #24 CHEN [redacted] SID #90745 3 transactions Balance Zero

Account #3 [redacted] SID #10418 2 transaction Zero balance

Account #32 [redacted] Xian SID #9399 1 Transaction Balance Zero

Account #50 [redacted] SID #100331 Four transactions Balance Zero

Account #63 (New) [redacted] SID #76569 2 transactions balance Zero

Account #65(New) [redacted] SID #127214 2 transactions balance Zero

Account #48 CHEN, [redacted] SID #128387 1 transaction balance Zero

Account #64 (NEW) [redacted] SID #88461 1 transaction Zero balance

Three new PGF accounts opened this month, one re-activated our biggest patron remains to be CHEN, [redacted] who continues to bring in Return of Player Gaming Cheques issues by other service providers to be used to buy in. Her play activity is monitored where here disbursements are usually cashed out with verified win cheques being issued and small amounts of cash taken. Return of player gaming fund cheques are then issued back to her.

There are no irregularities noted in her actions, all amounts are documented and when at first look the amounts can be deceiving. Amounts of disbursements documented have reached total in excess of $3 million this is off set from the recording of money/cheques coming in and going out.

T. PLANTE BCLC
Casino Investigations

SP20140080365 Attached by tomplante on Jun 11, 2014 10:17

Description Starlight PGF Review for June1 to 11, 2014

During the month of June, 2014 active PGF accounts;

- Account #58 [redacted] SID #45627 TO BE COMPLETED Paper work, LCT not yet completed.

- Account #45 [redacted] SID #26484. $300,000 bank draft deposit, $40,000 verified win cheque issued with $3,500 cash issued and a return of player gaming funds cheque issued. Balance Zero

LCT #14-23763 and tracking sheets reviewed.

iTRAK #14-28038 also reviewed.

T. PLANTE BCLC
Casino Investigations

SP20140094580 Attached by tomplante on Jul 10, 2014 11:28

Description Starlight PGF Review for June 1 to 30, 2014

During the month of June, 2014 active PGF accounts;

SP20140094580 Attached by tomplante on Jul 10, 2014 11:28 SP2014009458
0 - Continued-

Continuation

- Account #24 CHEN [redacted] SID #90745 play documented June 20,23,27, 2014 CHEN is a known high limit patron who continues to bring in return of player gaming fund chques, cash then and use them for her large buy ins. Any amounts won over the original buy in amount , which can be substantial, CHEN will always take a verified win cheque and some cash and then request a cheque for her return pf player gaming funds through her PGF account. LCT's and tracking sheets reviewed.

- Current balance Zero

T. PLANTE BCLC
Casino Investigations

SP20140105506 Attached by tomplante on Aug 1, 2014 11:59

Description Starlight PGF Review for July 1 to July 31, 2014

During the month of July, 2014 active PGF accounts;

Account #45 PERSONAL INFO SID #26484 2 transactions Balance Zero

Account #63 PERSONAL SID #765692 6 transaction Zero balance

Account #64 PERSONAL INFO SID #88461 1 Transaction Balance Zero

Account #57 PERSONAL SID #130486 1 transactions Balance Zero

Two reopened PGF accounts this month

There are no irregularities noted this month. PGF action has been slow during the summer. Biggest player who uses her PGF account PERSONAL INFO who has brought in return of gaming funds chegues for play and has had returned cheques also issued back to her from Starlight.

T. PLANTE BCLC
Casino Investigations

SP20140136604 Attached by stolee on Sep 30, 2014 15:12

Description Sep/30/2014 Review of Starlight PGF re-deposits from Sep/01/2014 to Sep/30/2014

A total of 6 accounts were active this review.

The following patrons were active during the review period:

1) PERSONAL INFO (SID #26484) PGF #45 Sep/15/2014 Bank draft deposit $300,000, withdraw, played and later redeposited. Sep/16/2014 PGF withdraw $300,000 and played, later redeposited $300,000.

2) PERSONAL INFO (SID #10418) PGF #3 Sep/11/2014 Verified Win deposit of $40,000.

3) PERSONAL INFO (SID #88461) PGF #64 Sep/09/2014 Bank draft deposit. Sep/16/2014 2x Bank draft deposit, withdraw and played. Sep/19/2014 Bank draft deposit $18,000 withdraw and

SP20140136604 Attached by stolee on Sep 30, 2014 15:12

played.

4) PERSONAL INFO (SID #100331) PGF #50 Sep/5/2014 Verified Win deposit of $10,000. Sep/19/2014 Verified Win deposit of $10,000. Sep/20/2014 PGF withdraw and redeposited. Sep/24/2014 Verified Win deposit of $10,000. Sep/25/2014 Verified Win deposit of $10,000.

5) PERSONAL INFO (SID #142248) PGF #68 Sep/16/2014 Bank draft deposit.

6 PERSONAL INFO (SID #143284) PGF #69 Sep/24/2014 Verified Win cheque deposit and withdraw of $30,000.

A large majority of the deposits came in the form of a Bank Draft. Writer only focused on 'Re-Deposits,' which a Bank Draft is not considered a 'Re-Deposit.'

No issues or errors noted during this review with any re-deposits of verified win gaming chips.

Stone LEE
BCLC Investigator

SP20140151879 Attached by stolee on Oct 30, 2014 14:15

Description Oct/30/2014 Review of Starlight PGF re-deposits from Sep/30/2014 to Oct/30/2014

A total of 7 accounts were active this review.

The following patrons were active during the review period:

1 PERSONAL INFO (SID #26484) PGF #45 Oct/02/2014 Bank draft deposit $150,000, withdraw, played and later redeposited.

2) PERSONAL INFO (SID #99395) PGF #70 Oct/08/2014 Bank draft deposit $120,000 withdraw and played. Oct/18/2014 Bank draft deposit $120,000 withdraw and played.

3 PERSONAL INFO (SID #142248) PGF #68 Oct/09/2014 2 Bank draft deposits of $10,000 and $13,000.

4 PERSONAL INFO (SID #147979) PGF #71 Oct/17/2014 Bank draft deposit $10,000 withdraw and played. Oct/24/2014 Bank draft deposit $20,000 withdraw and played. Oct/27/2014 Bank draft deposit $10,000 withdraw and played.

5) PERSONAL INFO (SID #88461) PGF #64 Oct/21/2014 2 Bank draft deposit $20,000 each, withdraw and played. Oct/23/2014 Bank draft deposit $10,000 withdraw and played.

6 PERSONAL INFO (SID #46251) PGF #59 Oct/23/2014 Bank draft deposit $25,000 withdraw, played and redeposited.

SP20140151879 Attached by stolee on Oct 30, 2014 14:15 SP2014015187
9 - Continued-

7) PERSONAL INFO (SID #72427) PGF #51 Oct/28/2014 Bank draft deposit $150,000 withdraw and played.

A large majority of the deposits came in the form of a Bank Draft. Writer only focused on 'Re-Deposits,' which a Bank Draft is not considered a 'Re-Deposit.'

No issues or errors noted during this review with any re-deposits of verified win gaming chips.

Stone LEE
BCLC Investigator

SP20140168868 Attached by stolee on Dec 3, 2014 15:20

Description Dec/03/2014 Review of Starlight PGF re-deposits from Oct/31/2014 to Nov/30/2014

A total of 5 accounts were active this review.

The following patrons were active during the review period:

1) PERSONAL INFO SID #26484) PGF #45 Nov/04/2014 ??? Nov/06/2014 ??? Nov/10/2014 ?????. Deposit appears to be after a "Chip-In" Writer will discuss/review these deposits with site management.

2) PERSONAL INFO (SID #142248) PGF #68 Nov/02, Nov/05. Nov/9, and Nov/12 all Bank Draft deposits.

3) PERSONAL INFO (SID #88461) PGF #64 Nov/12 Bank Draft deposit.

4) PERSONAL INFO (SID #46251) PGF #59 Nov/15 Bank Draft deposit/ withdraw and played, received a Verified Win and redeposit. Nov/17 3x Bank Draft deposits. Nov/18 Bank Draft deposit.

5) PERSONAL INFO (SID #127214) PGF #65 Nov/18 Bank draft deposit.

A large majority of the deposits came in the form of a Bank Draft. Writer only focused on 'Re-Deposits,' which a Bank Draft is not considered a 'Re-Deposit.'

No other issues or errors noted during this review with any re-deposits of verified win gaming chips except for PERSONAL INFO (SID #26484) PGF #45.

Stone LEE
BCLC Investigator

On Dec/04/2014 writer met with site management Christina JAMES and Cage manager Pat BUXTON and discuss PGF#45's redeposit on Nov/4th, Nov/6th and Nov/10th. Writer noted that

SP20140168868 Attached by stolee on Dec 3, 2014 15:20 SP2014016886 8 - Continued-

the redeposits were from a "Chip-In" and not a cash buy-in.
Site manager JAMES explained that it was her understanding that according to the BCLC P&P it was ok to deposit any "Winnings" off the table into the PGF account, writer stated that it is my understanding that if a patron had "Chip-In" you can not verify the win therefor the "winnings" should not have been allowed for redeposit.
JAMES stated that she will check with Gateways Compliance as to the policy, writer agreed to do the same.
Writer was later informed by cage manager BUXTON that they have checked with Gateway Compliance Glenn ATCHISON and was informed that the deposits should not have been allowed due to the "Chip-In".
Writer spoke with BCLC Compliance Bill BOYD and was told that if the site can 100% "Verify the win" there should be ok, but will revisit on clarifying the policy.

Stone LEE
BCLC Investigator

SP20150004384 Attached by stolee on Jan 9, 2015 10:29

Description Jan/09/2015 Review of Starlight PGF re-deposits from Dec/01/2014 to Jan/05/2015

A total of 4 accounts were active this review.

The following patrons were active during the review period:

1) PERSONAL INFO (SID #130486) PGF #57 Dec/07/2014 Bank draft deposit x2, withdraw and played.

2) PERSONAL INFO (SID #16215) PGF #26 Dec/19/2014 Bank draft deposit withdraw played and re-deposited $40,000.
**** Need to discuss LCTR#55629, #56388, #56391 and #56856 deposits?? with Cage management..**** (withdraw transaction from PGF appeared to be logged under Deposit???)

3) PERSONAL INFO (SID #48832) PGF #72 Dec 30/31/2014 LCTR#57235 (withdraw transaction from PGF appeared to be logged under Deposit???)

4) PERSONAL INFO SID #142378) PGF #73 Jan/05/2015 Bank draft deposit withdraw and played.

A large majority of the deposits came in the form of a Bank Draft. Writer only focused on 'Re-Deposits,' which a Bank Draft is not considered a 'Re-Deposit.'

Issues or errors noted during this review will be discussed with cage management.

Stone LEE
BCLC Investigator

On Jan/12/2015 writer met with cage manager Pat BUXTON and reviewed the PGF deposits LCTR noted above, all issues were explained and addressed. LCTR#14-55629 a deposit transaction for $40,000 was found to be incorrect.

SP20150004384 Attached by stolee on Jan 9, 2015 10:29

SP2015000438
4 - Continued-

BCLC Compliance officer Mark BUTER was informed of the review.

Stone LEE
BCLC Investigator

This is Exhibit "2" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

bclc
playing it right

September 26, 2012

REGISTERED LETTER

Paul King JIN
[redacted]

Dear Mr.JIN:

2940 Virtual Way
Vancouver, BC V5M 0A6

T 604.215.0649
F 604.225.6424
bclc.com

The British Columbia Lottery Corporation is responsible for the conduct, management, and operation of gaming in British Columbia, including Casinos, Community Gaming Centres and Commercial Bingo Halls.

On September 19, 2012 while you were on the gaming floor of River Rock Casino Resort you were involved in an incident of inappropriate behaviour. As a result of this incident, you have been prohibited from entering all Casinos, Community Gaming Centres and Commercial Bingo Halls in British Columbia. This prohibition is in effect for one year, starting September 19, 2012 and expiring at midnight on September 19, 2013.

Attached you will find a notification pursuant to Section 92(b) of the Gaming Control Act (the *Act*) which authorizes British Columbia Lottery Corporation to forbid any person from entering a Casino, Community Gaming Centre or Commercial Bingo Hall by providing written notice. Should you enter a Casino, Community Gaming Centre or Commercial Bingo Hall in British Columbia during the period of your prohibition you may be subject to proceedings under the Gaming Control Act.

BCLC hereby notifies you that you are not eligible to have a PlayNow.com account during the prohibition period. If you have an existing PlayNow.com account, BCLC has the right to close it. If you gamble on a PlayNow.com after being prohibited, BCLC will retain the bet, if you win, BCLC will not pay the prize in accordance with the rules and regulations.

Failure to comply with this prohibition is an offence under section 97(2)(d) of the *Act* and you may be liable to a penalty or fine under section 98(3).
Also, pursuant to section 93(3) of the Act you are not entitled to receive any prize or winnings as a result of your participation in gaming at any gaming facility during the period of this Notice.

Yours truly,

Stone Lee
Investigator,
Casino Security and Surveillance

Gordon Friesen
Manager,
Casino Security and Surveillance

bclc

NOTICE OF PROHIBITION

British Columbia Lottery Corporation (BCLC) Barring

Name: Paul King JIN

Address: PERSONAL INFO [redacted]

Reason for Barring: An incident of inappropriate behaviour on the gaming floor of River Rock Casino Resort on September 19, 2012.

You have been barred from all Casinos, Community Gaming Centres and Commercial Bingo Halls in the Province of British Columbia. -

You are prohibited from entering onto or in any way trespass upon any Casino, Community Gaming Centre or Commercial Bingo Hall for any reason whatsoever as of the date of this notice for the period noted below. Your barring shall expire on the expiry date indicated at midnight.

6 months ____ 1 year _XX_ 2 years__ 5 years___

Expiry Date: _September 19, 2013__

Notice: Pursuant to section 93(3) of the Gaming Control Act (the *Act)* you are not entitled to receive any prize or winnings as a result of your participation in gaming at any gaming facility during the period of this Notice.

You are hereby notified by BCLC by the authority of Section 92 (b) of the *Act* that you are forbidden from entering any Casino, Community Gaming Centre or Commercial Bingo Hall during the term of this barring. If you attend any Casino, Community Gaming Centre or Commercial Bingo Hall in the Province of British Columbia during the term of this barring and are identified by BCLC or facility staff you will be requested to leave. If you refuse to leave upon request or enter a Casino, Community Gaming Centre or Commercial Bingo Hall during the period of barring or at any other time when you are prohibited from doing so, you will be removed.

Failure to comply with this prohibition is an offence under section 97(2)(d) of the *Act* and you may be liable to a penalty of fine under section 98(3).

Gordon Friesen
Manager, Casino Security and Surveillance

September 26, 2012
Date

IF YOU REQUIRE HELP WITH PROBLEM GAMBLING, YOU CAN ACCESS THE PROBLEM GAMBLING HELP LINE ANYTIME AT 1-888-795-6111.

July 16, 2010

bclc
playing it right

2940 Virtual Way
Vancouver, BC V5M 0A6
604.215.0649
604.225.6424

November 7, 2012

REGISTERED LETTER

Mr. JIN, Paul Kin
[redacted]

Dear Mr. JIN:

The British Columbia Lottery Corporation is responsible for the conduct, management, and operation of gaming in British Columbia, including Casinos, Community Gaming Centres and Commercial Bingo Halls.

On October 25, 2012 while you were at the Starlight Casino you were involved in an incident of inappropriate behavior. As a result of this incident, you have been prohibited from entering all Casinos, Community Gaming Centres and Commercial Bingo Halls in British Columbia. This prohibition is in effect for five years, starting November 5, 2012 and expiring at midnight on November 5, 2017.

Attached you will find a notification pursuant to Section 92(b) of the Gaming Control Act (the *Act*) which authorizes British Columbia Lottery Corporation to forbid any person from entering a Casino, Community Gaming Centre or Commercial Bingo Hall by providing written notice. Should you enter a Casino, Community Gaming Centre or Commercial Bingo Hall in British Columbia during the period of your prohibition you may be subject to proceedings under the Gaming Control Act.

BCLC hereby notifies you that you are not eligible to have a PlayNow.com account during the prohibition period. If you have an existing PlayNow.com account, BCLC has the right to close it. If you gamble on a PlayNow.com after being prohibited, BCLC will retain the bet, if you win, BCLC will not pay the prize in accordance with the rules and regulations.

Failure to comply with this prohibition is an offence under section 97(2)(d) of the *Act* and you may be liable to a penalty or fine under section 98(3).
Also, pursuant to section 93(3) of the Act you are not entitled to receive any prize or winnings as a result of your participation in gaming at any gaming facility during the period of this Notice.

Yours truly,

Gordon Friesen
Manager, Casino Security & Surveillance

bclc

NOTICE OF PROHIBITION

British Columbia Lottery Corporation (BCLC) Barring

Name: Mr. JIN, Paul King

Address: PERSONAL INFO [redacted]

Reason for Barring: An incident of inappropriate behavior on casino property while at the Starlight Casino on October 25, 2012.

You have been barred from all Casinos, Community Gaming Centres and Commercial Bingo Halls in the Province of British Columbia.

You are prohibited from entering onto or in any way trespass upon any Casino, Community Gaming Centre or Commercial Bingo Hall for any reason whatsoever as of the date of this notice for the period noted below. Your barring shall expire on the expiry date indicated at midnight.

6 months ____ 1 year _ _ 2 years___ 5 years__X _

Expiry Date: November 5, 2012

Notice: Pursuant to section 93(3) of the Gaming Control Act (the *Act)* you are not entitled to receive any prize or winnings as a result of your participation in gaming at any gaming facility during the period of this Notice.

You are hereby notified by BCLC by the authority of Section 92 (b) of the *Act* that you are forbidden from entering any Casino, Community Gaming Centre or Commercial Bingo Hall during the term of this barring. If you attend any Casino, Community Gaming Centre or Commercial Bingo Hall in the Province of British Columbia during the term of this barring and are identified by BCLC or facility staff you will be requested to leave. If you refuse to leave upon request or enter a Casino, Community Gaming Centre or Commercial Bingo Hall during the period of barring or at any other time when you are prohibited from doing so, you will be removed.

Failure to comply with this prohibition is an offence under section 97(2)(d) of the *Act* and you may be liable to a penalty of fine under section 98(3).

Gordon Friesen
Manager, Casino Security and Surveillance

November 7, 2012
Date

IF YOU REQUIRE HELP WITH PROBLEM GAMBLING, YOU CAN ACCESS THE PROBLEM GAMBLING HELP LINE ANYTIME AT 1-888-795-6111.

July 16, 2010

This is Exhibit "3" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

File summary- Paul King JIN # 118418

The following is an outline of files from 2012 for Paul JIN regarding two BCLC barring's in September and October 2012. These files and other related files are as follows:

- File 2012-43848 September 19th, 2012 BCLC Investigator Stone Lee initiated a 14-day BCLC barring pending investigation for a suspicious transaction following a $40K cash buy-in with $20 bills and numerous previous cash buy-ins. On September 25th a 1 yr BCLC barring for JIN was approved by John Karlovcec. A BCLC prohibition letter was sent out by registered mail to Paul JIN advising he was barred for 1 year Province-wide for inappropriate behavior. The letter was returned by Canada Post on October 16th as "un-claimed".

- File 2012-44958 September 27th, 2012 BCLC received a request from RCMP Cst Eldon Draude, IPOC advising that Paul Jin was under investigation for money-laundering and Proceeds of crime and requested all previous files on Jin, citing 2012-43822. Mike Hiller responded giving totals of:
  1- Total number of cash transactions- 50
  2- Total of B/I values- $1,241,610
  3- Total disbursements- $304,048
  4- 1st recorded transaction- May 9th, 2012

- File 2012-45514 September 30th, 2012 JDLR file reported at Starlight Casino with a female advising staff a male was following and harassing her. The female was found to be [redacted] CHEN # 90745 and the male was later learned to be Paul Jin. Jin refused ID but stated that CHEN owed him money and was scamming her and wanted to follow her out. CHEN was subsequently barred in March 2015 by writer as a result of finding out she was involved in a multi-million dollar fraud, POC investigation with several civil lawsuits against her.
- File 2012-45926 October 2nd, 2012 Paul Jin attends RR and is observed on the premises. Security and BCLC tech Goran attend with a copy of his

barring papers and advise he is barred for 1 year and attempted to serve the letter. Jin refused to take a copy and walked out of the casino.

- File 2012-46146 October 3rd, 2012 Jin returned to RR the following day and was observed by security and approached. He was advised of his barring which he acknowledged, cashed out and left the casino.

- File 2012-46633 October 7th, 2012 Jin was observed in the RR Salon Prive room and security attended but JIn left on his own prior to arrival and drove off-site.

- File 2012-46809 October 8th, 2012 JIN attended at the Starlight Casino and was in the VIP area. Security recognized him but before they were able to approach him, Jin walked out and left the casino.

- File 2012-47134 October 10th, 2012 Jin attended back at RR and was seen in the Salon Prive room by security. They attended and asked Jin for ID which he refused to provide. They advised he was barred and could not be on the property, Jin acknowledged the barring and walked away from staff and left the casino.

- File 2012- 49710 October 25th, 2012 Gou SHI # 71603 attended the Starlight Casino in his Rolls Royce and bought in with $150,000 in cash and subsequently lost it all. A call was made and soon after Paul Jin arrived on site in his vehicle and handed SHI a large bag which was found to contain $150,000 in 20's, 50's, and 100 dollar bills. Shi used this cash to re-buy on the table and Jin left the site in his vehicle. This subsequently resulted in Mike Hiller starting a 5 yr barring request for JIN.

- File 2012-51890 October 25th, 2012 BCLC Mike Hiller files a 5 year BCLC barring against Paul Jin for a public safety barring. Upon Jin receiving a copy of the barring, he filed complaint # 01335762 with the consumer services. On Dec 3rd, 2012 BCLC Mike Hiller contacted Jin by phone

regarding the barring complaint. Jin wanted to know why he was barred for 5 years and Hiller advised him that it was the result of his activities in BCLC casinos including the delivery of $150,000 in cash to Guo Shi on Oct 25th, 2012.

Jin advised that he worked for SHI and did not deny delivering the cash to Jin. Hiller advised it was also for a total of 10 other suspicious files that Jin was involved with. Jin advised he understood and the call was ended.

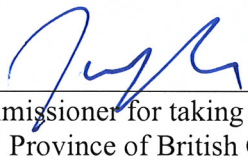
- In the month of November 2012 Jin was found to be in violation of his barring on 4 other occasions:
  1- November 2- River Rock violation
  2- November 15th- Starlight violation
  3- November 22nd- Edgewater violation
  4- November 24th- River Rock violation

- File 2013- 18217 April 10, 2013 Assist other agency- RCMP Richmond Detach. This is an info file involving BCLC investigators and several police agencies Meeting on this date to discuss Paul Jin's activities and 2 other associates. This file should be pulled and reviewed if you do not already have a copy.

These files cover off the year of 2012 starting from Jin's first barring and other related files leading to his 2nd barring. If you require further information, please advise and we follow up as needed.

Daryl Tottenham, Manager BCLC AML Programs

This is Exhibit "4" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020



A Commissioner for taking Affidavits for the
Province of British Columbia

October 07, 2016

Via E-Mail

Attn: All Service Providers

RE: Refused Cash Buy-In (By Site) Directive

bclc
playing it right

74 West Seymour Street
Kamloops, BC V2C 1E2
T 250.828.5500
F 250.828.5631

2940 Virtual Way
Vancouver, BC V5M 0A6
T 604.215.0649
F 604.225.6424

Purpose

To establish a protocol to ensure a consistent approach in dealing with patrons that have been denied a cash buy-in by a service provider due to suspicious activity. It is the expectation of BCLC (as per the BCLC AML on line training course) that when a patron is observed conducting a cash buy-in and suspicious behaviour is observed by staff, that buy-in should be refused and a UFT file should be created to document the attempted buy-in.

To ensure the patron does not attend another service provider location and attempt to buy-in with the same cash, (as the staff would likely not have knowledge of the previous suspicious behaviour), a protocol has been established that all service providers shall adhere to. **Any cash buy-in which has been refused by any site for suspicious behaviour shall not be accepted for buy-in at any location until authorized by the BCLC AML Unit.**

BCLC Directive

- If a patron has been denied a cash buy-in for suspicious behaviour, a UFT file shall be created in Itrak to document the incident including patrons involved, vehicles involved, and nature of the suspicious behaviour. Please ensure the synopsis comments include the phrase "REFUSED CASH BUY-IN" when the file is first created.

- An entry shall immediately be made in the patron profile comment section indicating the refused buy-in, amount, date, time and include the phrase "Refused cash buy-in as per BCLC Directive. No further cash buy ins to be accepted until further notice from BCLC AML Unit."

- Please forward an email with the file number and synopsis to aml@bclc.com

Upon receiving notification of a refused buy-in incident the BCLC AML Unit will conduct an investigation into the circumstances of the file. Any subsequent action to be taken with the patron will be documented in their profile by the AML Unit.

Your continued cooperation is greatly appreciated. Please contact me by email or cell if you have any questions or concerns with this directive.

Daryl Tottenham
Manager
BCLC AML Programs

This is Exhibit "5" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Daryl Tottenham [PERSONAL INFO]
From: Daryl Tottenham
Sent: Tue 2020-01-21 2:53:26 AM
Subject: FW: BCLC Reporting Criminal Activity to GPEB
JIN iTrak Incidents.xlsx

.....
,,,,,,,,,,,

Jin files- 2012-2017

From: John Karlovcec
Sent: Thursday, February 21, 2019 5:06 PM
To: Jennifer Gallaway
Cc: Bal Bamra ; Daryl Tottenham
Subject: FW: BCLC Reporting Criminal Activity to GPEB

Hi Jennifer,
Please see the attached spread sheet which lists incidents from 2012 thru 2017 where BCLC notified both GPEB and RCMP of incidents, If you require these reports they have already been pulled.
We can chat more tomorrow.
John

From: Bal Bamra [PERSONAL INFO]
Sent: February-20-19 4:26 PM
To: John Karlovcec <[PERSONAL INFO]>; Daryl Tottenham <[PERSONAL INFO]>
Subject: RE: BCLC Reporting Criminal Activity to GPEB

Hi John/Daryl,
With respect to the below, can we not send the attached which shows who we notified of all the activities around JIN? If they require the reports, they are pulled already.
Thanks,

Bal Bamra BCom, CAMS
Manager, AML Intelligence
Legal, Compliance & Security Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T [PERSONAL] C [PERSONAL]
•Yes, and...•
[PERSONAL INFO]
Connect with us:
Twitter @BCLC| Facebook BCCasinos | Blog : bclc.com
Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Jennifer Gallaway <[PERSONAL INFO]>
Sent: February-20-19 11:40 AM
To: Rob Kroeker <[PERSONAL INFO]>; John Karlovcec <[PERSONAL INFO]>; Bal Bamra <[PERSONAL INFO]>; Daryl Tottenham <[PERSONAL INFO]>
Cc: Nicole Wu <[PERSONAL INFO]>; Laura Piva-Babcock <[PERSONAL INFO]>; Lara Gerrits <[PERSONAL INFO]>
Subject: BCLC Reporting Criminal Activity to GPEB
Importance: High

Hi all,
I am assisting the Comms team locate records that validate/prove statements that BCLC reported concerns regarding criminal activity to GPEB beginning in 2012 and into 2014/2015, leading up to height of STRs.
Emails, meeting notes, etc. anything that can demonstrate our ongoing reporting of concerns to GPEB.
As you can imagine, they are needed ASAP Redacted - Solicitor/Client Privilege
Redacted - Solicitor/Client Privilege
Could I ask you to please forward any information that you may think relevant to me? If there is anything I can do to make this easier for you, please let me know.
Many thanks,

Jennifer Gallaway, MBA
Interim Director, AML Response
BCLC
2940 Virtual Way, Vancouver BC V5M 0A6
T PERSONAL INFO C PERSONAL
Connect with us:
Twitter @BCLC| Facebook BCCasinos | Blog | bclc.com
Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

Date	Incident File #	Synopsis	Notification			JIN Indirectly Involved
			GPEB	Law Enforcement	STR	
09-May-12	IN20120022175	PGF Account Open			Redacted - FINTRAC	
27-Jun-12	IN20120030263	Buy In for [redacted]	Section 86	RCMP		Indirect
30-Jun-12	IN20120030747	Buy In for [redacted]	Section 86	RCMP		Indirect
04-Jul-12	IN20120031298	Buy In for JIN	Section 86	RCMP		
17-Aug-12	IN20120038179	Buy In for JIN	Section 86	RCMP		
17-Aug-12	IN20120038228	JIN left chips at MDB24				
21-Aug-12	IN20120038903	Buy In for JIN	Section 86	RCMP		
21-Aug-12	IN20120038916	Buy In for JIN	Section 86	RCMP		
22-Aug-12	IN20120039015	Buy In for [redacted]		RCMP		Indirect
19-Sep-12	IN20120043708	Buy In for JIN	Section 86	RCMP		
20-Sep-12	IN20120043822	Buy In for [redacted]	Section 86	RCMP		Indirect
19-Sep-12	IN20120043848	JIN Banned 1 year				
20-Sep-12	IN20120043853	JIN Ban Violation	Section 86			
25-Sep-12	IN20120044644	JIN Ban Violation	Section 86			
27-Sep-12	IN20120044890	JIN Ban Violation	Section 86			
27-Sep-12	IN20120044958	RCMP-IPOC Assistance re: JIN		RCMP		
30-Sep-12	IN20120045514	CHEN complaint against JIN	Section 86			
02-Oct-12	IN20120045789	JIN Ban Violation	Section 86			
02-Oct-12	IN20120045926	JIN Ban Violation - refused BCLC	Section 86			
03-Oct-12	IN20120046146	JIN Ban Violation	Section 86			
07-Oct-12	IN20120046633	JIN Ban Violation	Section 86			
07-Oct-12	IN20120046809	JIN Ban Violation	Section 86			
09-Oct-12	IN20120047134	JIN Ban Violation	Section 86			
25-Oct-12	IN20120049710	Buy In for SHI	Section 86	RCMP		Indirect
02-Nov-12	IN20120051003	JIN Ban Violation	Section 86			
25-Oct-12	IN20120051890	JIN BCLC Prohibited - 5 year ban				
15-Nov-12	IN20120053285	JIN Ban Violation	Section 86			
22-Nov-12	IN20120054574	JIN Ban Violation	Section 86			
24-Nov-12	IN20120054882	SAN Ban Violation	Section 86			Indirect

Date	Incident File #	Synopsis	Notification			JIN Indirectly Involved
			GPEB	Law Enforcement	STR	
02-Feb-13	IN20130005631	JIN Ban Violation	Section 86		Redacted - FINTRAC	
29-Mar-13	IN20130015811	JIN Ban Violation	Section 86			
29-Mar-13	IN20130015973	JIN Ban Violation	Section 86			
11-Apr-13	IN20130018217	Assistance to Police		RCMP		
07-Jun-13	IN20130028138	Buy In for [redacted]	Section 86	RCMP		
03-Aug-13	IN20130037584	Chip Passing [redacted] and [redacted]	Section 86	RCMP		Indirect
12-Aug-13	IN20130039105	Buy In for [redacted]	Section 86	RCMP		Indirect
21-Aug-13	IN20130040707	Buy In for [redacted]	Section 86	RCMP		Indirect
10-Sep-13	IN20130044154	Buy In for SHI	Section 86	RCMP		Indirect
22-Sep-13	IN20130046182	Buy In for [redacted]	Section 86	RCMP		Indirect
24-Sep-13	IN20130046437	Buy In for [redacted]	Section 86	RCMP		Indirect
24-Sep-13	IN20130046573	JIN Ban Violation	Section 86			
24-Sep-13	IN20130046579	JIN Ban Violation	Section 86			
01-Nov-13	IN20130053074	Buy In for [redacted]	Section 86	RCMP		Indirect
01-Nov-13	IN20130053104	Buy In for [redacted]	Section 86	RCMP		Indirect
05-Nov-13	IN20130053853	Buy In for SHI	Section 86	RCMP		Indirect
26-Nov-13	IN20130057372	Buy In for [redacted]	Section 86	RCMP		Indirect
27-Nov-13	IN20130057447	Buy In for [redacted]	Section 86	RCMP		Indirect
28-Nov-13	IN20130057744	Buy In for [redacted]	Section 86	RCMP		Indirect
01-Dec-13	IN20130058166	Buy In for [redacted]	Section 86	RCMP		Indirect
01-Dec-13	IN20130058197	Buy In for [redacted]	Section 86	RCMP		Indirect
01-Dec-13	IN20130058260	Buy In for [redacted]	Section 86			
01-Dec-13	IN20130058265	Buy In for [redacted]	Section 86	RCMP		Indirect
03-Dec-13	IN20130058432	Buy In for [redacted]	Section 86	RCMP		Indirect
03-Dec-13	IN20130058542	Buy In for [redacted]	Section 86	RCMP		Indirect
07-Dec-13	IN20130059217	Buy In for CHEN	Section 86	RCMP		Indirect
08-Dec-13	IN20130059359	Buy In for SHI	Section 86	RCMP		Indirect
09-Dec-13	IN20130059623	JIN Ban Violation	Section 86	RCMP		
09-Dec-13	IN20130059628	Buy In for [redacted]	Section 86	RCMP		Indirect
11-Dec-13	IN20130059894	JIN Ban Violation	Section 86	RCMP		
11-Dec-13	IN20130059895	Buy In for [redacted]	Section 86	RCMP		Indirect
17-Dec-13	IN20130060921	Assistance to Police	Section 86	RCMP		

Date	Incident File #	Synopsis	Notification			JIN Indirectly Involved
			GPEB	Law Enforcement	STR	
01-Jan-14	IN20140000117	HRP Master			Redacted - FINTRAC	
06-Jan-14	IN20140001043	Buy In for PERSO	Section 86	RCMP		Indirect
08-Jan-14	IN20140001205	Buy In for NAL	Section 86	RCMP		Indirect
08-Jan-14	IN20140001214	Buy In for INFO	Section 86	RCMP		Indirect
09-Jan-14	IN20140001354	JDLR Activity with PE	Section 86	RCMP		Indirect
05-Feb-14	IN20140006365	Buy In for PERS	Section 86	RCMP		Indirect
05-Feb-14	IN20140006378	JDLR Activity - PE observed hotel lobby	Section 86			
15-Feb-14	IN20140008390	Chip Exchange RS	Section 86	RCMP		Indirect
16-Feb-14	IN20140008661	Buy In for PE	Section 86	RCMP		Indirect
24-Feb-14	IN20140010680	Assistance to BCLC		RCMP		Indirect
05-Mar-14	IN20140011821	Buy In for PE	Section 86	RCMP		Indirect
07-Mar-14	IN20140012092	Buy In for PERS	Section 86	RCMP		Indirect
15-Mar-14	IN20140013590	JIN Ban Violation	Section 86			
18-Mar-14	IN20140014259	Chip pass PERS and PERSO	Section 86	RCMP		Indirect
18-Mar-14	IN20140014294	JDLR - Argument PER and PE	Section 86			Indirect
06-Apr-14	IN20140017495	JIN outside RRCR - exchange of chips w/ PE	Section 86	RCMP		
28-Apr-14	IN20140021766	Exchange Cash/Chips	Section 86	RCMP		Indirect
30-Apr-14	IN20140021890	UFT	Section 86	RCMP		Indirect
30-Apr-14	IN20140021891	Exchange of Cash/Chips	Section 86	RCMP		Indirect
06-May-14	IN20140023129	Buy in for PERS	Section 86	RCMP		Indirect
22-May-14	IN20140025798	JIN on site at Starlight	Section 86			
23-May-14	IN20140026124	Buy in for SHI	Section 86			Indirect
26-May-14	IN20140026587	Buy in for [redacted]	Section 86	RCMP		Indirect
27-May-14	IN20140026687	Buy in for [redacted]	Section 86	RCMP		Indirect
28-May-14	IN20140026820	Assistance to RCMP		RCMP		
02-Jun-14	IN20140027861	Buy in for PERSO	Section 86	RCMP		Indirect
11-Jun-14	IN20140029368	Buy in for NAL	Section 86	RCMP		Indirect
16-Jun-14	IN20140030287	Multiple Buy Ins for [redacted]	Section 86	RCMP		Indirect
19-Jun-14	IN20140030713	Buy in for [redacted]	Section 86	RCMP		Indirect
19-Jun-14	IN20140030742	JIN on site at RRCR	Section 86			
23-Jun-14	IN20140031472	JIN Barring approved & held				
29-Jun-14	IN20140032525	Buy in for [redacted]	Section 86	RCMP		Indirect
29-Jun-14	IN20140032526	JIN on site at RRCR				

Date	Incident File #	Synopsis	Notification			JIN Indirectly Involved
29-Jun-14	IN20140032550	Buy in for PERSONA	Section 86	RCMP	Redacted - FINTRAC	Indirect
30-Jun-14	IN20140032683	Buy In for L INFO	Section 86	RCMP		Indirect
09-Jul-14	IN20140034129	Buy in for	Section 86	RCMP		Indirect
01-Jan-14	IN20140037167	Assistance to BCLC				
12-Aug-14	IN20140040668	Buy in for PE	Section 86	RCMP		Indirect
23-Aug-14	IN20140042527	PE Ban violation RRCR	Section 86			
24-Aug-14	IN20140042756	Buy in for PERSONA	Section 86	RCMP		Indirect
24-Aug-14	IN20140042762	Buy in for L INFO	Section 86	RCMP		Indirect
27-Aug-14	IN20140043294	Buy in for	Section 86	RCMP		Indirect
30-Aug-14	IN20140043839	Ban violation - PER	Section 86			Indirect
30-Aug-14	IN20140043840	PE Ban violation RRCR	Section 86			
03-Sep-14	IN20140044757	Assistance to RCMP		RCMP		Indirect
05-Oct-14	IN20140050415	PE Ban violation HRCV	Section 86			
06-Oct-14	IN20140050753	Buy in for PERS	Section 86	RCMP		Indirect
11-Oct-14	IN20140051537	Buy in for ONAL	Section 86	RCMP		Indirect
11-Oct-14	IN20140051550	Buy in for INFO	Section 86	RCMP		Indirect
17-Oct-14	IN20140052668	Buy in for	Section 86	RCMP		Indirect
18-Oct-14	IN20140052683	Buy in for	Section 86	RCMP		Indirect
18-Oct-14	IN20140052704	Buy in for	Section 86	RCMP		Indirect
18-Oct-14	IN20140052812	Buy in for	Section 86	RCMP		Indirect
20-Oct-14	IN20140053201	Buy in for	Section 86	RCMP		Indirect
31-Oct-14	IN20140055215	Buy in for	Section 86	RCMP		
31-Oct-14	IN20140055225	Exchange of Cash/Chips	Section 86	RCMP		
07-Nov-14	IN20140056469	UFT -	Section 86	RCMP		Indirect
13-Nov-14	IN20140057434	Buy in for PERSO	Section 86	RCMP		Indirect
16-Nov-14	IN20140058073	Buy in for NAL	Section 86	RCMP		Indirect
29-Nov-14	IN20140060356	Buy in for INFO	Section 86	RCMP		
30-Nov-14	IN20140060507	Buy in for	Section 86	RCMP		Indirect
01-Dec-14	IN20140060672	Buy in for	Section 86	RCMP		Indirect
02-Dec-14	IN20140060771	Assistance to BCLC				
25-Dec-14	IN20140065002	PER Ban violation Edgewater	Section 86			

Date	Incident File #	Synopsis	Notification			JIN Indirectly Involved
			GPEB	Law Enforcement	STR	
13-Jan-15	IN20150002509	Buy in for PERS	Section 86	RCMP	Redacted - FINTRAC	Indirect
25-Jan-15	IN20150004645	Buy in for ONAL	Section 86	RCMP		Indirect
26-Jan-15	IN20150004829	Buy in for INFO	Section 86	RCMP		Indirect
30-Jan-15	IN20150005342	Buy in for	Section 86	RCMP		Indirect
31-Jan-15	IN20150005596	Buy in for	Section 86	RCMP		Indirect
02-Feb-15	IN20150006061	Buy in for	Section 86	RCMP		Indirect
08-Feb-15	IN20150007168	Buy in for	Section 86	RCMP		Indirect
10-Feb-15	IN20150007446	Buy in for	Section 86	RCMP		Indirect
11-Feb-15	IN20150007684	Buy in for	Section 86	RCMP		Indirect
14-Feb-15	IN20150008232	Buy in for	Section 86	RCMP		Indirect
27-Feb-15	IN20150010775	Buy in for	Section 86	RCMP		Indirect
10-Mar-15	IN20150013008	Buy in for	Section 86	RCMP		Indirect
13-Mar-15	IN20150013549	Buy in for	Section 86	RCMP		Indirect
21-Mar-15	IN20150015067	JDLR	Section 86			Indirect
23-Mar-15	IN20150015487	Buy in for PERSONAL	Section 86	RCMP		Indirect
24-Mar-15	IN20150015651	Buy in for INFO	Section 86	RCMP		Indirect
27-Mar-15	IN20150016182	Buy in for	Section 86	RCMP		Indirect
27-Mar-15	IN20150016861	Buy in for	Section 86	RCMP		Indirect
01-Apr-15	IN20150017142	JDLR - Jin going to a room at RRCR Hotel	Section 86			
03-Apr-15	IN20150017636	Buy in for PERS	Section 86	RCMP		Indirect
08-Apr-15	IN20150018549	Buy in for ONAL	Section 86	RCMP		Indirect
18-Apr-15	IN20150020601	Buy in for INFO	Section 86	RCMP		Indirect
25-Apr-15	IN20150021808	Buy in for	Section 86	RCMP		Indirect
29-Apr-15	IN20150022553	JIN at restaurant across from RRCR	Section 86			
05-May-15	IN20150023818	Buy in for PER	Section 86	RCMP		Indirect
11-May-15	IN20150024818	Buy in for SON	Section 86	RCMP		Indirect
11-May-15	IN20150024899	Buy in for AL	Section 86	RCMP		Indirect
22-May-15	IN20150026735	JDLR - JIN dropping off another patron, PER	Section 86			
02-Jun-15	IN20150028770	Patron Interviews				Indirect
04-Jun-15	IN20150029238	Buy in for PER	Section 86	RCMP		Indirect
05-Jun-15	IN20150029259	JDLR - Patron meeing JIN in RRCR parking lot	Section 86			
11-Jun-15	IN20150030338	RCMP request footage of JIN meeting in RRCR parking lot	Section 86			
11-Jun-15	IN20150030380	License plate alert that JIN is on site at RRCR	Section 86			
13-Jun-15	IN20150030694	Buy in for PERSO	Section 86	RCMP		Indirect
21-Jun-15	IN20150032145	Buy in for NAL	Section 86	RCMP		Indirect
03-Jul-15	IN20150034358	Buy in for INFO	Section 86	RCMP		Indirect
08-Jul-15	IN20150035266	Buy in for	Section 86	RCMP		Indirect
11-Jul-15	IN20150035886	Buy in for	Section 86	RCMP		Indirect
11-Jul-15	IN20150035942	Buy in for	Section 86	RCMP		Indirect

Date	Incident File #	Synopsis	Notification		JIN Indirectly Involved
02-Aug-15	IN20150040195	Buy in for[redacted]	Section 86	RCMP	Indirect
12-Aug-15	IN20150042047	JIN at restaurant across from RRCR			
11-Sep-15	IN20150047426	JIN on site at RRCR Hotel	Section 86		
11-Sep-15	IN20150047427	Assistance to police re: JIN footage at RRCR	Section 86	RCMP	
27-Sep-15	IN20150050388	JIN on site at RRCR	Section 86		
07-Oct-15	IN20150052167	Buy in for[redacted] / JIN on site at RRCR	Section 86	RCMP	Indirect

Redacted - FINTRAC

Date	Incident File #	Synopsis	Notification			JIN Indirectly Involved
			GPEB	Law Enforcement	STR	
15-Jan-16	IN20160002976	Assistance to BCLC - HRP Master			Redacted - FINTRAC	
15-Jan-16	IN20160007097	Assistance to BCLC - HRP Master				
15-May-16	IN20160027786	JDLR - JIN on site at RRCR		RCMP		
16-Jun-16	IN20160034418	JDLR - Suspicious Activity		RCMP		Indirectly
17-Jun-16	IN20160034589	JDLR - Suspicious Activity		RCMP		Indirectly
18-Jun-16	IN20160034829	JDLR - Suspicious Activity		RCMP		Indirectly

This is Exhibit "6" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Brad Desmarais[PERSONAL INFO]; Monica Bohm[PERSONAL INFO]; Susan Dolinski[PERSONAL INFO]
From: Jim D. Lightbody
Sent: Thur 2014-11-27 3:52:11 AM
Subject: Re: Kesi Wei

.....
;;;;;;
Thanks Brad, well done.

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Brad Desmarais
Sent: Wednesday, November 26, 2014 7:18 PM
To: Monica Bohm; Jim D. Lightbody; Susan Dolinski
Subject: Kesi Wei

This VVIP tried to come into the RR with $500K after being spoken to twice about using cash originating from our person of interest. The RR has declined to accept the cash and he departed. He also said he had a large amount of chips but was advised he could use them if he verified source. All LMD Casinos have been advised not to accept cash from this person and he will be banned from cash play at our Casinos until interviewed by BCLC investigators.

Sent from my BlackBerry 10 smartphone on the TELUS network.

This is Exhibit "7" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Message

From: Robert G. Kroeker [redacted]
Sent: 2015-01-02 2:59:44 AM
To: Shauna Gillespie [redacted]
Subject: FW: Binshun CAO # 11435

For info.

-----Original Message-----
From: Brad Desmarais [mailto[redacted]
Sent: Wednesday, December 31, 2014 11:52 AM
To: Robert G. Kroeker
Cc: John Karlovcec
Subject: RE: Binshun CAO # 11435

Copy...

John FYI.

Brad Desmarais
Vice President, Corporate Security & Compliance
(and) Interim Vice President, Human Resources

BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T[redacted] C[redacted] F 604 225 6488

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

-----Original Message-----
From: Robert G. Kroeker [mailto[redacted]
Sent: Wednesday, December 31, 2014 11:31 AM
To: Brad Desmarais
Subject: Re: Binshun CAO # 11435

Agree. How about John connecting directly with Deborah and Daniel

Sent from my iPhone

On Dec 31, 2014, at 11:38 AM, Brad Desmarais <[redacted]>> wrote:

I guess we need to have a call about this guy...

Brad Desmarais
Vice President, Corporate Security & Compliance
(and) Interim Vice President, Human Resources

BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T[redacted] C[redacted] F 604 225 6488

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: John Karlovcec
Sent: Wednesday, December 31, 2014 9:37 AM
To: Brad Desmarais
Cc: Daryl Tottenham
Subject: RE: Binshun CAO # 11435
Importance: High

Hi Brad,

As a follow up I spoke with Daryl this morning re: CAO.

CAO attended RRCR last night and conducted another large cash buy-in using small denomination consisting of ($20 x 18,001 + $10 x 1 + $5 x 1= $360,035).

This now places him at 1.8 million in cash in 7 days, mostly small bills.

Daryl identified that CAO opened a PGF account in July and ran a bank draft for a half million into it which he used over the following week but he has not used it since then.

This is starting to be very similar to Kesi Wei's situation. As an initial step I'm going to suggest that we have RRCR management speak with CAO much like we did with Kesi Wei to determine source of funds as well as to encourage the use of the PGF account. RRCR can then monitor his activities following the discussion.

I recognize that we do not want to jeopardize revenue however if the dialogue does not garner the intended results we may need to have our investigators have a chat with him and/or look at imposing additional restrictions relative to his use of cash to play.

If you are in agreement we will have the RRCR investigators chat with RRCR management to make arrangements to speak with CAO.

John

From: Brad Desmarais
Sent: December-30-14 11:24 AM
To: Daryl Tottenham
Cc: John Karlovcec
Subject: RE: Binshun CAO # 11435

At this point we are uncertain where the cash is coming from? Can we get the SP Cash Cage to do a source of funds inquiry? Any other suggestions?

Brad Desmarais
Vice President, Corporate Security & Compliance
(and) Interim Vice President, Human Resources

BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6

T PERSONAL INFO C PERSONAL INFO F 604 225 6488

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Daryl Tottenham
Sent: Tuesday, December 30, 2014 11:21 AM
To: Brad Desmarais
Cc: John Karlovcec
Subject: RE: Binshun CAO # 11435

Morning Brad,
Just to update you on this player, upon reviewing his activity this morning there were a number of LCTs in the past 6 days but only 2 incident files and the female was still LNU. I sent a request to the guys at RR this morning to review his activity asap and advise and it turns out RR decided not to report 2 of his cash buy-ins for $250,000 on each occasion: The first on the 23rd because they were $100 bills and the 2nd on the 29th and no indication what the bills were. The 450K cash buy-in on the 24th was all $20's and the second 450K cash buy-in was in various bills from $10 to $100. Two of his buy-ins showing 545K and 620K on the 26th and 27th are from winnings the previous night but there should be 2 more UFT files that need to be created and 4 STR's in total over 6 days. His total cash buy-in's during these 6 days sits at 1.4 million, much of which is in small bills. Jerome is looking after my requests to deal with Arlene regarding the circumstances of these buy-ins but the investigators would like to know if there is anything that you wish them to do if CAO returns again tonight, which he is likely to do. Let me know if there is anything you would like me to follow up with, I have Cathy and Brad doing a priority deep dive on both subjects so we can confirm their source of wealth and stated occupations.
Daryl

From: Brad Desmarais
Sent: Monday, December 29, 2014 1:25 PM
To: Daryl Tottenham
Subject: RE: Binshun CAO # 11435

Thanks, Daryl. Please let me know if this pattern of LCTs continue.

Brad Desmarais
Vice President, Corporate Security & Compliance
(and) Interim Vice President, Human Resources

BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T PERSONAL INFO C PERSONAL INFO F 604 225 6488

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Daryl Tottenham
Sent: Friday, December 26, 2014 9:47 AM
To: AML
Cc: Brad Desmarais
Subject: Binshun CAO # 11435

Brad/Cathy
When you return could you please do a priority dive on this guy and create a dossier for him? I have added him on the HRP list and flagged him accordingly and placed him on watch, along with comments to obtain details on the hotel he refers to in his occupation as "hotel owner". He was with a female on his last 2 large buy-ins and although she parked the car and brought in 200K in small bills and gave it to CAO, they did not get ID from her on either visit so she is listed as an LNU. I have flagged her as well to obtain ID and occupation details and will advise accordingly when it is added to this file..

He has a history with BCLC and River Rock back in 2005/2006 but his buy-ins were generally in the 20-60 K range. He disappeared in Nov 2006 and re-surfaced in July 2014 and has had 17 LCT's since that time with buy-ins ranging from 200K to 600K which total 2.6 million from July to December. However he did have a PGF deposit in July for 266 K and the vast majority of the buy-ins from July to late August are grossly inflated due to the churn factor. Most of those buy-ins can be tracked to large disbursements and carry-over.

The anomaly from his play started on December 23rd, 2014 as he had no play between August and Dec 23rd, then showed up with the female and brought in $250,000 in $20 bills for table play. (It appears he lost all but 25K of that buy-in.) This cash was brought in by them when they arrived in their Mercedes.

He returned on the 24th with the same female and CAO carried in 250K in cash and the female followed shortly after with another bag of 200K which she gave to him. The total buy-in was for $450,000 and was in $10, $20, $50, and $100 bills and the only disbursement shown anywhere at this point if for 10K at 0727 hrs on the 25th. Will follow further with the RR investigators when they are back to work next week and try to confirm ID on the female.
Brad, you were CC'd on this as an FYI just in case you get a phone call as both buy-ins were properly reported to GPEB and may trigger some activity.
Thx Daryl

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This is Exhibit "8" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Glen Atchison[PERSONAL INFO]; [PERSONAL INFO]; Craig Longley[PERSONAL INFO]; [PERSONAL INFO]; [PERSONAL INFO]; Devin McCormack; [PERSONAL INFO]; 'Patrick Ennis'[PERSONAL INFO]; Shauna Gillespie[PERSONAL INFO]; Erin Oliver[PERSONAL INFO]; [PERSONAL INFO]; [PERSONAL INFO]
Cc: Rob Kroeker[PERSONAL INFO]; Brad Desmarais[PERSONAL INFO]; Kris Gade[PERSONAL INFO]; Bruno Gatto[PERSONAL INFO]; Kevin Sweeney[PERSONAL INFO]; Daryl Tottenham[PERSONAL INFO]
From: Ross Alderson
Sent: Fri 11/09/2015 8:12:49 PM
Subject: BCLC Request for assistance - Casino Patrons RESENT
List of players Sept 11 2015.pdf
Letter to SP Sept 11 2015.pdf

Hi, there appears to have been an issue with outlook and some among you have not received the previous email. I have resent to all just to be safe.

There is also a three letter acronym on the top of the player list in the last email. There has been speculation around the meaning of the acronym V3[redacted] which refers to a BCLC Internal investigation file number. I would appreciate if you did not share that file number with staff to avoid any confusion or speculation and please black out the reference, or preferably use the new edited player list above.

Many thanks

Good morning,

Please find attached a letter regarding conditions to be placed on a small number of Casino Players.
Also attached is a list of the players involved.
The letter outlines what the conditions are and the rationale.
I appreciate this may have a significant impact to your business and is not a decision made lightly.
I apologize for not being able to convey this news in person but I wanted to assure everyone was notified at the same time and it is a time sensitive matter.

It is BCLC's desire to interview these players and we would ask for your assistance in facilitating that if possible. We encourage any player on this list to contact BCLC Consumer Services on 1-866-815-0222 or email through http://corporate.bclc.com/customer-support.html
to schedule an interview so we can ensure we have the appropriate resources including translation services. Investigators will be available from Monday September 14, 2015.

I appreciate if you can make your operational staff aware of the conditions.

Many thanks for your cooperation.

Ross Alderson CAMS

Director, AML & Operational Analysis

BCLC0004504

Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO C PERSONAL INFO F 604 225 6488

PERSONAL INFO



BCLC0004505

11 Sept 2015

RE: BCLC Direction to BC Gaming Service Providers



Good Morning,

Today certain conditions are to be imposed on a small number of Casino Patrons. The list of patrons is attached in a separate PDF document attached to this email.

The iTrak profiles of these players will be updated shortly. This list includes the previous list of patrons from my email dated August 5, 2015.

All players on the list are no longer permitted to buy-in at any BC Casino with any "un-sourced" cash or "un-sourced" gaming chips until further notice.

74 West Seymour Street
Kamloops, BC V2C 1E2
T 250.828.5500
F 250.828.5631

2940 Virtual Way
Vancouver, BC V5M 0A6
T 604.215.0649
F 604.225.6424

BCLC continues to use a sound evidence based approach to all player activity. Decisions made regarding the player behavior of the players on this list are made unique to each individual player and/or circumstance. They align with both BCLC's Anti Money Laundering Program and with BCLC's key values specifically, Social Responsibility and Integrity.

Below are the following conditions to be imposed effective **IMMEDIATELY:**

Un-sourced Cash and Chips

- If any of the players on this list wish to buy-in using cash (any $ amount), this buy-in must be accompanied by a withdrawal slip from an accredited financial institution (including from an ATM) withdrawn within 2 Business days of the attempted Casino buy-in.

- If any of the players on this list wish to buy-in with gaming chips, the site must be able to show that the chips were the result of a previous verified win, otherwise they will not be accepted until BCLC has conducted a player interview to ascertain the origin of those chips.

- No player on this list will be able to accept any cash or chips (either sourced or un-sourced) from any other persons while in a facility at any time. Eg: no "cash passing or chip passing" of any kind.

- No player on this list will be allowed to dictate game play to a third party while in a Gaming Facility.

Please note the above applies to all transactions, regardless of amount. We would strongly encourage players to utilize the cash alternative options available to them.

Any deviation from the above conditions may result in immediate additional measures, including possible suspension or outright prohibition of the players gaming privileges.

We value our business partnership with all our players. It is critical that all Service Partners assist in ensuring these conditions are followed without exception. It is equally imperative for the integrity of this industry that we discourage all our players from using funds which are potentially borrowed from unknown or unfamiliar sources.

When there are reasonable grounds to believe players are willingly associated with criminality they will be banned outright. When there are reasonable grounds to believe players may be un-wittingly associated with criminality, they will be banned from buying in with any un-sourced financial instrument until the source of that instrument can be reasonably confirmed as legitimate.

BCLC Investigations will attempt to contact all players to arrange an interview with each patron to discuss the activity which has resulted in these conditions.

NOTE: All patrons who have been interviewed previously will not be required to be interviewed. Any players on this list who are currently banned or VSE will not be interviewed until the ban/VSE has expired.

As always we appreciate the assistance of our business partners.

Please feel free to contact me at on PERSONAL INFO or via email on PERSONAL INFO if there are any comments or concerns and I will attempt to answer as much as I am able.

Thank you once again for your cooperation

Regards

Ross Alderson
Director AML & Operational Analysis, BCLC

bclc
playing it right

74 West Seymour Street
Kamloops, BC V2C 1E2
T 250.828.5500
F 250.828.5631

2940 Virtual Way
Vancouver, BC V5M 0A6
T 604.215.0649
F 604.225.6434

cc.

Brad Desmarais
Vice President, Casino and Community Gaming, BCLC

Rob Kroeker
Vice President, Corporate Security & Compliance, BCLC

bclc
playing it right

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Kamloops, BC V2C 1E2

T 250.828.5500
F 250.828.5631

2940 Virtual Way
Vancouver, BC V5M 0A6

T 604.215.0649
F 604.225.6424

This is Exhibit "9" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Bob Jones[PERSONAL INFO]; Brandon Norgaard[PERSONAL INFO]; Brian Stephens[PERSONAL INFO]; David Slobodian[PERSONAL INFO]; Don Merkel[PERSONAL INFO]; Jerome Wakeland[PERSONAL INFO]; Jim Husler[PERSONAL INFO]; John Bressette[PERSONAL INFO]; John Ramsay[PERSONAL INFO]; Mike Hiller[PERSONAL INFO]; Steve Beeksma[PERSONAL INFO]; Stone Lee[PERSONAL INFO]; Tom Caverly[PERSONAL INFO]; Tom Plante[PERSONAL INFO]
Cc: Kris Gade[PERSONAL INFO]; Ross Alderson[PERSONAL INFO]; Daryl Tottenham[PERSONAL INFO]; Bruno Gatto[PERSONAL INFO]
From: Tom Caverly
Sent: Tue 2015-09-15 4:35:09 PM
Subject: Priority One Interview Project
Interview Report.docx
FINAL-Sept_15 2015-Operational Plan-Priority 1 Interviews.pdf

Good morning,

Please find attached the final operational plan for our priority one interview project.

I will be responsible for the project/file coordination along with collating information learned from the interviews and passing it on to investigators.

I will have a master list and will update it as the interviews take place. I will alsol be checking the patron profiles to ensure they are being updated.

Interview a reports will be completed in the in a consistent format (See attached).

This report will be completed within a short time after the completion of the interview and is to be sent to the File Coordinator.

Please keep in mind the instructions contained in the operational plan as it relates to sensitive information and who it is to be distributed to. I ask that I be included in that distribution list.

When completing ITRAK reports leave out the sensitive information and simply note: "Further information has been noted elsewhere". A separate intelligence report has been forwarded to Ross Alderson, Director, AML & Operational Analysis.

No photo line ups or other props are to be used to facilitate the interviews.

No names of known facilitators are to be used however if a patron brings a name up it opens the door to gather intelligence. A passive approach is to be used.

Tom Caverly
Casino Investigations
BCLC, 2940 Virtual Way, Vancouver, BC, V5M 0A6
PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education

and community groups across B.C.

Interview Report

Individual interviewed:

Name and SID#

Synopsis:

In this section you will state why you approached the individual which will include addressing whether a briefing took place prior to the interview? If yes articulate the goals of the interview and if not explain why not. A brief comment on the results and follow up required, if any.

Interview High Lights:

This would document what was said in point form during the interview.
(NOTE: Only document relevant information)

Interviewer comment:

This would include speaking to how cooperative the patron was and the value of the information learned and whether further actions are warranted by investigators.

bclc

CORPORATE SECURITY & COMPLIANCE
OPERATIONAL PLAN-Priority 1 Interviews -September 15, 2015

BACKGROUND

A review of all Suspicious Transaction Reports (STR's) filed between June 1 to July 23, 2015 has been conducted by our AML and Operational Analysis team at BCLC. Below is a breakdown of that analysis:

- 162 (67%) of the STR's originated at the River Rock Casino and Resort (RRCR)
- 145 mention "vehicle" in the narrative and were reviewed to determine if a vehicle delivered cash or if Paul King JIN was involved.
- 41 of the 145 (28%) of the STR's from RRCR had cash deliveries (nearly $7M) and 13 out of the 145 (95) mention some association to Paul King JIN.

OBJECTIVES

As a result of the information noted above coupled with recent intelligence we have received from authorities, we are requesting that the Investigators assigned to this plan conduct interviews with 36 players with the intention to obtain information surrounding the origin of the funds as well as educate the players as per the BCLC Patron Education Protocol – April 16, 2015.

For the purpose of this updated Operational Plan we have moved the previous Priority 2 players and, this Operational Plan will cover Priority 1 interviews only. All Priority 1 players are prohibited from buying in at BC Casinos with un-sourced cash and/or un-sourced chips until further notice.

Priority 1

Scope of Investigation

Interview of players known to have had cash drop offs linked to Paul King JIN.

Process

1. Casino Service Providers to be notified of players on list along with conditions and expectations. To be completed by Director AML & Operational Analysis.

2. Project Leader to work with Casino Service Providers on contacting players (see appendix A) with connection to the cash drop(s) off involving Paul JIN and schedule time for Investigator(s) to interview them.

3. Update 'Comments' in Subject Profile, *eg* "Player to be interviewed by BCLC Investigator at earliest opportunity"(To be completed by AML Unit).

4. Conduct interview of players.

BCLC0008926

5. Summarize findings and interview in report to be submitted to Project Leader.

Interview Script/Process

1. Print off subject profile to confirm personal details, including stated address, employment/company, and status in Canada.

2. Conduct the interview in as much of a conversation tone as is possible. Avoid being accusatorial.

3. Thank player for their cooperation in attending interview, and that we greatly appreciated their making time to speak with us

4. Introduce yourself and try to confirm personal details as above.

IMPORTANT NOTE:

a. Do not ask direct questions about Paul JIN, his associates or any vehicles he is associated to, or mention Paul JIN, his associates or any vehicles he is associated to, during the interview. If the patron mentions the name Paul JIN, an associate or any vehicles he is associated to; probing questions can be asked.

b. No individual photograph's or photograph line-ups of others are to be used.

Advise the patron that:

1. *The reason we have asked to speak with you is that "BCLC is concerned about recent cash deliveries brought to you outside one or more BC casinos. As a result this interview was requested. We are also concerned that you are putting yourself and others at risk of personal harm, including being robbed, by receiving cash drop offs of this nature."*

2. *Under Canadian law, BCLC is obligated to report "All cash buy ins over $10K to the Canadian Federal Govt* **(REMEMBER YOU CANNOT EVER MENTION THEY HAVE BEEN THE SUBJECT OF AN STR)**

3. *Canadian tax authorities and the police may access these reports.*

Interview content

- Request the source of funds, *(specifically mention cash dropped off outside the facility involving type of vehicle etc)*
- What is the player association to the person(s) dropping off the cash
- How does the player arrange the delivery (get as much info as possible)

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- Does the player ever ask where the money comes from? *(eg-are the funds his? If so why in cash?)*
- If the funds are borrowed then ask player how/when he pays it back and how can he or the Casino be assured that the funds are not from proceeds of crime?
- Does player believe this behavior (cash drops offs) is suspicious?
- Why does the player utilize this method rather than use a PGF account (find out if they have businesses here/bank accounts or any assets)
- Does the player know of any information which can help BCLC determine that the player's funds are from legitimate sources.
- Do you have any chips in your possession? If so how many, which Casinos and when did you win them? *(Inform the player they have 72 hours to return the chips and after that they may be subject to interview)*
- Why does the player choose to use cash?
- Would they be interested in credit if it were to be offered?
- What can we do to assist you in future to not using cash in this method? (Eg are there alternative methods such as offering overdraft or credit which we could use?)
- Is the player aware of any illegal gaming houses in the Lower Mainland. (if so get details)

Advise the patron that:

1. *"We appreciate your patronage however if we receive any information that the cash used by you is suspected to be proceeds of crime then BCLC will be unable to accommodate any further cash buy ins and you are putting yourself at risk. We would strongly advise you utilize a PGF account or use cash withdrawn from a Canadian or U.S. bank which is accompanied by a receipt from that bank. BCLC cannot accept funds believed to be the proceeds of crime and this behavior puts the entire Casino business in BC at risk. "*

2. *Gambling anywhere but at legal casino is criminal offence in Canada. Even being present at an illegal gambling house is an offence. If a person was found to be in any place where illegal gambling was taking place, even if they were just observing, they could be arrested and charged with a criminal offence. "*

3. *If a person who was not a Canadian citizen was found in an illegal gambling house, it could impact their status in Canada and could affect their ability to travel to and from Canada or the United States.*

Conclude with:

We continue to value your business and hope you will continue to enjoy our gaming facilities. We do ask that you only buy-in with non-cash options like bank drafts and debit, cash you a have receipt for from a bank or chips you purchased yourself. Un-sourced cash or chips will not be accepted.

"We regret any inconvenience or upset this talk has caused. While we understand this interview was likely uncomfortable we greatly appreciate your cooperation here today. BCLC's main priorities are to protect you and gaming integrity in BC."

INTERPRETERS

It is anticipated that many that will be interviewed will require an interpreter to communicate with in either the Mandarin or Cantonese language. Access to an interpreter proficient in each of these languages will be required.

An objective of the interview is to also develop any other information/ intelligence that Investigators are able to determine in relation to the gaming industry.

With this in mind, the interpreter(s) will require a high level of security clearance as a high level of confidentiality must be exercised with those interviewed that provide valuable information; any compromise could potentially jeopardize their safety and or the safety of others associated to those providing the information/intelligence.

The services of MOSAIC Translation Services will be utilized whenever identified BCLC Internal staff is not available.

IMPORTANT NOTE: Service Provider interpreters will not be utilized except to make introductions and to confirm personal details, including stated address, employment/company, and status in Canada.

MOSAIC Translation Services:

Monday to Friday 8:00am - 5:30pm - 604-254-8022
Afterhours line - 5:30pm - 4:00am - 604-254-8617.

Saturday/ Sunday/ Statutory Holidays – afterhours line - 604-254-8617.

When calling:

a). Identify yourself with your first and last name and advise it is to be invoiced to BCLC Corporate Security and Compliance. You may be asked for a file name or client name; give only your first and last name.

b). Request the language required. The length of time for a callback by an interpreter is dependent on the availability of an interpreter for the language requested.

c). The following is required for invoicing purposes:
- The precise time the request is made and language required.
- The precise time the interpreter is on the line.
- The precise time the call with the interpreter ends.

Provide all information related to the use of the MOSAIC to Kris Gade and Bruno Gatto.

DOCUMENTING

iTrak Subject Profile - Comments - Subsequent to the interview, update the iTrak Subject Profile Comments section with an applicable update:
For example:
"Date - Patron has been interviewed by BCLC Investigators therefore is no longer required to contact BCLC Consumer Services. The BCLC DIRECTIVE by Ross ALDERSON, dated Sept. 11, 2015, detailing SANCTIONS remains in effect."

iTrak Report - Create a Corporate Security BCLC Vancouver - Assistance to BCLC file. Document the Session to Educate or Session to Warn related information.

Intelligence - Any intelligence/sensitive information learned is to be documented in a Word Document addressed to Ross Alderson, Director, AML & Operational Analysis. Email intelligence report to Kris Gade and Bruno Gatto.

INVESTIGATION TEAM MEMBERS
Project Leader: Ross Alderson

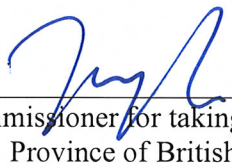
Project Team: Kris Gade, et al

Project/File Coordinator: Tom Caverly

SUBMITTED BY
Kevin Sweeney
Director, Compliance and Investigations
&
Ross Alderson
Director, AML and Operational Analysis

FINTRAC 2016-09-15 CONFIDENTIAL

This is Exhibit "10" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020



A Commissioner for taking Affidavits for the
Province of British Columbia

To: Steve Beeksma[PERSONAL INFO]; Stone Lee[PERSONAL INFO]
Cc: Kris Gade[PERSONAL INFO]; Daryl Tottenham[PERSONAL INFO]; Jerome Wakeland[PERSONAL INFO]; Jim Husler[PERSONAL INFO]
From: Bruno Gatto
Sent: Thur 2015-09-03 7:40:34 PM
Subject: CINV Interview-[Redacted - Patron Interview]

Hi Stone/Steve,
In accordance with BCLC Casino Investigations Protocol, please cover the following points during the Session to Educate and Session to Warn with [Redacted - Patron Interview Identifying Information]

1. As Daryl indicates in the 07:31am email below; inquire if he still has accounts set up in Canadian banks to assist in utilizing his PGF account.
2. As Daryl indicates in the 07:31am email below; back in Oct to Dec 2014 he used his PGF account extensively with extremely high deposit amounts, discuss this issue to ensure he understands he can use that account without limit and encourage him to utilize his PGF account.

Intelligence Gathering:
1. Questions about any information he may be aware of, or rumors he may have heard, about any underground casino operation.
2. Without disclosing the reason for the question, ask if he has any RRC 5K chips. If he acknowledges having any/ how many.
3. Without specifically naming any cash facilitators, inquire about how he obtains cash when he plays.

Any intelligence learned is to go on a Word Document only and sent to Kris and I. The basic/standard discussions about using his PGF and complying with what is expected of him when he attends a site to play can be detailed in a BCLC Corporate Security file.

For additional background and guideline for the interview, please see the following that Daryl sent me at 10:31am this morning:
When I reviewed some of his past files last year, I identified his main supplier of cash deliveries as [Redacted - Patron Interview] and his associates and not [Redacted - Patron]. It was speculated back then that [Redacted -] was a possible rival cash source from [Redacted - Patron Inter] but recent info shows it is likely [Redacted -] is under that same group but [Redacted -] sits higher up the ladder than [Redacted -] and was dealing with the "big fish" for large amounts of cash. [Redacted -] has basically fallen off our radar of late but was active back then with [Redacted - Patron Interview Identifying Information] who we barred for 5 years in Nov 2012 but has been active with deliveries to RR since albeit much more sporadic.

I think with [Redacted -] we should focus the interview on a positive side and try to ensure he understands completely that he is not banned from playing and thoroughly explore his options with Canadian bank drafts to his PGF account. He also needs to be told that he is jeopardizing his ability to attend BCLC sites with these continued minor violations of his restrictions and that if it continues we will have no choice but to ban him for 5 years and that would not be easily reversed so he needs to pay attention and that we are trying to help him regain his normal playing status as we value his business.

The questions on the underground casino would be very helpful if he admits to knowing them but we should not disclose that we know where they are, just that we have heard they are out there and that if one of those sites gets busted by the police, all patrons found in there will likely be banned long-term from BCLC sites. This would be good to have circulated out there for those that might think twice about using those sites if they lose the ability to simply return to BCLC sites if it gets raided.

I doubt he has any 5K chips in his possession but if he says he does not, ask him if he knows anywhere where they can be obtained other than RR itself.

The rest of the questions should be focused on where he gets his cash, where it gets re-paid when he borrows it and the names of anybody that he uses to get cash from. We should also look to confirm his company name, is the business still active, and does he reside in the Lower Mainland for the majority of the year or is his primary residence overseas.

Steve does excellent interviews so I don't think there will be any problem playing off the info he gets as the interview moves along but we have an advantage here as it is clear that he wants to continue to attend our sites so if we come across as trying to help him achieve that goal but we are concerned about unsavory people coming to our casinos, he might be more open to disclose information and be truthful.

If I think of anything else to add I will shout you but I think you have it covered off pretty much right now.
Cheers D.

Daryl Tottenham BA, CAMS

End

Thanks
Bruno

From: Bruno Gatto
Sent: September-03-15 7:55 AM
To: Stone Lee
Cc: Steve Beeksma; Kris Gade
Subject: FW: Redacted - Patron complaint

Hi Stone/Steve,
I'm working on a list of issues to cover during the interview with Redacted - Patron if he agrees to come in for it. The attached CS complaint indicates he wants to be contacted in the afternoon, so I'm thinking attempts to make contact can start just after 12 noon. I'll get back to you asap with the list.
Thanks
Bruno

From: Bruno Gatto
Sent: September-03-15 7:46 AM
To: Daryl Tottenham; Kris Gade; Kevin Sweeney; Steve Beeksma
Cc: Ross Alderson
Subject: RE: Redacted - Patron complaint

Thanks Daryl. I'll communicate with Stone and Steve on this.
Bruno

From: Daryl Tottenham
Sent: September-03-15 7:31 AM
To: Bruno Gatto; Kris Gade; Kevin Sweeney; Steve Beeksma
Cc: Ross Alderson
Subject: Redacted - Patron complaint

Morning all,
I'm sure you guys saw the Consumer complaint last night from Redacte looks like we will need Stone to make

contact with him this afternoon to arrange an interview and prepare some questions for him. Just a note that upon reviewing his file, back in Oct to Dec 2014 he used his PGF account extensively with extremely high deposit amounts so it might be something that bring up during interview and ensure he understands he can use that account without limit. We may want to inquire if he still has accounts set up in Canadian banks to assist in utilizing his PGF account, along with the questions regarding the underground casino operation.

REDACTED - RCMP

Just an fyi to keep everyone in the loop.
Daryl

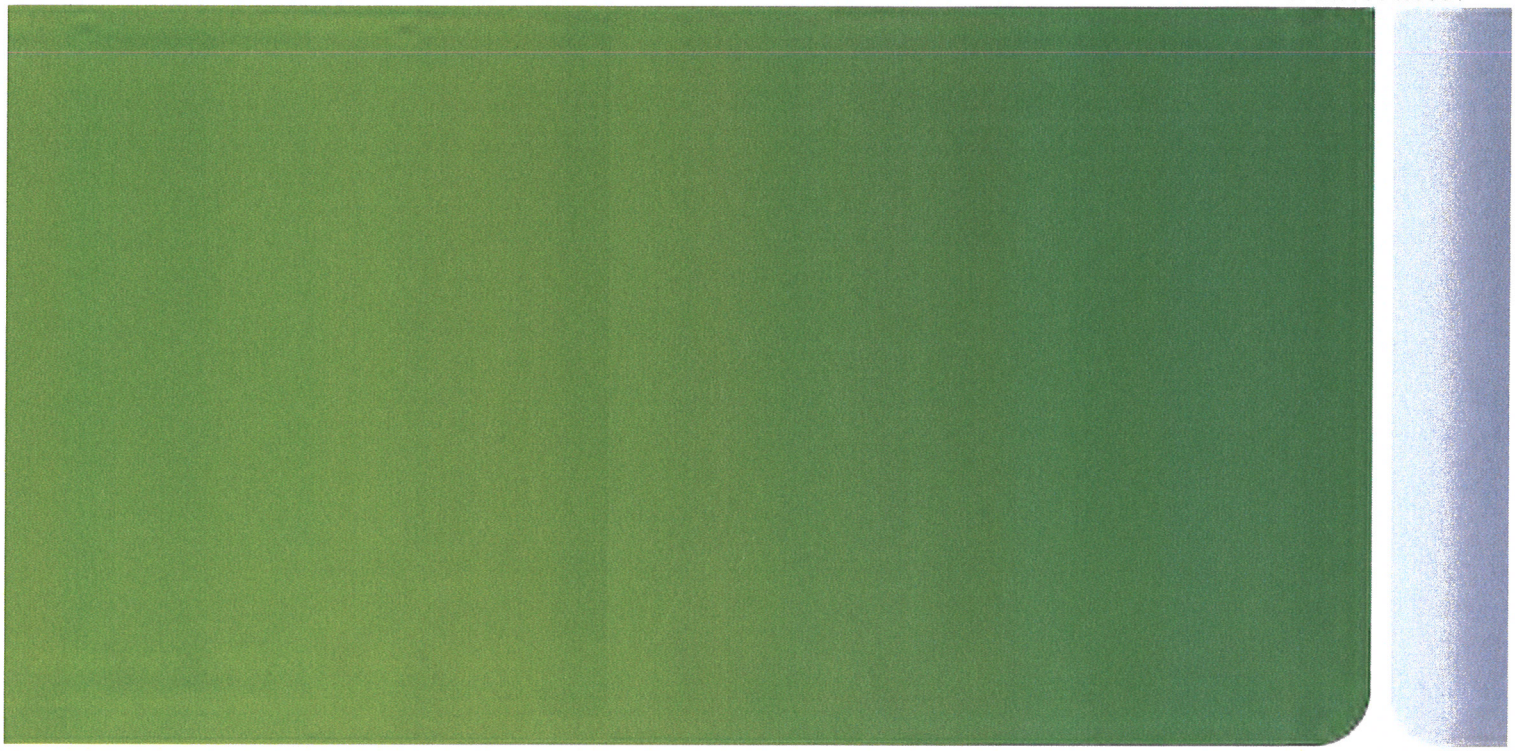
Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

This is Exhibit "11" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia



AML Roadmap

BCLC Corporate Security and Compliance
Anti-Money Laundering and Operational Analytics Unit

December 2013

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playing it right

AML Milestones and Key Costing

The key milestones as defined by BU are detailed on the *Future Direction* slide found on the page 12.

2 very high level requirements:

1. Implement a near term solution to meet the FINTRAC requirements of reporting multiple large cash transactions at our facilities.
2. Implement a longer term AML and Analytics solutions to 'know your customer' potentially (SAS)

Broken down into the two phases:

Phase 1: Implement a near term solution to meet the FINTRAC requirements:

- 6 Months - $525K - $875K ($700K +/- 25%)

Phase 1 (optional) Fintrac Reporting	
PM	$ 120,000.00
Internal Labour	$ 120,000.00
BA	$ 110,000.00
Other Contract Resources	$ 100,000.00
Professional Services	$ 100,000.00
Software Licences	$ 100,000.00
Total	**$ 700,000.00**
Low (-25%)	$ 525,000.00
High (+25%)	$ 875,000.00

Julie Ryan, Bill White, Steen Bray and Ranj Panikkar generated the estimated costs for both phases based on experience from previous projects. These values were reviewed by Lynette DuJohn, Kent Menston and Pat Davis.

Phase 1 will allow us to be compliant with FINTRAC regulations but will rely on very manual processes. Including the milestone identified before Feb 2014.

Phase 2: Implement a longer term AML and Analytics solutions based on SAS:

- 12 Months - $5M - $8.4M ($6.75M +/- 25%)

Phase 2 (preferred) SAS Implementation	
SAS Analytics Software Licenses	$2,500,000.00
SAS Professional Services	$2,500,000.00
Infrastructure	$500,000.00
PM	$250,000.00
BA	$200,000.00
Internal labour	$500,000.00
Additional contract resources	$200,000.00
Training	$100,000.00
Total	**$6,750,000.00**
Low (-25%)	$5,062,500.00
High (+25%)	$8,437,500.00

This option will take us to the preferred state. Including all milestones as outlined on page 12.

As BCLC does not normally acquiesce to a contract purchase based on a particular date, the SAS costs for Phase 2 are estimations based on averaging the discounted price and the regular price. Drawing from previous engagements of similar magnitude the costs for SAS in Phase 2 are a fair assessment of what is expected once contract negotiations have occurred.

The following page is the SAS AML & Gaming Analytics quote which includes the discounted price of $1.9 million and the regular price of $3.1 million.

SAS AML & Gaming Analytics Quote

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Gaming Analytics Platform and AML Compliance Solution for BCLC

BCLottery Analytical & AML Compliance Environment

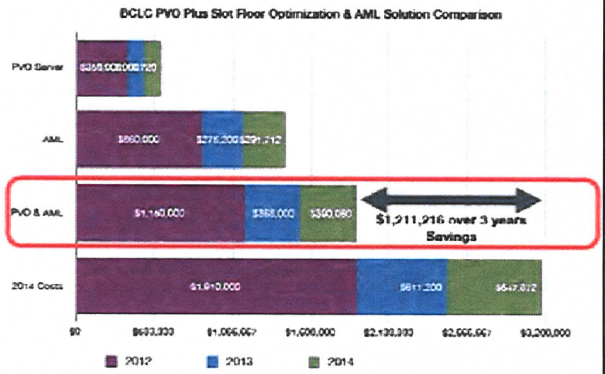
	PVO UPGRADE EXISTING DESKTOPS BY 30, 2013	AML, ECM & REG REPORTS	COMBINED AML & GAMING ANALYTICS BY DEC 30, 2013	TOTAL SAS INVESTMENT AFTER DEC 30, 2013
Desktop PC	Unlimited Users	-----	Unlimited Users	Unlimited Users
Server Based	Yes	-----	Yes	Yes
Data Quality (Data Flux)	Server Based	-----	Server Based	Server Based
Advanced Analytics Suite	Included	-----	Included	Included
Enterprise Miner	Yes	-----	Yes	Yes
Base SAS / STAT / GRAPH	Yes	-----	Yes	Yes
Rapid Predictive Modeller	Yes	-----	Yes	Yes
SAS Integration Technologies	Enhanced	-----	Enhanced	Enhanced
Enterprise Guide	Unlimited Users	-----	Unlimited Users	Unlimited Users
Microsoft Office Add On	Unlimited Users	-----	Unlimited Users	Unlimited Users
SAS Access to PC Files	Included	-----	Included	Included
Slot Floor Optimization Options	Included	-----	Included	Included
SAS AML Solution Complete	-----	Included	Included	Included
SAS AML Foundations	-----	Included	Included	Included
SAS ECM	-----	Included	Included	Included
Regulatory Reports	-----	Included	Included	Included
Recommendation (out of 5 stars)	★★★	★★★	★★★★★	★★★

*Quote Valid for until Dec 30, 2013

SERVER PROMO PRICING		AML PRICING		GAMING ANALYTICS & AML PLATFORM 2013		COMBINED PRICE 2014	
1st Year Fee	$360,000	1st Year Fee	$860,000	1st Year Fee	$1,160,000	1st Year Fee	$1,910,000
2nd Year Renewal	$112,000	2nd Year Renewal	$275,200	2nd Year Renewal	$368,000	2nd Year Renewal	$611,200
3rd Year Renewal	$118,720	3rd Year Renewal	$291,712	3rd Year Renewal	$390,080	3rd Year Renewal	$647,872
TOTAL	$590,720	TOTAL	$1,426,912	TOTAL	$1,908,080	TOTAL	$3,169,072

Total Costs $2,007,632

Savings $1,211,216 over 3 years

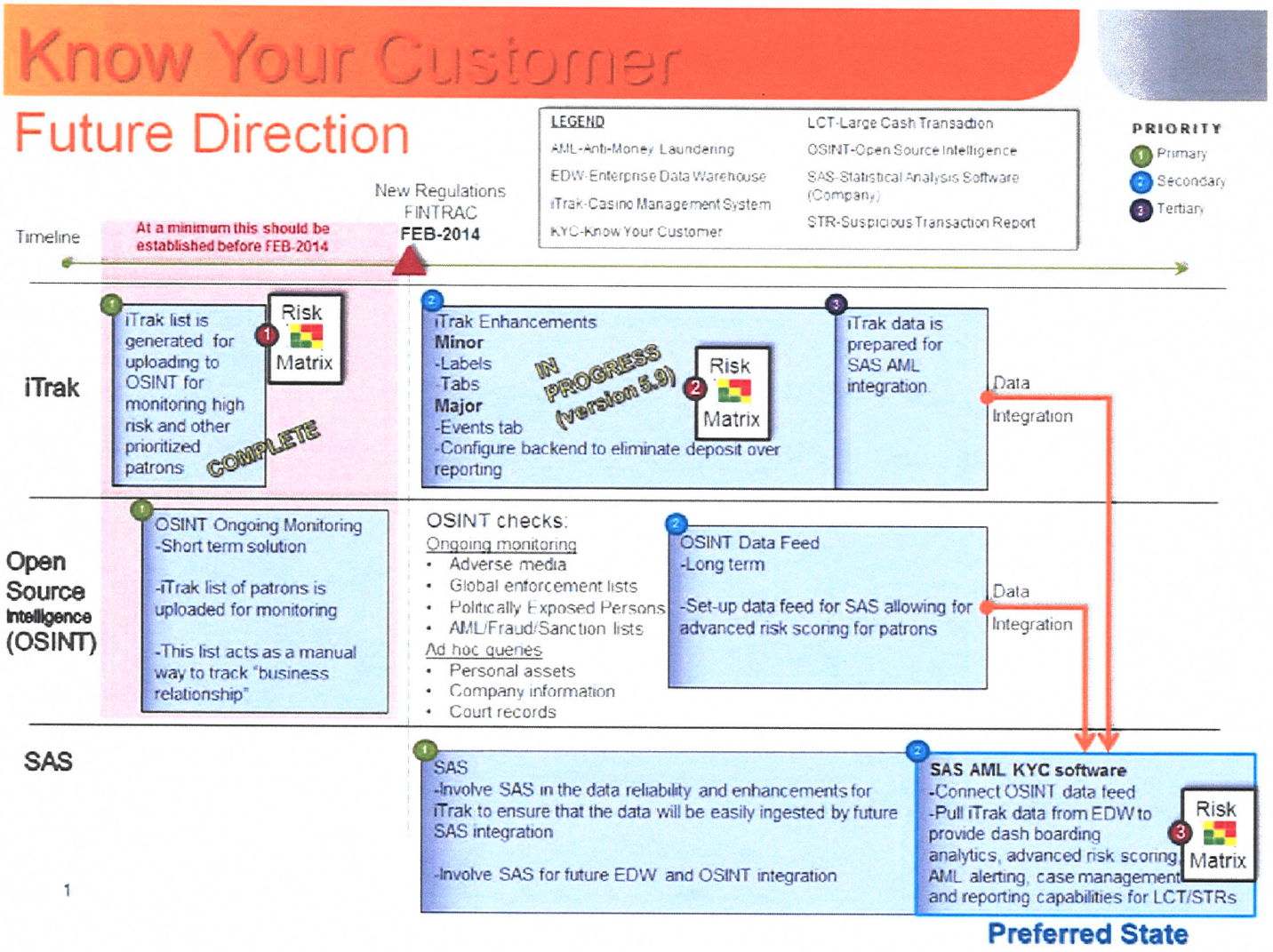


Assumptions

- Implementation services are additional to any license fees and will be addressed with detailed assessment on by SAS with BCLC Team.
- Desktop license renewals would expire and new PVO upgrade renewals would be new payments in future years. After Dec 30, 2013, PVO server would be additional to desktop costs and renewals commitment.
- PVO upgrade includes slot floor optimization modules, expanding capability and providing a visual analytics component to assist in self serve analytical capabilities throughout BCLC.
- AML Bundle Software Pricing must be purchased at same time as PVO Bundle. All phases of software purchased prior to proposal expiry
- **Legal software agreement required to be signed before Dec 24, 2013 at 5:00pm EST. for 3 year term.**

Note: This quote was used to estimate the SAS costs found on the previous page (*AML Milestones and Key Costing*) for Phase 2.

Future Direction



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Anti-Money Laundering and Operational Analytics Unit

Overview

The Anti-Money Laundering (AML) and Operational Analytics Unit's road map is aligned with utilizing enterprise technology and service agreements that BCLC has previously purchased from vendors. This supports BCLC's Enterprise Business Intelligence and Business Analytics (BI BA) strategy. In order to meet and or exceed federal regulatory compliance requirements as legislated and coming into effect February 2014. These compliance requirements obligate BCLC to implement further automated solutions in order to perform ongoing due diligence with respect to AML transactional activity and patron behavioral monitoring. SAS AML software can serve both of these requirements as well as provide a system of case management, records management and regulatory reporting. The case management portion provides a workflow environment that will positively increase the efficiency of current BCLC regulatory reporting and monitoring procedures. SAS AML software provides BCLC with industry expertise and best practice methodology.

Major financial institutes in Canada utilize SAS products (BMO, HSBC, ING, RBC, Scotiabank, TD, and Laurentian). 'Know Your Customer' (KYC) is a fundamental compliance requirement composed of elements such as; record and monitor patron transactions, obtain and record mandatory information such as client identification, occupation and residence. SAS software will provide a solution not only to efficiently manage the previously mentioned elements but will also allow for access to publicly available information in relation to a patron's background. All of these parameters can be analyzed, managed and unified within SAS supporting regulatory requirements. Future integration with SAS AML software can include eGaming activities which increases BCLC's ability to conduct patron due diligence, ongoing monitoring and fraud detection.

Patron Background

By utilizing publicly available information it will be possible for BCLC to assess risk based on mandatory information that a patron has provided such as client identification, occupation and residence. Enhanced due-diligence through researching publicly available information is directed at managing reputational risk by getting to know our customers and the business relationship we have with them. Through global open source intelligence (OSINT) it is possible to confirm a person's occupation and determine; if they are on an international watch list or sanctions list; if they have appeared in any negative news or adverse court documents; if they are a politically exposed person or even a known criminal. It is also possible to discover affiliations a patron may have to a business or company if they are listed as an executive. Being able to indirectly verify a patron's legitimate source of wealth is an important function of maintaining a healthy business relationship with that patron.

Considering that there are over 11,500 patrons in BC who have 2 or more Large Cash Transactions (LCT), it is virtually impossible to monitor all of these patrons against OSINT without an automated solution. Manually screening 11,500 patrons will make BCLC minimally compliant. Since BCLC's objective is to exceed regulatory compliance requirements, approximately 100,000 patrons will need to be monitored and screened using OSINT. SAS can tie into multiple OSINT data streams to screen patron names and produce actionable alerts through an automated system on an ongoing basis. This will support BCLC's efforts to meet/exceed legislated 'Know Your Customer' (KYC) requirements.

Patron Transactions

Currently, all LCT transactions are recorded in iTrak (iView Systems). Due to limitations within the configuration of certain transaction labels in iTrak some enhancements are required. Ambiguously labelled transactional data will only impede effective AML alerts from occurring. These label enhancements, that iView is currently working on, will allow for robust transactional monitoring to occur using SAS AML software. SAS AML software can link to iTrak LCT transactional data to provide custom AML alerts based on advanced analytics.

For example, currently all deposits to a Player Gaming Fund (PGF) account are labeled as "Front Money". Bank Drafts, Certified Cheques, Electronic Financial Transfers (EFT), Return of Gaming Funds, Verified Wins and Casino Cheques are all called "Front Money". Presently there is no mechanism, other than manual review, to identify these transaction types for anomalies or to determine if a patron's transactional pattern is unusual. This manual review process is neither an effective nor an efficient use of BCLC Investigator resources as it essentially relegates them to the role of data entry clerks.

In 2012 there were 70,550 Large Cash Transactions (LCT). Each of these LCTs can include multiple transactions ranging from 1 to more than 20 transactions per LCT. It is estimated that on average there are 5-10 transactions per LCT. Based on these estimations there are approximately 400,000-800,000 transactions that will need to be monitored. This volume alone dictates that an automated process which will provide the ability to accurately compare labeled transactions resulting in alerts. These alerts will focus investigations towards unusual events occurring within the vast flow of information that is created on a daily basis on the gaming floor. The automated process will allow BCLC to monitor all cash transactions as well as all non-cash transactions such as Certified Cheques, Bank Drafts and EFTs. Depending on the circumstances the monitoring of non-cash transactions is critical due to the fact that non-cash transactions may pose a significant risk for potential money laundering. The implementation of SAS AML software will provide BCLC with the ability for ongoing monitoring of all transactions. The enhancement of iTrak labels and the establishment of protocols for the entry of transactional data entered into iTrak will further support the SAS solution.

Efforts are being directed at maintaining iTrak by requesting enhancements to the current system. If these enhancements cannot be delivered by iView in version 5.9, alternative solutions are available to ensure that BCLC will meet and exceed federal regulations in a timely manner. If iTrak is unable to sufficiently enhance transaction labels for SAS analysis, SAS can replace iTrak as a subject database. In replacing iTrak, SAS can customize their software to have the look and feel of the legacy system while providing specific transactional labels for AML alerting. Although there is a cost associated with this replication/replacement strategy, it will allow for significant savings by eliminating the need to retrain users and therefore not affect productivity.

Patron Behaviour

Any behaviour that is deemed to be unusual or suspicious must be noted for each subject. Since past behaviour is a good indicator for predicting future behaviour, unusual behavioural characteristics must be recorded within the subject profile. These behavioural traits can be selected using check boxes and attached to a patron's subject profile. As such all future transactions that a 'suspicious' patron may have will be diligently monitored and prioritized based on their perceived risk score.

Short Term

Due to the length of time required to reach the preferred state, there are some steps that BCLC can take in the short term to conduct ongoing monitoring through OSINT. This process will be manual but overall it will be manageable. During this process the business relationship can be documented based on all patrons who have two or more reportable transactions. Additionally, ad hoc transactional analysis can occur for prioritized patrons. For example, win/loss calculations, average daily buy-in analysis, and patron's geographic pattern analysis can occur.

Long Term

Once accurate labels are available for transactional monitoring, custom scenarios and rules can be created with SAS AML software to provide AML alerts based on various parameters. Additionally, all patrons demonstrating or having unusual behaviour will be documented within the subject database allowing for risk scoring and prioritization. In conjunction with this type of monitoring will be the ability to consume multiple global OSINT data streams to provide alerts on patrons. Based on trained casino personnel's observations, automated AML transactional alerts and OSINT alerts; BCLC's reputational risk and the integrity of the industry will be maintained.

SAS Contract Considerations

Purchasing the AML & Player Value Optimization (PVO) bundle package for $1.9 million before December 30, 2013 will save $1.2 million over the next 3 years due to the current SAS agreement the Gaming Analytics team has regarding the PVO server option. For an overview of this quote please see the *SAS AML & Gaming Analytics Quote* on page 11 which includes the discounted price of $1.9 million and the regular price of $3.1 million.

As BCLC does not normally acquiesce to a contract purchase based on a particular date, the SAS costs on page 10 for Phase 2 are estimations based on averaging the discounted price and the regular price. Drawing from previous engagements of similar magnitude the costs for SAS in Phase 2 are a fair assessment of what is expected once contract negotiations have occurred.

Implementing SAS AML Software – Risk Review

Over the last five years BCLC has made a number of improvements to the program, most recently by setting up an AML and Operational Analytics Unit. At this time BCLC has an opportunity to enhance the support available to the AML program by taking advantage of an option in the current SAS Player Value Optimization agreement to bundle an advanced AML solution at a reduced cost.

Currently software support is provided by the iTrak system, but the SAS option is anticipated to address current concerns about meeting growing regulatory requirements in an acceptable timeframe as well as providing added functionality. This option would also meet BCLC's architectural principles by integrating with broader casino analytical systems and potentially decreasing the number of applications used across the corporation. This allows for the development of greater internal expertise as well as lower costs. This aligns with BCLC's Enterprise Business Intelligence and Business Analytics (BI BA) strategy.

SAS have considerable experience with supporting AML programs in banking, and as regulations are often implemented in banking and then applied to other industries this gives BCLC the opportunity to both meet and exceed current federal compliance regulations, as well as be better prepared for more onerous obligations in the future, such as E-Gaming expansion and oversight.. SAS AML software is a flexible and scalable platform that will allow for any changes that may occur in the future. Adopting a leading solution such as SAS demonstrates BCLC's commitment to being best in class in the field of AML programs.

Negative impact BCLC is currently potentially exposed to:	Current risk rating		
Issues arising may not be identified or reported and potentially money laundering could occur. Regulators may be critical of BCLC's approach. Negative media /social media stories may emerge that could damage BCLC's reputation. BCLC, service providers and/or facilities could be brought into disrepute.	-4	3	-12

Benefits that could be realized:	Anticipated risk rating		
BCLC would be able to demonstrate good corporate social responsibility and compliance with standards by utilizing leading practices. These leading practices include a flexible platform that will allow for any changes that may be required.	3	4	12

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Patron Background

Regulatory requirements for due diligence and 'Knowing Your Customer' are increasing. BCLC collects basic information from patrons (as a part of LCT and STR processes) and a decision tree is used to determine high risk patrons with limited open source intelligence (OSINT) screening.

Risk:	Current risk rating		
BCLC may be unaware of potential issues or affiliations of casino patrons that raise the risk of money laundering.	-3	3	-9

Opportunity:	Anticipated risk rating		
The due diligence process could be much improved by routinely using publicly available OSINT information, and analytical tools that provide greater background intelligence on casino patrons. Additional OSINT can be integrated as needed to meet future demands.	3	3	9

Patron Transactions

Limitations within iTrak impede the development of effective automated AML alerts so that manual reviews, which are time consuming and may be inaccurate, are required. The SAS AML software can provide this automated service either linked to iTrak transactional data or as a standalone solution.

Risk:	Current risk rating		
BCLC may not be able to detect play patterns associated with the proceeds of crime.	-4	2	-8

Opportunity:	Anticipated risk rating		
Using SAS AML BCLC will be able to move to more robust transactional monitoring process that will be better able to identify anomalies or unusual patterns through advanced analytics.	2	4	8

Patron Behaviour

It is a FINTRAC requirement that any behaviour deemed to be suspicious must be reported. BCLC has implemented an approach where patrons identified as higher risk using a risk decision tree are placed on a watch list for greater monitoring. SAS AML software provides a workflow environment that will positively increase the efficiency of BCLC processes.

Risk:	Current risk rating		
BCLC may miss problematic transactions that appear normal without the context provided by analysis of previous visits and other information.	-3	3	-12

Opportunity:	Anticipated risk rating		
Improved ability to track and analyse characteristics of suspicious behaviour within subject profiles and a robust risk scoring approach should lead to prioritized enhanced monitoring, including the use of a variety of alerts based on specific scenarios and rules.	3	4	12

Risk Assessment Matrix

2012 Risk Assessment - Likelihood and Severity table

Consequence			Likelihood					Final Rating
			Rare	Unlikely	Possible	Likely	Almost Certain	
			The risk may only be realized in exceptional circumstances with a less than 5% likelihood of occurrence	The risk is not expected but it could occur at some time with a 5% to 30% likelihood of occurrence	The risk may occur at some time with a 30% to 60% likelihood of occurrence	The risk will probably occur in many circumstances with a 60% to 95% likelihood of occurrence	The risk is expected to occur in most circumstances with a greater than 95% likelihood of occurrence	
Opportunity		Extraordinary	5	10	15	20	25	Compelling
		Substantial	4	8	12	16	20	Significant
		Reasonable	3	6	9	12	15	Fair
		Modest	2	4	6	8	10	Small
			INSIGNIFICANT					INSIGNIFICANT
Threat		Minor	-2	-4	-6	-8	-10	Low
		Moderate	-3	-6	-9	-12	-15	Medium
		Major	-4	-8	-12	-16	-20	High
		Catastrophic	-5	-10	-15	-20	-25	Critical

Note: Likelihood should be considered for the period 2013 - 2016

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This is Exhibit "12" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

AML Chronology

2012

2012 Patron Gaming Fund policy implemented. Service Providers offer patron gaming fund accounts wherein funds may be deposited by patrons, withdrawn for gaming, redeposited for subsequent play or returned to the patron.

July 20 Cheque Hold Program implemented. Service Providers may accept a negotiable financial instrument such as a personal cheque which can be held for a period of time before being settled (cashed). The cheque would be accepted for allowing the patron to use funds for gaming at the facility.

Sept 25 JIN BCLC Barring 1 year / Inappropriate Behaviour due to a series of suspicious incidents involving suspected cash facilitation.

Oct 25 JIN BCLC Barring 5 years / Suspected money laundering activities and off site cash deliveries. Redacted - FINTRAC and circumstances shared with police and GPEB.

2013

Jan Convenience cheque (return of buy-in funds) limits raised from $5000 to $8000.

Sep 19 BCLC VP, Compliance and Security submitted cash alternatives proposal to GPEB for approval.

Sep 22 Assistant Deputy Minister of GPEB responds to aforementioned proposal in writing, declining proposal explaining that it was felt there was not sufficient information on which to make a decision. GPEB commits to future discussions and analysis with BCLC to find an appropriate solution in the public interest.

Dec Between February 2, 2013 and December 17, 2013, BCLC submitted 31 Section 86 reports to GPEB, and 26 reports to police (primarily Suspicious Transaction Reports) on JIN reporting circumstances believed to involve suspicious or criminal activity involving JIN.

2014

Feb 4 GPEB declines approval for BCLC's request to de-limit convenience cheques. GPEB opted to raise the maximum from $8K to $10K.

Apr 16 BCLC/CFSEU Meeting @ Green Timbers to request an investigation targeting JIN and associates. This was a project preparation meeting to include information sharing such as subject target sheets, associates, vehicles, and any other suspicious activity. Working relationships/groups established to address issues around BCLC's JIN file.

June 11 BCLC initiates the extreme risk program with 5 year undesirable barring's. The purpose of the program is to ensure the highest level of public safety for BCLC venues by identifying patrons with extensive criminal records, histories of violence or associated to criminal organizations or gangs and ban them long-term from all BCLC sites. The AML unit has a working relationship with law enforcement who provide a Provincial Tactical Enforcement Priority (PTEP) list that contains subjects that are identified as high risk or that present a danger to the public and staff simply by their mere presence at gaming facilities. BCLC also proactively bans people from this list as undesirable barring's.

Jun 19 CFSEU-BCLC-GCGC meeting and tour @ River Rock. PPT presentation of JIN target group and request that police investigate given serious nature of concerns identified. BCLC and Great

Canadian Gaming Corporation (GCGC) Compliance management met in-person at River Rock Casino with members of the Combined Forces Special Enforcement Unit (CFSEU) to repeat its request for investigation of JIN's continuing activity and his associates – concerns of loan sharking and money laundering. BCLC and GCGC were concerned some VIP are being provided funds that may be from illegal activity and wanted help identifying and stopping any flow of proceeds of crime into the hands of casino patrons for use in BC LMD casinos.

Jul 7 Top 10 casino suspect cash facilitators list and target sheets provided to CFSEU re: JIN's group and associates. AML analysis included all Suspicious Transaction Records and security files for JIN.

2015

2015 GPEB informs BCLC that GPEB is not authorized under the Gaming Control Act to investigate illegal gaming or money laundering. Regardless, BCLC continued to provide GPEB with information and continued to engage RCMP/FSOC requesting their group act on information relating to illegal gaming houses and money lending/laundering businesses in Richmond.

Feb 12 BCLC meets with FSOC in regard to JIN. BCLC discusses cash drop offs near BC LMD casinos involving JIN who was believed to be associated to organized crime. BCLC requests police investigate.

Feb Abnormal chip liability review at River Rock for $5,000 chips; BCLC Corporate security and GCGC Compliance start to look at the fluctuating casino chip liability at River Rock and try to determine what was driving an increases in the number of outstanding $5000 chips.

March 10 BCLC meeting with Real Time Intelligence Centre (RTIC) at RCMP E Division headquarters with the purpose of establishing a working group for assistance in identifying if criminal organizations may be targeting BC casino sites.

April BCLC plans $5000 chip swap project at River Rock to replace all $5000 chips due to money laundering concerns and chip fraud concerns arising from the increase in chip liability.

Apr 5 FSOC 'E-Pirate' project underway. This marks the official start of E-Pirate where BCLC received confirmation the project was moving forward. BCLC AML mapped out what information BCLC would be providing to FSOC and set out a plan for moving forward and responding to short-term and priority requests.

April 14 BCLC initiates risk-based sourced cash condition program. This requires cash from customers classified as being at high risk of engaging in money laundering to be sourced from a financial institution for buy-ins and chips to be sourced from previous Service Provide tracking prior to acceptance.

Apr 24 BCLC VP, CS&C submitted concept document seeking approval in principal speaking to 3 cash reduction alternative strategies (cash deposits to PGF, delimit convenience cheques, EFT International transfers) to GPEB.

May 20 FSOC advised their "E-Pirate" project may not continue to resourced and requested BCLC to assist with putting a presentation together on the social and economic impacts of money laundering. A presentation was prepared by BCLC AML and provided to FSOC investigators for internal RCMP use. Following the presentation being provided by FSOC to their superiors, FSOC investigators advised that E-Pirate was going to continue to be resourced, and would proceed.

Jun 4 AML summit hosted by BCLC with participants from GPEB, BCLC, FINTRAC, CFSEU, FSOC, Financial Sector, SP's, CRA, CFO, Police Services, CBSA. Goal was to have an open and collegial discussion, bringing together a variety of different perspectives to generate ideas and ways to strengthen current anti-money laundering practices in BC casinos with the goal of

	making recommendations to government on strategies and explore additional alternatives and mechanisms to reduce the reliance on cash.
Jul 16	Joint GPEB/BCLC compliance meeting re: cash alternatives. GPEB agrees in principal to the cash alternatives on the condition that the proposal be reviewed by the GPEB policy group and approved by GPEB.
Jul 22	BCLC meeting with FSOC Inspector re: JIN file which resulted in 10 players being placed on cash conditions due to their association with JIN. BCLC was advised by the RCMP that the ePirate investigation had uncovered that JIN was appeared to be linked to illegal activity.
Aug 20	Reports of numerous underground casinos popping up due to high-risk customer sourced cash condition program. A number of players provided unsolicited information to Service Provider staff seemingly confirming the existence of illegal high bet limit baccarat casinos running on No. 5 Road and No. 4 Road in Richmond. There was also the establishment of a Chinese website called 'vansky.com' soliciting for experienced dealers; possibly tied to underground casinos.
Aug	Proactive chip liability project start to explore legal, technical and operational options. Purpose was to determine best practices to provide closer tracking of high denomination chips in casino properties to account for movement of chips with players and ensure that chips do not leave the premises, specifically high limit rooms.
Sept 7	GPEB requested BCLC postpone the chip swap planned for River Rock Casino, advising that proceeding with the chip swap may affect a criminal investigation.
Sept 8	BCLC implements Source of Wealth program targeted at housewives and students to establish the origin of there wealth. Gaming facilities were required to obtain additional information in regard to spouse and their employment/company information or family and their employment/company information to assist in confirming source of wealth. Once this information was received the AML unit used it to support more in-depth open source intelligence queries to confirm source of wealth and other information on these players.
Sept 8	BCLC implements Source of Funds program to a broad range of players and gathers intelligence on patrons bringing in large amounts of cash. Players are interviewed by BCLC Investigations staff with specific detailed inquiries being made on the source and origin of funds of their funds. Where a clear source of funds cannot be established, players are banned from future use of cash or, depending on the individual circumstances, banned from casinos completely.
Sept 11	Additional information from law enforcement increases cash conditions list to 36 players. Through the course of FSOC's investigations, they confirmed additional players were receiving funds through JIN or through his associates. Police had confirmation that the source of PER funds were criminal therefore BCLC issued bans.
Sept	BCLC implements refuse cash buy-ins program for dropped off cash, formalized by directive on Oct 6th, 2016. This protocol ensures a consistent approach in dealing with patrons that have been denied a cash buy-in by a Service Provider due to suspicious activity. When a patron is observed conducting a cash buy-in and staff observe suspicious behaviour, that buy-in should be refused and an unusual financial transaction file created to document the attempted buy-in. Any cash buy-in which has been refused by any site for suspicious behaviour is not permitted to be accepted for buy-in at any casino location.
Oct 27	GPEB meets with the RCMP in relation to the RCMP – BCLC information sharing agreement (the agreement is necessary to the operation of BCLC's program proactively banning organized crime members and associates). BCLC was not notified of and did not attend the meeting. Following the meeting the information sharing agreement was suspended by the RCMP. Four days later, after consultations between RCMP management and BCLC, the ISA was reinstated.

Dec 7	BCLC provides details of illegal gaming location to FSOC. This was a result of player interviews where BCLC received detailed information about the location of an underground casino operating.

2016

Jan 18	Chip Swap of $5000 chips originally set for September 2015 at River Rock for proceeds after GPEB lifts its earlier direction to postpone the swap.
Feb 1	BCLC advised by RCMP/FSOC that, due to inadequate police resources, information on an illegal gaming site should be forwarded to Richmond RCMP. The E-Pirate project team was not in a position to follow-up action on the information provided by BCLC regarding a possible illegal gaming site. Information on the illegal gaming site was passed on by BCLC to the RCMP Richmond detachment.
May 12	BCLC AML Unit conducted a full day training session with JIGIT at the BCLC. JIN information was also passed on to the Officer in Charge JIGIT.
June	Allegations of illegal money exchange business. Related to an incident at Sushiedo MSB where a player returned to get another wire transfer and was advised that he was blacklisted as a result of speaking with BCLC and providing us with a copy of his receipt from his last visit to the casino.
June 21	BCLC conducts money exchange project to test legitimacy of incoming cash from patron intelligence. Assessment of money laundering threat of a specific Money Service Businesses (MSB) in the Richmond area was undertaken.
Jul 14	In response to July 2015 request for approval of 3 cash alternatives, GPEB Assistant Deputy Minister and General Manager provides a letter advising "there is no requirement for BCLC to seek GPEB approval of these specific proposals in and of themselves."
Aug 31	Allegations of illegal poker room, info passed to JIGIT. Grand Villa casino received a note that was dropped into their comment card box stating the particulars of a private casino (poker and Pai Gow), were being held in a location on Kingsway, Vancouver. Games were held 1 or 2 times a week with a bank roll of a hundred thousand to half a million dollars. Information supplied to JIGIT via email.
Nov	Following on GPEB's advice that their approval was not required, delimited convenience cheque and International EFT transfers implemented as soon as practicable. .

2017

Jan 28	BCLC assists JIGIT with on-site investigation at River Rock. JIGIT monitored cash buy-ins and targeted patrons as they arrived at the site.

This is Exhibit "13" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

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R30 Training

December 5, 2018

AML Team

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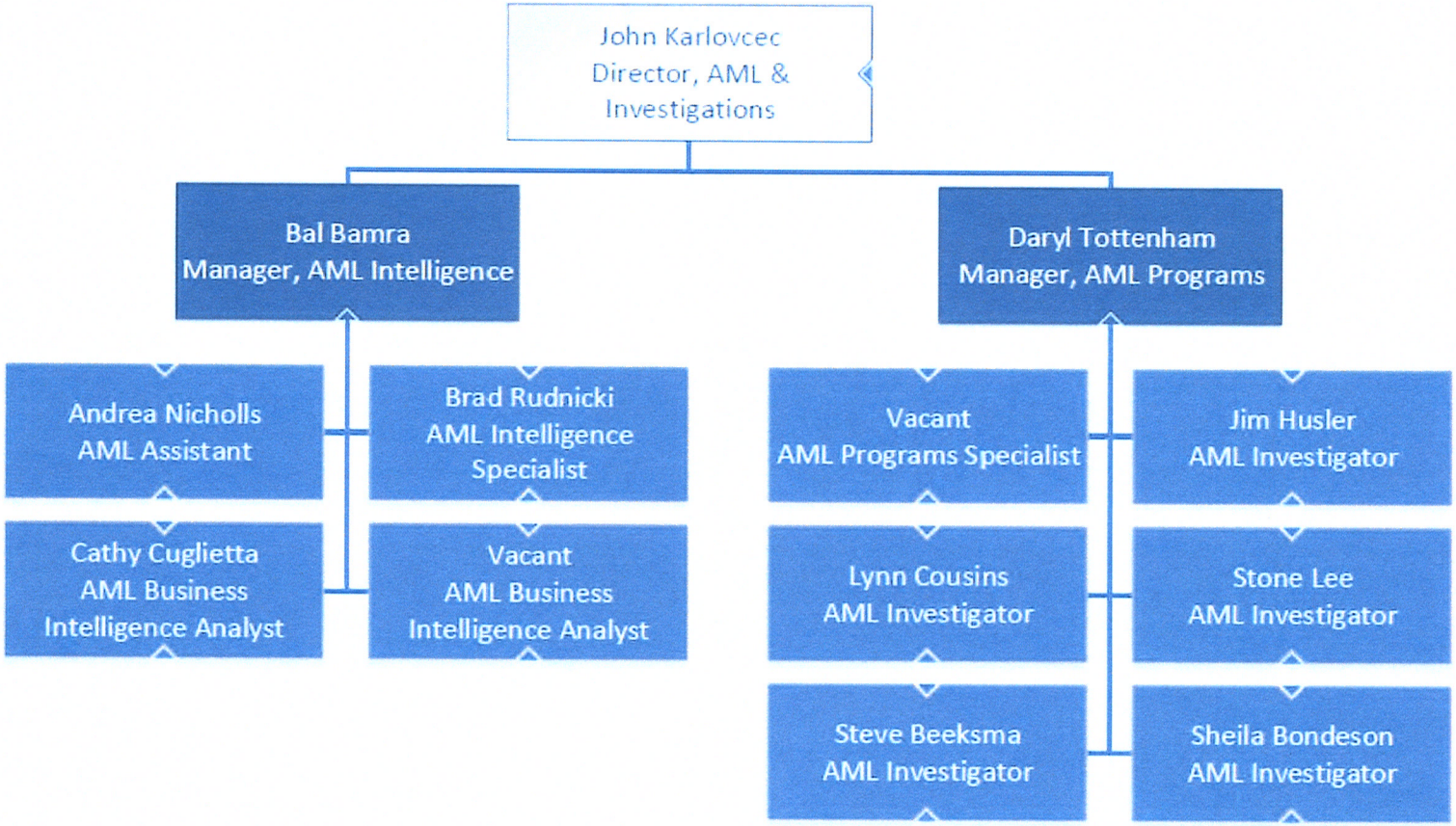
AML Unit Org Chart



Roles and Responsibilities

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AML PROGRAMS & INTELLIGENCE UNIT

The AML unit provides ongoing AML oversight to ensure that BCLC and its Service Providers are identifying and reporting all required transactions as well as provide support and guidance to all gaming Service Providers to ensure regulatory compliance and deter illegal activity.

Daily Tasks

MAINTAIN

Description:
- Routine activities required to ensure the maintenance and integrity of our systems and services
- Identify technology solutions to AML and other regulatory reporting obligations in order to enhance efficiency
- Monitor high-risk player behaviour for indicators of criminal conduct
- Monitor adherence to AML processes and policy by BCLC staff and SP's
- Establish and maintain BCLC law enforcement working groups with the police of jurisdiction in the municipalities where casinos are situated
- Training
- Department administrative work
- Meet FINTRAC requirements for submitting regulatory reports and for ongoing monitoring and due diligence
- Develop/maintain dashboards and metrics for monitoring business activities
- Develop/maintain enterprise relationships
- Ensure BCLC Directive/Conditions are being followed
- Identify patrons and encourage cash alternative measures
- Identify higher risk patrons and determine if they should be placed on conditions
- Conduct periodic, historical reviews of high risk patrons to determine level of risk and possible action plan
- Respond to SP daily requests and provide guidance

How will it be managed:
- By AML Managers
- An established repetitive process
- Any changes to go through AML meeting

How will it be prioritized:
- Priorities set by AML Managers at AML weekly meeting
- Internally sequenced by team as needed

Examples:
- HRP Reviews
- PGF Opening Due Diligence reviews
- Global Intelligence list monitoring
- Adverse Media monitoring
- Politically Exposed Persons list monitoring
- iKiosk usage statistics
- Cash alternative statistics
- LCT/CDR/STR statistics
- Lottery Crime Incident Mapping for Investigations for the Province of B.C.
- Maintain ACAMS training
- Ensure public safety, terrorist registry list reviews, 5yr inappropriate barring's are completed
- Investigators have knowledge of surveillance systems and in some instances conduct their own independent reviews
- Assist with Law Enforcement questions/ requests
- Maintain relationships with law enforcement contacts
- Attend AML related conferences
- Provide GPEB with all the information they use in their investigations
- HRP 6 month Enhanced Due Diligence Reviews
- Daily review of BCLC Directive incidents pertaining to patrons on conditions

INCIDENTS/ PROBLEMS

Description:
- Address changes to policy driven by legislative or regulatory amendments
- Monitor all FINTRAC reports/ records for timeliness and accuracy and disseminate to Policy of jurisdiction as required
- Identify trends which may be indicative of money laundering fraud, or other criminal conduct
- Conduct Investigations and ensure STR's are completed and filed accordingly

How will it be managed:
- AML Managers
- Business Analysts
- Investigators

How will it be prioritized:
- AML Managers
- Response times and resource allocation based on predefined agreements for issue resolution

Examples:
- Audit findings that require attention
- Providing data to Communications for responding to adverse media

REQUESTS

Description:
- Enhance BCLC's "know your customer" capabilities through the establishment of high-risk player profiles by accessing open source and internal database, with particular emphasis on those players undertaking large cash transactions
- Conduct due diligence examinations with respect to prospective contractors to BCLC where requested
- Manage cash alternative programs that comply with FINTRAC/GPEB requirements while ensuring proper safeguards and reporting are in place to limit BCLC's exposure to reputational, financial and regulatory liabilities
- Request interviews and prepare interview plans; prepare interview summaries complete with recommendations based on what was learned
- Proactive sharing of Interview Intelligence to Law Enforcement when appropriate
- Respond to Service Provider daily questions

How will it be managed:
- AML Managers

How will it be prioritized:
- Internally sequenced by team as needed

Examples:
- OSINT Reviews
- Law Enforcement Requests
- Ad-hoc Analytical Tasks
- Ad-hoc requests from other CS&C groups

Projects

BUSINESS ANALYSTS

Description:
- Strategic projects that will benefit the AML are developed and prioritized.
- Training and Seminars

How will it be managed:
- AML Managers will work with Analysts to coordinate

How will it be prioritized:
- Priorities are set by AML Managers through weekly meetings

Examples:
- iView BI Tool
- i2/iTrak Analyst notebook project – Gaming Analysis Mining Environment (GAME)
- BI automation for monthly dashboard metrics (iView BI)
- BI automation for advanced transactional analysis (SAS)

AML INVESTIGATORS

Description:
- Slot Player Reviews
- Training and Seminars
- PGF account movement reviews to report and reduce the risk of over reporting

How will it be managed:
- AML Investigators will managed based on workload

How will it be prioritized:
- Priorities are set by AML Managers through weekly meetings

Examples:
- Slot player analysis
- Review chip inventory numbers
- Monitor cage cash sheets

Roles and Responsibilities

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AML Manager Intelligence

The Manager, AML Intelligence partners with internal and external stakeholders to develop and deliver Anti Money Laundering (AML) and business solutions and analysis for financial transactions as well as leading complex projects in furtherance of the Corporate Security and Compliance Division's Corporate Strategy. In addition, the role oversees and directs predictive analysis with the purpose of identifying threats both real and reputational to BCLC.

AML Manager Programs

The Manager, Anti-Money Laundering (AML) Programs is responsible for ensuring BCLC remains compliant with AML regulations, and maintains a high level of integrity and standards, thereby avoiding sanctions including significant Administrative Monetary Penalties. In addition, the role oversees AML Investigations with the purpose of identifying threats both real and reputational to BCLC.

AML Intelligence Specialist

The AML Intelligence Specialist role is to assist in the continued development and oversight of BCLC's AML intelligence and analytical programs ensuring BCLC remains compliant with federal regulations, acts and guidelines. The AML Intelligence Specialist is responsible for leading the development and implementation of business intelligence and reporting solutions to the Legal, Compliance and Security division. The role will continue to grow business intelligence capabilities including researching other analytic programs and building on existing platform capabilities. The role will also lead complex projects in furtherance of the AML strategy and oversees and directs predictive analysis with the purpose of identifying threats both real and reputational to BCLC.

Roles and Responsibilities

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AML Programs Specialist

The objective of the AML Programs Specialist role is to assist in compliance oversight with AML regulations while maintaining a high level of integrity and standards . This position ensures that AML investigations are managed for completeness and accuracy and able to withstand the test of regulatory and public scrutiny with the purpose of identifying threats both real and reputational to BCLC Unnecessary

AML Business Analyst

The AML Business Intelligence Analyst role is responsible for leading the development, implementation, maintenance and support of business intelligence and reporting solutions to the Corporate Security and Compliance division. The role utilizes a specialized understanding of business intelligence and data warehouse operating environments and related technologies in order to grow business intelligence capabilities and to ensure the integrity of the reporting data

AML Investigator

The Investigator provides investigative services to an assigned portfolio within the CS&C Division, and more specifically: eGaming Investigations, Lottery Investigations, Casino Investigations and Anti Money Laundering (AML) Investigations. The role conducts highly diverse, complex investigative work involving gaming related offences, player complaints and illegal or unauthorized gaming activities as well as implementing effective risk control processes to protect core business principals.

Statistical Data

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Dives on Patrons

	PGF Total	FULL Total	RTIC Total
2016	131	20	39
2017	324	94	118
2018	331	125	135
	786	239	292

Patron Interviews

156 interviews since implementation (2015) of which 32 are for 2018.

Reports/Analyses

- Monthly Dashboards
- Quarterly Reports
- Freedom of Information Requests
- Minister Requests
- Information Briefs
- Various Alerts
- Bankdraft Reports
- Convenience Cheque Reports

Costs for Unit

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- 12 Man Unit Includes:
  - Salaries
  - Benefits
  - Auto and Air Travel
  - Accommodation and Meals
  - Memberships and Subscriptions
  - Conference Fees
  - Professional Fees

  Annual Budget: $1.7 million

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AML Programs

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- Audits
  - Internal Audit
  - Independent Audit
  - FINTRAC Audit

- Ongoing Monitoring (Customer Due Diligence)
  - Business Relationships (2 or more reportable transactions)
    - Global Intelligence lists (Bans/Sanctions/Terrorists/PEP) and Adverse Media
  - High Risk Business Relationships
    - Any Player with 2 or more STRs
    - Foreign or Domestic Politically Exposed People (PEP)
    - Global Intelligence lists (Bans/Sanctions/Terrorists) and Adverse Media
    - And other qualifying behaviour(s)
  - Extreme Risk Relationships
    - RCMP Information Sharing Agreement (players with known criminal association or behaviour are banned under section 92 of GCA
  - eGaming Business Relationship support

AML Programs

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- Player Gaming Fund Due Diligence
  - Open Source Intelligence
    - BC Companies
    - BC Civil and Criminal Courts
    - Canadian Courts and Tribunals
    - Global Court Search (Hong Kong, UK, Australia, New Zealand, USA)
    - Global Intelligence lists (Bans/Sanctions/Terrorists/PEP) and adverse media
    - Various Internet Sources
- Enhanced Due Diligence
  - BC Real Estate Assets
  - BC Companies
  - BC Civil and Criminal Courts
  - BC Personal Property Registry
  - Canadian Courts and Tribunals
  - Global Court Search
  - Various Internet Sources (LinkedIn, Facebook, etc.)
  - Global Intelligence Lists
  - RMCP Information Sharing Agreement
  - Business

AML Programs

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- Automated Alerts
  - Cash Buy-in Monitoring
  - PGF Opening
  - UFT Creation
  - Undesirable Ban Expiry
  - Real-time monitoring cash buy-ins
  - Patron Multiple Site Visits
- AML Automated Reporting
  - Bank Drafts
  - EFTs
  - Convenience Cheques
  - FINTRAC error reports
  - AML Alerts

AML Programs

- Interviews
  - Data collection from player interviews provided to RCMP-JIGIT
- FINTRAC Reporting
  - Automated LCT/CDR/STR
  - STRs provided to police and GPEB
- Source of Funds/Source of Wealth
  - Reasonable Measures
  - Student/Housewife Review

AML Programs

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- Cash/Chip Conditions
  - Players are restricted from buying in with unsourced funds after they have exhibited suspicious behaviour
- Geographic Statistics Risk
- Crime statistics from Cities where casinos and CGCs are located
- Channel and Product Risk Assessments
- Chip Liability

AML Training

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- Mandatory on-line AML course before employee's can work on casino floor
- Re-certification required now every year
- Face-to-face instruction

Ongoing AML Training: Risk Indicators Chart

Anti-Money Laundering

IDENTIFYING HIGH RISK PATRONS – WHAT TO LOOK OUT FOR

HIGH RISK

Any patron with a history of 2 or more suspicious transactions is considered high risk

Issues relating to:

Play

- Has made large table buy-ins with small bills, with minimal play, and no cash out before leaving the site with chips.
- Feeding slot machines with money, cashing out without play and asking for a cheque or large bills.
- Conducts cash transactions that are not in keeping with his/her regular gaming routine.

Funds

- Requests to exchange small denomination bank notes for large denomination bank notes at cage.
- Attempts at converting cash into a verified win cheque.
- Conducts cash transactions that are not in keeping with his/her regular gaming routine.

Other People

- Appears to be collaborating with others to avoid record keeping, client identification or reporting thresholds.
- Lends cash/chips that give suspicion to believe it is related to "Loan Sharking".
- Loiters in the high limit room, and associates with or attempts to associate with VIP players.
- Places a phone call and an unknown vehicle/patron drops off a large sum of money to the patron.

Background

- Is a politically exposed foreign person or a family member of a politically exposed foreign person.
- Has known criminal history or criminal associates; is being investigated by the police for drug or proceeds of crime or is suspected of being involved in illegal activity.

Identification

- Refuses to show ID or shows only invalid/ expired ID.
- Produces seemingly false identification or identification that appears to be counterfeited, altered or inaccurate.
- Provides doubtful or vague information.
- Occupation does not match the level or type of play with no known explanation for the difference.
- Attempts to avoid being identified under the FINTRAC large cash transaction policy.
- Appears to be structuring amounts to avoid record keeping, client identification or reporting threshold.



Other factors that FINTRAC advises should be considered as high risk flags

- Client requests a winnings cheque in a third party's name.
- Client attempts to avoid the filing of a report for cash by breaking up the transaction.
- Client requests cheques that are not for gaming winnings.
- Client purchases large volume of chips with cash, participates in limited gambling activity with the intention of creating a perception of significant gambling, and then attempts to cash in the chips for a casino cheque.
- Client puts money into slot machines and attempts to accumulated credits as a jackpot win.
- Client exchanges small denomination bank notes for large denomination bank notes, chip purchase vouchers or cheques.
- Client is known to use multiple names.
- Transaction seems to be inconsistent with the client's apparent financial standing or usual pattern of activities.
- Transaction appears to be out of the normal course for industry practice or does not appear to be economically viable for the client.

MODERATE RISK

Issues relating to:

Play

- Has unusual play for the individual (e.g., sudden increase in frequency or amount of money played).
- Has unusual play for the location (e.g., higher than average buy-in for that gaming location).
- Has a large volume of verified win cheques on tables or slots.
- Has a pattern of attending multiple gaming sites.

Funds

- Has a history of small denomination/large buy-ins.
- Has a large volume of verified win cheques on tables or slots.
- Has large chip-ins at the table with no recent activity or history of play to explain the source of the chips.
- Has unusual transaction history/activity with a PGF.
- Performs two or more cash transactions of less than $10,000 each just outside of 24 hours apart, seemingly to avoid the 24-hour rule.
- Starts conducting frequent cash transactions in large amounts when this has not been a normal activity for the client in the past.
- Has access to large amounts of cash after banking hours on short notice.

Background

- Has known associates who are deemed suspicious by the gaming facilities.

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Unusual Transactions Indicators Tags

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UNUSUAL TRANSACTION INDICATORS

VIP ROOM

- Leaves after phone call and comes back with large sums of money to play
- Loitering in high limit room but never plays
- Arrives with chips without history to explain source of chips
- Purchases large amounts of chips and leaves the premises
- Person is a politically exposed foreign person or is related/associated to a politically exposed foreign person
- Unusual play pattern for patron

UNUSUAL TRANSACTION INDICATORS

TABLES

- Buying in and cashing out with minimal or no play
- Chips available to play without cash buy-in and no history of play
- Any transaction with large quantity of small bills
- Irregular or unusual play
- Persistent attempts to associate with VIP players
- Purchases large amounts of chips and leaves the premises
- Loitering in high limit room but never plays
- Covert chip passing

UNUSUAL TRANSACTION INDICATORS

SLOTS

- Feeding slots with small bills and cashing out with minimal or no play
- Any transaction with large quantity of small bills
- Irregular or unusual play
- Excessive conversation and questions about casino operations, security, cameras
- Patron cashes out at NRT machine and avoids the cage
- Avoids/refuses to produce ID
- Leaves premises with large quantity of tickets without any cash out attempts

UNUSUAL TRANSACTION INDICATORS

CAGE

- Requesting cheque or large bills with minimal play/requesting to convert smaller bills to larger bills
- Avoids/refuses to show ID or has inconsistencies in information/details provided
- Using inconsistent/multiple aliases
- Occupation does not match level of play
- Staggering transactions to avoid FINTRAC detection or record keeping
- Requesting cheques in third party's name
- Any transaction with large quantity of small bills
- Multiple Tito tickets with minimal/no play

Systems Currently Used

- Casino Management System (iTrak)
- FINSCAN (World-Check)
- SQL Reporting Server
- SAS BI Tool
- MS Excel
- iView BI Tool
- I2 Analysts Notebook (Link Analysis)
- Lexis Nexis
- BC Online
- Land Title & Survey Authority

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Cash Alternatives

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- Cash Alternatives
  - Debit at Cash Cage
  - Patron Gaming Fund Accounts
  - Cheque Hold Option
  - ATM / Credit Card Advances
  - Domestic / International EFT's
  - Bank Drafts and Certified Cheques
  - Convenience Cheques Issuance

Large Cash Transaction

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LARGE CASH TRANSACTION, FOREIGN EXCHANGE and DISBURSEMENT RECORD

Page 1 of 4

LCT # _____

Casino:	
Today's Date:	Transaction Date:
Time of First Transaction: (24 hour clock)	Time of Last Transaction: (24 hour clock)

Player Identification *(entire section required by law)*	**Subject ID #:** _____
Name: _____ (Surname) _____ (Given Names)	Date of Birth: ___ / ___ / ___
Address:	Apt. #:
City:	Prov/State: Postal/Zip:
Occupation or Business:	
Type of ID / Place of Issue:	ID Number:
Expiry Date of Identification	

If the LCT involves a 3rd party, all equivalent identification of the 3rd party shall also be recorded.

Employee Attestation	
Full Name	Full Position Title
Signature	G.P.E.B. #

LARGE CASH TRANSACTION, FOREIGN EXCHANGE and DISBURSEMENT RECORD

Page 2 of 4

LCT # _____

Casino Receipt of Funds

Pit Transactions (use reverse if needed)	**Cash Buy In Amount**
Date _____ Time _____ Pit: _____ Table: _____	$_____
Date _____ Time _____ Pit: _____ Table: _____	$_____
Date _____ Time _____ Pit: _____ Table: _____	$_____
Date _____ Time _____ Pit: _____ Table: _____	$_____
Date _____ Time _____ Pit: _____ Table: _____	$_____
Date _____ Time _____ Pit: _____ Table: _____	$_____
Date _____ Time _____ Pit: _____ Table: _____	$_____
Date _____ Time _____ Pit: _____ Table: _____	$_____

Foreign Exchange

Date	Time	Cash Desk	Type of Currency	Foreign Amount	Total Amount (CDN $)
				$	$
				$	$
				$	$
				$	$
				Total Amount Exchanged (CDN $) :	$

PGF Account Opening

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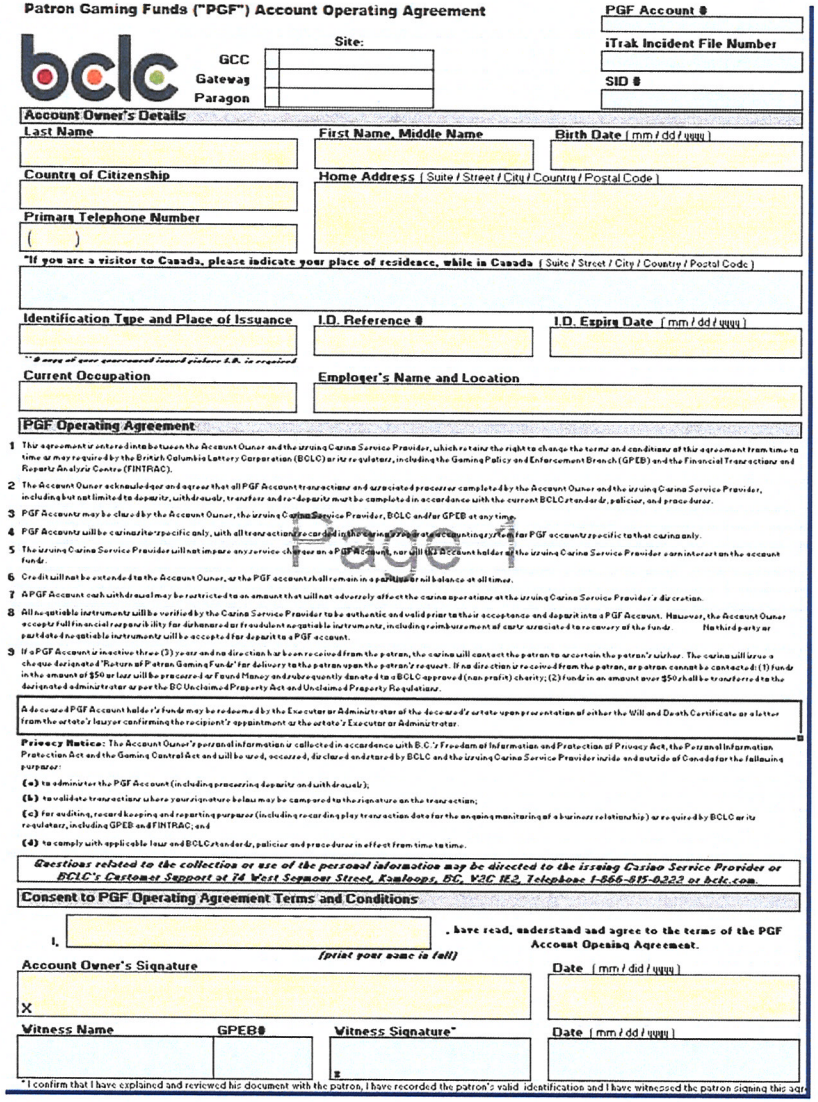

Patron Gaming Funds ("PGF") Account Operating Agreement

PGF Account #

Site:

iTrak Incident File Number

GCC
Gateway
Paragon

SID #

Account Owner's Details

Last Name | First Name, Middle Name | Birth Date (mm / dd / yyyy)

Country of Citizenship | Home Address (Suite / Street / City / Country / Postal Code)

Primary Telephone Number

*If you are a visitor to Canada, please indicate your place of residence, while in Canada (Suite / Street / City / Country / Postal Code)

Identification Type and Place of Issuance | I.D. Reference # | I.D. Expiry Date (mm / dd / yyyy)

** A copy of your unexpired issued picture I.D. is required*

Current Occupation | Employer's Name and Location

PGF Operating Agreement

1 This agreement is entered into between the Account Owner and the issuing Casino Service Provider, which retains the right to change the terms and conditions of this agreement from time to time as may be required by the British Columbia Lottery Corporation (BCLC) or its regulators, including the Gaming Policy and Enforcement Branch (GPEB) and the Financial Transactions and Reports Analysis Centre (FINTRAC).

2 The Account Owner acknowledges and agrees that all PGF Account transactions and associated processes completed by the Account Owner and the issuing Casino Service Provider, including but not limited to deposits, withdrawals, transfers and re-deposits must be completed in accordance with the current BCLC standards, policies, and procedures.

3 PGF Accounts may be closed by the Account Owner, the issuing Casino Service Provider, BCLC and/or GPEB at any time.

4 PGF Accounts will be casino-site-specific only, with all transactions recorded in the casino's separate accounting system for PGF accounts specific to that casino only.

5 The issuing Casino Service Provider will not impose any service charges on a PGF Account, nor will the Account holder or the issuing Casino Service Provider earn interest on the account funds.

6 Credit will not be extended to the Account Owner, or the PGF account shall remain in a positive or nil balance at all times.

7 A PGF Account cash withdrawal may be restricted to an amount that will not adversely affect the casino operations at the issuing Casino Service Provider's discretion.

8 All negotiable instruments will be verified by the Casino Service Provider to be authentic and valid prior to their acceptance and deposit into a PGF Account. However, the Account Owner accepts full financial responsibility for dishonored or fraudulent negotiable instruments, including reimbursement of costs associated to recovery of the funds. Neither party or part dated negotiable instruments will be accepted for deposit to a PGF account.

9 If a PGF Account is inactive three (3) years and no direction has been received from the patron, the casino will contact the patron to ascertain the patron's wishes. The casino will issue a cheque designated "Return of Patron Gaming Funds" for delivery to the patron upon the patron's request. If no direction is received from the patron, or patron cannot be contacted: (1) funds in the amount of $50 or less will be processed as Found Money and subsequently donated to a BCLC approved (non-profit) charity; (2) funds in an amount over $50 shall be transferred to the designated administrator as per the BC Unclaimed Property Act and Unclaimed Property Regulations.

A deceased PGF Account holder's Funds may be redeemed by the Executor or Administrator of the deceased's estate upon presentation of either the Will and Death Certificate or a letter from the estate's lawyer confirming the recipient's appointment as the estate's Executor or Administrator.

Privacy Notice: The Account Owner's personal information is collected in accordance with B.C.'s Freedom of Information and Protection of Privacy Act, the Personal Information Protection Act and the Gaming Control Act and will be used, accessed, disclosed and stored by BCLC and the issuing Casino Service Provider inside and outside of Canada for the following purposes:

(a) to administer the PGF Account (including processing deposits and withdrawals);

(b) to validate transactions where your signature below may be compared to the signature on the transaction;

(c) for auditing, record keeping and reporting purposes (including recording play transaction data for the ongoing monitoring of a business relationship) as required by BCLC or its regulators, including GPEB and FINTRAC; and

(d) to comply with applicable laws and BCLC standards, policies and procedures in effect from time to time.

Questions related to the collection or use of the personal information may be directed to the issuing Casino Service Provider or BCLC's Customer Support at 74 West Seymour Street, Kamloops, BC, V2C 1E2, Telephone 1-866-815-0222 or bclc.com.

Consent to PGF Operating Agreement Terms and Conditions

I, _____ , have read, understand and agree to the terms of the PGF Account Opening Agreement.

(print your name in full)

Account Owner's Signature | Date (mm / dd / yyyy)

X

Witness Name | GPEB# | Witness Signature* | Date (mm / dd / yyyy)

* I confirm that I have explained and reviewed this document with the patron, I have recorded the patron's valid identification and I have witnessed the patron signing this agr

Declaration of Source of Funds

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DECLARATION OF SOURCE OF FUNDS

Casino:	
Amount of Deposit: $	Account Number:

Patron Information

Name	
Address	
Occupation	
Residency Status ☐ Canada Resident	☐ Other
Identification:	Passport Number:

Source of Funds

Patron's description of the source of all funds being deposited:

Source of Funds Declaration

I hereby declare that I am not involved in any criminal or money-laundering activity and the funds that are and will be held on the above mentioned account are clear and are not derived from any illegal activities.

Patron Signature X
Cage Manager Signature/GPEB # X
Date:

PGF Account Opening Checklist

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PGF Account Opening Documentation Review

Casino Location:

PGF Account Number:

iTrak Incident File Number:

iTrak Subject ID Number:

☐ **CRS Incident File** (Type: **Gaming**/ Category: **Cage**/ Specific: **PGF Accounts**)

☐ **OSFI Check has been conducted**

☐ **CRS Subject Profile** (all applicable fields completed in full and current, valid ID scanned into media tab)

☐ **Large Cash Transaction Record** (if opening deposit has been made at the time of this review)

Original PGF Account Application and Account Operating Agreements, completed in full including:

- ☐ Name (English and other language, if applicable)
- ☐ Date of Birth
- ☐ Home address or Place of residence while in Canada, if a visitor
- ☐ Local Phone number or contact number for non-residents
- ☐ Specific occupation and employment description
- ☐ Photocopy of photo ID used for acceptable identification. Non-Canadians must produce a valid passport for identification.

Second portion of the Account Operating Agreement:

Signature Card, completed in full and containing;

- ☐ Signature, as depicted on identification presented;
- ☐ Patron's date of birth;
- ☐ Information of type of document used to identify patron, its reference number and place of issue.

☐ **Completed Declaration of Source of Funds** (if opening deposit has been made at the time of this review)

☐ **Patron has signed off on bank draft receipt requirement.** (All bank drafts must include a same day receipt which includes the patron's name for the draft)

☐ **Patron Profile Card,** completed in full

☐ PGF Accounts in joint names, or for corporations, trusts, or non-profit entities are prohibited.

Cage Manager or Designate Signature

Name (print):

Signature:

Date:

Bank Drafts Verification Checklist

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VERIFICATION CHECKLIST FOR BANK DRAFTS AND CERTIFIED CHEQUES

PATRON'S NAME:	PGF ACCOUNT #:
AMOUNT:	DATE:

GUEST PORTION TO COMPLETE:

Are these funds drawn from your own bank account? **Circle: YES / NO** **Guest Initial:** _____

"If NO is selected, we cannot accept the draft."

Bank drafts WILL require a same day receipt including patron name from account. **Guest Initial:** _____

(Bank drafts without a receipt will only be accepted if pertinent information is on the bank draft itself)

CASINO RISK PROFILE (Time Known to Casino Personnel)

☐ 3 Months (High Risk) ☐ 3 to 6 Months (Moderate Risk) ☐ 6 Months (Low Risk)

VERIFICATION FOR:

☐ Bank draft (skip step 2)
(if deposit > $500,000 complete 4 to 6)

☐ Certified cheque
(if deposit > $500,000 complete 4 to 6)

REVIEWER AUTHORIZATION

To be completed by 2 reviewers but at least 1 reviewer must be authorized to approve the deposit based on:

≤ $50,000:	*Casino Shift Manager*
≤ $100,000:	*Casino General Manager (GM) or designate*
> $100,000:	*Head Office (President, CFO, Senior VP Operations) or site designate (GM)*

REVIEWER:

1ST	2ND	
		1. FEATURES FOR BOTH BANK DRAFTS AND CERTIFIED CHEQUES:
☐	☐	Issued by a banking institution authorized in Cage - Patron Gaming Funds Account Policy
☐	☐	Payable to respective gaming corporation, casino site name or guest's full legal name (to be endorsed over to casino)
☐	☐	Payable in Canadian funds
☐	☐	Payable amount is correct (both numeric and written form)
☐	☐	Has a unique serial number (such as a cheque number)
☐	☐	Date is current (not post-dated)
☐	☐	Authorized with at least one signature
☐	☐	Has a Magnetic Ink Character Recognition (MICR) band
☐	☐	Security features appear legitimate
		2. ADDITIONAL FEATURES ONLY FOR CERTIFIED CHEQUES:
☐	☐	Raised / embossed bank stamp, and / or
☐	☐	Raised / embossed cheque amount, and / or
☐	☐	Initialed by an official from the financial institution
		3. ALL FEATURES VERIFIED ABOVE: bank verification NOT REQUIRED
		If above sections are verified continue to step 6 to complete the review and allow immediate access to funds, otherwise continue to step 4
		4. COMPLETE BANK VERIFICATION FOR ANY OF THE FOLLOWING:
☐	☐	Feature(s) not verified or possible to verify (eg faxed copy from guest prior to receiving original)
☐	☐	Over $500,000
☐	☐	Bank draft or Certified Cheque not from a Canadian Financial Institution
		5. CONFIRMATION FROM BANK (only requires 1 Reviewer to verify confirmation)
☐	☐	Attach the bank's written confirmation to this check list with a copy of the bank draft and certified cheque.
☐	☐	Negotiable instrument is valid- Patron may have immediate access to deposited funds
☐	☐	Negotiable instrument is **NOT** valid- contact Surveillance

6. REVIEWED BY:

1ST REVIEWER:

SIGNATURE & NAME (Print) **TITLE** **DATE**

2ND REVIEWER:

SIGNATURE & NAME (Print) **TITLE** **DATE**

Interview Format for HRP Patrons

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Interview Format for Identified HRP Patrons – Interview forn

Date/Time.....

Conducted by: (Employee Name /GPEB number).....

Player Name: .....

Player SID: .....

Transaction Amount: .....

Response: Question 1. (Personal information)

Current Address:

Occupation if applicable:

Company name if applicable:

Response: Question 2. ***What is the source of funds for this (in?***

Response: Question 3. ***Yes/No***

Response: Question 4. **Any additional comments?**

Interview Format for Identified HRP Patrons - Instructions

1. Confirm the patron's name, SID, current address, occupation, company name and update their profile if necessary.

2. Ask player for the source of the funds produced for this buy-in and document the response. The source could include the individual, business or the financial institution etc. If the cash came from a business or financial institution please ask for the address and/or bank/branch location. (ask for a receipt if available)

3. Does the player have any current bank accounts in Canada that would allow them to utilize bank drafts or electronic transfer for casino buy-ins if required?

4. Any additional comments.

5. Please create an itrak incident file for each patron contacted and scan the *Page 2* interview form into the incident file. Also notify BCLC AML Unit by email (aml@bclc.com) that a file has been created quoting file number and the patron that was interviewed.

6. Please address all enquires to aml@bclc.com or to Program Manager Daryl Tottenham, Manager, AML Programs

PERSONAL INFO

bclc

RM/SOF Form

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Date Completed:_____ **ID confirmed? Yes** ___ **No** ___

Guest Name / SID #:_____

Ask the guest if he/she was acting on behalf of a third party. "Are you buying in or cashing out on behalf of someone else?"
Answer:

- ☐ Yes (third party transaction confirmed)
- ☐ No (funds belong to individual)
- ☐ Undetermined (see reason why below)

Time — Buy-in / Cash-out Amount

_____ B___ C___ $_____ Yes ___ No___ UND___ Employee name/GPEB _____

_____ B___ C___ $_____ Yes ___ No___ UND___ Employee name/GPEB _____

_____ B___ C___ $_____ Yes ___ No___ UND___ Employee name/GPEB _____

Why Reasonable measures were unsuccessful:

_____

_____

SOURCE OF FUNDS DECLARATION

(Buy-ins of $10,000 or more)

Amount of buy-in requested: _____ **Cash** ___ **Draft** ___ **Certified Cheque** ___

Notes:

_____

_____

Ask the guest where they acquired the funds from for this buy-in? (This information is mandatory and must be specific)

_____

_____

_____

Financial Institution: _____ **Branch** _____ **Account #** _____

Do they have a receipt for the funds? **Yes** ___ **No** ___ **Is this a new customer? Yes** ___ **No** ___

Does the guest have an existing PGF account? **Yes** ___ **No** ___

Signature of registered gaming worker certifying source of funds information _____

Print name of individual certifying information _____ **GPEB #** _____ **Date** _____

Name of patron certifying this information: (please print name) _____

Date: _____ **Patron signature:** _____

Version 1.0 December 2017

bclc

This is Exhibit "14" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Anti-Money Laundering and Anti-Terrorist Financing Compliance Manual

March 1, 2019

Version 7

playing it right

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1. Purpose

The purpose of this manual is to provide British Columbia Lottery Corporation (BCLC) and its Casino Service Providers guidance with respect to policies, procedures and processes related to Proceeds of Crime (Money Laundering) and Terrorist Financing activity. Although not exhaustive, these anti-money laundering (AML) protocols are designed to be compliant with federal regulations and will assist staff in identifying, reporting, and deterring potential money laundering and terrorist financing activities from occurring in British Columbia land based gaming facilities and the online casino offering, PlayNow.com.

Additionally, the intent of this manual is to protect BCLC and its Service Providers from criminal and other illicit activities that could affect its operations, reputation, or the integrity of gaming services.

2. Background

In Canada, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) requires certain industry sectors to implement specific measures to detect and deter money laundering and the financing of terrorist activities. These sectors are referred to as "Reporting Entities." For a full list of "Reporting Entities" refer to FINTRAC website http://www.FINTRAC.gc.ca/re-ed/intro-eng.asp

Casinos are included as a "Reporting Entity." A casino is defined by the PCMLTFA as an entity that is authorized to do business in Canada, where roulette or card games are carried on in the establishment, or where there is a slot machine (not including video lottery terminals) on the premises. The definition of casino was amended in 2015 to include roulette, card games and/or slot machines that are accessible to the public through the Internet or other digital network. The definition of casino was amended in 2017 to include online casinos. The definition of a casino does not include where a registered charity is authorized to carry on business in a casino for a period of two consecutive days or less, under the supervision of the casino.

BCLC operates and manages gaming in British Columbia. It is responsible for implementing and managing anti-money laundering and terrorist financing measures at land based gaming facilities throughout the province and online through PlayNow.com.

BCLC is incorporated as a Crown Corporation under the *Gaming Control Act* (GCA). Its mandate is to, on behalf of the Government of British Columbia, conduct, manage and operate lotteries, casino gaming, community gaming, and online gaming offered through PlayNow.com. The Lieutenant Governor in Council appoints the Directors and Chair of BCLC. The corporation's mission is to deliver a player focused, high quality, profitable gaming experience in a socially responsible manner. BCLC publicly commits to building and maintaining public trust through the values of integrity, social responsibility and respect.

Gaming operators deliver casino services under contract on behalf of BCLC. BCLC bears the responsibility of implementing and managing AML strategies for both land based gaming facilities, and BCLC's online casino, PlayNow.com. This includes responsibility for reporting requirements under the GCA and the federal *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) and Regulations.

3. BCLC Corporate Commitment

Ensuring compliance with all laws governing the gaming industry is a critical part of BCLC's corporate governance and risk assessment processes. By establishing and maintaining compliance policies and procedures that reflect best practices, the Board of Directors, executive, management and employees of BCLC foster and support a culture of compliance. BCLC is committed to pursuing those actions necessary to protect its reputation, assets and relationships with key partners including our stakeholders, regulatory authorities, law enforcement, and the integrity of gaming throughout British Columbia. Through these efforts, BCLC demonstrates and fulfills its commitment to responsible corporate citizenship while ensuring that the gambling entertainment choices are delivered with integrity and transparency.

4. BCLC AML Mission Statement

To create an efficient best in class AML program that will meet federal compliance regulations pertaining to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act of Canada* in order to solidify the integrity of the gaming industry in British Columbia.

5. Compliance Officer

The Vice President of Legal, Compliance, Security has been designated the Chief Compliance Officer for BCLC by its Board of Directors. The Chief Compliance Officer reports directly to the CEO and advises the Board of Directors as well as the BCLC Executive Team on matters related to anti-money laundering and terrorist financing prevention. The Chief Compliance Officer has an independent and direct line of communication and access to the BCLC Board of Directors concerning compliance issues and regulatory matters.

The Vice President, Legal, Compliance, Security is responsible to oversee all aspects of the BCLC AML Compliance Regime including the development and application of compliance policies and procedures, approving compliance policies and procedures and reporting to the Chief Executive Officer and Board of Directors.

6. Compliance Policies and Procedures

BCLC has developed written policies and procedures designed to meet the requirements of the PCMLTFA and regulations. BCLC, in its role of managing and conducting gaming in the province, creates and maintains these policy and procedure manuals for both BCLC as well as its Casino Service Providers. Policies and procedures are reviewed and updated regularly and as required. BCLC Vice President of Legal, Compliance, Security approves all AML policies and procedures.

7. Know Your Employee / Employee Responsibilities

Federal and provincial laws impose significant reporting and other legal obligations on BCLC and its employees. BCLC requires the completion of a criminal record check and GPEB registration prior to the hire of any new employee. Furthermore, BCLC's Standards of Ethical Business Conduct limits the employee from participating in gaming in any circumstance where they may have or be perceived to have a conflict of interest.

It is the obligation of every employee, whose role and responsibilities relate to gaming to contribute to a corporate culture of compliance by being aware of and complying with the BCLC policies, Federal regulations and FINTRAC reporting guidelines, including those dealing with the prevention of money laundering and terrorist financing. Non-compliance can affect the integrity of gaming services and result in BCLC land based gaming facilities and/or online casino PlayNow.com being used to facilitate money laundering or terrorist financing activity. This not only contributes to illicit enterprises but also can lead to serious criminal or regulatory consequences imposed upon BCLC and its employees. Non-compliance on the part of individuals may result in disciplinary action up to and including termination.

BCLC expects its service provider partners to have internal processes in place for disciplining employees for non-compliance of BCLC AML policies and procedures.

8. Proceeds of Crime (Money Laundering) and Terrorist Financing Act

The two primary Canadian legislative responses to the issues of money laundering and terrorist financing are the *Criminal Code of Canada* and the *Proceeds of Crime (Money Laundering) Terrorist Financing Act* (PCMLTFA), and the regulations thereunder.

The *Proceeds of Crime (Money Laundering) Act* was amended in December 2001 to become the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA).

The objective of the PCMLTFA is:

- To implement specific measures to detect and deter money laundering and the financing of terrorist activities to facilitate the investigation or prosecution of money laundering and terrorist financing offences, including
    - establishing record keeping and client identification requirements for financial services providers and other persons that engage in businesses, professions or activities that are susceptible to being used for money laundering, and the financing of terrorist activities,
    - requiring the reporting of suspicious financial transactions and of cross-border movements of currency and monetary instruments, and
    - establishing an agency that is responsible for dealing with reported and other information;
- To respond to the threat posed by organized crime by providing law enforcement officials with the information they need to investigate and prosecute money laundering or terrorist financing offences, while ensuring that appropriate safeguards are put in place to protect the privacy of persons with respect to personal information about themselves; and
- To assist in fulfilling Canada's international commitments to participate in the fight against transnational crime, particularly money laundering and the fight against terrorist activities.

9. What is Money Laundering?

The United Nations defines money laundering as "any act or attempted act to disguise the source of money or assets derived from criminal activity." Essentially, money laundering is the process whereby "dirty money"— produced through criminal activity— is transformed into "clean money," the criminal origin of which is difficult to trace. There are three recognized stages in the money laundering process.

- **Placement**: involves placing the proceeds of crime in the financial system;
- **Layering**: involves converting the proceeds of crime into another form and creating complex layers of financial transactions to disguise the audit trail and the source and ownership of funds (e.g., the buying and selling of stocks, commodities or property); and,
- **Integration**: involves placing the laundered proceeds back in the economy under a veil of legitimacy.

The money laundering process is continuous, with new dirty money constantly being introduced into the financial system.

Under Canadian law, a money laundering offence involves various acts committed with the intention to conceal or convert property or the proceeds of property (such as money) knowing or believing that these were derived from the commission of a designated offence. In this context, a designated offence means most serious offences under the Criminal Code or any other federal Act. It includes, but is not limited to those relating to illegal drug trafficking, bribery, fraud, forgery, murder, robbery, counterfeit money, stock manipulation, tax evasion and copyright infringement.

A money laundering offence may also extend to property or proceeds derived from illegal activities that took place outside Canada.

10. What is Terrorist Financing Activity?

Terrorist financing provides funds for terrorist activity. The main objective of terrorist activity is to intimidate a population or compel a government to do something. This is done by intentionally killing, seriously harming or endangering an individual or causing substantial property damage that is likely to seriously harm people. It can also be done by seriously interfering with or disrupting essential services, facilities or systems.

Terrorist activity is undertaken for political, religious or ideological purposes. This does not mean that an expression of political, religious or ideological beliefs alone is a terrorist activity, unless it is part of a larger conduct that meets the definition explained above.

Terrorists need financial support to carry out terrorist activities and achieve their goals. In this respect, there is little difference between terrorists and other criminals in their use of the financial system. A successful terrorist group, much like a criminal organization, is one that is able to build and maintain an effective financial infrastructure. For this, it must develop sources of funding and means of obscuring the links between those sources and the activities the funds support. It needs to find a way to make sure that the funds are available and can be used to get whatever goods or services needed to commit terrorist acts.

The fundamental aim of terrorist activity financing is to obtain resources to support terrorist activities. The funds needed to mount terrorist attacks are not always large and the associated transactions are not necessarily complex.

Though Money Laundering and Terrorist Financing can occur in many locations and using many different methods, the Canadian government believes casinos to be one of the more common business types for money laundering to occur. Casinos are, by nature, a cash-intensive business and the majority of transactions are cash-based. This makes the industry particularly vulnerable to the placement stage of money laundering, although some of the financial services provided by casinos can also lend themselves to the layering and integration stages. BCLC and its service providers are committed to meeting its anti-money laundering and terrorist financing prevention obligations as set out in the PCMLTFA.

11. Financial Transaction and Reports Analysis Centre of Canada (FINTRAC)

The Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) was created in 2000 by the federal government in furtherance of the commitments to which Canada agreed when joining the international Financial Action Task Force (FATF).

FINTRAC is Canada's national financial intelligence unit (FIU). The Centre assist in the prevention and detection of money laundering and terrorist financing activities

FINTRAC acts at arm's length and is independent from the police services, law enforcement agencies and other entities to which it is authorized to disclose financial intelligence. It reports to the Minister of Finance, who is in turn accountable to Parliament for the activities of the Centre.

.

FINTRAC is empowered with the ability to monitor, audit and otherwise regulate businesses that have reporting obligations imposed under the PCMLTFA. Casinos have reporting obligations under the PCMLTFA, making BCLC the designated reporting entity subject to FINTRAC oversight. Casinos have to report disbursements of $10,000 or more, whether paid in cash or not, in the course of a single transaction. For more information on casino disbursement reports, see Guideline 10: Submitting Casino Disbursement Reports to FINTRAC

12. FINTRAC Guidance

Under the auspices of the PCMLTFA, FINTRAC monitors and audits BCLC who is the designated reporting entity on behalf of all BC casino service providers. BCLC policy is written with PCMLTFA and FINTRAC guidelines in mind.

For the most up-to-date versions of the guidelines, regulations, as well as interpretation notes provided by FINTRAC, employees should refer directly to the FINTRAC website. Links are provided below.

The PCMLTF Act is at the following web address:
http://laws-lois.justice.gc.ca/eng/acts/P-24.501/

The PCMLTF Regulations is at the following web address:
http://laws-lois.justice.gc.ca/eng/regulations/SOR-2001-317/index.html

The guidelines can be accessed by pressing "Ctrl" while clicking on the links below:

1 Backgrounder

2 What is a suspicious transaction report?

3A Reporting suspicious transactions to FINTRAC

3B Money laundering and terrorist financing indicators

4 Compliance Program Requirements

5 Submitting Terrorist Property Reports to FINTRAC

7A Submitting Large Cash Transaction Reports to FINTRAC Electronically

7B Submitting Large Cash Transaction Reports to FINTRAC by Paper

8A Submitting Non-SWIFT Electronic Funds Transfer Reports to FINTRAC Electronically

8B Submitting SWIFT Electronic Funds Transfer Reports to FINTRAC

8C Submitting Non-SWIFT Electronic Funds Transfer Reports to FINTRAC by Paper

9 Alternative to Large Cash Transaction Reports to FINTRAC

10A Submitting Casino Disbursement Reports to FINTRAC Electronically

10B Submitting Casino Disbursement Reports to FINTRAC by Paper

11 Methods to identify individuals and confirm the -existence of entities

13. BCLC AML Compliance Regime

FINTRAC's Compliance program requirements under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) and associated Regulations requires reporting entities to implement a program of policies and procedures that will ensure individuals and entities remain in compliance with the legislation.

BCLC has implemented a compliance program which is the basis for meeting reporting, record keeping, client identification and know-your-client requirements under the PCMLTFA and associated Regulations as per FINTRAC guidance.

There are five required elements of a compliance program. Each is intended to be a pillar of an effective anti-money laundering/anti-terrorist financing (AML/ATF) program.

The five pillars are:

1. The appointment of a person who is responsible for the implementation of the compliance program - **compliance officer**;
2. The development and application of written **compliance policies and procedures** that are kept up-to-date, and include enhanced measures to mitigate high risks;
3. A **risk assessment** of your business activities and relationships;
4. The development and maintenance of a **written ongoing compliance training program** for employees, agents, and others authorized to act on your behalf; and
5. The institution and documentation of an **effectiveness review** of your compliance program (policies and procedures, risk assessment and training program) every two years (minimum) for the purpose of testing its overall effectiveness.

The compliance regime is in place to ensure that BCLC and its Service Providers have an effective system of internal controls to meet all regulatory requirements.

14. Risk-Based Approach

BCLC takes a risk[1]-based approach to managing potential money laundering and terrorist financing situations within BC land based gaming facilities and on the online casino. Consequences of money laundering and terrorist financing can significantly impact the business in multiple ways:

- Reputational risk and the impact on your business;
- Regulatory impact;
- Financial loss for your business;
- Legal risks;
- Other.

BCLC conducts ongoing monitoring of its land based gaming facilities and online casino environment to identify potential threats[2], vulnerabilities[3] and impact[4] of money laundering, terrorist financing and other criminal activities to which BCLC and its Service Providers may be exposed.

The risk assessment will depend on the size and contributors to the business such as:

[1] Risk can be defined as the likelihood of an event and its consequences. In simple terms, risk can be seen as a combination of the chance that something may happen and the degree of damage or loss that may result from such an occurrence. "http://www.FINTRAC-canafe.gc.ca/guidance-directives/compliance-conformite/rba/rba-eng.asp#s2"
[2] Threats: this could be a person (or group), object that could cause harm. In the ML/TF context, a threat could be criminals, facilitators, their funds or even terrorist groups. "http://www.FINTRAC-canafe.gc.ca/guidance-directives/compliance-conformite/rba/rba-eng.asp#s2"
[3] Vulnerabilities: elements of a business that could be exploited by the identified threat. In the ML/TF context, vulnerabilities could be weak controls within a reporting entity, offering high risk products or services, etc. "http://www.FINTRAC-canafe.gc.ca/guidance-directives/compliance-conformite/rba/rba-eng.asp#s2"
[4] Impact: this refers to the seriousness of the damage that would occur if the ML/TF risk materializes (i.e. threats and vulnerabilities) "http://www.FINTRAC-canafe.gc.ca/guidance-directives/compliance-conformite/rba/rba-eng.asp#s2"

- BCLC's clients and business relationships, including their activity patterns and geographic locations;
- the products, services and delivery channels which they are offered;
- the geographic location(s) where BCLC conducts its activities;
- new technologies and their impacts on BCLC clients, business relationships, and products or delivery channels of BCLC activities;
- other relevant factors affecting BCLC business (e.g. employee turnover, rules and regulations for gambling industry, etc.);

Assessments are dynamic documents that are subject to frequent review and updating reflecting the fact that risks do not remain static. These assessments are re-evaluated at least bi-annually.

15. What is a risk-based approach?

FINTRAC's guidance on the risk based approach to combatting money laundering and terrorist financing states that a risk-based approach is a process that encompasses the following:

- The **risk assessment** of your business activities and clients using certain prescribed elements;
  - Products, services and delivery channels;
  - Geography;
  - Clients and business relationships; and
  - Other relevant factors.
- The **mitigation of risk** through the implementation of controls and measures tailored to the identified risks;
- Keeping **client identification** and, if required, beneficial ownership and business relationship information up to date in accordance with the assessed level of risk; and
- The **ongoing monitoring** of transactions and business relationships in accordance with the assessed level of risk.

16. Risk Assessment

BCLC performs a risk assessment for its gaming facilities in two stages:

- Stage 1: Business-based risk assessment of its products, services, delivery channels and the geographic location in which the business operates.

- Stage 2: Relationships-based risk assessment of products and services its clients utilize as well as the geographic locations in which they operate or do business.

BCLC performs a risk-based assessment of its online casino, PlayNow.com in three stages:

- Stage 1: Service providers integrated with the online casino are selected based on their ability to provide efficient fraud mitigation tools and offer rigorous reporting functionality.

- Stage 2: Each online casino player is required to register an account prior to playing online. The online casino has a single account policy and registered players are not permitted to share login credentials or act on behalf of or on the instruction of a third party. Furthermore, BCLC's eGaming Investigations Department reviews all new registrations daily and high depositing player accounts twice annually. Corporate investigators also review all Reportable Transactions and instances of insufficient play, where an individual deposit funds, wagers little to none of the deposited funds, and attempts to make a withdrawal to their bank account shortly after the deposit.

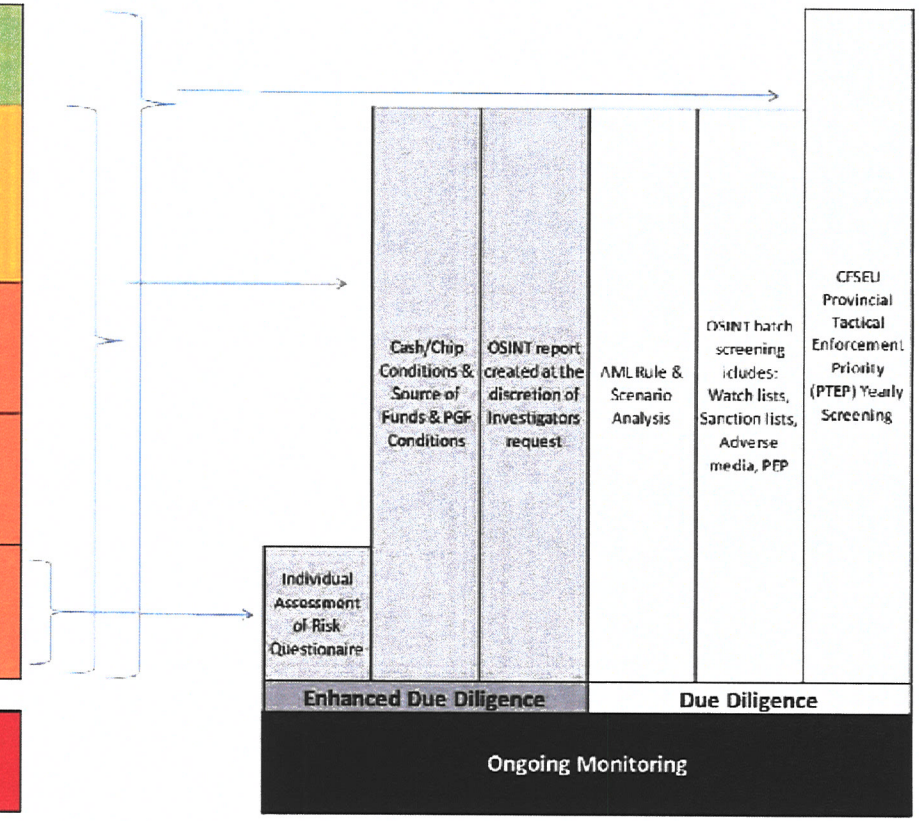
- Stage 3: As new initiatives are introduced to the online casino, BCLC's Investigations Department is engaged at the requirements gathering phase to ensure all potential risks are mitigated and documented efficiently.

BCLC's AML Department performs an initial risk assessment on all land based casino patrons holding accounts as per the regulatory criteria for a business relationship. Similarly, all online casino patrons hold accounts and are subject to ongoing monitoring.

The determination of high, moderate, and low risk is dependent upon which risk criteria the land based and online casino player meets. FINTRAC guidelines dictate that any patron with two or more suspicious transaction reports in the previous five (5) years is required to be treated as high risk. In addition, BCLC has established an extreme risk category wherein any patron identified as a public safety risk may be subject to a province wide ban from all land based casinos and the online casino.

Figure 1a: The flow of land based risk assessments

Approximate Volume of Patrons	Criteria 1		Criteria 2	Segment = Criteria 1 + Criteria 2
100,000	Entities with 0 or 1 reportable transaction in iTrak	Pre-screening of Non-Business Relationships		Seg 5
15,000	2 or more reportable transactions within 5 years Includes PGF Accounts	Risk Level: Low to Moderate Business Relationships		Seg 4
400	2 or more STRs within 5 years; and/or	Risk Level: High Risk Business Relationships	Recency of LCTs or CDRs or Incidents is greater than 12 months from current date	Seg 3 >12m
200	Manually selected as High Risk as a result of HRP risk assessment		Recency of LCTs or CDRs or Incidents is between 6-12 months from current date	Seg 2 6-12m
400	Includes PGF Accounts		Recency of LCTs or CDRs or Incidents is less than 6 months from current date	Seg 1 <6m
300	Information on patron that supports provincial barring is discovered	Risk Level: Extreme	-	Seg 1-5



Once a land based patron risk assessment is completed, BCLC conducts ongoing monitoring of the patron using various open source intelligence solutions and player analytics on a regular scheduled basis. Figure 2 outlines the steps and the related frequency of monitoring for each risk level category.

bclc playing it right

Figure 2: The flow of land based ongoing monitoring

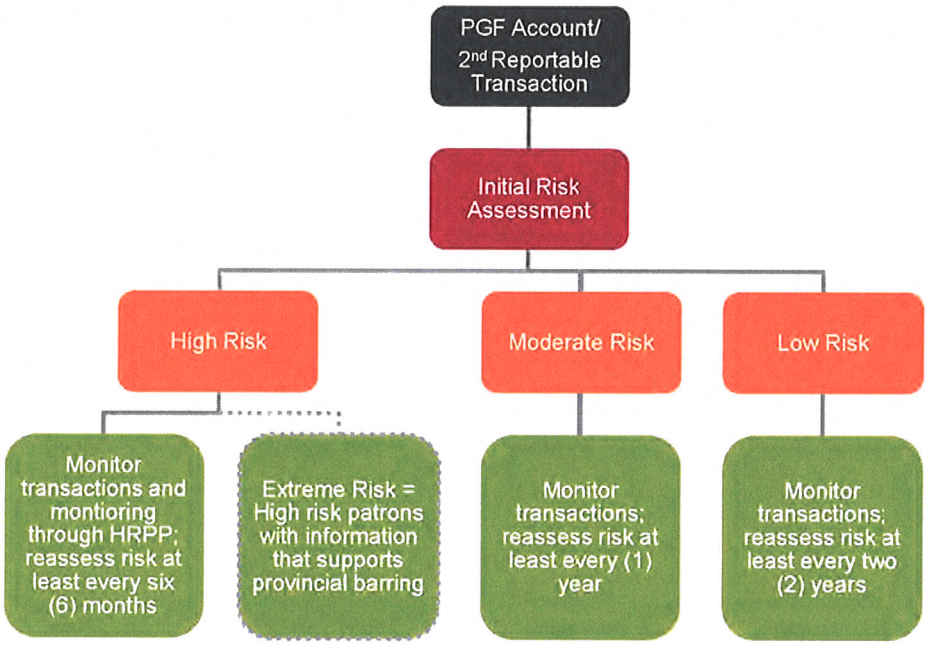


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Figure 1b: The flow of PlayNow.com risk assessments

Approximate Volume of Registered Players	Criteria 1	Risk Level	PlayNow Player Segment
50	Extreme Risk Business Relationships ended	Extreme	All Registered Players
25	Identified as High Risk in Land Based Casinos, or Two or more STRs within 5 years	High	All Registered Players
150	6-month Deposit Tier 1 ($173,001-$260,688)	Moderate	All Depositing Players
300	6-month Deposit Tier 2 ($87,001-$173,000)	Low	All Depositing Players
95,000	6-month Deposit Tier 3 ($5-$87,000)		

Ongoing Monitoring

PlayNow Accounts blocked via VSE-MDM matching.
Duplicate searches and system settings will prevent Extreme Risk Players from creating subsequent accounts

Equifax Credit File Verification at Registration	RCMP-PTEP Name Review	5-Year Undesirables Banned via land-based Casino (VSE-MDM matching)	Automated AML and Fraud Mitigation and Reporting	Transactional Report Analysis and ad hoc eGaming Player Reviews	FINTRAC Reporting	Global Adverse Media, Terrorist and PEP list monitoring*	Enhanced Due Diligence Reviews

* All players that have $30,000 or more in deposits in a month

17. Risk Mitigation

BCLC has created an AML framework in the form of a risk register to conduct ongoing monitoring as well as control measures to mitigate potential risks associated with money laundering and terrorist financing as it relates to its patrons, products, services, delivery channels and the geographic locations in which the business operates, including the online environment.

The AML risk register identifies the risk assessments and client monitoring that are to be conducted, the mitigation strategies utilized to monitor and assess those risks and the appropriate action required to ensure compliance at each land based gaming facility and the online casino. The types of products/services offered in each gaming location or platform, the client typology and other risks that are relevant to gaming are also considered as part of the risk register.

Risk assessments completed to meet PCMLTFA requirements give BCLC the ability to better identify the money laundering and terrorist financing risks associated to each area of exposure. This allows for the development and implementation of appropriate controls to manage these risks. The risk assessment also permits for the identification of any potentially high risk areas requiring special risk mitigation measures.

The risk register is reviewed and updated by a BCLC AML sub-committee group on a regular basis, but at least every six (6) months with emphasis placed on medium and high-risk categories.

18. BCLC Risk Assessment Protocol

BCLC Corporate investigators are required to perform a risk assessment on any patron meeting the criteria for a business relationship. Figure 1a shows the flow of risk assessments required for land based patrons. The determination of high, moderate and low risk is dependent upon which risk criteria the patron meets.

At the time of registration, all online casino players are classified as low risk. This assessment is based on the lack of anonymity, the ability to restrict deposit methods and deposit amounts as well as the ability to review every transaction on the online casino and the ability to manage withdrawals. Online casino accounts are placed in ongoing monitoring moderate risk tier 1 or low risk tiers 2 or 3 once a patron deposits on the account. Online casino accounts are placed in ongoing monitoring high risk tier if two or more suspicious transaction reports are filed for the online casino or land based patrons identified as high risk are identified in the online casino player database.

According to FINTRAC guidance, and effective February 1, 2014, any patron subject of two or more suspicious transaction reports is required to be treated as high risk and must be monitored on an ongoing basis for a period of 5 years. This applies to both land based and online casinos.

Figures 1a and 1b also demonstrate the pre-screening process that corporate investigators will conduct for any patron who has a reportable transaction at a BC land based casino/gaming facility or on the online casino. The pre-screening process provides BCLC Corporate investigators advance notice of patrons who may be classified at a higher risk level than others through a search of open source intelligence tools (OSINT). Once a patron meets the criteria for a business relationship, the monitoring process escalates. Figure 2 outlines the steps and the related frequency of monitoring for each risk category for land based facilities.

BCLC are also required to act on Ministerial directives issued by the Minister of Finance via email notification. Immediate steps are taken to meet the requirements of each directive and policies and procedures are amended as necessary. See Ministerial Directives and Countermeasures.

19. High Risk Patron Program

BCLCs AML Department in collaboration with BCLC Corporate investigators, have the responsibility to identify high-risk patrons (HRPs) who will be monitored within this program. The list of patrons monitored is established pursuant to both legislative requirements as detailed in FINTRAC guidance as well as patron risk assessments conducted by BCLC, which may identify those patrons considered high or extreme risk.

All land based casino patrons identified as high risk are placed on the High Risk Patron Program (HRPP) list. BCLC Corporate investigators on an ongoing basis monitor patrons on the HRPP list. Any new patrons identified during the monitoring process as high risk are immediately added to the HRPP list.

All patrons on the HRP list are labeled as high risk patron in BCLC's casino reporting system (iTrak) using the category dropdown list within the subject profile and are placed in the "Watch" category of BCLC's casino reporting system (iTrak). The HRP status flag is applied on the PlayNow.com Player Account Management (PAM) system. The "Watch" alerts Casino Service Provider Surveillance and Security employees if a patron classified as high risk attends a BC gaming facility. This necessitates that the individual's activities be closely monitored and reported to BCLC Corporate investigators. Similarly, online casino accounts identified as high risk are subject to Enhanced Due Diligence (EDD) reviews, regardless of the extent to which they are transacting online.

The criteria utilized for the identification of HRPs is contained in the Patron High Risk Indicator Charts for land based casinos and the online casino. This may include but is not limited to the following:

- The number of suspicious financial reports submitted to FINTRAC in relation to the patron.
- Changes to the patron's level of play as related to large cash buy-ins.
- Large cash buy-ins with small denomination bills which typically involves other unusual/ suspicious activity.
- Occupation in comparison to the level of play/ large cash buy-ins.
- Patron's associates who are involved in unusual/suspicious activity reported to FINTRAC.

The HRP program utilizes both a "know your client" approach and ongoing monitoring of the patron's activities. Any changes in patron behaviour or observed unusual/suspicious activity is documented in the patron profile and reported to BCLC Corporate investigators for follow up.

Based on risk tolerance, BCLC eGaming corporate investigators also monitor a list of active online casino depositing players. eGaming corporate investigators conduct EDD reviews for the highest depositing players and any other players deemed moderate risk twice annually. In addition, eGaming corporate investigators review every new registration for abnormalities.

The criteria used to review moderate risk online casino accounts includes:

- The player's case history
- A deposit analysis including deposit methods
- A withdrawal analysis including withdrawal methods and Casino Disbursement Reports (CDRs) filed
- Return to Player (RTP) percentages for the games wagered and a snapshot of the games and times played
- A snapshot of the locations, gaming sessions and login types (web based and/or mobile sessions)
- Linked and/or similar accounts identified
- Occupation and Open Source Intelligence (OSINT) search results
- Criminal and iTrak search results

20. Enhanced Due Diligence Monitoring for High Risk Patrons

BCLC conducts ongoing monitoring of business relationships with high-risk clients on a periodic basis. Figures 1a, b, and Figure 2 outline the risk assessment charts. BCLC ensures that all high-risk patrons are subject to enhanced monitoring and adequate assessment of money laundering and terrorist financing risk is documented.

When BCLC or its Service Providers identify a client as high-risk, enhanced monitoring and updating of client identification information is required, as well as any other appropriate "enhanced measures" as set out in FINTRAC guidance. BCLC maintains a record of the measures taken for ongoing monitoring including the procedures that are in place to perform periodic ongoing monitoring.; the procedures that are in place to perform the enhanced measures for high risk clients; the information that is gathered as a result of the ongoing monitoring; and the information that is gathered as a result of the enhanced measures for high-risk clients. BCLC has an enhanced EDD review process requiring inquiries made ensure relevant information has been reviewed, the patron's risk level has been appropriately reassessed and proper conclusions have been drawn.

On a semi-annual basis, BCLC eGaming corporate investigators and AML Corporate Investigators conduct EDD. For online business relationships EDD is conducted on the top depositing players on the online casino for the past 6 months. Any player that deposits over $150,000 in the past 6 months (and who was not reviewed in the previous period) is subject to further review by corporate investigators. These reviews encompass the player's login sessions, transactional history, return to player ratios, login locations, court registry and other BCLC system searches and open source searches to corroborate occupation. For all land based HRPs who have been active in the past 6 months (and who was not reviewed in the previous period) is subject to further review by corporate investigators which includes: transactional history, incident history, associated players, information on file related to occupation or source of wealth.

At any time, an investigator may request a further review from the AML Analysts to assist in the corroboration of the player's occupation and/or source of wealth.

Here is a non-exhaustive list of "enhanced measures" that may be taken in conjunction with current BCLC policy and procedures to mitigate the risk in cases of high-risk business relationships:

- Obtaining additional information on the client (e.g. occupation, volume of assets, information available through public databases, Internet, etc.).
- Obtaining information on the source of funds i.e.: patron completes a source of funds declaration for Player Gaming Fund (PGF) Accounts.
- Obtaining information on the source of wealth of the client.
- Taking **reasonable measures** to determine if a client is acting on the instruction of a third party when opening an account or conducting a large cash transaction and in the case of the PlayNow.com Player Agreement, prohibiting third party transactions.
- Verifying client information on a more frequent basis.
- Service Provider senior management must be notified for PGF Account deposits and withdrawal transactions at authorized monetary levels.
- Identifying patterns of transactions that need further examination.
- Increased monitoring of transactions of higher-risk products, services and channels including, but not limited to, PlayNow.com.
- Gathering additional documents, data or information, or taking additional steps to verify the documents obtained such as government identification
- Increasing awareness of high-risk activities and transactions.
- Increasing internal controls of high-risk business relationships such as additional Service Provider processes done in conjunction with BCLC Corporate investigators.
- Obtaining the approval of senior management at the transaction level for products and services that are new for that client. i.e.: cheque hold program.

21. Keeping Client Identification, Beneficial Ownership and Business Relationship Information Current

BCLC and its Service Providers are required to keep records in relation to client identification and business relationship information current. BCLC policies and procedures outline what information is to be obtained at the time of any transaction and how it is to be retained to ensure it is current and up to date. The frequency with which Service Provider employees are required to update information such as occupation and identification is also noted in BCLC policies and procedures.

BCLC policy does not allow for transactions involving beneficial owners in casinos or on PlayNow.com. Where it is suspected that an individual is attempting to conduct a third party transaction on behalf of another patron or is acting on the instruction of a third party, it is a requirement that both parties be identified or the transaction shall be refused. No further transactions are permitted, an incident report of an unusual financial transaction shall be created in the BCLC Casino Reporting system (iTrak).and where appropriate, a suspicious transaction report completed and submitted to FINTRAC.

22. Business Relationship and Business Relationship Record

BCLC as the reporting entity must provide ongoing monitoring of all established business relationships. A business relationship can be non-account based or account based.

As per FINTRAC's Business relationship requirements Methods to Ascertain Identity (online casino: effective June 2017 and land based casino: February 2014). A non-account business relationship is deemed to be established once the patron has conducted 2 or more transactions: (Large Cash Transaction Report (LCTR), Casino Disbursement Report (CDR), Foreign Exchanges (FOREX) of $3000 or more, and Suspicious Transaction Report (STR)) which require the land based casino to ascertain the identity of the individual or confirm the existence of a corporation or other entity within in a five year period. BCLC monitors and screens patrons for non-account based business relationships on a regular basis dependent on the level of risk they may present. Figure 1 outlines the frequency for the various risk levels.

A land based account based business relationship is established when a patron opens a Patron Gaming Fund (PGF) account or an online casino gaming account on PlayNow.com. BCLC policies and procedures outline all required information that must be collected in order to establish a PGF or PlayNow.com account. FINTRAC guidance dictates that these patrons be assessed for the risk they may present to the business for money laundering and/or terrorist financing activity.

All information retained with any service provider, held within BCLC software, or otherwise documented is considered to form part of the patron business relationship record.

For land based casinos BCLC considers the purpose and intended nature of a client business relationship since February 1, 2014 (for a 5 year rolling window starting on the 1st of every month) to be either:

- Gaming, high volume - any patron who has buy-ins or disbursements of $500,000 or more from the previous 5 years, or
- Gaming, casual - any patron who has buy-ins or disbursements less than $500,000 from the previous 5 years.

For online casinos BCLC considers the purpose and intended nature of a client business relationship since June 27, 2017 (for a 5 year rolling window starting on the 1st of every month) or any active accounts registered before June 27, 2017 to be either:

- Gaming, high volume - any patron who has deposits of $30,000 or more in a month, or
- Gaming, casual - any patron who has deposits less than $30,000.

BCLC Business Intelligence Analysts maintain an active list of both high volume and casual gaming business relationships that is updated on a regular basis. At the time when the business relationship review is conducted, the patron's activity is used to determine which business relationship category applies. Only high volume online business relationships are labeled as high volume, all other online business relationships are by default deemed casual and do not require a label.

23. Ongoing Monitoring

BCLC employs manual and automated processes to record and track transactions and land based casino patron and online casino player activities. Business processes, transactions and customer behavior are monitored for factors or patterns that may indicate an increase in risk or give rise to an unusual financial transaction. In addition to AML/TFA concerns, procedures are in place to guard against fraud, loan sharking and other criminal activity.

All land based casino subjects having a business relationship, and qualifying online subjects, are identified on a monthly basis and subjected to ongoing monitoring. The period for identifying land based business relationships is a 5 year rolling window from the 1st of the month (effective: February 1, 2014). The period for identifying online business relationships is a 5 year rolling window from the 1st of the month (effective: June 17, 2017). Active online accounts that were successfully registered prior to Jun 17, 2017 are included in all ongoing monitoring measures applied to online business relationships.

Land based subjects with two or more STRs who are not currently identified as HRP are also identified and included for ongoing monitoring. These new HRPs are forwarded to designate for HRP assignment and will be evaluated every 6-month EDD cycle. All land based casino business relationships and HRPs, along with all online business relationships who have $30,000 or more in deposits in a single month are identified and uploaded into the due diligence tool are screened on a daily basis against global intelligence lists, which includes: sanction lists, adverse media and PEP information. AML Analysts review any potential matches frequently throughout the month and escalate confirmed matches to management.

BCLC Corporate investigators conduct gaming oversight of all BC land based casinos and the online casino. In addition, BCLC stations Gaming Compliance Officers and BCLC Casino Corporate investigators directly in larger land based casinos BCLC conducts regularly scheduled compliance reviews of all BC land based casinos and the online casino. Furthermore, BCLC Internal Audit division conducts independent AML audits and on a tri-weekly basis reports findings to the AML Department and on a quarterly basis directly to the Board of Directors, and will also supply relevant reports to the BCLC Vice President, Legal, Compliance, Security on a regular basis. BCLC is subject to regular compliance audits conducted by the provincial gaming regulator and FINTRAC.

24. AML Training–BCLC/Service Provider

All Casino Service Provider front line employees with the exception of F&B, hotel and janitorial staff must take AML training on a regularly scheduled basis as determined by BCLC. This fulfils BCLC's obligation to ensure all personnel who see client transaction activity, who handle cash or funds in any way or who are responsible for implementing or overseeing the AML compliance regime understand the reporting, client identification and record keeping requirements. In an effort to promote a BCLC corporate culture of compliance, it is a requirement that all current

BCLC employees as well as all new employees, as part of their on-boarding process, take the online BCLC Corporate AML training and refresh their training on a regularly scheduled basis.

Furthermore, BCLC PlayNow.com Operations and Customer Support employees receive additional training in relation to the roles they play in FINTRAC Compliance.

BCLC offers both online and "face to face" training for all BCLC and Casino Service Provider employees that is updated on a regular as needed basis. All employees must be certified with AML training prior to engaging in gaming floor duties and must be re-certified in AML training on a regular basis as determined by BCLC.

AML training elements include instruction on:

- An overview of the PCMLTFA and FINTRAC;
- Reporting requirements, including large cash transaction, suspicious transaction and casino disbursement reports;
- Record keeping requirements;
- Compliance Program requirements;
- Customer identification;
- An overview of money laundering and terrorist financing activities and how gaming products and services may be vulnerable to money laundering and indicators of suspicious transactions.

25. Additional AML Training–Service Providers

BCLC has instituted mandatory Surveillance Operator Training, which includes Proceeds of Crime (Money Laundering), *and Terrorist Financing Act* (PCMLTFA) training. The development of the AML training for Casino Service Provider Surveillance employees is to complement the existing AML on line training and focus on their role to identify and report suspected money laundering and terrorist financing activity.

26. Association of Certified Anti-Money Laundering Specialists Training

BCLC has executive membership to the Association of Certified Anti-Money Laundering Specialists and strives to qualify certain employee positions within Legal, Compliance, Security as certified Anti-Money Laundering Specialists (CAMS). The (CAMS) designation denotes proven knowledge in AML typologies and detecting and preventing of both money laundering and terrorist financing activity. The CAMS accreditation is considered the gold standard of AML certification.

27. BCLC Internal Audit Services

BCLC internal Audit Services (AS) supports the corporate AML compliance regime in two key ways: ongoing monitoring and through assurance activities. Audit Services performs tri-weekly reviews of Unusual Financial Transactions (UFTs). All UFTs are reviewed to ensure that they are reported to FINTRAC in a timely manner if applicable, and information is consistently and accurately recorded in BCLC's systems. UFTs are flagged when the classification is changed and a report is provided to Legal, Compliance, Security. Audit Services also monitors the automated summary reporting of Large Cash Transactions (LCTs) to FINTRAC on a monthly basis. Daily summary report totals are tracked and reviewed to ensure any technical issues that may cause reporting delays are resolved in a timely manner by Business Technology and Legal, Compliance, Security.

BCLC Audit Services may conduct internal AML reviews that are consistent with legislative audit requirements as outlined in FINTRAC's Compliance Program Requirements to address whether policies and procedures are in place and adhered to, and whether procedures and practices comply with legislative and regulatory requirements.

Audit Services also provides assistance in external audit coordination for third party compliance regime reviews, attends quarterly AML risk sessions, maintains lists of external audit recommendations, and provides assurance of BCLC AML processes where needed. BCLC Executive and the BCLC Audit Committee receive on a quarterly basis an overview of all activities above.

Audit Services provides further assistance in reviewing all Casino Disbursement Reports (CDRs) submitted by BCLC Corporate investigators for player withdrawals on Playnow.com. All CDRs are reviewed to ensure that they are reported to FINTRAC in a timely manner if applicable, and information is consistently and accurately recorded in BCLC's systems.

28. Review of the Compliance Regime

FINTRAC Guidance dictates that the policies and procedures related to AML compliance be reviewed every two (2) years. BCLC utilizes external audit groups to conduct these reviews to ensure regulatory compliance.

The review by an external auditor may include interviews, tests and samplings, such as the following:

- Interviews with those handling transactions and with their supervisors to determine their knowledge of the legislative requirements and policies and procedures.
- A review of the criteria and processes for identifying and reporting suspicious transactions.
- A sampling of large cash transactions followed by a review of the reporting of such transactions.
- A sampling of international electronic funds transfers (if those are reportable by the reporting entity in question) followed by a review of the reporting of such transactions.
- A sampling of clients to see if the risk assessment was adequate.
- A sampling of clients to see if the frequency of ongoing monitoring is adequate.

- A sampling of high-risk clients to review the enhanced measures taken.
- A test of the validity and reasonableness of any exceptions to large cash transaction reports including the required annual report to FINTRAC (this is applicable only for financial entities who choose the alternative to large cash transactions for certain business clients).
- A test of the record keeping system for compliance with the legislation.
- A test of the client identification procedures for compliance with the legislation.
- A review of the risk assessment.

In addition to the external audit review process, BCLC's Gaming Compliance Officers and Internal Audit Department perform scheduled and ad hoc reviews and audits. These reviews provide BCLC with regular gaming audit oversight and assists in identifying and resolving any regulatory or policy deficiencies in a timely manner. These review/audits are documented and retained to demonstrate BCLC's compliance due diligence. Any deficiencies identified are reported to the Board of Directors and the BCLC Executive Team on a regular basis.

29. AML Department

BCLC has created a specialized Anti-Money Laundering Department. The AML Department is led by a Director and consists of a Manager, AML Programs, a Manager, AML Intelligence. Business Intelligence Analysts, Intelligence Specialist, Programs Specialist and AML Corporate investigators. The AML Department provides ongoing AML oversight to ensure that BCLC and its Service Providers are identifying and reporting all required transactions as well as providing support and guidance to all gaming Service Providers to ensure regulatory compliance and deter illegal activity.

The establishment of the AML Department consolidated all aspects of AML into a single entity with robust analytical capacity to address AML and other criminal conduct issues across all BCLC business lines. The AML Department reports directly to the Vice President of Legal, Compliance, Security who is the CAMLO for BCLC. The mandate of the AML Department includes, but is not necessarily limited to, the following across all gaming sites including PlayNow.com:

- Address changes to policy driven by legislative or regulatory amendments;
- Identify technology solutions to AML and other regulatory reporting obligations in order to enhance efficiency;
- Monitor all FINTRAC reports/records for timeliness and accuracy and disseminate to Police of jurisdiction as required;
- Enhance BCLC's "know your customer" capabilities through the establishment of high-risk player profiles by accessing open source and internal databases, with particular emphasis on those players undertaking large cash transactions;
- Conduct AML and other appropriate training to BCLC staff and Service Providers;

- Continuously monitor adherence to AML processes and policy by BCLC staff and Service Providers;
- Monitor high-risk player behavior for indicators of criminal conduct;
- Identify trends which may be indicative of money laundering, fraud, or other criminal conduct;
- Establish BCLC-Law Enforcement working groups with the police of jurisdiction in the municipalities where casinos are situated;
- Conduct due diligence examinations, where requested, with respect to prospective contractors to BCLC; and
- Manage cash alternative programs that comply with FINTRAC /GPEB requirements while ensuring proper safeguards and reporting are in place to limit BCLC's exposure to reputational, financial, and regulatory liabilities.

30. Gaming Compliance Reviews

BCLC Gaming Compliance Officers (GCOs) are BCLC's representatives for ensuring regulatory compliance by all land based casinos. There are thirteen (13) full-time GCOs in British Columbia, conducting cyclical compliance inspections and reporting duties for thirty-five (35) casinos and Community Gaming Centres (CGCs) and three (3) bingo halls.

Compliance reviews are separated by area of operations (e.g., Tables, Slots, Cash Cage, etc.) and are conducted in each area three (3) times annually, however AML reviews (along with Corporate Social Responsibility and Patron Gaming Fund reviews) are conducted quarterly due to the high-priority nature of this subject matter.

GCOs employ a combination of document analysis, interviews of front-line service provider employees, and facility inspection to complete the AML review.

31. Customer Identification Requirements—Customer Due Diligence/Know Your Customer (CDD/KYC)

The purpose of the PCMLTFA is to help deter and detect money laundering and terrorist financing activities and to support investigations and prosecutions related to these offences. The identification of persons involved in or attempting money laundering or terrorist financing is crucial to these efforts. For these reasons, reporting entities under the PCMLTFA have obligations in relation to identifying clients with whom they conduct transactions in the course of providing casino services.

BCLC is committed to achieving best practices concerning its customer identification obligations and has implemented Customer Due Diligence and Know Your Customer (CCD/KYC) policies and procedures.

Under the PCMLTFA, BCLC and its service providers are prohibited from opening accounts or conducting prescribed transactions until the customer's identity is established and verified. All account openings and transactions for land based gaming services must be face-to-face with the

customer. To establish identity on the online casino, BCLC primarily identifies individuals who are not physically present under specific criteria outlined in FINTRAC guidelines: http://www.FINTRAC.gc.ca/guidance-directives/client-clientele/Guide11/11-eng.asp.

An online casino patron may be identified via the single process method of electronic credit file method or photo identification issued by government method in person.

An online casino patron may be identified via the dual process method via reliable sources of information under the dual process method to identify an individual: one source to verify an individual's name and address and a second source to verify their name and date of birth. "Documents or information to verify name and address" typically includes a product from a Canadian credit bureau (containing two trade lines in existence for at least 6 months) or an original utility bill. "Documents or information to verify name and date of birth" typically includes the verification of a Canadian credit file that has been in existence for at least 6 months.

BCLC does not permit online casino accounts to be opened by or transactions to be conducted with corporate entities, trusts, charities, third parties, and not-for-profit entities.

To establish identity in a facility, a patron must provide documentation issued by a federal, territorial, provincial, or state government agency that bears the name, photograph and signature of the individual presenting the document. The documents must be originals, valid, unexpired, have a unique identifier number, and be free of any indications of having been tampered with or altered. Examples of acceptable primary documentation include:

- passports;
- driver's licenses;
- permanent residents cards;
- Military, police, and First Nations identification cards.

Government issued birth certificates, social insurance cards, credit cards and other similar documents are not acceptable as a primary means of identification, but can assist with Know Your Client efforts and should be accepted as secondary means of identification along with primary documentation to assist with the verification of identity.

Detailed instructions on ascertaining identity are set out in BCLC policies and procedure manuals.

32. Large Cash Transaction Reports

Any single transaction of $10,000 or more and any combination of transactions totalling $10,000 or more in a 24 hour period or any foreign monetary exchanges of $3,000 (CDN) or more must be reported to FINTRAC as soon as practical but no later than 15 days from the time of transaction.

BCLC policy requires that identification be obtained from the patron once he/she reaches $9,000 in transactions in a 24-hour period. Tracking sheets are completed for gaming tables or cash cage buy-ins to track the transactions made by each patron. If the patron cannot or refuses to produce identification upon reaching a $9,000 total buy-in, they shall be informed of the PCMLTFA reporting requirement and they will not be allowed to reach the $10,000 reporting threshold without producing identification. There may be unique circumstances surrounding

transactions where patrons who buy in with $10,000 or more in cash or segments of cash totalling $10,000 or more may be asked by gaming cage staff to confirm the source of the funds. This information if requested shall be documented on the patron-tracking sheet and included in the electronic FINTRAC reporting module notes tab.

Patron tracking sheets shall form part of the documentation related to a Large Cash Transaction (LCT) for FINTRAC reporting. Casino cage employees, with supervisory oversight, fill out the documentation for an LCT and must enter the information into the FINTRAC entry module including a copy of the tracking document within 72 hours of the time of the first transaction. This tracking document is scanned into the media tab of the FINTRAC entry module.

BCLC Corporate investigators review LCT reports by conducting a monthly random sampling. This ensures completeness, timeliness and accuracy of reporting and ensures the Large Cash Transaction Reports (LCTRs) are closed for processing to FINTRAC as soon as practical but no later than the 15-day reporting deadline. Any deficiencies identified by BCLC Corporate investigators are reviewed and corrected. BCLC submits LCTRs to FINTRAC electronically.

As noted, online casino limits deposits to a maximum of $9,999 over a rolling 7-day period; therefore, LCTs are not submitted for online casino players.

33. Casino Disbursement Reports

BCLC is responsible for submitting Casino Disbursement Reports (CDR) for disbursements of any single transaction of $10,000 or more and any combination of transactions totalling $10,000 or more in a 24-hour period. This requirement applies to the redemption of chips, withdrawals from Patron Gaming Funds Accounts or online casino, payment of winnings, the cashing of cheques or other negotiable instruments, as well as any reimbursement to customers for travel and entertainment expenses.

Patron tracking sheets shall form part of the documentation related to a CDR for FINTRAC reporting in a gaming facility. Casino cage employees, with supervisory oversight, fill out the documentation for a CDR and must enter the information into BCLC's Casino Reporting system (iTrak) FINTRAC entry module including a copy of the tracking document within 72 hours of the time of the first transaction. This tracking document is scanned into the media tab of the CRS FINTRAC entry module.

BCLC Corporate investigators review CDRs by random sampling on a monthly basis to ensure completeness, timeliness, and accuracy of reporting and those CDRs are closed for processing to FINTRAC as soon as practical but within the 15-day reporting deadline. Any deficiencies identified by BCLC Corporate investigators are reviewed and corrected.

BCLC submits CDRs to FINTRAC electronically for land based facilities and manually through F2R for online casino disbursements resulting from Casino wins.

34. Unusual/Suspicious Financial Transactions

BCLC employees, and Service Provider Gaming and Surveillance employees are required to identify all attempted or completed transactions they believe to be unusual in nature. These transactions should be suggestive of either a questionable source of funds or wealth, or behaviour that is indicative of money laundering or terrorist financing activity. (A non – exhaustive list of such behaviours is included in BCLC policy). Surveillance employees are required to create

an incident report of "Unusual Financial Transaction" within the BCLC Casino Reporting system (iTrak). BCLC AML Corporate investigators will complete a further review of the transaction to determine whether it is appropriate for a Suspicious Transaction Report (STR) to be submitted to FINTRAC.

BCLC AML Corporate investigators review the unusual financial transactions and document all investigative steps taken to determine if the reported unusual financial activity is substantiated. If substantiated a suspicious transaction report will be submitted to FINTRAC as soon as is practical but no later than 30 days from the time of the transaction. If not substantiated, the incident file will be changed to "un-substantiated" and a copy is forwarded to the Manager, AML Programs for review and ultimate decision.

Appendix 3 includes the form information that is required by BCLC Corporate investigators to file an STR or attempted transaction report to FINTRAC. It also includes the form information required for a suspected terrorist group or listed person property report.

35. Suspicious Transaction Report (STR)

Suspicious Transactions are applicable to all casinos that are subject to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) and associated Regulations. An STR, is an actual event, action, occurrence or element that exists or is known to have happened or existed. STRs are submitted to FINTRAC once reasonable grounds to suspect that a financial transaction is related to the commission or attempted commission of an ML/TF offence. Reasonable grounds to suspect that the financial transaction(s) is assisting a terrorist or terrorist group or both, or in the case of Money Laundering, is being used to convert the proceeds of crime into the appearance of a legitimate activity.

Submitted STRs to FINTRAC by BCLC include and are not limited to individuals and/or entities names, account details, locations and relationships that may ultimately be disclosed to law enforcement, intelligence agencies, and/or other disclosure recipients.

Completing an STR is clarifying a set of circumstances or providing an explanation of a situation or financial transaction that can be understood and assessed. BCLC`s identification process for STRs include but are not limited to:

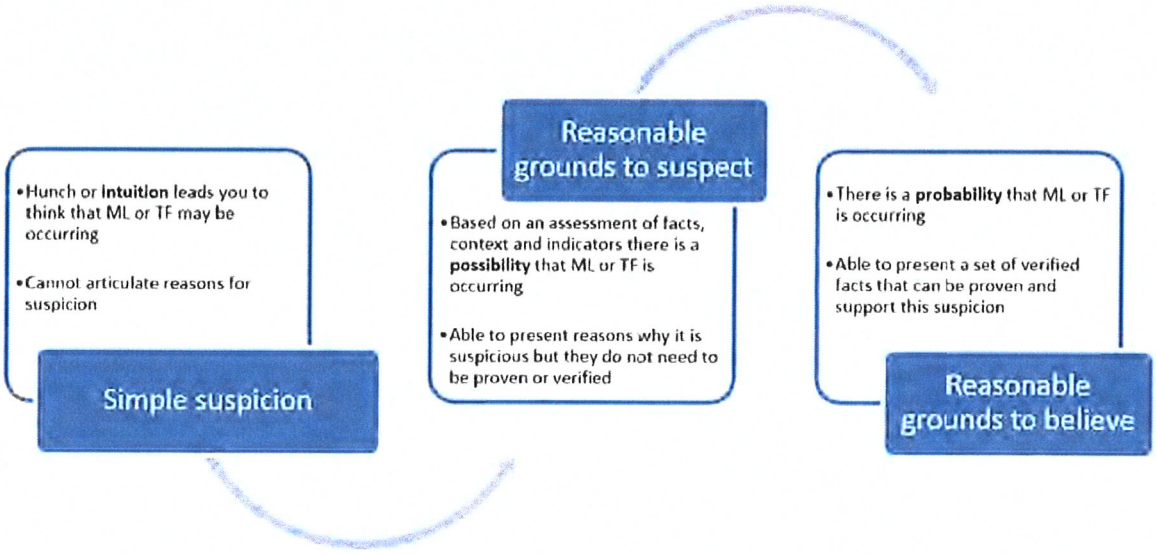
- a general awareness of the events occurring in the service providers business environment ;
- knowledge of the typical financial activities found within the casino operations;
- regular know your client (KYC) activities (e.g. who they are, their occupation or business, how they generate their wealth, typical or expected transactional behaviour, interviews, etc.);
- the information obtained through the application of the risk-based approach; and
- the background and/or behaviour/actions of the patron.

It is important to note that a financial transaction may not appear suspicious in and of itself. However, additional context about the associated individual or their actions may create suspicion. It is a combination of facts, context and ML/TF indicators.

ML Assessment Elements	Casino
Individual	• asks several questions about their reporting obligations (fact) • wants to know how they can avoid their transaction being reported to FINTRAC (context) • structures their amounts to avoid client identification or reporting thresholds (context) • keeps changing their explanation for conducting a transaction or knows few details about its purpose (context)
PGF Review	• has a low salary (context) and has deposited an irregularly large amount of money (fact) • keeps changing their explanation for the deposit or cannot / will not provide an explanation (context) • exhibits nervous behaviour (context)
Additional Elements	• deposits to the account are made by numerous parties that are not players (fact) • the account activity involves wire transfers in and out of the country (fact), which does not fit the expected pattern of a player activities • multiple deposits are made to the account by third parties (fact)

Suspicious Transaction Report: Employee Responsibility and Protection

Upon review of Money Laundering or Terrorist Financing indicators of potential red flags that could initiate suspicion or indicate that something may be unusual without a reasonable explanation; BCLC`s responsibility is to submit a STR to FINTRAC provided that the suspicion is reasonable. Reasonable grounds to suspect is a step above simple suspicion and is a conclusion reached based on an assessment of facts, contexts and Money Laundering or Terrorist Financing indicators associated with the financial transactions. It is an offence to disclose, imply or notify any individual and/or entity that a STR has been submitted to FINTRAC. BCLC and service provider employees are prohibited from disclosing the fact a STR has been submitted or from doing or omitting any findings that may result in the subject of a STR becoming aware that an STR has been submitted to FINRAC.



BCLC`s regulatory obligations to submit STRs include and are not limited to:

- access STRs with similar scenarios to ensure that consistency is applied (for e.g. Money Laundering or Terrorist Financing indicators that are found through the assessment that support suspicion of Money Laundering or Terrorist Financing are considered in other scenarios where similar activity is conducted to ensure all incidents meeting the requirements for a STR are submitted to FINTRAC _.
- A STR will be filed to FINTRAC following suspicious financial activity conducted by a patron, individual or entity. BCLC will continue to submit STRs to FINTRAC as long as the suspicious financial activity continues by the conductor (patron, individual or entity).
- BCLC will submit an STR in relation to any production orders, search warrants or requests pursuant to information sharing agreements received from Law Enforcement if warranted.
- BCLC continues to establish reasonable grounds and measures to suspect thresholds and to establish common baselines for what could be considered unusual or suspicious.
- Reasonable grounds means that any individual can explain the reasons for the suspicion in such a way that another individual with similar knowledge, experience and training would, based on the same information and likely reach the same conclusion.
- STRs are submitted within a timely period (i.e. within 30 days of the incident classified as suspicious).
- Ensuring the quality of submitted STRs are consistent and the integrity of KYC information and all other relevant information that led to the determination of the reasonable grounds threshold.

BCLC and Service Provider employees are protected from criminal prosecution concerning the reporting of suspicious transactions, attempted suspicious transactions, terrorist property, and terrorist financing where they made a report to a supervisor. The Act provides that no employee can be convicted of the offence of failing to provide a report if they reported the occurrence properly to their supervisor, even where BCLC then fails to report the transaction to FINTRAC.

36. Third Party Determination

Under the PCMLTFA, BCLC and its Casino Service Providers are required to take reasonable measures to determine if a customer is acting on behalf of someone else - a third party. This is particularly important in relation to the completion of LCTRs, CDRs, and the opening of PGF or PlayNow.com accounts.

FINTRAC guidelines state that, "When you are determining whether a 'third party' is involved, it is not about who "owns" the money, but rather about who gives instructions to deal with the money. To determine whom the third party is, the point to remember is whether the individual in front of you is acting on someone else's instructions; if so, that someone else is the 'third party.'

BCLC does not allow third party transactions.

37. Reasonable Measures

The reasonable measures process outlines the requirements for all land based BC Casinos and Community Gaming Centres to complete enhanced due diligence efforts to determine and document ownership of funds for all cash buy-ins, disbursements and Forex transactions of $10,000 or more within a static 24 hour period for a non 24 hour site. For a 24 hour gaming facility, this form should be completed on a rolling cycle. The Reasonable Measures Form must be completed at the $10,000 threshold and in $10,000 increments for subsequent buy-ins (i.e.: $20,000, $30,000, $40,000). The original Reasonable Measures Form must be retained or electronically scanned and saved within the media portion of the patron's subject profile contained within BCLC's Casino reporting system (iTrak). The intent of this form is to document the patron's response when asked if the cash is their own or is being produced on behalf or direction of another patron. If the patron refuses to provide a response it must be documented that they were asked and refused to provide a response and the patron's transaction will be refused. These records must be retained for a 5 year period from the date the record was created and must be completed BEFORE any transaction of $10,000 or more is completed. All Service Providers are responsible to document errors made by staff with respect to the reasonable measures form.

When reviewing disbursements from the online casino that will result in a CDR, BCLC eGaming corporate investigators request in writing, a response from the account holder to the question, "Are you cashing out on behalf of anyone else?" Only once the patron responds to that question in writing and proper bank verification documentation is received, will the BCLC eGaming Investigator authorize the pending payment(s).

38. Third Party Records and Retention

BCLC does not allow third party transactions.

39. Patron Gaming Funds Account

With BCLC approval, land based Casino Service Providers may provide Patron Gaming Funds (PGF) accounts to their players. The accounts are non-interest accruing, and involve no service charges and are for gaming use specifically. Funds in the account must be to or from an authorized bank account, which may involve the investigation/confirmation of the bank if it is an international bank. When an account is opened, detailed records of the patron's identification, local address (or foreign address if no local address exists), signature card, occupation, and employer details must be obtained and retained by the Service Provider. Service Providers must

also create and retain a declaration of the source of funds form and other information that supports the "know your customer" requirements.

BCLC Corporate investigators conduct random sampling of PGF accounts on a monthly basis to ensure accuracy, regulatory and procedural compliance. Gaming Compliance Officers review new and existing PGF accounts on a quarterly basis to ensure that any reportable transactions comply with FINTRAC Guidance and BCLC policy.

Dormant Accounts

If a PGF account is inactive for three (3) years and no direction has been received from the patron, the Service Provider shall contact the patron to ascertain the patron's wishes.

If no direction is received from the patron, or the patron cannot be contacted, the account shall be closed as per BCLC policy.

40. Terrorist Property

The Criminal Code, the provisions of the Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism and the United Nations Al-Qaida and Taliban Regulations (both enacted under the *United Nations Act* (Canada)) impose restrictions and reporting obligations on all persons in Canada and all Canadians outside of Canada in regard to terrorist property. The definition of property includes personal property in virtually any form including cash, cheques, and other monetary instruments.

The legislation and regulations prohibit dealing directly or indirectly with the property of a listed person or terrorist group or from entering into or facilitating transactions related to this class of property. Listed Persons and Terrorist Groups are published on lists maintained by the Office of the Superintendent of Financial Institutions Canada (OFSI).

The lists may be found on-line at http:// http://www.osfi-bsif.gc.ca/Eng/fi-if/amlc-clrpc/atf-fat/Pages/default.aspx www.osfi-bsif.gc.ca/Eng/fi-if/amlc-clrpc/atf-fat/Pages/default.aspx

41. What is Terrorist Property?

Terrorist property means any type of real or personal property in your possession or control. This includes any deed or instrument giving title or right to property, or giving right to recover or receive money or goods, including funds, financial assets or economic resources. For example, cash, bank accounts, insurance policies, money orders, real estate, securities, and traveller's cheques, precious metals and stones among other types of assets, are considered property.

42. Reporting Terrorist Property—Service Provider and BCLC Reporting Requirement

Where a BCLC or Service Provider employee comes into possession or control of property they know is owned or controlled by or on behalf of a terrorist group, the employee must immediately make a report to BCLC Legal, Compliance Security.

BCLC will immediately make a report to the RCMP and CSIS about the property and any transaction or attempted transaction related to the property, following the process as set out in FINTRAC guidelines.

43. Politically Exposed Foreign and Domestic Persons

While monitoring of politically exposed persons is not a specific requirement for the Casino sector, BCLC takes a proactive approach to conduct due diligence in this area. If BCLC identifies a patron as a Politically Exposed Foreign or Domestic person, the patron will be asked about the source of funds and wealth that were used for the transaction, or in the case of an account, that have been or are expected to be deposited. All patrons confirmed as PEPs are flagged in BCLC's Casino Reporting System (iTrak).

BCLC's AML Department as part of the risk assessment process, examine open source intelligence for any evidence of political exposure either directly or indirectly (i.e., through a family member). Patrons are placed into the appropriate risk category based on the outcome of the PEP screening process. This review of intelligence occurs on a regular basis depending on the risk assessment level as defined in Figure 1 and Figure 2.

44. What Is A Politically Exposed Foreign Person?

A politically exposed foreign person is anyone that holds or has held one of the following offices or positions in or on behalf of a foreign country:

- A head of state or government;
- A member of the executive council of government or member of a legislature;
- A deputy minister (or equivalent);
- An ambassador or an ambassador's attaché or counsellor;
- A military general (or higher rank);
- A president of a state-owned company or bank;
- A head of a government agency;
- A judge; or
- A leader or president of a political party in a legislature.
- A patron is also considered a politically exposed foreign person if they are a family member of an individual described above. In this context, a family member means one of the following:
- Mother or Father;
- Child;

- Spouse or common-law partner;
- Spouse's or common-law partner's mother or father and
- Brother, sister, half-brother or half-sister (that is, any other child of the individual's mother or father).

45. What is a Politically Exposed Domestic Person?

A domestic PEP is defined in subsection 9.3(3) of the PCMLTFA as a "person who, at a given time, holds or has held within a prescribed period before that time one of the offices or positions referred to in any of paragraphs (a) to (j) in or on behalf of the federal government or a provincial government or the office or position referred to in paragraph (k) in a municipal government:

(a) Governor General, lieutenant governor or head of government;
(b) member of the Senate or House of Commons or member of a legislature;
(c) deputy minister or equivalent rank;
(d) ambassador, or attaché or counsellor of an ambassador;
(e) military officer with a rank of general or above;
(f) president of a corporation that is wholly owned directly by Her Majesty in right of Canada or a province;
(g) head of a government agency;
(h) judge of an appellate court in a province, the Federal Court of Appeal or the Supreme Court of Canada;
(i) leader or president of a political party represented in a legislature;
(j) holder of any prescribed office or position; or
(k) mayor."

46. Regulatory Oversight and Criminal and Regulatory Sanctions

COMPLIANCE SEARCHES AND EXAMINATIONS

FINTRAC is the federal agency primarily responsible for the enforcement of the PCMLTFA. The legislation provides broad powers of examination, search, and seizure to the Director of FINTRAC. The Director may authorize employees of FINTRAC and other persons to enter the offices of BCLC and its service providers for the purposes of examining its records and to inquire into their business affairs. A search warrant is not required for FINTRAC to carry out this examination and inquiry.

ADMINISTRATIVE MONETARY POLICY The Administrative Monetary Penalties (AMP) Regulations to the PCMLTFA (AMP Regulations) provides the legislative authority for FINTRAC to impose AMPs on BCLC. The AMP Regulations categorize violations by degree of importance and impose a range of fines for each category of violation, varying anywhere from:

- $1 to $1,000 Minor Violation
- $1 to $100,000 Serious Violation
- $1 to $500,000 Very Serious Violation.

FINTRAC also has the discretion to reduce the amount of the penalty, depending on certain factors. The Act and the AMP Regulations set out three criteria that must be taken into account when determining a penalty amount:

- The purpose of AMPs, which is to encourage compliance, not to punish (non-punitive);
- The harm done by the violation; and
- The Reporting Entity's history of compliance.

DETERMINING AN AMP Amount

Failure to report a large cash transaction, an electronic funds transfer, or a casino disbursement are minor violations under the Proceeds of Crime (Money Laundering) and Terrorist Financing Administration Monetary Penalties Regulations (AMP Regulations). BCLC will implement the guidance provided by FINTRAC in calculating the AMP.

Step 1: Assessment of Harm Done
FINTRAC defines "harm" as the degree to which a violation interfered with the objectives of the PCMLTFA or with its ability to carry out its mandate. The "harm done" is one of the criteria that the PCMLTFA requires FINTRAC to consider in determining the amount of any penalties assessed. Emphasis on suspicious transaction reporting. In assessing the harm done FINTRAC will consider both the potential and the resulting harm. FINTRAC defines "resulting harm" as a separate violation that comes from the original violation.

Step 2: Compliance History and Non-Punitive Adjustment
FINTRAC will look at the regulated entity's compliance history as well as the stated purpose of the AMPs, which is to encourage compliance, rather than to punish. FINTRAC will then adjust the penalty amount for each violation based on whether the regulated entity has ever previously been levied an AMP for the violation. First-time violations the penalty is potentially reduced by two-thirds. For a violation occurring a second time, the penalty is reduced potentially by one-third. For the same violations that the regulated entity has been penalized for two or more times on previous occasions, the full base penalty is potentially applied.

For additional penalty calculation refer to: http://www.FINTRAC-canafe.gc.ca/pen/amps/calc-eng.asp

CRIMINAL PENALTIES

In terms of criminal sanctions, the PCMLTFA provides for both summary (less serious) and indictable (serious) offences. Any employee of BCLC or its Service Providers may be convicted of a criminal offence if they knowingly contravene requirements related to: establishing identity, keeping required records, opening an account without establishing identity, or failing to maintain a compliance program. If found guilty an employee may be liable to:

- on summary conviction to a fine of not more than $50,000 or imprisonment for a term of not more than six months, or to both, or;

- on conviction on indictment, to a fine of not more than $500,000 or imprisonment for a term of not more than five years, or to both.

Additionally, failure to report a prescribed financial transaction such as a large cash transaction report is punishable on summary conviction of a fine up to $500,000. Alerting a customer to the making, or contents, of a suspicious transaction report is punishable on summary conviction or

indictment by up to two years imprisonment. These offences are strict liability offences meaning the contraventions need not be knowingly committed.

VOLUNTARY SELF-DECLARATION OF NON-COMPLIANCE

BCLC and service providers continuously collaborate with regulatory bodies, including FINTRAC. FINTRAC strongly encourages regulated entities to voluntarily disclose their non-compliance to FINTRAC in order to resolve any issues that they identify. FINTRAC indicates that if the non-compliance event is not a repeated issue and provided that the regulated entity has made disclosure prior to being notified of an upcoming examination, FINTRAC will not impose an AMP (and will work with the regulated entity to resolve the issue).

47. Ministerial Directives and Countermeasures

Under Part 1.1 of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA), which came into force on June 19, 2014, the Minister of Finance may:

- Issue directives that require reporting entities to apply countermeasures to transactions coming from or going to designated foreign jurisdictions or entities; and
- Recommend the introduction of regulations to restrict reporting entities from entering into a financial transaction coming from or going to designated foreign jurisdictions or entities.
- According to the Act, the Minister may require Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) to communicate a directive in accordance with the Minister's instructions.
- FINTRAC will inform reporting entities that a directive has been issued and will monitor and assess compliance with directives and may further issue administrative monetary penalties to address instances of non-compliance

BCLC employs but is not limited to the following countermeasures to address ministerial directives once received from FINTRAC:

1. exercise of Client Due Diligence, including ascertaining the source of funds of a transaction, the purpose of a transaction, or the beneficial ownership or control of any entity;
2. verification of client identity;
3. monitoring of financial transactions or accounts; and
4. record keeping and retention.

48. Information Sharing with Law Enforcement

BCLC in collaboration with the RCMP have created an information sharing agreement (ISA) which takes the place of a Section 8 (2)(e) **Privacy Act** application if the requested information falls within the three categories of criminal activity set out in the ISA namely a propensity for violence, proceeds of crime related offences and known gang member or association. The terms of the agreement permit BCLC and law enforcement agencies to share personal information to support both criminal and gaming related investigations.

Law Enforcement requests are made pursuant to Sec. 33.2 of the British Columbia **Freedom of Information and Protection of Privacy Act, which** authorizes personal information under the control of a government institution (BCLC) to be disclosed to an investigative body upon a "written request". The law enforcement request must be for the purpose of enforcing any law of Canada or a province or carrying out a lawful investigation. The written request must specify the purpose and describe the information to be disclosed.

The Law Enforcement Request can be in the form of a letter, email or fax, and must contain wording to the effect that the agency is conducting a "criminal investigation". This written request must also include the agency's investigative file number.

The BCLC Legal Department reviews all requests for information from Police or other accredited agencies to ensure requests fall within the BCLC policy criteria prior to releasing any information. All information forwarded to outside agencies to assist in their investigations shall have a disclaimer notice attached to ensure that the information cannot be further disseminated without approval by BCLC and cannot be used for court purposes without prior authorization from BCLC Legal. If a request for information or media from Police is emergent in nature, the requested information and/or media can be released to the Police without prior authorization from BCLC Legal.

If the request for information is received from a Peace Officer actively involved in a criminal investigation, information may be released on the strength of a 'Freedom of Information' request form and/or in the form of an email specifying the information required. This request should then be directed to a BCLC Investigator specifically assigned to administer this function, with advice to a BCLC Director AML and Investigations within Legal, Security, Compliance, or designate. If circumstances dictate otherwise, any BCLC Investigator may facilitate a formal request, with advice to the BCLC Director AML and Investigations within Legal, Compliance, Security, or designate.

If the request from a Police agency is for documents held by BCLC in any information system, including PlayNow.com, suitable for Court purposes, the Police agency will be directed to serve the BCLC Director AML and Investigations or designate with a Court Order such as a Subpoena, Production Order or Search Warrant clearly outlining or describing the document(s) required.

If the request from a Police Agency is for document(s) held by a Casino or Community Gaming Centre Service Provider, such as original Large Cash Transaction Reports, suitable for Court purposes, the Police agency will be directed to serve the BCLC Director AML and Investigations or designate for the Casino or Community Gaming Centre, with a Court Order such as a Subpoena, Production Order of Search Warrant clearly outlining or describing the document(s) required.

49. Terminating/Ending Client Relationship

BCLC may also choose to decline doing business with any clients if the risk level exceeds BCLC's risk tolerance level.

BCLC has implemented a risk assessment process to monitor all client relationships identified as high-risk as part of the client acceptance process. This process allows BCLC to identify changes in client behaviour or play that may escalate the client's original assessment into the "extreme" risk category including those clients identified as being a public safety risk, having a propensity for violence, involved in proceeds of crime related offences and known gang member or associate. If it is determined that the client represents a level of risk that exceeds BCLC's risk

tolerance level, the relationship with the client will be terminated and the client will be banned from all land based casinos located in British Columbia as well as on the online casino.

Appendices

Appendix 1: Organizational Structure

Appendix 2: BCLC AML Specific Job Positions

Appendix 3: BCLC AML Supporting Job Positions

Appendix 4: Risk Criteria List

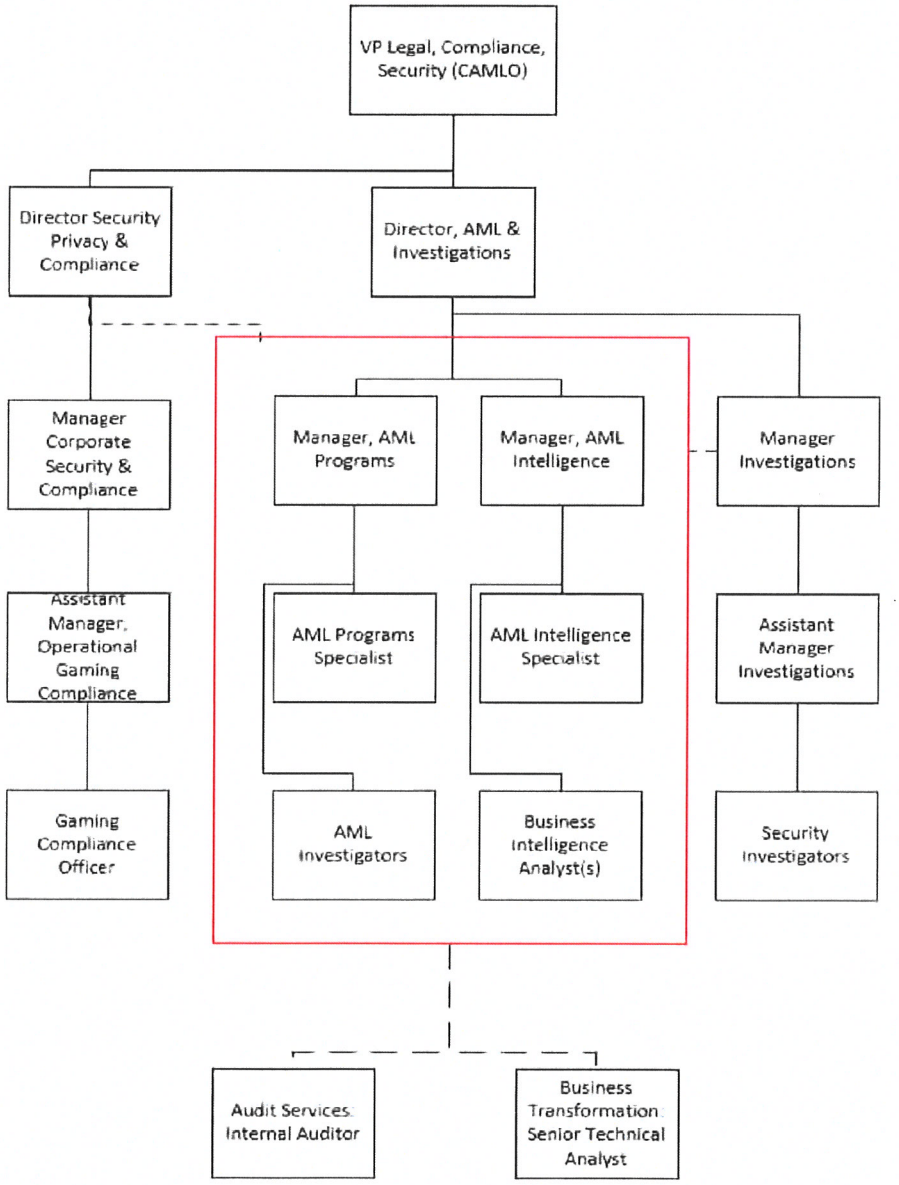
Appendix 5: BCLC AML Policies and Procedures

Appendix 6: Suspicious Transaction Report Form

Appendix 7: Terrorist Group or Listed Person Property Report Form

Appendix 1: Organizational Structure

Organizational Structure*



*As outlined throughout this document there are a number of supporting positions to the AML Department. These positions have been outlined later in the document. Dotted lines indicate support units to the AML unit outlined by the red box.

bclc playing it right

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Appendix 2: BCLC AML Specific Job Positions

VICE PRESIDENT, LEGAL, COMPLIANCE, SECURITY

Job Title: Vice President, Legal, Compliance, Security	**Department:** Legal, Compliance, Security
	Reporting Relationship: President & CEO

Job Summary:

The Vice President, Legal, Compliance, Security is responsible for leading the development and implementation of corporate security and compliance policies and procedures for BCLC, its players, and private sector service providers.

Key Accountabilities:

- Oversees all matters concerning compliance, privacy and AML related matters;
- AML CAMLO appointed by the BCLC Board of Directors
- Works with provincial and federal government bodies with the understanding of the legal and regulatory side of compliance to ensure integrity of gaming is maintained in the province of British Columbia;
- Strategic planning and leadership of complex portfolios;
- Fosters strong collaborative relationships with all areas of BCLC and works effectively across the leadership team and into the overall organization. Develops, maintains and manages critical relationships with internal and external contacts and departments, in support of the Corporate Security & Compliance program;
- Leads the development of long-term strategic plans related to Legal, Compliance Security architecture for the organization.

DIRECTOR, AML AND INVESTIGATIONS

Job Title: Director, AML and Investigations	**Department:** Legal, Compliance, Security
	Reporting Relationship: VP, Legal, Compliance, Security

Job Summary:

The Director, AML and Investigations provides strategic leadership, guidance and operational management to the organization's AML Programs, Intelligence & Investigations teams. The role oversees and directs all Corporate AML, Casino, Lottery and E-Gaming related investigations as well as predictive analysis for the purpose of identifying real and reputational threats to BCLC.

Key Accountabilities:

- Provides strategic leadership, guidance and operational management to the organization's AML Programs, Intelligence & Investigations teams. Implements strategic initiatives to monitor regulatory requirements and ensure proper compliance as an organization; measures and tests the effectiveness of compliance performance and develops proactive programs and processes using a risk based approach to monitor and achieve constant compliance.
- Fosters strong collaborative internal relationships with all areas of BCLC and works effectively across the leadership team and the overall organization to support AML and Investigation programs.
- Ensures that BCLC and its Service Providers meet legislative compliance requirements as set out in the Proceeds of Crime Money Laundering Terrorist Financing Act Regulations and FINTRAC guidance as well as compliance with BCLC's Standards Policies and Procedures.
- Leads the development of risk mitigation strategies and plans to prevent money laundering and other criminal risks to BCLC's players, people and operations, ensuring their safety and security and mitigating the business, financial risks and concerns of all stakeholders.
- Develops, maintains and manages critical relationships with Gaming Policy Enforcement Branch (GPEB), Senior FINTRAC management, Senior Provincial Police (RCMP) ranks, Service Providers and Business Partners in support of AML and Investigation programs.
- Coordinates audits with Provincial and Federal regulators and internal and external auditors. Reviews the audits and in consultation with the appropriate areas, determines a course of action to correct/rectify any shortfall or issues identified.
- Leads the development of long term strategic plans related to AML architecture for the organization including action plans to execute and the development and implementation of corporate policy and procedures to support strategies developed. Liaises with BCLC information technology and external software vendors to resolve any FINTRAC software reporting issues and implement any required software enhancements.
- Models leadership behaviors that support the engagement of staff, and drives culture and change management initiatives. Ensures that staff have the skills required to meet corporate objectives, and that technical training and mentoring processes are in place.
- Oversees and approves AML and Investigations training plans for BCLC and Service Provider staff to mitigate and address any identified compliance deficiencies.
- Maintains an expert level of knowledge of money laundering typologies applicable to all forms of gaming that are conducted and managed by BCLC, as well as a high level of understanding of the technical and functional aspects of all gaming products conducted and managed by BCLC.

- Leads the development, preparation and execution of the budget process including all operating and capital budgets for the fiscal year.

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MANAGER AML PROGRAMS

Job Title: Manager, AML Programs	**Department:** Legal, Compliance, Security
	Reporting Relationship: Director, AML and Investigations

Job Summary:

The Manager, Anti-Money Laundering (AML) Programs is responsible for ensuring BCLC remains compliant with AML regulations, and maintains a high level of integrity and standards, thereby avoiding sanctions including significant Administrative Monetary Penalties. In addition, the role oversees AML Investigations with the purpose of identifying threats both real and reputational to BCLC.

Key Accountabilities:

- Proactively develops, maintains and manages critical relationships with various internal and external contacts and departments, in support of the AML program.
- Liaises with the Gaming Policy Enforcement Branch (GPEB) Investigation Division at management level, regarding matters relating to AML and player criminal conduct across all BCLC business lines; ensures operational FINTRAC Compliance, including working with various Service Provider Compliance managers to ensure adherence to FINTRAC guidelines.
- Coordinates audits with GPEB, FINTRAC and BCLC Internal Audit Services. Reviews the GPEB/FINTRAC audits and in consultation with the Director AML & Investigations and the Director, Security, Privacy and Compliance, determines a course of action to correct/rectify any shortfall or issues identified.
- Manages team of corporate investigators within the AML Department whose purpose is to identify and resolve AML threats both real and reputational to BCLC.
- Continuously reviews and validates the AML risk register and in conjunction with Manager of AML Intelligence prepares the quarterly AML assessments for the BCLC Board of Directors and Executive.
- Coordinates and facilitates training, with respect to AML and other compliance issues, to BCLC and Service Provider staff.
- Provides standardized, legally defensible criteria for banning undesirable players based on BCLC analysis and policy.
- Liaises with Provincial Law Enforcement officials (RCMP) on an operational level to ensure BCLC is aware of any issues relevant to the gaming industry that may affect BCLC operations.

AML PROGRAMS SPECIALIST

Job Title: AML Programs Specialist	**Department:** Legal, Compliance, Security
	Reporting Relationship: Manager, AML Programs

Job Summary:

The objective of the AML Programs Specialist role is to assist in compliance oversight with AML regulations while maintaining a high level of integrity and standards. This position ensures that AML investigations are managed for completeness and accuracy and able to withstand the test of regulatory and public scrutiny with the purpose of identifying threats both real and reputational to BCLC.

Key Accountabilities:

- Manages all Corporate AML investigations (land based and eGaming casinos) relating to Suspicious Transaction Reports (STR) for completeness, accuracy in order to withstand public scrutiny and ensure they meet regulatory requirements.
- Uses critical analytical and investigative techniques to prioritize and interpret AML operational and procedural issues to determine and implement a course of action with a broader organizational perspective.
- Coordinates and facilitates AML related training for BCLC and Service Provider staff in order to mitigate regulatory compliance deficiencies.
- Ensures the development and employment of standardized, legally defensible criteria for banning undesirable players based on BCLC analysis and policy.
- Supports the development of AML Programs for both land based and eGaming casinos and establish training to meet legislative requirements.
- Works collaboratively with the AML Intelligence Specialist to develop and implement AML alerts for both land based and eGaming casinos.
- Participates in the overall leadership of the department, including measuring progress and developing departmental goals, and departmental engagement.
- Proactively develops, maintains and manages critical relationships with various internal contacts and departments, in addition to various external stakeholders including the player/public, vendors/suppliers, law enforcement community, service providers/retailers and Federal and Provincial regulatory bodies in order to ensure that any identified AML related issues are understood and issues of concern are identified and corrected.
- Develops schedules and deadlines in response to departmental priorities and manages/leads projects within the department. Participates significantly within large, cross-functional projects.

MANAGER AML INTELLIGENCE

Job Title: Manager, AML Intelligence	**Department:** Legal, Compliance, Security
	Reporting Relationship: Director, AML and Investigations

Job Summary:

The Manager, AML Intelligence partners with internal and external stakeholders to develop and deliver Anti-Money Laundering (AML) and business solutions and analysis for financial transactions as well as leading complex projects in furtherance of the Legal, Compliance, Security Division's Corporate Strategy. In addition, the role oversees and directs predictive analysis with the purpose of identifying threats both real and reputational to BCLC.

Key Accountabilities:

- Utilizing a broad understanding of Service Provider and BCLC's strategic plans and business operations, develops and in some cases manages cash alternative programs that are in compliance with FINTRAC /GPEB requirements while ensuring proper safeguards and reporting are in place so as to limit BCLC's exposure to reputational, financial and regulatory liabilities.

- Leads complex projects as directed which complement the Legal, Compliance, Security Division's Corporate Strategy.

- Builds strong, productive and positive relationships with key cross-departmental stakeholders within BCLC and external stakeholders, such as the Service Providers, the banking community and law enforcement officials. Develops and maintains formal and informal relationships with GPEB and other relevant government entities.

- Provides strong people leadership and strategic direction to the department by championing BCLC's vision, mission and values, while ensuring the continual development of the technical and people skills required to meet corporate objectives. Responsible for the operational management of the AML Analysts and including conducting quality assurance on work products and assisting in the real time monitoring of the FINTRAC/GPEB reporting requirements.

- Models leadership behaviours that support engagement of staff such as practicing meaningful recognition, inspiring a shared vision, communicating with staff regularly, coaching/mentoring others, conducting performance management, and supporting culture and change management initiatives.

- Drawing on information provided through analytic products as well as internal and external resources, collaborating with the Manager AML Programs to direct actions that will mitigate anticipated and existing criminal risk to our players, people and operations.

- Reviews and prepares AML related monthly reports to Manager, Executive and External partners when required. Prioritizes analytical support to Business Units within CS&C, BCLC and external stakeholders such as GPEB. In conjunction with the Manager, AML Programs prepares the quarterly AML assessment for the BCLC Board of Directors and Executive.

- Develops operational budget, presents business cases for capital expenditures and makes high-risk financial decisions in addition to approving financial expenditures for the department.

AML INTELLIGENCE SPECIALST

Job Title: AML Intelligence Specialist	**Department:** Legal, Compliance, Security
	Reporting Relationship: Manager, AML Intelligence

Job Summary:

Reporting to the Manager Anti-Money Laundering (AML) Intelligence, the AML Intelligence Specialist role is to assist in the continued development and oversight of BCLC's AML intelligence and analytical programs ensuring BCLC remains compliant with federal regulations, acts and guidelines. The AML Intelligence Specialist is responsible for leading the development and implementation of business intelligence and reporting solutions to the Legal, Compliance and Security division. The role will continue to grow business intelligence capabilities including researching other analytic programs and building on existing platform capabilities. The role will also lead complex projects in furtherance of the AML strategy and oversees and directs predictive analysis with the purpose of identifying threats both real and reputational to BCLC.

Key Accountabilities:

- Manages/leads projects within the department, which support the AML Strategy. Participates in large, cross-functional projects. Develops schedules and meets deadlines in response to departmental priorities.
- Provides informal leadership, ongoing monitoring and direction to the AML Business Intelligence Analysts Acts as subject matter expert by mentoring, educating and transferring knowledge to the AML Business Intelligence Analysts.
- Builds strong, productive and positive relationships with key cross-departmental stakeholders within BCLC and external stakeholders such as law enforcement, GPEB or other relevant government entity analysts.
- Assists with quality assurance of AML Business Intelligence work products.
- Uses critical analytical techniques to prioritize and interpret issues to determine and implement a course of action with a broader organizational perspective, as well as to make recommendations and approve approaches to provide more effective player focused analytics.
- Develops predictive analytic capabilities within Legal, Compliance and Security division through the socialization and dissemination of best-practices, and the creation and maintenance of data models for new solution development in support of the dynamic business needs.
- Develops and implements processes, procedures, and standards within a diverse Business Intelligence environment in order to drive performance and program improvement.
- Consults and influences business stakeholders to proactively add value, understand their needs and to be able to clearly communicate this direction to internal team members. This will require the clear presentation of complex concepts to an executive audience. Liaises with and provides communication to key stakeholders, ensuring clarity and awareness of strategies and objectives for business intelligence analysis.
- Creates conceptual, logical and physical data models for new solution development in support of the business needs.
- Maintains an oversight of the overall model suite to ensure consistency, accuracy and repeatability.

AML BUSINESS INTELLIGENCE ANALYST

Job Title: AML Business Intelligence Analyst	**Department:** Legal, Compliance, Security
	Reporting Relationship: Manager AML Intelligence

Job Summary:

Reporting to the Manager, AML Intelligence, the AML Business Intelligence Analyst role is responsible for leading the development, implementation, maintenance and support of business intelligence and reporting solutions to the Legal, Compliance, Security Division. The role utilizes a specialized understanding of business intelligence and data warehouse operating environments and related technologies in order to grow business intelligence capabilities and to ensure the integrity of the reporting data. As an expert in business intelligence, the role is a consultative partner to both internal (within BCLC); providing education, guidance and recommendation for improvement and to external stakeholders (service providers, vendors and regulatory bodies).

Key Accountabilities:

- Develops predictive analytic capabilities within Legal, Compliance, Security division through the socialization and dissemination of best practices, and the creation and maintenance of data models for new solution development in support of the dynamic business needs.
- Develops relevant processes, procedures, and standards within a diverse Business Intelligence environment in order to drive performance and program improvement.
- Consults and influences business stakeholders to proactively add value, understand their needs and to be able to clearly communicate this direction to internal team members. This will require the clear presentation of complex concepts to an executive audience.
- Creates conceptual, logical and physical data models for new solution development in support of the business needs.
- Maintains an oversight of the overall model suite to ensure consistency, accuracy and repeatability.
- Ensures data models are fully documented and appropriate data dictionaries are created.
- Creates data standards to support the predictive analytic team, and ensure adherence to the standards. This may include direct influence over source data and campaign standards.
- Coaches and provides training to the team on business intelligence methods, tools, design, and result. Ensuring that the ongoing development of business intelligence knowledge of not only the immediate team but as well for enterprise wide clients.
- Liaises with and provides communication to key stakeholders, ensuring clarity and awareness of strategies and objectives for business intelligence analysis.

AML ASSISTANT

Job Title: AML ASSISTANT	**Department:** Legal, Compliance, Security
	Reporting Relationship: Manager, AML Intelligence

Job Summary:

The Anti-Money Laundering (AML) Assistant acts as a key communication hub for the department, facilitating efficient and effective communication among key internal and external stakeholders. The AML Assistant provides support to both the AML Intelligence and AML Programs units as needed. This role also provides administrative support to the Director and Managers within the Anti-Money Laundering and Investigations Department through the co-ordination of activities.

Key Accountabilities:

- Provides assistance to corporate investigators with Unusual Financial Transactions (UFT) reviews and Suspicious Transaction Reporting (STR) as required. Conducts compliance and implementation reviews for Service Providers for AML programs.

- Conducts investigation support duties in relation to AML Investigative Case Management and acts as a liaison with various external agencies (RCMP, GPEB, CBSA etc.). Reviews evidence to ensure it is in compliance with disclosure standards, vets personal, sensitive and non-disclosure information, resolves issues, provides advice on electronic disclosure and file management issues and constructs electronic report by scanning and converting all documents in preparation for inclusion in Report to Crown Counsel (RTCC).

- Supports ALM regulatory reporting. Manages documents pertaining to AML programs and provide supporting data as required for monthly reporting.

- Provides administrative support for the AML Department, including preparation of material, recording meeting discussions, processing purchase requisition requests and invoices; and maintaining and updating filing systems, shared drives and directories. Manages a high volume of confidential paperwork including board materials, presentations and urgent confidential assignments.

- Develops and recommends techniques, processes and procedures to facilitate efficient and effective communication within the department and externally to key stakeholders and to address unusual or new evidence disclosure requirements/issues.

- Actively prioritizes and coordinates responses and negotiates and manages timelines and expectations in order to meet the department's goals and objectives.

- Monitors FINTRAC reports/records for timeliness and accuracy. Maintains continuous FINSCAN watch list monitoring.

- Assists on projects and requests for the AML Department as required.

- Supports budget management and business planning processes.

- Provides training for others as required.

Appendix 3: BCLC AML Supporting Job Positions

BUSINESS TRANSFORMATION SENIOR TECHNICAL ANALYST – FINTRAC SUBJECT MATTER EXPERT

Job Title: Senior Technical Analyst	**Department:** Software Services, Business Technologies
	Reporting Relationship: Manager, Gaming Facilities Support

Job Summary:

Reporting to the Manager, Gaming Facilities Support, the BT Technical Analyst role is responsible for the underlying technologies that support the Casino Incident Management Platform and the electronic reporting (batch filing) of Large Cash and Suspicious transactions. This role utilizes a broad knowledge of technical troubleshooting and platform specific knowledge to ensure that the systems that create generate, transport, and report upon the FINTRAC batch filing are up to date with a high availability.

Key Accountabilities:

- Monitors batch filing processes to ensure records are submitted to FINTRAC within the mandated compliance period.
- Is the designated primary contact for FINTRAC Technical support.
- Ensures that all supporting systems are up to date, highly available and meet BCLC corporate standards for disaster recovery, security and availability.
- Assists with the development and distribution of custom reports to facilitate compliance and error correction.
- Has a strong knowledge of the batch file types and formats to correct potential compliance issues at an individual file level when necessary.
- Ensures that business stakeholders are up to date and aware of all IT related matters that could pose a risk to compliance.
- Works with software vendors, FINTRAC Support and internal stakeholders to proactively ensure that developmental roadmaps are aligned with current and future FINTRAC reporting requirements.

MANAGER, INVESTIGATIONS

Job Title: Manager, Investigations	**Department:** Legal, Compliance, Security
	Reporting Relationship: Director, AML and Investigations

Job Summary:

The Manager, Investigations provides strategic leadership and guidance to Lottery, Casino and eGaming Investigative units with a focus on maintaining public trust and ensuring the integrity of BCLC, BCLC Retail Partners, and BCLC Casino Service Partners. The Manager, Investigations oversees the investigations or suspected illegal and/or unethical practices by individuals or organizations as they relate to BC Lottery and BC Casino operations alike. The role is also responsible for the oversight of all internal BCLC investigations as well as conducting investigations to determine the validity of BCLC Lottery prize claims.

Key Accountabilities:

- Provides strategic direction to the department to develop and implement business plans for the department that align with the corporate strategic direction and supports key initiatives for the division.
- Provides oversight on all investigations and provides expert guidance and analysis on all investigations and incidents of a high profile, sensitivity and/or complex nature. Prepares briefings for Minister and/or Executive Committee. Maintains and develops knowledge of current and emerging trends and developments to ensure alignment and development of new initiatives.
- Oversees the Lottery and Casino Investigations Program to continually assess the reliability of internal controls/operating standards. Administers an Audit Program that provides the Investigations Leadership team with assurance of compliance with Anti-Money Laundering (AML)/Know Your Customer (KYC), regulatory and disclosure requirements and overall internal compliance.
- Develops and maintains strong working relationships with internal and external stakeholders. Serves as a liaison with law enforcement and external agencies on security incidents.
- Provides strong people leadership and strategic direction to the department by championing BCLC's vision, mission and values, while ensuring the continual development of the technical and people skills required to meet corporate objectives.
- Develops operational budget, presents business cases for capital expenditures and makes high-risk financial decisions in addition to approving financial expenditures for the department.
- Creates Standards, Policies, Practices and Procedures, ensuring compliance and enforcement for team under management and across large areas of the organization. Develops training presentations.
- Models leadership behaviours that support engagement of staff such as practicing meaningful recognition, inspiring a shared vision, communicating with staff regularly, coaching/mentoring others, conducting performance management, and supporting culture and change management initiatives.
- Sets goals, evaluates the performance of team members to help identify competency gaps across the department and addresses them to achieve strategic initiatives.

ASSISTANT MANAGER, INVESTIGATIONS

Job Title: Assistant Manager, Investigations	**Department:** Legal, Compliance, Security
	Reporting Relationship: Manager, Investigations

Job Summary:

The objective of the Assistant Manager, Investigations role is to assist in the oversight of security investigation services across all gaming channels, ensuring confidentiality and assessing risk/impact and scope of issues that protect core business principles and continually improve organizational efficiency. This position ensures that investigations are managed for completeness, accuracy therefore able to stand the test of public scrutiny as well, conducts more complex investigative work involving casinos, related offences, player complaints and illegal or unauthorized gaming activities to ensure the continuous integrity and security of all Casino and CGC, Playnow.com, and lottery gaming.

Key Accountabilities:

- Assists with the overall leadership of the department, including measurement and development of departmental goals, and departmental engagement.
- Manages all investigations relating to incidents reported across all gaming channels for completeness, accuracy, able to withstand public scrutiny and ensure they meet regulatory requirements.
- Oversees intelligence gathering for criminal investigations related to all gaming channels.
- Provides cross functional/departmental monitoring and solutions associated with specialized security investigation work related to the operations of Casinos and Community Gaming Centres (CGCs)
- Proactively develops, maintains and manages critical relationships with various internal contacts and departments, in addition to various external stakeholders including the player/public, vendors/suppliers, law enforcement community, service providers/retailers and regulatory and government bodies in order to ensure compliance issues are understood and issues of concern are clarified and corrected.
- Uses critical analytical and investigative techniques to prioritize and interpret issues to determine and implement a course of action with a broader organizational perspective.
- Develops schedules and deadlines in response to department priorities and manages/leads projects within the department. Participates significantly within large, cross-functional projects.
- Provides informal functional leadership by leading and managing employees within the casino surveillance area and ensures that technical training and mentoring processes are in place for knowledge transfer

INVESTIGATIONS SPECIALIST

Job Title: Investigations Specialist	**Department:** Legal, Compliance, Security
	Reporting Relationship: Manager, Investigations

Job Summary:

The Investigations Specialist assists in providing oversight of corporate security investigation services across all internal and external Casino, Community Gaming Centre, Lottery and Play Now operations, ensuring confidentiality and assessing risk/impact and scope of issues that protect core business principles and continually improve organizational efficiency.

The Investigations Specialist ensures that corporate investigations are managed for timeliness, consistency, completeness, accuracy and are therefore able to stand the test of public scrutiny. The role also conducts more complex investigative work involving BCLC's business and or products to ensure the continuous integrity and security of all Lottery, Play Now, Casino and CGC gaming.

Key Accountabilities:

- Oversees all corporate investigations relating to security incidents reported in all BCLC business and product lines ensuring timeliness, consistency, completeness and accuracy so all incidents are able to withstand public scrutiny and to ensure they meet regulatory requirements.
- Provides cross functional/departmental monitoring and solutions associated with specialized security investigation work related to the operations of BCLC's business and products.
- Prioritizes and interprets issues using critical analytical and investigative techniques to determine and implement a course of action with a broader organizational perspective as well as makes recommendations and approves new ideas and approaches to issue resolution.
- Perform risks assessments to determine approaches or decisions for gaps identified in scope of investigative projects and or operation plans
- Participates in gathering information relative to a corporate investigation, using appropriate tool(s) to identify the cause of the problem, and assesses and documents the risk relative to the product and or business line.
- Proactively develops, maintains and manages critical relationships with various internal contacts and departments, in addition to various external stakeholders including the player/public, vendors/suppliers, service providers/retailers and regulatory and government bodies in order to ensure investigative findings are understood and issues of concern are clarified and corrected.
- Determines and consistently applies standard priority ratings to all identified violations of BCLC Standards, Policies and Procedures prior to distribution of investigation reports to stakeholders.
- Develops and implements changes to business rules to improve quality of corporate investigations and potentially AML Compliance and enforcement.

INVESTIGATIONS COORDINATOR

Job Title: Investigations Coordinator	**Department:** Legal, Compliance, Security
	Reporting Relationship: Manager, Investigations

Job Summary:

The Investigations Coordinator provides specialized, dedicated support to the Investigations department and is accountable for building strong relationships with internal stakeholders by facilitating communication and providing investigative support and coordination between Corporate Investigators on a number of investigative matters. In addition, the Investigations Coordinator assists Management by acting as a liaison with various external agencies (Law Enforcement, GPEB, CBSA etc.)

Key Accountabilities:

- Assist Corporate Investigators with the preparation of investigation documentation and/or the electronic disclosure of materials by identifying various types of documents in order to classify records according to established BCLC Business Rules; convert various types of reports and data into electronic formats; incorporate data, such as photographs, and video clips, into the database; redact information as required
- Assists Management and the Corporate investigators with electronic file and administrative needs throughout the cycle of investigations, including Ticket History and TMIR searches
- Conducts investigation support duties in relation to Investigations Case Management and acts as a liaison with various external agencies (Law Enforcement, GPEB, CBSA etc.). Reviews evidence to ensure it complies with disclosure standards, vets personal, sensitive and non-disclosure information, resolves issues, provides advice on electronic disclosure and file management issues and constructs electronic report by scanning and converting all documents in preparation for inclusion in Report to Crown Counsel (RTCC).
- Consults with internal and external stakeholders and partners to determine information requirements in areas such as investigations (investigative files, document management, profile composition); and disclosure of material.
- Extracts relevant information from operational investigative file(s) to create disclosure and other operational reports, which are organized, indexed and searchable. Based on legal requirements and through the application of standardized file management practices, determines and categorizes information as required.
- Ensures data security, integrity and compliance with established policies, procedures and legislated regulations governing data access and use.
- Makes regular recommendations for new approaches to business support work and issues resolution; demonstrates creativity regularly in developing innovative ways of completing work and solving issues; continuously improves processes and procedures within the department.
- Performs other duties as required.

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CORPORATE INVESTIGATOR

While the corporate investigators are not technically part of the AML unit, they work closely with the unit to carry out any investigations required and thus their position profile is included here.

Job Title: Corporate Investigator	**Department:** Legal, Compliance, Security
	Reporting Relationship: Assistant Manager, Investigations

Job Summary:

The Corporate Investigator provides investigative services to an assigned portfolio within the Legal, Compliance, Security Division, and more specifically: Corporate eGaming Investigations, Corporate Lottery Investigations, Corporate Casino Investigations and Corporate Anti-Money Laundering (AML) Investigations. The role conducts highly diverse, complex investigative work involving gaming related offences, player complaints and illegal or unauthorized gaming activities as well as implementing effective risk control processes to protect core business principals.

Key Accountabilities:

- Regularly reviews the assigned portfolio, promoting high visibility and awareness and security, in casinos, community gaming centres, bingo halls, lottery retail outlets and BCLC online gaming (eGaming).
- Maintains and manages strong working relationships with various internal contacts and departments, in addition to various external stakeholders including the player/public, vendors/suppliers, service providers/retailers and regulatory and government bodies in order to ensure complaints are responded to appropriately, the correct authorities are notified and follow up is complete.
- Conducts regular reviews of service providers/vendors to ensure the level of compliance and service standards are being adhered to in both land based facilities and online environments.
- Conducts corporate investigations of a criminal and regulatory nature including consumer complaints.
- Gathers, secures and analyzes evidence and legal documentation relating to a criminal investigation and/or prosecution of person(s) involved in gaming related crimes.
- Conducts interviews in both a regulatory and criminal environment ensuring that the applicable standards of evidence are met.
- Regularly interprets, applies and recommends standards, policies and procedures and ensures the Criminal Code, Provincial Gaming Statutes, other regulatory reporting requirements are followed to protect the integrity and security of gaming in the Province of BC.
- Responsible for liaising with and assisting police and Crown Counsel, as required, in the investigation and prosecution of persons involved in gaming related crimes.
- Acquires and maintains applicable training and certifications as required by BCLC policy.

DIRECTOR, SECURITY, PRIVACY AND COMPLIANCE

Job Title: Director, Security, Privacy and Compliance	**Department:** Legal, Compliance, Security
	Reporting Relationship: VP, Legal, Compliance, Security

Job Summary:

The Director, Security, Privacy and Compliance provide leadership, strategic guidance and operational management to the organization's Compliance, Corporate Security and Privacy teams. The role is responsible for the management and oversight of Security Architecture, Operational Gaming Compliance, Information Privacy Security Assessments, Policy and Corporate Security programs. The Director leads the execution of Security, Compliance and Privacy strategies, programs and processes for risk control, partner and asset protection and compliance with relevant acts, legislation, policies and procedures and helps influence and drive consistent compliance strategies and practices, threat assessment and asset protection approaches to mitigate loss, litigation risk and protect the BCLC brand.

Key Accountabilities:

- Develops and manages an information security governance and compliance program that takes into account business, technology, legal and regulatory compliance considerations.
- Oversees the delivery of the information security and privacy risk assessments to monitor, surface and treat security and privacy risks related to major business and technology initiatives.
- Develops security, privacy and compliance programs, processes, procedures and performance metrics; deliver regular and ad-hoc reports and briefings to senior management and executives, business and technology owners and other audiences as needed.
- Liaises with internal business units, regulatory bodies and service partners to develop and implement operating policies and procedures that improve guest experience, ensure the safety and security of employees, customers and staff, and mitigate the business and financial risks and concerns of the parties, while ensuring compliance with rules and regulations.
- Develops and implements detailed plans and recommends policies regarding corporate security requirements for BCLC offices, casinos, community gaming centres, bingo halls and lottery retail outlets. Leads, guides, assists and directs employees, service providers and vendors in the delivery of physical security and security architecture for corporately owned, leased and/or operated properties by providing subject matter expertise for the integration of security and surveillance standards and systems.
- Fosters strong collaborative relationships with all areas of BCLC and works effectively across the leadership team and the overall organization. Develops, maintains and manages critical relationships with internal and external contacts and departments, in support of Corporate Security, Privacy and Compliance programs. Manages BCLC's compliance monitoring programs for service providers and retailers and assesses effectiveness of monitoring programs to ensure compliance with applicable laws, including the Gaming Control, Privacy and Anti-Money Laundering Acts and Regulations.
- Implements strategic initiatives to constantly review regulatory requirements and ensure proper compliance as an organization, measures compliance performance and develops proactive programs and processes to monitor and achieve constant compliance.

- Manages and oversees the creation, implementation and dissemination of controls, policies and monitoring procedures to ensure BCLC, its service providers, retailers and vendors conduct business in accordance with legal requirements and standards.

- Models leadership behaviours that support the engagement of staff, and drives culture and change management initiatives. Ensures that staff has the skills required to meet corporate objectives, and that technical training and mentoring processes are in place.

MANAGER, CORPORATE SECURITY AND COMPLIANCE

Job Title: Manager, Corporate Security and Compliance	**Department:** Legal, Compliance, Security
	Reporting Relationship: Director, Security, Privacy and Compliance

Job Summary:

The Manager, Corporate Security and Compliance oversees and leads operational gaming compliance for all British Columbia Casino, Community Gaming Centres, Bingo Halls, lottery draws security and compliance with Interprovincial Lottery Corporation (ILC) standards, Casino and Community Gaming Centre security and surveillance policies and procedures, and building security and surveillance operations for BCLC facilities. This role ensures that BCLC meets its mandate under the Criminal Code and Gaming Control Act (BC) through the execution of investigations, compliance inspections and reporting. The Manager, Corporate Security and Compliance acts as a communications liaison with internal and external stakeholders, such as GPEB and service partners in matters concerning compliance, security and surveillance.

Key Accountabilities:

- Provides strategic direction to the department by developing and implementing business plans for the department that align with the corporate strategic direction and supports key initiatives for the division. Manages compliance projects that address significant and/or systemic non-compliance issues, such as minors on gaming floor, slot machine integrity issues, sensitive keys, liquor service/over-service issues, etc.

- Provides consultative services internally and externally with regard to the propriety and legality of activities relating to contests and promotions, as well as the risks inherent in specific practices within the gaming facilities. Develops Standards, Policies, Practices and Procedures, ensuring compliance and enforcement for team under management and across large areas of the organization.

- Responsible for determining the adequacy and suitability of all Casino/CGC Security & Surveillance systems in British Columbia, including CCTV systems, access control & alarm systems, control mechanisms for secure gaming supply inventory management, and all related standards, policies and procedures, in order to ensure the safety and integrity of gaming operations in British Columbia.

- Oversees the resolution of escalated and/or contentious issues and resolves critical, sensitive and confidential issues that have moderate-high visibility, risk and potential organization wide impact.

- Establishes, maintains and develops relationships with internal and external stakeholders. Ensures on-going communication and represents the division on field of expertise.

- Represents the _Legal, Security and Compliance Division in cross-divisional, external, and extra-jurisdictional meetings to ensure best practices are maintained in British Columbia, and provides direction on policy requirements/changes relevant to all aspects of casino and community gaming operations, with focus upon Security & Surveillance issues.

- Provides functional leadership and direction with respect to Casino Surveillance Operator and Gaming Security Officer training programs for casino and community personnel throughout British Columbia, including curriculum development and regular assessment of content, in conjunction with the Justice Institute of British Columbia.

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- Evaluates and makes determinations on all proposed policy variances relating to Casino & Community Gaming Security & Surveillance operations, including staffing, camera coverage requirements, equipment needs, and other proposals.

- Provides strong people leadership and strategic direction to the department by championing BCLC's vision, mission and values, while ensuring the continual development of the technical and people skills required to meet corporate objectives.

- Models leadership behaviours that support engagement of staff such as practicing meaningful recognition, inspiring a shared vision, communicating with staff regularly, coaching/mentoring others, conducting performance management, and supporting culture and change management initiatives.

- Sets goals, evaluates the performance of team members to help identify competency gaps across the department and addresses them to achieve strategic initiatives.

- Develops operational budget and may present business cases for capital expenditures and makes high-risk financial decisions in addition to approving financial expenditures for the department.

ASSISTANT MANAGER, OPERATIONAL GAMING COMPLIANCE

Job Title: Assistant Manager, Corporate Security and Compliance	**Department:** Legal, Compliance, Security
	Reporting Relationship: Manager, Corporate Security and Compliance

Job Summary:

The objective of the Assistant Manager, Corporate Security and Compliance role is to ensure that the BCLC business is maintained in a solid foundation of security, integrity and efficiency, with a strong commitment to player-focused social responsibility and an awareness of public perception, enabling and supporting revenue generation and profit for the public good. This role provides leadership in compliance review services across all internal and external operations associated with BCLC, ensuring confidentiality and assuring the implementation of effective risk/control management processes that protect core business principles and continually improve organizational efficiency.

Key Accountabilities:

- Provides cross functional/departmental monitoring and solutions/ advice associated with specialized compliance review work related to the operations of Casinos, Community, Gaming Centres (CGCs), and Commercial Bingo facilities, as well as various internal Lottery Division department and BCLC Security Services.
- Sets schedules, deadlines and work/project timelines in response to the Operational Gaming Compliance department's needs, as well to support broader organizational priorities
- Recommends and drafts Standards, Policies, Practices and Procedures for approval and may sign off on practices and procedures for department, ensuring final due diligence, compliance and enforcement for team under supervision and across large areas of the organization.
- Determines and consistently applies standard priority ratings to all identified violations of BCLC Standards, Policies and Procedures prior to distribution of compliance reports to stakeholders
- Oversees the resolution of issues within operational compliance area with integrity, tact and diplomacy and proactively resolves critical, sensitive and confidential issues with moderate-high, visibility, risk and potential organization-wide impact. Clarifies ambiguous policy and procedure issues as required
- Uses critical analytical and audit techniques to prioritize and interpret issues to determine and implement a course of action with a broader organizational perspective, as well as makes recommendations and approves new ideas and approaches to issue resolution
- Recommends and may develop department business plans and strategies, integrating and aligning broader strategies, in addition to making broad scope, medium to high-risk planning decisions and understanding their impacts across broad areas of the organization.
- Provides significant recommendations to people resources management and coordinates people resources across functions/departments
- Proactively develops, maintains and manages critical relationships with various internal contacts and departments, in addition to various external stakeholders including the player/public,

vendors/suppliers, service providers/retailers and regulatory and government bodies in order to ensure compliance issues are understood and issues of concern are clarified and corrected.

- Proactively represents the Operational Gaming Compliance Department in cross-divisional and external meetings to provide input on policy requirements/ changes relevant to all aspects of casino and community gaming operations

- Provides informal functional leadership by leading and managing employees within the audit area and ensures that technical training and mentoring processes are in place for knowledge transfer

GAMING COMPLIANCE OFFICER

Job Title: Gaming Compliance Officer	**Department:** Legal, Compliance, Security
	Reporting Relationship: Manager, Corporate Security and Compliance

Job Summary:

The objective of the Gaming Compliance Officer role is to provide compliance services across all internal and external operations associated with BCLC (Casinos, Lottery, e-Gaming, Community Gaming Centres, and Commercial Bingo facilities) ensuring confidentiality and assuring the implementation of effective risk/control management processes that protect core business principles and continually improve organizational efficiency. This position maintains and manages strong working relationships with various internal contacts and departments, in addition to various external stakeholders including the player/public, vendors/suppliers, service providers/retailers and regulatory and government bodies in order to ensure compliance issues are understood and issues of concern are clarified and corrected.

Key Accountabilities:

- Conducts highly diverse, complex and specialized compliance reviews which includes analyzing activities relating to the operations of Casinos, Lottery, E-Gaming, Community Gaming Centres (CGCs), and Commercial Bingo facilities to assess their level of compliance
- Identifies/reports potential areas of compliance vulnerability and risk, develops/implement corrective action for resolution
- Conducts follow-up field investigations of complex gaming and customer related complaints, when required
- Regularly interprets, applies and reviews policies and procedures and ensures that the Criminal Code, Provincial Statues (pertaining to gaming), rules, and regulations (relating to Casinos, Lottery, E-Gaming, CGCs and Bingos) are being followed to protect the integrity and security of gaming.

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INTERNAL AUDITOR

Job Title: Internal Auditor	**Department:** Audit Services
	Reporting Relationship: Manager, Audit Services

Job Summary:

The objective of the Internal Auditor is to support the Senior Internal Auditor and Audit Manager to conduct real-time audits, evaluate the performance of operations and compliance with company policies, procedures and regulatory requirements. Leveraging specialist skillsets, the responsibility of this role is to assist in assessing the adequacy of internal controls and operational effectiveness, ensuring compliance with company policies, procedures and regulatory requirements.

This role also has responsibility for prioritization of multiple audit engagements, report writing, and status reporting on engagements, including creating reports to the Executive and Board level reporting, requiring confidentiality, discretion and sensitive judgment.

The Internal Auditor promotes risk and control management, identifying opportunities and making recommendations to strengthen internal controls and improve operational efficiencies.

Key Accountabilities:

- Conducts audits to review effectiveness of internal controls, efficiency of operations and compliance with company policies and procedures. Investigates audit exposures, examines department records and conducts independent audits. Performs audit processes/documentation in accordance with the Institute of Internal Auditors Professional Standards.
- Performs the preliminary assessment of operations, functions or activities and gathers information on key business risks; evaluates the adequacy of the controls designed to manage those risks; identifies opportunities for improvement and develops recommendations for management.
- Analyzes and assesses effectiveness of business management processes and programs, operational and technical issues.
- Participates in the development of recommendations by conducting research into ways to improve efficiency and effectiveness of business processes, providing recommendations to senior internal auditors and managers.
- Provides input into the department's annual operational audit plan, which supports delivery of effective audit management services for the organization.
- Develops and maintains working relationships with internal departments, vendors/suppliers, service providers and regulatory bodies to ensure that information and commitments are met.
- Supports key strategic initiatives and enterprise-wide objectives; builds and facilitates strong relationships with all levels of the organization, including cross functionally and cross divisionally.

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Appendix 4: Risk Criteria List

These lists should be considered a solid basis for assessing the risk a casino patron presents regarding money laundering, terrorist activity, or illegal activity/proceeds of crime. Common sense and a "know your client" perspective must always be applied. Figure 3 shows the risk criteria that Corporate investigators and service provider staff should be aware of regarding money laundering.

Figure 1: Risk Criteria

Anti-Money Laundering

IDENTIFYING HIGH RISK PATRONS – WHAT TO LOOK OUT FOR

HIGH RISK

Any patron with a history of 2 or more suspicious transactions is considered high risk.

Issues relating to:

Play

- Has made large table buy-ins with small bills, with minimal play, and no cash out before leaving the site.
- Feeding slot machines with money, cashing out without play and asking for a cheque or large bills.
- Conducts cash transactions that are not in keeping with his/her regular gaming routine.

Funds

- Requests to exchange small denomination bank notes for large denomination bank notes at cage.
- Attempts at converting cash into a verified win cheque.
- Conducts cash transactions that are not in keeping with his/her regular gaming routine.

Other People

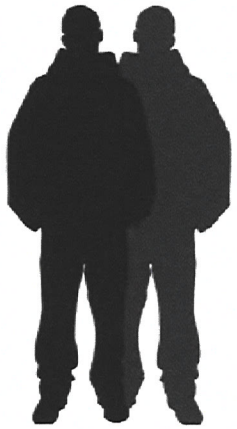
- Appears to be collaborating with others to avoid record keeping, client identification or reporting thresholds.
- Lends cash/chips that give suspicion to believe it is related to "Loan Sharking".
- Loiters in the high limit room, and associates with or attempts to associate with VIP players.
- Places a phone call and an unknown vehicle/person drops off a large sum of money to the patron.

Background

- Is a politically exposed foreign person or a family member of a politically exposed foreign person.
- Has known criminal history or criminal associations, is being investigated by the police for drug or proceeds of crime or is suspected of being involved in illegal activity.

Identification

- Refuses to show ID or shows only invalid, expired ID.
- Produces seemingly false identification or identification that appears to be counterfeited, altered or inaccurate.
- Provides doubtful or vague information.
- Occupation does not match the level or type of play with no known explanation for the difference.
- Attempts to avoid being identified under the FINTRAC large cash transaction policy.
- Appears to be structuring amounts to avoid record keeping, client identification or reporting threshold.



MODERATE RISK

Issues relating to:

Play

- Has unusual play for the individual (e.g., sudden increase in frequency or amount of money played).
- Has unusual play for the location (e.g., higher than average buy-in for that gaming location).
- Has a large volume of verified win cheques on tables or slots.
- Has a pattern of attending multiple gaming.

Funds

- Has a history of small denomination large buy-ins.
- Has a large volume of verified win cheques on tables or slots.
- Has large chip-ins at the table with no recent activity or history of play to explain the source of the chips.
- Has unusual transaction history/activity with a PGF.
- Performs two or more cash transactions of less than $10,000 each just outside of 24 hours apart, seemingly to avoid the 24-hour rule.
- Starts conducting frequent cash transactions in large amounts when this has not been a normal activity for the client in the past.
- Has access to large amounts of cash after banking hours on short notice.

Background

- Has known associates who are deemed suspicious by the gaming facilities.

Other factors that FINTRAC advises should be considered as high risk flags

- Client requests a winnings cheque in a third party's name.
- Client attempts to avoid the filing of a report for cash by breaking up the transaction.
- Client requests cheques that are not for gaming winnings.
- Client purchases large volume of chips with cash, participates in limited gambling activity with the intention of creating a perception of significant gambling, and then attempts to cash in the chips for a casino cheque.
- Client puts money into slot machines and attempts to accumulated credits as a jackpot win.
- Client exchanges small denomination bank notes for large denomination bank notes, chip purchase vouchers or cheques.
- Client is known to use multiple names.
- Transaction seems to be inconsistent with the client's apparent financial standing or usual pattern of activities.
- Transaction appears to be out of the normal course for industry practice or does not appear to be economically viable for the client.

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LOW RISK

If the client:

- Occupation matches level of play or there is a known reason to explain a mismatch (e.g., wealthy spouse)
- Has no history of suspicious transactions
- Has no history of crime or criminal associations
- Has a history of disbursements only
- Has large cash transactions (LCTs) resulting from playing known winnings
- Has no associations with persons deemed suspicious by gaming facilities
- Is not a politically exposed foreign person or a family member of a politically exposed foreign person (e.g., mother/father, brother, sister, half brother or sister, child, spouse/partner, spouse/partner's mother or father)

MODERATE RISK

If the client:

- Has a history of small denomination/large buy-ins
- Has access to large amounts of cash after banking hours on short notice
- Starts conducting frequent cash transactions in large amounts when this has not been a normal activity for the client in the past
- Has large chip-ins at the table with no recent activity or history of play to explain the source of the chips
- Has unusual play for the individual (e.g., sudden increase in frequency or amount of money played)
- Has known associates who are deemed suspicious by the gaming facilities
- Has unusual transaction history/activity with a PGF
- Performs two or more cash transactions of less than $10,000 each just outside of 24 hours apart, seemingly to avoid the 24-hour rule
- Has unusual play for the location (e.g., higher than average buy-in for that gaming location)Has a large volume of verified win cheques on tables or slots
- Has a pattern of attending multiple gaming

HIGH RISK

If the client:

- Has a history of two or more suspicious transactions under the new policy guidelines (even if their identity has not been confirmed)
- Occupation does not match the level or type of play with no known explanation for the difference (i.e. a student or an unemployed individual makes numerous large cash buy-ins at multiple locations).
- Has made large table buy-ins with small bills, with minimal play, and no cash out before leaving the site
- Places a phone call and an unknown vehicle/patron drops off a large sum of money to the patron
- Lends cash/chips that give suspicion to believe it is related to "Loan Sharking"
- Has known criminal history or criminal associates
- Identified by Police as being investigated for drug or proceeds of crime
- Produces seemingly false identification or identification that appears to be counterfeited, altered or inaccurate
- Requests to exchange small denomination bank notes for large denomination bank notes at cage
- Feeding slot machines with money, cashing out without play and asking for a cheque or large bills
- Loiters in the high limit room, and associates with or attempts to associate with VIP players
- Attempts to avoid being identified under the FINTRAC large cash transaction policy.
- Conducts cash transactions that are not in keeping with his/her regular gaming routine.
- Suspected of being involved in illegal activity based on information from a reliable source (including media or other open sources)
- Refuses to show ID or shows only invalid/expired ID
- Appears to be structuring amounts to avoid record keeping, client identification or reporting thresholds
- Appears to be collaborating with others to avoid record keeping, client identification or reporting thresholds
- Provides doubtful or vague information
- Makes inquiries that would indicate a desire to avoid reporting
- Has unusual knowledge of the law in relation to suspicious transaction reporting
- Seems very conversant with money laundering or terrorist activity financing issues
- Is quick to volunteer that funds are "clean" or "not being laundered"
- Shows uncommon curiosity about internal systems, controls and policies
- Attempts at converting cash into a verified win cheque
- Is a politically exposed foreign person or a family member of a politically exposed foreign person (e.g., mother/father, brother, sister, half brother or sister, child, spouse/partner, spouse/partner's mother or father)
- Has unusual knowledge of the law in relation to suspicious transaction reporting

FINTRAC Guidance suggests the following indicators of a high-risk patron:

- Transaction seems to be inconsistent with the client's apparent financial standing or usual pattern of activities.
- Transaction appears to be out of the normal course for industry practice or does not appear to be economically viable for the client.
- Client is known to use multiple names.
- Client purchases large volume of chips with cash, participates in limited gambling activity with the intention of creating a perception of significant gambling, and then attempts to cash in the chips for a casino cheque.
- Client attempts to avoid the filing of a report for cash by breaking up the transaction.
- Client requests cheques that are not for gaming winnings.
- Client puts money into slot machines and tries to claim accumulated credits as a jackpot win.
- Client exchanges small denomination bank notes for large denomination bank notes, chip purchase vouchers or cheques.
- Any casino transaction of $3,000 or more when an individual receives payment in casino cheques made out to third parties or without a specified payee.
- Client requests a winnings cheque in a third party's name.
- Acquaintances bet against each other in even-money games and it appears that they are intentionally losing to one of the party.
- Client requests the transfer of winnings to the bank account of a third party or a known drug source country or to a country where there is no effective anti-money-laundering system.
- Client enquires about opening an account with the casino and the ability to transfer the funds to other locations when you do not know the client as a regular, frequent or large volume player.

*All transactions to and from North Korea are treated as high risk, regardless of the amounts of the transactions.

EXTREME RISK

If the client:

- Is a High Risk client with information that supports a five-year provincial barring from all BC casinos.
- Is a public safety risk or has been confirmed by law enforcement agencies to be part of or affiliated with organized crime groups.
- Is provincially barred from all BC casinos, the client will be continuously monitored and evaluated again at time of barring expiration.

ONLINE CASINO STR INDICATORS

CATEGORY 1:

- Client registers an online account in another's name or presents stolen identification to verify an online account;

- Client spells his or her name differently from one online account to another as a means of registering multiple accounts;
- Common bank account used by multiple online clients for disbursements;
- Client logs in from locations inconsistent with registered address and/or login history;
- Client fails to answer identifying questions or confirm account details at registration;
- Client unable to provide a reasonable explanation for category 3 indicators

CATEGORY 2:

- Client advises the account was created and/or activity initiated under the direction of a third party;
- Client requests disbursements that are not for online gaming winnings;
- Client has a single or aggregated withdrawal under reporting thresholds multiple times in a month;
- Client is unable to provide bank verification for online disbursement
- Client is unable to provide deposit method verification for online deposit;
- Client uses various deposit methods and amounts and disbursement amounts in an attempt to test system settings.
- Common credit card used by multiple online clients for deposits;
- Client uses multiple online (banking) accounts to deposit funds and requests funds to the same bank account.

CATEGORY 3:

- Client places large volume of wagers with deposited funds, participates in limited online gambling activity with the intention of creating a perception of significant gambling and then requests an electronic funds disbursement or cheque;
- Client involved in online chip passing and/or collusion in peer-to-peer environment;
- Client cancels online disbursement request(s) after being asked for identity documents;
- Client refuses to provide bank verification for online disbursement;
- Client refuses to provide deposit method verification for online deposit;
- Client requests the transfer of winnings to the bank account of a third party;

Appendix 5: BCLC AML Related Policies and Procedures

BCLC provides policies and procedures in two separate manuals; one is oriented for service providers and their staff while the other is oriented for BCLC internal staff.

The attached links can be utilized for any inquiries of BCLC current policy referenced in this report.

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures (Service Provider-facing manual)

Of particular note are the following policies:

- General – FINTRAC and Anti Money Laundering Compliance
- Cage – Large Cash Transaction, Foreign Exchange and Disbursement Reporting
- Cage – Patron Gaming Funds Accounts
- Slots - General

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures – INTERNAL (Internal BCLC gaming employees)

Of particular note are the following policies:

- General – FINTRAC and Anti-Money Laundering – INTERNAL
- BCLC Security Investigator – Large Cash Transaction, Foreign Exchange and Disbursement Reporting – INTERNAL
- BCLC Security Investigator – Suspicious Transaction Reporting – INTERNAL
- eGaming Investigative Procedures

Appendix 6: Suspicious Transaction Report Form

SCHEDULE 1

(Subsection 9(1) and sections 11 and 12.1)

SUSPICIOUS TRANSACTION OR ATTEMPTED TRANSACTION REPORT

*Denotes mandatory required information

PART A — Information on Place of Business where Transaction or Attempted Transaction Occurred

- * Type of reporting person or entity, as described in paragraphs 5(a) to (h) and (k) to (m) of the Act, and, if reporting person or entity is referred to in paragraph (5)(i) or (j) of the Act, type of business, profession or activity of reporting person or entity, as described in sections 3 to 8 of these Regulations
    - * Identification number of place of business where transaction or attempted transaction occurred (e.g., institution's identification number, licence number or registration number), if applicable
    - * Full name of reporting person or entity
    - * Full address of place of business where transaction or attempted transaction occurred
    - * Name and telephone number of contact person

PART B — Information on Transaction or Attempted Transaction

- * Date of transaction or attempted transaction or night deposit indicator
- Time of transaction or attempted transaction
- Posting date (if different from above)
- * Purpose and details of the transaction or attempted transaction, including type of funds, amount of transaction or attempted transaction, currency of transaction or attempted transaction, and, if applicable, name and number of each other institution and name and account number of each other person or entity
- * Disposition of funds, amount of disposition, currency of disposition, and, if applicable, name and number of each other institution and name, account number and policy number of each other person or entity
- * Method by which the transaction was conducted or attempted (in branch or office, ABM, armoured car, mail deposit, courier, telephone or other)
- Identification number of person who first detected a fact respecting a suspicious transaction or attempted transaction

- *Whether the transaction has been completed or not
- *If transaction not completed, the reason why it was not completed

PART C — Account Information (if applicable)

- *Account number
- *Branch number or transit number
- *Type of account (personal, business, trust or other)
- *Full name of each account holder
- *Type of currency of the account
- Date account opened
- Date account closed, if applicable
- * Status of account (active, inactive or dormant)

PART D — Information on Person Conducting or Attempting to Conduct Transaction

- Person's full name
- *Client number provided by reporting person or entity, if applicable
- Person's full address
- Person's country of residence
- Person's personal telephone number
- Person's citizenship
- Person's type of identifier (e.g., driver's licence, birth certificate, provincial health insurance card — if such use of the card is not prohibited by the applicable provincial law —, passport, Record of Landing or permanent resident card) and identifier number
- Place of issue of person's identifier (province or state, country)
- Person's date of birth
- Person's occupation
- Person's business telephone number
- Person's employer
- Employer's full business address

- Employer's business telephone number

PART E — Information on Entity on Whose Behalf Transaction is Conducted or Attempted (if applicable)

- Entity's full name
- Full name of each person — up to three — who is authorized to bind the entity or act with respect to the account
- Entity's type of business
- Entity's full address
- Entity's telephone number
- Entity's incorporation number and place of issue, if applicable

PART F — Information on Person on Whose Behalf Transaction is Conducted or Attempted (if applicable)

- Person's full name
- Person's full address
- Person's personal telephone number
- Person's business telephone number
- Person's citizenship
- Person's type of identifier (e.g., driver's licence, birth certificate, provincial health insurance card — if such use of the card is not prohibited by the applicable provincial law —, passport, Record of Landing or permanent resident card) and identifier number
- Place of issue of person's identifier (province or state, country)
- Person's date of birth
- Person's country of residence
- Person's occupation
- Person's employer
- Employer's full business address
- Employer's business telephone number
- Relationship of person conducting the transaction or attempted transaction to the person on whose behalf the transaction or attempted transaction is conducted

PART G — Description of Suspicious Activity

- * Detailed description of the grounds to suspect that the transaction or attempted transaction is related to the commission of a money laundering offence or terrorist activity financing offence

PART H — Action Taken (if applicable)

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Appendix 7: Terrorist Group or Listed Person Property Report Form

SCHEDULE 2

(Sections 10 and 11)

TERRORIST GROUP OR LISTED PERSON PROPERTY REPORT

*Denotes mandatory required information

PART A — Information on the Person or Entity Filing this Report

- * Type of reporting person or entity
- * Reporting person or entity's identifier number (if applicable)
- * Full name of reporting person or entity
- * Full address of reporting person or entity
- * Name and telephone number of contact person

PART B — Reason for Filing this Report

- * Reason for filing the report
- How the reporting person or entity came to know that the property in question is owned or controlled by or on behalf of a terrorist group or listed person
- Full name of terrorist group or listed person that owns or controls the property or that the property is owned or controlled on behalf of
- Full address of terrorist group or listed person referred to in item 3
- Phone number of terrorist group or listed person referred to in item 3
- Full name of person or entity that owns or controls the property on behalf of the terrorist group or listed person (if applicable)
- Full address of person or entity referred to in item 6
- Phone number of person or entity referred to in item 6

PART C — Information on the property

- * Type of property
- Type of property identifier
- Property identifier number
- *Approximate or actual value of property
- Description of property

PART D — Account Information (if applicable)

- *Account number
- *Branch or transit number
- *Type of account (personal, business, trust or other)
- *Type of currency of the account
- *Full name of each account holder
- Date account opened
- Date account closed, if applicable
- *Status of account (active, inactive or dormant)

PART E — Information on the Transaction or Proposed Transaction (if applicable)

- *Date of transaction or night deposit indicator
- Time of transaction
- Posting date (if different from above)
- *Purpose and details of the transaction, including type of funds or assets involved, amount of transaction, currency of transaction, and, if applicable, name and number of each other institution and name and account number of each other person or entity
- *Disposition of funds, amount of disposition, currency of disposition, and, if applicable, name and number of each other institution and name, account number and policy number of each other person or entity
- *Method by which the transaction is conducted or proposed to be conducted (in branch or office, ABM, armoured car, mail deposit, courier, telephone or other)
- Identification number of person who first detected a transaction with respect to property owned or controlled by or on behalf of a terrorist group or listed person

PART F — Information on Person Conducting or Proposing to Conduct the Transaction (if applicable)

- Person's full name
- Person's alias, if any
- Client number provided by reporting person or entity, if applicable
- Person's full address
- Person's country of residence
- Person's citizenship
- Person's personal telephone number
- Person's type of identifier (e.g., driver's licence, birth certificate, provincial health insurance card (if such use of the card is not prohibited by the applicable provincial law), passport, Record of Landing or permanent resident card) and identifier number
- Place of issue of person's identifier (province or state, country)
- Person's date of birth
- Person's occupation
- Person's business telephone number
- Person's employer
- Employer's full business address
- Employer's business phone number

PART G — Information on Entity on whose Behalf the Transaction is Conducted or Proposed to be conducted (if applicable)

- Full name of entity
- Full name of each person — up to three — who is authorized to bind the entity or act with respect to the account
- Full address of entity
- Telephone number of entity
- Incorporation number and place of issue, if applicable
- Entity's type of business

PART H — Information on Person on whose Behalf Transaction is Conducted or Proposed to be conducted (if applicable)

- Person's full name
- Person's alias, if any
- Person's full address
- Person's personal telephone number
- Person's business telephone number
- Person's type of identifier (e.g., driver's licence, birth certificate, provincial health insurance card (if such use of the card is not prohibited by the applicable provincial law), passport, Record of Landing or permanent resident card) and identifier number
- Place of issue of person's identifier (province or state, country)
- Person's date of birth
- Person's country of residence
- Person's citizenship
- Person's occupation
- Person's employer
- Employer's full business address
- Employer's business telephone number
- Relationship of person conducting or proposing to conduct the transaction to the person on whose behalf the transaction is conducted

This is Exhibit "15" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia



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ACRONYMS AND DEFINITIONS

ACAMS	Association of Certified Anti-Money Laundering Specialists
AML	Anti-Money Laundering
CAMS	Certified Anti-Money Laundering Specialist - certification through ACAMS
CBSA	Canada Border Services Agency
CDR	Casino Disbursement Report – must be submitted to FINTRAC when a customer receives a disbursement amount of $10,000 or greater.
CFSEU	Combined Forces Special Enforcement Unit – BC's anti-gang agency which is made up of members from 14 different municipal agencies in BC including the RCMP.
EDD	Enhanced Due Diligence
FINTRAC	Financial Transactions and Reports Analysis Centre of Canada is Canada's financial intelligence unit. FINTRAC gathers, analyzes, assesses, and discloses financial intelligence to assist in the detection, prevention and deterrence of money laundering and the financing of terrorist activities.
FSOC	Federal Serious and Organized Crime Unit (RCMP)
FOREX	Foreign Exchange
GCA	Gaming Control Act
GPEB	Gaming Policy and Enforcement Branch - BC's gaming regulator
HRP	High Risk Patron -These patrons require more frequent monitoring of the business relationship, including updating patron identification and information more frequently and adopting any other appropriate enhanced monitoring measures.
iTrak (also referred to as CRS Casino Reporting System)	Incident Reporting Software & Risk Management System (BCLC Casino & Community Gaming Databank)
JIGIT	Joint Illegal Gaming Investigation Team which was established in 2016 by CFSEU and is comprised of police and other organizations, including GPEB.
LCT	Large Cash Transaction. Any single transaction of $10,000 or multiple transcations that total $10,000 or more within a 24 hour period.
OSFI Terrorist List	Office of the Superintendent of Financial Institutions. Lists of Names subject to the Regulations Establishing a List of Entities made under subsection 83.05(1) of the Criminal Code, and/or the Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism (RIUNRST) and/or United Nations Al-Qaida and Taliban Regulations (UNAQTR). The lists have been developed by the Department of Foreign Affairs and International Trade and modified by the addition of names provided by Public Safety Canada.
OSINT	Open Source Intelligence - data collected from publicly available sources to be used in an intelligence context.
PEP	Politically Exposed Person - Someone who has been entrusted with a prominent public function. A PEP generally presents a higher risk for potential involvement in bribery and corruption by virtue of their position and the influence that they may hold.
PGF	Patron Gaming Fund Account - Casino-based accounts that allow customers to transfer money between their casino account and their approved Canadian bank account, eliminating the need to bring cash into a casino.
POC	Proceeds of Crime

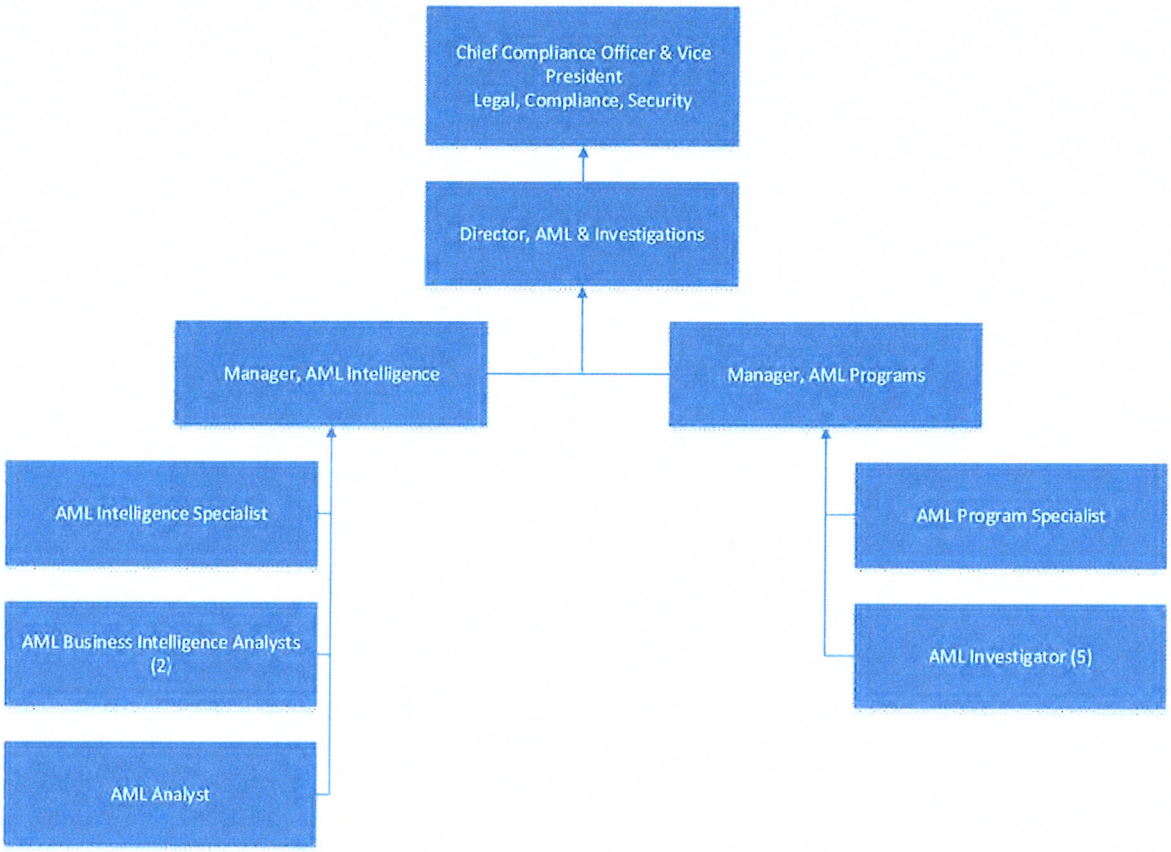
PTEP	Provincial Tactical Enforcement Priority list provided by CFSEU which lists top threats to public safety due to gang violence.
RM	Reasonable measures - Reasonable measures shall be undertaken by site employees to determine and document ownership of funds for large cash buy-ins, disbursements and foreign exchanges before any transaction of $10,000 or more within a static 24-hour period is completed.
RTIC	Real Time Intelligence Centre (RCMP) - provides analytical support by mining intelligence resources through multiple databases and helps investigators identify persons with a history of criminal activity.
SID	Subject ID number assigned to patrons when a profile is created for them in iTrak
SOF	Source of Funds
SP	Service Provider
SPM	Special Purpose Mailbox
STR	Suspicious transaction report – reporting of financial transactions in which there are reasonable grounds to suspect that the transaction is related to a money laundering offence or a terrorist activity financing offence. A suspicious transaction can also include one that was attempted.
UFT	Unusual financial transaction. This is entered into iTrak by the Service Provider employees as unsubstantiated. BCLC AML Investigators then review the transaction and if it is determined to be substantiated, it will be changed to reflect this in iTrak and an STR will be sent to FinTRAC.

BCLC AML UNIT

The BCLC AML Unit provides ongoing AML oversight to ensure that BCLC and its Service Providers are identifying and reporting all required transactions, It also provides support to all gaming Service Providers to ensure regulatory compliance and deter illegal activity.

The AML Unit is divided into two areas: Intelligence (Analysts), and Programs (Investigators).

AML Unit Org Chart



Job Descriptions

Manager, Anti-Money Laundering (AML) Programs

The Manager, Anti-Money Laundering (AML) Programs is responsible for ensuring BCLC remains compliant with AML regulations, and maintains a high level of integrity and standards, thereby avoiding sanctions including significant Administrative Monetary Penalties. In addition, the role oversees AML Investigations with the purpose of identifying threats both real and reputational to BCLC.

AML Investigator

The Investigator provides investigative services to an assigned portfolio within the CS&C Division, and more specifically: eGaming Investigations, Lottery Investigations, Casino Investigations and Anti Money Laundering (AML) Investigations. The role conducts highly diverse, complex investigative work involving gaming related offences, player complaints and illegal or unauthorized gaming activities as well as implementing effective risk control processes to protect core business principals.

Manager, AML Intelligence

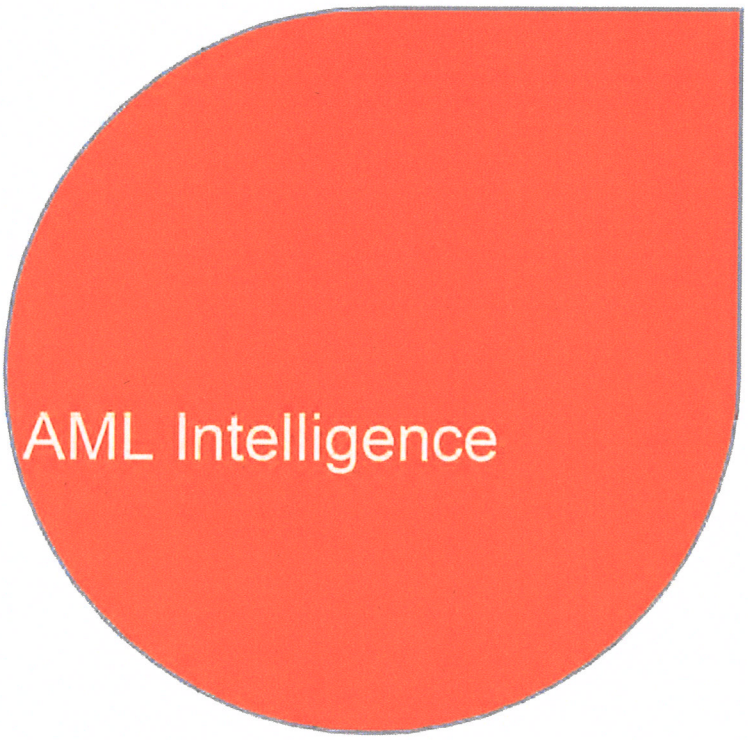
The Manager, AML Intelligence partners with internal and external stakeholders to develop and deliver Anti Money Laundering (AML) and business solutions and analysis for financial transactions as well as leading complex projects in furtherance of the Corporate Security and Compliance Division's Corporate Strategy. In

addition, the role oversees and directs predictive analysis with the purpose of identifying threats both real and reputational to BCLC.

AML Intelligence Specialist
Reporting to the Manager Anti-Money Laundering (AML) Intelligence, the AML Intelligence Specialist role is to assist in the continued development and oversight of BCLC's AML intelligence and analytical programs ensuring BCLC remains compliant with federal regulations, acts and guidelines. The AML Intelligence Specialist is responsible for leading the development and implementation of business intelligence and reporting solutions to the Legal, Compliance, Security division. The role will continue to grow business intelligence capabilities including researching other analytic programs and building on existing platform capabilities. The role will also lead complex projects in furtherance of the AML strategy and oversees and directs predictive analysis with the purpose of identifying threats both real and reputational to BCLC.

AML Business Intelligence Analyst
Reporting to the Manager Anti-Money Laundering (AML) Intelligence, the AML Business Intelligence Analyst role is responsible for leading the development, implementation, maintenance and support of business intelligence and reporting solutions to the Corporate Security and Compliance division. The role utilizes a specialized understanding of business intelligence and data warehouse operating environments and related technologies in order to grow business intelligence capabilities and to ensure the integrity of the reporting data. As an expert in business intelligence, the role is a consultative partner to both internal (within BCLC); providing education, guidance and recommendation for improvement and to external stakeholders (service providers, vendors and regulatory bodies).

Anti-Money Laundering (AML) Analyst
The AML Analyst researches open source intelligence and prepares analytic reports as required. The AML Analyst acts as a key communication hub for the AML Unit, facilitating efficient and effective communication among key internal and external stakeholders.


AML Intelligence

INTELLIGENCE – ONGOING MONITORING

FINSCAN

FinScan is an anti-money laundering (AML) solution used by organizations around the world to help them proactively mitigate risk and ensure compliance with a variety of AML and counter-terrorist financing (CTF) regulations. The FinScan Case Management Review Function facilitates the process of reviewing records against various Compliance Lists.

All subjects having a business relationship are identified on a monthly basis and loaded to FINSCAN for ongoing monitoring. The time period is from February 1, 2014 to the 1st of the current month of review. Subjects with 2 or more STRs who are not currently identified as HRP are also identified and included in ongoing monitoring. These new HRPs are forwarded to designate for HRP assignment and EDD. All business relationships and HRPs identified are loaded to FINSCAN and screened on a daily basis against global intelligence lists provided by WORLD-CHECK. These lists include; sanctions, adverse media and PEP information. AML analysts review any potential matches frequently throughout the month and escalate confirmed matches to management.

Business relationships are based on an extract from iTrak data that includes Buy in transactions, Disbursement transactions, STRs (from July 2014 forward) and deposit data as it relates to accounts (PGFs). Subjects with 2 or more reportable transactions, or an account, are included for ongoing monitoring.

For all eGaming Business Relationships the qualifying amount for ongoing monitoring using FINSCAN is those who have $30,000 or more in deposits in a single month.

Ensure all files that are extracted as reports from report runner are resaved as new excel files (Excel Workbook (*.xlsx) and not Excel 97-2003 Workbook (*.xls) files. After they are resaved, close and reopen the file to ensure you are working with the newest version of excel functionality. Delete the Excel 97-2003 Workbook copy.

The following process represents the steps for loading a list for ongoing monitoring.

1. On the Casino Link network:
    a. Open report manager
    b. Select *iTrak*
    c. Select *Patrons with multiple LCTs* (includes FX, LCT, CDR and STR counts per patron)
    d. Select date range to cover 5 years prior to the beginning of the current month. eg 05-01-2014 to 05-01-2019
    e. Export as CSV file and save to Desktop or create a Export folder
    f. Email or load to encrypted USB drive
    g. Transfer to Connex network

2. On the Connex network:
    a. Open the AMLRiskFolder
    b. Open Due Diligence folder
    c. Open Business Relationships folder
    d. Open BCLC Business Relationships folder
    e. Open iTrak Extracts
    f. Save in 2019 folder.
    g. Save extracted CSV file as a new Excel Workbook (xlsx)
    h. Change the naming convention to match the previous files (i.e: mm_dd_yyyy-mm_dd_yyyy_BusinessRelationships)
    i. Open Excel on sheet 1 – name raw data "Patrons with multiple LCTs") Sheet 2 copy raw data from sheet1 within workbook and title Working Copy or "WC"
    j. Add column "Business Relationship" to column W and apply equation =IF((U2+N2+L2+J2)>1,"Yes",IF(P2>0,"Yes","No"))
        i. 2 or more transactions that require ID and/or a PGF account = Yes
        ii. All other types = No

k. Add column titled "Type of Business Relationship" to Column X and apply equation =IF(G2>500000,"High Volume",IF(K2>500000,"High Volume","Casual"))
    i. This equation will determine players with More than $500K in Buy-ins or Disbursement = High Volume or;
    ii. All other types = Casual

Identify New HRPs

l. Copy "WC" to a new sheet and rename "New HRPs"
m. Apply filter to 'STRs Submitted' column for all patrons who have 2 or more STRs (deselect "1" and "blanks").
n. Apply filter to 'Traits' column by using Text filter= Does not contain 'High Risk Patron'. The resulting list will be the NEW HRPs for the last reporting period. Within this list you will find the following SID – 271353 LNU, PlayNow STR. Please delete this record for the list. This is a generic SID used for all PlayNow STRs where the patron is unknown.
o. Confirm iTrak Update. Open iTrak, search SID and update "category=HRP", Distinguishing Characteristics= BCLC – High Risk Patron and place subject on Watch list

Identify Business Relationships "Upload"

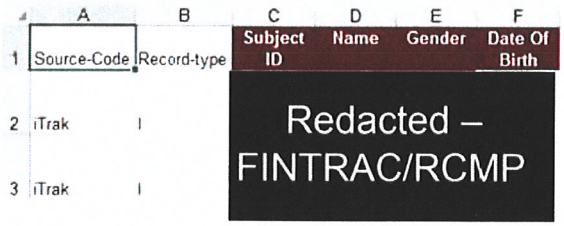
p. Create new tab in the current worksheet titled "Upload"
q. Add two new columns column A "Source-Code" and Column B "Record-type"
r. Clear all filters on "WC" sheet and apply filter 'Yes' to the "Business Relationships" column. Copy columns (SubjectID, Name, Gender, DateOfBirth) and all qualifying SIDs and paste to sheet titled "Upload" in column C.
s. Columns headers are: **Source-Code, Record-Type, SubjectID, Name, Gender, DateOfBirth**
t. In column A "**Source-Code**" of the "Upload" sheet insert "**iTrak**", apply to all to all records
u. In column B "**Record-Type**" of the "Upload" sheet insert "**I**" for "Individual", apply to all to all records.

! NOTE: Title and data is case sensitive and must be:

Title= "Source-Code" Data= "iTrak"

Title= "Record-Type" Date= "I"

If these columns and data elements are not exactly entered as above, previous pairs will be reset in FINSCAN causing substantial effort and cost to correct.



Identify all HRPs (non-business relationship)

v. Extract the "HRP list" using the following procedure on the Casino Link network:
   i. Open *Report Manager*
   ii. Select *iTrak*
   iii. Select *High Risk Patron*
   iv. Export results as CSV file and save to Desktop or an Export Folder.
   v. Transfer to Connex network and open this workbook and send a copy of the sheet to the current business relationship workbook

w. Ensure all HRPs in report are on the "Upload" sheet. In a new column, add the title non-business relationships and insert the formula below in the first cell. Use the following VLOOKUP equation in Excel of the "High Risk Patron" sheet to see if the SIDs on the "*HRP list*" exist on the "Upload" spreadsheet. Apply the following equation to all records.
=VLOOKUP(A2,Upload!C2:C20958,1,FALSE).

x. If the SID is on the "Upload" list their SID will show up in the column where the vlookup equation was entered on the HRP sheet. Apply filter to row 1 of the "High Risk Patron" sheet and filter column G for all "#N/A" results. These people will need to be manually added to the "Upload" list. Copy columns A to D and add to 'Upload' list.

y. Ensure that the "Record-type" and "Source-code" are applied to these HRP additions to the "Upload" sheet.

z. Include all qualifying eGaming players to the "*Upload*" sheet below all iTrak business relationships.

   i. Using Invision – Cognos Connection, run the report titled "*Ongoing Monitoring: PlayNow Name Matching Report*" for the month of review/year/jurisdiction='British Columbia'. If running report at beginning of May, the month selected would be April.
   ii. Run report, click 'select a delivery method' and select email report. (report takes sometime to generate)
   iii. From email, save file to AMLRiskFolder:\Egaming\Ongoing Monitoring - Name Matching Report/YYYY
   iv. File name is month and year eg: 01-2019
   v. Open the saved spreadsheet and copy the raw data sheet and make a working copy called 'WC'
   vi. Filter the WC spreadsheet to only include players who had >=$30,000 in the 'Monthly Deposit Total' column.
   vii. Create a sheet called "e-Upload' Copy the '30,000 or more' list of players to the "eUpload" sheet and delete all columns not shown in the following example:

A	B	C	D	E	F	G
Source	Record T	Subject ID T	Cust Name	Gender	Date of Birtl	Report Date
PN	I	PN-	Redacted – FINTRAC/RCMP		Redacted – FINTRAC/RCMP	2018-05
PN	I	PN-				2018-01
PN	I	PN-				2018-05
PN	I	PN-				2018-01
PN	I	PN-				2018-05
PN	I	PN-				2018-01

   viii. Open the "*Master Name List-Ongoing Monitoring PlayNow*" list (X:\Egaming\Ongoing Monitoring - Name Matching Report) and copy and paste the e-upload list to the bottom of the Master list.
   ix. Column C is conditionally formatted to show duplicates (highlighted in red above). Sort column C from 'smallest to largest' and filter by colour to only reveal the

duplicates. Review all of the duplicates and remove all of the oldest "Report Date" matches per duplicate leaving the newest date for each player on the list.

Note: Once June 17, 2022 occurs, all entities who are on the list with a report date older than 5 years can be removed from this portion of ongoing monitoring as FINTRAC only requires monitoring for 5 years. The step above labels the player with the date which they qualified for additional screening. Keeping the newer report date is important for this purpose.

x. Update name of sheet 'Cumulative Updated MMM YYYY' with latest month of update.
xi. Remove filter and copy and paste this list of players (Columns A:F & Row 2:bottom of list) and add to the "*Upload*" spreadsheet of the "Business Relationship workbook" previously mentioned.

Note: The "*Upload*" csv spreadsheet will now include all HRPs from iTrak, all business relationships from iTrak, and all $30,000 or more/month depositing players from PlayNow.com. Check to ensure 2 Sources are listed in the source column (iTrak & PN).

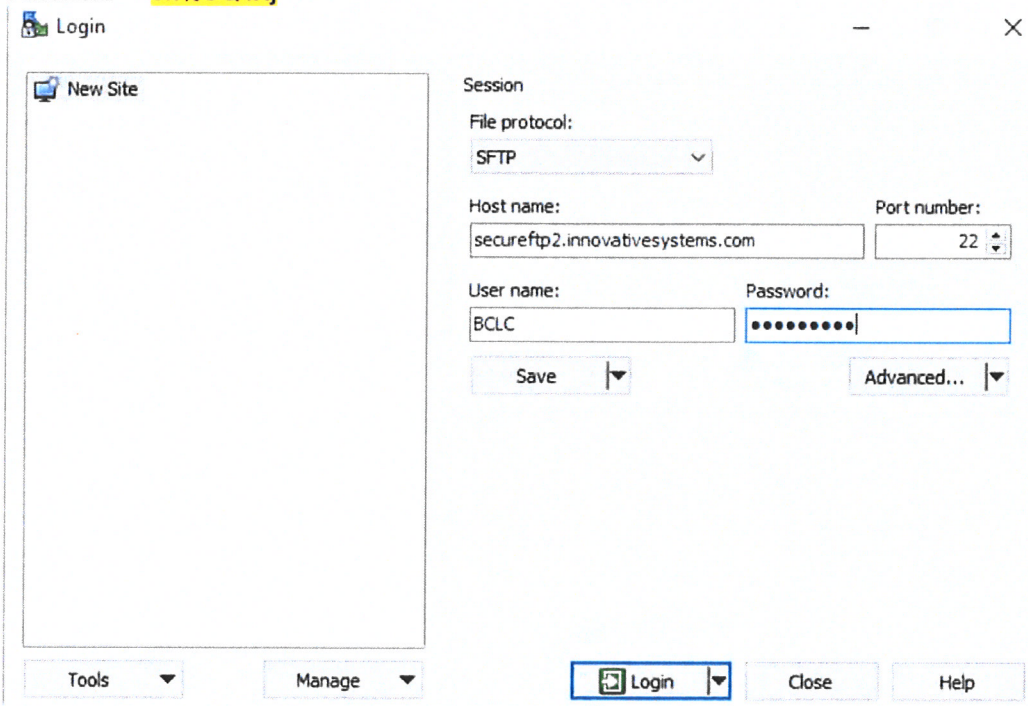
xii. Copy the "*Upload*" sheet to a new workbook in Excel and save as a *Comma Separated Values* (.csv) file in the following format (BCLC_YYMMDD) to BCLC Business Relationships\ISI_World-Check uploads.
xiii. When saving a csv MS-Excel will prompt with a message asking if you want to use this format, select 'Yes', when closing the file MS-Excel will prompt you and ask it you would like to save your changes, select 'don't save'. The file will have already been saved as a csv in the folder. Saving this csv file type and how MS-Excel prompts is not intuitive.

Uploading the list to FINSCAN

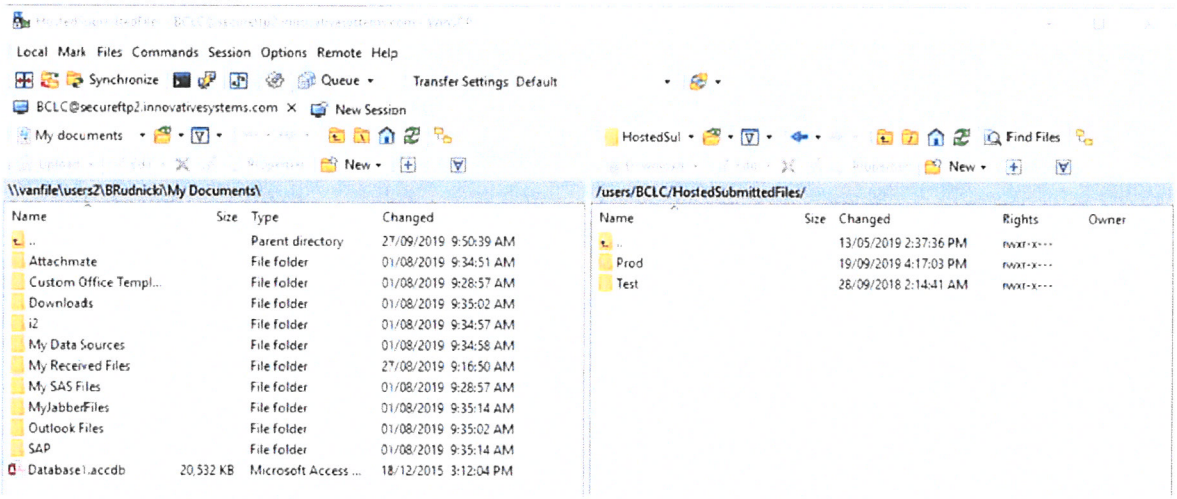
3. The following software will need to be installed on your computer WinSCP.

   a. Create a new session and enter the following data:

b. Password = **8n%UQ4Xj**

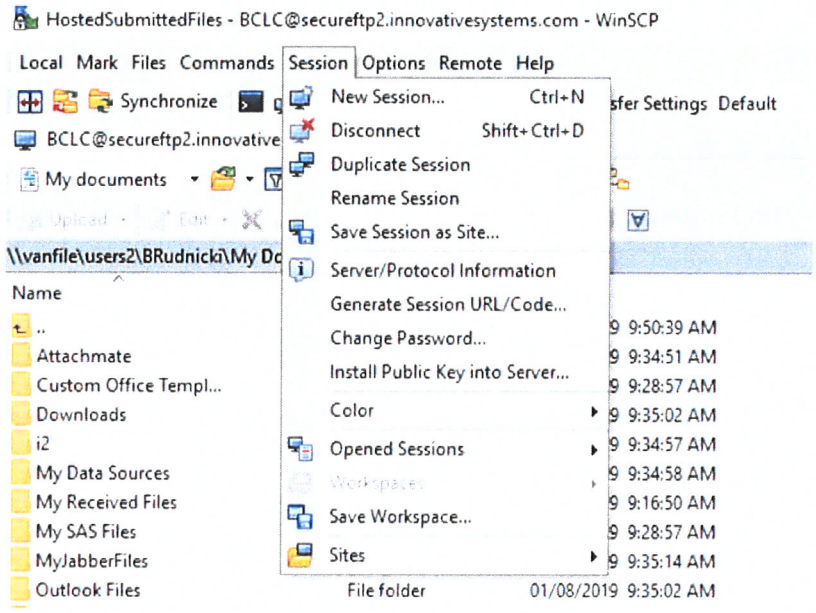


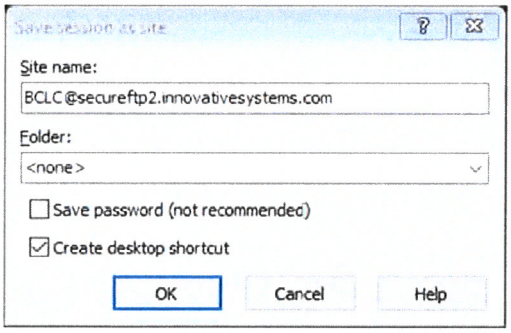
c. Once connected, you will be able to locate BCLC files in the left hand pane and drop them into the FINSCAN folder in the left pane. Locate the BCLC upload list and drop into the FINSCAN "Prod" folder.



d. The file will automatically load into the FINSCAN software for matching

Note: Save your session using the 'Save Session as Site' and create a desktop icon. Clicking this icon next time a list is required for upload will only require the password to be entered.





FINSCAN MATCHING

Overview

The following document goes over how to run queries, apply status for matches and extract information for confirmed hits.

Running Queries

There are 2 primary queries that need to be ran consistently. They are:

1. 'New-ALL' – All pairs that have not been reviewed and that required a status.
2. 'New-Compliance data Changed'-These are pairs which have been reviewed at one point yet require re-review as something has changed on the World-Check profile. Current configuration will only change the status of a pair if any DOB or Generated DOB information is changed on the World-Check Profile.

To run these queries:

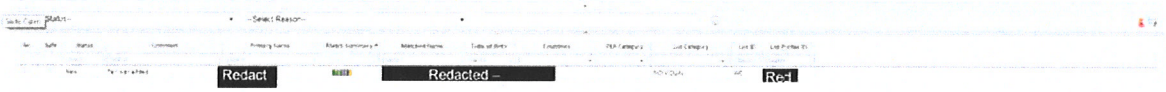
1. Click on 'Launch'

2. Hover over 'List review'
3. Click on 'Manage Queries'
4. Select query of interest ('New-ALL' or 'New-Compliance data Changed') and click on 'Search'

The application will load the family/pair interface where pairs can be review and statuses applied. iTrak data will appear in the upper part of the screen



and the World-Check data will appear in the lower part of the screen.



Applying Match Status to Pairs

All pairs require review in FINSCAN and have 3 possible outcomes:

- Yes
- Maybe
- No

1. For all **'Yes'** matches the pair shall be updated with the FINSCAN available dropdowns "**Confirmed hit" & "See Comment Field**". In the comment field the analyst will briefly conclude why the pair is considered a match. All other pairs within the family can be marked as "safe". For Confirmed matches found using FINSCAN require action outside of the FINSCAN ongoing monitoring tool. See below for procedure.
2. For all **'Maybe'** matches the pair shall be marked as "In Review". In some cases the quick select safe checkbox can be used if the match is obviously not a match. If the match requires an explanation the FINSCAN dropdowns **"Safe" & "See comment field"** will be required. The analyst can briefly conclude why the match is considered safe.
3. For all **'No'** matches the pair shall be marked as "Safe". In some cases the quick select safe checkbox can be used if the match is obviously not a match. If the match requires an explanation the FINSCAN dropdowns "Safe" & "See comment field" will be required. The analyst can briefly conclude why the match is considered safe.

The same process is followed for the 2 categories:

1. New – ALL
2. New- Compliance Data Changed

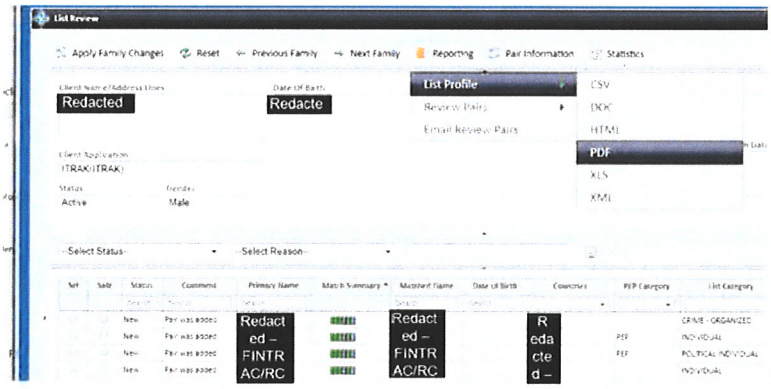
Process For Confirmed matches

When a player is identified as a match (PEP, adverse media, sanctioned, etc) the following steps are required.

For PEPs:

1. The analyst will print off the FINSCAN profile and save a copy in the AML drive

   (X:\Due Diligence\Business Relationships\Finscan-Confirmed Hit Profiles\Finscan Confirmed Hit-Profiles)



2. The analyst will start a 'Short OSINT' and create a folder for the player in the AML drive. Collecting additional information related to the player.

   (X:\AML OSINT Reports)

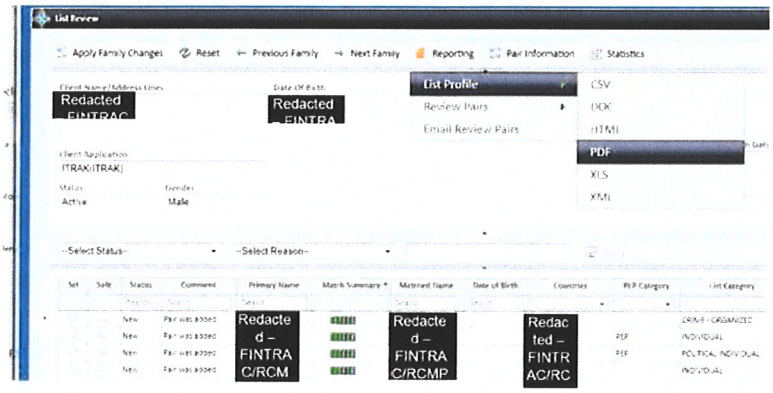
3. In iTrak, add "High Risk Patron-PEP (foreign or domestic)" into the Distinguishing Characteristics Box
4. Select HRP for the category (below the player's profile photo)
5. Update the Escalations tracker and email management

BCLC0007201_016

For All Other Matches:

1. The analyst will print off the FINSCAN profile and save a copy in the AML drive

   (X:\Due Diligence\Business Relationships\Finscan-Confirmed Hit Profiles\Finscan Confirmed Hit-Profiles)



2. The analyst will start a 'Short OSINT' and create a folder for the player in the AML drive. Collecting additional information related to the player.

   (X:\AML OSINT Reports)

3. The analysts will update the Escalations tracker and email management.

INTELLIGENCE – ONGOING MONITORING

PGF REVIEWS

The following outlines the process for when a Player Gaming Fund (PGF) is opened at a casino.

Player:

1. Requests to open a PGF account (no minimum deposit required by BCLC - minimums may be implemented at the discretion of the Service Provider).
2. Player accesses fund to game, and may withdraw funds at any time

Service Provider (Casino) Employee:

1. SP employee collects and verifies identity of patron through Government issued photo identification (Non-Canadians must produce a valid passport for identification)
2. Patron completes a PGF application form (see Appendix A) which provides information including Name, Date of Birth, Address, Telephone, Occupation, Company Name
3. The authorized deposit type is verified by the employee as one of the following:
    - Bank Draft/Certified Cheque/Electronic Funds Transfer from a regulated financial institution (Office of Superintendent of Financial Institutions (OSFI))
        - The bank draft/certified cheque verification checklist must be completed before acceptance.
    - Verified Win Cheque or a Return of Funds cheque from a Canadian Casino
    - Debit card transaction
    - Cash or Chips from a Verified Win issued at the same casino to the same patron
    - Cash sourced as a withdrawal from the credit card kiosk at the casino
    - Cash sourced from a financial institution with a same day receipt
        - The original receipts must be retained, scanned into iTrak and stored electronically
4. SP employee collects information from patron, completes the Source of Funds/Reasonable Measures (SOF/RM) Form. The patron signs off on the SOF/RM Form (see Appendix B for copy of form).
5. SP employee searches the patron's name against the OSFI Terrorist List
6. Incident file created in iTrak

BCLC Security Investigator:

1. Reviews information to ensure the SP employee followed BCLC PGF policy and procedures (Casino and Community Gaming Centre Standards, Policies and Procedures Section: 3-8.3 Cage – Patron Gaming Funds Accounts)
2. If any discrepancies are noted follow up is conducted with SP employees
3. Upon verifying all steps have been followed, BCLC Investigator adds supplemental entry in iTrak file confirming same

BCLC AML Unit:

1. iTrak alert generated to AML Analysts SPM identifying creation of new PGF account
2. AML Analyst will complete enhanced due diligence (EDD) within 72 hours, or as per operational requirements allow.
3. Check OSINT Completed folder for previous OSINT report on patron.
    a. If there is a previous EDD that is less than one year old, EDD is not required. Add Supplemental note to incident file in iTrak that EDD was completed on MMM-YY and that no EDD is required.
    b. If there is no previous OSINT, or OSINT is more than one year old, complete new OSINT Report.

4. The new OSINT report will include the following sources:
    a. Internet Searches
        - Name – social media, LinkedIn, etc.
        - Phone Number(s)
        - Business(es)
        - Address(es)
    b. BC Courts (BC Online)
        - Criminal
        - Civil
    c. Internal databases (Salesforce/PlayNow (Open Bet))
    d. Address(es) (BC Assessment & LTSA)
    e. Personal Property Registry (PPSA – BC Online)
    f. BC Company Registry (BC Online) – if required
    g. Previous Company Searches (BC Online) – if required
    h. Global Company Records (LexisNexis) – if applicable
    i. Global Court Records (LexisNexis)
        - Canada
        - USA
        - Hong Kong
        - UK
        - Australia
        - New Zealand
    j. Global Adverse Media, Politically Exposes Persons (PEP) and other intelligence lists (FinScan)
    k. RTIC (RCMP) – if required. If positive RTIC results come back, we will request copy of detailed file from file holder.
    l. PTEP (RCMP)
    m. Associations
        - People from above queries
        - Addresses
5. EDD findings summarized in risk matrix, under synopsis within the OSINT Report.
6. Reviews found with risk ratings above a certain threshold, or particularly concerning are escalated to AML Management for additional investigation. Escalations are logged in the AML Escalations Tracker within the AML Risk/AML Tracking folder.
   Risk ratings below the threshold are filed. All reviews are tracked in the AML Analyst Work Tracker irrespective of whether or not they are escalated.
7. Update the PGF iTrak Incident File to reflect (EDD) is complete.

Appendix A – PGF Application Form

Patron Gaming Funds ("PGF") Account Operating Agreement

PGF Account #

Site:

GCC
Gateway
Paragon

iTrak Incident File Number

SID #

Account Owner's Details

Last Name | First Name, Middle Name | Birth Date (mm / dd / yyyy)

Country of Citizenship | Home Address (Suite / Street / City / Country / Postal Code)

Primary Telephone Number

*If you are a visitor to Canada, please indicate your place of residence, while in Canada (Suite / Street / City / Country / Postal Code)

Identification Type and Place of Issuance | I.D. Reference # | I.D. Expiry Date (mm / dd / yyyy)

** A copy of your government issued picture I.D. is required*

Current Occupation | Employer's Name and Location

PGF Operating Agreement

1 This agreement is entered into between the Account Owner and the issuing Casino Service Provider, which retains the right to change the terms and conditions of this agreement from time to time as may required by the British Columbia Lottery Corporation (BCLC) or its regulators, including the Gaming Policy and Enforcement Branch (GPEB) and the Financial Transactions and Reports Analysis Centre (FINTRAC).

2 The Account Owner acknowledges and agrees that all PGF Account transactions and associated processes completed by the Account Owner and the issuing Casino Service Provider, including but not limited to deposits, withdrawals, transfers and re-deposits must be completed in accordance with the current BCLC standards, policies, and procedures.

3 PGF Accounts may be closed by the Account Owner, the issuing Casino Service Provider, BCLC and/or GPEB at any time.

4 PGF Accounts will be casino site-specific only, with all transactions recorded in the casino's separate accounting system for PGF accounts specific to that casino only.

5 The issuing Casino Service Provider will not impose any service charges on a PGF Account, nor will the Account holder or the issuing Casino Service Provider earn interest on the account funds.

6 Credit will not be extended to the Account Owner, as the PGF account shall remain in a positive or nil balance at all times.

7 A PGF Account cash withdrawal may be restricted to an amount that will not adversely affect the casino operations at the issuing Casino Service Provider's discretion.

8 All negotiable instruments will be verified by the Casino Service Provider to be authentic and valid prior to their acceptance and deposit into a PGF Account. However, the Account Owner accepts full financial responsibility for dishonored or fraudulent negotiable instruments, including reimbursement of costs associated to recovery of the funds. No third party or postdated negotiable instruments will be accepted for deposit to a PGF account.

9 If a PGF Account is inactive three (3) years and no direction has been received from the patron, the casino will contact the patron to ascertain the patron's wishes. The casino will issue a cheque designated 'Return of Patron Gaming Funds' for delivery to the patron upon the patron's request. If no direction is received from the patron, or patron cannot be contacted: (1) funds in the amount of $50 or less will be processed as Found Money and subsequently donated to a BCLC approved (non profit) charity; (2) funds in an amount over $50 shall be transferred to the designated administrator as per the BC Unclaimed Property Act and Unclaimed Property Regulations.

10 A deceased PGF Account holder's funds may be redeemed by the Executor or Administrator of the deceased's estate upon presentation of either the Will and Death Certificate or a letter from the estate's lawyer confirming the recipient's appointment as the estate's Executor or Administrator.

11 **Privacy Notice:** The Account Owner's personal information is collected in accordance with B.C.'s Freedom of Information and Protection of Privacy Act, the Personal Information Protection Act and the Gaming Control Act and will be used, accessed, disclosed and stored by BCLC and the issuing Casino Service Provider inside and outside of Canada for the following purposes:

(a) to administer the PGF Account (including processing deposits and withdrawals);

(b) to validate transactions where your signature below may be compared to the signature on the transaction;

(c) for auditing, record keeping and reporting purposes (including recording play transaction data for the ongoing monitoring of a business relationship) as required by BCLC or its regulators, including GPEB and FINTRAC; and

(d) to comply with applicable laws and BCLC standards, policies and procedures in effect from time to time.

Questions related to the collection or use of the personal information may be directed to the issuing Casino Service Provider or BCLC's Customer Support at 74 West Seymour Street, Kamloops, BC, V2C 1E2, Telephone 1-866-815-0222 or bclc.com.

Consent to PGF Operating Agreement Terms and Conditions

I, _____ *(print your name in full)*, have read, understand and agree to the terms of the PGF Account Opening Agreement.

Account Owner's Signature | Date (mm / dd / yyyy)

X

Witness Name | GPEB# | Witness Signature* | Date (mm / dd / yyyy)

X

*I confirm that I have explained and reviewed this document with the patron, I have recorded the patron's valid identification and I have witnessed the patron signing this agreement.

Appendix B – SOF Form

bclc

SOF

SOURCE OF FUNDS DECLARATION
(Initial buy-in of $10,000 threshold and each subsequent buy-in thereafter)

Amount of INITIATING buy-in requested:_____ Total buy-in amount for LCT: _____

Patron Name: _____ SID #: _____

Type: Cash ____ Draft ____ VW / ROF / Cert. Cheque ____ Debit Card ____ Credit Card ____ Chips (cage transactions) ____
(circle one)

Does the patron have a receipt for the funds? Yes ____ No ____
Does the patron have an existing PGF account? Yes ___ No ___
Is this a new customer? Yes _____ No_____

Notes (specify every transaction for initiating SOF):

_____
_____
_____

Ask the patron where they acquired the funds for this buy-in? (This information is mandatory and must be specific)

_____

Banking Information (Initiating Source of Funds Transaction)
Financial Institution: _____ Branch #_____ Account # _____
(Bank Name) (N/A for credit card) (last 4 digits of credit card)

Draft Transit # _____ Draft # _____

Signature of registered gaming worker certifying source of funds information _____

Print name of registered gaming worker certifying information _____ GPEB # _____ Date: _____

Name of patron certifying this information: (please print name) _____

Date: _____ Patron signature: _____

Additional Buy-ins

Time:_____ Amount:_____ Type (specify):_____Fin. Inst. _____ Branch_____ Account #_____ Patron Signature_____

Time:_____ Amount:_____ Type (specify):_____Fin. Inst. _____ Branch_____ Account #_____ Patron Signature_____

Time:_____ Amount:_____ Type (specify):_____Fin. Inst. _____ Branch_____ Account #_____ Patron Signature_____

Time:_____ Amount:_____ Type (specify):_____Fin. Inst. _____ Branch_____ Account #_____ Patron Signature_____

Time:_____ Amount:_____ Type (specify):_____Fin. Inst. _____ Branch_____ Account #_____ Patron Signature_____

Time:_____ Amount:_____ Type (specify):_____Fin. Inst. _____ Branch_____ Account #_____ Patron Signature_____

Time:_____ Amount:_____ Type (specify):_____Fin. Inst. _____ Branch_____ Account #_____ Patron Signature_____

Time:_____ Amount:_____ Type (specify):_____Fin. Inst. _____ Branch_____ Account #_____ Patron Signature_____

☐ **See page 2 for additional buy ins**

Privacy Notice. Your personal information is collected in accordance with the Freedom of Information and Protection of Privacy Act, British Columbia, and will be used, accessed, disclosed and stored by BCLC and its service providers inside and outside Canada to administer and validate your transaction, for auditing, record keeping and reporting purposes as required by BCLC and its regulators, including the Gaming Policy and Enforcement Branch (GPEB) and the Financial Transactions and Reports Analysis Centre (FINTRAC), and to comply with applicable laws and BCLC policies, procedures and standards. Questions related to the collection or use of your personal information may be directed to BCLC's Customer Support Centre at 74 West Seymour Street, Kamloops, BC, V2C 1E2. Telephone 1-866-815-0222 or bclc.com.

Appendix C – RM Form

RM

bclc

REASONABLE MEASURES FORM

Date Completed: _____ ID confirmed? Yes ___ No ___

Patron Name: _____ SID #: _____

Ask the guest if he/she was acting on behalf of a third party. "Are you buying in or cashing out on behalf of someone else?"
Answer:

- Yes (third party transaction – transaction is refused)
- No (funds belong to patron)
- Undetermined (see reason why below)

Time Buy-in / Cash-out Amount

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

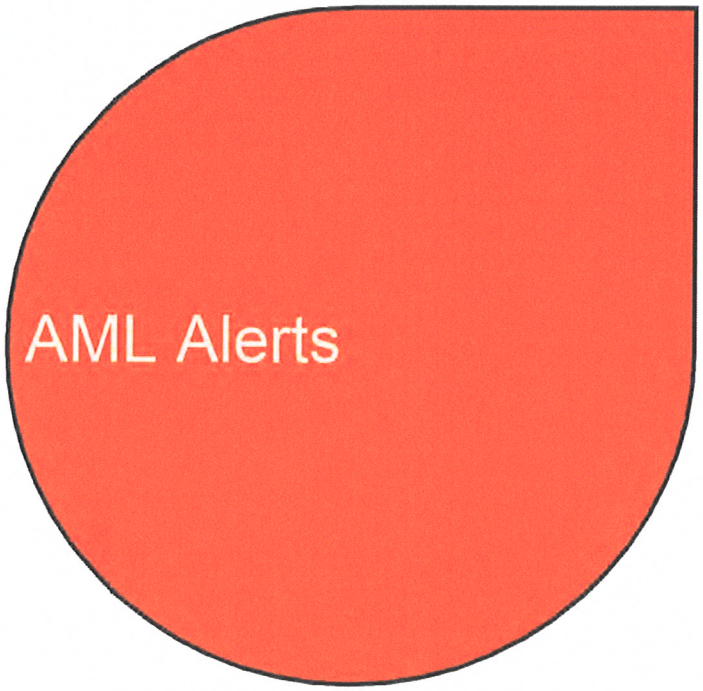
Why Reasonable Measures were unsuccessful:

_____

_____

_____

Updated November 2018


AML Alerts

Alert/Notification Review Process

Overview: Alerts or notifications received are reviewed and documented by various departments. Each of the alerts/notifications described in the following document pertain to these roles; AML Analysts, AML Investigators, and Service Provider Surveillance. These alerts/notifications are related to assessing AML, Due Diligence, and Fraud risks.

Alerts, notifications or reports are sent to the AML Analyst's Special Purpose Mailbox (amlanalysts@bclc.com) or AML Investigators Special Purpose Mailbox (amlsupport@bclc.com).

AML Analyst Alerts

All of the following alerts will be tracked using 2 documents located in the AMLRiskFolder:\AML Tracking folder. All tasks will be recorded in the spreadsheet titled 'AML Analysts Work Tracker'. Any escalations will be tracked using the spreadsheet titled 'AML Escalations Tracker'. All emails received will be stored within their corresponding folder in the amlanalysts@bclc.com SPM. Emails in the SPM will be assigned to a specific individual using the 'categories' functions in outlook. Once the task is completed the 'checkmark' function will be utilized to mark the email complete. Each of these alerts/notifications will be addressed within 5 working days and actions applied within 15 working days. PGF account notifications will be conducted within 2 business days.

NEW HIGH RISK PATRON (HRP)

Purpose: Players identified with 2 or more STRs filed within the last 5 years (rolling) to FINTRAC are required to be labeled as High Risk according to FINTRAC regulations.

Source Data: iTrak custom forms (STRs) table

Generated by: SAS procedure ran on a weekly basis.

Actions Required: Analysts take ownership of the alert in the SPM and then conduct the following tasks in iTrak:

- Player category is changed to HRP.
- Keywords "BCLC-High Risk Patron" is added to the distinguishing Characteristic box in iTrak.
- Player is identified as "Watched" if not already completed. This is achieved by opening any incident, selecting the patron from the participants tab and then selecting "Watch".
- The player's occupation, level of play, associates, incidents, and other relevant information is reviewed to determine if further action is required.

HIGH NON-PGF BUY-INS ALERT

Purpose: Players are identified on a weekly basis who have the highest volume of buy-ins compared the rest of the population for a given week that do not use a PGF account based on Standard Deviations. The report helps focus attention onto players who are using large volumes of cash and puts a second set of eyes on these players behaviour. Several players may be included on the report output. The AML analyst will review volume of transactions to determine players that standout and required review from a risk based standpoint. Not all players present on report will be prioritized for review (e.g. players on report having 15,000 in total buy-in versus 1 player having 75,000 in total).

Source Data: iTrak buy-in data cross-referenced with deposit tab transactions (PGF usage)

Generated by: SAS procedure ran on a weekly basis

Actions Required: Analysts take ownership of the alert in the SPM and then conducts the following tasks:

- Player is reviewed.
- Analyst Tracker is updated and escalated to management if required.

3 OR MORE FACILITIES IN 3 DAYS

Purpose: Players are identified on a weekly basis who have visited 3 or more facilities. The main focus of this alert is to identify players who are visiting different sites not closely related to each other (e.g. Kelowna, Vernon, Vancouver versus Vancouver, Richmond, Burnaby). All players are reviewed to determine if their transactions are unusual. The player's occupation, level of play, associates, incidents, and other relevant information is reviewed to determine if further action is required (i.e. court record searches).

Source Data: iTrak buy-in data

Generated by: SAS (EDW team) procedure ran on a weekly basis.

Actions Required: Analyst take ownership of the alert in the SPM and then conducts the following tasks:

- Player is reviewed.
- Analyst Tracker is updated and escalated to management if required.

"CASINO" IN OCCUPATION - LCT ALERT

Purpose: Any player who has "casino" listed in their occupation in iTrak and a LCT/CDR or FOREX transaction listed will be flagged for review. Casino associated employees that have a high volume of these transactions could be considered suspicious given the nature of their work if they are involved in collusion or internal theft.

Source Data: LCT module iTrak

Generated by: iTrak Notification Module. Daily.

Actions Required: Analyst take ownership of the alert in the SPM and then conducts the following tasks:

- Player is reviewed.
- Analyst Tracker is updated and escalated to management if required.

BANK DRAFT DEPOSIT VS ROF CHEQUE (TIME)

Purpose: Any player who brings in a bank draft or certified cheque and quickly receives a Return of Funds cheque is subject to review. A player may be trying to convert the source of the bank draft into another form for the purpose of layering transactions to create a paper trail. The time frame for the turn around is based on 1 hr. Any player conducting these transactions within an hour of each other will qualify for review.

Source Data: Deposit and Disbursement data

Generated by: SAS (EDW team). Weekly.

Actions Required: Analyst takes ownership of the alert in the SPM and then conducts the following tasks:

- Player is reviewed.
- Analyst Tracker is updated and escalated to management if required.

PGF ACCOUNT OPENED

Purpose: Any player that opens a PGF account must have due diligence conducted to assess any risk that may be determined from open source information. When incident type listed below is opened by the service provider an automated alert/notification is sent to AML Analyst's SPM.

Source Data: iTrak Incident module (Type=Gaming, Category=Cage, Specific= PGF Accounts)

Generated by: iTrak Notification Module. Real Time.

Actions Required: Analyst takes ownership of the alert in the SPM and then conducts the following tasks:

- An OSINT report is conducted on the player if one has not already been completed. If one has been completed it is only considered valid for 1 year. If the OSINT report is older than one year, new queries must be ran.
- Player is reviewed.
- A simple supplemental note added to iTrak incident file when OSINT complete or if current OSINT collected is still valid. (Example: PGF Due Diligence Complete).
- Analyst Tracker is updated and escalated to management if required.

WIN/LOSS REPORT

Purpose: To assess any players that are consistently in the top 10 for 3 months. Alert limited to Encore players.

Source Data: Encore Win/Loss data

Generated by: SAS (EDW team). Monthly.

Actions Required: Analyst take ownership of the alert in the SPM and then conducts the following tasks:

- Player is reviewed.
- Analyst Tracker is updated and escalated to management if required.

EGAMING INVESTIGATIONS - REGISTRATION STATUS AND DEPOSIT REPORT - WLH FLAG ONLY

Purpose: Equifax automatically screens any players that register for PlayNow against their watch list program. Any names that produce a potential match are double-checked by BCLC in order to conduct due diligence on player's account.

Source Data: Equifax watch list

Generated by: Watch List Hit (WLH) flag in EDW report generated by BCLC Cognos. Daily.

Actions Required: Analysts take ownership of the alert in the SPM and then conducts the following tasks:

- Name appearing in provided report is reviewed as a single search in FINSCAN (include all watch lists, default search excludes all lists).
- Additional searches are conducted as necessary (BC courts, Adverse media, etc.).
- Player is reviewed.
- Email attached to the provided report is responded to, which goes to eGaming investigations, AML analyst provides results of queries. eGaming Investigations determines next steps regarding business relationship.
- Analyst Tracker is updated and escalated to management if required.

NEWS ALERT

Purpose: Any news alert or media identified through automated google alerts, FINTRAC releases or articles discovered by any BCLC personnel are subject to review to identify risk.

Source Data: OSINT

Generated by: OSINT. Daily.

Actions Required:

- Analysts query names appearing in adverse media in iTrak.
- Names are documented in Analyst tracker.
- Copy of the news article is saved in the 'AML Media' folder.
- Player is reviewed if a match is discovered.
- Short OSINT created to capture relevant information.
- Analyst Tracker is updated and escalated to management if required.

AML Investigation Alerts

All tasks will be sent to the amlsupport@bclc.com SPM and actions taken will be attached to the response email. All emails received will be stored within their corresponding folder in the amlsupport@bclc.com SPM. Emails in the SPM will be marked using the 'categories' functions in outlook. Once the task is completed the 'checkmark' function will be utilized to stamp the email with a 'completed on date'. Each of these alerts/notifications will be addressed within 5 working days and actions applied within 15 working days.

REASON METHOD MISMATCH

Purpose: To identify any CDRs that have anomalous data and correct possible data entry errors prior to reporting CDRs to FINTRAC. The AML Programs Specialist or designate reviews these alerts and makes appropriate changes in the iTrak FINTRAC module and follows up with SP if errors occur frequently or notifying the SP of the required changes.

Source Data: iTrak FINTRAC Module

Generated by: SAS (EDW team). Daily report for the last 3 days.

Actions required: The disbursement is reviewed alongside tracking sheets to determine the correct amount, changes are made if possible. If no tracking sheets are uploaded the SP is notified of the required change(s).

UNDESIRABLE BAN EXPIRY

Purpose: Players that are banned for 5 years where; Type of Ban= BCLC Prohibition &

Reason for Ban = Undesirable, are flagged for ban renewal 60 days prior to their ban date expiry. Players who are banned in this manner pose a significant risk to BCLC from a public safety or money laundering perspective. The AML Programs Specialist or designate reviews these alerts and conducts required actions.

Source Data: iTrak ban information

Generated by: SSRS scheduled report created by BCLC DBAs. 1st of the month.

Actions Required: Analyst takes ownership of the alert in the SPM and then forwards to AML Programs Specialist or designate for the following tasks:

- A short-OSINT is started and relevant adverse media or court records is collected. If a RTIC request is required the AML Analysts are notified.
- If ban is determined to be renewed an iTrak incident is created where:
  - Type=Ban
  - Specific=Prohibited by BCLC
  - Category=Public Safety or AML Due Diligence
- Barring letter and notice is prepared and scanned into the subject profile in the Media tab and copies saved in the AML drive.

LCTS OPENED PAST 6 DAYS REPORT

Purpose: The alert includes all LCTRs that have a transaction date in which 6 days or more have past. This provides the opportunity to ensure all LCTRs (LCTs and CDRs) are set to closed to allow the batch filing system to process them in a timely manner, thus greatly reducing the risk of late filing. The AML Programs Specialist or designate reviews these alerts and conducts required actions.

Source Data: iTrak

Generated by: SSRS. Daily.

Actions required: AML Programs Specialist or designate reviews these alerts and determines why the LCTR remains open. If it is determined to be complete it may be reviewed for accuracy and closed by the investigator. Alternatively a notification is sent to the BCLC investigator assigned to the affected site or the site is sent a notification directly from BCLC AML to review for accuracy, add missing supporting documents (if applicable) and close the LCTR for processing.

Once all issues are addressed/escalated the BCLC employee who dealt with it replies to all on the email alert to notify all that it has been taken care of.

DAILY FINTRAC REPORT SUMMARY

Purpose: This report notifies AML investigators of any errors on either FRN's or STR's allowing the opportunity to make corrections to errors in a timely fashion and avoid late submissions.

This report also makes note of the number of reports waiting for response which aids in determining if there may be a batch filing issue that BCLC IT needs to address.

Source Data: iTrak

Generated by: SSRS. Daily.

Actions required: AML Programs Specialist or designate reviews these alerts and determines the cause of the error(s). Corrections are made to affected FRN's/STR's to ensure successful submission, which is confirmed the following morning when the next report comes out.

Once all issues are identified and corrected the BCLC employee who dealt with it replies to all on the email alert to notify all that it has been dealt with. A copy of the reply detailing the steps taken to correct the error(s) is saved to a designated folder in the AML Risk – Due Diligence folder for audit purposes.

DEPOSIT-EFT REPORT (INCOMING)

Purpose: Any PGF account that receives an EFT transfer deposit must be reviewed before being accepted. The AML team is alerted with this report if an EFT is entered into the deposits tab in iTrak. The Service Provider has a procedure and must collect certain information for these types of transfers. Reviewing these alerts enabes BCLC to have oversight on these types of PGF deposits.

Source Data: iTrak FINTRAC Module

Generated by: SSRS. Daily.

Actions required: AML personnel will review the alert and cross-check the information with the corresponding Service Provider to ensure the procedures set forth have been conducted.

BANK DRAFT/CERTIFIED CHEQUE REPORT AND CONVENIENCE CHEQUE REPORT

Purpose: This report lists all Bank Drafts, Certified Cheques or Convenience cheque used in BC Casinos over the past 30 days rolling. The primary purpose behind this report is to quickly identify sudden increases in play amounts from known players or identify new players gambling at a high level that may require further due diligence.

Source Data: iTrak

Generated by: SSRS scheduled daily report

Actions required: Bank draft/ certified cheques report and convenience cheques reports are reviewed comparatively and together. BCLC AML Analysts review the daily report to determine if any client`s transaction amounts are outside of what may be considered normal. Are PGF non account holders receiving convenience cheques in amounts greater than $10k? Is yes, further investigation is necessary. New players or known players gambling at a higher level are assessed and priority OSINT reports are completed on a case by case basis. Further action may be taken dependant on the level of risk assessed. Daily updates are provided to BCLC Programs manager. High risk patrons are identified and escalated by the analysts to both the BCLC AML Programs Manager and AML Investigations Manager.

RRCR CASH SHEET

Purpose: This is a site generated (exclusive to River Rock) document that details all buy in transactions conducted at the cashier at River Rock (Chip Purchase Vouchers AKA CPV's). Cash buy ins are broken down by amount, patron and denominations of the bills used.

The primary purpose historically was to allow the opportunity for investigators to review transactions that may require corresponding incidents (UFT's) that could have been missed by the SP. With current SOF requirements this document is less useful than it once was.

Source Data: RRCR (manual log), scanned and email each morning

Generated by: RRCR cashier staff daily

Actions required: None. This is another tool available to the AML investigators to acquire further details surrounding a specific transaction.

UFT CREATED ALERT

Purpose: All UFT incidents created by the Surveillance will automatically notify the AML unit upon creation.

Source Data: iTrak Incident Module.

Generated by: iTrak Notifications.

Actions required: AML personnel will take note of the UFT notification and action accordingly. All UFTs created will either be substantiated or unsubstantiated by AML Investigators and a STR sent to FINTRAC when required.

Service Provider Alerts

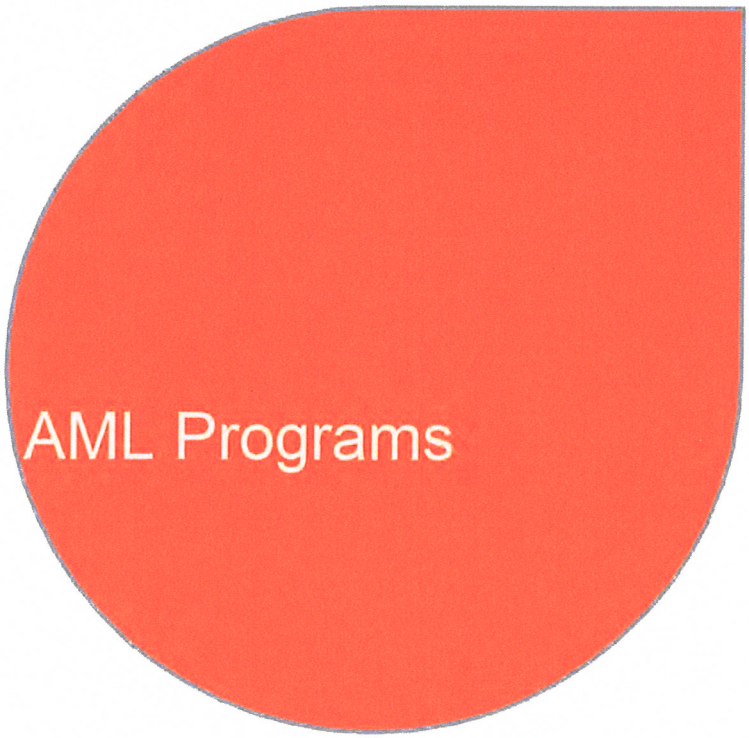
GMS BILL ALERTS

Purpose: Any slot machine receiving a set amount of bills in succession can be considered unusual. Players triggering these limits may be trying to refine small bills into larger bills or playing at a considerably level that requires the attention of surveillance. The limits are set as follows: 25 x $5, 20 x $10, 10 x $50, 10 x $100

Source Data: GMS Bill Acceptors

Generated by: GMS

Actions required: Surveillance personal are alerted to the activity and can conduct real time viewing to determine if further action is required.


AML Programs

BCLC INVESTIGATIONS PROTOCOL FOR EDUCATING, WARNING, SANCTIONING OR BARRING PATRONS

IMPLEMENTED APRIL 16, 2015

When the behaviour, activity or conduct of a patron:
- is considered a risk to his or her safety or the safety of others;
- is considered unacceptable or suspicious in nature;
- is inconsistent with anti-money laundering strategies.

and a decision is made to escalate action to be taken to correct the behaviour, activity or conduct, a BCLC Investigator will make a verbal notification to the Service Provider representative that has been identified to BCLC by the Service Provider as the main Point of Contact for the purposes of this protocol.

Note: If the behaviour, activity or conduct **is**, or possibly is, unlawful in nature, the required notification will be made to the appropriate Law Enforcement agency and this protocol is not applicable.

Note: The Service Provider should identify a main Point of Contact with a designate(s) to allow for the necessary notification to be communicated in a timely manner.

Subsequent to the verbal notification, the BCLC Investigator will follow up with an email notification to the Point of Contact and designate(s).

Course of Action Options

Depending on the circumstances, the following are possible courses of action:

1. Service Provider Session with Patron to Educate is appropriate when:
The patron's behaviour, activity or conduct is not considered **serious** in nature and/ or there is no or limited previous history.

2. Service Provider Session with Patron to Warn
The patron's behaviour, activity or conduct is minor in nature and reasonable efforts have been made to educate, or a session to educate is not appropriate.

3. BCLC Investigator Interview of Patron to Educate
The patron's behaviour, activity or conduct is minor in nature and the Service Provider has had a session(s) to educate the patron or the Service Provider chooses to have the BCLC Investigator have the session to educate the patron or a session to educate by the Service Provider is not appropriate.

4. BCLC Investigator Interview of Patron to Warn
The patron's behaviour, activity or conduct is such that a warning is appropriate for the circumstances and/ or a Service Provider session(s) to educate was unsuccessful and/ or a session(s) to educate by BCLC Investigator was unsuccessful.

5. Immediate barring from gambling pending an interview by a BCLC Investigator
The patron was previously educated and/ or warned on the behaviour, activity or conduct and /or the behaviour, activity or conduct is considered serious in nature.

6. BCLC Sanctions that could possibly be imposed:
- Not permitted to play with un-sourced chips.
- Not permitted to play with un-sourced funds.
- Requirement to open and utilize a Patron Gaming Fund account.

7. BCLC Provincial Barring up to five (5) years
Reasonable efforts have been made to educate the patron and/or a previous warning or warnings did not correct the behaviour, activity or conduct, and/or the circumstances are considered egregious.

Notification by BCLC Investigator to Service Provider

When a BCLC Investigator makes the initial notification to the Service Provider Point of Contact (SP POC) and designate(s) about an identified issue with the behaviour, activity or conduct of a patron, the notification will include:
- a description of the issue with as much detail as possible and appropriate;
- what course of action is considered appropriate by BCLC.

Notwithstanding the above, when the notification is made and when appropriate, a consultative process can be exercised by the SP POC and BCLC Investigator to determine the appropriate course of action.
The BCLC Investigator will share with the SP POC as much information as possible that can be shared without compromising the integrity of the investigation or breach the patron's privacy.

Course of Action

Session with Patron to Educate

When the course of action is to educate the patron, the BCLC Investigator will:
- request that an SP representative (SP Rep.) conduct the session to educate; or
- advise that a BCLC Investigator will conduct the session to educate.

The option is available to the SP POC to choose not to be involved in the process to educate the patron.

By Service Provider

When the course of action is for the patron to be educated by a SP Rep, the session to educate will take place on the next occasion when the patron is on site or as soon as is practicable.
Note: As soon as is practicable is defined as the earliest appropriate opportunity for both the patron and the Service Provider without unreasonable or unjustified delay.
The session to educate will be documented in CRS (iTrak) by the SP Rep. detailing the discussion with the patron and what if any acknowledgement of the issue and commitment to comply was made by the patron.

By BCLC Investigator

When the course of action is for the patron to be educated by a BCLC Investigator, the session to educate will take place as soon as is practicable.
Note: As soon as is practicable is defined as the earliest appropriate opportunity for both the patron and BCLC Investigator.
When the session to educate by the BCLC Investigator is to take place:
- The SP Rep. will be requested to identify an appropriate room that will ensure privacy.
- The SP Rep. will be requested to approach the patron and request attendance to meet with the BCLC Investigator.
- The SP Rep. will not be included in the session unless specifically requested by the BCLC Investigator. However, there may be occasion when a patron requests the presence of a SP Rep. during the session with a BCLC Investigator; in these situations the BCLC Investigator will determine if having a SP Rep. present as an observer is appropriate and or practical.
- If the BCLC Investigator is unable to make arrangements beforehand for an interpreter, if necessary, a request will be made to the SP to assist with providing an interpreter.

The session to educate will be documented in CRS (iTrak) by the BCLC Investigator with details of the discussion with the patron and what if any acknowledgement and commitment to comply was made by the patron.
Note: The CRS (iTrak) may in some cases have restricted access.
In addition to documenting in CRS (iTrak), the BCLC Investigator will provide the SP POC with an email summary.

Repeat a Session to Educate

On each occasion when deciding on a course of action, the circumstances will be assessed on a case by case basis and an available option can be to repeat a session to educate.

Session with Patron to Warn
When the course of action is to warn the patron, the BCLC Investigator will:
- request that a SP Rep. conduct the session to warn; or
- advise that a BCLC Investigator will conduct the session to warn.
The option is available to the SP POC to choose not to be involved in the process to warn the patron.

Service Provider session with patron to warn
When the course of action is for the patron to be warned by a SP Rep, the session to warn will take place on the next occasion when the patron is on site or as soon as is practicable.
Note: As soon as is practicable is defined as the earliest appropriate opportunity for both the patron and the Service Provider without unreasonable or unjustified delay.
A session to warn involves advising the patron that to continue the behaviour, activity or conduct could result in:
- A Service Provider site barring.
- A Service Provider imposed sanction.
- A BCLC Provincial barring up to 5 years.
- A BCLC imposed sanction.
The session to warn will be documented in CRS (iTrak) by the SP Rep. detailing the discussion with the patron and what if any acknowledgement of the issue and commitment to comply was made by the patron.

BCLC Investigator session with patron to warn
When the course of action is for the patron to be warned by a BCLC Investigator, the session to warn will take place as soon as is practicable.
Note: As soon as is practicable is defined as the earliest appropriate opportunity for both the patron and BCLC Investigator.
A session to warn involves advising the patron that to continue the behaviour, activity or conduct could result in:
- A BCLC Provincial barring up to 5 years.
- A BCLC imposed sanction.
When the session to warn by a BCLC Investigator is to take place:
- The SP Rep. will be requested to identify an appropriate room that will ensure privacy.
- The SP Rep. will be requested to approach the patron and request attendance to meet with the BCLC Investigator.
- The SP Rep. will not be included in the session unless specifically requested by the BCLC Investigator. However, there may be occasion when a patron requests the presence of a SP Rep. during the session with a BCLC Investigator; in these situations the BCLC Investigator will determine if having a SP Rep. present as an observer is appropriate and or practical.
- If the BCLC Investigator is unable to make arrangements beforehand for an interpreter, if necessary, a request will be made to the SP to assist with providing an interpreter.
The session to warn will be documented in CRS (iTrak) by the BCLC Investigator with details of the discussion with the patron and what if any acknowledgement and commitment to comply was made by the patron.
In addition to documenting in CRS (iTrak), the BCLC Investigator will provide the SP POC with an email summary.
Note: The CRS (iTrak) may in some cases have restricted access.

Repeat a Session to Warn
On each occasion when deciding on a course of action, the circumstances will be assessed on a case by case basis and an available option can be to repeat a session to warn.

BCLC Investigator Interview

When the behaviour, activity or conduct of a patron is or possibly is identified as an Anti-Money Laundering associated risk and it is necessary to satisfy the requirements of FINTRAC regulations and guidelines, BCLC Corporate Security and Compliance will direct a BCLC Investigator to conduct an interview of the patron.

Patron Interview objectives may be to determine:
- source of funds, and or;
- employment /company, and or;
- other information as needed.

Subsequent to the interview, the following are possible outcomes:
- patron is permitted to continue play
- sanctions / restrictions
- BCLC Provincial barring

BCLC Provincial Barring pending an interview by a BCLC Investigator

When a patron has been previously educated and or warned about behaviour, activity or conduct, and or the behaviour, activity or conduct, is serious or egregious in nature, an assessment will be performed by BCLC Corporate Security and Compliance.

BCLC Corporate Security and Compliance will determine if the patron will receive an immediate BCLC Provincial barring pending an interview by a BCLC Investigator to prevent a recurrence or continuance of the behaviour, activity or conduct in question.

When a patron receives a BCLC Provincial barring pending an interview by a BCLC Investigator, if a BCLC Investigator will possibly not be available to conduct the interview when the patron is in attendance at the site, direction may be given to the Service Provider to allow the patron to gamble if:
- the patron commits to not repeat the behaviour, activity or conduct that resulted in the barring, and;
- the patron must agree to contact the BCLC Investigator as soon as possible; and
- the Service Provider will provide the patron with the name and number of the BCLC Investigator the patron is to contact to schedule an interview.

BCLC Provincial Barring

When a patron has been previously educated and or warned about behaviour, activity or conduct, and or the behaviour, activity or conduct, is serious or egregious in nature, an assessment will be performed by BCLC Corporate Security and Compliance.

BCLC Corporate Security and Compliance will determine:
- if the patron will be categorized as an Undesirable and receive an immediate BCLC Provincial barring of up to five (5) years.
- if a sanction or sanctions will be imposed on the patron.

Sanctions

BCLC Sanctions that could possibly be imposed:
- Not permitted play with un-sourced chips.
- Not permitted play with un-sourced funds.

BCLC AML PROGRAMS – EXTREME RISK PATRON PROGRAM

On February 1st, 2014 amendments were made to the Proceeds of Crime (Money Laundering) and Terrorists Financing Act (PCMLTFA) which directed all reporting sectors including casinos to undertake a more intensive review of their clients and their activities. The new legislative requirements dictate that as part of the risk assessment process reporting entities must document and consider their clients and the business relationship they have with them as well as conduct ongoing monitoring for clients that present a higher risk for money laundering and terrorist financing activities.

For the casino sector the "Business Relationship" applies to any client who has had two or more transactions in the past five years which required ID to be collected for reporting purposes to FINTRAC. It also defined ANY client that has had two or more STR's filed to be automatically categorized as "high risk" and be regularly monitored. In order for BCLC to meet its anti-money laundering obligations, a review was completed of all current and past clients and these patrons were placed in 1 of 4 categories as defined by the PCMLTFA.

The categories identified by BCLC include:

1- Low risk
2- Medium risk
3- High risk
4- Extreme risk

The Extreme Risk program is managed through the AML Unit for investigation and barring purposes. The purpose of the program is to ensure the highest level of public safety for BCLC venues by identifying patrons with extensive criminal records, histories of violence or associations to criminal organizations or gangs and ban these patrons long-term from all BCLC sites. In March 2014, BCLC partnered with local law enforcement agencies and established a protocol for information sharing with regards to high risk subjects that have a propensity for violence, has a history of or is suspected of possession of proceeds of crime or has confirmed gang or organized crime group associations.

This new source of information was provided to BCLC and first cross-referenced to the BCLC database on June 9th, 2014 which allowed BCLC to identify patrons that present a high risk to BCLC that was previously undetected prior to the availability of the Law Enforcement data. The subjects identified as extreme risk have undergone an intense level of scrutiny which included criminal history reviews, open source data reviews and a close examination of their past activities in all BCLC gaming facilities.

As a result of this review and taking into consideration a number of other factors for assessment, BCLC considers these patrons to present an "extreme risk" to BCLC and its gaming service providers.

Once a subject review has been completed and a ban is warranted, the subjects are barred for a period of 5 years with an automatic review 3 months prior to the expiry of the ban. The criteria for a 5-year barring relies on information received from Law Enforcement, criminal record abstracts, media hits, and open source documents available to Investigators. A 5-year barring order may also be applied to patrons who disregard AML directives and engage in activities that preclude BCLC from continuing a business relationship with that patron.

The specific criteria for extreme risk barrings are as follows:

- Subject is associated to or belongs to a known criminal organization (Hell's Angels, UN gang, IS Soldiers, etc)
- Subject has an extensive record which includes a record for violence
- Subject has a charge or conviction for Proceeds of Crime offences

- Subject has a confirmed "Duty to Warn" notice served on them by police. This is essentially police receiving confirmed information that someone has placed a hit on the subject, and police are obligated to advise the person and document same.

An appeal process for subjects who wish to dispute their barring has been developed, and is managed by the BCLC Legal Department. As of November 2017, more than 110 patrons in this program have been barred and have not had an appeal request completed. The AML Unit actively monitors daily media incidents and updated Law Enforcement bulletins to identify potential persons of interest or safety concerns, and conducts reviews as necessary.

As this information is often quite sensitive, it is not released to the public or to the patron if they dispute their barring to ensure we do not compromise any potential active Law Enforcement investigations.

The mere presence of persons identified in this program to attend in or near BCLC sites places all patrons and employees in danger. The high number of targeted gang shootings in the Lower Mainland over the past few years has shown that little regard is given to innocent bystanders when a gang member is intent of killing rival gang members.

From the inception of this program to November 2017 we have documented 13 people that have iTrak profiles, most of which have been the subject of an extreme risk barring, and have been subsequently killed in targeted shootings in BC.

The importance of maintaining a robust barring program is critical to ensure a safe gaming environment for our patrons and employees.

BCLC AML PROGRAMS – PTEP MATCHING PROCESS

RCMP-CFSEU
Provincial Tactical Enforcement Priority (PTEP)

Overview

RCMP-CFSEU provides BCLC with their PTEP roster each year. This roster includes high profile prolific offenders from all over the province who are active in the drug trade, organized crime and/or gangs. BCLC identifies and issues 5-year prohibitions to any individuals who appear on the list that have activity in iTrak. Restricting these people from BCLC facilities helps to improve the integrity of the gaming industry and most importantly, it increases public safety. This check is completed annually with the newest available PTEP list.

Process

1. CFSEU sends PTEP file to the BCLC SFTP site https://sftp.bclc.com:4450/

2. BCLC logs into SFTP and retrieves PTEP file.

3. BCLC extracts all patrons from iTrak and Playnow in a report with First name, Middle name, Last name and DOB. All appearing individually in columns in an Excel spreadsheet.

4. The BCLC list of names is compared to the PTEP list of names to determine matches. This is achieved by creating a comparable *matching word string* and using a VLOOKUP function in Excel.

    a. BCLC *matching word string* is made by concatenating the First name, Last name and the year of birth. Additionally, the last name and the DOB are used as matching strings as a double check. In a separate column titled "matching string" the resulting concatenation is formed using the excel function (=CONCATENATE) with no spaces. To ensure there are no spaces in the data, all spaces are removed from the column by using the CTRL+F function to ensure matching function works accurately.

    b. PTEP *matching word string* is made by concatenating the First name, Last name and the year of birth. Additionally, the last name and the DOB are used as matching strings as a double check. In a separate column titled "matching string" the resulting concatenation is formed using the excel function (=CONCATENATE) with no spaces. To ensure there are no spaces in the data, all spaces are removed from the column by using the CTRL+F function to ensure matching function works accurately.

5. Both lists are placed into one workbook. An additional column is added to the BCLC list titled "PTEP Match". Using the Vertical Lookup function in excel (=VLOOKUP) the Matching Strings can be compared to each other on either list. Results are identified in the column when the result is not "#N/A". Column selection for the "result" message can be configured when the VLOOKUP equation is created; utilizing the *matching word string* is easiest. Once the equation is applied to the entire list. The list can be filtered to identify patrons who will need to be reviewed and issued a 5-year prohibition.

6. eGaming accounts opened after 28-Jun-2017 will also be subjected to PTEP matching. All resulting matches will be reviewed and served with a 5-year prohibition where applicable.

BCLC PROGRAMS – PROCESSING AML RISK BANS

Daily Log:

-Property: Vancouver BCLC
-Location: Corp Sec BCLC Vancouver
-File Type: BCLC File
-Synopsis: **File created for BCLC 5 yr barring- AML Due Diligence.**

Incident:

-Type: Ban
-Specific: Prohibited by BCLC
-Category: AML Due Diligence
-Narrative: File created for 5 yr BCLC barring, **DOE, John**, SID # **XXXXX** , AML Risk.

*Attached subject and set ban as follows:

-ID used
-Type of Ban: BCLC Prohibition
-Reason for Ban: Undesirable
-Ban commencement date:
-Ban end date:

Save incident to get incident number for supplemental report template.

Subject Profile:

YYYY-MMM-DD - BCLC Directive - This patron has now been BCLC barred for 5 years and the documents are in the media file. If subject attends any site please serve a copy of the papers, escort off-site and advise via email: AML@BCLC.com. Subject is barred as an Undesirable effective **Month, DD, YYYY** for 5 years. Patron can contact BCLC Legal Services via email at legalservices@bclc.com if they wish to appeal the barring. BCLC AML Programs.

Distinguishing characteristics: **BCLC - AML Barring**

Complete and add PDF file of ban letter and notice to SID media (word doc, save as PDF).

Incident supplemental report template:

5 year BCLC AML Risk Barring
BCLC File **2018- XXXXX**

Subject:

DOE, John
SID XXXXX

As a result of this review and taking into consideration a number of other factors for assessment, BCLC considers the following patron to present an "extreme risk" to BCLC and its gaming service providers. As such an application for a 5 year BCLC barring from all gaming facilities has been forwarded as follows;

Details for Patron:

As this patron presents a high risk to the integrity of BCLC's AML Programs a 5 year BCLC barring has been approved effective **Month, DD, YYYY**. This 5 year barring will be re-evaluated prior to expiration to determine if the level of risk has changed.

5 yr BCLC barring:

Based on confidential information received and/or our subsequent investigation into the subject's gaming history, criminal associations and activities, **DOE, John** has been deemed to be an Extreme AML risk to BCLC and as such we are severing our business relationship with this individual. The writer is imposing a 5-yr BCLC Ban from all Casinos in BC. This barring will be effective **Month, DD, YYYY** and will expire on **Month, DD, YYYY** at midnight.

YOUR, Name
BCLC AML Programs

BCLC AML PROGRAMS – DOCUMENTING DECEASED PLAYERS

Overview

In the event that a patron who has subject profile in iTrak is identified as deceased, the following procedural documentation is required. Learning that a patron is deceased may occur through a variety of ways. These include:

- Casino redemptions/payments to deceased patrons (PGF, Encore, Abandoned Chips) BCLC Standards: 3-1.3, 6-1.22, 6-1.28 , 6-1.4
- a conversation between a casino employee and an associate of the deceased patron
- information obtained through law enforcement
- a news media report
- an obituary
- any publically available information

The following 3 components shall be entered into iTrak

1. Incident Creation

Create the following incident and briefly document details related to the deceased patron in a supplemental.

Type	Assistance to
Specific	BCLC
Category	Deceased Patron

2. Distinguishing Characteristics Text

In the Distinguishing Characteristics section of the subject profile enter the following standard text:

"Deceased"

3. Comments Text

In the Comments section of the subject profile enter the following standard text:

"YYYY-MMM-DD SITE-Patron is deceased"

BCLC AML PROGRAMS – REASONABLE MEASURES

Due to amendments to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, (PCMLTFA) effective June 17, 2017 a directive was sent to the Service Providers on June 15, 2017 which outlines the requirements for all BC Casinos and Community Gaming Centres to complete enhanced due diligence efforts to determine and document ownership of funds for all cash buy-ins, disbursements, and Forex transactions of $10,000 or more within a static 24 hour period. These records must be retained for a 5 year period from the date the record was created and must be completed BEFORE any transaction of $10,000 or more is completed.

BCLC created a Reasonable Measures form that staff are required to complete prior to each transaction. The original must be retained or electronically scanned and saved into iTrak within the reporting document. The intent of this form is to document the patron's response when asked if the cash is their own or is being produced on behalf of another patron. If the patron refuses to provide a response the Service Provider employee must document the fact that they asked and the player refused to provide a response.

If the patron advises that the cash is on behalf of another patron, it must be determined who that individual is, the relationship between the parties and the transaction treated as a third party transaction. This includes obtaining all the necessary documentation for a third party transaction and scanning ID of the third party BEFORE the transaction can be completed. If the third party is not present or refuses to provide this information the transaction must be refused and an iTrak file created to document why the service provider was unable to identify the third party.

Third party transactions involving corporations or other entities are not permitted under any circumstances.

Where the service provider is unable to determine the relationship between the parties or circumstances give rise to a concern any level of coercion is involved in the transaction, the transaction must be refused and a UFT considered.

An example of reasonable measures for a cash buy-in would be:

1. If a casino is receiving a cash buy-in of $10,000 or more and the employee asks the patron if they are the owners of the cash and they confirm they are, the appropriate responses will be filled in on the Reasonable Measures form and scanned into the media tab of the LCT in iTrak.

2. If a casino is making a disbursement to a patron and the employee asks if the patron is receiving the funds on behalf of a third party and the individual refuses to answer yes or no, the information recorded would be that the employee asked the patron, the date the patron was asked and the fact that the patron refused to answer.

   If a patron refuses to answer the question of who owns the funds, the employee must document the fact that the patron was asked what their response was; however, the transaction may still be completed.

3. If a casino has a patron that has multiple cash buy-ins and is now approaching the $10,000 threshold, the employees should approach the patron and follow current FINTRAC reporting protocols, determine if the cash is their own and include the reasonable measures form. If it is the patron's own cash the employee will fill out the form and scan a copy of the form along with the tracking sheet to the LCT media tab in iTrak.

If a patron indicates that the funds are from a third party but refuses to identify the third party the employee must also record those details but the transaction should be denied and the attempted transaction should be reported to BCLC.

BCLC AML PROGRAMS – SOURCE OF FUNDS DIRECTIVE

Effective January 10th, 2018 all cash and bearer monetary instruments (bank drafts/ certified cheques) of $10,000 or more require a source of funds (SOF) receipt by the patron prior to acceptance for buy-in at all BCLC Gaming Service Provider locations. This receipt is documented on a Source of Funds (SOF) form and scanned into iTrak for all LCT entries.

This process applies to ALL cash and bank draft/ certified cheque buy-ins and PGF deposits of $10,000 or more and also includes incremental table buy-ins when they reach the $10,000 threshold. The reported amount for incremental buy-ins must be reported in full once the amount reaches $10,000. The cash receipt will be required before the patron is allowed to buy-in and will be reviewed daily by the AML Unit.

The required receipt must be an original which aligns with the amount and denominations expected for the buy-in. The receipt is retained by the Service Provider and scanned into the associated iTrak LCT entry for the patron. If the receipt is not from the same day of use, further inquiries need to be made to confirm it is legitimate. An example of this might include cash withdrawn prior to a long weekend by a patron, however, a receipt that is two weeks old would not be reasonable. If Service Provider staff find the circumstances suspicious in any way the buy-in must be refused and documented as an Unusual Financial Transaction incident in iTrak. On all subsequent cash buy-ins of $10,000 or more where the patron does not provide a receipt, an iTrak file must be created for a "refused SOF request" for investigation by the AML Unit.

Where a player is buying-in with cash that was paid out to the player by a casino for casino winnings, the Gaming Service Provider must confirm the player was paid out an amount that is consistent with the buy-in amount and the date of the prior cash-outs. This would include contacting the casino that paid out the disbursement in order to confirm the amount, date and denominations. If the Service Provider is unable to obtain the required information from the casino that paid the patron out, they should contact BCLC for confirmation. In these circumstances, "pay out from casino" shall be indicated in the account number field of the RM/SOF Form including the casino name and the amount received by the patron.

Once completed, the employee documenting the information prints and signs their name at the bottom of the RM/SOF form, along with their GPEB number and the date. The employee signing the form is certifying that the information is complete and accurate.

The RM/SOF form must also be signed by the patron for cash buy-ins of $10,000 or more, including incremental buy-ins at the tables. The transaction that triggers the $10,000 threshold shall not be completed until the RM/SOF form is completed and signed by the patron.

A copy of the completed form is scanned into the media file of the iTrak LCT report along with the related receipts and bank draft (if applicable).

BCLC AML PROGRAMS – REFUSED CASH BUY-IN DIRECTIVE

The purpose of the Refused Cash Buy-In Directive is to establish a protocol to ensure a consistent approach in dealing with patrons that have been denied a cash buy-in by a service provider due to suspicious activity, or lack of receipt supporting the buy-in. It is the expectation of BCLC that when a patron is observed conducting a cash buy-in and suspicious behaviour is observed by staff, that buy-in should be refused and a UFT file should be created in iTrak to document the attempted buy-in.

To ensure the patron does not attend another service provider location and attempt to buy-in with the same cash, (as the staff would likely not have knowledge of the previous suspicious behaviour), a protocol has been established that all service providers shall adhere to. Any cash buy-in which has been refused by any site for suspicious behaviour shall not be accepted for buy-in at any location until authorized by the BCLC AML Unit.

BCLC DIRECTIVE:

- If a patron has been denied a cash buy-in for suspicious behaviour, a UFT file shall be created in iTrak to document the incident including patrons involved, vehicles involved, and nature of the suspicious behaviour. Please ensure the synopsis comments include the phrase "REFUSED CASH BUY-IN" when the file is first created.

- An entry shall be made in the patron profile comment section indicating the refused buy-in, amount, date, time and include the phrase "Refused cash buy-in as per BCLC Directive".

- An email with the file number and synopsis should be emailed to aml@bclc.com

Upon receiving notification of a refused buy-in incident the BCLC AML Unit will conduct an investigation into the circumstances of the file. Any subsequent action to be taken with the patron will be documented in their iTrak profile by the AML Unit.

BCLC AML PROGRAMS – UNUSUAL FINANCIAL TRANSACTION FILE REVIEWS

Overview

To establish a protocol to review all UFT files that are found to be un-substantiated and ensure the incidents do not meet FINTRAC reporting criteria. This will ensure that the application of suspicious indicators is consistent and accurate regardless of which investigator is assigned to the file. This process was put into place to provide an immediate layer of EDD for UFT files that ensures any follow up investigation that might be required can be completed well within the 30-day reporting requirement for Fintrac.

Process

When surveillance operators observe or are apprised of any suspicious activities related to AML, they create an Unusual Financial Transaction (UFT) file in iTrak which alerts Investigators that the file needs to be investigated further by BCLC. The creation of the UFT file also sends a real-time alert to the AML Unit by email which allows immediate action to be taken if required.

The UFT files are then investigated by the AML Investigators which includes video review, history of the patron and any other circumstances deemed relevant by the Investigator. If, upon completion of the file investigation, the details found are deemed "not suspicious" and do not meet the criteria for Fintrac reporting, the file is concluded by the Investigator and labelled "Un-substantiated" in iTrak.

If the incident is found to be suspicious, the file will be labelled as "Substantiated" in iTrak, and a STR (Suspicious Transaction Report) report will be completed and filed in iTrak for submission to FINTRAC.

Once the file is concluded, another real-time alert is triggered which notifies the AML Manager of the findings. All files are then reviewed by the AML Manager and if the re-classification is warranted, a supplement will be added to the file to conclude it. If the file is found to require further investigation it will be returned to the investigator for follow up as required.

Example of Unusual Financial Transaction Email Alert

This alert identifying that an unusual financial transaction has occurred at the site is triggered immediately at time of the buy-in. Once the alert is received by the AML Unit, the Investigator will probe into the incident to determine if it is substantiated for an STR filing, or unsubstantiated.

-----Original Message-----
From: iTrakReports@bclc.com [mailto:iTrakReports@bclc.com]
Sent: October-05-17 10:11 PM
Subject: Unusual Financial Transaction

Unusual Financial Transaction

Property: River Rock (GCC)

Incident File # Redacted – FINTRAC/RCMP
Date: Oct 05 2017 10:00:47 PM
Created by: bcastil

File details: Redacted – FINTRAC/RCMP
Created by: bcastil 10/5/2017 22:10:18 Modified by:

Once the file has been reviewed, by the AML Investigator, they will create a supplemental entry into the UFT Incident in iTrak, using either of the following templates (effective October 1, 2018).

Unsubstantiated

The individual and associates of the individual who conducted the transaction(s) have no adverse media, court records or are a subject of request by a Law Enforcement agency.

Additional rationale includes:

-No receipt was presented at the time of transaction (patron was not asked to source the funds)
-Patron may be unaware of requirement to source funds via receipts.
-Buy-in(s) reasonably linked to a casino disbursement within the same site or Service Provider
-Buy-in(s) reasonably linked to another service provider's casino disbursement
-Established/known business relationship
-Lack of established history in BC Casinos makes it premature to assume the money could be of questionable sources or related to money laundering
-Checked associates, past incidents, Large Cash Transaction (LCT), Open Source Intelligence (OSINT) etc where applicable
-Amounts involved in line with or less than past buy in amounts
-Amounts involved could reasonably be obtained via ATM/bank account withdrawal
-Patron was seen on review withdrawing money from an ATM or cage transaction (debit, credit)
-Lack notable industry indicators
-No prior substantiated Unusual Financial Transaction (UFT) incidents on file
-No direct involvement in substantiated UFT incidents on file
-Funds were sourced via financial institution receipts
-No irregularities were noted in patrons play, was putting reasonable amounts at risk relative to the buy in amount(s)
-Confirmed Source Of Wealth (SOW) via OSINT report:
    -Confirming occupation/company.
    -Confirming residential ownership.
    -Any other wealth indicators contained within the OSINT.
-Patron is currently on full sourced cash/chip conditions that require receipts for all buy ins regardless of amount.
-Funds originated via a monetary instrument from a recognized financial institution.
-Patrons occupation may reasonably source wealth when considering amounts involved, frequency of play etc.
-Patrons occupation may reasonably source a certain amount of cash.
-Funds sourced to a sourced "E-transaction" (debit, credit card).
-Patron arrived at the casino with the funds used on his/her person.
-Chips presented by patron were sourced to previous play/winnings or chips were an insignificant amount such that the site is unable to track.

SUMMARY:

[INVESTIGATOR NAME]
BCLC AML Investigations

Substantiated (entered into iTrak and reported to FINTRAC via STR)

The British Columbia Lottery Corporation is responsible for the conduct and management of Casino gaming in the Province of British Columbia. This report of a Suspicious Financial Transaction occurred at Insert Casino Property Here located at Address, City, Province, Postal Code. [Insert Casino Property Here] is a Service Provider Name (IE Gateway, GCGC etc) property who are the service provider that carry out the day to day operations of this Casino.

RATIONALE (pick all that apply):

-Vehicle involved cash delivery to individual conducting transaction or 3rd party to the individual conducting the transaction
-Client observed making phone calls(s), departs the casino and returns a short time later with unsourced cash.
-Cash/chips passed to individual conducting transaction by other player
-The individuals occupation does not aid in sourcing funds or wealth
-The individual was gambling with casino value chips that could not be sourced to past play
-Source of funds not confirmed
-History of small denomination/large buy-ins
-Known associates who are deemed suspicious by the gaming facilities
-Two or more cash transactions totaling less than $10,000 each just outside of 24 hours apart, seemingly to avoid the 24-hour rule, LCT or SOF requirements.
-Appears to be structuring amounts to avoid record keeping, client identification or reporting thresholds
-Access to large amounts of cash after banking hours on short notice
-Known criminal history or criminal associates
-Suspected of being involved in illegal activity based on information from a reliable source (including media or other open sources)
-Purchase of chips and departing the casino with minimal or no play or cashing out for larger denominations.
-Appears to be collaborating with others to avoid record keeping, client identification or reporting thresholds
-Feeds slot machines with money, cashing out with minimal or no play and asking for a cheque or large bills
-Conducts cash transactions that are not in keeping with his/her regular gaming routine
-Attempts to deposit/withdrawal a 3rd party instrument to/from a casino Player Gaming Fund account
-Received recent disbursement paid in large denominations then returned soon after with small denomination bills.
-Lack of business relationship (little is known of the player)
-Inconsistencies in information provided by the patron
-Occupation provided does not seem to align with level of play or may not be accurate
-Patron is on full sourced cash/chip conditions due to concerns surrounding SOF
-Patron has a history of being involved in suspicious transactions in BC Casinos
-Large volume of small denomination bills not typically disbursed by a bank or ATM.
-The denominations presented, together with the way the funds were packaged, rasies questions as to where the money was obtained.
-The conductor of the transaction has been the subject of a production order or request from law enforcement whereby it was disclosed they are conducting an investigation into loan sharking or a money laundering offence or other charges that bring to question the source of funds.

The person(s) involved in this incident are as follows:

Name (m/f)
DOB:
ID Type/number
BCLC SID:
Occupation/Company name:
Street address
City, Province
Postal Code:
Tel #(s):
Vehicle(s):

Summary:

Put a brief synopsis of the incident here.
*If combining 2 incidents into one report reference both file numbers here.

Related LCTR 20XX-XXXXX has been linked to this incident as an attached record.

Or...

There is no LCT in relation to the transaction being reported here.

On YYYY-MMM-DD details reported by the casino, footage and related casino records were reviewed and support what has been documented in this report.

Incident details (all times are approximate):

Place specifics of incident being reviewed here (chronological time line of events).

Conclusion/Action taken:

Based on the indicators detailed within this report, this incident is being reported to FinTRAC and forwarded to BCLC AML Assistant Andrea NICHOLLS for transfer to secure file share.

Any action taken can be detailed here (OSINT requests, conditions applied, ban recommendations, ongoing monitoring etc).

All persons named in this file will continue to be monitored when attending BC Casinos with reports generated and escalated as required.

B.C. Lottery Corporation file number(s) 20XX-XXXXX refers.

NAME, Here
BCLC – AML Investigations

BCLC AML PROGRAMS - DAILY FINTRAC ERROR REPORTS – AML INVESTIGATIONS ROLE

AML Investigators receive a Daily FINTRAC Report Summary auto generated and sent via email every day at 0730hrs.

The report provides the following information:

-Total number of reports waiting for response
-Overdue/Unprocessed Reports
-Error (LCT) Reports
-STR Incidents – Follow Up Required
-STR Incidents – Closed Un-submitted

*Often Investigators will perform a manual search of iTrak (LCT's and 'Substantiated" UFT's/STR's) to check for and correct error reports before the daily email comes out (error reports are listed in RED in iTrak).

AML Investigations action taken for each:

Total number of reports waiting for response:
-When a larger than average amount of reports are waiting for response it is nearly always an IT issue relating to the communication between BCLC servers and FINTRAC servers (batch files get hung up, specific reasons unknown to investigators but BCLC IT corrects it the same day, usually within hours).

Overdue/Unprocessed Reports:
-Investigators query the listed reports in iTrak/FINTRAC module to determine why they are being submitted late.
-Check for notes in the Entry "Notes tab" explaining the reason for the late report.
-Cross check for iTrak incident and ensure this number is also present in the Entry notes.
-Investigators will either add notes to clarify or send back to the site to correct/clarify.

Error (LCT) Reports:
Common errors corrected:
-Foreign address with "N/A" typed in the SID profile postal code area (should be left blank).
    -Investigator would remove "N/A" from the SID profile, reattach SID to FRN then re-expose FRN to be submitted on the next cycle.
-Too much info in ID number field.
    -Occasionally the site puts too much info in the ID number field of the SID profile (IE BCDL 1234567). The addition of the letters BCDL would cause an error in the ID number provided. Investigators would edit the SID/ID profile and removed the erroneous information from the ID number field. Sometimes extra spaces need to be removed as well.
-Reason/Method totals not matching.
    -Occasionally when disbursement reason and methods are entered by the site the amounts do not equal (data entry error). Investigators re-open the FRN, verify the attached tracking for the correct amount(s) and make the corrections.
-Zero dollar transaction amounts ("Schema error").
    -The XML Schema error typically occurs when a zero dollar amount is entered by the casino (rather than removing the transaction it is left). This usually causes an entire batch to return with errors (one record affects the batch).
-Expired ID used rather than current.
    -Investigators edit and attached more up to date ID.
-Wrong country code chosen by site when creating SID profile.
-3rd party disbursement transaction error with 3rd party individual's relationship.
    -Investigators locate the 3rd party transaction in question and ensure the 3rd party persons profile is complete with all required fields then resubmitted.

Often fixing LCT's requires the involvement of BCLC IT and site cash staff. When records cannot be corrected they are deleted by BCLC IT and rebuilt by either AML Investigators or with the assistance of site cage staff.

STR Incidents – Follow Up Required:

-Nearly all STR/Custom form errors are minor data entry errors by the user and are caught promptly by investigators. Investigators regularly search UFT – Substantiated incidents for accuracy and timeliness. Some examples as follows:

-Missing a checkbox somewhere on the form.
-STR Custom Form conflicting with Section 86 custom form.
-Typo in one of the free text fields (IE: Country: Surrey).
-Custom Form causes error when a dollar sign ($) is put in front of the transaction amount.

STR Incidents – Closed Un-submitted:

-This happens when someone from site surveillance closed an UFT that has been substantiated (custom form attached) by an investigator before the system can pick it up to submit to FINTRAC.

-Investigators simply change the incident status to "open" to allow it to be picked up by the software. Repeat offenders (sites) will be sent a reminder to leave these files open.

BCLC AML PROGRAMS – CONVENIENCE CHEQUE REPORT REVIEW

The Convenience Cheque Report is an automated daily report generated for the AML Unit to review transactions to identify patrons, amounts, number of cheques being distributed, confirmation of play, which sites they are receiving cheques from, where they have played etc. Any anomalies are reviewed by the AML Unit as follow up. Example is shown below.

Convenience Cheque Report

Report executed on: 10/6/2017 7:00:17 AM

SID	First Name	Middle Name	Last Name	Property	Transaction Date	Method	Cheque Type Issued	Amount

Redacted – FINTRAC/RCMP

BCLC AML PROGRAMS – DETERMINING PATRONS' SOURCE OF FUNDS (FOR SERVICE PROVIDERS)

A Source of Funds Declaration directive to Service Providers was released on December 18, 2017 stating that all cash and bearer monetary instruments (bank drafts/ certified cheques) of $10,000 or more will require a source of funds declaration by the patron prior to acceptance for buy-in at all BCLC Gaming Service Provider locations. This declaration will be documented by Service Provider employees on the new Reasonable Measures form and shall be scanned into iTrak for all LCT entries.

This change followed an interim report to the Attorney General's office from the Peter German review conducted in early 2018. This process applies to ALL cash and bank draft/ certified cheque buy-ins for $10,000 or more. This also includes incremental table buy-ins when patrons reach the $10,000 threshold. The reported amount for incremental buy-ins must be reported in full once the amount reaches $10,000. This information will be required before the patron is allowed to buy-in and is reviewed daily by the AML Unit.

Upon review, if the patron is unable to provide sufficient details to ensure the funds are not of a suspicious or illegal nature, that patron will be restricted by BCLC to sourced cash conditions for all further buy-ins. These conditions will be noted on the player profile and will require receipts to be scanned onto the LCT document in every instance.

The Reasonable Measures form was updated in early 2018 to contain the RM questions and the Source of Funds Declaration on one page (see Appendix B, page 14). If the patron does not provide the information as requested or provides information that is clearly suspicious, the buy-in must be refused. An iTrak file for an unusual financial transaction must be created for a "refused SOF request" for investigation by the AML unit.

When asking the patron the SOF questions, vague or generic answers are not acceptable. For example if the patron advises the funds are from his safe at home, that does not answer where the funds originated. Service Providers must establish the origin of the funds and document as much detail as possible on the declaration form. Where a player is buying-in with cash that was paid out to the player by a casino, the Service Provider must confirm the player was paid out an amount or amounts that are consistent with the buy-in amount and the date of the prior cash-outs. In these circumstances "pay out from casino" shall be indicated in the account number field.

Once completed, the name of the employee obtaining the information is documented on the bottom of the form, along with their GPEB number and the date. The employee obtaining the information is required to certify that the information was collected directly from, and verified by, the player as being true and accurate.

Sourced funds includes:

- A bank draft, EFT or Casino Cheque (as defined under policy)
- Cash drawn from an accredited Financial Institution or accredited Money Services Business (MSB).
- Cash drawn at the facility using Global Cash, Debit at Cage, ATM
- Cash verified as from a recent sourced Casino Disbursement
- Chips verified as from a recent sourced Casino Disbursement (chips are sourced to recent play in the casino)

To be sourced, any cash must be accompanied by a valid receipt showing the funds were drawn within 2 Business days of the attempted Casino buy-in. In the case of a player buying in and claiming the funds are from a previous casino disbursement, the facility must be able to demonstrate that the cash was from a previous verified win or sourced buy in, prior to acceptance. As a general rule because sites do not have visibility into play at other sites, only disbursements that have occurred within 2 Business days should be accepted without BCLC approval.While an SOF interview could be for any dollar value it is not required for patrons who have withdrawn cash from the site, including global cash, debit card or ATM.

BCLC AML PROGRAMS – WATCH AND FLAG PROGRAMS

The Watch flag was created to establish a protocol to flag High Risk Patrons (HRP) for Service Provider surveillance units and ensure effective monitoring and application of directives is applied consistently across all BCLC sites. The "WATCH" flag is also used for non-AML files to identify persons of interest for ongoing investigations.

This program helps to identify persons of interest or patrons that need to be identified, and can be applied to iTrak Subject Profiles by Service Provider surveillance staff or BCLC Investigators. In 2009 the Watch flag was expanded to include all High Risk Patrons identified through the enhanced due diligence process for FINTRAC compliance. All HRP patrons now have the Watch flag added to their profiles (orange banner on profile picture) and have " High Risk Patron- BCLC" noted in the distinguishing characteristics field of their player profile front page.

The "Distinguishing Characteristics" (DC) box in the general tab of iTrak player profiles is where ALL BCLC directives are noted to indicate the player has active playing conditions. SP surveillance staff have been trained to identify player conditions through this field and can obtain specific details of those conditions in the player "Comments" field. The current programs documented in this tab include;

- BCLC - Sourced cash/chip conditions
- Source of Funds Request- BCLC

- Source of Wealth Request- BCLC
- BCLC - High Risk Patron
- BCLC - Foreign/Domestic PEP
- Barred Province-wide pending AML interview- BCLC
- BCLC- Public Safety barring
- BCLC – SOR (Subject of Request for information from police (JIGIT/CFSEU/RCMP))

As Service Provider staff cannot view files in iTrak from competitor sites but do have access to all player profiles, the DC box is critical for surveillance staff to identify players of interest and ensure playing conditions are being upheld.

In order to achieve a consistent application of programs across the Province and ensure imposed conditions on players are applied and players are monitored appropriately, the Watch and Flag programs are critical to BCLC EDD programs.

BCLC AML PROGRAMS – HRP PROCESS FOR INVESTIGATORS

Updated October 2018

HRP Enhanced Due Diligence Process – Fall 2018

Create iTrak file- Open a BCLC file for each subject using the following:

- Create file in daily log
- Property: BCLC Vancouver
- Location: Corp Security
- Topic: BCLC File
- Synopsis: HRP EDD Review Jan-Oct 2018
- Create file
- Type: Assistance to

- Specific: BCLC
- Category: High Profile Patron
- Narrative: HRP EDD Review- PATRON NAME AND SID#

Add player to file as participant

Add yourself as documenter

Add EDD review when completed into a file supplement

Process for your patron list

For this review we are including the period from January 1st to October 31, 2018 inclusive. You will find that there are more areas to cover than in previous EDD reviews and it is important that all questions are answered within your supplement. This will include a review of materials found in the OSINT report if the patron has one on file. Please do not copy and paste materials from the OSINT file into your supplement. You can summarize any materials required to support your review for source of wealth information for your patron.

Points to focus on include BCLC history of the patron, level of play vs occupation and/or wealth, deviations in playing level, links to patrons on Watch, Bans, or BCLC Conditions, and any areas where you feel more information is required.

Follow up with AML (if required)

One of the key points in this process is the conclusion and follow up to your review. If you believe there has been a significant change in the patron's gaming during this period or there is insufficient information known to properly assess their source of wealth or funds, the file must be escalated to the AML unit for further action. A notation should be made at the end of the review form for patrons that are being escalated to AML which includes an email to aml@bclc.com to outline your concerns.

Significant change may involve patrons that have suspicious activity based on cash passes, high unexplained spikes in play, or suspicious associations with banned players. It may also include patrons that have multiple STR's based on minor breaches for receipting and under 10K buy-ins (structuring) playing at a level that is not supported by their occupation. If you are in doubt for any patron on your list, err on the side of caution and escalate to the AML unit.

Timeline

Investigators are to complete their reviews as soon as possible and notify AML Investigator Sheila Bondesen when completed. We are looking to complete on this within 2 weeks but if you have problems due to workload with your regular duties, please let me know and we will provide assistance to get this finished.

Once we have completed this round we will be conducting a review of the process prior to the next round in January 2019 to ensure we resolve any identified issues found during this process.

Thanks you for your assistance in this process and I am confident everyone involved will take away a better understanding of the AML EDD program when we are finished.

EDD Questions Template

1. Surname, Given Names (m/f) SID.

2. Is the patron the subject of a VSE, site or BCLC barring? If yes, provide the type and expiry date. What was the patron barred/banned for?

3. Is the patron on any BCLC imposed gaming conditions?

4. Has the patron been interviewed by BCLC's AML Unit in the past year?

5. Reviewing all UFTs for the last 18 months, has the patron utilized the services of any cash facilitators?

   If yes, list the known/suspected cash facilitators by SID number and name.

6. Does this patron have any known association to other patrons in BCLC's Casino Reporting System (iTrak) that are persons of interest (POI)/ banned or flagged for association to criminal activity?

7. How many STRs did this patron have from the previous 12 months? Does the volume of STRs in relation to their play warrant further escalation/action? If yes, what is the action?

8. Is there an OSINT report? , if no, request from AML Intelligence unit.

9. Review SOF/SOW & OSINT to confirm patron's level of play. Is SOW confirmed through OSINT report? If yes, describe, if no, request from Intelligence unit.

10. Does the patron's SOW relate to their level of gaming play and/or occupation? If yes, state findings, if no, escalate to AML unit for further review.

11. Does the patron's occupation/company/business require updating? Yes/No

12. Does the patron have an active PGF account? If yes, provide casino location and account number for each.

13. What is the main gaming product this patron uses? Tables/Slots

14. Does the patron have a home address inside/outside of Canada?
    If yes, list both addresses (second address in traits section).

15. Does the patron come from or reside in a sanctioned country that is flagged by the FATF (Financial Action Task Force) for money laundering or Terrorist Financing? Yes/No

16. Are there any substantial changes in the patron's gaming activities that require escalation to the AML Unit? Yes/No
    (If yes, provide brief comments and mention that the AML Team was requested via email to conduct further analysis).

17. Based on your review on the patron's recent gaming activity, does this patron require further review by/escalation to the AML Unit?

Investigator Name:

Date Reviewed:

Who was this escalated to via email? (Date/Time/Person)

BCLC AML PROGRAMS – PROTOCOL FOR CONDITIONS AND INTERVIEWS

As part of BCLC's AML Program, BCLC may at times place certain conditions or requirements on patrons. All decisions must be evidence based and consistent with BCLC's AML risk based approach. These actions may be related to a unique event, or as a result of monitoring business relationships, and should be consistent with "Know Your Customer" (KYC) and "Customer Due Diligence Program"(CDD) expectations as per the FINTRAC guidelines and the Proceeds of Crime Money Laundering and Terrorist Financing Act (PCMLTFA).

When BCLC receives credible information regarding a patron or a particular source of funds that BCLC deem to be of high risk then BCLC will IMMEDIATELY act on that information including placing conditions on play. Decisions on AML related conditions will be made by either, the BCLC Director, AML & Operational Analysis or the BCLC Director of Compliance & Investigations or designates.

Additional Suspicious Indicators warranting Conditions and/or interview.
Behaviour, activity or conduct of a patron identified as an Anti-Money Laundering associated risk includes the following suspicious indicators:

- Patron buys in predominately in cash particularly using small bills
- Patron's occupation is not consistent with buy in's, either the amount or type of buy in
- Patron refuses to provide information regarding occupation or employer
- Patron receives cash deliveries or cash exchanges
- Patron buys chips using cash and leaves the facility with no or little play
- Patron attends Casino with large amount of un-sourced chips.
- Patron is involved in chip passing consistent with a commercial nature
- BCLC receives information from an outside agency, including Law Enforcement pertaining to suspicious behavior involving the patron

In these circumstances interviews will be conducted by BCLC Investigators as per Page 7 of **The BCLC Investigations Protocol for Educating, Warning, Sanctioning or Barring Patrons** (dated April 16, 2015) which specifies the following:
"When the behaviour, activity or conduct of a patron is, or possibly is, identified as an Anti-Money Laundering associated risk and it is necessary to satisfy the requirements of FINTRAC regulations and guidelines, BCLC Corporate Security and Compliance will direct a BCLC Investigator to conduct an interview of the patron.
Patron Interview objectives may be to determine:
- source of funds, and or;
- employment /company, and or;
- other information as needed.
Subsequent to the interview, the following are possible outcomes:
- patron is permitted to continue play
- conditions/ restrictions are placed on the patron
- BCLC Provincial barring"

Conditions that may be implemented against the patron prior to, or subsequent to an interview are as follows:

- Not permitted to play with un-sourced chips.
- Not permitted to play with un-sourced funds.
- No chip passing of a suspicious nature (commerciality)
- No play utilizing a third party to make bets
- Outright ban

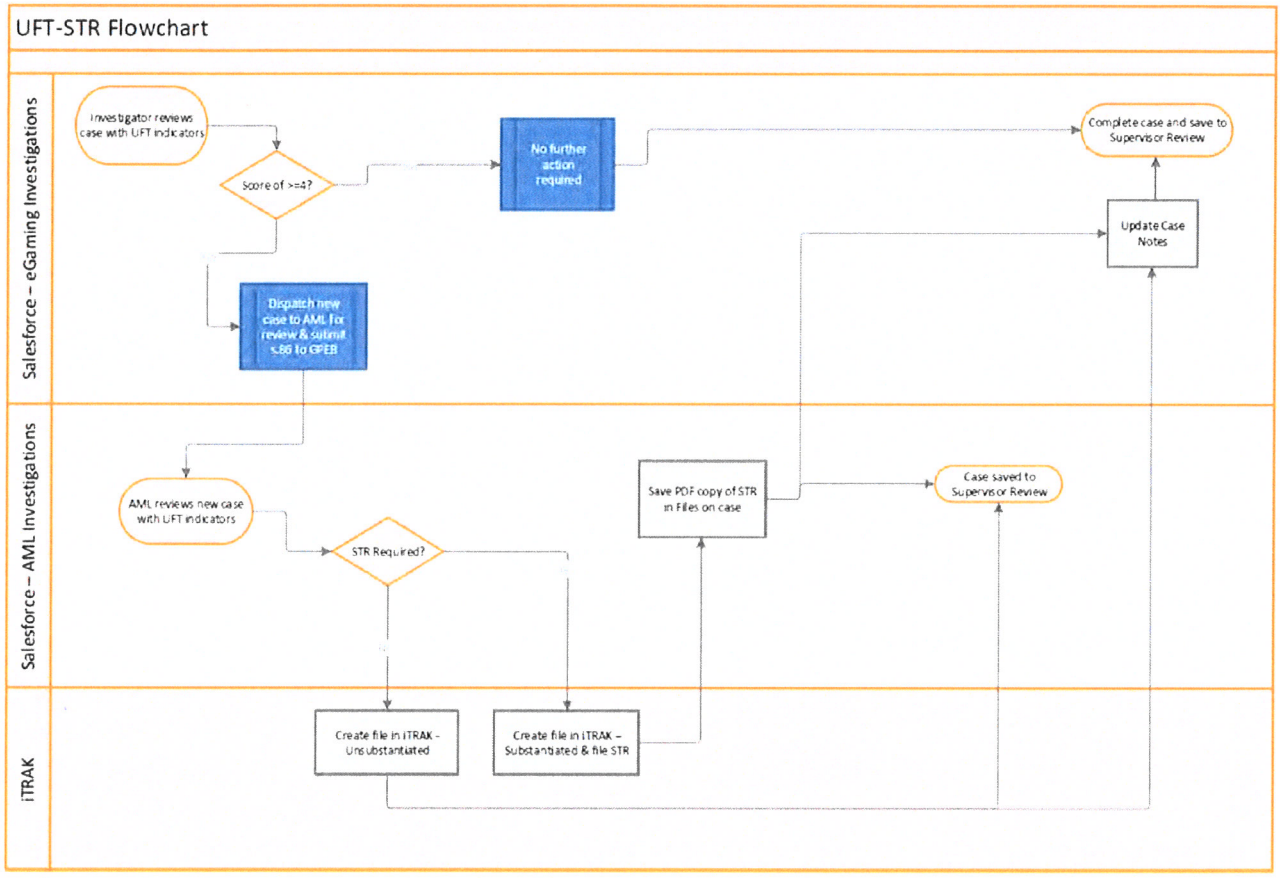
Once conditions are placed against the patron, the SP will be notified, and the patron will be monitored on a regular basis by BCLC Investigations and the BCLC AML Unit. The BCLC AML Unit will maintain a master file containing all actions taken and date of action taken.
If the patron attempts to circumvent the conditions placed against them, a BCLC Provincial Barring will be considered at that time. If a patron refuses to be interviewed conditions will remain indefinitely.
The patron will be advised of this process, including future expectations, through the interview with the designated BCLC Investigator.
BCLC Director of Compliance & Investigations and Director of AML & Operational Analysis, or designates will review the patrons behavior at their discretion (or after a minimum of six (6) months) to determine if/when any of the conditions can be removed or should remain in place.

As per BCLC Director AML & Operational Analysis letter to Service Providers dated September 11, 2015

"When there are reasonable grounds to believe players are willingly associated with criminality they will be banned outright. When there are reasonable grounds to believe players may be un-wittingly associated with criminality, they will be banned from buying in with any un-sourced financial instrument until the source of that instrument can be reasonably confirmed as legitimate."

BCLC AML PROGRAMS - SALESFORCE E-GAMING UFT PROCESS

*There is a folder in the AML Drive called eGaming. Everything is saved in the UFT-STR Documentation folder here (including this document, the eGaming indicator list, instructions eGaming investigators were given and the flow chart).

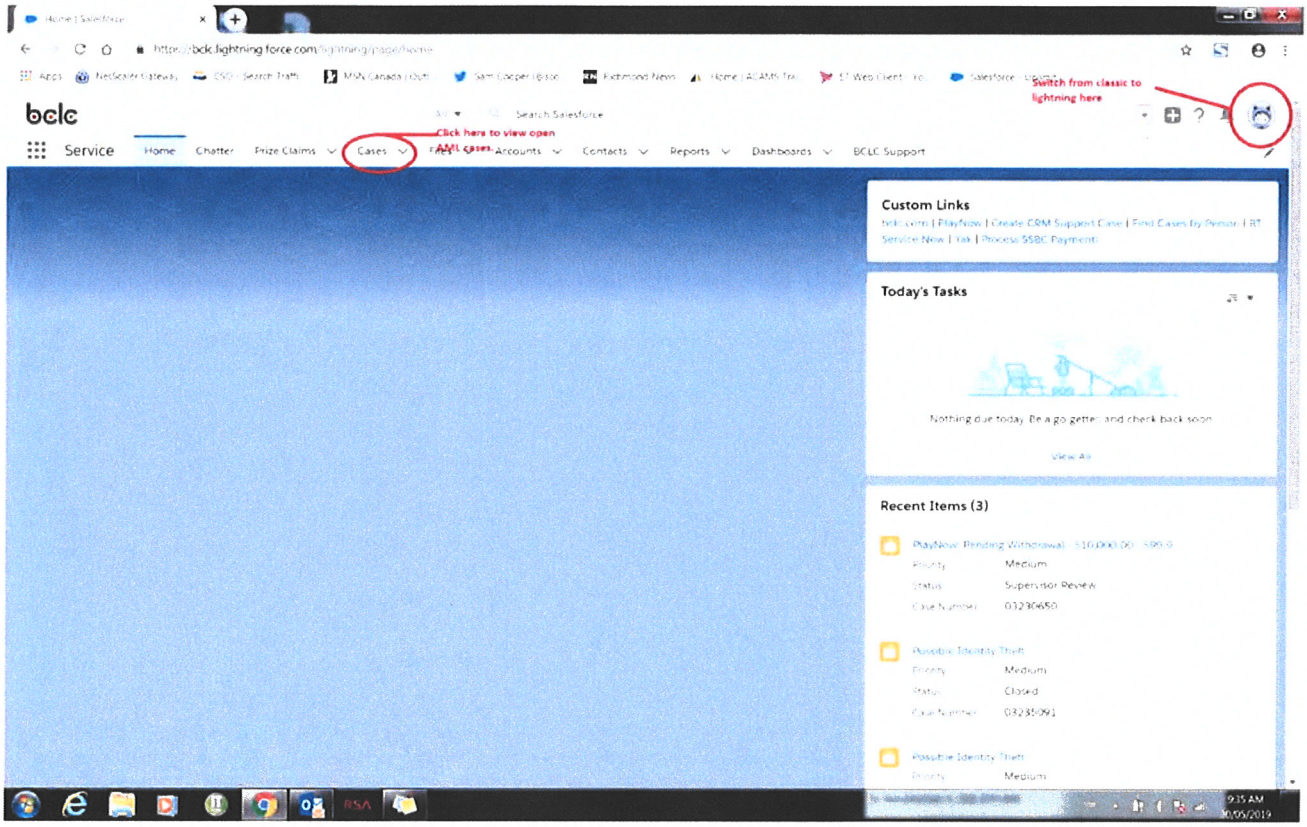


A Salesforce email notification will be sent to the AML group with subject line that looks like this:
BCLC eGaming Investigations - Case # 03235091 ref:_00D80bj6y._5002BnUZN:ref
It will be distinguishable from other cases as the subject line will have eGaming in it.
The case number is our case that the eGaming investigator created as a related to their primary file. We do not modify anything on the Parent case, only review (copy and paste) the details.

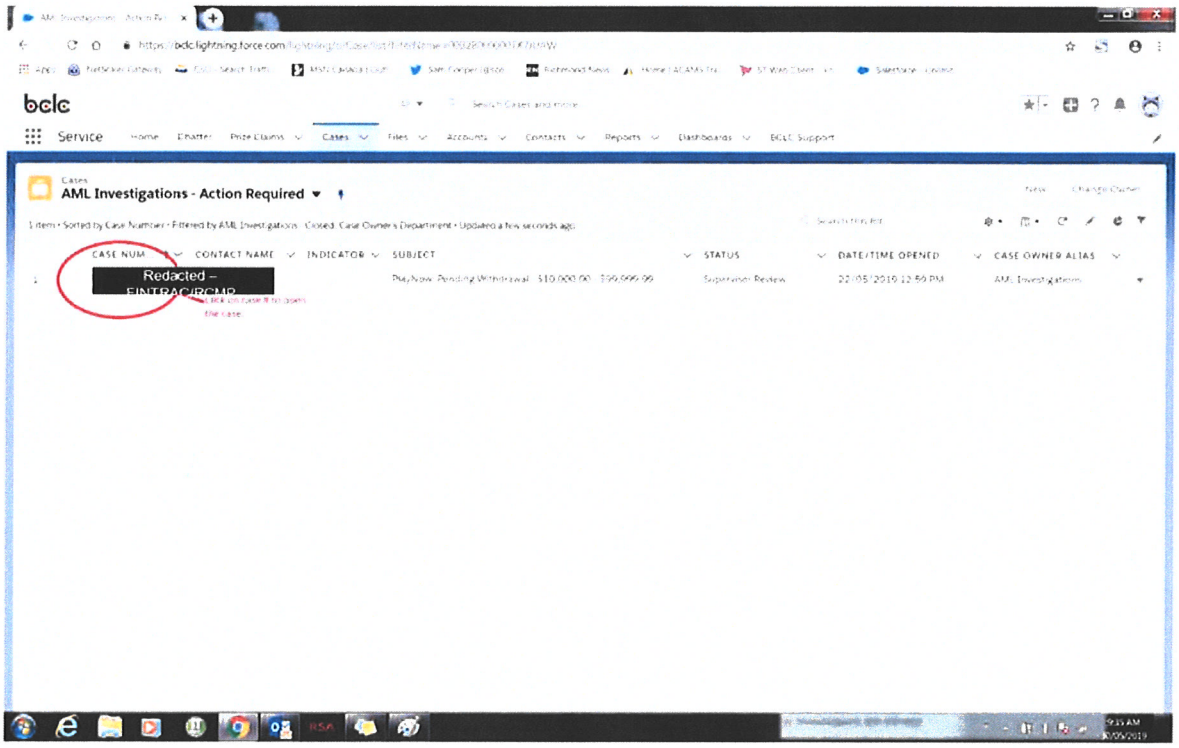
To view the case either search the case number from the email notification in SF or simply log into SF and go to the cases tab, it should default to AML Investigations – Action required. Anything that is not closed or concluded (including ones sent for supervisor review) will remain here until closed off.
*Also note that the eGaming investigators cannot close off their "parent case" until the related case(s) are settled or closed.

Here's some screen shots of how to navigate through SF (Using the latest "Lightning" version).

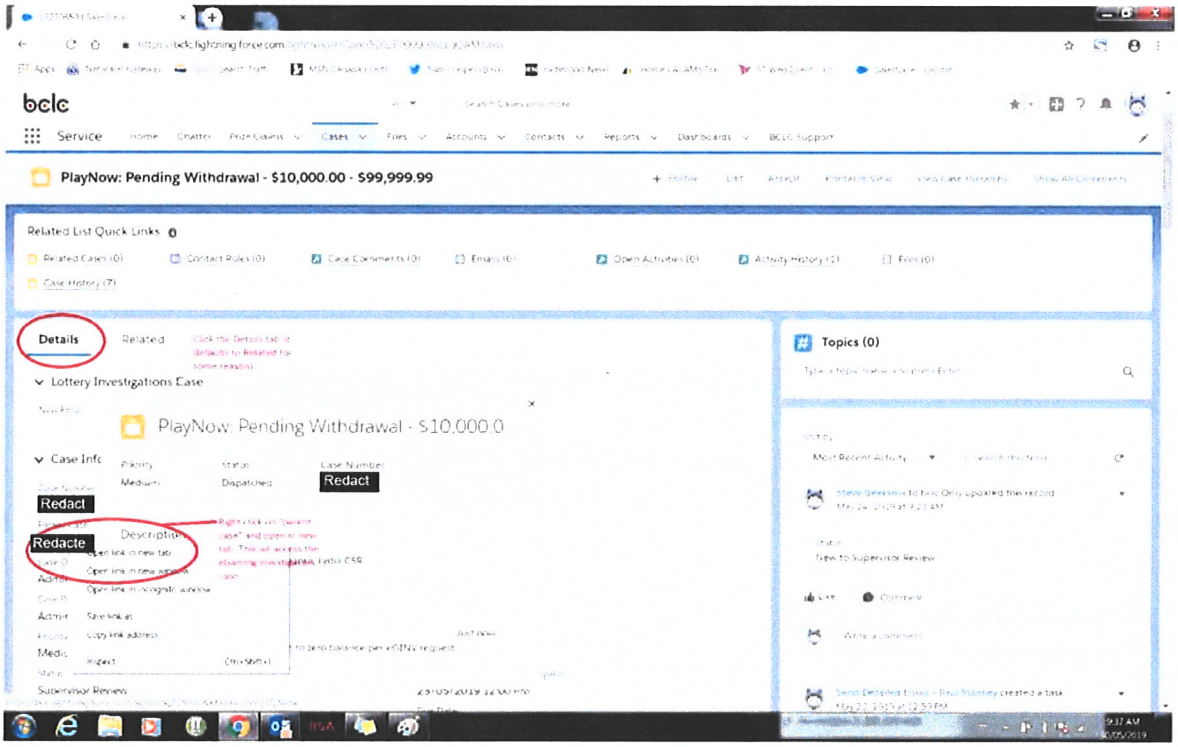
Home screen:



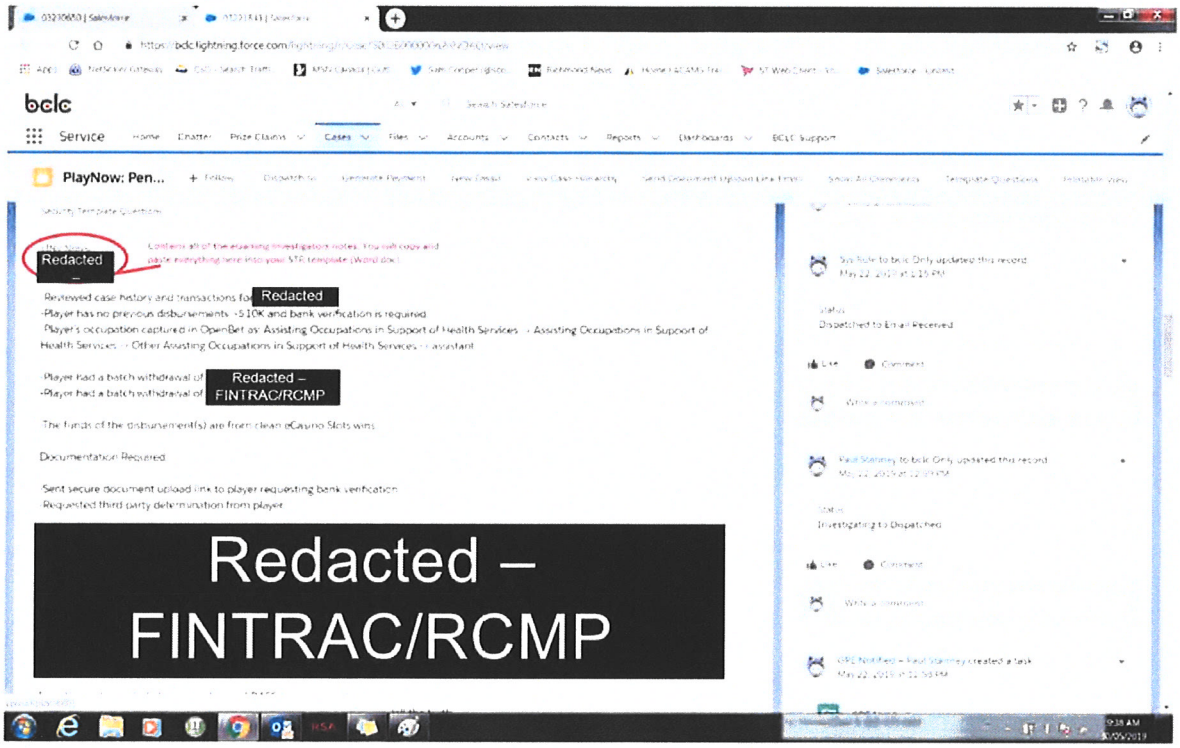
Cases screen (all open AML case will be listed here):



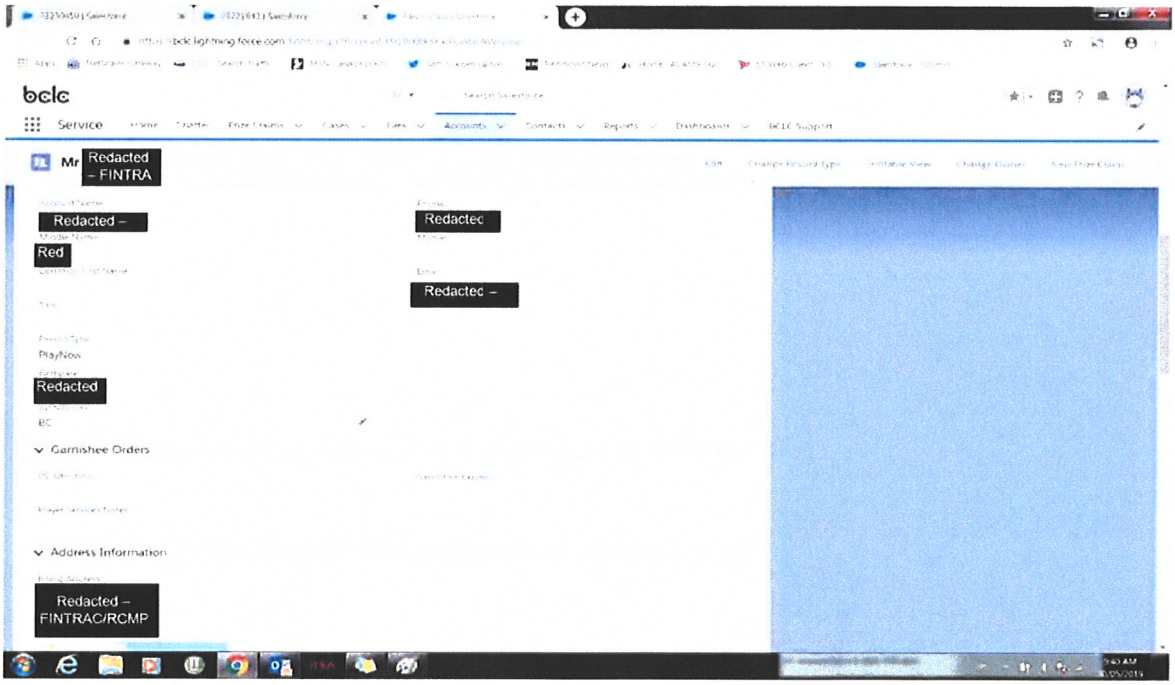
Case view, opening Parent case:



Parent case (eGaming investigator file). Scroll down to LINV Notes:



From the eGaming investigator parent case you will also find the account holders information for filling out your STR Word doc/Custom form/creating SID profile if applicable (right click on the highlighted name, open in new tab):



Preparing the STR

Until directed otherwise; if any UFT is forwarded to the AML Unit meeting the score of 4 or more that has some element or suspicion of criminality we will be (in most cases) submitting the STR (this includes fraud, ID theft etc).

Here's the eGaming UFT scoring/rationale (this could change or be modified in the future, similar to the casino ones):

LEGEND - Score of 4 or more = escalate to AML Investigations for review

GREEN = 4

RED = 3

YELLOW = 2

BLUE = 1

- BCLC receives information from a reputable source (i.e. law enforcement, financial institution, etc.) that the client or client's account is involved in unlawful activity

- Client places large volume of wagers with deposited funds, participates in limited online gambling activity with the intention of creating a perception of significant gambling and then requests an electronic funds
- Client uses multiple online (banking) accounts to deposit funds and requests funds to the same or different
- Common credit card used by multiple online clients for deposits [redacted] of a third party;

- Client uses various deposit methods and amounts and disbursement amounts in an attempt to test system
- Player makes deposit when they do not need to [redacted] reporting thresholds;

- Client registers an online account in another's name or presents stolen identification to verify an online
- Client unable to provide a reasonable explanation for other indicators at registration;

I recommend working off a Word doc, saved to your thumb drive, on the Connex side (most of the work will be done here).
The eGaming investigators have been asked to ensure they include the indicators that were applied in either their case or in the related case assigned to us (LINV notes).

Here's an example of the working copy of a recent eGaming UFT which was submitted. Copy and Paste onto a new Word doc so you have a template to work off (obviously remove the red text in the example below). You will see it follows a similar layout to the casino template:

Redacted - FINTRAC


Redacted
- FINTRAC



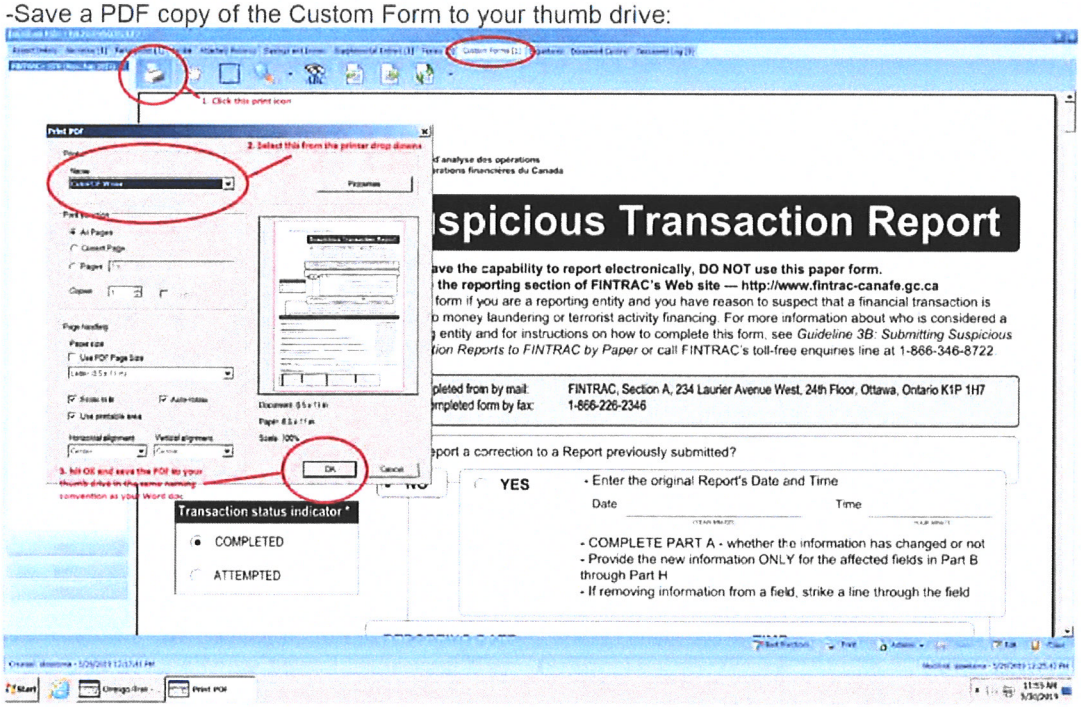
iTrak side

-First search iTrak for a possible match to the PlayNow account holder. Most won't be in iTrak so you'll have to create a new one.
-Create new SID: Category POI > fill in as much as you can (name, DOB, address etc, if race/gender is unknown, which it probably will be, leave blank) > put "BCLC – eGaming Subject" in Distinguishing Characteristics (traits) area > I've been putting the PlayNow ID in the License #/Prov area (unused otherwise) in the details tab (there might be a better place for this, we can always change it). Save and write down the SID number and/or add it to your STR Word doc.
-Open a Daily Log: BCLC Vancouver > Corporate Security BCLC Vancouver > BCLC File. Put "eGaming UFT SF 1234567 (PLAYER NAME)" in the synopsis.
-Create Incident: Gaming > UFT > Substantiated
-Copy and paste your synopsis into the incident narrative (this helps analysts easily identify it as an eGaming UFT when looking down the list of UFT's).
-Add participants: Add yourself as documenter and add the newly created SID as accused/patron/other etc.
-Save UFT (not save and close) and write down the incident number/add it to your STR Word doc.
-Save your Word doc for the STR (with newly added iTrak incident and SID numbers) to your thumb drive. Move your thumb drive over to the Casinolink/iTrak computer.
-Copy and paste your Word doc into a supplemental.
-Fill out the custom form as usual. Some things different from casino:

- -Property has to be Kamloops (BCLC) or it won't take the custom form.
- -Date of transaction is usually included in the eGaming report (now on your Word doc). If time is not known I've just been putting 12:00 AM. If multiple transactions I put the date/time of the first and the combined total for amount.
- -For details of funds initiating transaction I've used both **Incoming Electric Funds Transfer** and **Withdrawal from Account.**
- -How was the transaction conducted: **Other: online eCasino.**
- -Disposition of funds could be **Cash out, Deposit to Account or Other** (depending on the circumstances).
- -For Part C (account info) I've been using the PlayNow ID as the account number and for type of account I choose **Other – PlayNow eCasino.** Attach SID to account area if applicable.

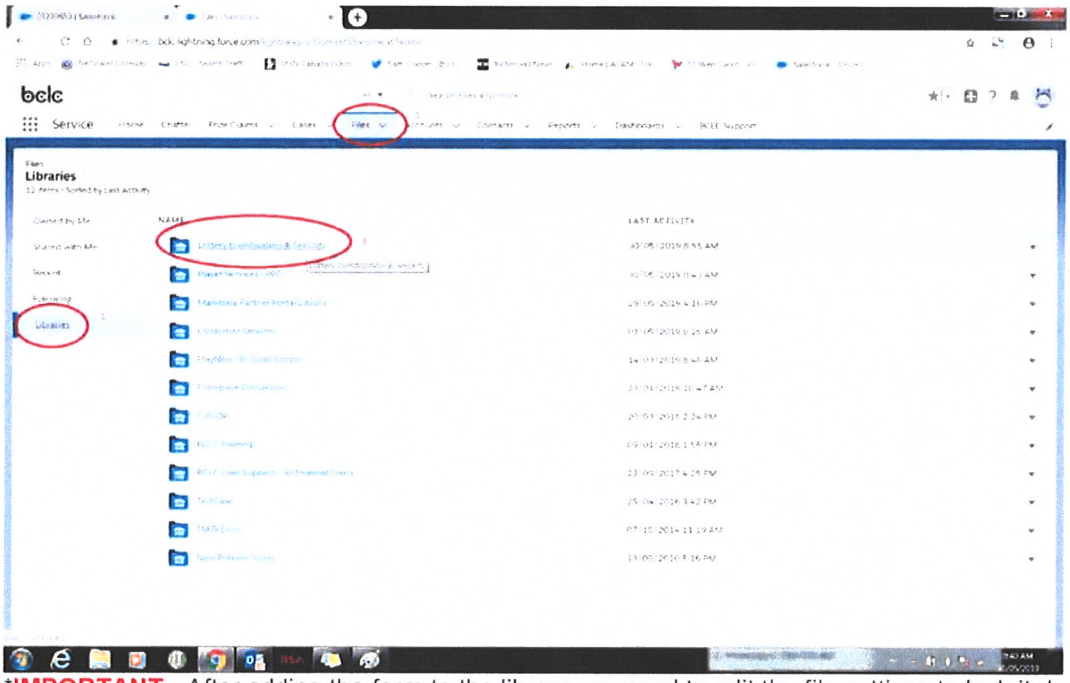
-In the Checklist select Section 86 sent (the eGaming investigator sends this) and STR Ready for submission. Leave the incident in "open" state and save but don't close.

-Save a PDF copy of the Custom Form to your thumb drive:



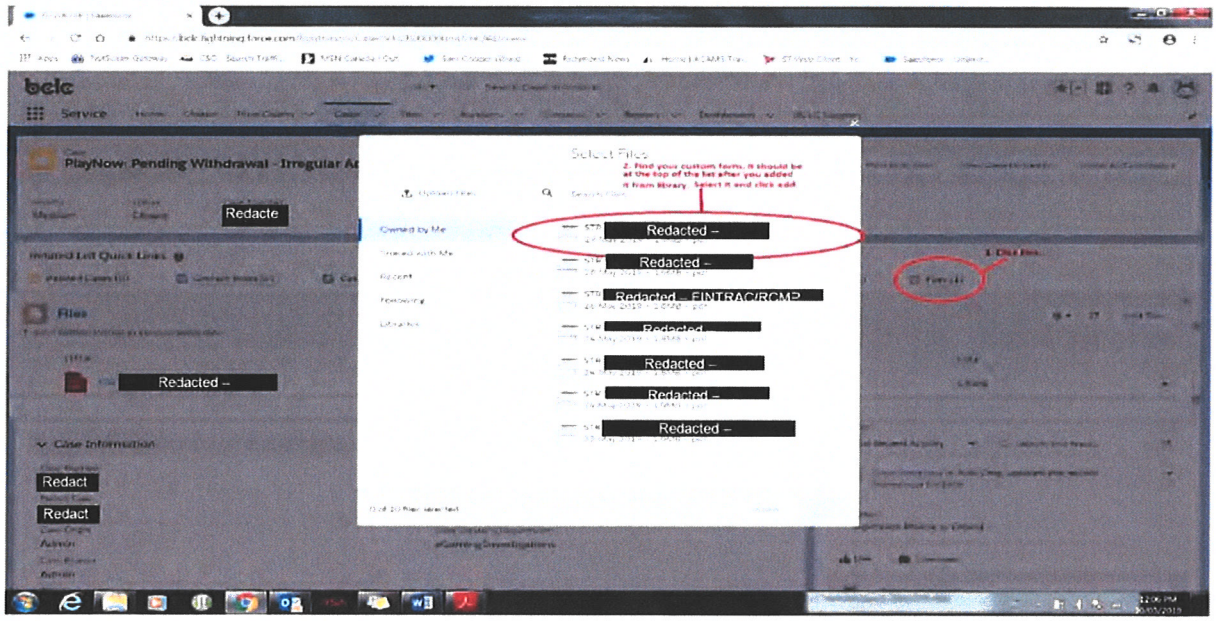
Back over to the Connex side

Adding STR Custom form from iTrak to the S/F library then attaching to the AML UFT SF case files:



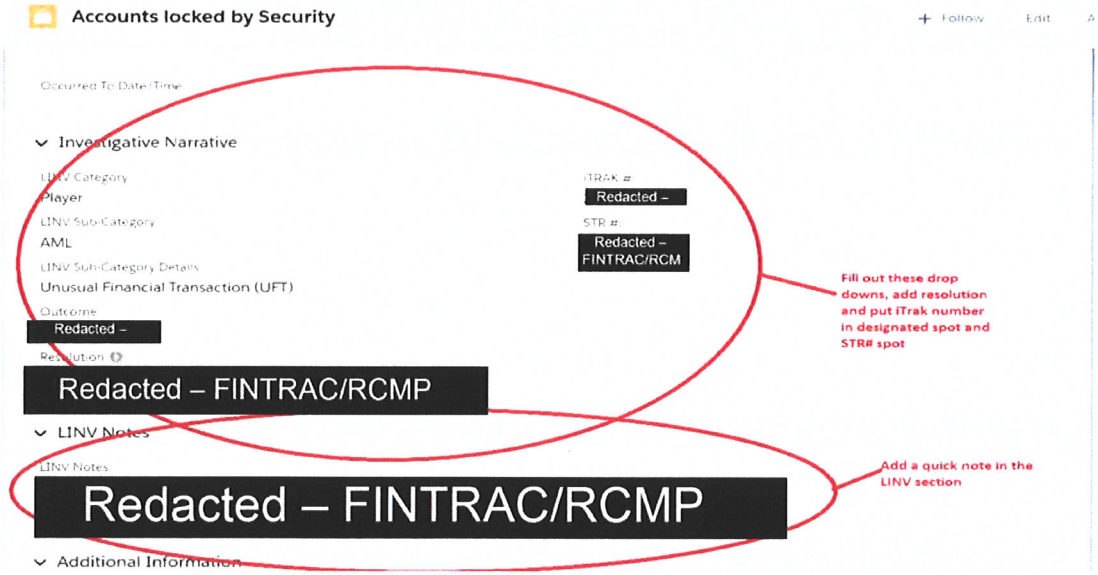
*IMPORTANT - After adding the form to the library you need to edit the file settings to lock it down so only investigators can view the STR Form. After adding the file to the library click the downward pointing arrow to the far right of your newly added file and select "**Edit File Details**". Next, from the "**File Privacy on Records**" drop down choose "**Private on Records**" – **Save.**
Brandon made a useful screen capture/video on how to do this: Y:\Egaming\UFT-STR Documentation\SF Lightning - upload files and set privacy settings.mp4.

Go to the eGaming UFT - AML SF case (the one you received an email notification for) and attach the STR Custom Form to the Case files (do not pick upload files from here as it will leave it open for all to see). If you added from the library correctly it should be at the top of the list here:

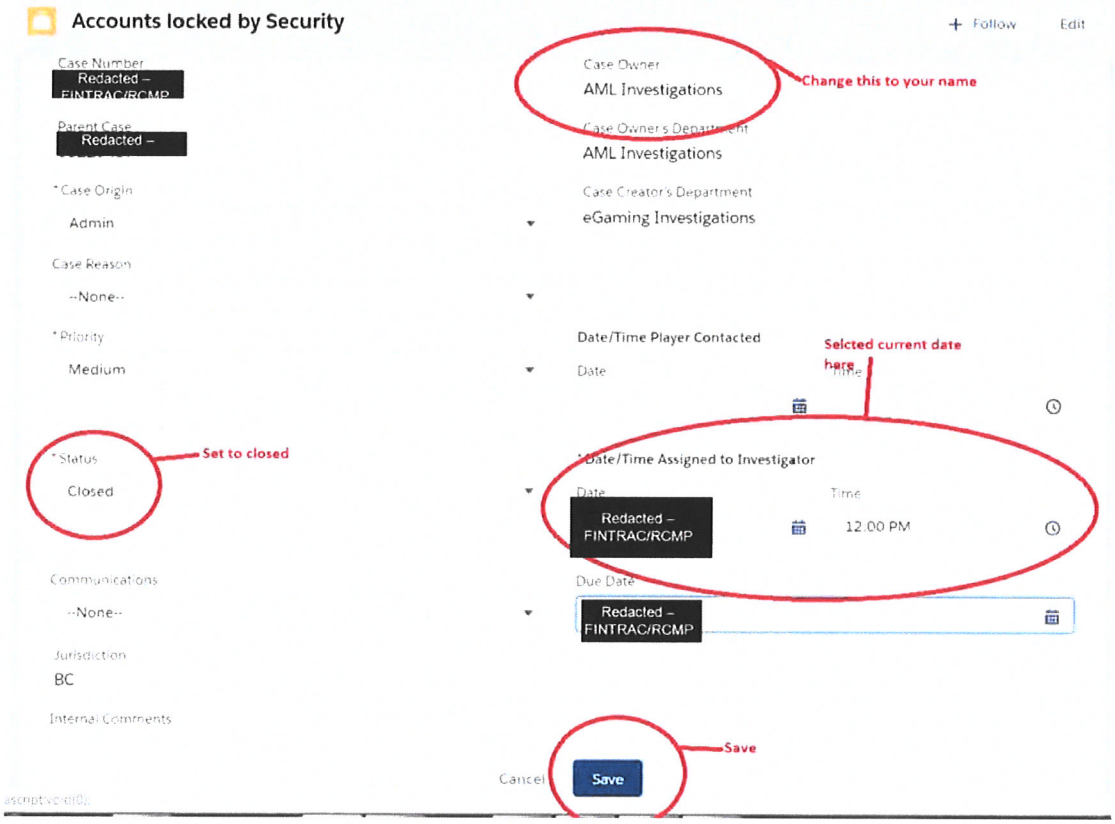


Conclude the SF Case:

*Note the flow chart currently has all eGaming UFT's being set to supervisor review. Only unsubstantiated UFT's will be concluded this way. Substantiated will be closed by the investigator.



Close SF Case:

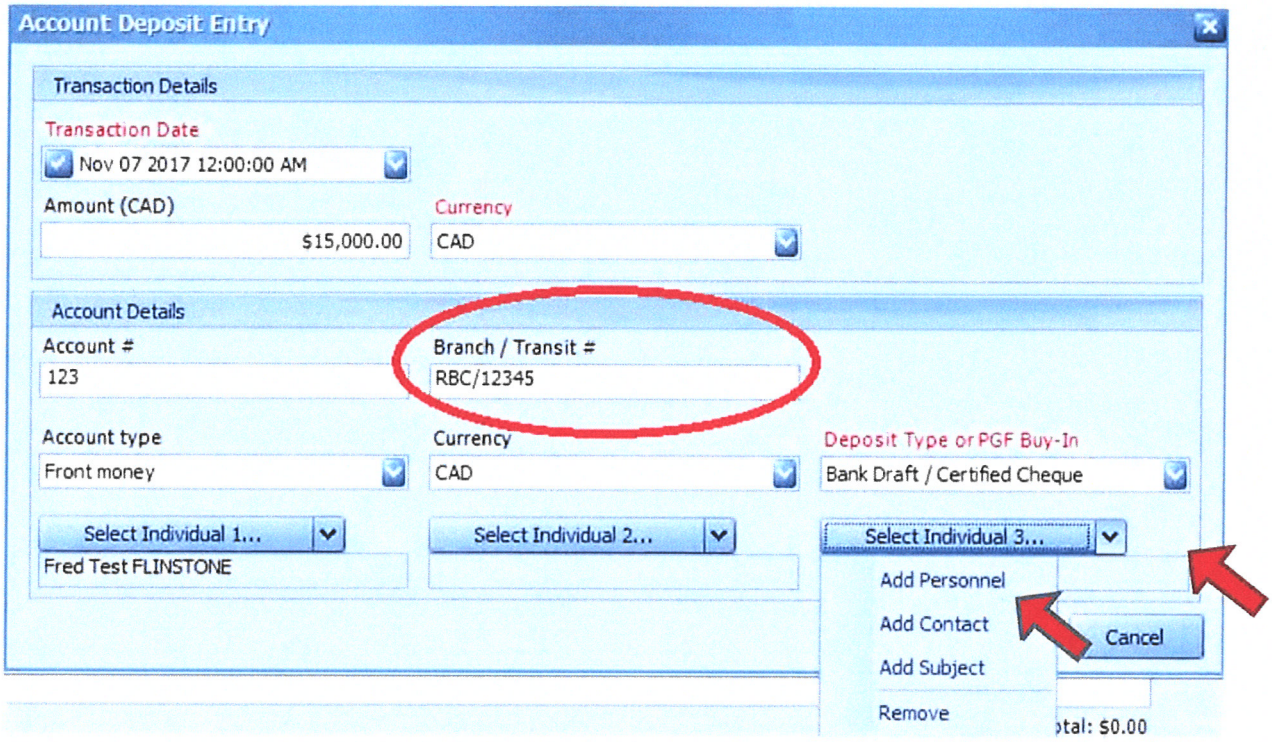


Done.

RECORDING FINANCIAL INSTITUTION (FI) INFORMATION ON BANK DRAFT AND CERTIFIED CHEQUES (DIRECTION FOR SERVICE PROVIDERS)

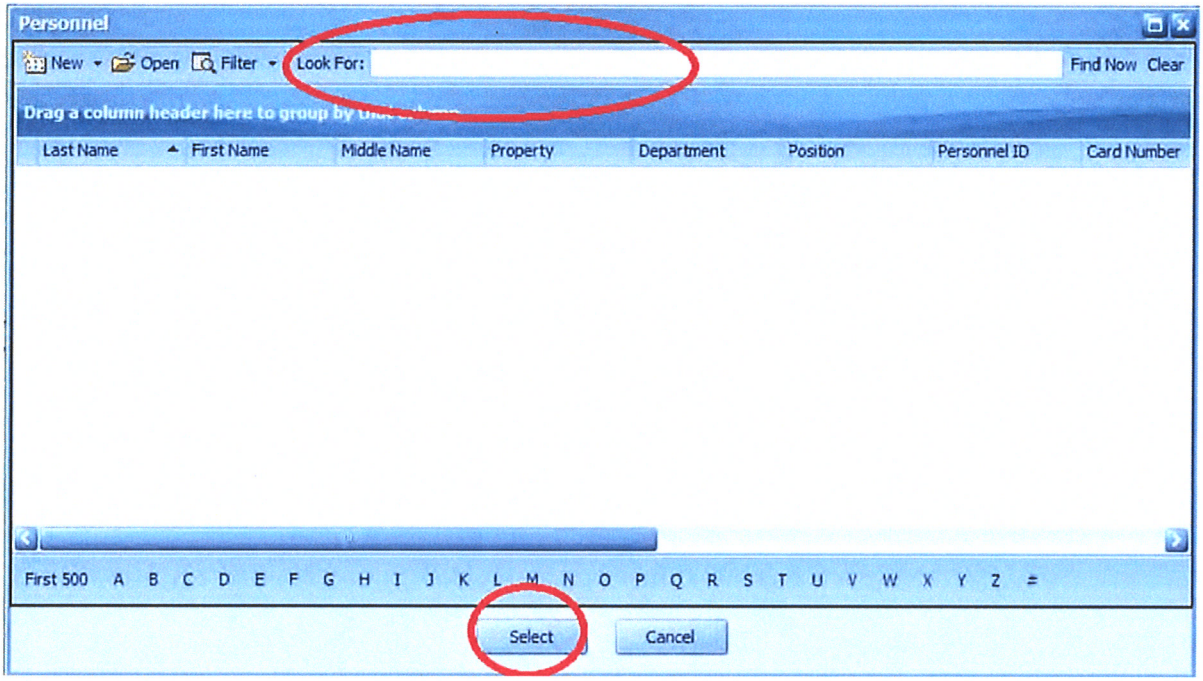
For any bank drafts or certified cheques that are deposited into PGF accounts, the following procedures must be followed when completing the **Account Deposit Entry** screen which is accessed in the Fintrac Module under the Deposits Tab:

1. The **Branch/Transit #** field must be completed and cannot be left blank.
2. Please use the standardized **Financial Institution** codes listed in the table on page 3 when entering data. eg RBC/12345
3. If the financial institution used by the patron is not listed in the table, please enter the following code: GEN followed by the name of the financial institution and transit #
    - **Example - GEN/Bank of America/12345**
4. The employee who is authorizing the bank draft must be attached to the **Account Deposit Entry** record. This is done by selecting the **Select Individual 3** tab that is located in the bottom right of the screen.

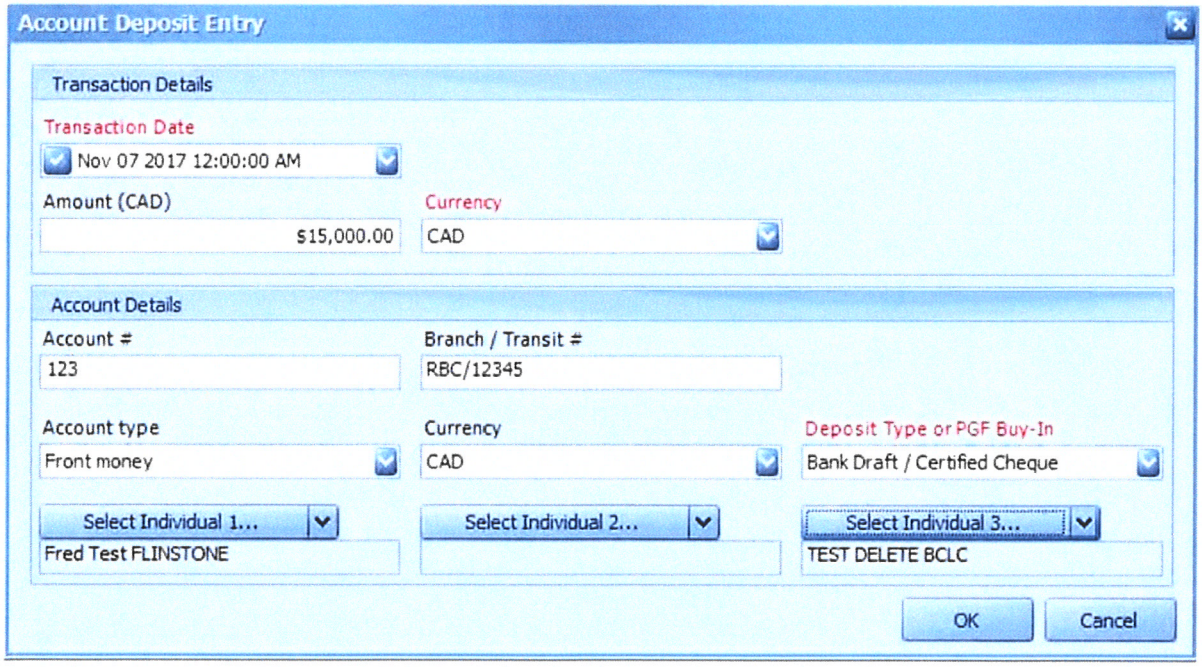


5. To access the drop down menu in the **Select Individual 3** tab, please click on the arrow to the right, then select **Add Personnel**.

6. The Personnel Module search screen will now open and the authorizing employee's name is entered in the **Look For** box at the top of the screen. Once the record is found, click on the record and press **Select** (at the bottom of the screen) to add it.



Below is a sample screen shot with all the requirements: Branch and Transit number completed and employee who has authorized the bank draft has been attached – the name is displayed in the Select Individual 3 tab.



List of Financial Institution Codes to use:

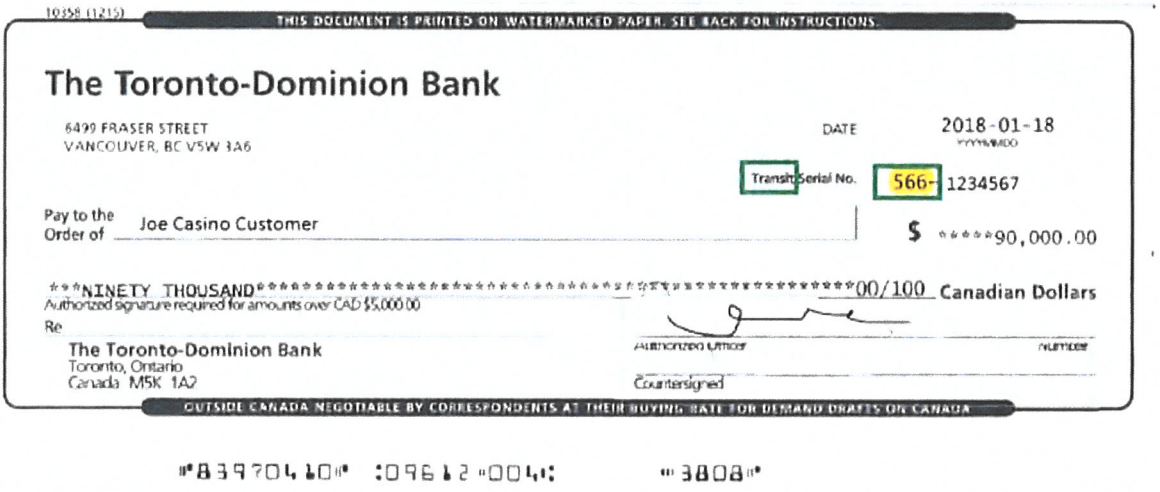
Financial Institution	Financial Institution Code
Bank of Montreal	BMO
Canadian Imperial Bank of Commerce	CIBC
Coast Capital Savings	CCS
First Nations Bank of Canada	FNB
First West Credit Union	FWC
HSBC Bank Canada	HSBC
National Bank of Canada	NBC
Royal Bank of Canada	RBC
Scotiabank or Bank of Nova Scotia	SCB
Tangerine Bank	TAN
TD Canada Trust	TD
Vancity Credit Union	VAN

For FI not listed use the code GEN, followed by name of FI eg: GEN/Bank of America/12345	GEN

TRANSIT / BRANCH NUMBERS ON BANK DRAFTS – REFERENCE GUIDE FOR SERVICE PROVIDER EMPLOYEES

Please refer to the below bank draft examples in which the areas showing transit/branch numbers are highlighted. Please use these highlighted areas to capture the transit numbers when entering banking information into the Account Deposit Entry screen in iTrak. The transit number on the bank draft should also match the transit number provided on the receipt.

TD Bank


10358 (1215)
THIS DOCUMENT IS PRINTED ON WATERMARKED PAPER. SEE BACK FOR INSTRUCTIONS.

The Toronto-Dominion Bank

6499 FRASER STREET
VANCOUVER, BC V5W 3A6

DATE 2018-01-18
YYYY/MM/DD

Transit Serial No. 566- 1234567

Pay to the Order of Joe Casino Customer $ *****90,000.00

NINETY THOUSAND*******00/100 Canadian Dollars
Authorized signature required for amounts over CAD $5,000.00

Re

The Toronto-Dominion Bank
Toronto, Ontario
Canada M5K 1A2

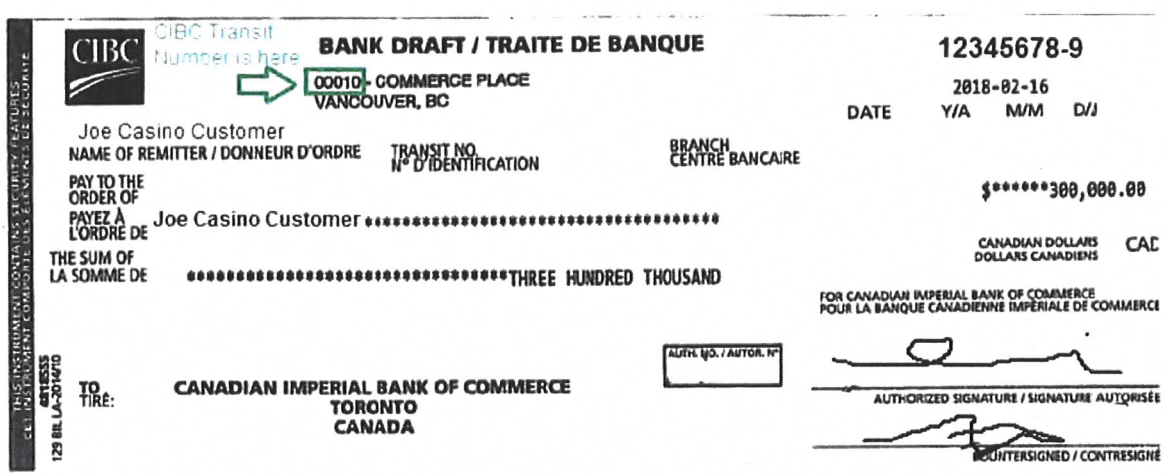
Authorized Officer Number

Countersigned

OUTSIDE CANADA NEGOTIABLE BY CORRESPONDENTS AT THEIR BUYING RATE FOR DEMAND DRAFTS ON CANADA

⑈83970410⑈ ⑆09612⑉004⑆ ⑉3808⑈

CIBC


CIBC Transit Number is here

CIBC

BANK DRAFT / TRAITE DE BANQUE

12345678-9

00010 - COMMERCE PLACE
VANCOUVER, BC

2018-02-16
DATE Y/A M/M D/J

Joe Casino Customer
NAME OF REMITTER / DONNEUR D'ORDRE

TRANSIT NO. / N° D'IDENTIFICATION

BRANCH / CENTRE BANCAIRE

PAY TO THE ORDER OF / PAYEZ À L'ORDRE DE Joe Casino Customer **********

$******300,000.00

THE SUM OF / LA SOMME DE **********THREE HUNDRED THOUSAND

CANADIAN DOLLARS / DOLLARS CANADIENS CAD

FOR CANADIAN IMPERIAL BANK OF COMMERCE
POUR LA BANQUE CANADIENNE IMPÉRIALE DE COMMERCE

AUTH. NO. / AUTOR. N°

TO / TIRÉ: CANADIAN IMPERIAL BANK OF COMMERCE
TORONTO
CANADA

AUTHORIZED SIGNATURE / SIGNATURE AUTORISÉE

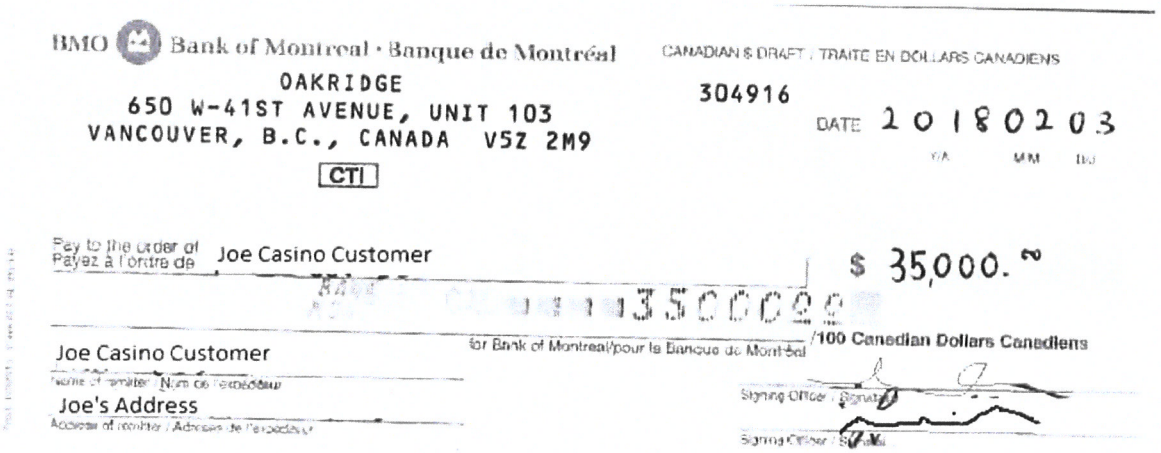
COUNTERSIGNED / CONTRESIGNÉ

THIS INSTRUMENT CONTAINS SECURITY FEATURES
CET INSTRUMENT COMPORTE DES ÉLÉMENTS DE SÉCURITÉ

129 BIL LA-2014/10

⑈287230593⑈ ⑆09502⑉010⑆ 00010⑉2743345⑈

BMO / Bank of Montreal



BMO Bank of Montreal · Banque de Montréal

OAKRIDGE
650 W-41ST AVENUE, UNIT 103
VANCOUVER, B.C., CANADA V5Z 2M9
CTI

CANADIAN $ DRAFT / TRAITE EN DOLLARS CANADIENS

304916

DATE 2018 02 03
Y/A M/M D/J

Pay to the order of / Payez à l'ordre de Joe Casino Customer $ 35,000.00

3500000

for Bank of Montreal/pour la Banque de Montréal /100 Canadian Dollars Canadiens

Joe Casino Customer
Name of remitter / Nom de l'expéditeur

Joe's Address
Address of remitter / Adresse de l'expéditeur

Signing Officer / Signataire

Signing Officer / Signataire

⑆06952⑆ 001⑆ 32340 23049162⑈ 90

5 Digit Transit Number
(should match receipt)

Bank of Montreal

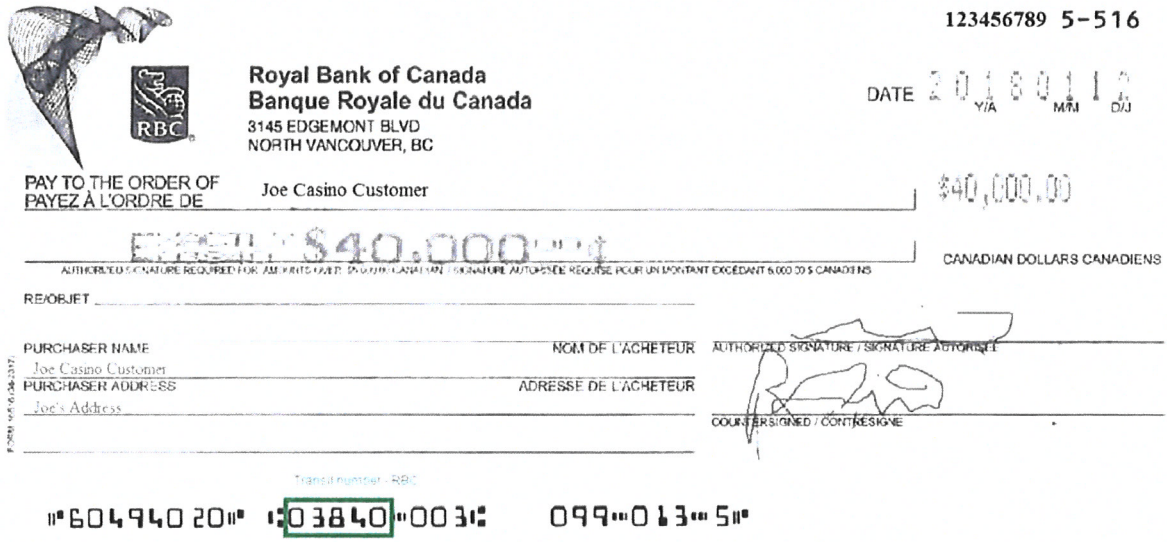
Transaction Record
Customer Copy

February 3, 2018 5:21:54 PM
Branch Transit: 3234
Operator: 021
Business Date: February 5, 2018
Card Number: XXXX XXXX XXXX
Authentication: Chip/PIN

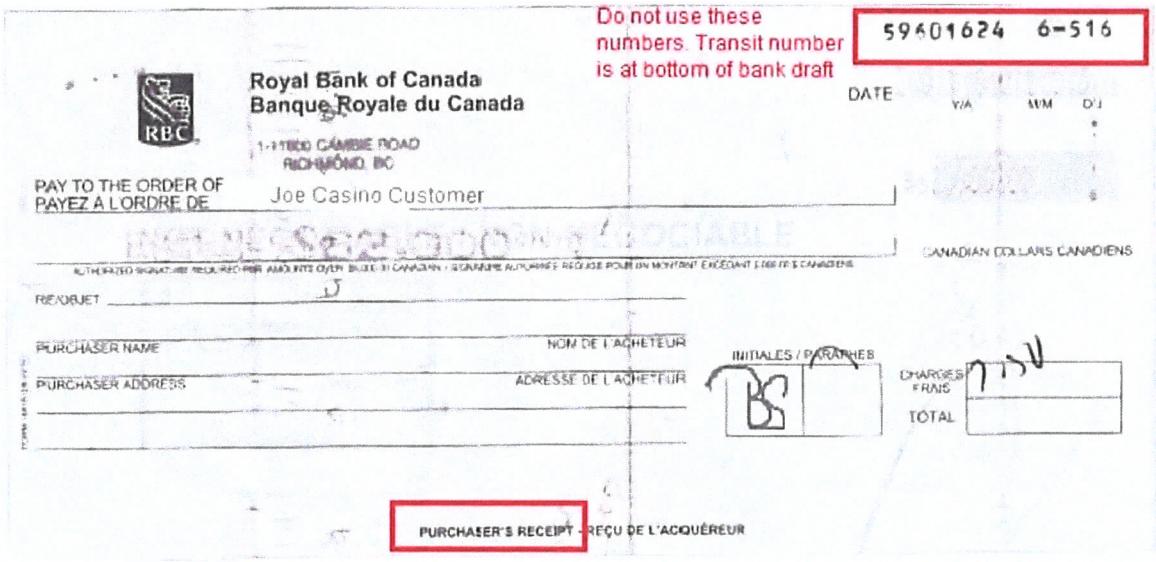
Canadian Draft
Serial Number: 023049162
Source of Funds: 1234 5678 90 (Chq)
Amount: $35,000.00

Thank you for banking with
Bank of Montreal

RBC / Royal Bank



Please note: The transit number for RBC should be recorded from the Bank Draft only and not from the receipt.



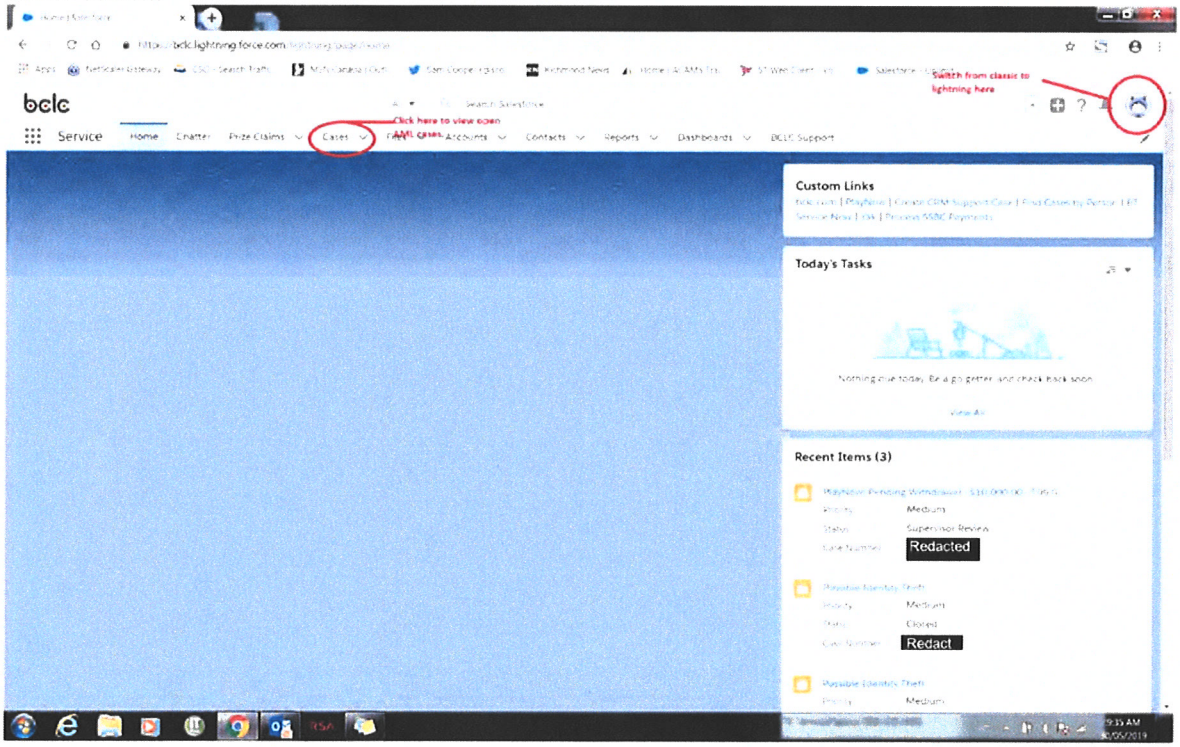
Salesforce eGaming UFT Process

A Salesforce email notification will be sent to the AML group with subject line that looks like this:
BCLC eGaming Investigations - Case # 03235091 ref:_00D80bj6y._5002BnUZN:ref
It will be distinguishable from other cases as the subject line will have eGaming in it.
The case number is our case that the eGaming investigator created as a related to their primary file. We do not modify anything on the Parent case, only review (copy and paste) the details.

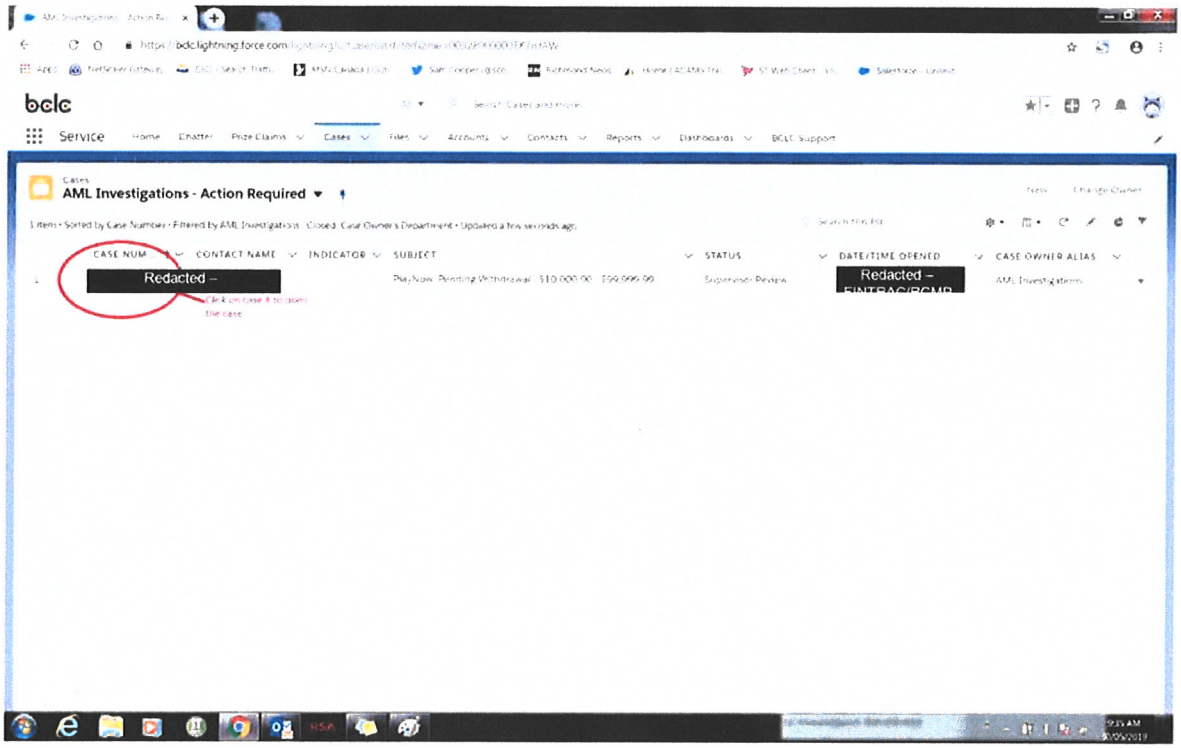
To view the case either search the case number from the email notification in SF or simply log into SF and go to the cases tab, it should default to AML Investigations – Action required. Anything that is not closed or concluded (including ones sent for supervisor review) will remain here until closed off.
*Also note that the eGaming investigators cannot close off their "parent case" until the related case(s) are settled or closed.

Here's some screen shots of how to navigate through SF (I'm using the latest "Lightning" version).

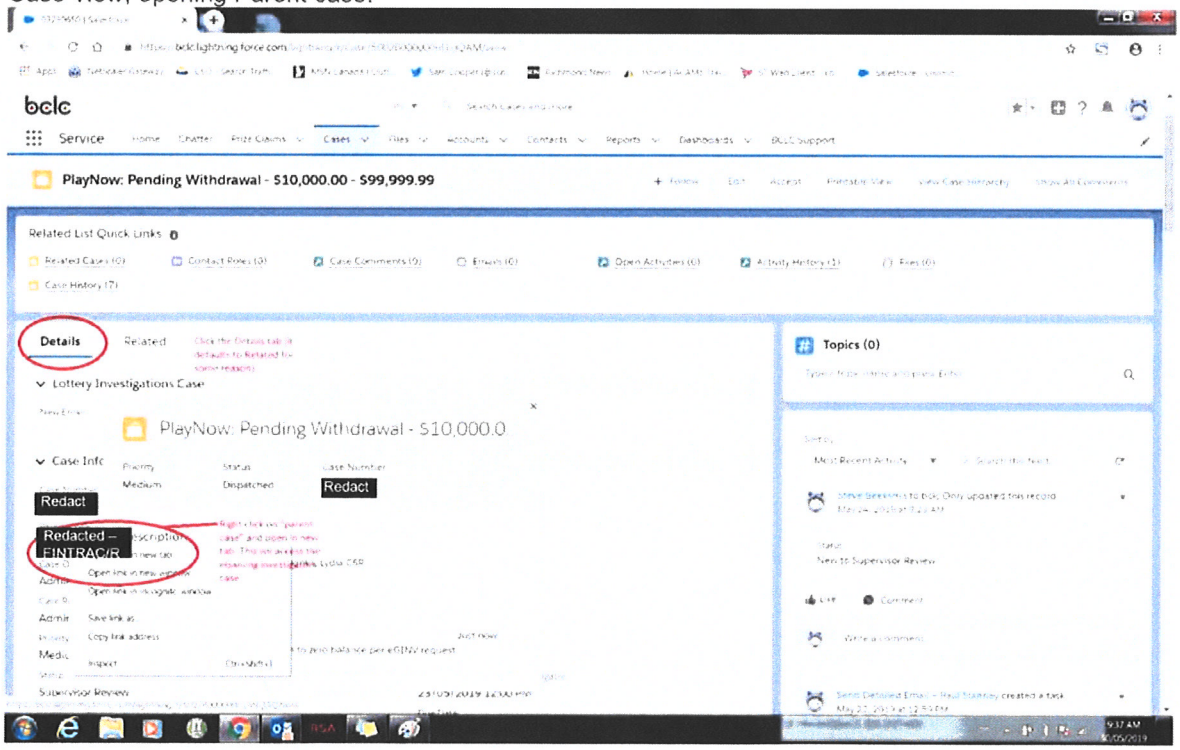
Home screen:



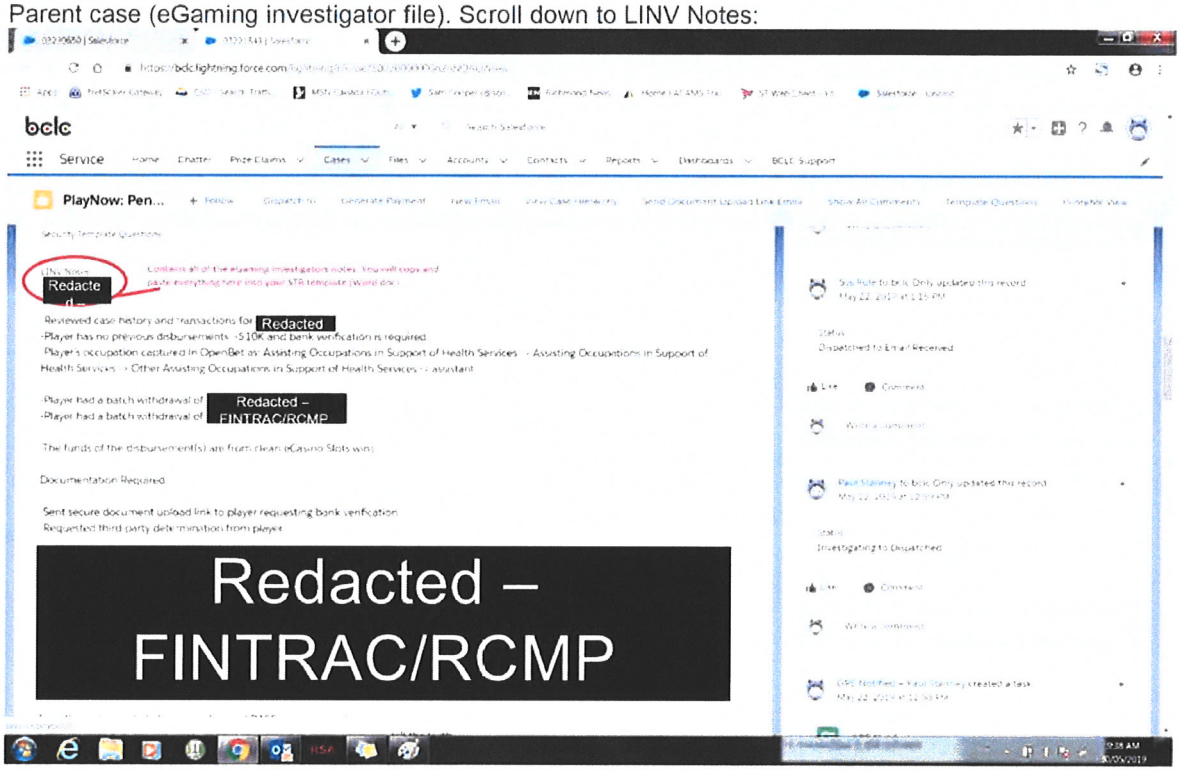
Cases screen (all open AML case will be listed here):



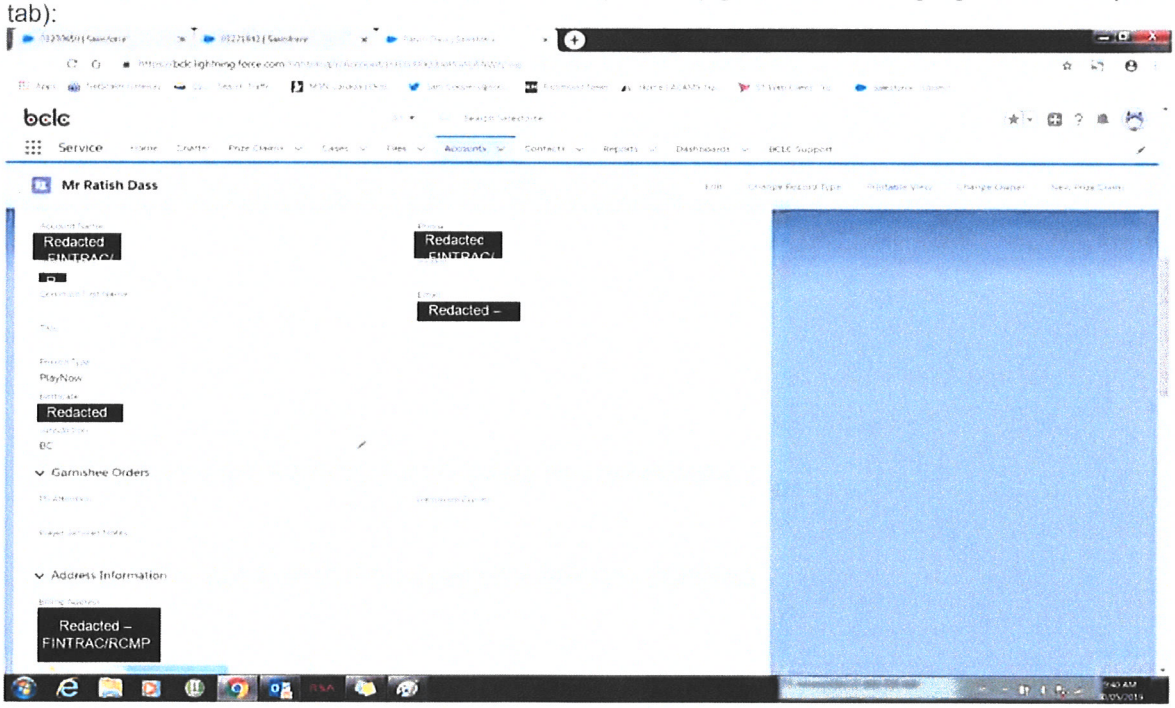
Case view, opening Parent case:



Parent case (eGaming investigator file). Scroll down to LINV Notes:



From the eGaming investigator parent case you will also find the account holders information for filling out your STR Word doc/Custom form/creating SID profile if applicable (right click on the highlighted name, open in new tab):



PREPARING THE STR

Until directed otherwise; if any UFT is forwarded to the AML unit meeting the score of 4 or more that has some element or suspicion of criminality we will be (in most cases) submitting the STR (this includes fraud, ID theft etc).

Here's the eGaming UFT scoring/rationale (this could change or be modified in the future, similar to the casino ones):

LEGEND - Score of 4 or more = escalate to AML Investigations for review

GREEN = 4

RED = 3

YELLOW = 2

BLUE = 1

- BCLC receives information from a reputable source (i.e. law enforcement, financial institution, etc.) that the client or client's account is involved in unlawful activity

- Client places large volume of wagers with deposited funds, participates in limited online gambling activity with the intention of creating a perception of significant gambling and then requests an electronic funds
- Client uses multiple online (banking) accounts to deposit funds and requests funds to the same or different
- Common credit card used by multiple online clients for deposits under circumstances that appear to be on behalf of a third party;

- Client uses various deposit methods and amounts and disbursement amounts in an attempt to test system
- Player makes deposit when they do not need to [illegible] reporting thresholds;

- Client registers an online account in another's name or presents stolen identification to verify an online
- Client unable to provide a reasonable explanation for other indicators [illegible] to another as a means of registering [illegible] gaming history;

Recommend working off a Word doc, saved to your thumb drive, on the Connex side (most of the work will be done here).
The eGaming investigators have been asked to ensure they include the indicators that were applied in either their case or in the related case assigned to us (LINV notes).

Here's an example of the working copy of a recent eGaming UFT I submitted. Copy and Paste onto a new Word doc so you have a template to work off (obviously remove the red text I added). You will see it follows a similar layout to the casino template:

Redacted - FINTRAC


Redacted
- FINTRAC


Redacted
- FINTRAC

Save a copy of your word doc, I use the file name as SF#, iTrak number and patron last name (IE: [redacted] [redacted]). Leave it open on your Connex side and go to next step.

ITRAK SIDE

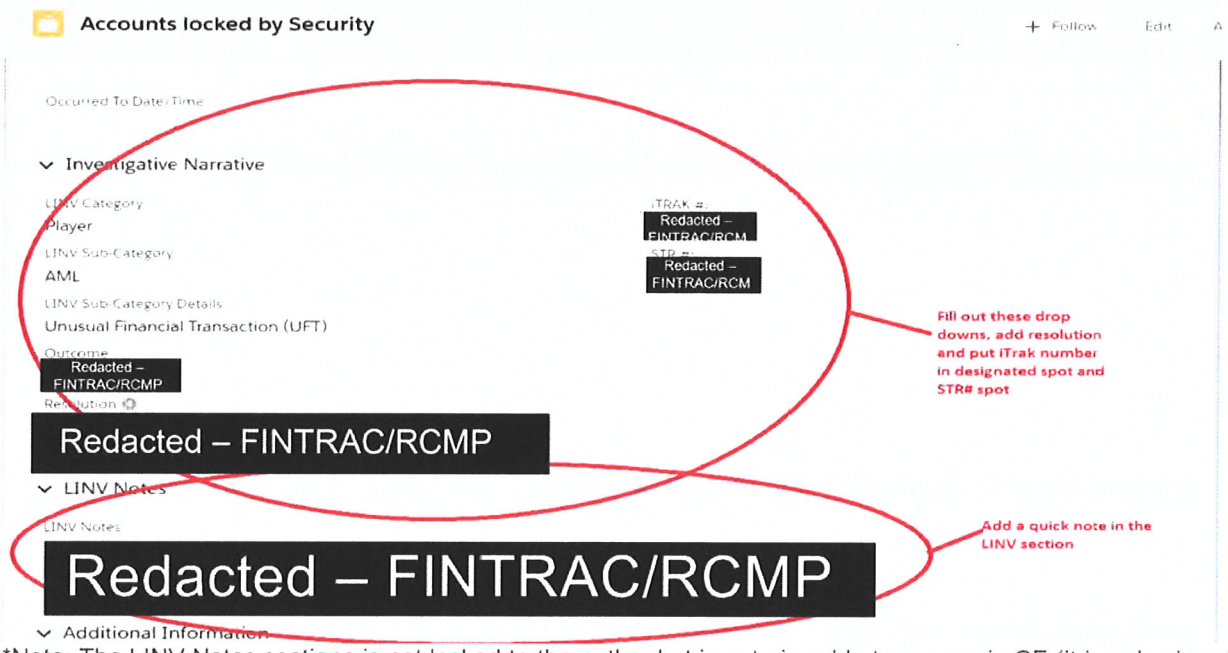
-First search iTrak for a possible match to the PlayNow account holder. Most won't be in iTrak so you'll have to create a new one.
-Create new SID: Category POI > fill in as much as you can (name, DOB, address etc, if race/gender is unknown, which it probably will be, leave blank) > put "BCLC – eGaming Subject" in Distinguishing Characteristics (traits) area > I've been putting the PlayNow ID in the License #/Prov area (unused otherwise) in the details tab (there might be a better place for this, we can always change it). Save and write down the SID number and/or add it to your STR Word doc.
-Open a Daily Log: BCLC Vancouver > Corporate Security BCLC Vancouver > BCLC File. Put "eGaming UFT SF 1234567 (PLAYER NAME)" in the synopsis.
-Create Incident: Gaming > UFT > Substantiated
-Change the Occurred Date to match the date of the AML SF Case.
-Copy and paste your synopsis into the incident narrative (this helps analysts easily identify it as an eGaming UFT when looking down the list of UFT's).
-Add participants: Add yourself as documenter and add the newly created SID as accused/patron/other etc.
-Save UFT (not save and close) and write down the incident number/add it to your STR Word doc.
-Save your Word doc for the STR (with newly added iTrak incident and SID numbers) to your thumb drive. Move your thumb drive over to the Casinolink/iTrak computer.
-Copy and paste your Word doc into a supplemental.
-Fill out the custom form as usual. Some things different from casino:

- -Property has to be Kamloops (BCLC) or it won't take the custom form.
- -Date of transaction is usually included in the eGaming report (now on your Word doc). If time is not known I've just been putting 12:00 AM. If multiple transactions I put the date/time of the first and the combined total for amount.
- -For details of funds initiating transaction I've used both **Incoming Electric Funds Transfer** and **Withdrawal from Account.**
- -How was the transaction conducted: **Other: online eCasino.**
- -Disposition of funds could be **Cash out, Deposit to Account or Other** (depending on the circumstances).
- -For Part C (account info) I've been using the PlayNow ID as the account number and for type of account I choose **Other – PlayNow eCasino.** Attach SID to account area if applicable.

-In the Checklist select Section 86 sent (the eGaming investigator sends this) and STR Ready for submission. Leave the incident in "open" state and save but don't close.

CONCLUDE THE SF CASE

*Note the flow chart currently has all eGaming UFT's being set to supervisor review. Only unsubstantiated UFT's will be concluded this way. Substantiated will be closed by the investigator.

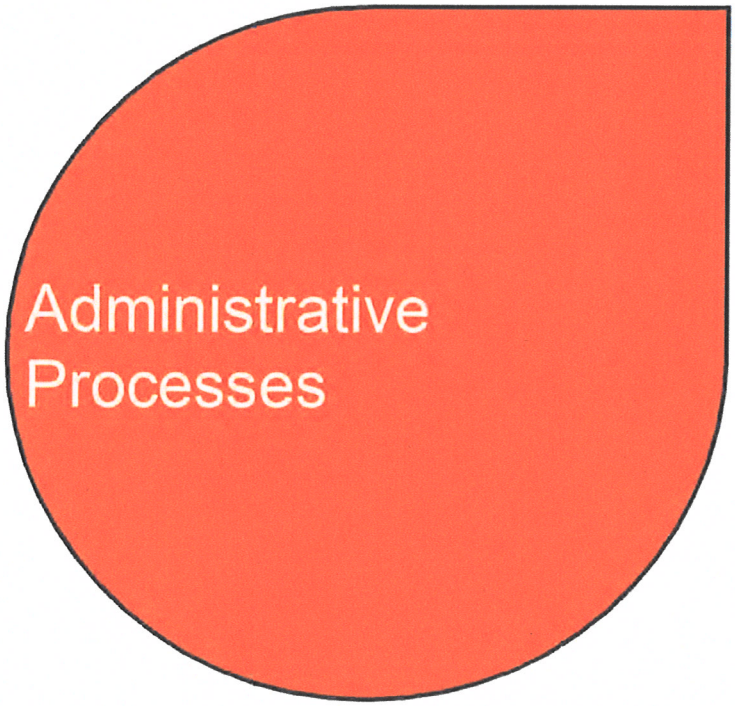


*Note: The LINV Notes sections is not locked to the author but is not viewable to anyone in SF (it is only viewable by investigations). If there are already notes from eGaming in the LINV notes you can edit and add what you need to after their notes and save.

Close SF Case:



Done.


Administrative
Processes

INVESTIGATIONS - GPEB SECTION 86 (S86) REPORTS

Section 86 of the Gaming Control Act ('Information to be provided to the general manager') states the following:

86 (1) On request of the general manager and within the time period specified by the general manager in the request, the lottery corporation, a registrant, a licensee and an eligible organization must provide to the general manager any information, records or things that the general manager considers relevant to an investigation or an investigative audit under this Act.

(2) The lottery corporation, a registrant and a licensee must notify the general manager immediately about any conduct, activity or incident occurring in connection with a lottery scheme or horse racing, if the conduct, activity or incident involves or involved
(a) the commission of an offence under a provision of the Criminal Code that is relevant to a lottery scheme or horse racing, or
(b) the commission of an offence under this Act

Section 86 (1) – Requests from GPEB (Gaming Policy Enforcement Branch)

GPEB Investigators will email a S86 Demand to the GPEBSec86Request Special Purpose Mailbox (SPM) (GPEBLotterySec86@bclc.com) requesting all investigative reports and supporting documents (usually related to an iTrak incident number). See page 12 for an example of a S86 Demand.

Once an 86 (1) is received:

1) Create a folder in kamfile/GPEBRequests/All GPEB S86 and save the S86 request from GPEB as a PDF in the folder. The folder naming convention is as follows: S86_iTrak Incident Number_GPEB File Number ie: S86 20180037696 - GPEB 99367.

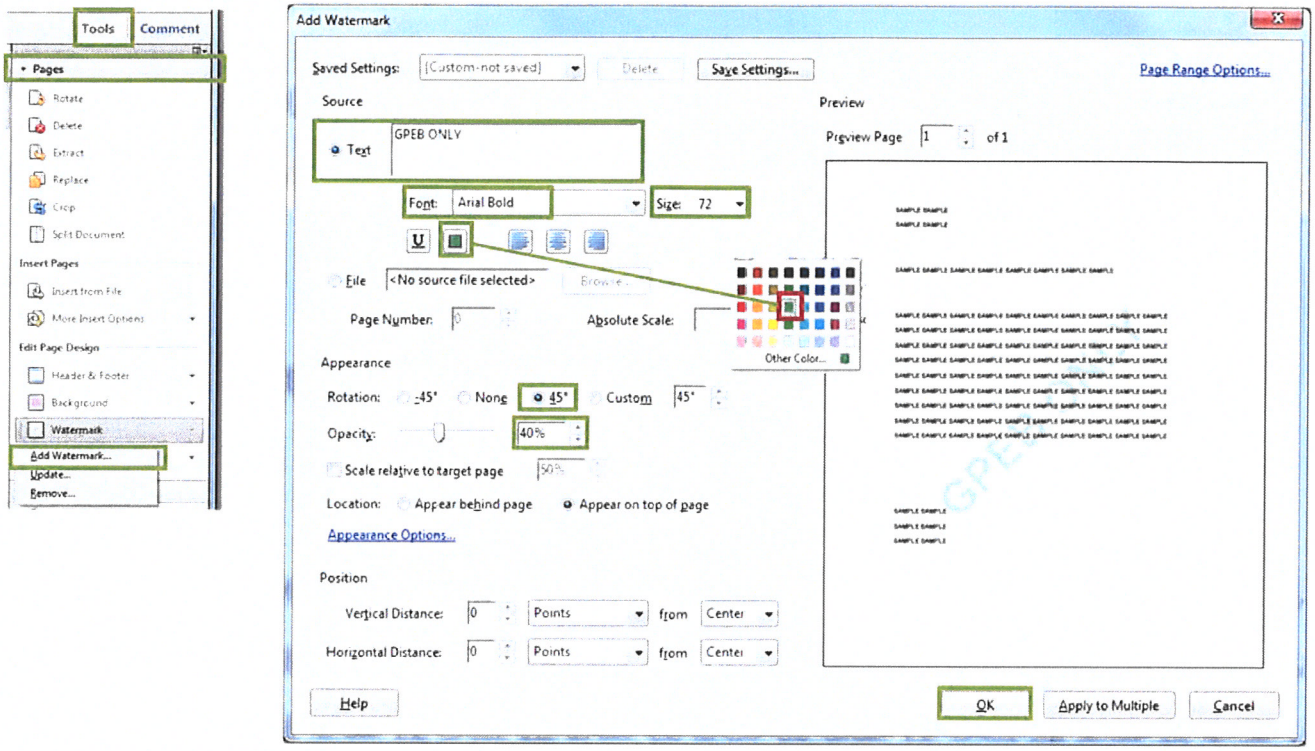
2) Create an entry in the S86 Tracking log spreadsheet (GPEB Sec86 Request Log) located in the kamfile/GPEBRequests folder and add all relevant information.

Admin							Uploaded By (initials)		Productivity Log				File No	
Request Date	Type of Request	# of S86 Recv'd	Requester Name	Channel (Drop Down List)	Request Purpose (Drop Down List)	Offense Type (Drop Down List)	SFTP	Date	DISPO	# Pgs	# Footage	Time Log Hr & Min	BCLC	GPEB
22-May-2018	S86	1	Charlene Beck	Casino	Investigation	Bar/Prohibition	AN	22-May-2018	GPEB	6		0 15	20180030645	99203
22-May-2018	S86	1	Charlene Beck	Casino	Investigation	Theft	AN	22-May-2018	GPEB	5		0 15	20180030975	99025

3) Go to iTrak (for casino requests) or SalesForce (for e-gaming and lottery requests) and pull all requested records. Depending on the information requested this may include documents such as incident report files, subject and/or personnel profiles, media files, table tracking sheets, disbursement records.

4) Save all records to the folder and watermark the documents "GPEB ONLY". To add watermark: Use Light Green, Arial Bold, Size 72, 45° Rotation, 40% Opacity.

   To create watermark:
   a) In Tools (Right Side Navigation Pane), select Pages tab, select Pages, and select Add Watermark. See screenshot example below.



5) Redact any information if necessary.

   Redactions may include but are not limited to:

   - VSE information (unless it relates to case)
   - Information not related to the investigation (i.e. unrelated incidents, comments, etc.)
   - Unrequested LCTs/Buy-Ins/CDRs/Table Tracking Sheets
   - Anything not specified

6) In Tools (Right Side Navigation Pane), select Protect tab, select Mark for Redaction.

7) Note: Redaction is a 2-step process explained in the pop-up box, click OK.

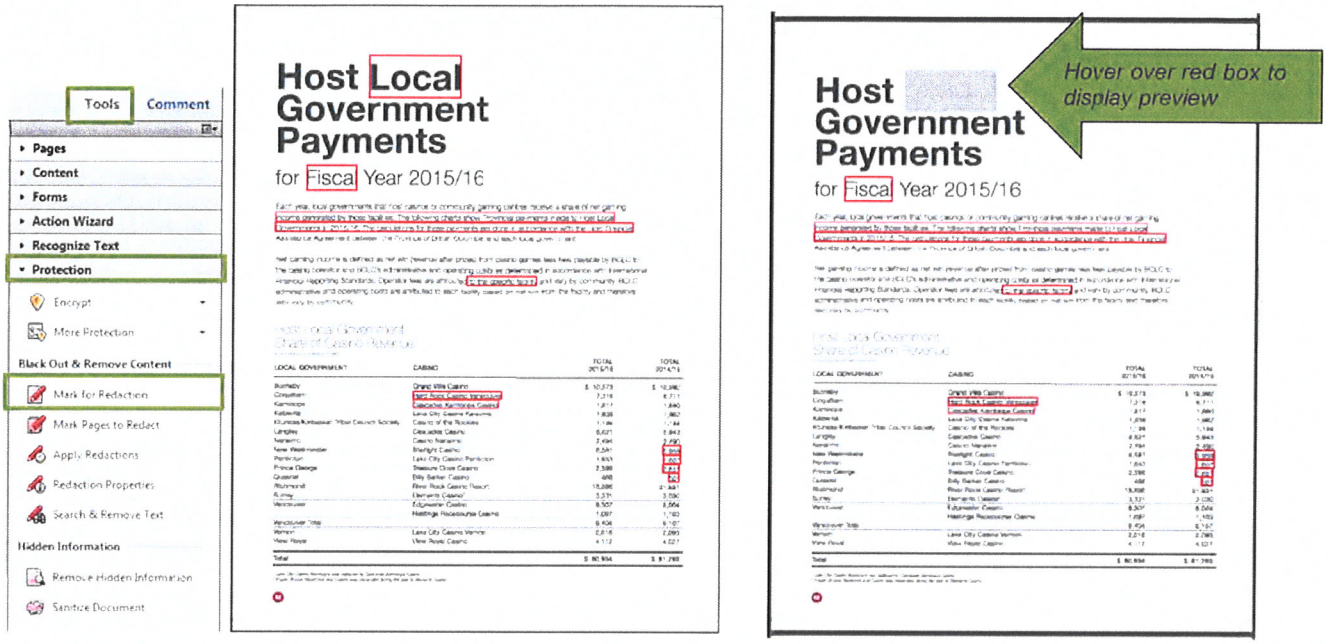
8) In the PDF, highlight the text/image that needs redaction; A red box will indicate the text you selected

9) Hover over the red box to preview the redaction.

10) When you are finished redacting, select Apply Redactions

11) Note: Read the warning. Once completed, it cannot be undone.

12) Select Yes to remove hidden information in your document.

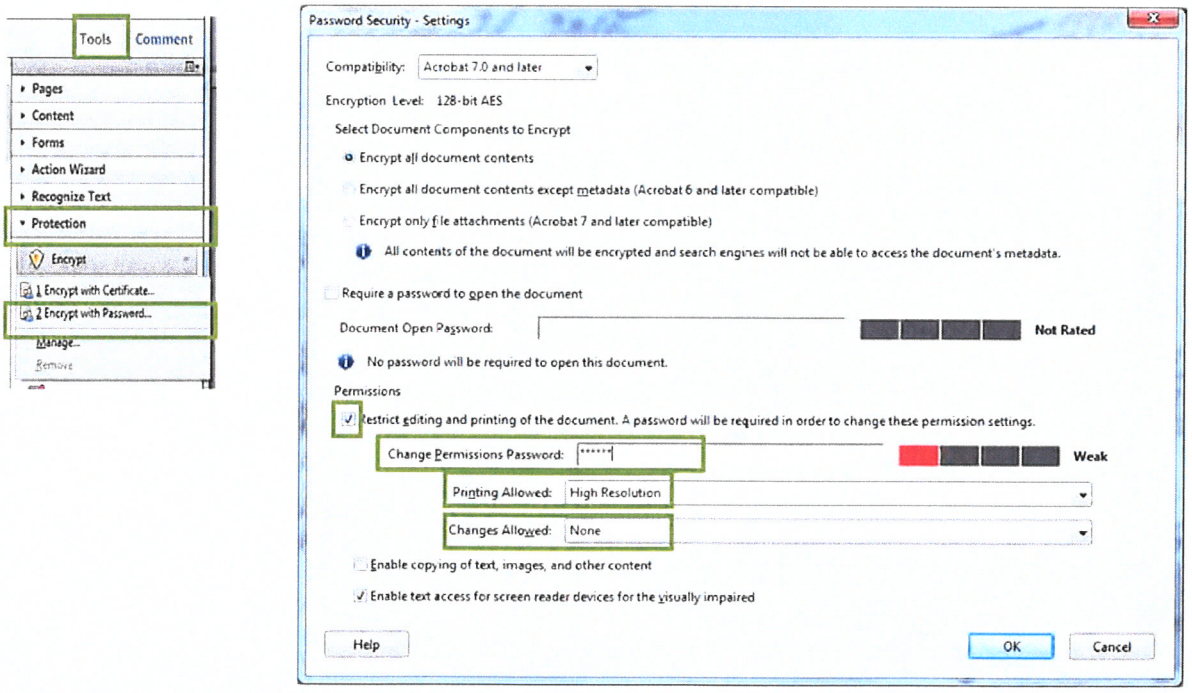


13) Using Adobe Pro, combine all requested files into one PDF with the original S86 request from GPEB as the cover page, followed by the incident report, customer profile(s), media, etc. Save the file as "Disclosure_iTrak Incident Report Number_GPEB File Number"
ie: Disclosure_20180037696 - GPEB 99367

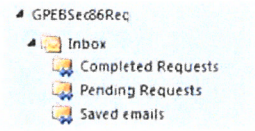
14) Password protect the PDF to allow High Resolution Print Only, but prevent modifications. Password is "2940 VW" (to be kept confidential).

a) In Tools (Right Side Navigation Pane), select Protection tab, select Encrypt, and select Encrypt with Password…

b) In "Password Security – Settings", Under Permissions, Add Restrictions. **<u>You must check off the box to restrict editing. Make sure you allow them to print, but not make changes.</u>**



15) Upload the disclosure document to the SFTP folder of the requesting GPEB Investigator, and send using the SPM, advise the Investigator that the documents have been uploaded.
CC: GPEBLotterySec86@bclc.com and save the original email request from GPEB along with final notification email from BCLC to the 'Completed Requests' folder in the GPEBSec86Req SPM.



16) Update the log, and ensure all applicable fields are complete.

17) If applicable, update iTRAK/SalesForce and close the file.

Example of S86(1) Demand

BRITISH COLUMBIA Ministry of Attorney General

Gaming Policy and Enforcement Branch

GENERAL MANAGER DEMAND FOR INFORMATION
under the *Gaming Control Act*

PART A – GENERAL INFORMATION

UNIT DEMANDING (*Compliance Division or Licensing, Registration & Certification Division*)

Compliance Division - Lower Mainland Region

DEMAND MADE TO (*BCLC, Service Provider, Registrant, or Licensee*)

BCLC

FILE NUMBER	OFFENCE
99364	Cheat at Play

PROVIDE THE FOLLOWING INFORMATION	METHOD OF ACCESS PREFERRED
☑ Immediately ☐ Within _____ days	☑ Receive copies of originals ☐ Examine originals at site

PART B – REQUESTED INFORMATION

Please provide the following information:

I-TRAK # 18-37578, associated subject profile(s), and related incidents files pertaining to the accused (i.e. barring incidents, warnings, etc).

COMPLIANCE DIVISION ADDRESS

Compliance Division, Lower Mainland Region
408-4603 Kingsway Avenue, Burnaby BC V5H 4M4

PART C – AUTHORIZATION

I am authorized to make this demand on behalf of the General Manager under authority of Section 86(1) *Gaming Control Act*.

NAME OF PERSON MAKING DEMAND	TITLE/POSITION	SIGNATURE	DATE SIGNED YYYY / MM / DD
Heather SAMSON	Investigator	x	2018-06-19

This demand for information (both the form and any attachments) is intended for use by the person or persons to whom it is addressed and must not be shared or disseminated unless authorized by law or without the expressed authority of the General Manager.

Rev. 2017 / 09 / 11

Section 86 (2) – Self Reporting

BCLC Investigations will submit a S86 (2) to GPEB. These are usually for lottery infractions (ie: theft of lottery tickets). Information for these incidents is recorded in SalesForce, and the reporting process is as follows:

1) Once the case has been created by Consumer Services in SalesForce, BCLC Investigations Management will review and assign to case to an Investigator. An email notification will be generated and sent to the GPEBSec86Request SPM.

   See following page for example of the notification and information that is provided.

2) When the email notification has been received, login to SalesForce and pull the report for the case number listed on the notification. Save the SalesForce report as a PDF to the following folder in the kamfile shared drive:

   X:\New S86(2) Notification Cases

   Naming convention is SalesForce Case Number, Retailer Name, Region
   ie: SF 02911387 - Otter Co-Op Ross Road - Lower Mainland

3) As with Section 86 (1), the PDF should be watermarked "GPEB ONLY" and password protected (PW: 2940VW) to allow high resolution printing, but prevent modifications.

4) Once the SalesForce report has been saved, watermarked and password protected, upload it to the GPEB/BCLC SFTP site in the 'new cases' folder in the appropriate region. Once saved, forward the original notification email to GPEB to advise that a new case has been uploaded. For all S86 (2) emails, in the "CC" section, put lotteryinvestigations@bclc.com . This email will be saved as a new entry in the corresponding SalesForce record.

Email Addresses for S86 (2) reports sent to GPEB

In the "To" section, select the appropriate GPEB Region SPM

a. Lower Mainland: sggpeb86reportingLMD@gov.bc.ca
b. Interior Region: sggpeb86reportingInterior@gov.bc.ca
c. Island Region: sggpeb86reportingVanIsland@gov.bc.ca
d. Northern Region: sggpeb86reportingNorthern@gov.bc.ca

Example of notice to be added to top left side of email (above the BCLC logo):

This case has been uploaded into the SFTP.

Folder: LMD Region > ** NEW CASES **
File Name: SF 02657733 – Chances Abbotsford – Lower Mainland

playing it right

Attention: General Manager, GPEB

The following has been submitted by BCLC Corporate Security & Compliance under Section 86(2) of the Gaming Control Act (GCA), as follows:

Information to be provided to the general manager

86 (2) The lottery corporation, a registrant and a licensee must notify the general manager immediately about any conduct, activity or incident occurring in connection with a lottery scheme or horse racing, if the conduct, activity or incident involves or involved

(a) the commission of an offence under a provision of the Criminal Code that is relevant to a lottery scheme or horse racing, or

(b) the commission of an offence under this Act.

Case currently assigned to BCLC Investigator Longley

Reported illegal activity: Break & Enter/Robbery

Date reported to BCLC: 08/06/2018 11:13 AM

Contact (if applicable): Boundary Mini Mart

Related Account (if applicable):

CASE DETAILS

BCLC Case # 02907405

Stolen Tickets or Attempted Theft

Submitted by BCLC Employee: Bruno Gatto

Submitted on: 08/06/2018

Submitted to: GPEB - Lower Mainland Region Office

Please direct any follow up inquiries to GPEBSec86Req@bclc.com as per Section 86(1) of the GCA, as follows:

86 (1) On request of the general manager and within the time period specified by the general manager in the request, the lottery corporation, a registrant, a licensee and an eligible organization must provide to the general manager any information, records or things that the general manager considers relevant to an investigation or an investigative audit under this Act.

ref:_00D80bj6y._5000y1QscSO:ref

AML - JIGIT / LAW ENFORCEMENT DISCLOSURES

Production Order or information request letter must be on police letterhead and are usually sent via email to BCLC Director, AML & Investigations or uploaded to the BCLC SFTP site.

Once received:

1) Create a folder in kamfile/AML Risk/Law Enforcement --> applicable agency folder / year
The folder naming convention is as follows: YYYY MM DD – requesting agency and their File Number - BCLC Incident number or SID
ie: Redacted - RCMP

2) For JIGIT Requests, create an entry in the JIGIT Disclosure Request Tracking Sheet and add all relevant information

Request Date	Type of Request	Requester Name	Channel	Request Purpose	Offense Type	JIGIT/RCMP/GPEB File Number	BCLC File Number	Request Details	Email/SFTP	SFTP	Email	Disclosure Date	BCLC Email Response (additional notes (also, see folder for documents)
Redacted - RCMP													

3) Go to iTrak (for casino requests) or SalesForce (for e-gaming and lottery requests) and pull all requested records. Depending on the information requested this may include documents such as incident report files, subject and/or personnel profiles, media files, table tracking sheets, disbursement records.

4) Save all records to the folder, convert to PDF and combine into one PDF document using Adobe Acrobat Pro. Create a cover letter stating what information was provided and put that as the first page in the disclosure package, or in the case of JIGIT requests in the form of a S86 Demand, use that page as the first page in the disclosure package. Redact any information if necessary, then watermark the document (ie: JIGIT COPY, CFSEU COPY, etc.).

5) Password protect the PDF to allow High Resolution Print only, but prevent modifications (Tools--> Protection--> Encrypt with Password)

6) Upload the disclosure document to the SFTP folder of the requesting agency and email the requestor advising that the documents have been uploaded.

7) Check iTrak to make "BCLC – SOR" notation and place patron on watch if necessary. Update SOR Spreadsheet (see section titled: '*SOR (Subject of Request) Process*')

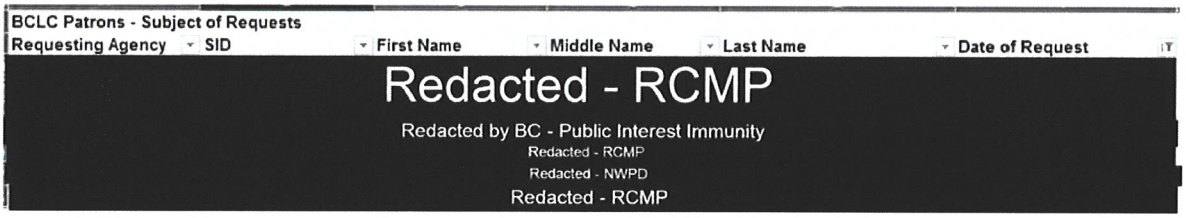
AML - SOR (SUBJECT OF REQUEST) PROCESS AND WATCH STATUS REVIEWS (SOR/HRP/CASH CONDITIONS)

SOR PROCESS

When a Police/JIGIT/CFO/Court request is received regarding a patron:

1) The notation "BCLC-SOR" (Subject of Request) is made in the traits (Distinguishing Characteristics) box in iTrak and any patrons who are not yet on watch are placed on Watch status.

2) Each request is tracked by patron name / SID/ requesting agency and date of request on a master spreadsheet called 'List of SIDs_Subject of Request (SOR)' which can be found in kamfile/AML Risk/Law Enforcement folder. This record needs to be maintained in case of audit.



WATCH STATUS REVIEWS (SOR / HRP / CASH CONDITIONS)

When a patron on is put on barring status (24 hour site barring, BCLC barring, VSE, etc), their Watch status will be removed and will not be automatically reinstated when the barring time has been completed. Due to this, a review in iTrak should be completed on a weekly basis to ensure all patrons who are SOR, HRP and on Cash Conditions are on Watch.

Go to iTrak and complete the following searches:
1) Subjects --> Filter--> Search --> Advanced Search -->Click add, then "Category is HRP"
2) Subjects --> Filter--> Search --> Advanced Search -->Click add, then "Traits Contains BCLC Sourced"
3) Subjects --> Filter--> Search --> Advanced Search -->Click add, then "Traits Contains BCLC SOR"

*Note: It is also good to review the HRP list occasionally to ensure that casino employees are not creating new profiles for patrons and categorizing them as HRP rather than POI.

AML – UFT / REFUSED BUY IN REVIEWS FOR GPEB (MONTHLY)

A review of all UFTs to determine the dollar amount and number of refused buy ins is conducted for GPEB Audit on a monthly basis and is saved in the following folder: kamfile/AML Risk/Statistics & Reports/UFT Monthly Reports for GPEB.

1) Around mid-month (to ensure all incidents have been closed off in iTrak), pull the following reports from iTrak for the previous month
   a) UFT Substantiated
   b) UFT Unsubstantiated
   c) UFT Unsubstantiated – No Receipt
   d) SOF Refusal

   iTrak Search Process:
   Incidents --> Search-->
   Date Created --> In Period --> Last Month
   Specific Is --> UFT
   Category is --> Substantiated / Unsubstantiated / Unsubstantiated No Receipt / SOF Refusal
   (Note: SOF Refusal is only used if a patron is being difficult and flat out refuses to provide their banking information. Since being implemented these incidents rarely show up when searched. When a UFT is categorized as an SOF Refusal it triggers the AML Investigators to look further into the patron.)

2) From Report Runner in CasinoLink, pull the i2_STR report for the previous month. GPEB wants to have a copy of this sent along with the UFT report. Make sure the dollar amount in the UFT Substantiated report match the dollar amount on the STR report, and also that the number of incidents match (sometimes Substantiated UFT incidents will be combined and reported as one STR).

3) Add a $ Amount Refused and $ Amount Non-Refusal column on each spreadsheet (UFTs only)

4) Go through each spreadsheet and review each incident to determine:
   a) If it was a refused buy in or a non-refusal. Non refusal UFT incident examples include: large buy in with small bills, exchange of cash or chips, customer had bought in over the $10k threshold without receipts and was asked to cash out by the site afterwards due to no SOF/receipts, patron feeding slot machine with bills.
   b) The dollar amount associated with the incident.

5) Record the dollar amount in the applicable column ($ Amount Refused or $ Amount Non Refusal)

6) When the narrative in iTrak does not specify the dollar amount related to the incident (ie: a patron feeding slot machine with stack of bills or buy in refused before dollar amount is calculated), mark the incident as Refused or Non Refused and put a $0 value then make a note on the right hand column "undetermined amount". When counting the number of incidents, the incident will still be tallied in the appropriate category (refused vs non refused) but a dollar amount will not be included in the count.

7) Using a previous 'UFT Sub and Unsub for GPEB 'spreadsheet as an example, combine all UFT report spreadsheets into one spreadsheet with a tab for each UFT category (substantiated, unsubstantiated and unsubstantiated no receipt). Remove the summary and narrative columns so the only information being sent to GPEB is the Incident number, Occurred date, Specific, Category, Property, $ Amount Refused and $ Amount Non Refusal plus a notes column if you need to add any notes to indicate undetermined amounts, historical STR / all time buy ins for patron, etc. Add columns at the bottom to show the calculation of the total number of incidents and the dollar amounts. Again, make sure the Substantiated UFT spreadsheet matches the STR report.

8) Once all incidents have been reviewed and the number and dollar value of the UFTs have been determined for each category, input numbers into the 'UFT Buy In Refusals Summary Table' spreadsheet (see below for example)

	April				
	Total # of Incidents	**# of Refusals**	**$ Refused**	**# of Non-Refusals**	**$ of Non-Refused**
Unsubstantiated - Other	35	14	$68,040	21	$95,760
Unsubstantiated - No Receipt	60	56	$232,665	4	$32,470
Unsubstantiated - SOF Refusal	0	0	$0	0	$0
Substantiated	17	3	$15,000	14	$186,369
TOTALS	**112**	**73**	**$315,705**	**39**	**$314,599**

9) Upload the following completed spreadsheets to the BCLC SFTP site in the GPEB Audit folder:
   a) Sub and Unsub for GPEB
   b) UFT Buy In Refusals Summary Table
   c) i2 STR Report

10) Email Tim Storms @ GPEB to advise the reports have been uploaded and advise of anything that should be noted (ie: Historical STRs etc).

AML – SOF RM REVIEWS (WEEKLY BASIS)

A review of Reasonable Measures and Source of Funds forms and supporting documentation in LCT entry is conducted on a weekly basis for the Manager, AML Programs and Manager, AML Intelligence and is saved in the following folder: kamfile/AML Risk/AML Program Testing.

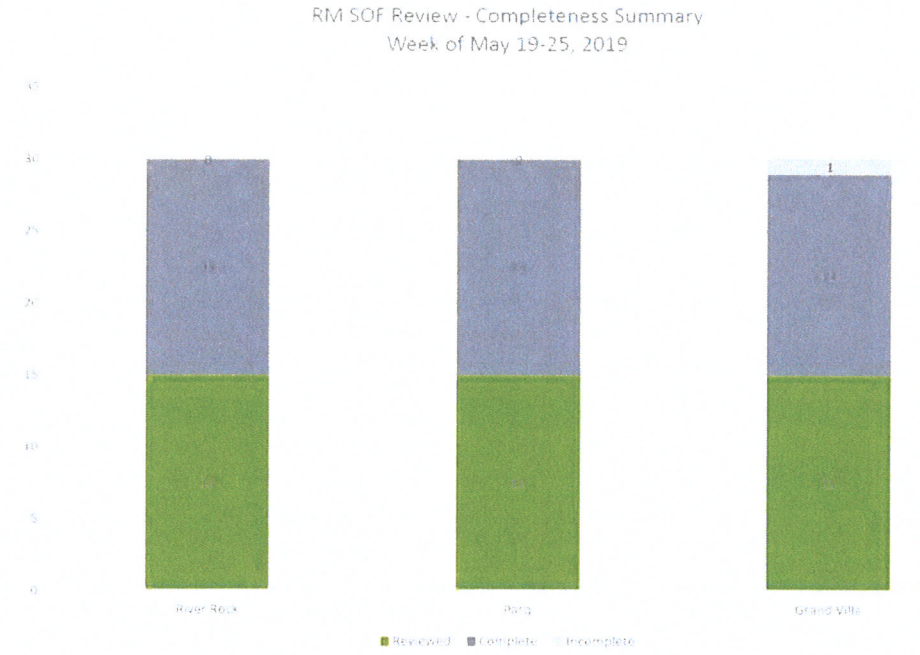
Go to the FINTRAC tab in iTrak, right click and run a search for LCTs based on the dates being reviewed. Save the CSV file to your Casinolink desktop and then send to Connex computer.

In Connex computer, save the original CSV file to the 'LCT Reports from iTrak' folder then open the spreadsheet and all filters. Search the Buy In column for entries that are $10,000 or greater. Then filter the 'Property' tab to get the results from the sites you are reviewing.

Sort by Property then copy and paste the LCT number, SID number and Property columns into the '2019 SOF_RM Weekly Review <date>' spreadsheet.

Review each LCT in iTrak, following the Deloitte document *Source of Funds (SOF) Monitoring Testing Approach* dated November 30, 2018 and record on the spreadsheet.

Make note on the spreadsheet of any missed SOF Forms or RM Forms and errors found in the review then records results in the 'RM SOF Review_Summary Charts <date>' spreadsheet to create the charts provided for the Summary Document which is sent to AML Management. See example charts below.



Summary of testing May 19-25, 2019

	Completeness			Accuracy		
	# of RM SOF Reviewed	# Exceptions	% Exceptions	# of RM SOF Reviewed	# Exceptions	% Exceptions
River Rock	15	0	0%	15	0	0%
Parq	15	0	0%	15	1	7%
Grand Villa	15	1	7%	15	0	0%
TOTAL	**45**	**1**	**2%**	**45**	**1**	**2%**

Details of Missing Data May 19-25

	River Rock	Parq	Grand Villa	Related LCT#
Source of Funds Form Completed			1	LCT20190024445
Reasonable Measures Form Completed			1	LCT20190024445
Bankdrafts/Receipt Scanned into iTrak				
RM Date Written				
RM ID Confirmed (Y/N)				
RM Guest Name				
RM SID				
RM - Info for each buy in checked (time, buy in or cash out, $ amount, 3rd party, if undetermined - reason written, emp name, GPEB #				
SOF amount written				
SOF cash/draft/cert chq		1		LCT20190023713
SOF where funds came from written				
SOF Financial Inst.				
SOF Branch				
SOF Acct #				
SOF Receipt Checked Y/N				
New customer Y/N Checked				
PGF Acct Y/N Checked				
Signature of Gaming Worker				
GPEB #				
Name of Gaming Worker				
Date Signed by Gaming Worker				
Date Signed by Gaming Worker				
Name of Patron				
Signature of Patron				
Date Signed by Patron				

*River Rock did not have any errors/missing data this week

Using the 'RM SOF Review Summary' Word template, enter the results from your review, save as a PDF then email the Manager, AML Programs and Manager, AML Intelligence with an explanation of any errors found (use email examples found in weekly review folders), and attach the SOF RM Weekly Review spreadsheet and the RM SOF Review Summary PDF. Email the Service Providers to advise of any errors/corrections to be made and save email to AML Program Testing folder.

LCT/CDR/UFT/STR Process

All LCTs, CDRs, UFTs, STRs, and Bank Drafts are items that require frequent reporting. In order to create a singular source for data to ensure a consistent approach the following procedures have been created. The general idea is to have one source of data that is updated on a frequent basis. Using a single source of data and a consistent approach to how the data is refreshed will ensure accuracy regardless of who is conducting the analysis.

STRS (LAND BASED CASINOS & EGAMING)

Prior to running the STR report ensure all UFT files have been categorized and closed in iTrak for the month that will be queried. In the iTrak incident module search for the incident file type = 'Unusual Financial Transactions'. Review the file status. Green=Closed, Orange = Open. If all files from the month being queried are closed proceed to collecting data.

The i2_STR report draws information directly from the custom forms attached to Unusual Financial Transaction incidents in iTrak for both eGaming & Land Based Casinos. Monthly reports are used to update the master STR spreadsheet found on the Connex network.

eGaming STR files are generated in Salesforce and only those files upon review that have been substantiated are added into iTrak. Within iTrak, the BCLC Investigator will generate a UFT incident file, set the property location to BCLC (Kamloops) for all eGaming STRs. In order to keep separate counts between Casino and eGaming STRs, the spreadsheet called Master iTrak STR data has two separate tabs one called **Casino Master Data** and one called **eGaming Master Data**.

On the casinolink network:

1. Open report manager (http://reportingservices1/Reports/Pages/Folder.aspx)
2. Select *iTrak*
3. Select report titled *i2_STR*
4. Select date range (based on occurrence data from iTrak incident). The report end date for the period is inclusive.
5. Export as Excel file and save to desktop or folder
6. Email or save file to encrypted USB drive
7. Transfer to Connex network

Note: When running report for time period, always include 1 day after the intended time period to ensure dates prior are included. (ie for the month of May, time period parameters = May 1 to June 1). Once report is ran double check the data and only include the dates required for the update. Some reports are inclusive of the last date and some reports are not inclusive of the end date. VALIDATE which reports do this and make the change via a ticket to Grant. End date should be inclusive.

On the Connex network:

a. Move the i2_STR file to the AMLRiskFolder:\Statistics & Reports\STR Data\Data and save as a .xlsx file "YYYY MM STR Data".
b. Open the file, copy the sheet and create a working copy sheet 'WC'.
c. Clean the data. Review all dollar amount to ensure no data errors exist. Review all properties where the incident property and the incident from STR form are different. The STR form property is the property for tracking. (Kamloops (BCLC) = eGaming STRs)
d. Check if there are any duplicate INC files, this indicates 2 custom forms attached to one incident. Batch filing can only handle 1 custom form per incident. Escalate to manager.
e. Once data is clean, delete all columns only leaving: SID/Disposition/Occurrence Date/Property (from STR Form)

For all Land Based Casino STRs:

f. Filter out all eGaming STRs in the property column (Kamloops (BCLC) = eGaming STRs) and add to its own sheet.
g. Open the master STR file: AMLRiskFolder:\Statistics & Reports\STR Data\Master iTrak STR data 2008 to current
h. Copy and Paste in the 4 columns to the bottom of the '**Casino Master Data (mm-yyyy)**' sheet from step 'e'
i. Update the date (MM YYYY) in the master sheet to reflect the date of update. Others will use this as a reference for determining how up to date the data is.

For all eGaming STRs:

j. Filter for only eGaming STRs in the property column (Kamloops (BCLC) = eGaming STRs) and add to its own sheet.
k. Open the master STR file: AMLRiskFolder:\Statistics & Reports\STR Data\Master iTrak STR data 2008 to 2019
l. Copy and Paste in the 4 columns to the bottom of the "**eGaming Master Data (mm-yyyy)**' sheet step 'e'
m. Update the date (MM YYYY) in the master sheet to reflect the date of update. Others will use this as a reference for determining how up to date the data is.

Note: The monthly data extracts are only required until all 11 months have been collected and added to the master file. The monthly reports can be deleted and replaced with the entire calendar year once all 12 months have been completed. Any STRs marked as 'Vancouver (BCLC)' are considered historical STRs.

Creating Charts:

a. In the master workbook select Refresh All on the data ribbon
b. Use pivot chart to produce output
c. In the chart titled add "produced by AML unit" and the file path (i.e- AMLRiskFolder:\Statistics & Reports\STR Data\) in font 8 under the main title
d. Save the chart output as a word document, copy and paste as photo or do a screen shot. Save in corresponding type of analysis it is CY Output or FY Output or Ad-hoc Output.

CDRS (LAND BASED CASINOS)

Every month the CDR master sheet is updated with monthly data in order to create a singular location for data.

On the casinolink network:

1. Open report manager (http://reportingservices1/Reports/Pages/Folder.aspx)
2. Select *iTrak*
3. Select report titled '**FRN Reports'**
4. Select report type '**FINTRAC_Disbursement'**
5. Select date range (based on occurrence data from iTrak incident). The report end date for the period is inclusive.
6. Export as Excel file and save to desktop or folder
7. Email or save file to encrypted USB drive
8. Transfer to Connex network

On the Connex network:

a. Move the FRN Report file to the **AMLRiskFolder:\Statistics & Reports\CDR Data\Data** and save as a .xlsx file "YYYY MM CDR Data".
b. Open the file, copy the sheet and create a working copy sheet 'WC'.
c. Clean the data, unmerge columns, delete blank columns.
d. Once data is clean, paste all columns (ReportNumber/ReportType/SubjectID/FirstName/MiddleName/LastName/Property/DateCreated /TransactionDate/FRNTotal) into the '**CDR Master Data (2009 to current)**' spreadsheet at the bottom of the table. The rest of the table for dates (Month/CY/CYQ/FY/FQ/FYP) will automatically populate.
e. Update the date (MM YYYY) in the master sheet tab to reflect the date of update. Others will use this as a reference for determining how up to date the data is.

Creating Charts:

Created on a need basis.

a. In the master workbook select 'Refresh All' on the data ribbon
b. Use pivot chart to produce output
c. In the chart titled add "produced by AML unit" and the file path (i.e.- AMLRiskFolder:\Statistics & Reports\CDR Data) in font 8 under the main title
d. Save the chart output as a word document, copy and paste as photo or do a screen shot. Save in corresponding type of analysis it is CY Output or FY Output or Ad-hoc Output.

CDRS (EGAMING)

Every month the CDR master sheet is updated with monthly data in order to create a singular location for data.

On the Connex network:

a. Open Salesforce
b. Select Reports, **All Reports**
c. Select report titled "**Monthly CDR Report with Totals**".
d. Select **Filter** and input date range for the month being updated
e. Export the results as an Excel file and save in **AMLRiskFolder:\Statistics & Reports\CDR Data\Data\eGaming (CY 2019 Folder)**
f. Open this file and filter for only 'closed' files
g. Copy and paste columns A:H and paste to the bottom of the 'eGaming Master Data' on the CDR Master Data (2009 to current) file.
h. Update the tab (eGaming Master Data date (MM YYYY) in the master sheet to reflect the date of update. Others will use this as a reference for determining how up to date the data is.

Creating Charts:

Created on a need basis.

a. In the master workbook select 'Refresh All' on the data ribbon
b. Use pivot chart to produce output
c. In the chart titled add "produced by AML unit" and the file path (i.e.- AMLRiskFolder:\Statistics & Reports\CDR Data) in font 8 under the main title
d. Save the chart output as a word document, copy and paste as photo or do a screen shot. Save in corresponding type of analysis it is CY Output or FY Output or Ad-hoc Output.

LCTS

Every month the LCT master sheet is updated with monthly data in order to create a singular location for data.

On the casinolink network:

1. Open report manager (http://reportingservices1/Reports/Pages/Folder.aspx)
2. Select *iTrak*
3. Select report titled '**FRN Reports'**
4. Select report type '**LCT_Buyin'**
5. Select date range (based on occurrence data from iTrak incident). The report end date for the period is inclusive.
6. Export as Excel file and save to desktop or folder
7. Email or save file to encrypted USB drive
8. Transfer to Connex network

On the Connex network:

a. Move the FRN Report file to the **AMLRiskFolder:\Statistics & Reports\LCT Data\Data** and save as a .xlsx file "YYYY MM LCT Data".
b. Open the file, copy the sheet and create a working copy sheet 'WC'.
c. Clean the data, unmerge columns, delete blank columns.
d. Once data is clean, paste all columns (ReportNumber/ReportType/SubjectID/FirstName/MiddleName/LastName/Property/DateCreated /TransactionDate/FRNTotal) into the '**LCT Master Data (2009 to current)**' spreadsheet at the bottom of the table. The rest of the table for dates (Month/CY/CYQ/FY/FQ/FYP) will automatically populate.
e. Update the date (MM YYYY) in the master sheet to reflect the date of update. Others will use this as a reference for determining how up to date the data is.

Creating Charts:

a. In the master workbook select 'Refresh All' on the data ribbon
b. Use pivot chart to produce output
c. In the chart titled add "produced by AML unit" and the file path (i.e.- AMLRiskFolder:\Statistics & Reports\CDR Data) in font 8 under the main title
d. Save the chart output as a word document, copy and paste as photo or do a screen shot. Save in corresponding type of analysis it is CY Output or FY Output or Ad-hoc Output.

UFTS (LAND BASED CASINOS & EGAMING)

Prior to running the STR report ensure all UFT files have been categorized and closed in iTrak for the month that will be queried. In the iTrak incident module search for the incident file type = 'Unusual Financial Transactions'. Review the file status. Green=Closed, Orange = Open. If all files from the month being queried are closed proceed to collecting data.

Every month the UFT master data file is updated with 2 sources of data. For land based casino UFTs the source data is iTrak. For eGaming UFTs the source data is Salesforce.

(Land Based) On the casinolink network:

1. Open report manager (http://reportingservices1/Reports/Pages/Folder.aspx)
2. Select *iTrak*
3. Select report titled '**UFT Reports'**
4. Select date range (based on occurrence data from iTrak incident). The report end date for the period is inclusive.
5. Export as Excel file and save to desktop or folder
6. Email or save file to encrypted USB drive
7. Transfer to Connex network

(Land Based) On the Connex network:

a. Move the UFT Report file to the **AMLRiskFolder:\Statistics & Reports\UFT Data\Data** and save as a .xlsx file "YYYY MM UFT data".
b. Open the file, copy the sheet and create a working copy sheet 'WC'.
c. Clean the data, unmerge columns, delete blank columns.
d. Once data is clean, paste all columns (Incident File Number/Occurred Date/Property/Type/Specific) into the '**UFT Master Data (2014 to current)**' spreadsheet at the bottom of the table. The rest of the table for dates (Month/CY/CYQ/FY/FQ/FYP) will automatically populate
e. For all UFTs where the property is = Vancouver (BCLC) review and determine if it is an eGaming UFT if so, do not include in the land based UFT master data file.
f. Update the date (MM YYYY) in the master sheet to reflect the date of update. Others will use this as a reference for determining how up to date the data is.

(eGaming UFTs) On the Connex network:

1. Open Salesforce
2. Select *Reports*
3. Select report titled "**AML – Total UFTs**".
4. Select date range
5. Export the results as an Excel file
6. Add data to Sheet called '**eGaming UFT Data'**

Creating Charts:

a. In the workbook select 'Refresh All' on the data ribbon
b. Use pivot chart to produce output
c. In the chart titled add "produced by AML unit" and the file path (i.e.- AMLRiskFolder:\Statistics & Reports\UFT Data) in font 8 under the main title
d. Save the chart output as a word document, copy and paste as photo or do a screen shot. Save in corresponding type of analysis it is CY Output or FY Output or Ad-hoc Output.

BANK DRAFTS

Every month the bank draft report is extracted from SSRS on the casinolink network and the bank draft master sheet is updated. The report that is extracted requires an additional step to add the bank address into the spreadsheet before it is added to the master sheet.

On the casinolink network:

1. Open report manager (http://reportingservices1/Reports/Pages/Folder.aspx)
2. Select *iTrak*
3. Select report titled "**Bank Draft/Certified Cheque Report**"
4. Select date range (based on occurrence data from iTrak incident). The report end date for the period is inclusive.
5. Export as Excel file and save to desktop or folder
6. Email or save file to encrypted USB drive
7. Transfer to Connex network

On the Connex network:

a. Move the Bank Draft/Certified Cheque Report file to the **AMLRiskFolder:\Statistics & Reports\Bank Draft Data\Data** and save as a .xlsx file "YYYY MM Bank Draft – Certified Cheque Report".
b. Open the file, copy the sheet and create a working copy sheet 'WC'.
c. Clean the data, unmerge columns, delete blank columns, ensure no spaces or data entry errors are present in the 'Branch/Transit #' field
d. Add a column after the 'Branch/Transit #' column titled 'Bank Address'
e. Use the **'Bank Transit Address Lookup Table'** file to populated the 'Bank Address' column by creating a VLOOKUP equation in excel.
f. Check for any '#N/A' results, these will need to be manually corrected or added to the Lookup table for future use if new. Use google to valid addresses and branches or bank websites.
g. Once data is cleaned and prepped, paste all columns (SID/First Name/Middle Name/Last Name/Date Of Birth/Property/Transaction Date/Amount/Branch Transit #/Bank Address/Individual 2) into the '**BD Master data (MM YYYY)**' spreadsheet at the bottom of the table. The rest of the table data will automatically populate
h. Update the date (MM YYYY) in the master sheet to reflect the date of update. Others will use this as a reference for determining how up to date the data is.

Creating Charts:

a. In the workbook select 'Refresh All' on the data ribbon
b. Use pivot chart to produce output
c. In the chart titled add "produced by AML unit" and the file path (i.e.- AMLRiskFolder:\Statistics & Reports\UFT Data) in font 8 under the main title
d. Save the chart output as a word document, copy and paste as photo or do a screen shot. Save in corresponding type of analysis it is CY Output or FY Output or Ad-hoc Output.

iTrak VSE List Process

1. Log onto the iTrak SQL Server Reporting Services (SSRS) on Casinolink.
2. Locate document entitled 'iTrak VSE list' and run the report, no date range is required.
3. Save the output as an excel file and transfer the file from Casinolink to Connex.
4. The file should contain the following column headers;

Subject ID	First Name	Middle Name	Last Name	Date Of Birth	Address	City	Province	Postal Code	Home Phone	Email	Type Of Ban	Commencement Date	End Date	Is Perma

5. Drop the file in the shared drive: W:\Digital & Enterprises Services\eGaming Continuous Monitoring

This is Exhibit "16" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Player Gaming Fund (PGF) Due Diligence Process

Prepared by: BCLC AML Unit
Date: 2017 Oct 06

The following outlines the process for when a Player Gaming Fund (PGF) is opened at a casino.

Player:

1. Requests to open a PGF account with a minimum authorized deposit type of $10,000 which the casino will hold in trust for gaming purposes only

Casino Employee:

1. Verifies Identity of Player who provides Government issued photo identification
2. A PGF application form is filled out collecting information (Name, Address, Telephone, Occupation, Company Name)
3. The authorized deposit type is verified by the employee as one of the following:
    - Bank Draft/Certified Cheque/Electronic Funds Transfer from a regulated financial institution (Office of Superintendent of Financial Institutions (OSFI) definition),
    - Verified Win Cheque or a Return of Funds cheque from a Canadian Casino
    - Debit card transaction
    - Cash or Chips from a Verified Win issued at the same casino to the same patron
    - Cash sourced as a withdrawal from the credit card kiosk at the casino
    - Cash sourced from a financial institution with a same day receipt
4. A declaration of source of funds is completed
5. The player's name is searched against the (OSFI) Terrorist List
6. An incident is logged in the *Provincial casino incident management system* as 'New PGF Account'

BCLC Investigator:

1. All information is reviewed to insure the casino employee followed the policy and procedures (Casino and Community Gaming Centre Standards, Policies and Procedures Section: 3-8.3 Cage – Patron Gaming Funds Accounts)
2. If any discrepancies are noted follow up is conducted with casino employee
3. Upon confirming all steps have been followed, comments are entered into the *Provincial casino incident management system's* 'New PGF Account' incident

BCLC AML Unit:

1. A 'New PGF Account' incident alert from the *Provincial casino incident management system* notifies the AML unit by email
2. AML Analysts review the incident and collected information to conduct the following open source queries using the name/occupation/company name of the player:

- Internal databases (Salesforce/Playnow)
- Global Adverse Media, Politically Exposes Persons (PEP) and other Intelligence lists
- Global Company Records
- International Court Cases (USA, Hong Kong, UK, Australia, New Zealand)
- Canadian Court Cases
- Canadian Tribunal Hearings

- BC Company Registry
- BC Criminal Courts
- BC Civil Courts
- Ad hoc Internet Searches (online occupation queries, company, social media)

3. All confirmed associates to player from the queries mentioned above are checked for activity in the *Provincial casino incident management system*. If found, the associates are queried in BC Criminal Courts.
4. If anything adverse is found warranting a request to the RCMP. An additional request is sent to the RCMP to confirm organized crime or gang activity or other criminality.
5. The incident in the *Provincial casino incident management system* is updated stating that due diligence has been completed.
6. All findings are saved on BCLC's network
7. Adverse findings are escalated to BCLC AML managers who will determine next steps. One of which includes issuing a 5 year Undesirable Provincial Ban under the authority of the Gaming Control Act- Right to refuse Entry Sec 92 (b).

This is Exhibit "17" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker [PERSONAL INFO]; John Karlovcec [PERSONAL INFO]
Cc: Bal Bamra [PERSONAL INFO]
From: Daryl Tottenham
Sent: Fri 04/01/2019 11:54:13 PM
Subject: Fwd: Bank draft clarification

Rob
Here is a copy of the Feb 13 email I sent to RR that Pat references.
D
From: Daryl Tottenham <[PERSONAL INFO]>
Date: February 13, 2018 at 7:02:15 PM PST
To: Michael Kim [PERSONAL INFO], Rishi Khaira [PERSONAL INFO], Ji Soo Lee [PERSONAL INFO], David Zhou [PERSONAL INFO], Peter Demonte [PERSONAL INFO], Ileene Ramiro [PERSONAL INFO]
Cc: Krissy Wong [PERSONAL INFO], Shauna Gillespie [PERSONAL INFO], Patrick Ennis [PERSONAL INFO], Bal Bamra [PERSONAL INFO]
Subject: Bank draft clarification

Quick Look

Hello all,
I am just following up to clarify information previously put out in the PGF Q&A documents as there appears to be some confusion at your site. When patrons arrive with bank drafts they are required to provide a receipt which includes the sender name, bank and branch location and account number. Not all banks offer separate receipts for this but in most instances this information is found on the actual bank draft itself.
Some banks hand-write the information, others have it typed in but regardless of how it is done, if the bank draft has this information on it, the draft itself serves as a receipt. A photocopy of the draft is added to the media file as the receipt and you are good to go. If the bank did not write the sender information on it, (usually the bottom left corner) the patron can fill it in.
As you know the presentation of a bank draft at 10K requires an SOF declaration form and on that form the patron is certifying the information on the draft is accurate. We do not have insight into banking information as it is an FOI issue but we do have the ability to follow up with other agencies if we suspect the patron is doing something improper with their drafts.
Our goal is to get players using PGF accounts and bank drafts therefore we do not want to hinder this process if they are following our requests. We recently reviewed over 7,500 bank drafts from all locations that have PGF accounts and found only several instances that involved mistakes and they were minor at best so we do not have concerns at this time that your patrons are abusing this process.
Please contact me if you are not clear on any part of this process but please ensure that all appropriate departments are aware of these rules so that you do not end up sending your clients away for no reason and jeopardize that relationship.

Thanks kindly,
Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs

Legal, Compliance & Security Division

2940 Virtual Way, Vancouver, BC V5M 0A6
C PERSONAL
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

This is Exhibit "18" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BCLC AML Programs

Extreme Risk Patron Program

Created and implemented- June 2014

Purpose:

To establish a protocol to flag patrons who present an extreme risk to BCLC and issue a 5 year Province-wide barring to ensure the safety of patrons and employees of BCLC sites. The extreme risk process includes an appeal process managed by the BCLC Legal Department to review all aspects of the investigation that resulted in the 5 year barring.

Process:

The criteria for a 5-year barring relies on information received from Law Enforcement, criminal record abstracts, media hits, and open source documents available to Investigators. A 5-year barring order may also be applied to patrons who disregard AML directives and engage in activities that preclude BCLC from continuing a business relationship with that patron.

The specific criteria for extreme risk barring is as follows:

- Subject is associated to or belongs to a known criminal organization (Hell's Angels, UN gang, IS Soldiers, etc.)
- Subject has an extensive record which includes a record for violence and/or weapon offences.
- Subject has a charge or conviction for Proceeds of Crime offences
- Subject has a confirmed "Duty to Warn" notice served on them by police.

The AML unit actively monitors daily media incidents and updated Law Enforcement bulletins to identify potential persons of interest or safety concerns and conduct reviews as necessary.

Summary:

The mere presence of persons identified in this program to attend in or near BCLC sites places all patrons and employees in danger. The high number of targeted gang shootings in the Lower Mainland over the past 5 years has shown that little regard is given to innocent bystanders when a gang member is intent of killing rival gang members.
Since the inception of this program we have documented 13 people that have Itrak profiles, most of which have been the subject of an extreme risk barring, and have been subsequently killed in targeted shootings in BC.

The importance of maintaining a robust barring program is critical to ensure a safe gaming environment for our patrons and employees.

This is Exhibit "19" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker[PERSONAL INFO]
From: Brad Desmarais
Sent: Mon 16/04/2018 8:13:55 PM
Subject: FW: Confirmed hit

Example of DD resulting in banning.

From: Ross Alderson
Sent: Monday, June 15, 2015 11:21 AM
To: Brad Desmarais <[PERSONAL INFO]>
Subject: Re: Confirmed hit

Banned as undesirable 5 years

Ross Alderson
Director, AML & Operational Analysis

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Brad Desmarais
Sent: Monday, June 15, 2015 2:16 PM
To: Ross Alderson
Subject: RE: Confirmed hit

Where did we end up on this? thanks

Brad Desmarais
Vice President, Corporate Security & Compliance
(and) Interim Vice President, Human Resources

BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T [PERSONAL INFO] C [PERSONAL INFO] F 604 225 6488

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Ross Alderson
Sent: Thursday, May 28, 2015 4:34 PM
To: Kevin Sweeney; Brad Desmarais
Subject: FW: Confirmed hit

One for discussion. Interpol warrant for bribery – warrant origin **China**
RRCR player. About $1.4 million in buy in's this calendar year
Overall $200 -300K down (this year)
Burnaby address

Ross Alderson CAMS

Director, AML & Operational Analysis
Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T [PERSONAL INFO] C [PERSONAL INFO] F 604 225 6488

PERSONAL INFO

From: Brad Rudnicki
Sent: Thursday, May 28, 2015 4:07 PM
To: Ross Alderson
Cc: Daryl Tottenham; Cathy Cuglietta
Subject: Confirmed hit

SID 95916-wated by Interpol for accepting bribes. Lots of iTrak activity, recent LCTs and STRs. He has been added to the spreadsheet for your review.

Brad Rudnicki, CAMS
Business Intelligence Analyst, AML & Operational Analytics
Corporate Security & Compliance Division, BCLC

BCLC, 2940 Virtual Way, Vancouver, BC V5M 0A6
C PERSONAL T PERSONAL F 604 225 6488

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

This is Exhibit "20" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

April 15, 2014 SENT VIA EMAIL

Superintendent Nick Romanchuk
OIC KELOWNA RCMP DETACHMENT

bclc
playing it right

74 West Seymour Street
Kamloops BC V2C 1E2
T 250 828 5500
F 250 828 5631

2940 Virtual Way
Vancouver BC V5M 0A6
T 604 215 0649
F 604 225 6424

Dear Supt. Romanchuk:

As you are likely aware, the British Columbia Lottery Corporation ("BCLC") conducts and manages gaming on behalf of the Province of British Columbia. Gaming in BC is conducted through land based facilities such as Casinos, Community Gaming Centres ("CGCs") and Bingo Halls. Non-land based gaming includes eGaming (Internet) and Lottery. We are proud that our Casinos, CGCs and Bingo Halls are the safest entertainment venues for adults in the Province. These gaming facilities also bring revenue into communities through the Province's revenue sharing with host local governments and community gaming grants. We believe the gaming management model BCLC undertakes is amongst the best in the world.

Notwithstanding the foregoing, BCLC understands we must keep moving forward and look for new and innovative ways to continue to keep our gaming facilities safe and free from criminal conduct such as money laundering and loan sharking. Equally important, we believe members of organized crime groups and gangs should not be permitted to use our facilities as an entertainment venue because of their potential to attract violence and the possibility the funds they use for gambling may be derived, directly or indirectly, from the proceeds of crime. One of the most effective ways to achieve these goals is to ban individuals who are associated to such activities. The *Gaming Control Act* ("GCA") authorizes BCLC to ban "undesirable" persons who fall into these categories

BCLC and the RCMP recently signed an Information Sharing Agreement (attached) which will permit, within the context of the Federal *Privacy Act* and the Provincial *Freedom of Information and Protection of Privacy Act*, the exchange of information relevant to Gaming Management and Law Enforcement needs. You will note at Paragraph 4.1 of the Agreement the RCMP is empowered to *"...proactively disclose to BCLC Personal Information of individuals who may be undesirable pursuant to the GCA and are known to frequent gaming facilities."* For greater clarity, the Agreement describes in paragraph 4.2 categories of particular concern to BCLC:

- Propensity for violence;
- History, or is suspected of, Possession of the Proceeds of Crime or the commission of related/substantive offences; or
- Known Gang or Organized Crime association.

Accordingly, our request to you is if you or members of CFSEU are aware of individuals who meet the aforementioned criteria and frequent gaming facilities within the Province of BC, we would be most grateful if this information is shared with us at your earliest convenience. Upon receipt of that information we will consider applying a ban which would be enforceable throughout the Province.

We also understand CFSEU is engaged in organized crime and gang investigations throughout the Province and as such, has developed a Provincial Tactical Enforcement Priority Program ("PTEP") targeting individuals who are of particular concern to law enforcement. Subject to law enforcement priorities, if these individuals are frequenting gaming facilities in the Province, BCLC would like to commence the process of proactively banning those persons. We believe the criteria under which those individuals have been included in the PTEP would likely also qualify them as "undesirable" pursuant to the GCA. The process by which we would access the personal information of persons included in the PTEP Program could be discussed in detail later if you are supportive of this concept.

On a similar note, from time to time there are regrettable circumstances where patrons do attend gaming facilities where there are reasonable grounds to believe funds in their possession were derived, directly or indirectly, from the proceeds of crime. In the past this has presented a challenge for BCLC and our Service Providers who operate the Casinos and CGCs. Often the police of jurisdiction do not have the resources or expertise to commence an investigation of this nature. Further, the Investigation Division of our Regulator, the Gaming Policy and Enforcement Branch, has advised us they do not have the statutory authority to take conduct of these matters. BCLC is seeking support from the CFSEU Uniform Division to act as first responders in circumstances where a large amount of funds are believed to be criminally derived and in particular, where the individual in possession of those funds is, or is associated to, a person who is included in the PTEP Program. BCLC is aware that CFSEU is overtasked in many respects and the attendance of the Uniform Division members would be subject to other operational priorities.

Again, this is a high level concept and the minutiae required to breathe life into this proposal could be undertaken at a later date and would likely involve an Operational Protocol between CFSEU and BCLC. While BCLC and CFSEU have provincial reach and mandates, we acknowledge that practically speaking, this arrangement would likely only be applicable in the Lower Mainland. If CFSEU is supportive of this initiative, BCLC would be delighted to host a short workshop for CFSEU members with respect to familiarization of gaming facilities, processes, legal obligations and any other topic CFSEU management believes necessary.

The operational point of contact for matters relating to the Information Sharing Agreement, and in particular, information relating to individuals who meet the criteria for banning, is Mr. Daryl Tottenham (office) 778-877-7049 and email address: DTottenham@BCLC.com.

The Information Sharing Agreement contemplates two-way sharing of information. If there is anything we can assist you with which falls within the authority of this Agreement, please do not hesitate to contact Daryl Tottenham. Notwithstanding, Executive oversight and authority to execute in this matter rests with my office. Additionally, if you have any questions whatsoever on this or any aspect of gaming in BC, please do not hesitate to contact me directly. Thank you for your attention to this manner.

Yours truly,



Brad Desmarais
Vice President, Corporate Security & Compliance

Enclosure

This is Exhibit "21" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker PERSONAL INFO
From: Brad Desmarais
Sent: Thur 23/11/2017 2:17:24 AM
Subject: FW: CFSEU/High Risk list review- for discussion

Some background from John in that time period

Brad Desmarais
Vice President, Casino and Community Gaming

BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T PERSONAL INFO C PERSONAL F 604 225 6488

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: John Karlovcec
Sent: Friday, June 06, 2014 12:08 PM
To: Daryl Tottenham PERSONAL INFO
Cc: Brad Desmarais PERSONAL INFO; Brad Rudnicki PERSONAL INFO; Cathy Anastasio PERSONAL INFO
Subject: RE: CFSEU/High Risk list review- for discussion

Hi Daryl,

We discussed linking any barrings to our risk matrix and whether we have an established "business relationship".

If we identify that we have established a business relationship with these people like in the case of PERSONAL INFO and we have the adverse media and any other intelligence such as the fact that he is on the CFSEU list we will proceed with the 5 year barring.

For the likes of PERSONAL INFO even though he is in a Spanish prison I would proceed with a 5 year barring as there is sufficient adverse media on this guy and he poses a significant risk although we will probably never see him again.

For those that we require further clarification on we should reach out to CFSEU for additional info for confirmation on gang affiliations, overall risk/duty to warn. If we received confirmation and they have played in any of our gaming sites we should submit an STR.

Now if the individual has never stepped foot in any of our gaming facilities I would say that we would be hard pressed to proceed with a barring.

Redacted - FINTRAC We can discuss further.

Thanks,

John

From: Daryl Tottenham
Sent: Wednesday, June 04, 2014 2:12 PM

To: AML
Subject: CFSEU/High Risk list review- for discussion

I have reviewed all the patrons on the CFSEU/Itrak crossover list currently held and here is my preliminary findings:

- There are a total of 109 people on the list held in the AML Risk folder to be reviewed and assessed.
- There are another 10 people who are in Itrak that have siginificant organized crime history and are either not on the CFSEU list or on the list and not picked up by the scan. That means we have 119 people to deal with overall for STR and/or barring purposes.
- Of those 119 people, 33 are already under long-term BCLC barrings or are currently VSE patrons.
- There are 12 people on the list which, in my humble opinion, we require no further investigation on and they should be BCLC barred for 5 yrs and an STR filed for public safety reasons.
- There are 35 people who are on the CFSEU list and have various histories or reasons that they could be STR/BCLC barring candidates but we should seek CFSEU confirmation on their level of risk overall, including any Duty to warn notices and the extent of their gang activities.
- There are 39 people who are on the CFSEU list but have very little or no history at BCLC and from my perspective pose minimal risk to us and are likely minor players on the CFSEU front.

One of the questions we will have to consider in this endeavor is what we plan on doing with known members of the Hell's Angels, Nomads and Renegades that are on the CFSEU system and also in our system. If we are using a yardstick measured by CFSEU and their confirmed status with "an organized crime group", how are we going to apply that across the board here.

As an example, we have been talking about PERSONAL INFO (his brother is a full patch member high up the food chain with the White Rock Nomads") PERSONAL INFO owns several business which funnel HA dope money, along with recent negative media reports and is closely linked to the HA's while currently having 121 LCT disbursements at BCLC and is clearly a high risk patron for BCLC.
We have talked about 5 yr barring him based on the CFSEU list and his known association to the HA's so.....if we proceed with that do we also do the same for PERSONAL INFO who is a high-level full patch member of the HA's and is currently in custody in a Spanish prison for a huge heroin bust , along with the 3 other big players from the U.N., Dhak, and Independent soldiers gangs in BC.
Following that do we also bar the other patrons currently in Itrak and the CFSEU list that are full patch members of the HA's, Nomads and the Renegades up north but have limited history with BCLC and our only reason for barring them is their confirmed affiliation with OMG groups. Bottom line is we need to discuss what line we are taking with people identified in their top 1,000, confirmed members of organized crime groups and apply whatever rules we decide to invoke across the board.

We should discuss this when John gets back and develop a game plan but bearing in mind we have a deadline to meet, I am going to be starting a template STR and a template BCLC 5 yr barring piece so that when we do decide how we are going to do this, it will be an easy process to get through.

For the CFSEU side of this, what I hoping will work is to speak to one of our contacts there and supply them with a list of names and dob's and an idea of what we are looking for in terms of assessing the names on the list so they can review on CPIC and PRIME and advise us "yes or no" if they would pose a significant risk being in BCLC sites. There is no sense in asking for a full report for each as we likely won't get that much detail from them and would be very time-consuming if we did. Once we get a response from them we can assess the numbers and decide what action we want to take.

Maybe kick some of these topics around and we can meet shortly and discuss further when everyone is back.
Daryl

This is Exhibit "22" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker PERSONAL INFO
From: Brad Desmarais
Sent: Thur 23/11/2017 2:18:43 AM
Subject: FW: info for presentation

Shows DD we were doing at that time

Brad Desmarais
Vice President, Casino and Community Gaming

BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T PERSONAL C PERSONAL F 604 225 6488

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: John Karlovcec
Sent: Tuesday, June 10, 2014 7:43 AM
To: Brad Desmarais PERSONAL INFO
Subject: Re: info for presentation

Yes absolutely!!

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Brad Desmarais
Sent: Tuesday, June 10, 2014 7:34 AM
To: John Karlovcec
Subject: Re: info for presentation

will we include a preamble setting out when we became aware of their involvement in crime so FinTrac doesn't think we are late?

Sent from my iPad
On Jun 9, 2014, at 4:02 PM, "John Karlovcec" <PERSONAL INFO> wrote:

Yes pretty much. Daryl is just in the process of creating a template preamble for the barring process. I've spoken to Bruno About getting some assistance for the barring process. The remainder require more info from CFSEU. They are not confirmed gang members but are people of interest to CFSEU. Although they are in Itrak they do not have a business relationship with us ie no LCT or STRS. There are only 7 people that we have a business relationship with. Redacted - FINTRAC

Redacted - FINTRAC

John

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Brad Desmarais
Sent: Monday, June 9, 2014 12:40 PM
To: John Karlovcec

Subject: Re: info for presentation

are these the guys we can ban more or less immediately? I recall there were over 100 we were concerned about; were the remaining individuals requiring additional information?

Sent from my iPad

On Jun 9, 2014, at 3:35 PM, "John Karlovcec" <PERSONAL INFO> wrote:

Hi Susan,

Further to the info that has already been sent to you re: your request, we have recently identified approximately 30 persons [this number may change] that fall into the undesirable category that we will be banning from all of our gaming sites.

Thanks,

John

From: Cathy Anastasio
Sent: Monday, June 09, 2014 10:35 AM
To: John Karlovcec; Susan Dolinski
Cc: Brad Rudnicki; Daryl Tottenham; Brad Desmarais
Subject: RE: info for presentation

Approximate total for BCLC prohib patrons is 327.

From: John Karlovcec
Sent: Monday, June 09, 2014 10:07 AM
To: Susan Dolinski
Cc: Brad Rudnicki; Daryl Tottenham; Cathy Anastasio; Brad Desmarais
Subject: RE: info for presentation

Hi Susan,

See the VSE & site barred numbers provided by Cathy. FYI the stats for the total underage refers to those that did not/could not/would not produce identification, false identification

We will see what we can compile for you re: prohibited as well as undesireables.

John

From: Cathy Anastasio
Sent: Monday, June 09, 2014 9:54 AM
To: Brad Desmarais; John Karlovcec
Cc: Brad Rudnicki; Daryl Tottenham
Subject: RE: info for presentation

Total VSE count as of today = 6,871

Total Site barred patron count as of today = 4,602

Total Underage attempted entries for fiscal year 13/14 = 12,858 – do not have figures up to today's date. Audrey was sent these stats by each site on a monthly basis so not sure who or where those stats are being collected now. This is not a number I can pull from iTrak.

I cannot provide the numbers for total prohibs – the query on iTrak is not working for this filter. The barred list on the extranet has not been kept up-to-date with expired barrings being removed. If I have more time I can clean up the list on the Extranet and can provide this number by end of day today....

From: Brad Desmarais
Sent: Monday, June 09, 2014 8:56 AM
To: John Karlovcec
Cc: Cathy Anastasio; Brad Rudnicki; Daryl Tottenham
Subject: Re: info for presentation

thanks, John. as you pull together the information can you please shoot it over to Susan and not wait to send it all at once? She's under a bit of a time crunch. please cc me. Thanks!!!!!!

Sent from my iPad

This is Exhibit "23" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

From: John Karlovcec
Sent: June 10, 2014 9:45 AM
To: Brad Desmarais <PERSONAL INFO
Cc: Daryl Tottenham [redacted]>
Subject: FW: CFSEU list- outline of procedures
Importance: High

Hi Brad,

Hope you are enjoying the conference.

When you have a moment please review the attached proposal. Daryl put this together to assist Bonnie with creating internal policy for barring of undesirables from our gaming facilities especially as it relates to Police information such as recent CFSEU tactical priority list. Overall the approach makes sense.

Presently and up until now all of these Police information barring requests have gone through the BCLC Manager of Casino Security & Surveillance or designate.
The designate up until now has been the Asst. Manager Casino Security and Surveillance. The designate could be another investigator or even me or Daryl for that matter.

Are you OK with the barring requests remaining with the Manager Casino Security & Surveillance or do you wish the Police barring requests to go through me?

Whichever way we go the appeal process should probably be bumped up to the Director of Investigation & Compliance and internal policy should reflect this.

Since Gord and Jennifer have had some previous dialogue on this which I was not part of, did you wish Jennifer to provide some input prior to us sending off to Bonnie for policy on this?

Comments,

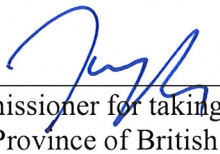
John

Extreme Risk classification.docx

From: Daryl Tottenham
Sent: Tuesday, June 10, 2014 6:27 AM
To: AML
Subject: CFSEU list- outline of procedures

John,
I drafted this up last night in an attempt to fully explain where I think we are going with the CFSEU list, and subsequent barring's and STR reports that will flow from having this information. Have a read and let me know if it is what you have in mind and make changes as needed. I was thinking once we have this completed, we could forward it to Bonnie to assist in preparing the required policy pieces we need to include in the upcoming amendments.
Daryl

This is Exhibit "24" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020



A Commissioner for taking Affidavits for the
Province of British Columbia

From: iTrak Reports [mailto:itrakrpts@bclc.com]
Sent: Tuesday, June 10, 2014 10:31 AM
To: John Karlovcec
Subject: iTrak Report

From: John Karlovcec
Sent: Tuesday, June 10, 2014 10:51 AM
To: Daryl Tottenham
Cc: Brad Rudnicki; Cathy Anastasio
Subject: FW: iTrak Report

Daryl,

Fyi, The attached Redacted - RCMP

Redacted - RCMP

http://www.vancouversun.com/news/ Redacted - RCMP 9923204/story.html#ixzz34G9d1ZBk

He is presently in the 'Watch" category of iTrak. Not sure if he was on the tactical priority list that we received. We have/had a business relationship with him. He also has two associates in his iTrak subject profile that we should look at.

1. Redacted - RCMP - Presently 5 year site barring –
2. Redacted - RCMP $553,000 buy-ins - $757,000 disbursements – business relationship. Not presently in Watch

John

From: Brad Rudnicki
Sent: Tuesday, June 10, 2014 11:21 AM
To: John Karlovcec; Daryl Tottenham
Cc: Cathy Anastasio
Subject: RE: iTrak Report

Redacted - RCMP
I'll check court records and adverse media for Redacted - RCMP and let you know what I find.

-Brad R

From: John Karlovcec
Sent: Tuesday, June 10, 2014 11:27 AM
To: Brad Desmarais
Cc: Daryl Tottenham; Brad Rudnicki
Subject: FW: iTrak Report

Brad,

Simply Fyi Redacted - RCMP
Redacted - RCMP

http://www.vancouversun.com/news/[Redacted - RCMP]9923204/story.html#ixzz34G9d1ZBk

He is presently in the 'Watch" category of iTrak. [Redacted - RCMP] We have/had a business relationship with him and he is high risk because he has [Redacted - FINTRAC]
He also has two associates in his iTrak subject profile that we are looking at;

1. [Redacted - RCMP] - Presently 5 year site barring –
2. [Redacted - RCMP] - $553,000 buy-ins - $757,000 disbursements – business relationship. Not presently in Watch

As per Brad R [Redacted - RCMP] [Redacted - RCMP] Brad will be doing some deeper dives ie; court records and adverse media to see what can be found.

John

From: Daryl Tottenham
Sent: June 10, 2014 11:43 AM
To: John Karlovcec[PERSONAL INFO]; Brad Desmarais [PERSONAL INFO]
Cc: Brad Rudnicki [redacted]
Subject: RE: iTrak Report

Just to add to this report, [Redacted] is also associated in Itrak to [Redacted - RCMP] who [Redacted - RCMP] [Redacted - RCMP] and has 368 K in buy-ins and 459K in disbursements with most of that since [Redacted - RCMP] at the Villa.
Might be good to add [Redacted - RCMP] onto the CFSEU list for review in light of the [Redacted - RCMP].
D

This is Exhibit "25" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

From: Bulow, Kurt
Sent: Tuesday, June 17, 2014 4:59 PM
To: John Karlovcec
Cc: Uniform Teams; Grace, Robert; Uniform Team 1
Subject: CFSEU Uniform Team BCLC

Good day John,

Further to our discussion this morning, please be advised that Cst. Trevor EMMERSON has volunteered to act as a liaison between the CFSEU Uniform Teams and the BCLC Security & Compliance Section (contact info attached). I will act as his back-up in case he is not available.

Should you wish to disseminate any pertinent information to our unit related to PTEP/Gang/OC targets at BC casinos, please forward said info directly to Cst. EMMERSON.

Dependent upon operational need, either Cst. EMMERSON or myself will be available to attend your monthly Law Enforcement agency briefing.

Please do not hesitate to contact me if you have any additional questions or need any assistance.

Regards,

Kurt

From: John Karlovcec
Sent: June 17, 2014 5:26 PM
To: Bulow, Kurt <PERSONAL INFO
Cc: Uniform Teams <UniformTeams@cfseu.bc.ca>; Grace, Robert <PERSONAL INFO >; Uniform Team 1 <UniformTeam1@cfseu.bc.ca>; Brad Desmarais <PERSONAL INFO ; Daryl Tottenham
PERSONAL INFO
Subject: Re: CFSEU Uniform Team BCLC

Thanks Kurt. We very much appreciate CFSEU's support. We look forward to our working relationship moving forward.

John

Sent from my BlackBerry 10 smartphone on the TELUS network.

This is Exhibit "26" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

From: John Karlovcec
Sent: June 20, 2014 8:30 AM
To: PERSONAL INFO
Cc: Brad Desmarais <PERSONAL INFO Patrick Ennis
PERSONAL INFO >; Arlene Strongman
; Daryl Tottenham <PERSONAL INFO >
Subject: RE: CFSEU River Rock Casino Orientation

Hi Rob,

On behalf of BCLC and Great Canadian Casinos, thanks very much for making your 4 teams available to attend the site orientation at River Rock Casino. We very much appreciate your teams taking the time from their busy schedules to attend the sessions. We hope that your members found the orientation worthwhile and that it provided them some insight into the gaming environment.

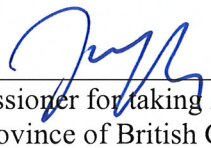
Our next steps will be to create a target booklet for your group as well as provide you with a list of the various key BCLC and Casino service provider contact numbers.

If there is anything else that you require please let me know. Always available to discuss further.

Best Regards,

John

This is Exhibit "27" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020



A Commissioner for taking Affidavits for the
Province of British Columbia

From: John Karlovcec
Sent: Redacted - RCMP
To: PERSONAL INFO
Cc: PERSONAL INFO Bob Stewart PERSONAL INFO ; Brad Desmarais PERSONAL INFO 'Kurt Bulow PERSONAL INFO 'Mark Jordan PERSONAL INFO 'Jeff Neuman Neuman (PERSONAL INFO PERSONAL INFO 'Eldon Orregaard (PERSONAL INFO ' PERSONAL INFO Brad Rudnicki PERSONAL INFO ; Daryl Tottenham PERSONAL INFO >
Subject: Casino Cash Facilitators
Importance: High

Hi Trevor,

Hope all is well. Just to advise you that we have compiled our top 10 Casino cash facilitator targets.

Our BCLC Intelligence analyst has sent the target sheets as well as BCLC investigator contact information by secure file transfer protocol to CFSEU analysts Jill PATTERSON, Jorda METCALFE, Caralee FLORE and Nathalie BROWNE.

Please contact one of your CFSEU analysts to receive/gain access to the information. Again we very much appreciate your support with this initiative.

Please let us know if you have any questions or if we can be of any further assistance.

Best Regards,

John

John Karlovcec
Manager AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
T PERSONAL INFO C PERSONAL INFO F 604 225 6488
PERSONAL INFO

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Twitter @BCLC | Twitter @BCLCGameSense | YouTube | Blog | bclc.com

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

This is Exhibit "28" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name PERSONAL INFO [redacted] #10

Date of Birth: PERSONAL INFO [redacted]



Identification Details:
BCDL PERSONAL [redacted]

BCLC Subject Profile Identification Number
SID#61966

Occupation:
Telecommunication

Address:
PERSONAL INFO [redacted]

Vehicle attached to his profile:

2011
BMW X5 2006 (grey)
610PWC

2012
Ford Taurus 2003 (grey)
656LGR

Associates: 0

This is Exhibit "29" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name: PERSONAL INFO #9

Date of Birth: PERSONAL INFO



Identification Details:
Permanent Residence Card
PERSONAL INFO

BCLC Subject Profile Identification Number
SID#83028

Occupation:
Financial Investor

Address:
PERSONAL INFO

Vehicle attached to his profile:

2013
Mercedes SLK55 2012 (black)
BCLP 919RNT
RO Registered to PERSONAL INFO (DOB PERSONAL INFO of West Vancouver, BC)

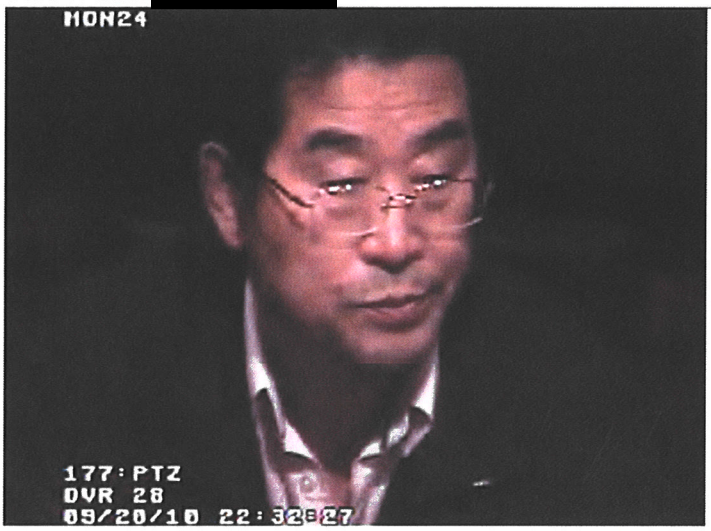
Associate: #1 PERSONAL INFO

This is Exhibit "30" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name: PERSONAL INFO #8

Date of Birth: PERSONAL INFO



Identification Details:
BCDL PERSONAL INFO

BCLC Subject Profile Identification Number
SID#85160

Occupation:
Owner

Company Name:
Jade Artifacts Company

Address:
PERSONAL INFO

Vehicle attached to his profile:

2011
Mercedes ML500 (grey)
BCLP 733EHG

2013
BMW X5 (silver)
BCLP 638PPX

BMW X5 (grey)
BCLP 656NSW

Associates: #1 JIN Paul King & #7 PERSONAL INFO

This is Exhibit "31" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name: PERSONAL INFO #7

Date of Birth: PERSONAL INFO



Identification Details:
BCDL PERSONAL INFO

BCLC Subject Profile Identification Number
SID#85444

Occupation:
Marble Furniture Assembler

Address:
PERSONAL INFO

Vehicle attached to his profile:

2013
Acura (silver)
BCLP 952PLR

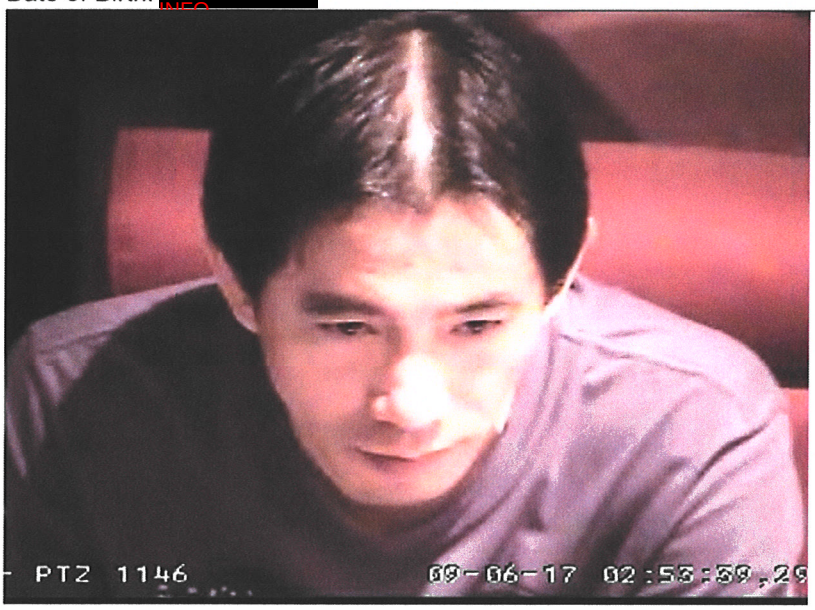
Associates: #1 JIN Paul King, #6 PERSONAL INFO & #8 PERSONAL INFO

This is Exhibit "32" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name: PERSONAL INFO #6

Date of Birth: PERSONAL INFO



Identification Details:
BCDL PERSONAL INFO

BCLC Subject Profile Identification Number
SID#66423

Occupation:
Restaurant Waiter

Address:
PERSONAL INFO

Vehicles attached to his profile:

2012
BMW X5 (grey)
BCLP 238XRC

Associates: #1 JIN Paul King, #5 PERSONAL INFO & #7 PERSONAL INFO

This is Exhibit "33" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name: PERSONAL INFO #5

Date of Birth: PERSONAL INFO



Identification Details:
BCDL PERSONA

BCLC Subject Profile Identification Number
SID#58102

Occupation:
"Real Estate Agent/Spa Owner"
Company name: in China

Address:
PERSONAL INFO

Vehicles attached to her profile:
2010
BMW X5 2009 (grey)
BCLP 731LAF
Owner's name: PERSONAL INFO
(Address listed to her lease for this vehicle is PERSONAL INFO

2012
Porsche Cayenne 2011 (black)
BCLP 933RTJ

2014
Porsche Cayenne (black)
BCLP 575XRE

Associate: #6 PERSONAL INFO

This is Exhibit "34" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name: PERSONAL INFO #4

Date of Birth: PERSONAL INFO



Identification Details:
BCID PERSONAL INFO

BCLC Subject Profile Identification Number
SID#153740

Occupation:
College Student
Sprott Shaw College

Address:
PERSONAL INFO

Vehicle attached to his profile:

2014
Porsche Cayenne 2006 (Black)
BCLP 731RXT

Associates: #1 JIN Paul King & #3 PERSONAL INFO

This is Exhibit "35" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name PERSONAL INFO #3

Date of Birth: PERSONAL INFO



Identification Details:
BCDL PERSONAL INFO

BCLC Subject Profile Identification Number
SID#153983

Occupation:
Unknown

Address:
PERSONAL INFO

Vehicle attached to his profile:

2014
Jeep Grand Cherokee (Beige)
BCLP 918LXM

Associates: #1 JIN Paul King & #4 PERSONAL INFO

This is Exhibit "36" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name PERSONAL INFO [redacted] #2

Date of Birth: PERSONAL INFO [redacted]



Identification Details:
BCDL PERSONAL INFO [redacted]

BCLC Subject Profile Identification Number
SID#157220

Occupation:
Unknown

Address:
PERSONAL INFO [redacted]

Vehicles attached to his profile:

2014
Associated vehicles:
(Both Leased by PERSONAL INFO [redacted])

Lexus LS600 sedan (black)
BCLP 140MJV (previously 573NSW)

Toyota Sienna (white)
BCLP 603MMK

Associates: #2 PERSONAL INFO [redacted] #3 PERSONAL INFO [redacted] #4 PERSONAL INFO [redacted] #6 PERSONAL INFO [redacted] #7 PERSONAL INFO [redacted] #8 PERSONAL INFO [redacted] #9 PERSONAL INFO [redacted]

This is Exhibit "37" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Name: JIN, Paul King #1

Date of Birth: PERSONAL INFO



Identification Details:
BCDL PERSONA

BCLC Subject Profile Identification Number
SID#118418

Occupation:
Spa Owner: Water Cube

Business Address:
(Richmond, No. 3 rd)
502-8080 Cambie Rd.
Richmond, BC
V6X 3X9

Vehicles attached to his profile:
2012
Lexus (silver) SUV
BCLP 561RRH
Old vehicle may no longer be relevant.

2013
Lexus LS600 Year 2008 (black)
BCLP 573NSW

2014
Lexus LS600 sedan (black)
BCLP 140MJV (previously 573NSW)

Toyota Sienna (white)
BCLP 603MMK

Lincoln Navigator (black)
BCLP 358XRF

Associates: #2 PERSONAL INFO #3 PERSONAL INFO #4 PERSONAL INFO #6 PERSONAL INFO, #7 PERSONAL INFO, #8 PERSONAL INFO #9 PERSONAL INFO

This is Exhibit "38" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Daryl Tottenham PERSONAL INFO
From: Daryl Tottenham
Sent: Tue 2020-01-21 3:12:28 AM
Subject: FW: Paul JIN
Paul JIN Mar to Oct 2014.xlsx

.....
''''''''''

From: Daryl Tottenham
Sent: Wednesday, February 06, 2019 1:05 PM
To: Daryl Tottenham
Subject: FW: Paul JIN

From: Daryl Tottenham <PERSONAL INFO
Sent: Tuesday, December 02, 2014 8:28 AM
To: Emmerson, Trevor <PERSONAL INFO
Subject: FW: Paul JIN

Hi Trevor
I have attached the spreadsheet that Jerome did for JIN over the past 6 months, and I have looked at a few of his most recent deliveries since that time. There is no pattern that will likely help out much with him as he is supplying a number of people with cash based solely on when they come in and lose and need to re-fill. As those players are all over the map, at best it is hit and miss and depends on the needs of whomever shows up here
What we have found with him is that they tend to use the same vehicles for deliveries so we see 2 Toyota Sienna's quite often (BC plate 603-MMK and 558-MVJ), a black Mercedes with BC plate 988-XLV, black Lexus BC plate 573-NSW, and a blue Toyota Rav 4 BC plateAG5-76W.
Just as an fyi, we recently had a VIP from China here who is beyond extremely wealthy (estimated worth around 40 Billion) and he dropped several million over 2 nights. Due to his extreme volume, it has caused a severe ripple effect with us and we have had several meetings with RR and management over this guy. As it appears that JIN facilitated the cash on the second go-round, he is now flagged and we are pretty sure that JIN has heard through his people that RR is being monitored by BCLC. It likely will not slow him down as the small bills are still coming in pretty steady and he is likely the main source of all these buy-ins before they land on our doorstep.
I will update you as soon as we get more info on what is going to happen in the short term as this is now priority #1 for us.
Thanks daryl

From: John Karlovcec
Sent: Friday, October 24, 2014 12:35 PM
To: Daryl Tottenham
Subject: FW: Paul JIN

From: Kevin Sweeney
Sent: Friday, October 24, 2014 11:51 AM
To: Brad Desmarais; John Karlovcec
Subject: Paul JIN

Brad/John,
Had the team at the RRCR compile some information surrounding Paul JIN and his actions over the past 6 months.
I've attached a Spreadsheet of all the incidents where Paul JIN is involved or believe to be involved. The breakdown is as follows:

28 incidents where Paul JIN is believed to be involved in cash/chip delivery to BCLC Patrons.
The Total Buy-Ins for the patrons is **$3,899,411**.
Included in the 28 incidents are:

- ∀14 Incidents where a vehicle associated to Paul King JIN is confirmed by plate.
  The Total Buy-In for these incidents is $1,889,986.
- ∀ 12 Incidents where Paul King JIN is positively identified in the delivery of cash/chips to BCLC Patrons.
  The Total Buy-Ins for these incidents is $1,810,086

On many occasions BCLC Patrons receive more than one delivery of cash in a single gaming session. Only the incidents involving Paul JIN as a subject on I-trak are included in the above totals. It is possible that Paul JIN is also responsible for additional deliveries, but the use of subordinates makes it more difficult to confirm.
Is there an opportunity whereas we can have the CFSEU target this individual?

Kevin Sweeney, CRM
Director, Compliance & Investigations
Corporate Security and Compliance Division, BCLC

T PERSONAL INFO C PERSONAL INFO

PERSONAL INFO

All Incidents with the Suspected Involvement of Paul King JIN
Total Buy-Ins $3,899,411

Incident Number	Property	Date	Associated Name	Associated SID	Buy-in Amount	Vehicle involved	Vehicle Confirmed	Vehicle Suspected	PERSONAL Identified	PERSONAL Suspected	Aftermath
20140011821	River Rock	5-Mar-14	PERSONAL INFO	140770	$102,500	BCL: 573NSW Black Lexus		X		Y	P received cash and conducted gaming play
20140034807	River Rock	7-Mar-14		29759	$199,920	BCL: 573NSW Black Lexus	X			N	PER returned a portion of the buy-in to Lexus. Conducted Gaming play with remainder of chips
20140014259	River Rock	18-Mar-14		121787	$200,000	BCL: 573NSW Black Lexus	X		X		PERSO received chips from Paul JIN.
20140017495	River Rock	6-Apr-14		17135	$50,000	BCL: 573NSW Black Lexus	X		X		P received chips and conducted gaming play
20140023129	River Rock	6-May-14		86709	$300,000	BCL: 140MJV Black Lexus		X		Y	PER dropped off by PERSONAL left vehicle with valet and departed with possible Paul JIN. used cash to conduct gaming play
20140026124	River Rock	23-May-14		71603	$246,605	BCL: 603MMK White Toyota Sienna		X		N	Vehicle Lessee PERSONAL delivered cash to PERS conducted gaming play.
20140026587	River Rock	26-May-14		90767	$50,000	BCL: 603MMK White Toyota Sienna		X		Y	Vehicle delivered cash to PERSON conducted gaming play.
201426687	River Rock	27-May-14		58336	$200,000	BCL: 603MMK White Toyota Sienna		X	X		PER received cash in two transactions and conducted gaming play.
20140026765	River Rock	2-Jun-14		90767	$100,000	BCL: 603MMK White Toyota Sienna		X		Y	Vehicle delivered cash to PERSON conducted gaming play.
20140029368	River Rock	11-Jun-14		90767	$200,040	BCL: 603MMK White Toyota Sienna		X	X		Vehicle delivered cash to PER in two transactions. PER conducted gaming play.
20140030287	River Rock	16-Jun-14		90767	$50,000	BCL: 603MMK White Toyota Sienna		X		Y	Vehicle delivered cash to PERSON conducted gaming play.
20140030713	River Rock	19-Jun-14		90767	$50,000	BCL: 603MMK White Toyota Sienna	X		X		PER met with JIN on Skywalk PER then received cash from a Porsche Cayenne
20140032525	River Rock	29-Jun-14		140770	$200,000	BCL: 603MMK White Toyota Sienna	X		X		PE met with JIN in Sea Harbour Restaurant. P received cash and conducted gaming play. PE possible returned chips to JIN.
20140032525	River Rock	29-Jun-14		140770	$30,000	BCL: 603MMK White Toyota Sienna		X		Y	Vehicle delivered cash to PERS conducted gaming play.
20140032550	Edgewater	29-Jun-14		134459	$100,020	BCL: 603MMK White Toyota Sienna	X			Y	Vehicle delivered cash to PERSONA JIN met with the vehicle later and returned some of the cash to the vehicle.

All Incidents with the Suspected Involvement of Paul King JIN
Total Buy-Ins $3,899,411

Incident Number	Property	Date	Associated Name	Associated SID	Buy-in Amount	Vehicle involved	Vehicle Confirmed	Vehicle Suspected	JIN Identified	JIN Suspected	Aftermath
20140032683	River Rock	30-Jun-14	PERSONAL INFO	140770	$184,940	BCL: 603MMK White Toyota Sienna	X		X		JIN carried bag to meeting with PE in 5th floor hotel room. Both JIN and PE left room carrying bags. P bought in and conducted gaming play. Later, the vehicle delivered cash to PERS conducted gaming play
20140034129	River Rock	9-Jul-14		86709	$300,000	BCL: 603MMK White Toyota Sienna	X			Y	Vehicle delivered chips to PERSON conducted gaming play.
20140040668	River Rock	12-Aug-14		84950	$200,000				X		PE met with Paul JIN on River Road. P received bags of cash. PE conducted gaming play.
20140042762	Edgewater	24-Aug-14		58333	$30,000	BCL: 603MMK White Toyota Sienna	X			Y	PE met with the vehicle in Edgewater parking lot then bought in for $2,000. Later P walked out of camera view and returned carrying bag with $28,000. P conducted gaming play.
20140042756	Edgewater	24-Aug-14		134459	$50,000	BCL: 603MMK White Toyota Sienna	X			Y	Vehicle delivered cash to [redacted] conducted gaming play.
20140043294	Edgewater	27-Aug-14		134459	$50,000	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered cash to PERSONAL JIN conducted gaming play.
20140050753	River Rock	6-Oct-14		142378	$300,270	Silver SUV		X		Y	Driver suspected to be Paul JIN. Vehicle delivered cash to PERSO conducted gaming play.
20140051550	River Rock	11-Oct-14		90767	$75,000	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered chips to PERSON conducted gaming play.
20140052683	River Rock	18-Oct-14		90189	$200,106	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered cash to PERS conducted gaimg play.
20140052704	River Rock	18-Oct-14		74341	$200,000	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered cash to PERS conducted gaming play.
20140052812	River Rock	18-Oct-14		74341	$160,010	BCL: 603MMK White Toyota Sienna		X		X	Vehicle dropped off PERSO with bag of cash. PE conducted gaming play.
20140053201	River Rock	20-Oct-14		74341	$70,000	White Bentley		X		X	Vehicle delivered cash to PERSONAL conducted gaming play.
TOTAL Buy In Amount					$3,899,411						

All Incidents involving confirmed vehicles related to Paul JIN
Total Buy-Ins $1,889,986

Incident Number	Property	Date	Associated Name	Associated SID	Buy-in Amount	Vehicle involved	Vehicle Confirmed	Vehicle Suspected	JIN Identified	JIN Suspected	Aftermath
20140034807	River Rock	7-Mar-14	PERSONAL INFO	29759	$199,920	BCL: 573NSW Black Lexus	X			N	PER returned a portion of the buy-in to Lexus. Conducted Gaming play with remainder of chips
20140014259	River Rock	18-Mar-14		121787	$200,000	BCL: 573NSW Black Lexus	X		X		PERSO received chips from Paul JIN.
20140017495	River Rock	6-Apr-14		17135	$50,000	BCL: 573NSW Black Lexus	X		X		PE received chips and conducted gaming play
20140030713	River Rock	19-Jun-14		90767	$50,000	BCL: 603MMK White Toyota Sienna	X		X		PER met with JIN on Skywalk PER then received cash from a Porsche Cayenne
20140032525	River Rock	29-Jun-14		140770	$200,000	BCL: 603MMK White Toyota Sienna	X		X		PE met with JIN in Sea Harbour Restaurant. P received cash and conducted gaming play. PE possible returned chips to JIN.
20140032550	Edgewater	29-Jun-14		134459	$100,020	BCL: 603MMK White Toyota Sienna	X			Y	Vehicle delivered cash to PERSONAL met with the vehicle later and returned some of the cash to the vehicle.
20140032683	River Rock	30-Jun-14		140770	$184,940	BCL: 603MMK White Toyota Sienna	X		X		JIN carried bag to meeting with PE in 5th floor hotel room. Both JIN and P left room carrying bags. P bought in and conducted gaming play. Later, the vehicle delivered cash to PERS conducted gaming play
20140034129	River Rock	9-Jul-14		86709	$300,000	BCL: 603MMK White Toyota Sienna	X			Y	Vehicle delivered chips to PERSONA conducted gaming play.
20140042762	Edgewater	24-Aug-14		58333	$30,000	BCL: 603MMK White Toyota Sienna	X			Y	PE met with the vehicle in Edgewater parking lot then bought in for $2,000. Later P walked out of camera view and returned carrying bag with $28,000. P conducted gaming play.
20140042756	Edgewater	24-Aug-14		134459	$50,000	BCL: 603MMK White Toyota Sienna	X			Y	Vehicle delivered cash to PERSONAL PE conducted gaming play.
20140043294	Edgewater	27-Aug-14		134459	$50,000	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered cash to PERSONAL PE conducted gaming play.
20140051550	River Rock	11-Oct-14		90767	$75,000	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered chips to PERSONA conducted gaming play.
20140052683	River Rock	18-Oct-14		90189	$200,106	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered cash to PERS conducted gaimg play.

All Incidents involving confirmed vehicles related to Paul JIN
Total Buy-Ins $1,889,986

20140052704	River Rock	18-Oct-14	PERSONAL INFO	74341	$200,000	BCL: 603MMK White Toyota Sienna	X	X	Vehicle delivered cash to PERS conducted gaming play.
					$1,889,986				

All Incidents where Paul King JIN is Positively Identified
Total Buy-Ins: $1,810,086

Incident Number	Property	Date	Associated Name	Associated SID	Buy-in Amount	Vehicle involved	Vehicle Confirmed	Vehicle Suspected	JIN Identified	JIN Suspected	Aftermath
20140014259	River Rock	18-Mar-14	PERSONAL INFO	121787	$200,000	BCL: 573NSW Black Lexus	X		X		PERSO received chips from Paul JIN.
20140017495	River Rock	6-Apr-14		17135	$50,000	BCL: 573NSW Black Lexus	X		X		PE received chips and conducted gaming play
201426687	River Rock	27-May-14		58336	$200,000	BCL: 603MMK White Toyota Sienna		X	X		PER received cash in two transactions and conducted gaming play.
20140029368	River Rock	11-Jun-14		90767	$200,040	BCL: 603MMK White Toyota Sienna		X	X		Vehicle delivered cash to PER in two transactions PER conducted gaming play.
20140030713	River Rock	19-Jun-14		90767	$50,000	BCL: 603MMK White Toyota Sienna	X		X		PERS ONAL met with JIN on Skywalk. then received cash from a Porsche Cayenne
20140032525	River Rock	29-Jun-14		140770	$200,000	BCL: 603MMK White Toyota Sienna	X		X		PE met with JIN in Sea Harbour Restaurant. PE received cash and conducted gaming play. PE possible returned chips to JIN.
20140032683	River Rock	30-Jun-14		140770	$184,940	BCL: 603MMK White Toyota Sienna	X		X		JIN carried bag to meeting with PE in 5th floor hotel room. Both PE and PE left room carrying bags. PE bought in and conducted gaming play. Later, the vehicle delivered cash to PERS conducted gaming play
20140040668	River Rock	12-Aug-14		84950	$200,000				X		PE met with Paul JIN on River Road. PE received bags of cash. PE conducted gaming play.
20140043294	Edgewater	27-Aug-14		134459	$50,000	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered cash to PERSO PERSO conducted gaming play.
20140051550	River Rock	11-Oct-14		90767	$75,000	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered chips to PERS PER conducted gaming play.
20140052683	River Rock	18-Oct-14		90189	$200,106	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered cash to PERS conducted gaimg play.
20140052704	River Rock	18-Oct-14		74341	$200,000	BCL: 603MMK White Toyota Sienna	X		X		Vehicle delivered cash to PERSO conducted gaming play.
					$1,810,086						

This is Exhibit "39" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Economic and Social Consequences of Money Laundering

British Columbia Lottery Corporation

Anti-Money Laundering Unit

Brad DESMARAIS, VP of CS&C
Ross ALDERSON, Director of AML
Daryl TOTTENHAM, AML Specialist

BCLC Corporate Security & Compliance

bclc

Referenced Material

(ACAMS Study Guide pg18-24)

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The following section contains excerpts from "The consequences of money laundering and financial crime," by John McDowell and Gary Novis, which appeared in the U.S. State Department publication "Economic Perspectives" in May 2001, and from the World Bank and International Monetary Fund's "Reference Guide to Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT)." issued in January 2007.

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Known Impacts of Money Laundering

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1. Social Costs
2. Increased Crime and Corruption
3. Undermining the Legitimate Private Sector
4. Weakening Financial Institutions
5. Loss of control of, or mistakes in, decisions regarding economic policy
6. Economic Distortion and Instability
7. Loss of Tax Revenue
8. Risks to Privatization Efforts
9. Reputation Risk for the Country

bclc

Social Costs

- Significant social costs and risks are associated with money laundering
  - Profitability through money laundering for criminals increases their business opportunities.
  - Increased crime drives up the cost of government expenses and budgets
    - Law enforcement
    - Health care

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Increased Crime and Corruption

- If money laundering is prevalent, there is likely to be more corruption. Criminals may try to bribe government officials, lawyers and employees of financial or non-financial institutions so that they can continue to run their criminal businesses.

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Undermining the Legitimate Private Sector

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- Money launderers are known to use front companies, or businesses that appear legitimate and engage in legitimate business, but are in fact controlled by criminals who commingle the proceeds of illicit activity with legitimate funds.
- These front companies have access to substantial illicit funds, allowing them to subsidize front company products and services at levels well below market rates.
- Finally, by using front companies and other investments in legitimate companies, money laundering proceeds can be used to control whole industries or sectors of the economy of certain countries. This increases the potential for monetary and economic instability due to the misallocation of resources from artificial distortions in asset and commodity prices.

bclc

Weakening Financial Institutions

- Financial institutions that knowingly or unknowingly rely on proceeds of crime have challenges in managing their assets, liabilities and operations. Each having financial consequences such as:
  - Loss of legitimate profitable business
  - Liquidity problems through withdrawal of funds
  - Termination of correspondent banking facilities
  - Investigation costs and fines
  - Asset seizures
  - Loan losses
  - Reduced stock value of financial institutions

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Loss of control of, or mistakes in, decisions regarding economic policy

- Illicit proceeds may dwarf government budgets, resulting in a loss of control of economic policy by governments.
- Money laundering can adversely affect currencies and interest rates as launderers reinvest funds where their schemes are less likely to be detected, rather than where rates of return are higher.
- Threat of monetary instability due to the misallocation of resources from artificial distortions in asset and commodity prices.

bclc

Economic Distortion and Instability

- Criminals "invest" their money in activities that are not necessarily economically beneficial to the country where the funds are located.
- Industries, such as construction and hotels, have been financed not because of actual demand, but because of the short-term interests of money launderers. When these industries no longer suit the needs of the money launderers, they abandon them, causing a collapse of these sectors.

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Loss of Tax Revenue

- Tax evasion is, perhaps, the one money laundering impact with the most obvious macroeconomic impact.
- Diminished government tax revenue indirectly harms honest tax payers.

Risks to Privatization Efforts

- Criminal organizations can outbid legitimate purchasers for formerly state-owned enterprises. Furthermore, while privatization initiatives are often economically beneficial, they can also serve as a vehicle to launder funds.
- In the past, criminals have been able to purchase marinas, resorts, casinos and other businesses to hide their illicit proceeds and to further their criminal activities.

bclc

Reputation Risk for the Country

- The negative effects for development and economic growth in a country associated with money laundering can not be underestimated.
- Money laundering diminishes legitimate global opportunities because foreign financial institutions may decide to limit their transactions with institutions located in a country prevalent with money laundering.

bclc

BCLC's Culture of Compliance

Association of Certified Anti-Money Laundering Specialists®
ACAMS®

- Dedicated Specialist AML Department with a mandate to be best in class
- Certified Anti-Money Laundering Specialists (CAMS) certification for all BCLC Investigators.
- AML training for all BCLC employees.
- AML training for all Casino service provider employees based on new FINTRAC regulations.
- Have established strong relationships with various levels of law enforcement agencies across Canada.

bclc

This is Exhibit "40" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Daryl Tottenham[PERSONAL INFO]
From: Daryl Tottenham
Sent: Wed 2019-02-13 5:08:24 PM
Subject: FW: FSOC request- short notice- HIGH PRIORITY

.....
,,,,,,,,

From: Daryl Tottenham
Sent: Tuesday, August 29, 2017 11:12 PM
To: Daryl Tottenham
Subject: FW: FSOC request- short notice- HIGH PRIORITY

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC V5M 0A6
C[PERSONAL INFO]
[PERSONAL INFO]

Yes, and...

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Ross Alderson
Sent: Tuesday, [Redacted - RCMP] 4:33 PM
To: Daryl Tottenham [PERSONAL INFO]>
Cc: Brad Rudnicki <[PERSONAL INFO]>; Cathy Cuglietta <[PERSONAL INFO]>
Subject: RE: FSOC request- short notice- HIGH PRIORITY

Roger. Sounds good. I like it that the top brass need to be educated on why money-laundering is important to target and harmful to Canadians

Ross Alderson CAMS
Director, AML & Operational Analysis
Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T[PERSONAL INFO] C[PERSONAL INFO] F 604 225 6488
[PERSONAL INFO]

From: Daryl Tottenham
Sent: Tuesday, [Redacted - RCMP] 4:31 PM
To: Ross Alderson
Cc: Brad Rudnicki; Cathy Cuglietta
Subject: RE: FSOC request- short notice- HIGH PRIORITY

This is an intel only PPT that they will be giving to their bosses, they just need the material. It is not for the file and will not be utilized in an affidavits or warrants so does not need to be court-proof. They believe it is just a formality required to get approval to keep the project going and likely enlarge their targets and goals.

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC V5M 0A6
C[PERSONAL INFO]
[PERSONAL INFO]

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Ross Alderson
Sent: Tuesday [Redacted - RCMP] 4:24 PM
To: Daryl Tottenham

Cc: Brad Rudnicki; Cathy Cuglietta
Subject: RE: FSOC request- short notice- HIGH PRIORITY

Thanks Daryl,
Interesting stuff. Definitely tomorrow let's make that a priority. Be nice to get some traction on [Redacted]
Do they want us to present or is it for their team to share?
The only caveat would be make sure we have our all ducks in a row should they require that information for potential warrants etc
Good work

Ross Alderson CAMS
Director, AML & Operational Analysis
Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T [PERSONAL INFO] C [PERSONAL INFO] F 604 225 6488
[PERSONAL INFO]

From: Daryl Tottenham
Sent: Tuesday, [Redacted - RCMP] 4:18 PM
To: AML
Subject: FSOC request- short notice- HIGH PRIORITY

Brad
I just talked to Glenn Atkins at FSOC and they are in need of some information built into a PPT of about 3 slides by tomorrow if possible. The [Redacted - RCMP] project is going very well, [Redacted - RCMP] [Redacted - RCMP] [Redacted - RCMP] which is HUGE TO KNOW!!! They want to continue the project which means time and money and the bosses want a presentation by their team leaders of what they have, [Redacted - RCMP] weekly or monthly, (guesstimates are reasonable) and why money-laundering is important to target and harmful to Canadians.....(I kid you not, that is what the bosses want to know....!!!!)
I am thinking we can utilize a couple slides from our vast array of PPT's and make up a couple compacted " high level" overviews with a third slide dedicated to [Redacted] numbers, activities stats, etc.
We do have a period piece that Jerome did that showed a month of files that [Redacted] was absolutely tied to money deliveries in volume and quite a few smaller amounts that are believed to be coming from him, so we could look at those numbers and extrapolate some numbers to show what [Redacted] represents overall.... Wrap your heads around this and lets discuss first thing tomorrow and come up with a plan, as long as we have it done by tomorrow, their meeting is Thursday with the bosses.
Regards D

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC V5M 0A6
C [PERSONAL INFO]
[PERSONAL INFO]

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

This is Exhibit "41" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

DRAFT

FSOC info sharing and requests

Feb 14, 2019

- April 16, 2015 FSOC Cst. Stephanie Dukin requested assistance from the BCLC AML unit to identify a target subject associated to a $50,000 cash buy-in at the Edgewater Casino for an ongoing money-laundering Investigation.

- April 23, 2015 FSOC request to arrange for their surveillance team to attend after a large cash buy-in occurs at River Rock casino for one of their primary targets to Redacted - RCMP Redacted - RCMP Redacted - RCMP On this occasions the plan did not happen as the target they had under surveillance did not come into River Rock and use the cash he had picked up. When these incidents were occurring, FSOC was calling me directly on my cell to make arrangements with River Rock staff to covertly secure the funds for pick-up by FSOC.

- April 26, 2015 FSOC Cpl. Paul Meyer and FSOC RCMP analyst Winnifred Liu attended at the River Rock Casino to meet with BCLC AML Investigators to establish a direct line of communication between the groups for Intel and STR information-sharing. FSOC was also looking to identify 2 target subjects currently under investigation for money-laundering and believed to be associated to several loan sharks working at River Rock casino.

- May 7, 2015 FSOC Sgt. Kevin Uganec contacted BCLC AML Investigators on short notice requesting video footage from 2 files in 2014 to view and compare with their targets under active surveillance. This information and video footage was prepared in a 2-hr turn-around and provided to FSOC Investigators.

- May 19, 2015 FSOC Investigators contacted writer requesting an urgent assist to prepare an AML PPT on one-days' notice to present to their Commanding Officers to have E-Pirate extended. Their request was to focus on why it is important to investigate possible criminal proceeds being brought into BC Casinos and how that impacts the BC economy and needs to be pursued by police. This was completed and after their presentation was done, E-Pirate was extended and ultimately grew into a massive file spreading over 2 years.

- June 10, 2015 FSOC Sgt. Kevin Uganec requested assistance from BCLC AML Investigators for video assistance on 2 targets under active surveillance that attended River Rock casino underground and exchanged a large briefcase and were subsequently lost by the surveillance crew. Assistance was provided with surveillance video to determine where the subjects went to and FSOC advised of results.

- August 11, 2015 BCLC laid out plans for a 5K chip swap to be completed with minimal advance notice at River Rock due to the large amount of 5K chips "out" of the system and believed to be partially held by JIN's group. Chips are used as a commodity in the underground market for

patrons who want to gamble at River Rock under the radar and avoid becoming the subject of Fintrac reports. The swap was set to happen on Sept 8th, 2015 however the day prior to the swap-out, BCLC was contacted by FSOC and asked to suspend the operation due to concerns it may inhibit a police investigation. (E-Pirate)

- August 11, 2015 As a result of information received from FSOC, which linked a number of patrons utilizing their primary target's cash services for casino gaming, BCLC placed a total of 36 HRP patrons on sourced cash conditions, some of which required the patron to attend and be interviewed by the AML team. During the following months there were numerous phone calls made between the FSOC group and BCLC's AML team to facilitate acquiring video and information when these players attended with cash and were refused buy-in.

- August 27, 2015 BCLC AML manager was contacted on short notice by the FSOC Sgt. to facilitate a large cash buy-in at River Rock to be Redacted - RCMP

Redacted - RCMP

- December 2015- February 2016 FSOC provided the BCLC AML unit a large number of photos of project targets where the actual identify of the subject was unknown. These photos were provided to the AML team with the hopes of identifying as many as possible for FSOC and providing any file history that we had at the time. AML Investigators identified a number of the targets and then continued over the following couple months searching our database and the photos one-by-one to try and determine their identify. As subjects were identified that information was provided to FSOC, along with their subject profile and any relevant information BCLC had on file.

- June 21, 2017 FSOC Det. Julie Snelgrove contacted the BCLC AML unit at River Rock to assist with identifying a target subject involved in an Importation of Fentanyl Investigation. The request was for a high priority file which had confidentiality concerns and was only circulated in person within unit members and other trusted persons. BCLC was unable to identify the subject and the photo was returned to FSOC.

- September 11, 2017 FSOC surveillance crew were actively following their primary target (JIN) and several other subjects and were observed attending at River Rock and entering the Sea Harbour Restaurant. FSOC Cst. Lavoie contacted the BCLC AML unit requesting assistance with identifying the driver of the vehicle carrying their primary target. AML Investigators arranged with RR surveillance to get Cst. Lavoie into the surveillance room and live-monitor the subjects and communicate with outside FSOC members. The live surveillance continued while BCLC investigators identified the driver of the vehicle and FSOC subsequently left the site when the targets departed.

- November 22, 2017 FSOC Cpl. Steven LY contacted the BCLC AML unit requesting assistance on acquiring gaming information on a target subject and requesting we place an alert on his file for notification if the target attends any gaming site. He also requested that his vehicle be flagged in our LPR system to notify FSOC if the vehicle is driven onto any BCLC property. The

appropriate flags were placed on the subject and vehicle and monitored accordingly until advised otherwise by Cpl. Ly.

- November 27th, 2017 FSOC Cpl. Mel Chizansky requested assistance from the BCLC AML unit to identify a subject in a money-laundering investigation by physical identifiers only. Several possible targets were identified and forwarded for further investigation by FSOC Investigators.

- November 30, 2017 FSOC Cpl. Steven LY contacted BCLC AML to assist with information required on a target for a presentation to RCMP Management required in the following week. The information required included a day-to-day breakdown of player buy-ins, disbursements, and bank drafts over a 2 year period. The work was completed and the AML Manager met with LY with the file information and respond to any follow up questions to complete this request.

- December 1, 2017 FSOC contacted the BCLC AML unit to assist in identifying a target for their investigation. The photo provided was of the interior of an active underground casino in a Richmond mansion house and there were numerous people in the photo. AML Investigators were able to identify several of the subjects and completed follow up searches for others using the Itrak database. All information forwarded to FSOC for their investigation and copied to CFSEU and GPEB.

- December 6th, 2017 FSOC contacted the BCLC AML unit with information of 2 targets that they wanted us to take action on to assist with their investigation. The background work was completed and one of the subjects was immediately placed on a 5-yr ban. The second subject was flagged, along with his vehicle on the LPR system, and he was placed on sourced cash conditions and monitored as per the wishes of FSOC Investigators.

- May 27th, 2018 BCLC AML was contacted by FSOC Supt. Henry TSO requesting assistance in locating a high level money-laundering suspect from Australia that was believed to be in the country and staying at the River Rock casino. This suspect was wanted on Interpol warrants and was a high priority target to FSOC and CBSA. BCLC conducted inquiries and issued an alert to River Rock surveillance to try and confirm if the subject was, or is on site. River Rock staff were able to locate footage confirming the target had been on site earlier with an u/k female and was gaming in the casino but had left hours earlier. It was determined that he was likely to return and continue gaming and arrangements were made to contact BCLC AML if that occurred. The target did return with the female and live surveillance was initiated while CFSEU and CBSA members were contacted and subsequently initiated surveillance on the pair and determined an OPS plan for arrest. The target and u/k female were subsequently arrested on site and CFSEU members worked with CBSA to process the subjects. 2018-34769.

This is Exhibit "42" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: John Karlovcec[PERSONAL INFO] Rob Kroeke[PERSONAL INFO]
From: Daryl Tottenham
Sent: Tue 12/12/2017 11:05:20 PM
Subject: Fwd: Silver Investments court date - December 12th, 2017

FYI
D

From: Jim Husler <[PERSONAL INFO]>
Date: December 12, 2017 at 11:18:15 AM PST
To: AML <[PERSONAL INFO]>
Subject: Silver Investments court date - December 12th, 2017

Morning Daryl,

The following has been added to the Silver Investments – Bulk File: IN20170059657

2017-DEC-12 [Richmond Provincial Court]

BCLC AML Investigators BEEKSMA & HUSLER attended the Richmond Provincial Court to observed the progress of [PERSONAL INFO] in relation to Silver International Investments LTD.

Date/Time:
2017-DEC-12
0930hrs
Court Rm 107

PARTICIPANTS

Document	Name	Access	In Custody	Year Of Birth
61511-1	[PERSONAL INFO]	1	N	[PERSON]
61511-1	SILVER INTERNATIONAL INVESTMENTS LTD.	1	N	
61511-1	[PERSONAL INFO]	1	N	[PERSONAL]

Note: Alias for [PERSONAL INFO]

CHARGES

Document	Count	Offence Date	Statute Nature	Accused	City Of Offence
61511-1	1	01-Apr-2014	CCC - 462.31(1)(a)	Laundering proceeds of crime	Commit [PERSONAL INFO] / SILVER INTERNATIONAL INVESTMENTS LTD./[PERSONAL INFO] Richmond BC
61511-1	2	15-Oct-2015	CCC - 354(1)(a)	Possession of Property obtained by crime	Commit [PERSONAL INFO] Richmond BC
61511-1	3	01-Apr-2014	PLT - 74	fail to ascertain identity of a client	Commit QIN, [PERSONAL INFO] / SILVER INTERNATIONAL INVESTMENTS LTD./[PERSONAL INFO] Richmond BC
61511-1	4	01-Apr-2014	PLT - 74	fail to ascertain identity of a client	Commit QIN, [PERSONAL INFO] / SILVER INTERNATIONAL INVESTMENTS LTD./[PERSONAL INFO] Richmond BC
61511-1	5	01-Apr-2014	PLT - 74	fail to ascertain identity of a client	Commit QIN, [PERSONAL INFO] / SILVER INTERNATIONAL INVESTMENTS LTD./[PERSONAL INFO] Richmond BC

APPEARANCES

Document	Accused	Cnt	Location	Date Time	Room	Reason	Result	Finding	Canc.
61511-1	PERSONAL INFO	1	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO	2	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO	3	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO	4	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO	5	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	SILVER INTERNATIONAL INVESTMENTS LTD.	1	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	SILVER INTERNATIONAL INVESTMENTS LTD.	3	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	SILVER INTERNATIONAL INVESTMENTS LTD.	4	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	SILVER INTERNATIONAL INVESTMENTS LTD.	5	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO Jun	1	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO Jun	2	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO Jun	3	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO Jun	4	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO Jun	5	Richmond Provincial Court	12-Dec-2017					
09:30 AM	107 FXD								
61511-1	PERSONAL INFO	1	Richmond Provincial Court	30-Oct-2017					
09:30 AM	107 FA IBD								
61511-1	PERSONAL INFO	2	Richmond Provincial Court	30-Oct-2017					
09:30 AM	107 FA IBD								
61511-1	PERSONAL INFO	3	Richmond Provincial Court	30-Oct-2017					
09:30 AM	107 FA IBD								
61511-1	PERSONAL INFO	4	Richmond Provincial Court	30-Oct-2017					
09:30 AM	107 FA IBD								
61511-1	PERSONAL INFO	5	Richmond Provincial Court	30-Oct-2017					
09:30 AM	107 FA IBD								
61511-1	SILVER INTERNATIONAL INVESTMENTS LTD.	1	Richmond Provincial Court	30-Oct-2017					
09:30 AM	107 FA								
61511-1	SILVER INTERNATIONAL INVESTMENTS LTD.	3	Richmond Provincial Court	30-Oct-2017					
09:30 AM	107 FA IBD								
61511-1	SILVER INTERNATIONAL INVESTMENTS LTD.	4	Richmond Provincial Court	30-					

Oct-2017
09:30 AM 107 FA IBD
61511-1 SILVER INTERNATIONAL INVESTMENTS LTD. 5 Richmond Provincial Court 30-Oct-2017
09:30 AM 107 FA IBD
61511-1 [PERSONAL INFO] Jun 1 Richmond Provincial Court 30-Oct-2017
09:30 AM 107 FA IBD
61511-1 [PERSONAL INFO] Jun 2 Richmond Provincial Court 30-Oct-2017
09:30 AM 107 FA IBD
61511-1 [PERSONAL INFO] Jun 3 Richmond Provincial Court 30-Oct-2017
09:30 AM 107 FA IBD
61511-1 [PERSONAL INFO] Jun 4 Richmond Provincial Court 30-Oct-2017
09:30 AM 107 FA IBD
61511-1 [PERSONAL INFO] Jun 5 Richmond Provincial Court 30-Oct-2017
09:30 AM 107 FA IBD

2nd Court Appearance ~ 2017-DEC-12

-The Judge was informed that [PERSON] has not provided his fingerprints to date.
-It was learned that [PERSONAL INFO] is currently on vacation.
[PERSONAL INFO]'s Lawyer has been provided with a disclosure package at the end of November 2017.
[PERSONAL INFO]'s Lawyer has requested additional time to review due to language issues with respect to the case plan.
-The Judge has issued [PERSONAL INFO] with a 510 Warrant.

510 ~ SECTION WORDING

510 Where an accused who is required by a summons to appear at a time and place stated in it for the purposes of the Identification of Criminals Act does not appear at that time and place and, in the case of an offence designated as a contravention under the Contraventions Act, the Attorney General, within the meaning of that Act, has not made an election under section 50 of that Act, a justice may issue a warrant for the arrest of the accused for the offence with which the accused is charged.

The Judge has made a disclosure that she has worked with the following Criminal Justice Attorney [PERSONAL INFO] [PERSONAL INFO] in the past/same office. There could be a different Judge in January 2018.

-The next court date is set for **2018-JAN-5** Rm 107 @ 0930hrs.

Jim HUSLER
AML Investigator
Legal, Compliance & Security Division, BCLC
2940 Virtual Way, Vancouver BC V5M 0A6
C[PERSONAL INFO] [PERSONAL INFO]

This communication (both the message and any attachments) is intended for use by the person or persons to whom it is addressed and must not be shared or disseminated unless authorized by law or without the express authority of the sender. This communication may contain privileged or confidential information. If you have received this message in error or are not the named recipient, please immediately notify the sender and delete the message from your mailbox and trash without copying or disclosing it.

From: Steve Beeksma
Sent: December-12-17 8:19 AM
To: Daryl Tottenham <[PERSONAL INFO]>; AML <AML@bclc.com>
Subject: Re: Silver Investments court date

Yup. Jim and I will make an appearance.

Steve Beeksma
BCLC - Investigations.

From: Daryl Tottenham
Sent: Tuesday, December 12, 2017 8:17 AM
To: AML
Subject: Silver Investments court date

Just to confirm we have someone attending the Richmond courthouse today for 930 to monitor the court process for the FSOC file?
Thx D

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Legal, Compliance & Security Division

2940 Virtual Way, Vancouver, BC V5M 0A6
C PERSONAL INFO
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

This is Exhibit "43" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BCLC Chronology re: Paul JIN

2009 - (exact month not known) Process for BCLC copying all Suspicious Transaction reports to police established. Initially all sent to IPOC and Criminal Intelligence. GPEB also received copies of all STR reports.

July 4, 2012 – First STR submitted on Paul JIN.

Sept 19, 2012 – JIN Barred for 14 days pending investigation

Sept 25, 2012 – JIN Barred 1 year for inappropriate behaviour

Sept 27, 2012 - IPOC requested info on JIN received for a 'money-laundering' investigation.

Oct 25, 2012 – JIN barred 5 yrs for suspected ML activities

*****Through late 2012-2013 JIN, while not allowed on premises, was suspected as being involved in multiple drop off's within proximity of casinos and subsequent surveillance reviews of buys ins showed this. This information was provided to RCMP, GPEB and* Redacted - FINTRAC *It was believed IPOC were looking at him, but at that time IPOC was downsizing and it was known RCMP were being asked to focus more on Terrorist Activity. Locally there was also significant gang activity in Lower Mainland********

Apr 16, 2014 - BCLC conducted meeting CFSEU at Green Timbers Surrey to discuss establishment of a working relationship and working on issues of interest. Present were Insp Marc Landry, Supt. John Grywinski , Cpl Robert Grace, Brad D. John K, Daryl T.

May 6, 2014 - PTEP list process from CFSEU to BCLC established

June 17, 2014 - CFSEU contacted BCLC to arrange package on JIN

June 19, 2014 - 1st CFSEU tour and orientation of River Rock with BCLC CSC and GCGC Compliance.

July 4, 2014 - List of 10 suspected cash facilitators completed and delivered to CFSEU. JIN included on list. AML Intelligence analysis including all STR and iTRAK files for JIN to date were provided.

Oct 3, 2014 – Notice of Claim (Richmond, BC) U-Cool glass V Silver International re dispute over installation of bullet proof glass at 303-5811 Cooney Rd, Richmond.

Oct 9, 2014 – BCLC reach out to CFSEU for an update

Nov 20, 2014 - Meeting at River Rock with Terry Doyle, Walter Soo, Brad D., Kevin, Rob Kroeker, Lengthy discussions on Paul JIN problems, cash deliveries. Concerns over lack of police activity.

March 10, 2015 - Meeting with RCMP at Green Timbers to try and establish working group and get more assistance with suspected criminal organizations targeting BCLC site .

Feb 12, 2015 at 1400 hrs. BCLC met with RCMP (FSOC) to lodge a formal complaint re JIN. Held at BCLC Vancouver Office. RCMP lead was Steve WETTER. BCLC staff present were John KARLOVCEC, Daryl TOTTENHAM Kris GADE and Bruno GATTO

April 5, 2015 - FSOC advised would start project re JIN

April 23, 2015- FSOC meeting with Richmond RCMP over Project conflicts with JIN group.

April 29, 2015 - FSOC Project ePirate underway

May 20, 2015 - FSOC requested BCLC assist with putting a Power Point together on the social impacts of ML as per conversation between Daryl TOTTENHAM and FSOC Sergeant noted below:

"The FSOC Sgt called me this afternoon and thanked us for pulling the PPT and stats together so quickly for them. He advised that the project has exceeded their expectations and they cannot believe how big this target is and what he is into.
They have also identified 2 other targets that are huge so this project is likely only going to grow. The squad really wants to go further with this but the problem is the big bosses don't see the overall downside of having dirty money running through the casinos. I believe the quote was "so there's dirty money running through the casinos, what's the big deal with that".....

June 4, 2015- AML summit hosted at BCLC Vancouver office involving participants from GPEB, BCLC, FINTRAC, CFSEU, FSOC, Financial Sector, Service Providers, CRA, CFO, Police Services, CBSA

June 29, 2015 - BCLC Director ALDERSON meeting with FSOC

July 20, 2015 - BCLC Director meeting with FSOC

July 22, 2015 - BCLC Director met with FSOC Inspector Calvin CHRUSTIE to discuss new information regarding the JIN file. ALDERSON was advised that the investigation had uncovered that JIN was likely linked to transnational drug trafficking and suspected to be linked to terrorist financing. CHRUSTIE stated that some of the proceeds were directly related to casino activity specifically at the River Rock Casino Resort. BCLC provided with details of a "cash house" code named "Silver" in Richmond BC believed to be the illegal bank utilized for criminal activity including drug proceeds which were utilized for funding gamblers at RRCR and other Casinos. GPEB Exe Director Compliance and BCLC Executive advised.

July 27, 2015 - Conference call conducted between BCLC, RCMP and GPEB to further discuss July 22 information.

July 29, 2015 - List of 10 players believed to have recently received cash from JIN placed on conditions. Copies of intelligence interviews detailing transactions here and abroad were provided to police.

Aug 7, 2015 - ALDERSON met with the FSOC Operational team and further discussed the JIN file. A phone number was provided to ALDERSON that indicated several phone calls had been made to Paul JIN originating from the Grand Villa Casino in June 2015. ALDERSON was unsuccessful confirming user of the phone.

ALDERSON was shown preliminary analysis conducted by FSOC analysts linking approx. 19 individuals (Casino patrons) stated to be associated to Paul JIN, primarily as recipients of cash believed to be proceeds of crime. FSOC confirmed they would provide BCLC with more detailed analysis.

Aug 28, 2015 - BCLC were advised by GPEB that they would be conducting an audit into BCLC's STR and UFT reporting practices.

Sept 7, 2015 - GPEB requested BCLC (who had received a request from RCMP (FSOC) Inspector Mike SERR) postpone the chip swap as it "would impede the current Police Investigation" ALDERSON agreed and the chip swap was postponed.

Sept 11, 2015 - After more detailed analysis and more information from Law Enforcement condition list increased to 36

Nov 5, 2015 - ALDERSON met with Insp Bruce WARD (FSOC) who now was OIC for JIN file.

Dec 1, 2015 - Notice of Civil Claim names Silver International and address of #303-5811 Cooney Road, Richmond. Approx: $1 million seizure.

Dec 7, 2015 - ALDERSON provided details of illegal gaming location to FSOC

Dec 10, 2015 - ALDERSON met with FSOC and received photos from inside "Silver International" FSOC asked assistance to help identify individuals through BCLC Intelligence. BCLC subsequently identified 4 individuals and passed this information back to Police on January 6, 2016

Feb 1, 2016 - FSOC confirmed they had passed information from Dec 7, 2015 onto Richmond RCMP

May 12, 2016 - BCLC conducted full day training with JIGIT at BCLC Vancouver. JIN info passed on to OIC.

June 23, 2017 - ALDERSON contacted FSOC who confirmed JIN file with Crown for charge approval re illegal gaming and money laundering

Aug 31, 2017 - Isp. Bruce WARD does hour long presentation on ePirate at IAFCI Conference in Vancouver detailing investigation and noting charges coming.

Sep 22, 2017 – BCLC submits impact statement for JIN file to FSOC.

Sep 29, 2017 – Vancouver Sun breaks story on JIN.

Summary

This is the chronology as known by me. I became Director for AML in May 2015 however I understand the VP CSC at the time DESMARAIS had had a number of conversations with Law Enforcement throughout 2014 asking for assistance. (as did GCGC)

Prior to July 22, 2015 there was no information provided to BCLC by Law Enforcement (LE) of a definitive link between JIN and org crime. Prior to BCLC's formal complaint it doesn't appear LE had made the connection between JIN and SILVER. BCLC suspected JIN was involved in Org Crime since 2012 and had bans in place for JIN and all his known associates.

At the time JIN had no real criminal history but his ban was due to police intelligence in 2012 as well as overt acts observed by BCLC Investigations.

At the June 4 summit which discussed source of funds there was no mention of Criminality and group discussion centred on that no one really knew where the money was coming from and that there was a known underground banking system in BC as well as Hwala systems in place which may or may not be illegal.

Once new information was provided in July 2015 by Insp. CHRUSTIE, BCLC took immediate action and cash banned all known recipients of JIN's cash. This course action was taken as a result of consultation by ALDERSON and FSOC as they did not want to burn their investigation and BCLC did not to be placed in the position of knowingly receiving proceeds of crime. BCLC worked with FSOC closely in the last 5 months of 2015 to identify those players and continue the list of players on conditions from all players that BCLC thought were of high risk for bringing in proceeds. As of Sept 29 that list sits at 150+

Completed on Sept 29, 2017 by Ross ALDERSON
Director, AML and Investigations

This is Exhibit "44" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Redacted - RCMP timeline

Apr 16, 2014
Meeting confirmed with CFSEU Surrey HQ to discuss establishment of a working relationship and working on issues of interest.. Present were Insp Marc Landry, Supt. **John Grywinski** , Cpl Robert Grace, Brad D. John K., Daryl T.

May 6th, 2014 CFSEU to look at targeting- PTEB list from CFSEU to BCLC
Hi Brad and Cathy
I was given your contact information by John Karlovcec after our meeting on April 16th, 2014. During the meeting we discussed the compilation of a list of undesirable gaming patrons that met the bclc thresholds. It was determined that the first step to compiling the list would be for CFSEU to provide bclc with our Provincial Tactical Enforcement Priorities (PTEP) roster of individuals deemed a threat and you would determine which of these individuals met the criteria of frequenting the casinos.

I think we can accomplish this on our own and perhaps have a larger meeting when your results are complete. Is it possible to meet you at your Vancouver office this Wednesday or Thursday? I am away the next week.

Jill Paterson
Strategic Analyst
Combined Forces Special Enforcement Unit-BC

Redacted - RCMP CFSEU Trevor Emmerson for contact person to arrange Redacted - RC package and associated profiles
Cst. Trevor EMMERSON
CFSEU-BC Uniform Team 1
14200 Green Timbers Way
Surrey, BC V3T 6P3
Cel PERSONAL INFO

From: Emmerson, Trevor
Sent: June-17-14 4:43 PM
To PERSONAL INFO
Subject: CFSEU Contact

John, Daryl,

I will be the contact at CFSEU for casino concerns.

I will put together information for CFSEU Uniform members and circulate it. Can you send me your "persons of interest" that you would like us to focus on along with the relevant information (DOB, address, BCDL, vehicles, associates...).

Also, during the presentation, it was discussed that an "illegal interest rate". I am not up to speed on proceeds of crime and enforcement actions we can take. I will need to discuss how we can take enforcement actions against the money lenders later on.
For now, the POI list will get me started.

My work cell is 604-

Redacted - RCMP 1st CFSEU Team 1 &2 tour and orientation of RR, Team 3 and 4 to follow on next date- Target profiles supplied to intel officer for Redacted - RCMP

Redacted - RCMP TOP-10 data completed, delivered and CFSEU started monitoring and surveillance when available.
To: CFSEU Attn: Cst. Trevor Emmerson

Attached to this email is a collection of the Top-10 money facilitators that work out of the lower mainland casinos with the majority devoted to River Rock patrons. Of course Redacted - RCMP is the Red acte target and i Redacted - RCMP Redacted - RCMP but is extremely active and has numerous people working for him. I have also included the contact numbers for John and I, as well as the contact numbers for the BCLC Investigators at each lower mainland site. In a case where it is urgent and you need to contact the investigator, I have also included their cell numbers. Of course you can shout me anytime for any reason at either number as they are both 24/7 phones. Thanks kindly and please contact me if you need anything further with the target sheets.....

July 7th, 2014
Hi Trevor,

Hope all is well. Just to advise you that we have compiled our top 10 Casino cash facilitator targets.

Our BCLC Intelligence analyst has sent the target sheets as well as BCLC investigator contact information by secure file transfer protocol to CFSEU analysts Jill PATTERSON, Jorda METCALFE, Caralee FLORE and Nathalie BROWNE.

Please contact one of your CFSEU analysts to receive/gain access to the information. Again we very much appreciate your support with this initiative.

Please let us know if you have any questions or if we can be of any further assistance.

Best Regards,

John

Redacted - RCMP

Hi Daryl,

I spoke to the boys at RRCR last week to determine if they have had any recent Police Working Group meetings. Due to summer & vacation I guess they will not be hosting any meetings until September.

I was interested to see if they had invited Cst. Trevor Emmerson to a meeting and more importantly to hear if CFSEU has devoted any time to Redacted - RCMP

I think we should follow up with him. I spoke to Brad D last week and made mention that we had not heard back from CFSEU.

I'd hate to see this fall off the plate after our efforts to get them involved. Maybe we can Trevor out for lunch if he is available one day this week or next.

Would you mind touching base with him please and see what we can set up?

His contact info is as follows;

Cst. Trevor EMMERSON
CFSEU-BC Uniform Team 1
14200 Green Timbers Way
Surrey, BC V3T 6P3
Cell PERSONAL INFO

PERSONAL INFO

Thanks,
John
John Karlovcec

Redacted - RCMP
Daryl,

I should be around over the next couple weeks. I work Tues-Fri days next week and then Mon-Tues days / Wed-Thurs nights the following week. We can meet up if you are available.

We have been assigned tasks over the last few weeks and have been short bodies so I haven't been able to look into you info much. I have reviewed some of the players but still need to dig further.

I would like to discuss enforcement options and the authorities behind enforcement actions with you as this is new to me.

Let me know if any of the times I am on shift work for you.

Thanks.
Cst. Trevor EMMERSON
Mail Stop 408 / 409
CFSEU-BC Uniform Team 1

Redacted - RCMP

Hi Trevor
Just wanted to touch bases with you and see how things are shaping up with your unit after the announced cuts that Govt imposed on policing in general. Hopefully you guys were not impacted too severely in the end.
Just as an fyi, our main target at River Rock had been extremely active of late and has actually been on the property several times making deliveries of cash himself!

Their main vehicle is a white SUV that parks on river road avoiding our LPR system most times. Last week Jin dropped 2 loads of a half million per load to the same guy and a few smaller loads of 200-300 K each, so hour is a busy boy.
Also there was a Cpl Tom?? From cfseu that came by the site with someone from GPEB but not sure what he was looking for or needed. If there is anything you require, feel free to call me anytime.
Cheers daryl
Sent from my BlackBerry 10 smartphone on the TELUS network.

Redacted - RCMP BCLC received an email from Pat Ennis (RR) requesting a meeting to discuss how BCLC plans to approach patrons in the future for these types of issues as the manner that YU was approached was viewed as problematic. A meeting was set up for Redacted - RCMP pm at RR with Kevin, Kris, Daryl, and RR staff.

Redacted - RCMP Daryl was reviewing files from the previous night and found a large buy-in with Redacted - RCMP which included a cash delivery of $645,105 of small bills. (RR IN2014-52723) An email was forwarded to BCLC managers to initiate another investigation by BCLC site investigators for this incident due to the size of the buy-in and cash being delivered to Redacted - RCMP notwithstanding he has an active PGF account and has been using it properly prior to this date.
AML unit is currently trying to arrange another meeting with CFSEU members to encourage they initiate a project on Redacted - RCMP from the Redacted subject target sheets that we provided them. This incident will be added to that intel for their consideration and use.

Redacted - RCMP Kevin, Kris, and Daryl attended a meeting at RR with Pat Ennis, Rob Kroeker and several managers to discuss the approach of VIP's and the related issues of cash deliveries, chips leaving the casino and the amount of extremely large cash buy-ins that we are seeing recently. Discussions about the Redacted interview and concern from RR staff that if we are going to be doing this, they would like to be able to have staff bring the patron to a private room and be involved in the process with BCLC. They would appreciate that they be given the opportunity when possible to deal directly with the patron in the first instance and agreed that the problems involving cash deliveries and the use of PGF accounts for large buy-ins are serious and they are supportive of our actions to deal with them.
It was explained to RR staff that there may be instances when having RR staff try to resolve an issue in the first instance may not be possible but we would try to facilitate an intervention by RR staff with the patron prior to escalating the issue at BCLC.

An agreement was made to have BCLC investigators contact RR managers when they wished to interview a VIP (whenever possible) and they would provide a room for this meeting to occur and bring the patron to the room. RR also agreed that they needed to make contact with Redacted - RCMP regarding the recent file and cash delivery of 645K and the need to utilize his PGF account instead of cash buy-ins and would update us once this is completed and confirm Redacted - Redacted - RCMP understood the problems and would be cooperative.

The meeting summarized with RR managers and BCLC both agreeing that this issue is a serious one and that a combined effort between the parties was required to stop the cash deliveries, excessive cash buy-ins and getting the VIP players to utilize their PGF accounts.

Redacted - RCMP

We are set up for next wed for lunch. This would be great to share with him to show his level of involvement and actual numbers that he is putting out.
D

From: John Karlovcec
Sent: Friday, Redacted - RCMP 12:35 PM
To: Daryl Tottenham
Subject: FW: Redacted - RCMP

Daryl,

See attached. So the sooner we can meet with Trevor the better as Brad D has seen this chart and will probably be setting up a meeting with CFSEU brass as well.

John

From: Kevin Sweeney
Sent: Friday, Redacted - RCMP 11:51 AM
To: Brad Desmarais; John Karlovcec
Subject: Redacted - RCMP

Brad/John,

Had the team at the RRCR compile some information surrounding Redacted - RCMP and his actions over the past 6 months.

I've attached a Spreadsheet of all the incidents where Redacted - RCMP is involved or believe to be involved. The breakdown is as follows:

Red acte incidents where Redacted - RCMP is believed to be involved in cash/chip delivery to BCLC Patrons. The Total Buy-Ins for the patrons is **$3,899,411**.

Included in the Red acte incidents are:

- Red acte Incidents where a vehicle associated to Redacted - RCMP is confirmed by plate.
  The Total Buy-In for these incidents is $1,889,986.
- Reda cted Incidents where Redacted - RCMP is positively identified in the delivery of cash/chips to BCLC Patrons.
  The Total Buy-Ins for these incidents is $1,810,086

On many occasions BCLC Patrons receive more than one delivery of cash in a single gaming session. Only the incidents involving Redacted - RCMP as a subject on I-trak are included in the above totals. It is possible that Redacted - RCMP is also responsible for additional deliveries, but the use of subordinates makes it more difficult to confirm.

Is there an opportunity whereas we can have the CFSEU target this individual?

Kevin Sweeney, CRM

Redacted - RCMP Daryl was able to confirm a meeting date with Trevor Emmerson , CFSEU to discuss possible enforcement action agains Redacted - RCMP and determine what else BCLC could provide to assist and make this happen. Meeting arranged for Redacted - RCMP in Surrey at 130 pm.

Conference Call BCLC & Great Canadian Gaming Corporation - Redacted - RCMP 13:00

Subject: Patron Redacted - RCMP

Participants:
BCLC:
Brad Desmarais
Kevin Sweeney
John Karlovcec

GCGC:
Rob Kroeker
Patrick Ennis
Walter Soo
Terrance Doyle

Conference call to discuss patron Redacted - RCMP s recent use of large volumes of un-sourced cash and casino value chips at River Rock Casino. This has attracted the attention of the Provincial regulator GPEB. This discussion was requested by BCLC VP Corporate Security & Compliance Brad Desmarais.

GCGC Walter SOO advised that Redacted - RCMP is in Canada on a Redacted - RCMP and that he has significant assets in general as well as acquired assets in the Redacted - RCMP of Vancouver. Redacted - RCMP was first introduced to River Rock Casino by a friend of his Redacted - RCMP and has been a regular at RRCR since Redacted - RCMP

Walter SOO advised the group and it was agreed that the following course of action would take place;

- Walter is to arrange for contact with Redacted - RCMP in the next 24-48 hours to initiate conversation in regard to concerns about personal safety and expectations in regard to cash buy-ins.

- Walter will keep the group updated as to success in arranging for the conversation to occur and outcome after the conversation has occurred.

- Should the player attend and attempt similar a cash buy-in prior to Walter being able to make arrangements, Walter's timetable for arranging the conversation will be immediately accelerated and will occur when the player requests the cash buy-in.

- Should the player attempt a similar cash buy-in subsequent to the conversation, BCLC will then arrange to have a direct discussion with the player. While BCLC makes

arrangements for this discussion to occur, the player will be banned from making any cash buy-ins (PGF only) or prevented from gaming with un-sourced casino value chips at BC casinos until the BCLC discussion has been completed.

Further to the above BCLC VP Corporate Security requested the following action;

- The message also needs to be communicated not only to Redacted - RCMP but all his Redacted - RCMP that they must stop using cash and or un-sourced chips from individuals such as Redacted - and Redacted -

Should these patrons continue to use un-sourced cash and casino value chips a 14 day BCLC Provincial Barring will be in place to allow for further investigation by BCLC investigators..
13:30 – Call ends. Follow up call to take place next week.

Redacted - RCMP

Meeting at River Rock with Terry Doyle, Walter Soo, Brad D., Kevin, Rob Kroeker, Lengthy discussions on Redacted - RCMP problems, cash deliveries, Top-10 suspect profiles being put together, large amount of o/s RR 5K chips

Redacted - RCMP

Meeting with RTC at Surrey HQ to try and establish working group and get possible assistance with suspected criminal organizations targeting BCLC sites .

March 19th, 2015

Meeting at BCLC with CBSA to establish working agreement. (Ross will recall this one.)

Redacted - RCMP FSOC prep for project start

Daryl,

As per our conversation today, I'm off for a couple of weeks so if we are working the file or if you have any questions Redacted - VPD would the person to contact. His cell is PERSONAL INFO and his email is listed above. Redacted - VPD is one of my Sergeants who you met at our meeting and his email is also listed above. I should be in the office most of the day tomorrow, if you need to call. My cell is PERSONAL INFO

Thanks,

Redacted - VPD

Daryl's cell is PERSONAL INFO He also advised that another point of contact would be Steve BEEKSMA and his cell is PERSONAL INFO

Thanks,

Redacted - VPD

Redacted - RCMP - FSOC meeting with Richmond RCMP over Project conflicts with Redacted - RCMP group

Hello John and Daryl

As an update I can advise that we met with Richmond Detachment Plainclothes members and Redacted - RCMP Redacted - RCMP on the Casino Targets. The ask Force Team has just worked nines days straight on an urgent file and they should be regrouping this week to set priorities for the upcoming month. We have a workable plan that will include coordinating discussing Redacted - RCMP with your investigators.

I have included the Primary Investigator, Redacted - VPD in the message and one of the Team members will be in touch with Daryl.

Thanks and I look forward to moving forward on this

Steve Wetter

Redacted - RCMP FSOC Project underway

Hi Daryl,

Redacted - RCMP

Redacted - VPD

This is Exhibit "45" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Glen Atchison; Craig Longley; 'Rob Kroeker'; 'Patrick Ennis'; Great Canadian Casino-Security Director; Devin McCormack

Cc: Bruno Gatto; Kevin Sweeney; Brad Desmarais; Daryl Tottenham

From: Ross Alderson

Sent: V3: Operational File -

Subject: Sanctions on high limit players

V3: Operational File

Good morning,

This morning certain conditions were imposed on a list of 10 Casino Patrons which I have attached to this email. Their iTrak profiles will be shortly updated.
All players on the list are no longer permitted to buy-in at any BC Casino with any "un-sourced" cash or gaming chips until further notice.

BCLC has attempted to contact all 10 players to arrange an interview with each patron to inform them of the conditions and discuss certain recent activity which has resulted in these conditions. Unfortunately at this time due to sensitivity I am not at liberty to discuss that activity further.

Below are the following conditions to be imposed effective IMMEDIATELY:

1/ Un-sourced Cash and Chips

- If any of the players on the list decides to buy-in using cash (any amount), this buy-in must be accompanied by a withdrawal slip from an accredited financial institution showing the same date as the attempted buy-in.
- If any of the players on the list decides to buy-in with gaming chips, the site must be able to show that the chips were the result of a previous verified win, otherwise they will not be accepted at this time until BCLC has conducted a player interview.
- No player on this list can accept any cash or chips (either sourced or un-sourced) from any other persons at any time. Eg no "chip passing" of any kind

Please note the above applies to all transactions, regardless of amount

2/ Bank Drafts

- If any of the players on the list make a deposit into their PGF Account using a bank draft, the following restrictions apply:
- Bank Draft must be from an accredited financial institution
- The player must be able to show that the Bank Draft is derived from their own bank account, and must be made payable to the Casino accepting the deposit

Any deviation from the above conditions, may result in immediate additional measures, including sanctions such as possible suspension or outright prohibition of the players gaming privileges.

As we value our business partnership with all our players, it is critical that all Service Partners assist in

ensuring these conditions are followed without exception. BCLC will continue to reach out to all players today in the hope of alleviating the need for any future sanctions.

As always we appreciate the assistance of our business partners.

If there are any comments or questions please feel free to contact me at your earliest convenience and I will attempt to answer as much as I am able.

Thank you for your cooperation

Regards

Ross Alderson CAMS

Director, AML & Operational Analysis
Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL C PERSONAL F 604 225 6488

PERSONAL INFO

Subject Id	First Name	Middle Name	Last Name
174856	[redacted]		[redacted]
14033			
58336			
67404			
71603	Guo Tai		SHI
85666	[redacted]		[redacted]
43366			
90767		[redacted]	
175028			
141503			

This is Exhibit "46" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BCLC Investigations Protocol for Educating, Warning, Sanctioning or Barring Patrons

April 16, 2015

Prepared By:

BCLC Corporate
Security & Compliance

bclc
playing it right

Corporate Security & Compliance

Implementation Date:
April 16, 2015

RE: BCLC Investigations Protocol for Educating, Warning, Sanctioning or Barring Patrons

BCLC Investigations Protocol for Educating, Warning, Sanctioning or Barring Patrons

When the behaviour, activity or conduct of a patron:

- is considered a risk to his or her safety or the safety of others;
- is considered unacceptable or suspicious in nature;
- is inconsistent with anti-money laundering strategies.

and a decision is made to escalate action to be taken to correct the behaviour, activity or conduct, a BCLC Investigator will make a verbal notification to the Service Provider representative that has been identified to BCLC by the Service Provider as the main Point of Contact for the purposes of this protocol.

Note: If the behaviour, activity or conduct **is**, or possibly is, unlawful in nature, the required notification will be made to the appropriate Law Enforcement agency and this protocol is not applicable.

Note: The Service Provider should identify a main Point of Contact with a designate(s) to allow for the necessary notification to be communicated in a timely manner.

Subsequent to the verbal notification, the BCLC Investigator will follow up with an email notification to the Point of Contact and designate(s).

Course of Action Options

Depending on the circumstances, the following are possible courses of action:

1. **Service Provider Session with Patron to Educate** is appropriate when:

    - The patrons behaviour, activity or conduct is not considered serious in nature and/ or there is no or limited previous history.

2. **Service Provider Session with Patron to Warn**

    - The patron's behaviour, activity or conduct is minor in nature and reasonable efforts have been made to educate, or a session to educate is not appropriate.

3. **BCLC Investigator Interview of Patron to Educate**

    - The patron's behaviour, activity or conduct is minor in nature and the Service Provider has had a session(s) to educate the patron or the Service Provider chooses to have the BCLC Investigator have the session to educate the patron or a session to educate by the Service Provider is not appropriate.

4. **BCLC Investigator Interview of Patron to Warn**

    - The patrons behaviour, activity or conduct is such that a warning is appropriate for the circumstances and/ or a Service Provider session(s) to educate was unsuccessful and/ or a session(s) to educate by BCLC Investigator was unsuccessful.

5. **Immediate barring from gambling pending an interview by a BCLC Investigator**

    - The patron was previously educated and/ or warned on the behaviour, activity or conduct and /or the behaviour, activity or conduct is considered serious in nature.

6. **BCLC Sanctions that could possibly be imposed:**

    - Not permitted to play with un-sourced chips.
    - Not permitted to play with un-sourced funds.
    - Requirement to open and utilize a Patron Gaming Fund account.

7. **BCLC Provincial Barring up to five (5) years**

   - Reasonable efforts have been made to educate the patron and/or a previous warning or warnings did not correct the behaviour, activity or conduct, and/or the circumstances are considered egregious.

Notification by BCLC Investigator to Service Provider

When a BCLC Investigator makes the initial notification to the Service Provider Point of Contact (SP POC) and designate(s) about an identified issue with the behaviour, activity or conduct of a patron, the notification will include:

- a description of the issue with as much detail as possible and appropriate;
- what course of action is considered appropriate by BCLC.

Notwithstanding the above, when the notification is made and when appropriate, a consultative process can be exercised by the SP POC and BCLC Investigator to determine the appropriate course of action.

The BCLC Investigator will share with the SP POC as much information as possible that can be shared without compromising the integrity of the investigation or breach the patron's privacy.

Course of Action

Session with Patron to Educate

When the course of action is to educate the patron, the BCLC Investigator will:

- request that an SP representative (SP Rep.) conduct the session to educate; or
- advise that a BCLC Investigator will conduct the session to educate.

The option is available to the SP POC to choose not to be involved in the process to educate the patron.

By Service Provider - When the course of action is for the patron to be educated by a SP Rep, the session to educate will take place on the next occasion when the patron is on site or as soon as is practicable.

Note: As soon as is practicable is defined as the earliest appropriate opportunity for both the patron and the Service Provider without unreasonable or unjustified delay.

The session to educate will be documented in CRS (iTrak) by the SP Rep. detailing the discussion with the patron and what if any acknowledgement of the issue and commitment to comply was made by the patron.

By BCLC Investigator -When the course of action is for the patron to be educated by a BCLC Investigator, the session to educate will take place as soon as is practicable.

Note: As soon as is practicable is defined as the earliest appropriate opportunity for both the patron and BCLC Investigator.

When the session to educate by the BCLC Investigator is to take place:

- The SP Rep. will be requested to identify an appropriate room that will ensure privacy.
- The SP Rep. will be requested to approach the patron and request attendance to meet with the BCLC Investigator.
- The SP Rep. will not be included in the session unless specifically requested by the BCLC Investigator. However, there may be occasion when a patron requests the presence of a SP Rep. during the session with a BCLC Investigator; in these situations the BCLC Investigator will determine if having a SP Rep. present as an observer is appropriate and or practical.
- If the BCLC Investigator is unable to make arrangements beforehand for an interpreter, if necessary, a request will be made to the SP to assist with providing an interpreter.

The session to educate will be documented in CRS (iTrak) by the BCLC Investigator with details of the discussion with the patron and what if any acknowledgement and commitment to comply was made by the patron.

Note: The CRS (iTrak) may in some cases have restricted access.

In addition to documenting in CRS (iTrak), the BCLC Investigator will provide the SP POC with an email summary.

Repeat a Session to Educate

On each occasion when deciding on a course of action, the circumstances will be assessed on a case by case basis and an available option can be to repeat a session to educate.

Session with Patron to Warn

When the course of action is to warn the patron, the BCLC Investigator will:

- request that a SP Rep. conduct the session to warn; or
- advise that a BCLC Investigator will conduct the session to warn.

The option is available to the SP POC to choose not to be involved in the process to warn the patron.

Service Provider session with patron to warn

When the course of action is for the patron to be warned by a SP Rep, the session to warn will take place on the next occasion when the patron is on site or as soon as is practicable.

Note: As soon as is practicable is defined as the earliest appropriate opportunity for both the patron and the Service Provider without unreasonable or unjustified delay.

A session to warn involves advising the patron that to continue the behaviour, activity or conduct could result in:

- A Service Provider site barring.
- A Service Provider imposed sanction.
- A BCLC Provincial barring up to 5 years.
- A BCLC imposed sanction.

The session to warn will be documented in CRS (iTrak) by the SP Rep. detailing the discussion with the patron and what if any acknowledgement of the issue and commitment to comply was made by the patron.

BCLC Investigator session with patron to warn

When the course of action is for the patron to be warned by a BCLC Investigator, the session to warn will take place as soon as is practicable.

Note: As soon as is practicable is defined as the earliest appropriate opportunity for both the patron and BCLC Investigator.

A session to warn involves advising the patron that to continue the behaviour, activity or conduct could result in:

- A BCLC Provincial barring up to 5 years.
- A BCLC imposed sanction.

When the session to warn by a BCLC Investigator is to take place:

- The SP Rep. will be requested to identify an appropriate room that will ensure privacy.
- The SP Rep. will be requested to approach the patron and request attendance to meet with the BCLC Investigator.
- The SP Rep. will not be included in the session unless specifically requested by the BCLC Investigator. However, there may be occasion when a patron requests the presence of a SP Rep. during the session with a BCLC Investigator; in these situations the BCLC Investigator will determine if having a SP Rep. present as an observer is appropriate and or practical.
- If the BCLC Investigator is unable to make arrangements beforehand for an interpreter, if necessary, a request will be made to the SP to assist with providing an interpreter.

The session to warn will be documented in CRS (iTrak) by the BCLC Investigator with details of the discussion with the patron and what if any acknowledgement and commitment to comply was made by the patron.

In addition to documenting in CRS (iTrak), the BCLC Investigator will provide the SP POC with an email summary.

Note: The CRS (iTrak) may in some cases have restricted access.

Repeat a Session to Warn

On each occasion when deciding on a course of action, the circumstances will be assessed on a case by case basis and an available option can be to repeat a session to warn.

BCLC Investigator Interview

When the behaviour, activity or conduct of a patron is or possibly is identified as an Anti-Money Laundering associated risk and it is necessary to satisfy the requirements of FINTRAC regulations and guidelines, BCLC Corporate Security and Compliance will direct a BCLC Investigator to conduct an interview of the patron.

Patron Interview objectives may be to determine:

- source of funds, and or;
- employment /company, and or;
- other information as needed.

Subsequent to the interview, the following are possible outcomes:

- patron is permitted to continue play
- sanctions / restrictions
- BCLC Provincial barring

BCLC Provincial Barring pending an interview by a BCLC Investigator

When a patron has been previously educated and or warned about behaviour, activity or conduct, and or the behaviour, activity or conduct, is serious or egregious in nature, an assessment will be performed by BCLC Corporate Security and Compliance.

BCLC Corporate Security and Compliance will determine if the patron will receive an immediate BCLC Provincial barring pending an interview by a BCLC Investigator to prevent a recurrence or continuance of the behaviour, activity or conduct in question.

When a patron receives a BCLC Provincial barring pending an interview by a BCLC Investigator, if a BCLC Investigator will possibly not be available to conduct the interview when the patron is in attendance at the site, direction may be given to the Service Provider to allow the patron to gamble if:

- the patron commits to not repeat the behaviour, activity or conduct that resulted in the barring, and;
- the patron must agree to contact the BCLC Investigator as soon as possible; and
- the Service Provider will provide the patron with the name and number of the BCLC Investigator the patron is to contact to schedule an interview.

BCLC Provincial Barring

When a patron has been previously educated and or warned about behaviour, activity or conduct, and or the behaviour, activity or conduct, is serious or egregious in nature, an assessment will be performed by BCLC Corporate Security and Compliance.

BCLC Corporate Security and Compliance will determine:

- if the patron will be categorized as an Undesirable and receive an immediate BCLC Provincial barring of up to five (5) years.
- if a sanction or sanctions will be imposed on the patron.

Sanctions

BCLC Sanctions that could possibly be imposed:

- Not permitted play with un-sourced chips.
- Not permitted play with un-sourced funds.

This is Exhibit "47" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Incident File Full Report

Incident File #IN20150040893

		Record Creation Details	
Date/Time Occurred:	8/ 6/2015 3:27 PM	Department:	BCLC Corporate Security
Day of Week Occurred:	Thursday	Owner:	brnorgaard
Date/Time Created:	8/ 6/2015 3:28 PM	Operator ID:	brnorgaard
Date/Time Closed:	8/ 6/2015 3:29 PM	Operator Name:	
Closed By:	brnorgaard	Personnel ID:	
		Card Number:	
		Job Position	
		Secondary Operator:	

Location of Incident:

Property:	Vancouver (BCLC)
Location:	Corporate Security BCLC Vancouver
Sublocation:	

Details of Incident:

Daily Log #:	DL20150738156
Type:	Assistance To
Specific:	BCLC
Category:	
Incident Status:	Closed
Synopsis:	Interview with Redacted - Patron Interview Identifying Information
Checklist:	

Narrative:

Created On	Created By	Modified On	Modified By
8/ 6/2015 3:28 PM	brnorgaard		

Interview with Redacted - Patron Interview Identifying Information

Executive Brief:

Reporting Party:	Supervisor:

Incident File Full Report **Incident File #IN20150040893**

Participants Involved:

Personnel

Full Name:	GATTO, Bruno	Property:	Vancouver (BCLC)
Role:	Documenter	Department:	BCLC
Full Name:	NORGAARD, Brandon	Property:	Vancouver (BCLC)
Role:	Documenter	Department:	BCLC

Subject

Full Name:	Redacted - Patron Interview Identifying	Company:	Redacted - Patron Interview Identifying Information
Role:	Patron		

Supplemental Entries:

SP20150113079 Attached by brnorgaard on Aug 6, 2015 15:32

Description

August 6, 2015 - This date, at approximately 1245 hrs, I was informed by BCLC GATTO and ALDERSON that Redacted - Patron Interview Identifying Information was on his way to the BCLC Head Office to be interviewed by an investigator. Redacted was apparently being driven to the Head Office by RRCR employee GAO, Lisa.

The interview would be conducted by GATTO with myself taking notes. BCLC Admin Assistant WU would be acting as a translator.

At 1315 hrs, the interview commenced.

At 1420 hrs, the interview was completed.

Briefing notes of the interview were given to ALDERSON.

Brandon Norgaard
BCLC Casino Investigator
215001

SP20150113424 Attached by brgatto on Aug 7, 2015 09:25

Description

Information of Bruno Gatto
As indicated by Investigator Brandon Norgaard, Redacted - Patron Interview Identifying Information was interviewed on Aug. 6, 2015, at the BCLC Vancouver office.

Discussion points were:
- he was advised of the concerns for his safety and the safety of others when he carries large amounts of cash and the risk of him being robbed.
- he was advised that cash buy-ins of 10K and over are reported to the Canadian Federal Government in the form of a Large Cash Transaction report that Canada Revenue Agency and Law Enforcement has access to.
- he was advised should he be found by police in an illegal common gaming house it is a criminal offence in Canada and for non-Canadian citizens it could impact residency status and travel to and from Canada.
- he was advised of the risks of dealing with cash facilitators and the risk of the cash being derived from the proceeds of crime and that he is putting himself at risk should he be found in possession of cash derived from the proceeds of crime.

Redacted - Patron advised:

Reporting Party: **Supervisor:**

Incident File Full Report **Incident File #IN20150040893**

SP20150113424 Attached by brgatto on Aug 7, 2015 09:25 SP2015011342
4 - Continued-

- he uses cash facilitators as he considers it safer than transporting the cash himself.
- he has used his PGF account but considers the process too slow so he stopped utilizing the account.

The interview ended with Redacted - Patron being advised I would get back to him on what if any sanctions will be imposed on him.

Redacted - Patron asked that I call Redacted - Patron Interview Identifying and speak to an english speaking person who will answer that I can pass on any message to him.

At 0957 hrs. Aug. 7th, 2015, I called the number. A female answered. This female transferred me to another female.

At 0959 hrs. I spoke with the 2nd female that identified herself as Redacted - Patron Interview Identifying

I identified myself and advised I was given instruction by Redacted - Patron to call the number to pass on a message.

Redacted - Patron Interview Identifying advised she wa Redacted - Patron translator, she would have Redacted - Patron come to near the phone and she would translate.

With Redacted - Patron apparently near Redacted - Patron and the phone, I heard what may have been Redacted - Patron voice, I went through the following points:

- There are BCLC imposed sanctions on Redacted - Patron of no 'un-sourced' cash or gaming chips and it applies to all casinos in B.C.

- Redacted - Patron has the opportunity to return all gaming chips that he has in his possession by Wednesday August 12, 2015, after which time, any gaming chips that are considered or determined to be 'un-sourced' will be refused.

- Any cash buy-in must be accompanied with a withdrawal slip from an accredited financial institution showing the same date as the intended buy-in.

- He is to use his PGF account and the only bank drafts that will be accepted must be from an accredited financial institution that has been drawn from his own bank account, payable to the casino accepting the deposit into his PGF account.

After each point, Redacted - Patron Interview Identifying Information was heard speaking in chinese to, I was told, Redacted - Patron

Redacted - Patron Interview Identifying advised th Redacted - Patron Interview Identifying advised he would return all the gaming chips he has by next Wednesday and after that would follow my direction."

I asked that she thank Redacted - Patron for me.

At 1004 hrs. the call ended.

On this date I entered the BCLC Directive on imposed sanctions into Redacted - Patron subject profile comment section.

Bruno Gatto
Asst. Mgr.
Casino Investigations

Reporting Party: **Supervisor:**

Reporting Party:	Supervisor:

Interview of Redacted - Patron Interview Identifying Information

August 6, 2015

This date, at approximately 1245 hrs, I was informed by BCLC GATTO and ALDERSON that Redacted - Patron Interview Identifying Information was on his way to the BCLC Head Office to be interviewed by an investigator. The interview was in response to an email sent by ALDERSON regarding certain VIP players and the buy in restrictions that have been placed on them. Redacted - Patron was apparently being driven to the Head Office by RRCR employee GAO, Lisa.

After discussing the interview plan with GATTO and ALDERSON, it was decided that GATTO and I would conduct the interview, with Admin. Assistant WU acting as a translator.

At approximately 1305 hrs, GATTO was informed that Redacted - had arrived and was waiting in the front lobby area.

After arranging Prize Payout Room #2, GATTO and I attended the lobby and met with Redacted - Patron Interview Identifying Information was subsequently escorted to the interview room, and met with WU.

At 1315 hrs, the interview commenced.

Basic pleasantries were exchanged, and Redacted - was thanked for his agreeing to meet with us. Redacted - Patron wanted to make it know to us that he had to take a flight from the USA in order to meet with us. Basic demographic information was also confirmed such as occupation Redacted - Patron Interview Identifying Information Redacted - Patron Interview Identifying Information, and address.

Redacted - stated that due to the nature of the information he would be sharing with us, he was worried for his safety and wanted to confirm that this conversation would be kept confidential and not be shared with anyone outside of BCLC. Redacted - was assured that it would not be disseminated to anyone outside of BCLC.

Redacted - Patron was informed that the reason for the interview was to discuss recent activity at the River Rock Casino including multiple cash deliveries. Redacted - was informed that we are worried for his safety when he receives deliveries of large amounts of cash. Stressed was that Redacted places himself at risk of harm/robbery by dealing with these individuals or dealing in business this way.

Redacted - stated that he is aware of the risk and has was almost the victim of a previous robbery (later reported to be at No. 3, which appears to make reference to the River Rock Casino). Redacted stated that people have watched him leave the casino with large amounts of money, and may have followed him with the intent to rob him. Redacted - stated that he had returned to his car, only to find that the tire was flat. Redacted entered the vehicle and saw shadows coming his way, which in turn, prompted Redacted - to drive away on the flat tire to flee.

Redacted - was informed of the Large Cash Transaction (LCT) regulations as well as the fact that they are reported to the Canadian Federal Government. Redacted - is aware of this and has no concerns.

Redacted - Patron was informed that Canada Revenue Agency (CRA) and Law Enforcement have access to this type of information. Redacted - stated that all of his income is legitimate, he has filed his taxes on time every year, and that he has no concerns about this.

Redacted - was informed that if the cash he uses to conduct buy ins is believed to be the proceed of crime, that restrictions may be imposed on his ability to buy in. Redacted - stated once again, that all of his income is legitimate and that there are no concerns.

Redacted - was questioned as to why he elects to have cash delivered to him. Redacted - Patron Interview stated that he feels safer when the cash is delivered to him as opposed to arriving on site with the cash. Patron Interview went on to state that he never brings in cash.

File created - 8/7/2015 8:14 am
Ross A.

Redacted - Patron was questioned as to who is bringing the cash to him. Redacted - Patron stated that they were loan sharks that he is receiving the cash from. Redacted - stated that he did not know who they were, he just has two phone numbers that he uses on a regular basis. Redacted - took out his phone and showed us the phone numbers as follows:

1. Redacted - Patron Interview Identifying Information
2.

Redacted - Patron Interview Identifying Information stated that both of these phone numbers are for loan sharks that he uses on a frequent basis.

Redacted - Patron Interview Identifying Information was questioned as to how the arrangements are made to have cash delivered. Redacted - stated that he calls the phone number and he will be given instructions on where to stand to pick up the delivery. Redacted - mentioned that the loan sharks arrange for a driver to drop it off, and the drivers vary from delivery to delivery. The vehicles used for the deliveries also vary and Redacted - Patron could not remember any license plates.

Redacted - Patron was questioned as to how he pays the money back to the loan sharks. Redacted - Patron stated that in Canada, he usually writes checks, made out to an individual. Redacted - could not remember any of the individuals that he has written checks out to in the past. This is due to the large amount of checks that he writes for his many different companies. Redacted - Patron stated that he has not written any checks out to loan sharks this year.

Redacted - stated that in China, he sometimes repays loan sharks in cash. Redacted - Patron also mentioned that loan sharks have set up bank accounts for him to use in China, and when Redacted - needs to repay, a wire transfer is made out to the bank account. Redacted - could not remember any of the account numbers as there are multiple accounts that they use. The reason for the multiple accounts, according to Redacted - is that the Chinese government traces these loan sharks' accounts, and thus, must be changed on a regular basis. Redacted - also mentioned that he does not use this method often.

Redacted - Patron stated that the usual delivery amount would be between $200,000-300,000, often involving cash, however, some deliveries may be in chips. Redacted - stated that if cash was involved, they would be $20 bills.

Redacted - then stated that he currently owes approximately $1 million to the loan sharks from this year.

Redacted - Patron was then questioned on the interest rate, and explained the rates as follows:
- if the debt is repaid within 15 days --> 5%
- if the debt is repaid after 15 days --> 10% (this is the maximum rate that loan sharks use)

Redacted - was asked if he feels that these cash deliveries are suspicious or if he feels that the money being delivered may be from proceeds of crime. Redacted - Patron stated that he does not ask questions, as he feels that it could cause more trouble from the people that he is receiving the funds from. Redacted - Patron stated that the delivery people usually mention that the cash comes from banks.

Redacted - was questioned on the use of PGF accounts. Redacted - Patron stated that he does know about them, and has used them in the past, however, he does not like them due to the slow service from casinos, and the cumbersome process to receive his chips.

Redacted - Patron stated that he currently has chips at his house, however, he is unsure of how many. This is due to the fact that Redacted - may be forced to attend to a business matter while at the casino, and will simply pick up his chips and leave, not paying any attention to the amount that he has.

Redacted - Patron was informed of the current buy in restrictions placed on him yesterday (August 5, 2015). Redacted - stated that if the casino does not want him to gamble, then that is OK, he has no problem. It is noted that we had to clarify that BCLC was the one placing the restrictions on him, and not River Rock.

Redacted - Patron was then questioned about his attendance or knowledge of any illegal casinos operating in Richmond or the lower mainland. Redacted - admitted to attending one of the casinos, however, it was done so unwillingly. Redacted - Patron stated that he was picked up by the loan sharks and driven to the location where the illegal casino was taking place.

Redacted - Patron Intervi stated that the location is Redacted - Patron Interview Identifying Information Redacted - Patron Interview Identifying Information mentioned that they do not use cash, rather, they prefer chips and only play Baccarat. The chips being used are not value chips from a casino, rather, they are their own house chips. Books are kept about the debts that are owed, and money is paid outside of the casino.

Redacted - Patron was then asked if there is anything that BCLC/Casinos can do to assist him in not using cash. Redacted - stated that there is nothing really, as BCLC and the casinos are looking at different things. Redacted - did not elaborate on this. Redacted - reiterated that he did not like the casino's slow service.

Redacted - Patron did state that we should look at the currency exchange businesses (particularly in Richmond) as they may not be operating with legal permits, especially the newer ones. Redacted - believes that these may be tied to the loan sharks/underground cash markets.

Redacted - Patron Intervie was once again informed that he is putting himself at risk by using cash that may be proceeds of crime. was informed that his residency status, citizenship status (if not a Canadian citizen), and ability to travel to/from Canada may be affected if he is found to be using proceeds of crime. Redacted - was also informed of the same if he is found inside of an illegal gaming house, as it is a criminal offence.

Redacted - Patron was informed that we would contact him with the decision on whether or not the sanctions imposed on him would be lifted. Redacted stated that he did not want another phone call as it could create more trouble for him if the loan sharks found out he was speaking with BCLC.

Before leaving, Redacted - provided a company phone number (given to GATTO) to call with the decision. Redacted - Patron stated that we could speak English to the person on the other end and they would relay the information to

Redacted - Patron Intervie w Identifying was thanked for his time and escorted back out of the room and off-site.

At 1420 hrs, the interview was completed.

Briefing notes of the interview were given to ALDERSON.

Brandon Norgaard
BCLC Casino Investigator
215001

INTERVIEW TRANSCIPT

INTERVIEW DATE: 2015-AUG-06
INTERVIEWER: BRANDON NORGAARD
INTERVIEWEE: UNDISCLOSED

1315HRS INTERVIEW COMMENCES

- TOOK A FLIGHT FROM USA TO ATTEND MEETING
- CONCERNED ABOUT HIS OWN SAFETY SO WANTED TO ENSURE THAT THIS CONVERSATION IS CONFIDENTIAL – POTENTIAL FRAUD ACTIVITY?
- WORRIED FOR HIS SAFETY WITH CASE DELIVERIES AND COULD BE ROBBED
    - UNDISCLOSED MENTIONED HE WAS ONCE ROBBED IN PAST
    - TIRE WAS FLAT AND ROB HIM
    - PEOPLE NOTICE HIM WHEN HE LEAVE CASINO WITH CASH --> VEHICLE WILL BE DAMAGED AND THEY WILL WAIT
- INFORMED OF LCT REGULATIONS AND SITE MUST REPORT IT
- UNDISCLOSED IS AWARE OF THIS
- CRA AND LAW ENFORCEMENT HAVE ACCESS TO THIS INFORMATION
    - ALL TAXES FILED --> NO CONCERNS BY UNDISCLOSED
- ALL INCOME IS LEGITIMATE AFTER BEING INFORMED OF BAN ON GAMING INSTITUTIONS IF IS BELIEVED TO BE PROCEEDS OF CRIME
- Redacted - Patron Interview Identifying Information
- WHY DOES HE RECEIVE CASH AT DROP OFFS?
  FEELS SAFER HAVING SOMEONE DELIVER VERSUS BRINGING IN CASH --> NEVER BRINGS IN CASH
- HAS PHONE NUMBERS --> Redacted - Patron Interview Identifying (LOAN SHARK) / Redacted - Patron Interview Identifying (LOAN SHARK)
- LOAN SHARE WILL MAKE ARRANGEMENT TO HAVE WHOMEVER DROP MONEY OFF
- THOSE 2 NUMBERS ARE HIS MOST FREQUENT
- GIVE HIM INSTRUCTIONS TO WAIT AND CERTAIN SPOT AND SOMEONE WILL GIVE IT TO HIM
    - HE WRITES A CHEQUE (CDN)
    - HE PAYS IN CASH (CHINA)
- LOAN SHARKS SET UP BANK ACCOUNT FOR HIM IN CHINA AND HE WIRES MONEY FROM CANADA TO CHINA
    - NOT VERY OFTEN AND ACCOUNTS KEEP CHANGING
    - GOVERNMENT OF CHINA IS ALSO TRACING THOSE ACCOUNTS IN CHINA
- DESCRIBE ANY VEHICLES? CAN'T REMEMBER LICENSE PLATES
    - ALWAYS CHANGING PEOPLE/VEHICLES

- CHEQUES MADE OUT TO AN INDIVIDUAL (CAN'T REMEMBER)
    - NO CHEQUES THIS YEAR
    - CAN'T REMEMBER NAMES DO TO THE AMOUNT OF CHEQUES HE WRITES FOR ALL HIS COMPANIES
- $200,000 - $300,000/DELIVERY --> SOMETIMES CASH AND CHIPS
- CASH ($20 BILLS)
- SOME MONEY ($1 MILLION) HE HAS NOT PAID BACK
    - CAN CHOOSE TO PAY BACK WITH INTEREST
    - INTEREST = 5% WITHIN 15 DAYS
    - 10% AFTER 15 DAYS AND FURTHER
    - 10% = MAX
- HOW DOES HE FEEL ABOUT RECEIVING THIS CASH? IS IT SUSPICIOUS OR IS THIS JUST HOW BUSINESS RUNS?
    - HE NEVER ASKS QUESTIONS AS HE DOES NOT WANT TO CREATE TROUBLE
    - THE PEOPLE DELIVERY SAYS THEY ARE FROM THE BANK
- DOES HE KNOW PGFS? – HE DOES NOW BUT DOESN'T LIKE SLOW SERVICE AT CASINO
    - HAS OPENED IT BEFORE BUT BASED ON EXPERIENCE, IT'S TOO SLOW
- HAVE ANY CHIPS NOW? AT HOME OR PERSON
    - YES, BUT CAN'T REMEMBER HOW MUCH
- IS HE AWARE OF CASH BUY-IN RESTRICTIONS?
    - NOT AWARE BUT NOW AWARE --> NO PROBLEM IF HE IS NOT WELCOME TO GAMBLE
    - HAD TO CLARIFY THAT IT IS BCLC NOT RRCR
- HAVE YOU ATTENDED OR AWARE OF ANY ILLEGAL CASINOS?
    - Redacted - Patron Interview Identifying Information > BEEN THERE BEFORE
    - PHONE NUMBER HE PROVIDED INVITED HIM THERE
    - Redacted - Patron Interview Identifying Information
    - PEOPLE COULD BECOME REALLY UPSET
    - Redacted - Patron Interview Identifying Information
    - BACCARAT
    - CHIPS --> KEEP BOOKS --> PAY OUTSIDE
    - USE THEIR OWN CHIPS (NOT RRCR)
- WHAT CAN BCLC/CASINOS DO TO ASSIST WITH NOT USING CASH? NOTHING REALLY
- DOES NOT LIKE CASINO SERVICE
- THINKS BCLC AND CASINOS LOOK AT DIFFERENT THINGS
- IT APPEARS AS IF THERE IS NO WAY FOR HIM TO KNOW IF THE CASH IS PROCEEDS OF CRIME

- CHECK THE CURRENCY EXCHANGES AS THE PERMITS MAY BE ILLEGAL PERMITS (RICHMOND)
    - LOTS OF THEM – UNDERGROUND CASH WICKETS (NO SPECIFICS)
- HE UNDERSTANDS OUR POSITION BUT FEELS THAT THE CASINO CANNOT PROVIDE THE SERVICE QUICK ENOUGH
- WHEN HE RECEIVES CASH THAT COULD BE PROCEEDS OF CRIME, HE IS PUTTING HIMSELF AT RISK
- HE WAS PULLED HIM OUT BY THE LOAN SHARKS TO GO TO THE ILLEGAL CASINOS
    - HE WAS NOT THERE WILLINGLY
- INFORMED THAT HIS RESIDENCY STATUS COULD BE AFFECTED IF HE IS NOT CANADIAN CITIZEN IF HE IS FOUND IN THESE PLACES
    - TRAVEL TO/FROM CANADA
- DOESN'T WANT ANOTHER PHONE CALL AS HE COULD BE AT RISK WITH LOAN SHARKS
    - DOESN'T CARE IF HE CAN COME TO CASINO OR NOT

1420HRS END OF INTERVIEW

TRANSCRIBED BY: B. CHAN
ON AUG 07, 2015

This is Exhibit "48" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Lynn Cousins PERSONAL INFO PERSONAL INFO
Cc: Ross Alderson; Bal Bamra PERSONAL INFO
From: Daryl Tottenham
Sent: Tue 2017-10-03 12:53:31 AM
Subject: FW: Redacted - Patron Interview Identifying Information - Interview Summary
Redacted - Patron Interview Identifying Information .docx

Hi Lynn,
Good interview and I concur he was being quite honest with you throughout the interview. In consideration of the fact he has a PGF account and the wealth to support his play and access to cash when he needs it from the bank, I would say we leave the cash conditions on him moving forward. It would appear the only time he becomes a problem-child is when he is chasing losses and he clearly has the ability to access cash from friends for this purpose. For someone like Redacted - Patron to obtain that level of cash in small bills on short notice, it is very likely it is coming from suspect sources so the cash conditions will take this option off his plate and protects both him and BCLC. The interview can be filed and his profile can be amended with the SOF directive removed and the cash conditions updated as current status.
Thanks D

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

Yes, and...

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Lynn Cousins
Sent: Monday, October 02, 2017 3:18 PM
To: Daryl Tottenham PERSONAL INFO
Subject: Redacted - Patron Interview Identifying Information - Interview Summary

Hi Daryl,

For your review. Let me know your thoughts on the interview and conditions.

Cheers,

L

Lynn Cousins, CAMS
AML Investigator
Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver BC V5M 0A6
C 778-868-4012
lcousins@bclc.com

This is Exhibit "49" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Reduction in STR Initiative- May 2016

In 2011 the Provincial Government launched a multi-phased Anti Money Laundering (AML) focussed on reducing the use of cash to minimize the opportunity for money laundering to take place through gaming facilities.

The first two phases of the strategy focussed on the development of cash alternatives and the promotion of their use by patrons.

In September 2015 the government implemented phase three of the AML strategy which focuses on regulator guidance an intervention. BC Minister of Finance Michael deJong QC in a letter to Bud Smith, (BCLC Chair of Board of Directors) directed BCLC to reduce the amount of suspicious "cash" transactions by taking the following actions:

1. *Ensure that BCLC's AML Compliance Regime is focused on preserving the integrity and reputation of British Columbia's gaming industry in the public interest, including those actions set out in the General Manager's letter of August 7 and any subsequent actions or standards that may follow;*
2. *Participate in the development of a coordinated enforcement approach with the Gaming Policy Enforcement Branch (GPEB), the RCMP and local police to mitigate the risk of criminal activities in the gaming industry; and*
3. *Enhance customer due diligence to mitigate the risk of money laundering in British Columbia gaming facilities through the implementation of AML compliance best practices including processes for evaluating the source of wealth and source of funds prior to cash acceptance.*

As part of the broader AML Strategy the government announced on April 1, 2016 the creation of the Joint Illegal Gaming Investigation Team (JIGIT).

In line with the direction in 2015, particularly bullet point 3, BCLC has placed conditions on a number of players due to source of funds and/or source of wealth concerns.

BCLC has recently analyzed the provincial gaming database and identified thirty four (34) patrons who account for approximately 570 Suspicious Transaction Reports submitted to FINTRAC in the last 24 months, as well as approximately $10 Million in **CASH** buy in's in the two months prior to May 9, 2016.

In order to fulfil the government direction BCLC wishes to work collaboratively with Service Provider partners.

BCLC has outlined in this document a request that each of the 34 patrons provide written confirmation as to the source of their funds of their NEXT **CASH** buy in and for

any subsequent **CASH** buy in's after that. A form has been provided by BCLC with instructions.

BCLC will then analyze the information provided to determine if any further action is required.

Each of the thirty four (34) players will have a comment placed on their *"iTrak"* profile to indicate the new requirements. Where players choose not to attend for an interview or to help BCLC to better understand the source of their buy-in funds BCLC may place conditions on the ability of those players to buy-in . BCLC would expect any suspicious behaviour be reported including patrons attending or leaving with large volumes of gaming chips.

It is hoped that by working cooperatively with Service Provider partners we will be able to achieve our goals and preserve the integrity and reputation of BC's gaming Industry.

BCLC continues to strongly recommend the promotion of cash alternative options to those players who choose to use large volumes of cash to avoid any undue inconveniences.

Many thanks for your cooperation.

Ross ALDERSON
Director, AML & Investigations
BCLC

PATRON LIST May 2016

Number	SID	Name
1	24307	Chang Hu LIU
2	75406	[redacted]
3	188865	
4	10615	
5	165611	
6	86401	
7	130661	
8	11366	
9	165503	
10	142066	
11	25239	
12	149449	
13	43432	
14	38355	
15	153677	
16	66975	
17	12611	[redacted]
18	156530	[redacted] CHEN
19	21822	[redacted]
20	10926	[redacted]
21	119776	[redacted]
22	162869	[redacted]
23	83756	[redacted]
24	121033	[redacted]
25	10455	[redacted]
26	161436	[redacted]
27	100392	[redacted]
28	20497	
29	80918	
30	10841	
31	172632	
32	182575	
33	115965	[redacted] XU
34	11279	[redacted]

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Interview Format for Identified HRP Patrons - Instructions

(To be completed on "Interview Format for Identified HRP Patrons – Interview form" - Page 2)

1. Confirm the patron's name, SID, current address, occupation, company name and update their profile if necessary.

2. Ask player for the source of the funds produced for this buy-in and document the response. The source could include the individual, business or the financial institution etc. If the cash came from a business or financial institution please ask for the address and/or bank/branch location. (ask for a receipt if available)

3. Does the player have any current bank accounts in Canada that would allow them to utilize bank drafts or electronic transfer for casino buy-ins if required?

4. Any additional comments.

5. Please create an itrak incident file for each patron contacted and scan the *Page 2* interview form into the incident file. Also notify BCLC AML Unit by email (aml@bclc.com) that a file has been created quoting file number and the patron that was interviewed.

6. Please address all enquires to aml@bclc.com or to Program Manager Daryl Tottenham, Manager, AML Programs PERSONAL INFO

PAGE 1.

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Interview Format for Identified HRP Patrons – Interview form

Date/Time……

Conducted by: (Employee Name /GPEB number)……

Player Name: ……

Player SID: ……

Response: Question 1. (Personal information)

Current Address:

Occupation if applicable:

Company name if applicable:

Response: Question 2. ***What is the source of funds for this CASH buy in?***

Response: Question 3. ***Yes/No***

Response: Question 4. **Any additional comments?**

PAGE 2.

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iTRAK Notation on Player Profile

SOF (Source of Funds Request)

2016-MAY- XX - BCLC Directive – Patron requires SOF (source of funds) interview for un-sourced cash buy ins. Please document interview in an iTRAK incident file, scan copy of interview into media of file and advise the AML unit by email at aml@bclc.com of the incident file. Daryl TOTTENHAM, Manager AML Programs BCLC.

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This is Exhibit "50" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Sent Via Email

3 April 2017

To Casino Service partners

RE: Further Clarification regarding "sourced and unsourced funds" for BC Gaming Facilites

As a result of recent communication this letter is to further clarify "un-sourced" cash or "un-sourced" gaming chips conditions.

The main intent of these conditions remains;

- to prevent illegitimate money facilitators targeting legitimate gamblers as a way of moving proceeds of crime,
- Mitigate risk for select individuals who have no reasonable explanation as to their source of funds or wealth.

74 West Seymour Street
Kamloops, BC V2C 1E2
T 250 828 5500
F 250 828 5631

2940 Virtual Way
Vancouver, BC V5M 0A6
T 604 215 0649
F 604 225 6424

Sourced Funds V Unsourced Funds

Sourced funds includes:

- A bank draft, EFT or Casino Cheque (as defined under policy)
- Cash drawn from an accredited Financial Institution or accredited Money Services Business (MSB).
- Cash drawn at the facility using Global Cash, Debit at Cage, ATM
- Cash verified as from a recent sourced Casino Disbursement
- Chips verified as from a recent sourced Casino Disbursement

To be sourced, any cash must be accompanied by a valid receipt showing the funds were drawn within **2 Business days** of the attempted Casino buy-in. In the case of a player buying in and claiming the funds are from a previous casino disbursement, the facility must be able to demonstrate that the cash was from a previous verified win or sourced buy in, prior to acceptance. As a general rule because sites do not have visibility into play at other sites, only disbursements that have occurred within **2 Business days** should be accepted without BCLC approval.

When accepting gaming chips from a player on sourced conditions, it is the responsibility of the site to confirm the amount of chips from the patron's previous play as per chip tracking policy.

Lastly, if a player is on "unsourced" conditions they are NOT allowed to dictate game play or exchange chips with a third party while in a Gaming Facility.

The above applies to all transactions, regardless of amount unless specified by BCLC in the subject profile.

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Kamloops BC V2C 1E2
T 250 828 5500
F 250 828 5631

2940 Virtual Way
Vancouver BC V5M 0A6
T 604 215 0649
F 604 225 6424

Summary

The unsourced funds process has been working extremely well for close to 18 months and the majority of players on conditions have been very receptive to the program.

How ever some individuals continue to employ tactics to circumvent conditions and they will be treated on an individual basis which may include additional measures, such as possible suspension of gaming privileges. It is highly unusual for an individual to be in possession of the same cash from a casino disbursement which occurred weeks or months prior and those attempted buy ins require further investigation.

BCLC continue to encourage our Casino Operator Partners to promote the use of cash alternatives including, when appropriate, utilizing PGF redeposits, and providing disbursements in the form of Verified win and Return of Funds - Convenience cheques (which are unlimited in value to PGF account holders)

Casino cheques can be cashed at the Casino operator's discretion at any property in BC and are much safer for the patron than carrying around large amounts of cash or chips. They are also more efficient and convenient for a subsequent buy in, versus a cash or chip buy in which may not be able to be processed instantly for the reasons outlined above.

Should you have any further questions please contact the BCLC AML team at AML@bclc.com or you can contact me directly at PERSONAL INFO or PERSONAL

Many thanks

Regards

Ross Alderson
Director, AML & Investigations
BCLC

cc. BCLC Corporate Security Compliance, AML and Investigations

This is Exhibit "51" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Sent Via Email

18 April 2017,

To BC Casino Operators

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Re: Information regarding "Source of Funds Interviews"

This letter provides further information regarding "Source of Funds" (S.O.F) interviews, which are conducted by Casino Operators on behalf of BCLC.

S.O.F interviews are used in gathering information in circumstances where the cash buy in appears inconsistent with a stated occupation or players known status, or in some cases to either confirm or disprove its legitimacy. This information is also used by BCLC to monitor players in business relationships and make informed decisions on overall player risk.

While a S.O.F interview could be for any value it is not required for patrons who have withdrawn cash from the site, including global cash, debit card or ATM.

An interview is also only required **once per player - per gaming session.** Generally, there are only two exceptions to this.

1. When a player leaves the site and comes back with more cash, or
2. A player's cash buy in during the gaming session is inconsistent with previous session play or initial S.O.F interview.

Example: In the same gaming session, a player buys in for $8,000, $9,000, $8,000 in $100 bills, followed by a buy in of $55, 000 in mixed bills. In the initial S.O.F player states one of the following: the cash was withdrawn from a bank, or is from home. Either is plausible.

It is unlikely however, that the $55,000 is from the same source as the previous buy ins and it is inconsistent with previous levels of play, therefore a second S.O.F interview should be conducted for the $55,000. A UFT file will likely also need to be created.

The S.O.F interview program is not designed to inconvenience players by conducting multiple interviews within the same gaming session particularly when the buy in is consistent or is otherwise easily sourced. BCLC recognize at times what is "consistent" for individuals can be subjective, however should you have any further questions at all please contact the BCLC AML team at

AML@bclc.com or alternatively you can contact me directly at PERSONAL INFO or PERSONAL INFO

Regards



Ross Alderson
Director, AML & Investigations
BCLC

cc. BCLC Corporate Security Compliance, AML and Investigations

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74 West Seymour Street
Kamloops, BC V2C 1E2
T 250.828.5500
F 250.828.5631

2940 Virtual Way
Vancouver, BC V5M 0A6
T 604.215.0649
F 604.225.6424

This is Exhibit "52" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker [redacted]
Cc: Bal Bamra [redacted]; Daryl Tottenham [redacted]
From: John Karlovcec
Sent: Fri 12/01/2018 3:20:44 AM
Subject: FW: MSB's
2018.01.11 Memo re BCLC MSB Decision Document.pdf

Hi Rob,

As discussed please find attached a Decision Document that Bal put together in relation to MSB's.
It covers off the due diligence conducted to assess risk/benefits of MSBs.
After weighing out 4 options the team recommends that BCLC de-risks MSB's.

Please have a look at your convenience,
Thanks,

John

From: Bal Bamra
Sent: January-11-18 10:24 AM
To: John Karlovcec <[redacted]>
Subject: RE: MSB's

Hope this works for you.

Thanks,

Bal Bamra B.Com, CAMS
Manager, AML Intelligence
Legal, Compliance & Security Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T [redacted]

•*Yes, and...*•
[redacted]

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: John Karlovcec
Sent: January-11-18 9:45 AM
To: Bal Bamra [redacted]
Subject: RE: MSB's

This works great Bal. At your convenience can I get you to complete a covering memo "MSB Due Diligence" addressed to Rob and me and we will simply attach this document to it and "Bobs your Uncle!!."

Memo can simply state, "Please find attached BCLC decision document outlining the due diligence conducted by the AML Unit to determine benefits/risk from an AML perspective for BCLC and its Service providers associated to accepting cash from patrons who have received their funds from a Money Services Business (MSB)."

From: Bal Bamra
Sent: January-11-18 9:01 AM
To: John Karlovcec <PERSONAL INFO>; Daryl Tottenham PERSONAL INFO
Subject: RE: MSB's

Hi John,

I hope this is sufficient.

Please let me know if you require anything else.

Thanks,

Bal Bamra B.Com, CAMS
Manager, AML Intelligence
Legal, Compliance & Security Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO

•Yes, and...•

PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: John Karlovcec
Sent: January-11-18 8:44 AM
To: Bal Bamra PERSONAL INFO; Daryl Tottenham PERSONAL INFO
Subject: MSB's

Folks,

In speaking to Rob this am I brought up the topic of MSB's and his thoughts on de-risking them. His feeling is seeing the most recent fine levied on Western Union we should simply de-risk them.
He has asked that we put together a memo addressed to him and me with respect to the due diligence that we did in relation to the MSB's along with our findings and subsequent recommendation.
At your convenience can I get you to complete same and fire it off to me then we can say this one is complete.

Thanks,

JK

John Karlovcec BA Law, CAMS
Director, AML & Investigations
Legal, Compliance, Security | BCLC

2940 Virtual Way, Vancouver BC V5M 0A6
T PERSONAL | F 604 225 6488

Yes, and...

PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

memo

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To:	John Karlovcec/Rob Kroeker	Date:	January 11, 2018
From:	Bal Bamra		
Subject:	MSB Due Diligence		

Please find attached the BCLC decision document outlining the due diligence conducted by the AML Unit to determine benefits/risk from an AML perspective for BCLC and its Service Providers associated to accepting cash from patrons who have received their funds from a Money Services Business (MSB).

CORPORATE SECURITY & COMPLIANCE Decision Document

Subject:	Cash accepted from a Money Services Business (MSB)
Issue Lead:	Manager AML Intelligence
Submitted to:	Director AML & Investigations
Date:	January 11, 2018

Decision Required

The purpose of this document is to determine if there is an AML/perceptual risk associated to accepting cash from patrons who have received their funds from a Money Services Business (MSB). Based on new information, BCLC has reason to review the risk profile presented by funds coming from MSBs. There is concern that cash issued from some MSBs may come from illegitimate sources, therefore it may be in the best interest of BCLC to no longer accept cash issued from these locations.

Current Status

An MSB is defined as an individual or an entity that is engaged in the business of any of the following activities:

- Foreign exchange dealing;
- Remitting or transmitting funds by any means or through any individual, entity or electronic funds transfer network;
- Issuing or redeeming money orders, traveler's cheques or other similar negotiable instruments.

FINTRAC describes MSB's as generally higher risk customers from a money laundering and/or terrorist financing perspective as criminal elements seek to exploit MSB businesses to transfer and launder funds. While every MSB in Canada must be registered with FINTRAC, there are a number of MSBs operating outside of the FINTRAC framework. The number and relative size of MSBs make it challenging for regulatory authorities to monitor them effectively. Some major banks have typically refused to provide banking services for MSBs owing to the money-laundering and terrorist financing risks associated with providing them services.

BCLC has implemented a program called "sourced cash conditions" that places certain conditions or requirements on patrons who attend the gaming facilities. How this program works is when BCLC receives credible information regarding a patron or a particular source of funds that we deem to be of high risk, BCLC immediately acts on that information and places these players on conditions. This program allows decisions to be evidence based and consistent with BCLC's AML risk based approach. These actions may be related to a unique event, or as a result of monitoring business relationships, and are consistent with "Know Your Customer "and "Customer Due Diligence" expectations as per the FINTRAC guidelines and the Process of Crime Money Laundering and Terrorist Financing Act.

Patrons on cash conditions must produce a receipt to accompany any cash they bring to the facility to gamble with. The receipts may come from a bank, global cash, an MSB or other

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financial institution. The reason why this program is in place is to reduce the risk of illegitimate funds being used at the gaming facilities, therefore reducing the overall AML risk.

Review Conducted

Each time a patron who is under the sourced cash condition program attends a gaming facility, an iTrak incident file is created and the details of the transaction are recorded. A review was completed of all incident files from January 1, 2016 to November 22, 2017 to determine how many of these recorded transactions were determined to have cash accepted that originated from an MSB. A total of 826 files were reviewed, of which 7 files referenced the use of cash received from an MSB.

- 3 transactions came from an MSB called Suhida Money Exchange (No. 3 Road, Richmond, BC)
- 2 transactions came from an MSB called Kinbok Enterprises Inc. (Unit 110 – 8091, Westminster Highway, Richmond, BC)
- 2 transactions came from an MSB called Kingmark Canada Currency Exchange (1025-3700 No. 3 Road, Richmond, BC)

In addition to the iTrak incident files reviewed, 108 interview records were also reviewed to determine if an MSB was used to obtain cash. The BCLC investigators at times are required to interview certain patrons to provide more details and information that would point to their source of wealth and the origin of their funds. Since 2015, 108 interviews have been conducted. Of these interview records reviewed, 20 were found to have a reference to the use of an MSB.

- 1 reference to Western Union (location not identified)
- 1 reference to Vanage (location not identified)
- 4 references to Suhida (6220 No. 3 Road, Richmond, BC)
- 3 references to Kinbok Enterprises Ltd. (Unit 110 – 8091, Westminster Highway, Richmond, BC)
- 3 references to the Crystal Mall in Burnaby (Crystal Mall, 1607-4500 Kingsway, Burnaby, BC). This mall has the following financial services companies, it is unknown which exact MSB was used:
  - C&C Money Transfer Corp
  - Can-China Financial Services Ltd
  - Canada Money TT Ltd
  - Crystal Currency Exchange
  - Kingmark Canada Currency Exchange

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- 1 reference to Yaohan Mall (3700 No. 3 Road, Richmond, BC) in Richmond, this mall has the following financial services companies, it is unknown which exact MSB was used:
  - Kingmark Canada Currency Exchange
  - Jiu Xin Financial Ltd
- 1 reference to Parker Place Mall (4380 No. 3 Road, Richmond, BC) in Richmond, this mall has one MSB – HKTK Express Exchange

- 6 references to MSB usage however no specific company mentioned.

All of the MSB companies listed above are registered on the Fintrac website, aside from one company – HTK Express Exchange.

Options

Option 1

Disallow the acceptance of cash that originated from an MSB. Remove MSBs from the list of acceptable financial institutions as per BCLC policies and procedures.

Benefits:

- The reputational impacts for both BCLC and the Service Providers may increase due to the heightened concern of risk stemming from police investigations and subsequent charges surrounding the case of Silver International regarding the use of MSBs to facilitate money laundering. If cash from MSBs were no longer accepted, this risk would be eliminated.
- Since the number of patrons who seem to be using an MSB as their source of cash is low, the impact to overall customer service would be minimal.

Risks:

- By eliminating one of the acceptable sourced cash options, it may affect revenue slightly. Patrons may discontinue or reduce their visits to site if it becomes more difficult to only gamble with sourced cash from an acceptable financial institution. MSBs are open longer hours and on weekends when most banks are closed.
- The level of customer service offered to patrons would decline slightly as patrons would only be able to bring cash from an accepted financial institution as per BCLC policies and procedures.

Option 2

Place a monetary limit on the amount of cash that will be accepted from an MSB, for example $10,000. By reducing the amount of cash that originated from an MSB, it will reduce the risks associated with accepting those funds. Patrons who wish to gamble in amounts larger than $10,000 will then need to obtain those funds from other more closely regulated financial institutions.

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Benefits:

- The reputational impacts for both BCLC and the Service Providers may increase due to the heightened concern of risk stemming from police investigations and subsequent charges surrounding the case of Silver International regarding the use of MSBs to facilitate money laundering. If cash from MSBs were restricted to an amount of $10,000, this risk would be reduced.

Risks:

- This may not adequately address the threat of money laundering and terrorist financing posed to BCLC by MSBs.
- As MSBs offer services to patrons outside of banking hours, it will make it more challenging for patrons to acquire their gambling funds strictly from their financial institutions. Those patrons who wish to gamble in amounts above the $10,000 MSB restriction will be inconvenienced. Revenue and patronage may show a slight decline.

Option 3

Make no changes and allow all cash originating from an MSB to be accepted as long as there is an accompanying receipt.

Benefits:

- Provide a high level of customer service for patrons who wish to gamble with cash and are unable to access funds after hours from their local banks. MSBs offer longer hours of operation and more accessibility to patrons.
- MSB money transfers are cost effective; many MSBs do not charge a transfer fee to the patron.

Risks:

- This may not adequately address the threat of money laundering and terrorist financing posed to BCLC by MSBs.
- Reputational risk for BCLC may occur if media stories continue to make associations of cash distributed from an MSB as directly related to illegitimate/criminal sources.

Option 4

Only accept funds from a reputable franchises.

Benefits:

- Reputable franchises committed to ethical governance and a culture of compliance.
- Have Anti-Money Laundering Programs designed to identify and assess the AML risks that are inherent in MSBs and have strategies and controls to mitigate these risks

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including system controls, patron interviews, transactions that are screened against sanction lists and work with law enforcement to block individuals suspected of illegal activity.

Risks:

- Deal and trade in more than 120 currencies which creates more opportunity for money transfers.
- Patrons may want to deal with other MSBs and will find other ways to get cash into casinos.
- Patrons may take their entertainment dollars elsewhere.

- Notable franchises such as Western Union and Money Mart are still risky: Western Union admitted to criminal violations last year and was fined $586 million dollars and Money Mart uses Western Union to conduct international transfers (https://www.forbes.com/sites/laurengensler/2017/01/19/western-union-anti-money-laundering-consumer-fraud-violations/#77bf0b427238) (https://www.moneymart.ca/more-products/western-union).

Recommendations

There are many benefits and risks tied to each scenario stated above that would warrant discussion and agreement with various stakeholders on which option or a combination of options would be beneficial to implement.

Our recommendation is option 1 to disallow the acceptance of cash that originated from an MSB. Remove MSBs from the list of acceptable financial institutions as per BCLC policies and procedures.

Next Steps

Policy amendments required to reflect the changes associated with not accepting money from MSBs. Policy changes to be implemented for the March 2018 NTI.

Engage Service Provider Compliance Officers prior to implementing the changes with respect to MSBs.

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This is Exhibit "53" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Kim Fitzpatrick

From: Paul Dadwal
Sent: Wednesday, Redacted - RCMP 9:02 PM
To: Ross Alderson
Subject: Re: Redacted - RCMP

16

Ross,

This is great.

I'll call you tomorrow to try and arrange a time for coffee.

Been crazy busy.

Thx
Paul

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Ross Alderson
Sent: Wednesday, Redacted - RCMP 2:32 PM
To: Jeffrey, Kevin
Cc: Hussey, Joel; Dadwal, Paul; Daryl Tottenham
Subject: FW: Redacted - RCMP

FOR INFORMATION

We have information that some Casino players are obtaining cash (in mixed bills) from a money exchange in Redacted - RCMP called Redacted - RCMP It is registered with FINTRAC as a MSB so at face value this appears a legitimate business.

However on Redacted - RCMP an individual Redacted - RCMP bought in for $97,465.00 in mixed denomination bills at the Grand Villa and produced a receipt that from this cash exchange. The denominations were 200 x $50, 3003 x $20's; 1 x $5. On Redacted - RCMP the same individual then bought in for $170,005 at the Grand Villa. The denominations were 1200 x $50, 5500 x $20's; 1 x $5. Both amounts according to receipts originated from a currency exchange for Chinese Yuan. (approx. $1.5 million YUAN)

The individual has a local address however from a previous interview states his source of wealth is China based. So based on Chinese flight of capital laws it is unknown how that much Chinese currency made its way into Canada.

As per the BCLC directive to the Casino the source the funds was from a legitimate source (money exchange) so the buy in was accepted but obviously there are circumstances here which seem 'unusual.'

As a follow up on Redacted - RCMP I had two of our AML investigators attend Redacted - RCMP to validate the receipts were legitimate.

Redacted - RCMP acknowledged the receipts were from their location (confirmed on their computer system).

Redacted - RCMP acknowledged they do give out $20's. Denominations they give out are allegedly Redacted - RCMP Redacted - RCMP

Contrary to what we have been told by some patrons Redacted - RCMP

Specifics of the location are attached as per my analysts email.

I find it unusual that a Money exchange would 1. Carry that much cash on site and 2. Provide those types of denominations.

Regards

Ross Alderson CAMS.

Director, AML & Investigations
Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO F 604 225 6488

Yes, and...

PERSONAL INFO

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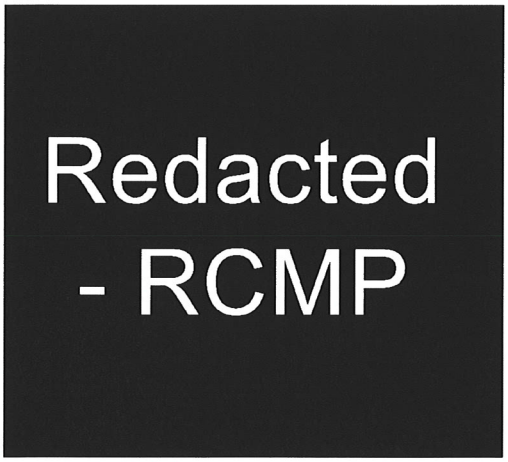
Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

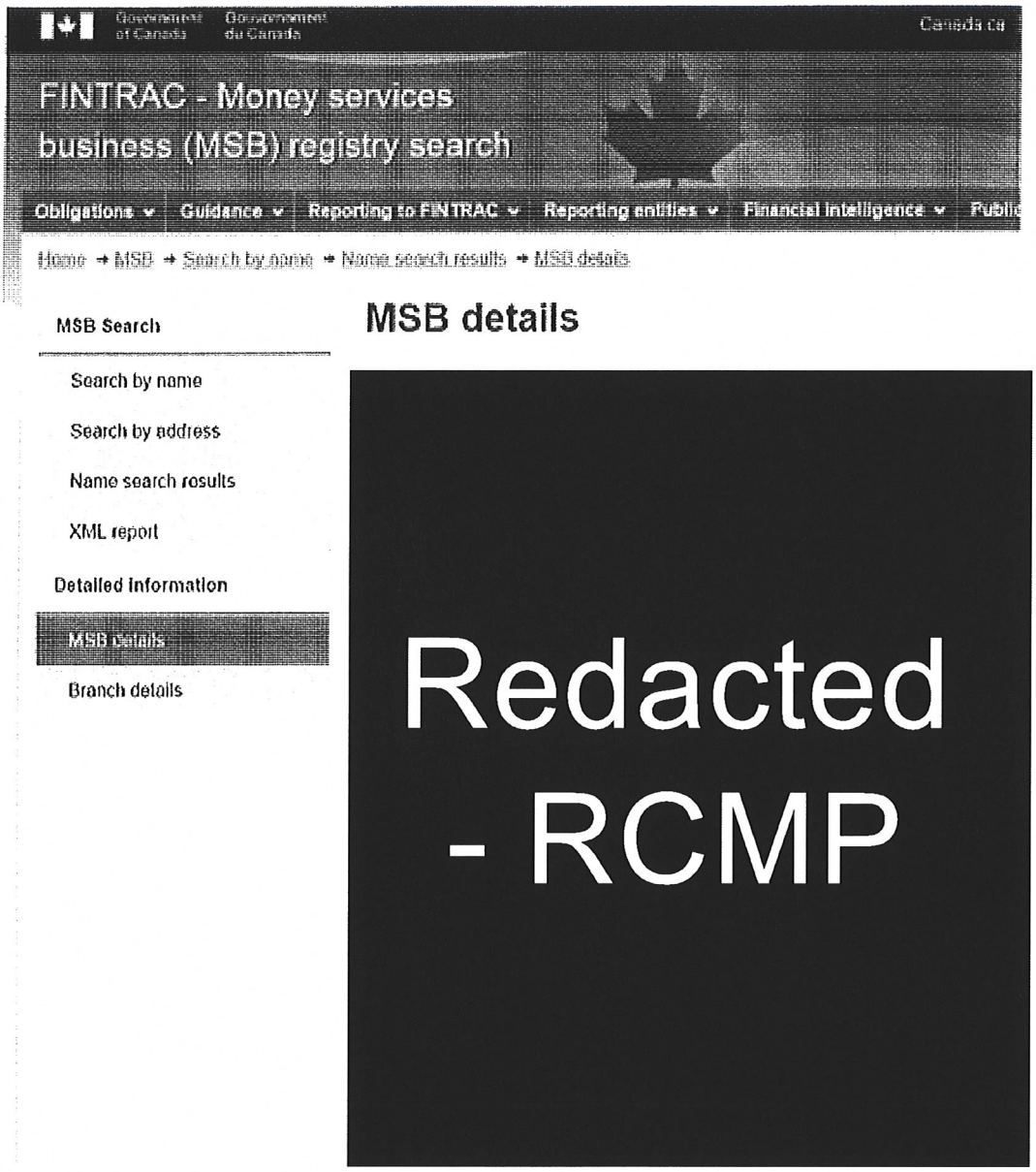
From: Brad Rudnicki
Sent: Thursday, Redacted - RCMP 3:16 PM
To: Ross Alderson
Subject: Redacted - RCMP

Ross,

It is registered with FINTRAC but I did notice the addresses are different between BC registry services (attached) and the FINTRAC registration (below).



FINTRAC MSB Information:



Brad Rudnicki
T PERSONAL INFO
Yes, and...

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

Kim Fitzpatrick

From:	Daryl Tottenham
Sent:	Wednesday, Redacted - RCMP 9:38 AM
To:	Paul Dadwal
Cc:	Ross Alderson
Subject:	FW: Money Exchange receipts
Attachments:	20160706061703265.pdf

Morning Paul,
I am sending you copies of the 3 most recent money exchange receipts we have received from patrons at River Rock which Ross has spoken to you about. The receipt from Redacted - RCMP is not a great copy but the details you need are visible. As this place has been described as Redacted - RCMP, it is very possible that notwithstanding they are registered with Fintrac, they may not be reporting all transactions which would be a compliance issue and make them subject to penalties from Fintrac if confirmed. The reporting period for LCT's (Large cash transactions) is 15 days therefore they would have to report the cash pay-outs within that 15-day period to be compliant with the Act. For any suspicious transaction that should be reported to Fintrac, they have 30 days to file.
It might be very interesting to contact Fintrac after the 15 day window has elapsed and see if Redacted - RCMP actually filed LCT reports for these disbursements. We will be keeping copies of all money-exchange receipts we get from VIP patrons moving forward and our analysts will be doing OSINT dives on each business as well so we will keep your group apprised of what we find that may have value to you.
Regards,
Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

●Yes, and...●

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

-----Original Message-----
From: Daryl Tottenham [mailto:PERSONAL INFO
Sent: Wednesday, July 06, 2016 6:17 AM
To: Daryl Tottenham
Subject:

This E-mail was sent from "RNPCAE445" (Aficio MP C4500).

Scan Date: 07.06.2016 06:17:02 (-0700)
Queries to: hrvanfax@bclc.com

Redacted
- RCMP

Redacted
- RCMP

Redacted
- RCMP

This is Exhibit "54" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BCLC Directive- MSB's

Effective Date: March 15th, 2018

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Effective March 15th, 2018 BCLC will no longer allow patrons to use any Money Service Business (MSB's) as proof of source of funds receipting. This applies to any buy-in with cash or any other monetary instrument including deposits to PGF accounts. Receipts will only be accepted from accredited Canadian banks or Credit Unions as defined in the Proceeds of Crime Money Laundering and Terrorist Financing Act (PCMLTFA):

1. All Canadian banks, foreign banks in Canada, and full service and lending foreign bank branches in Canada. These entities are established under Canada's Bank Act and are regulated by the Office of the Superintendent of Financial Institutions (OSFI);
2. Financial services cooperatives, savings and credit unions and caisses populaires that are regulated by a provincial Act; as well as credit union centrals when they provide services to anyone other than a member institution.

74 West Seymour Street
Kamloops BC V2C 1E2
T 250.828.5500
F 250.828.5631

2940 Virtual Way
Vancouver BC V5M 0A6
T 604.215.0649
F 604.225.6424

This change is the result of an extensive BCLC AML due diligence review conducted of MSB's located in British Columbia to determine the strength of MSB anti money-laundering compliance programs. BCLC was unable to identify a Canadian MSB that has an acceptable AML compliance regimen which would adequately mitigate or prevent money laundering and/or terrorist financing threats/risks to BCLC and its' Service Providers.

This directive is in effect at 0001 hrs on March 15th, 2018 and supersedes current BCLC policy for MSB acceptance until further notification. The next release of BCLC Casino Policies and Procedures will incorporate these changes and replace this directive.

If you have any questions regarding this directive, please contact the AML Unit at aml@bclc.com.

Sincerely,

Daryl Tottenham
AML, Programs Manager

This is Exhibit "55" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: John Karlovcec[PERSONAL INFO]; Rob Kroeker[PERSONAL INFO]
Cc: Bal Bamra[PERSONAL INFO]; Jim Husle[PERSONAL INFO]; Daryl Tottenham[PERSONAL INFO]
From: Daryl Tottenham
Sent: Sat 24/02/2018 6:47:04 PM
Subject: FW:[PERSONAL INFO] sid# 144966

Just wanted to give you an update on this file as the tracking documents and receipts are loaded now and I have reviewed the data. Cathy did a great OSINT on this and the data does not support criminal or ML activity. The report shows a high level of family wealth and confirms the commercial real estate information he supplied for occupation.

After reviewing his file it was found that he was actually chasing losses and eating the fees for pulling cash through the Global exchange. After each Global transaction he had consecutive losses spread over an 8 hr playing session through the night. After his last 40K draw on his credit card he hit a winning streak and recouped all his previous losses and actually ended up net positive for 88K on a verified win. He took a VWC for 88.5K and got 140 K in cash which equals the 7 credit withdraws and cashed out at 8 am and left.

We have cancelled the request for an interview and we will continue to monitor his play moving forward just to confirm our review. We did however identify a gap in our ML system with Global cash and credit monitoring and Bal and I will be working to develop an alert through SAS BI or Iview (or both) to add another monitoring component to our programs. I have attached the link to his OSINT in you wish to review instead of shoveling snow….dFor now all is good.
FYI
Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Legal, Compliance & Security Division

2940 Virtual Way, Vancouver, BC V5M 0A6
[PERSONAL INFO]

•Yes, and…•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Daryl Tottenham
Sent: Friday, February 23, 2018 3:50 PM
To: Cathy Cuglietta <[PERSONAL INFO]>; AML <AML@bclc.com>
Cc: John Karlovcec <[PERSONAL INFO]>
Subject: RE:[PERSONAL INFO] sid# 144966

Interesting…thanks for the quick work on this! The outcome is not what I expected therefore I need to re-examine the file and determine what his intent was. The AML angle might have been unintentional but in any event, we have some work to do on this gap. Lynn, definitely hold off on the interview request for now.
Thx D

Daryl Tottenham Ba, CAMS

Manager, AML Programs
Legal, Compliance & Security Division

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Cathy Cuglietta
Sent: Friday, February 23, 2018 2:51 PM
To: Daryl Tottenham PERSONAL INFO; AML <AML@bclc.com>
Cc: John Karlovcec <
Subject: RE: PERSONAL INFO sid# 144966

The OSINT report for PERSONAL INFO has been completed and can be found here.
Please advise if anything further is required.

Synopsis

- Dec 2005, criminal charge of assault with a weapon.
- RTIC Search = negative results
- The property located at PERSONAL INFO has been owned by the PERSONAL INFO since 1977. First on title was PERSONAL INFO (Architect) and in 1989, title changed to PERSONAL INFO (Housewife). Current home value is $4 million. PERSONAL INFO also owns two rental properties, valued at $1.1 million and $725,000.
- PERSONAL INFO is listed as PERSONAL INFO in iTrak SID 31207.
- is not listed on title of any BC property.
- BC Company called **Razor Projects Ltd**, lists PERSONAL INFO as a Director along with PERSONAL INFO and PERSONAL INFO – possible family members.
- **Razor Projects Ltd** is a company that deals with commercial real estate, market analysis, product conception & design and marketing.
- PERSONAL INFO is listed as a Director on another BC company called **KLV Trading Co**. LinkedIn profile states this company distributes mobile accessories in Canada.
- LinkedIn profile also indicates that he lived and worked in Beijing from 2009-2014.
- No adverse media found. PTEP search – negative.

From: Daryl Tottenham
Sent: Friday, February 23, 2018 8:49 AM
To: AML <AML@bclc.com>

Cc: John Karlovcec <PERSONAL INFO>
Subject: PERSONAL INFO sid# 144966

Hi all,
While reviewing another file I came across this player and noted activity that looks highly suspicious and we have little info on this guy. I need to conduct a breakdown of his play and figure out what he is doing. He is a 34 yr old Asian male that lists his occupation as Commercial Real Estate Agent but has no company info on file. While I piece this together could we please arrange the following:

- Brad/Cathy- submit an RTIC request and see if he has any known gang activity or associates.
- Brad/Cathy- complete a full dive on him (priority) and see if we can confirm his occupation, employer, criminal record, etc
- Lynn/Stone- Please flag his file for an interview request and once he has been notified, if he does not respond, escalate immediately and suspend his playing gaming privileges pending interview.
- Jim- Could you run through his social media and see what you can find on him or his associates PERSONAL INFO
- Bal/John- we should sit down next week and look at the issue of Global cash and credit card use and see if there is a BI tool through SAS or Iview that we can build to flag credit buy-ins with cash disbursements on the same date. This identifies a gap we currently have where credit buy-ins coupled with cash disbursements sets up for laundering funds through credit/Visa accounts.
- Jim- Could you also place him on Watch and put in a request to email our unit when he attends any site until further notice.
- Depending on the outcome of the review we may also have to have a UFT file created and consider an STR filing. I will update once I have gone through his reports on the weekend.

Thanks,
Daryl
I

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Legal, Compliance & Security Division

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

This is Exhibit "56" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Bank Draft Review

Prepared on: 9-Mar-2018

Prepared by: Brad RUDNICKI, AML Analyst

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Executive Summary

Organized Crime Group's (OCG) ability to lend cash to casino players has been greatly diminished with the implementation of sourced cash requirements. Actions by law enforcement has also affected the cash lending techniques previously utilized by OCGs. Due to these actions, the number of Suspicious Transactions Reports (STR) sent to FINTRAC by BCLC has decreased.

For the purpose of this document, analysis was based on the RCMP-JIGIT hypothesis that cash generated through crime is being placed into the banking system. OCG's lending techniques for casino players has adapted to include negotiable bank instruments (i.e. bank drafts, certified cheques). Casino players are depositing "borrowed" bank drafts into casino Player Gaming Fund (PFG) accounts. Although the bank drafts contain a payee and/or a payer, there is a possibility that the player presenting the draft may not be the person associated with the issuing bank account. Complicit bank employees may also be involved and circumventing banking policies to produce bank drafts for an OCG's lending scheme.

This report discusses two areas of interest: bank draft analysis and players with historical suspicious transaction reports (STR) versus their activity with PGF accounts. The first part of this report focuses on all bank drafts occurring over a 2-month period (January 1, 2018 to February 28, 2018) and which branch locations players used most frequently. The second part of this report reviewed players STR activity for 3 years (2015 to 2017) and focused on players who are now using PGF accounts. Players who historically had STRs were most likely borrowing cash from an OCG. If these same players have transitioned to bank drafts it may be an indicator of involvement in a new lending scheme utilizing bank drafts.

One point of interest relates to the BMO located at 3880 No. 3 Road, Richmond, BC. It had the highest amount of bank drafts (24) and 14 different players produced bank drafts from this location. This BMO address is located in the same complex building as the Radisson Hotel, which is the same hotel where Paul King JIN was the owner/operator of an illicit massage parlour (Water Cube). Richmond city officials shut down the business in 2011. The RCMP believed it to be a hang out for gang associates. It is unconfirmed if this BMO location has any connection to an OCG.

The top 3 branch addresses used by historical STR players (currently using a PGF account) are the same addresses that appear in the top 4 results when reviewing all bank draft activity.

This report concludes with recommendations for further analysis on players of interest to determine if they have an account at a particular bank where the bank draft originated. All players should be queried through police databases and through link analysis determine if any criminal associations or networks exist. Finally, conduct geographic analysis to determine if any irregularities exist amongst players home addresses, banks they frequent, and casino locations. This may reveal if a player is going out of their way to visit a certain branch in relation to the casino they attend.

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Bank Draft Location Analysis

OBJECTIVE

The objective of this section is to review all banks drafts and determine which branch locations are producing the most bank drafts. In addition, which bank locations have the most variety of players.

METHODOLOGY

All bank drafts received during Jan-Feb 2018 were grouped by address and bank to determine the highest frequency occurring for both. For the top 6 branch addresses all of the players who produced banks drafts from that location were quantified.

> Note: The resulting lists do not suggest that these branch locations or banks are involved in an OCG's lending scheme. More investigation is required to rule out possible involvement.

RESULTS

Total Banks Drafts by Bank

There was a new data field implemented for the collection of branch location and banking institution in mid January 2018 which resulted in the collection of insufficient data for January. Due to this there were 70 entries of bank drafts that were not scanned and therefore not included in this analysis.

There were a total of 406 bank drafts received during Jan-Feb 2018 of which only 336 bank drafts had the branch location available.

The following banks accounted for the 336 bank drafts that were reviewed.

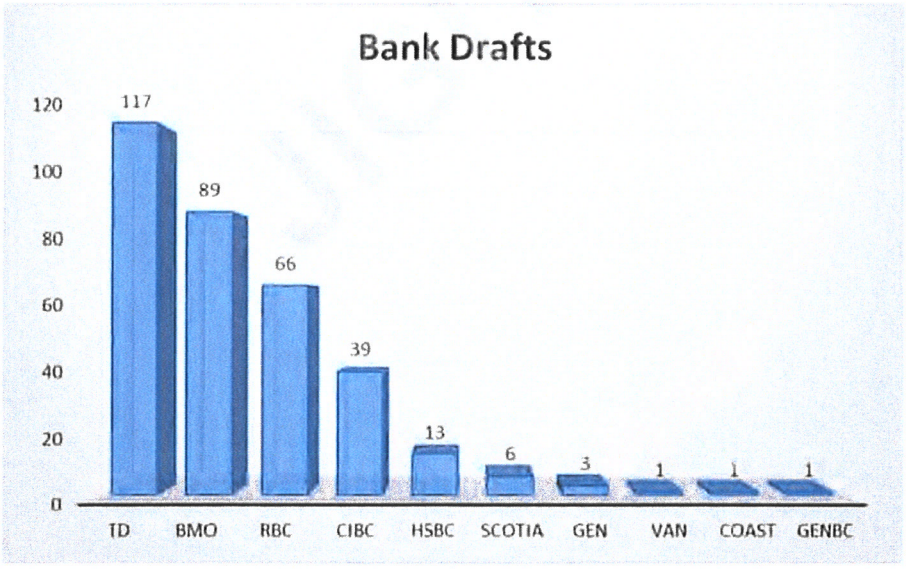

Figure 1-Bank Drafts per Bank

Note: GEN = Bank of China, Richmond BC
GENBC= Wells Fargo Bank, California USA

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Total Bank Drafts by Branch Address

The following table lists the top bank addresses that had 3 or more bank drafts in total.

Jan-Feb 2018 Bank Draft Count By Branch Address (3 or more)							
Branch Address	BMO	CIBC	Bank of China	RBC	SCOTIA	TD	Grand Total
3880 No. 3 Road, Richmond BC	24						24
2198 West 41st Ave, Vancouver BC						20	20
6088 No. 3 Road, Richmond BC	14						14
4777 McClelland Road, Richmond BC						12	12
3779 Sexsmith Road, Richmond BC						12	12
1004 Hamilton Street, Vancouver BC	10						10
1001 Hamilton Street, Vancouver BC						8	8
7008 No. 3 Road, Richmond BC						8	8
4000 No. 3 Rd, Richmond, BC				8			8
650 West 41st Ave, Vancouver BC	2			5			7
511 West 41st Ave, Vancouver BC						6	6
6011 No. 3 Road, Richmond BC		6					6
4670 Kingsway, Burnaby BC						6	6
4791 McClelland Road, Richmond BC				6			6
1195 Pacific Blvd, Vancouver BC				5			5
9100 Blundell Road, Richmond BC		5					5
8180 No. 2 Road, Richmond BC	5						5
8324 Granville Street, Vancouver BC	5						5
450 Main Street, Vancouver BC						5	5
400 Burrard St, Vancouver, BC		4					4
4567 Lougheed Highway, Burnaby BC	1	2			1		4
446 SW Marine Drive, Vancouver BC						4	4
913 Park Royal South, West Vancouver BC	4						4
8005 Granville Street, Vancouver BC						3	3
5991 No. 3 Road, Richmond BC						3	3
11600 Cambie Rd, Richmond BC				3			3
15173 Highway 10, Surrey BC		3					3
225 17th St, West Vancouver, BC		3					3
1716 Renfrew Street, Vancouver BC				3			3
8060 Westminster Hwy, Richmond BC			3				3
2208 West 41st Ave, Vancouver BC				3			3
5300 No. 3 Road, Richmond BC						3	3

Figure 2-Bank Drafts per Branch Address / Bank

Note 25 addresses had 2 bank drafts
71 addresses had 1 bank draft

Top 6 Branch Addresses with Players

The following tables represent the top 6 branch locations where players produced bank drafts from. Only 2 banks were used, BMO and TD. Further analysis can be conducted for the other addresses on the list if required to see other player clusters. For all names associated with SID #s please see appendix.

Jan-Feb 2018 Bank Draft Count By Branch Address (3 or more)							
Branch Address	BMO	CIBC	Bank of China	RBC	SCOTIA	TD	Grand Total
3880 No. 3 Road, Richmond BC	24						24
2198 West 41st Ave, Vancouver BC						20	20
6088 No. 3 Road, Richmond BC	14						14
4777 McClelland Road, Richmond BC						12	12
3779 Sexsmith Road, Richmond BC						12	12
1004 Hamilton Street, Vancouver BC	10						10

Figure 3-Top 6 Branch Addresses

Branch Address	BMO	Grand Total
3880 No. 3 Road, Richmond BC		24
175028	5	
25239	4	
188143	2	
94502	2	
99395	2	
227199	1	
208890	1	
97990	1	
228646	1	
220028	1	
139373	1	
89903	1	
11366	1	
121511	1	
6088 No. 3 Road, Richmond BC		14
101715	3	
227199	3	
171313	3	
78252	2	
152502	1	
234837	1	
207700	1	
1004 Hamilton Street, Vancouver BC		10
129263	7	
235399	2	
208890	1	

Figure 4-Top 3 BMO Branch Addresses with Players

Branch Address	TD	Grand Total
2198 West 41st Ave, Vancouver BC		20
100893	13	
165611	3	
161584	2	
35852	1	
142812	1	
4777 McClelland Road, Richmond BC		12
182372	4	
149449	3	
16445	2	
201439	2	
25239	1	
3779 Sexsmith Road, Richmond BC		12
43793	2	
149449	2	
142812	2	
152587	1	
181990	1	
161584	1	
74813	1	
103976	1	
100893	1	

Figure 5-Top 3 TD Branch Addresses with Players

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Total Bank Drafts per Player

The following table summarizes the top players with 3 or more bank drafts and the banks where the bank drafts originated from. For all names associated with SID #s please see appendix.

Jan-Feb 2018 Bank Draft Count By Player (3 or more)										
SID	TD	BMO	RBC	CIBC	HSBC	SCOTIA	GEN	VAN	COAST	Grand Total
V3: Operational File - Current Status Unknown	14									14
	4	8								12
	3		7							10
	7									7
		7								7
		1		4		2				7
			6							6
	2		4							6
			4				2			6
	5		1							6
		6								6
			6							6
	5	1								6
	5									5
		5								5
	5									5
					5					5
	1	4								5
	3		2							5
			3	2						5
	4									4
		3						1		4
	3		1							4
	3								1	4
			4							4
		4								4
	4									4
				4						4
				3						3
			3							3
	3									3
		2					1			3
				3						3
		3								3
			3							3
			3							3
	3									3
	1	2								3
			2		1					3
	3									3
		2	1							3

Figure 6-All Bank Drafts per Player (3 or more)

Note: 131 players had 2 or less bank drafts that are not included in the table above

Historical STR Players versus Current PGF activity Analysis

OBJECTIVE

The objective of this section is to identify players who had STR activity in the past and review their recent PGF usage in an effort to identify any players who may be involved in an OCG's lending scheme.

METHODOLOGY

A review of all players who had STRs between 2015 to 2017 was conducted. Total cash buy-ins and PGF buy-ins from 2015-2017 were reviewed along with total STRs per player. Churn*, or the reintroduction of the same funds used previously for buy-ins, is present in these totals. Players having the most STRs from 2015-2017 were prioritized and only those who had PGF buy-ins in 2017 or 2018 were considered.

> Note: The refined list below does not suggest that these players are involved in an OCG's lending scheme. More investigation is required to rule out these players possible involvement.

RESULTS

Historical STR & PGF Play

There were 26 players who had the most STRs between 2015-2017 and had PGF play in 2017 and/or 2018. 15 of these players had a PGF buy-in total greater than $200,000 in the first 2 months of 2018. In 2017, many of these players had PGF buy-in totals greater than $1,000,000. The PGF columns are conditionally formatted by volume with red being the highest and green being the lowest. For all names associated with SID #s please see appendix.

	2015			2016			2015-16	2017			2015-17	(JAN-FEB) 2018				
SID	Cash	PGF	STRs	Cash	PGF	STRs	STRs	Cash	PGF	STRs	STRs	Cash	PGF	STRs	Total Bank Drafts (Jan-Feb)	# of Addresses Visited
Redacted - FINTRAC	$ 10,487,237	$ 4,380,000	47	$ 768,800	$ 4,430,000	3	50	$ 85,000	$ -	0	50	$ 5,700	$ 230,000	0	2	1
	$ 3,970,885	$ 2,440,000	12	$ 3,047,100	$ 620,000	28	40	$ 159,800	$ 10,457,860	0	40	$ 6,300	$ 1,955,000	0	5	2
	$ 10,291,759	$ 4,332,715	36	$ 984,300	$ 4,105,800	3	39	$ 2,823,175	$ 4,974,960	0	39	$ 185,600	$ 249,500	0	5	2
	$ 4,692,140	$ 3,795,000	21	$ 1,488,020	$ 1,600,000	10	31	$ 800,000	$ 7,355,000	1	32	$ -	$ 1,150,000	0	1	1
	$ 654,490	$ -	1	$ 2,582,860	$ 3,253,100	19	20	$ 2,231,240	$ 11,226,400	8	28	$ 6,200	$ 883,000	0	3	1
	$ 2,289,240	$ -	9	$ 1,554,200	$ -	12	21	$ 2,471,300	$ 1,825,000	5	26	$ -	$ 1,055,000	0	4	3
	$ 4,642,570	$ 2,550,000	21	$ 357,500	$ 1,250,000	4	25	$ 360,630	$ 3,086,250	0	25	$ -	$ -	0	0	0
	$ 14,673,486	$ 6,965,000	20	$ 400,000	$ 3,190,000	2	22	$ 2,634,950	$ 11,793,500	1	23	$ 64,000	$ 14,620,500	0	14	2
	$ 5,814,385	$ 2,833,400	22	$ 223,000	$ 3,042,000	1	23	$ 345,200	$ 2,047,000	0	23	$ -	$ 50,000	0	0	0
	$ 989,450	$ 410,000	3	$ 3,090,645	$ 317,500	13	16	$ 2,386,540	$ 1,944,000	6	22	$ 173,200	$ 235,000	0	2	1
	$ 344,120	$ -	3	$ 3,387,180	$ 360,000	18	21	$ -	$ 960,000	0	21	$ -	$ 100,000	1	2	2
	$ 1,687,900	$ -	7	$ 1,304,730	$ -	4	11	$ 3,031,800	$ 4,008,300	9	20	$ 76,200	$ 1,034,000	0	6	1
	$ 404,770	$ -	4	$ 961,125	$ -	14	18	$ 263,320	$ -	1	19	$ 122,400	$ 12,000	0	1	1
	$ 626,185	$ 350,000	3	$ 2,130,860	$ 360,000	15	18	$ 1,562,200	$ 92,000	0	18	$ 219,200	$ 41,000	0	0	0
	$ 1,433,530	$ 80,000	4	$ 1,819,160	$ 165,000	13	17	$ 2,513,375	$ 35,000	0	17	$ 29,300	$ 5,000	0	0	0
	$ 902,830	$ 4,555,000	1	$ 1,716,450	$ 755,000	15	16	$ 1,212,300	$ 6,645,000	0	16	$ -	$ 600,000	0	1	1
	$ 1,229,720	$ -	8	$ 817,370	$ 131,500	8	16	$ 155,150	$ 428,500	0	16	$ 11,300	$ 42,500	0	0	0
	$ 2,953,600	$ 100,000	8	$ 2,403,130	$ 1,240,000	3	11	$ 728,640	$ 4,449,010	4	15	$ 26,900	$ 1,044,000	0	6	2
	$ 2,270,970	$ 90,000	12	$ 480,470	$ 80,000	3	15	$ 359,880	$ 25,000	0	15	$ 17,400	$ 53,800	0	1	1
	$ 1,476,200	$ 897,875	7	$ 1,614,100	$ 485,000	7	14	$ 471,200	$ 7,366,750	1	15	$ -	$ -	0	0	0
	$ 4,281,020	$ 2,269,300	12	$ 933,500	$ 2,221,500	3	15	$ 89,000	$ 4,383,100	0	15	$ -	$ -	0	0	0
	$ 2,467,355	$ 3,815,000	12	$ 1,492,160	$ 1,898,000	1	13	$ 3,297,700	$ 1,540,000	0	13	$ 46,300	$ 45,000	0	0	0
	$ -	$ -	0	$ 246,500	$ 10,000	0	0	$ 1,727,950	$ 888,500	12	12	$ 10,000	$ 530,000	0	12	10
	$ 236,660	$ -	0	$ 565,060	$ -	5	5	$ 1,054,840	$ 3,530,690	5	10	$ 15,100	$ 916,500	0	6	3
	$ -	$ -	0	$ 212,300	$ 80,000	2	2	$ 971,840	$ 4,073,713	8	10	$ 30,000	$ 394,000	0	3	2
	$ -	$ -	0	$ -	$ -	0	0	$ 3,467,402	$ 6,287,700	8	8	$ 225,150	$ 1,105,000	1	1	1

Figure 7-2015 to 2018 STR Players All Values

*Note. Churn example, a player buys-in for $10,000 on day one, they breakeven and leave with $10,000. Their next visit they buy-in for $15,000. A portion of these funds are the same funds recorded the first time and the $10,000 portion is recorded a second time. Total cash buy-ins for this player would be $25,000 and include churn.

Historical STR Players Current Bank Usage

18 out of the 26 high risk players (based on STR counts from 2015-2017) had bank draft address information associated with their PGF activity in Jan-Feb 2018. This group produced 75 bank drafts from the following banks. For all names associated with SID #s please see appendix.

SID	BMO	COAST	Bank of China	RBC	SCOTIA	TD	Grand Total
V3: Operational File - Current Status Unknown						14	14
	8					4	12
			2	4			6
				1		5	6
				6			6
						5	5
	4					1	5
		1				3	4
						3	3
						3	3
	2						2
	2						2
	1					1	2
					1		1
	1						1
						1	1
				1			1
	1						1
Grand Total	19	1	2	12	1	40	75

Figure 8-STR Players Bank Usage

Branch Addresses with Historical STR Players Bank Drafts

Address	BMO	COAST	Bank of China	RBC	SCOTIA	TD	
2198 West 41st Ave, Vancouver BC							
100893						13	
165611						3	
3880 No. 3 Road, Richmond BC							
11366	1						
25239	4						
99395	2						
208890	1						
4000 No. 3 Rd, Richmond, BC							
56671				6			
4777 McClelland Road, Richmond BC							
16445						2	
25239						1	
149449						3	
650 West 41st Ave, Vancouver BC							
115965				4			
446 SW Marine Drive, Vancouver BC							
130874						4	
3779 Sexsmith Road, Richmond BC							
100893						1	
149449						2	
2601 Granville Street, Vancouver BC							
208890	2						
8324 Granville Street, Vancouver BC							
77316	2						
721 Main Street, Vancouver BC							
56058						2	
8180 No. 2 Road, Richmond BC							
142066	1						
208890	1						
4670 Kingsway, Burnaby BC							
11366						1	
130874						1	
8060 Westminster Hwy, Richmond BC							
115965			2				
511 West 41st Ave, Vancouver BC							
208890						1	
1645 Marine Drive, Vancouver BC							
56058						1	
4940 No. 3 Road, Richmond BC							
41335					1		
7008 No. 3 Road, Richmond BC							
16445						1	
4791 McClelland Road, Richmond BC							
149449				1			
10111 No. 3 Road, Richmond BC							
144809				1			
3373 Main St, Vancouver BC							
208890						1	
1004 Hamilton Street, Vancouver BC							
208890	1						
480 SW Marine Drive, Vancouver BC							
208890	1						
4200 Dunbar St, Vancouver BC							
208890						1	
11911 Cambie Road, Richmond BC							
16445		1					
958 Denman Street, Vancouver BC							
208890	1						
5300 No. 3 Road, Richmond BC							
24307						1	
1001 Hamilton Street, Vancouver BC							
208890						1	
7075 Kingsway, Burnaby BC							
212896	1						
4395 Dunbar Street, Vancouver BC							
208890	1						
Grand Total	19	1	2	12	1	40	75

This table summarizes where all of the historical STR players produced bank drafts from during the Jan-Feb 2018 period.

For all names associated with SID #s please see appendix.

Figure 9-STR Players per Branch Address

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Summary Observations

For all names associated with SID #s please see appendix.

All Bank Drafts

- **TD** branch located at **2198 West 41st Ave, Vancouver BC** had the highest number of bank drafts (20).
- **BMO** branch located at **3880 No.3 Road Richmond BC** had the highest amount of bank drafts with (24) and had the most variety of players (14).
- **TD** branch location at **3779 Sexsmith Road, Richmond BC** had the second highest variety of players (9).
- Player V3: produced the most bank drafts (14) during the Jan-Feb 2018 period
- Player V3: had 12 bank drafts and utilized 2 different banks (BMO, TD).
- Player V3: had 10 bank drafts and utilized 2 different banks (TD, RBC).
- Player V3: had 7 bank drafts and utilized 3 different banks (BMO, CIBC and SCOTIA)

Historical STR Player Bank Drafts

- **TD** branch located at **2198 West 41st Ave, Vancouver BC** had the highest number of bank drafts (16).
- **BMO** branch located at **3880 No.3 Road, Richmond BC** had the highest amount of bank drafts with (8) and had the most variety of players (4).
- Player V3: had a high number of STRs between 2015-2018, had the second most bank drafts (12) during the Jan-Feb 2018 period. This player utilized 10 different branch addresses between BMO and TD.
- Player V3: is associated to V3: Operational File - Current . V3: lent funds in the form of a mortgage to this player. See link chart in Appendix.

Strategic Recommendations

1. For players of interest, further information will be required from the banks to determine if the player has an account at a particular bank where the bank draft originated.

    a. If the player does not have an account, the originating account for the bank draft produced by that player will require review to determine beneficial owner.

    b. If the player does have an account, two scenarios can be evaluated. It will need to be determined if the player used their own account for the bank draft(s) they produced and consider if an OCG is comingling proceeds of crime through that account OR if the player received a bank draft from an account they are not associated with although they have an account there.

2. V2: Police Investigative Technique

3. Further geographic analysis will be conducted to determine if any irregularities exist amongst player's home address, banks which they frequent, and casino locations.

    a. **Bank Proximity versus Casino Location Analysis**: Determining if one branch is favoured over another branch even though the one branch is closer to the casino. If it close and convenient to the casino it should be used more than a branch further away.

    b. **Player's Geographic Behaviour Analysis:** To determine if a player is going out of their way to visit a certain branch in relation to the casino they attend.

Appendix

PLAYER SID # TO PLAYER NAME REFERENCE TABLE

Note: Only includes players listed in this report

SID	Name	Gender	DOB	iTrak Status (as of 8-Mar-2018)	Occupation

V3: Operational File - Current Status Unknown

Figure 10-SID to Name Index Table 1

Table is continued on next page.

SID	Name	Gender	DOB	iTrak Status (as of 8-Mar-2018)	Occupation

V3: Operational File - Current Status Unknown

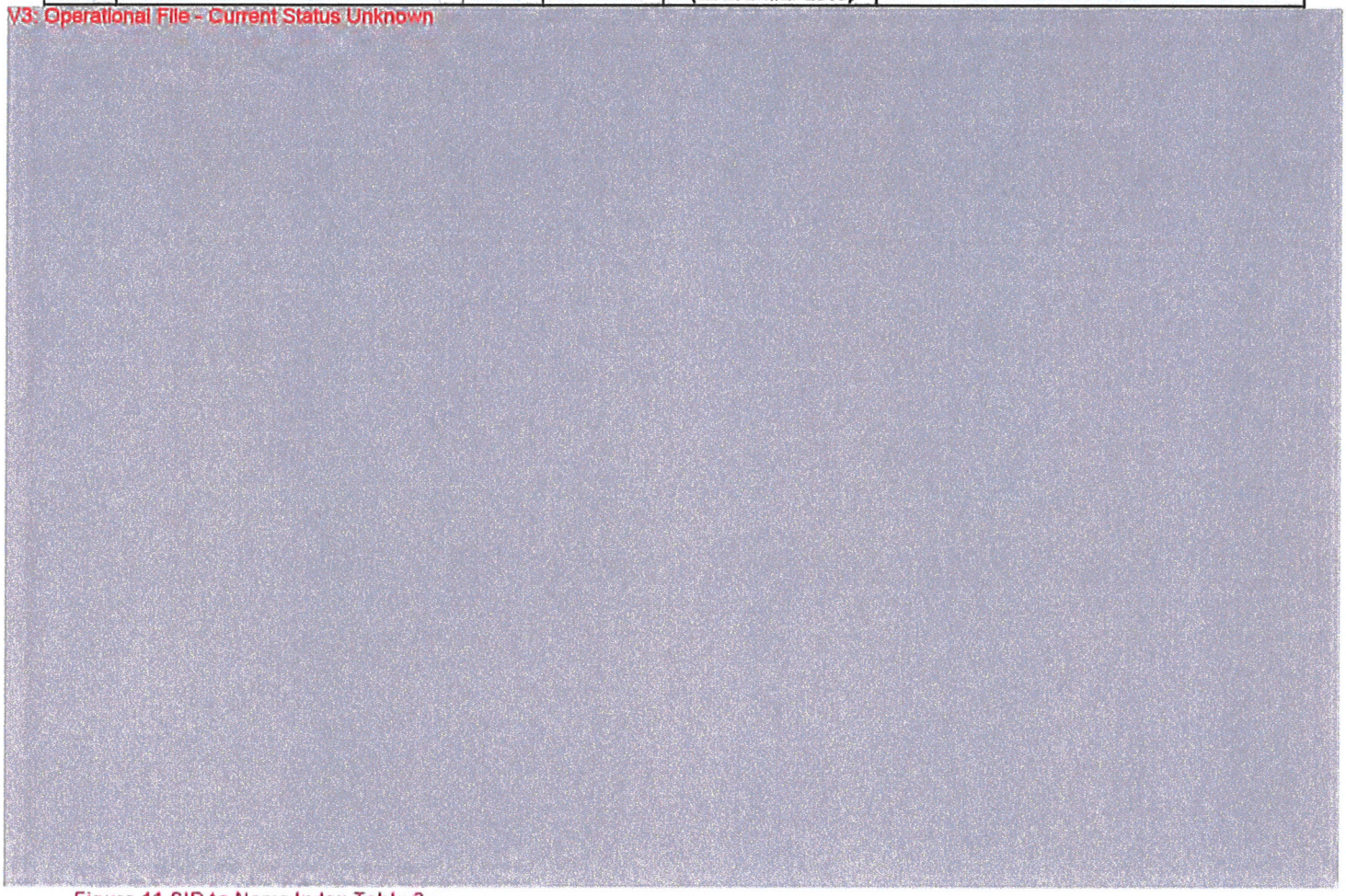

Figure 11-SID to Name Index Table 2

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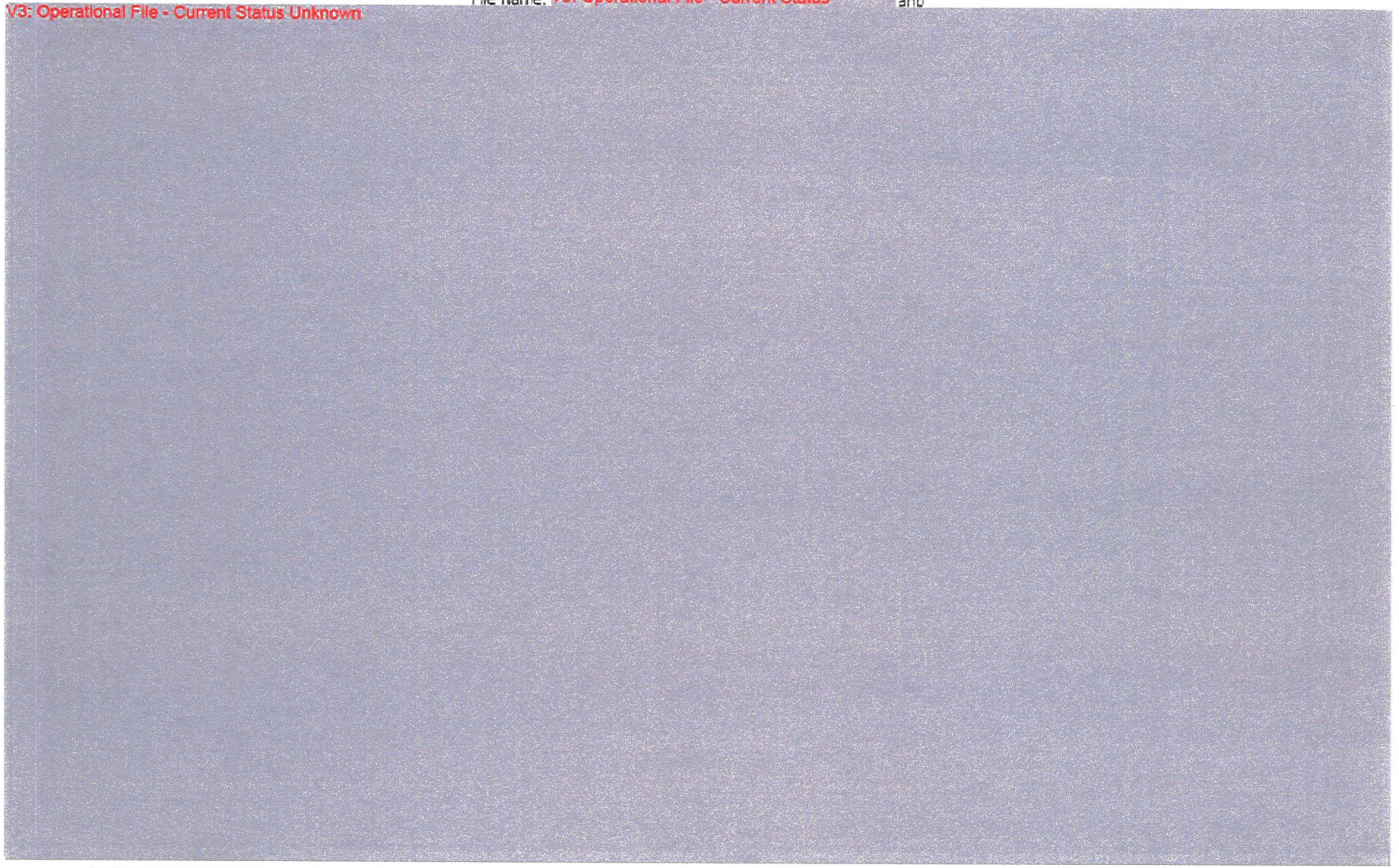
LINK CHART

V3: Operational File - Current Status Unknown

File Name: V3: Operational File - Current Status anb



Created: V3: Operational File -

Author: Brad Rudnicki

Figure 12-Link Chart SID V3:
O i

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This is Exhibit "57" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

PGF Account Bank Draft Analysis Summary of Findings

November 30, 2017

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PGF Account Bank Draft Analysis Summary of Findings 2
River Rock Casino 4
Cascades Casino 7
Elements Casino 8
Hard Rock Casino Vancouver 11
Grand Villa Casino 14
Starlight Casino 17
Parq Casino 20

PGF Account Bank Draft Analysis

Executive Summary

From November 6-26, 2017 a review of all bank drafts and certified cheques from 2015-2017 was conducted at BC Casinos offering PGF Accounts. There were some bank drafts and certified cheques reviewed from 2011-2014 as they were in the files provided by some of the sites, however, these numbers do not reflect the total number for those years. It should be noted that the Credit Unions (ie: Coast Capital, VanCity, Westminster Savings) provided certified cheques.

The total number of bank drafts and certified cheques reviewed during this period was 7436. The majority of bank drafts came from Toronto Dominion (TD) 33%, followed by Bank of Montreal (BMO) 23%, Canadian Imperial Bank of Commerce (CIBC) 20%, Royal Bank (RBC) 13%, Hong Kong and Shanghai Banking Corporation (HSBC) 6% and Scotia Bank (SCOTIA) 2%. Of the 7436 bank drafts and certified cheques that were reviewed 2966 (40%) listed a payer.

Only 1713 (23%) of the 7436 bank drafts and certified cheques were handwritten, with the majority (95%) coming from Bank of Montreal. All handwritten bank drafts and certified cheques were legible to read. Handwritten modifications to clarify the payee were made to a small number of bank drafts for one customer at Parq (Edgewater).

There was nothing suspicious or untoward noted in this review.

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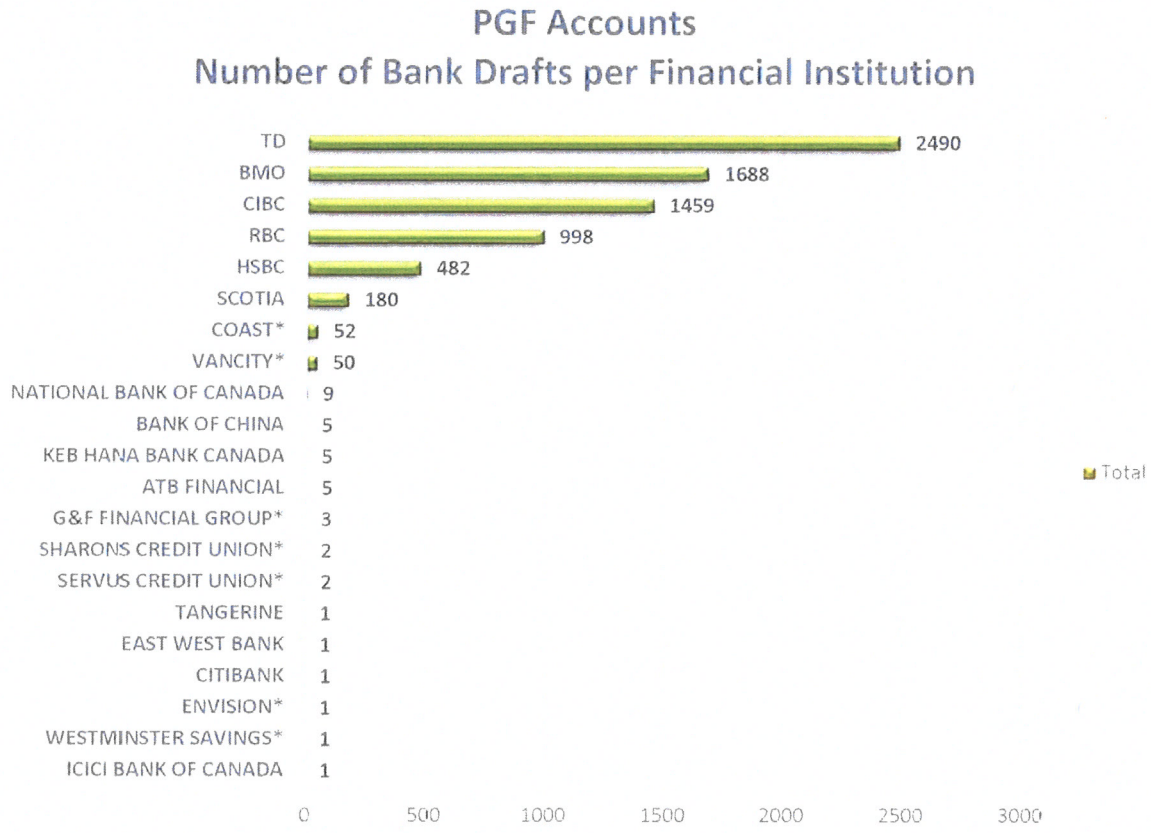
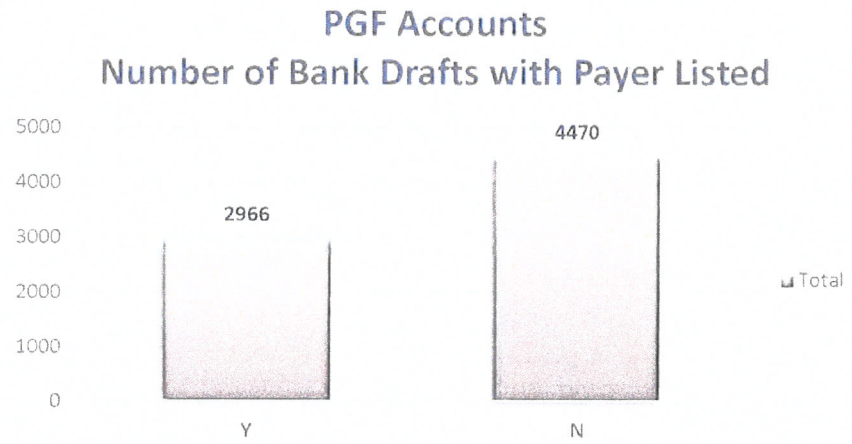
PGF Account Bank Draft Analysis Summary of Findings



**** indicates certified cheques***



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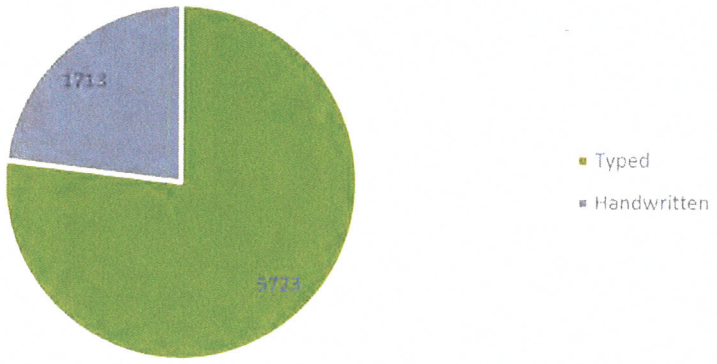
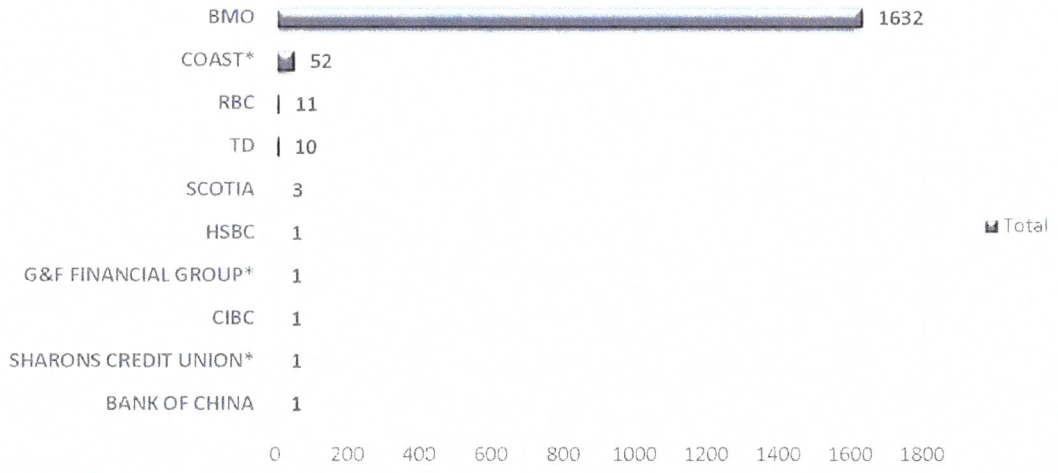
PGF Accounts
Number of Handwritten vs Typed Bank Drafts



PGF Accounts
Breakdown of Handwritten Bank Drafts per Financial Instituation



**** indicates certified cheques***

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River Rock Casino

November 6 - 7, 2017

A review of all bank drafts and certified cheques from January 1, 2015 to October 31, 2017 was conducted at the River Rock Casino. The total number of bank drafts and certified cheques reviewed was 4055 broken down as follows:

- 2013/2014 = 429 bank drafts and certified cheques (this number is not indicative for both years; these are the bank drafts and certified cheques that we came across while reviewing the scope period identified above)
- 2015 = 1053 bank drafts and certified cheques
- 2016 = 1303 bank drafts and certified cheques
- 2017 = 1270 bank drafts and certified cheques

A team of seven individuals conducted this review over a two day window (November 6/7, 2017).

Breakdown by Financial Institution

As outlined in Table 1, the majority of bank drafts came from Toronto Dominion (TD) 33% followed by:

- Bank of Montreal (BMO) 23%
- Canadian Imperial Bank of Commerce (CIBC) 20%
- Royal Bank (RB) 13%
- Hong Kong and Shanghai Banking Corporation (HSBC) 8%

Payer Listed

1715 (42%) bank drafts and certified cheques listed a payer as identified on Table 2.

Handwritten vs Typed

Of the 4055 bank drafts and certified cheques reviewed there were only 905 (22%) that were handwritten, as shown on Table 3. None of these were defaced in any way and were legible to read.

Handwritten per Financial Institution

Table 4 has the breakdown of handwritten bank drafts and certified cheques from the various institutions; 96% came from BMO. None of the hand written bank drafts were from TD.

There was nothing suspicious or untoward noted in this review.

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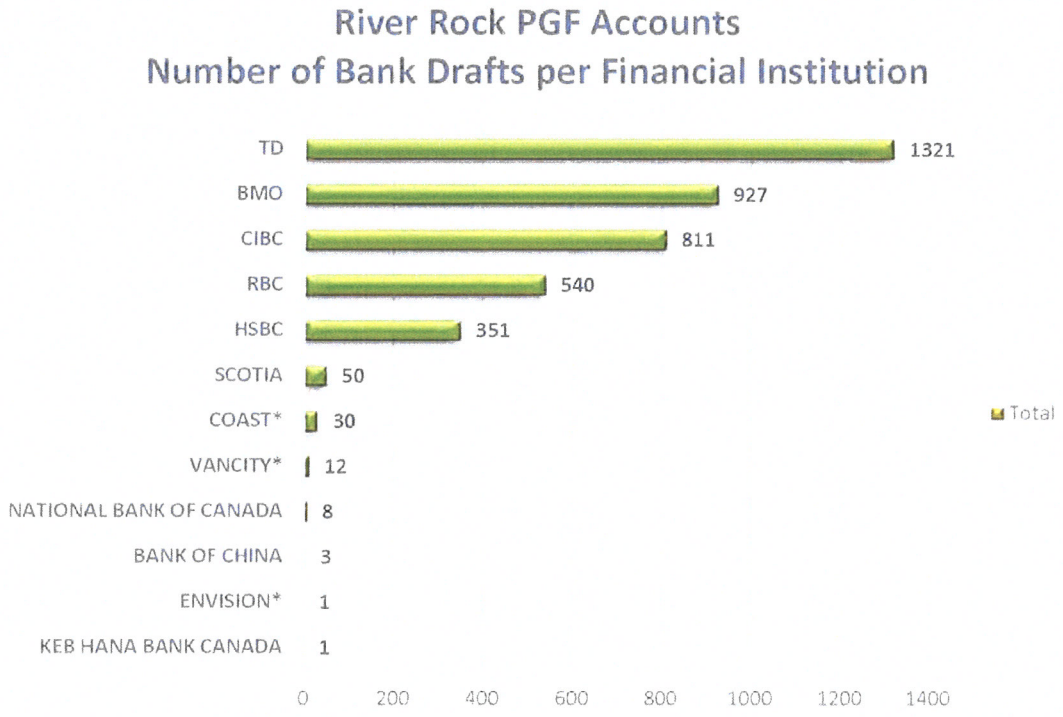

** indicates certified cheques*

Table 1: Number of Bank Drafts per Financial Institution

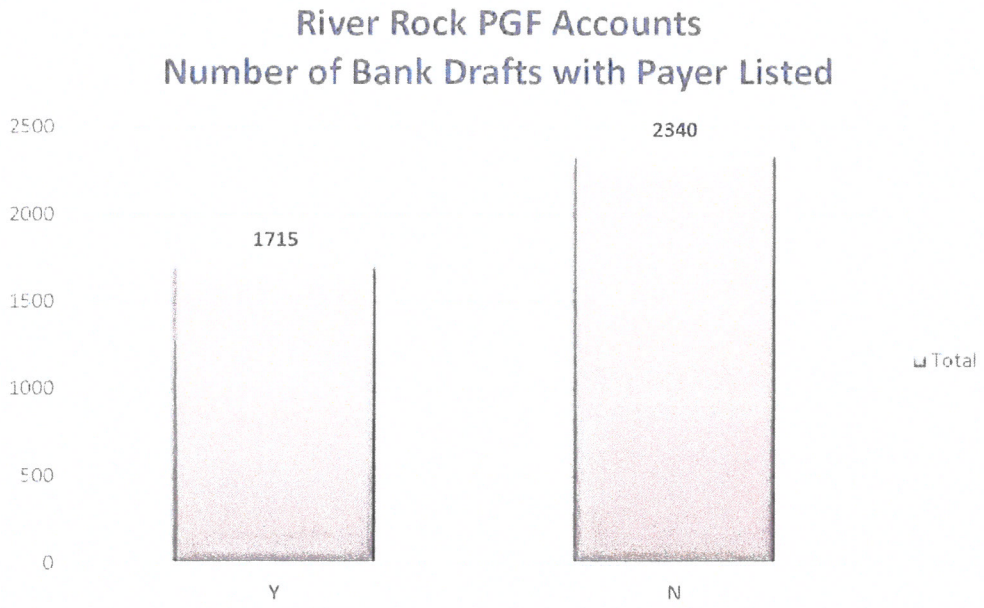

Table 2: Number of Bank Drafts with Payer Listed

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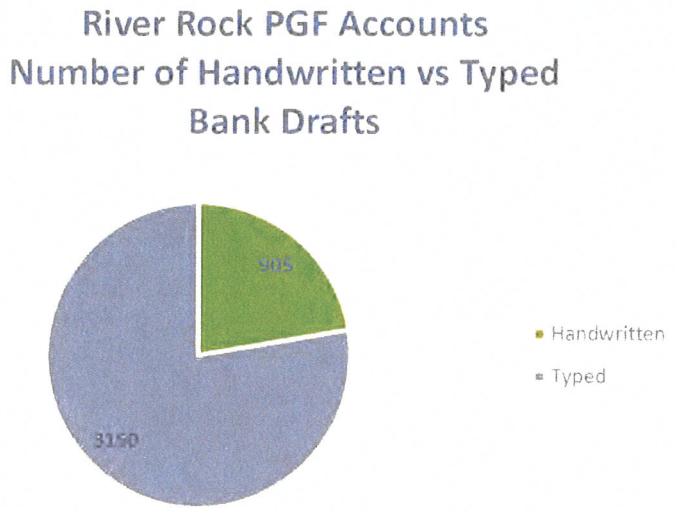
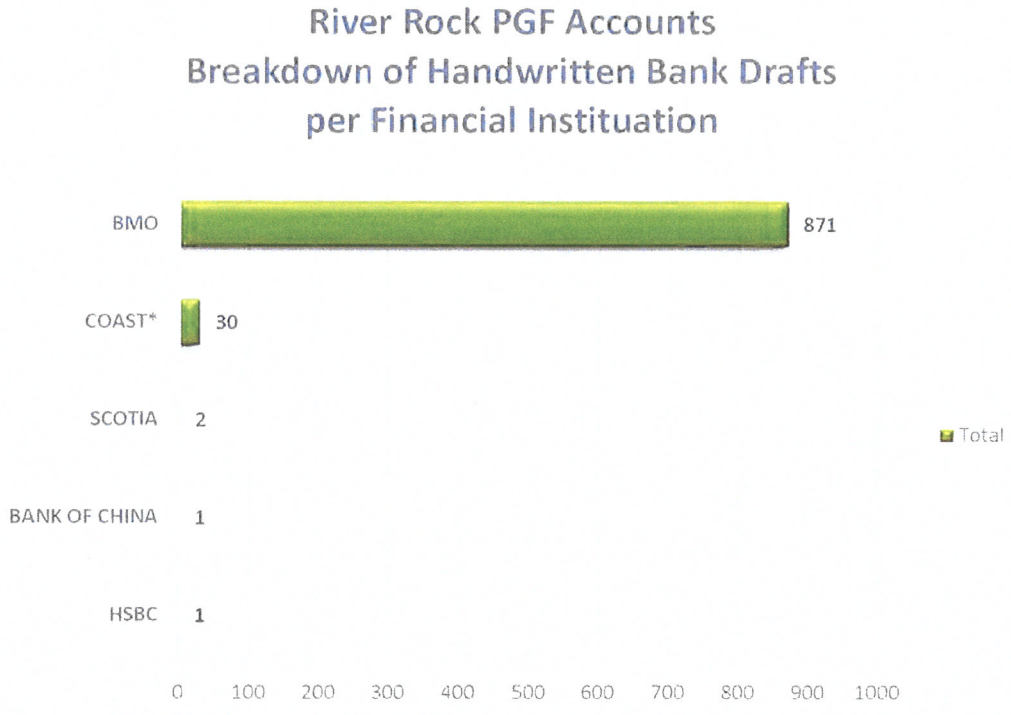


Table 3: Handwritten vs Typed Bank Drafts



** indicates certified cheques*

Table 4: Breakdown of Handwritten Bank Drafts

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Cascades Casino

November 10, 2017

A review of all bank drafts at Cascades Casino from the time of PGF Account inception in early 2017 to November 10, 2017 was conducted at Cascades on November 10, 2017. The total number of bank drafts reviewed was 4 (from 2 separate PGF accounts) and the findings are as follows:

Breakdown by Financial Institution

50% of the bank drafts came from Toronto Dominion (TD) and 50% of the bank drafts came from Scotiabank (Scotia).

Payer Listed

None of the bank drafts listed a payer.

Handwritten vs Typed

Of the 4 bank drafts reviewed at Cascades Casino, all were typed.

There was nothing suspicious or untoward noted in this review.

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Elements Casino

November 10, 2017

A review of all bank drafts and certified cheques at Elements Casino from the time of PGF Account inception in late 2016 to November 10, 2017 was conducted at Elements on November 10, 2017. The total number of bank drafts and certified cheques reviewed was 38 and the findings are as follows:

Breakdown by Financial Institution

As outlined in Table 1, the majority of bank drafts came from Toronto Dominion (TD) 55% followed by:

- Royal Bank (RB) 18%
- Bank of Montreal (BMO) 13%

Payer Listed

10 (26%) bank drafts and certified cheques listed a payer as identified on Table 2.

Handwritten vs Typed

Of the 38 bank drafts and certified cheques reviewed at Elements Casino, there were only 5 (13%) that were handwritten (Table 3), and all of these came from the Bank of Montreal (BMO). None of these bank drafts were defaced in any way and were legible to read.

There was nothing suspicious or untoward noted in this review.

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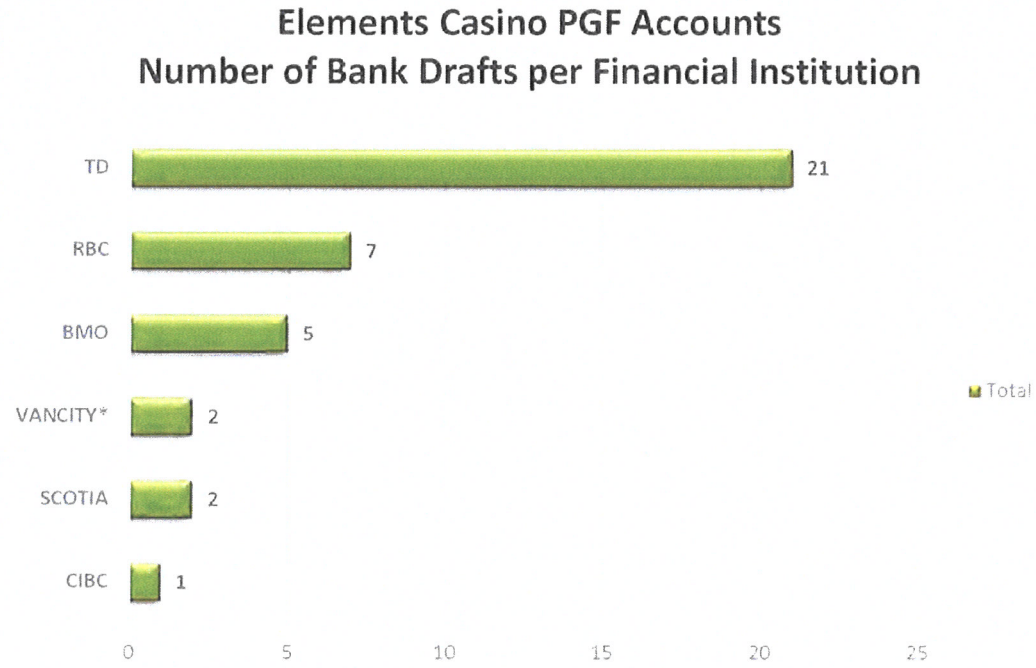

** indicates certified cheques*

Table 1: Number of Bank Drafts per Financial Institution

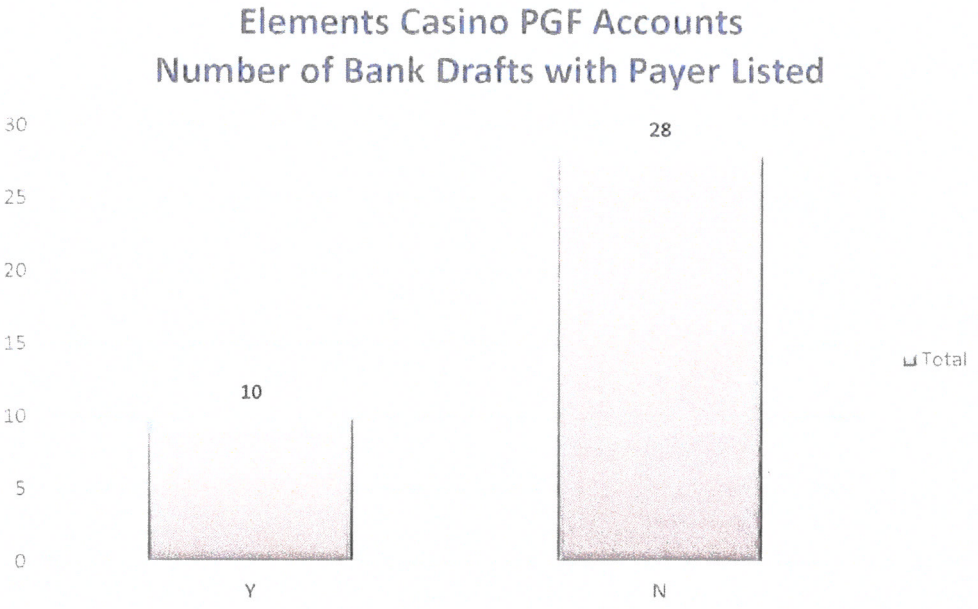

Table 2: Number of Bank Drafts with Payer Listed

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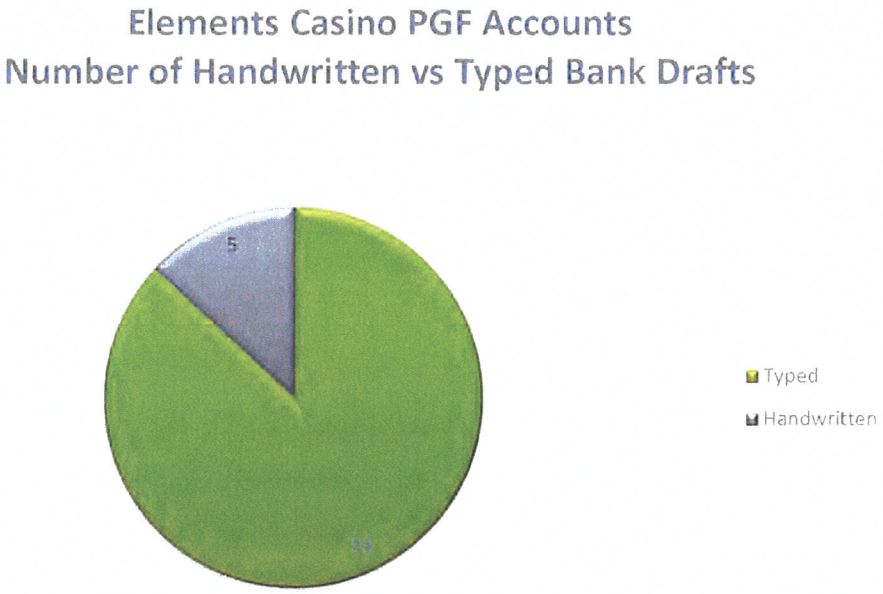

Table 3: Handwritten vs Typed Bank Drafts

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Hard Rock Casino Vancouver

November 10, 2017

A review of all bank drafts and certified cheques from PGF Account inception in late 2013 to November 10, 2017 was conducted at the Hard Rock Casino Vancouver on November 10, 2017. The total number of bank drafts and certified cheques reviewed was 335 broken down as follows:

Year	Number of Bank Drafts
2013	1
2014	27
2015	57
2016	118
2017	132

Breakdown by Financial Institution

As outlined in Table 1, the majority of bank drafts came from Bank of Montreal (BMO) 33% followed by:

- Toronto Dominion (TD) 31%
- Canadian Imperial Bank of Commerce (CIBC) 17%
- Scotiabank (SCOTIA) 9%

Payer Listed

158 (47%) bank drafts and certified cheques listed a payer as identified on Table 2.

Handwritten vs Typed

As shown on Table 3, of the 335 bank drafts and certified cheques reviewed there were 111 (33%) that were handwritten. None of these were defaced in any way and were legible to read.

Handwritten per Financial Institution

100% of handwritten bank drafts came from BMO. None of the hand written bank drafts were from TD.

There was nothing suspicious or untoward noted in this review.

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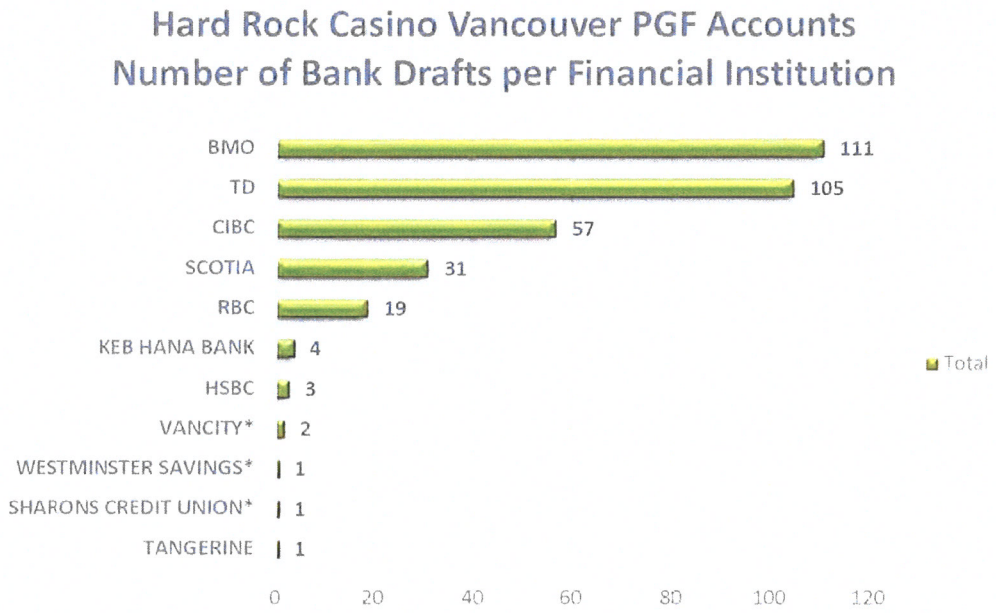

** indicates certified cheques*

Table 1: Number of Bank Drafts per Financial Institution

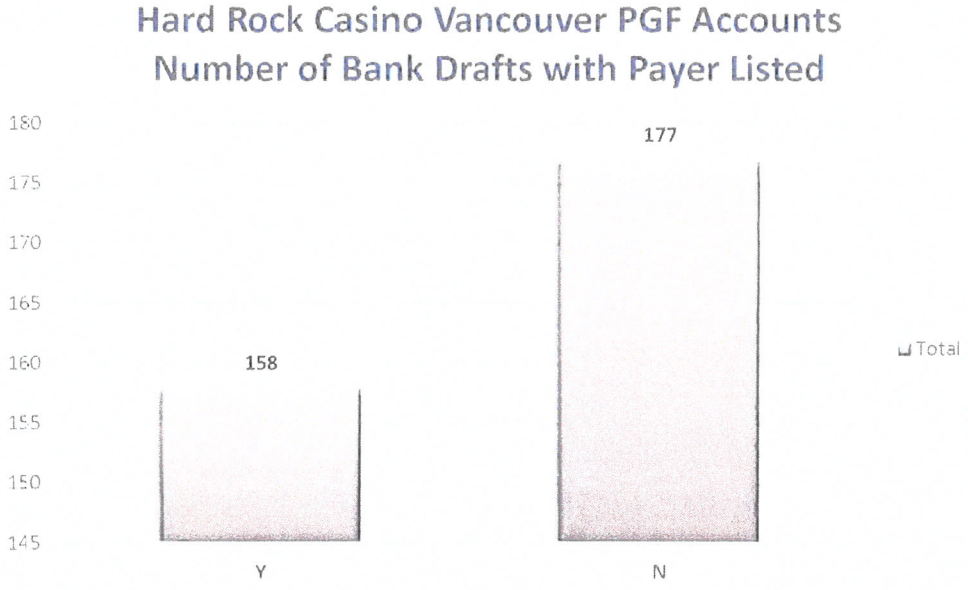

Table 2: Number of Bank Drafts with Payer Listed

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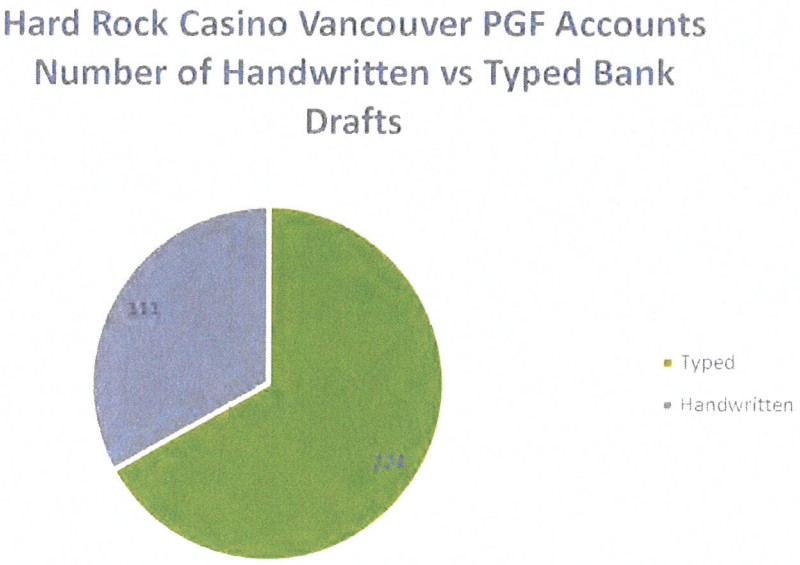

Table 3: Handwritten vs Typed Bank Drafts

Grand Villa Casino

November 16, 2017

A review of all bank drafts and certified cheques from January 1, 2015 to October 31, 2017 was conducted at the Grand Villa Casino on November 16, 2017. The total number of bank drafts and certified cheques reviewed was 502 and the findings are as follows:

Breakdown by Financial Institution

As outlined on Table 1, the majority of bank drafts came from Canadian Imperial Bank of Commerce (CIBC) 39% followed by:

- Toronto Dominion (TD) 31%
- Bank of Montreal (BMO) 16%
- Royal Bank (RBC) 8%
- Hong Kong and Shanghai Banking Corporation (HSBC) 4%

Payer Listed

269 (54%) bank drafts and certified cheques listed a payer as identified on Table 2.

Handwritten vs Typed

As shown on Table 3, of the 502 bank drafts and certified cheques reviewed there were only 87 (17%) that were handwritten. None of these were defaced in any way and were legible to read.

Handwritten per Financial Institution

Table 4 has the breakdown of handwritten bank drafts from the various institutions; 94% came from BMO.

There was nothing suspicious or untoward noted in this review.

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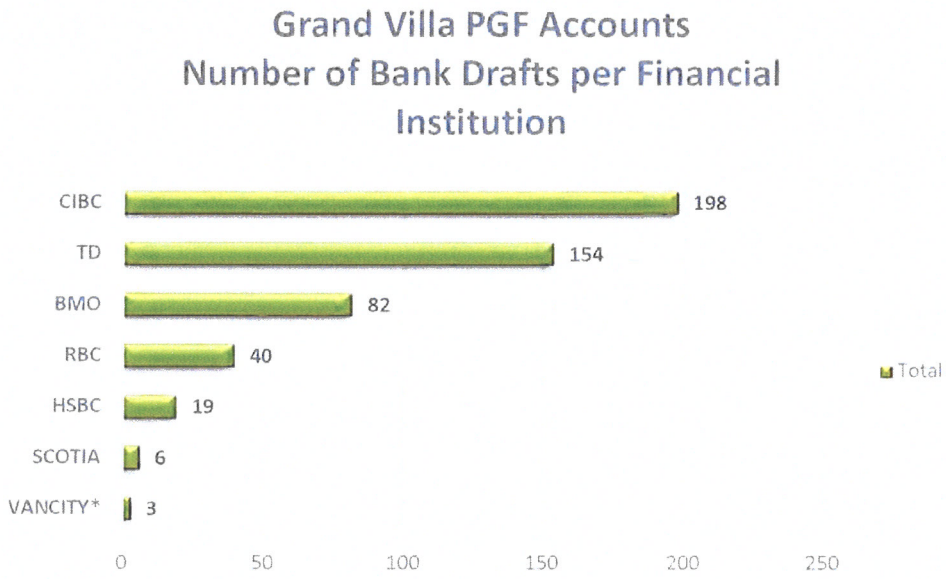

** indicates certified cheques*

Table 1: Number of Bank Drafts per Financial Institution

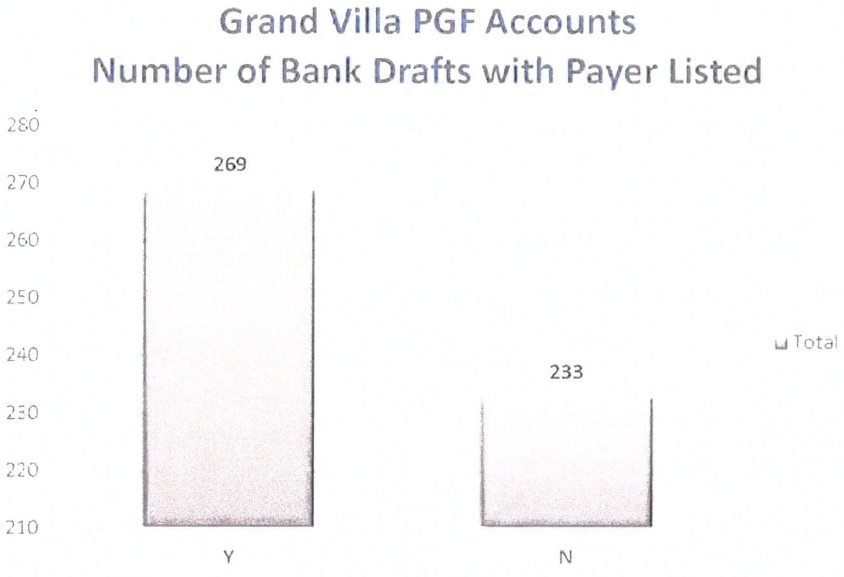

Table 2: Number of Bank Drafts with Payer Listed

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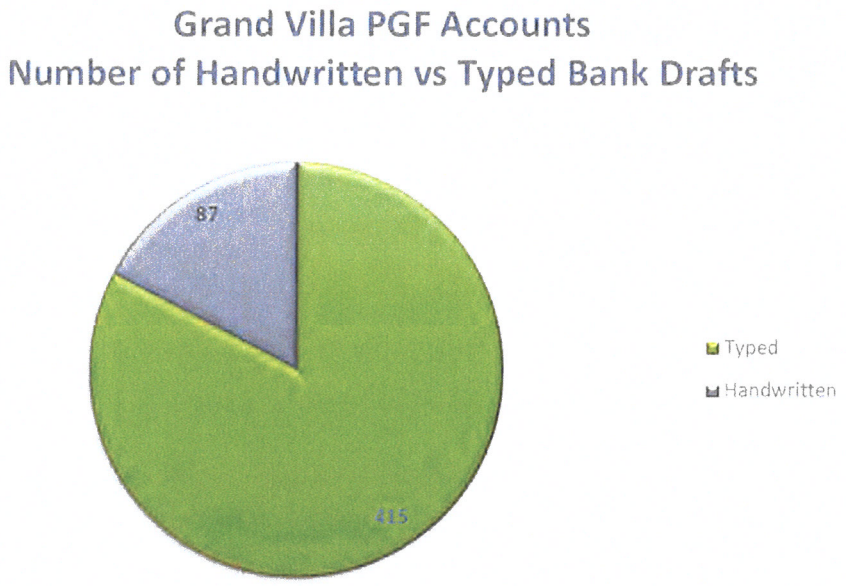

Table 3: Handwritten vs Typed Bank Drafts

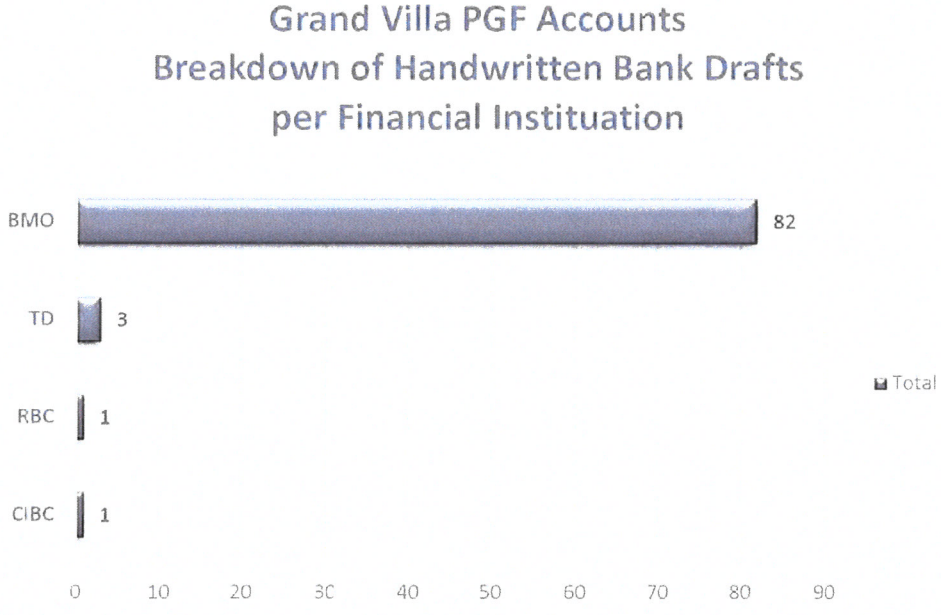

Table 4: Breakdown of Handwritten Bank Drafts

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Starlight Casino

November 16, 2017

A review of all bank drafts and certified cheques from 2015-2017 was conducted at the Starlight Casino on November 16, 2017. There were some bank drafts and certified cheques reviewed from 2010-2014 as they were in the files provided by the site, however, these numbers do not reflect the total number for those years. The total number of bank drafts and certified cheques reviewed was 460 broken down as follows:

Year	Number of Bank Drafts
2010	1
2011	16
2012	6
2013	20
2014	70
2015	74
2016	166
2017	107

Breakdown by Financial Institution

As outlined in Table 1, the majority of bank drafts and certified cheques came from Toronto Dominion (TD) 36% followed by:

- Bank of Montreal (BMO) 28%
- Canadian Imperial Bank of Commerce (CIBC) 15%
- Royal Bank (RBC) 13%
- Coast Capital Savings (COAST) 4%

Payer Listed

179 (39%) bank drafts and certified cheques listed a payer as identified on Table 2.

Handwritten vs Typed

As shown on Table 3, of the 460 bank drafts and certified cheques reviewed there were only 159 (35%) that were handwritten. None of these were defaced in any way and were legible to read.

Handwritten per Financial Institution

Table 4 has the breakdown of handwritten bank drafts and certified cheques from the various institutions; 81% came from BMO.

There was nothing suspicious or untoward noted in this review.

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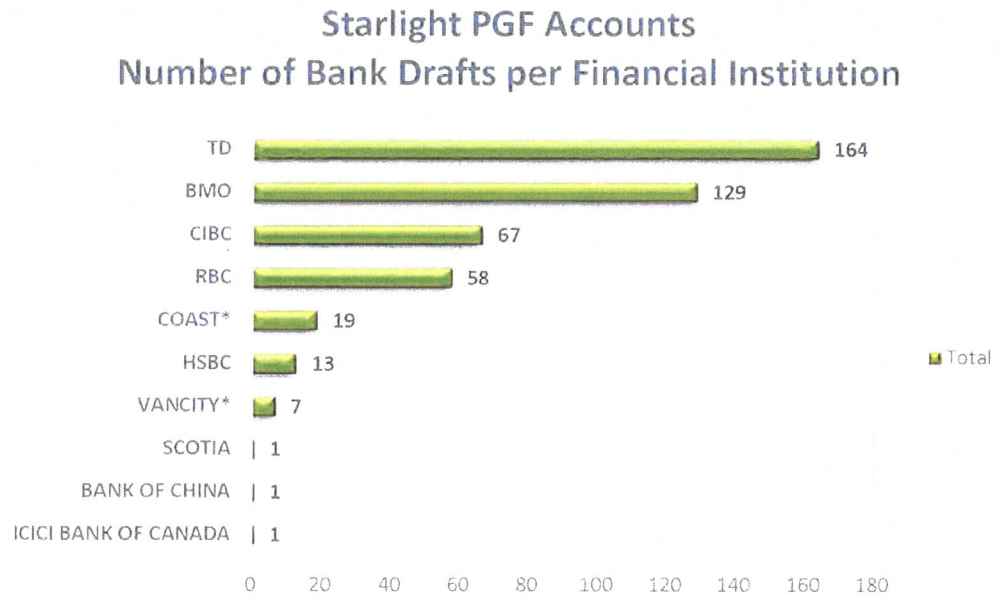

** indicates certified cheques*

Table 1: Number of Bank Drafts per Financial Institution

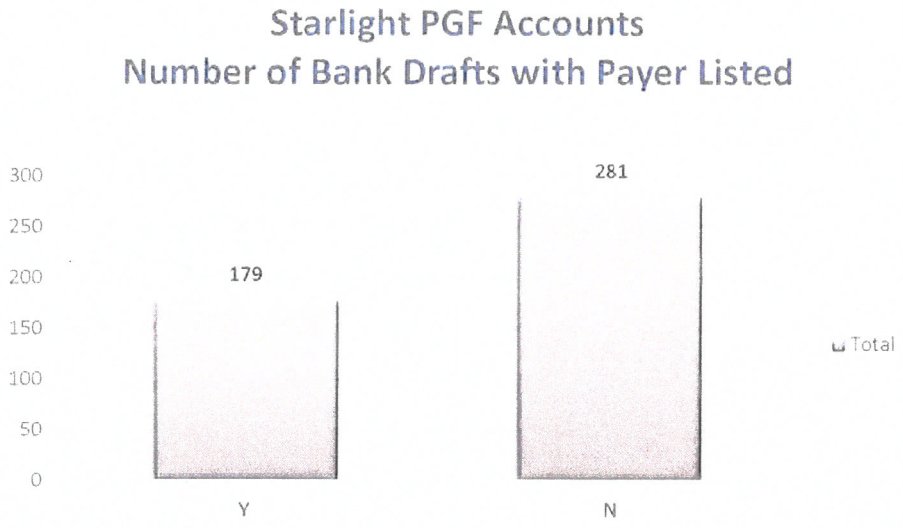

Table 2: Number of Bank Drafts with Payer Listed

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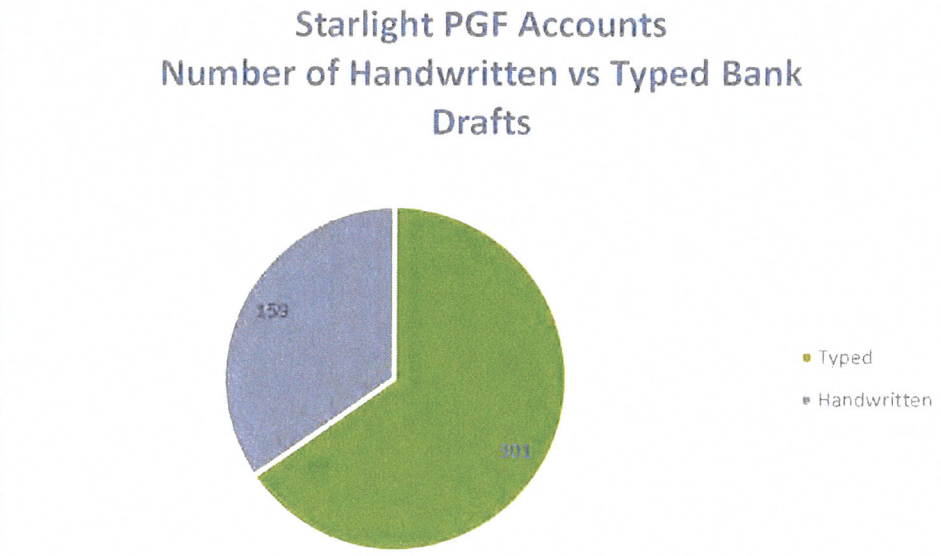
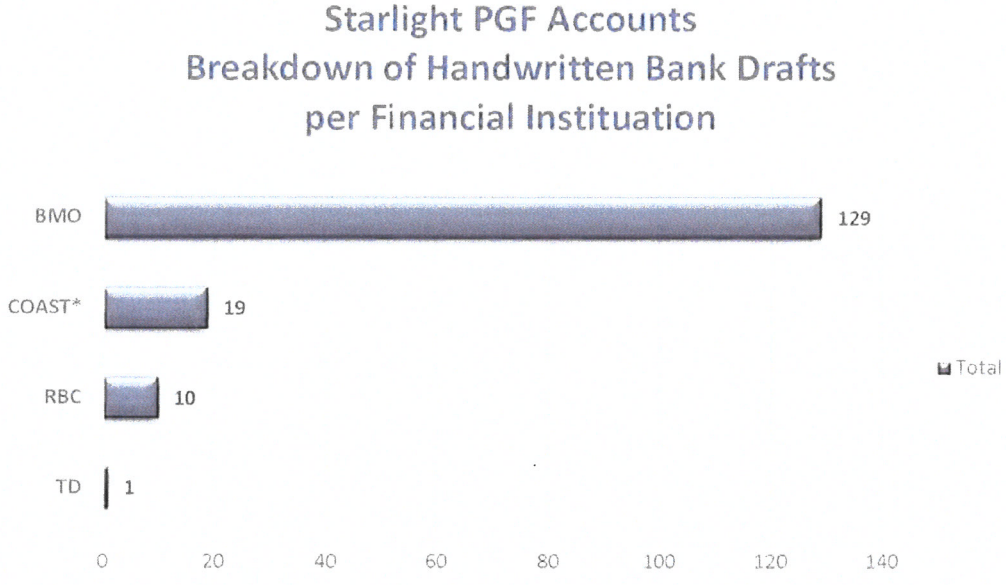


Table 3: Handwritten vs Typed Bank Drafts



**** indicates certified cheques***

Table 4: Breakdown of Handwritten Bank Drafts

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Parq Casino

November 23 & 26, 2017

A review of all bank drafts and certified cheques from 2015-2017 was conducted at the Parq Casino on November 23 & 26, 2017. There were some bank drafts and certified cheques reviewed from 2011-2014 as they were in the files provided by the site, however, these numbers do not reflect the total number for those years.

The total number of bank drafts and certified cheques reviewed was 2042 broken down as follows:

Year	Number of Bank Drafts
2011	2
2012	21
2013	21
2014	187
2015	312
2016	678
2017	669

*Note: The year was not recorded for 152 of the bank drafts that were reviewed

Breakdown by Financial Institution

As outlined in Table 1, the majority of bank drafts came from Toronto Dominion (TD) 35%, followed by:

- Bank of Montreal (BMO) 21%
- Royal Bank (RBC) 16%,
- Canadian Imperial Bank of Commerce (CIBC) 16%
- Hong Kong and Shanghai Banking Corporation (HSBC) 5%

Payer Listed

635 (31%) bank drafts and certified cheques listed a payer as identified on Table 2.

Handwritten vs Typed

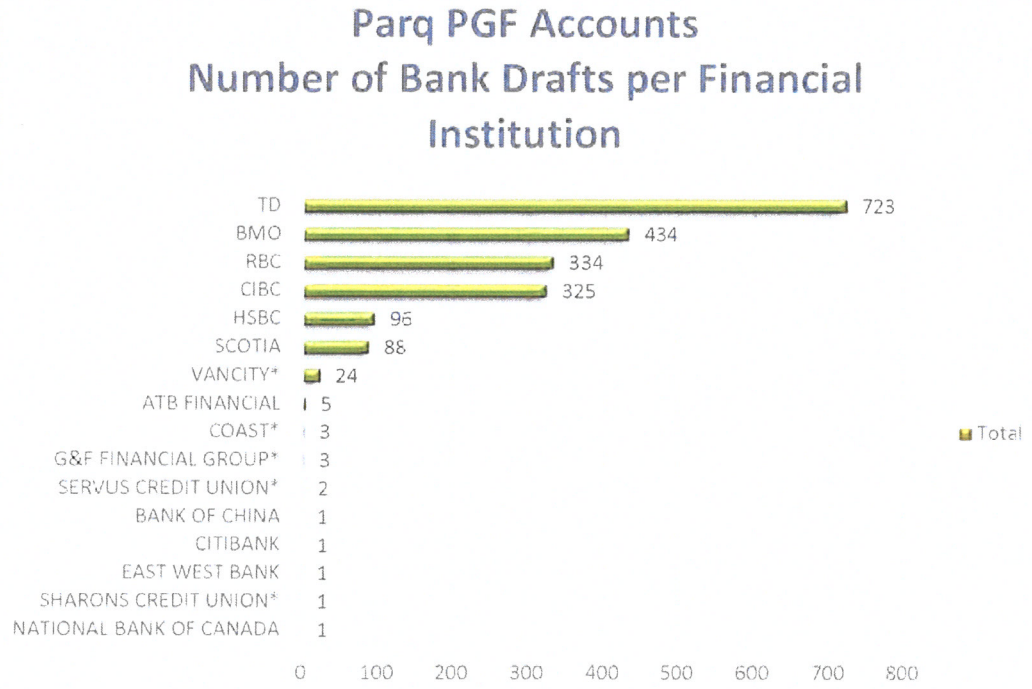
Of the 2042 bank drafts and certified cheques reviewed, there were only 446 (22%) that were handwritten (Table 3). Handwritten modifications to clarify the payee were made to a small number of bank drafts for one customer.

Handwritten per Financial Institution

Table 4 has the breakdown of handwritten bank drafts and certified cheques from the various institutions; 97% came from BMO.

There was nothing suspicious or untoward noted in this review.

bclc playing it right



** indicates certified cheques*

Table 1: Number of Bank Drafts per Financial Institution

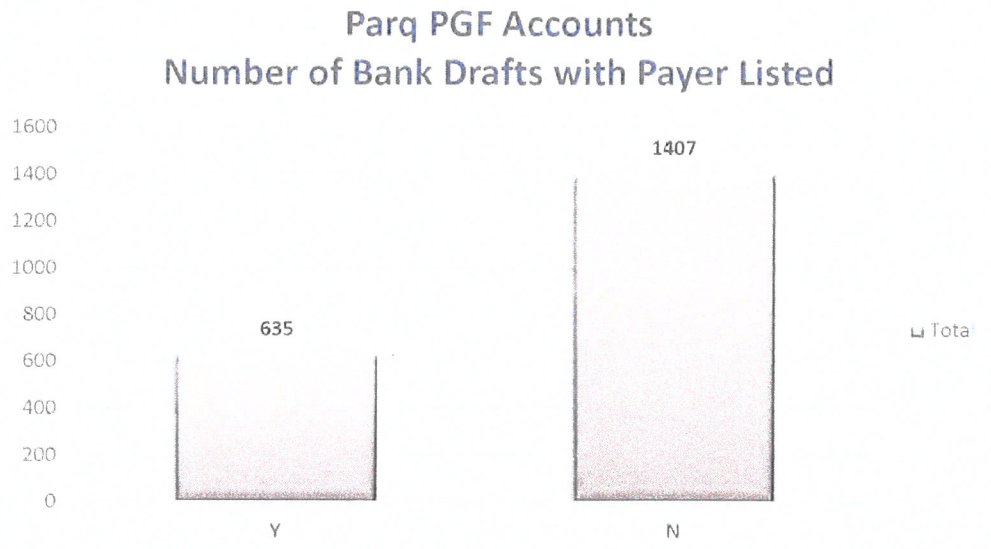


Table 2: Number of Bank Drafts with Payer Listed

bclc playing it right

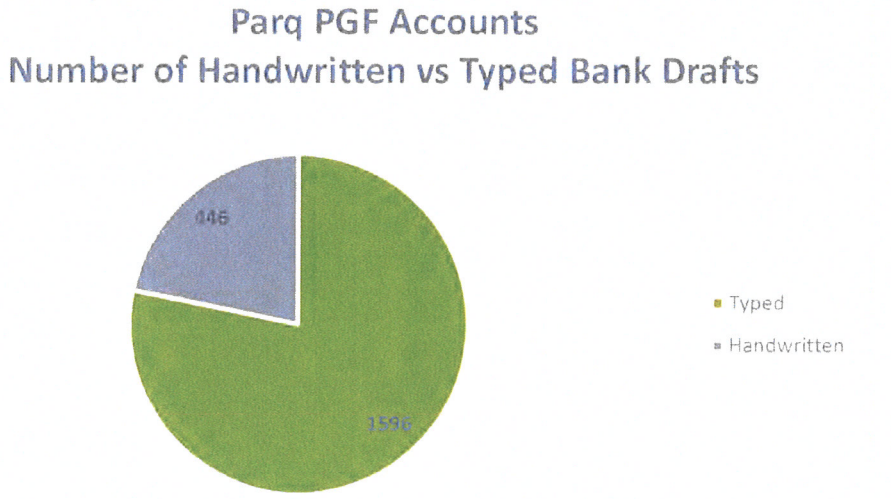
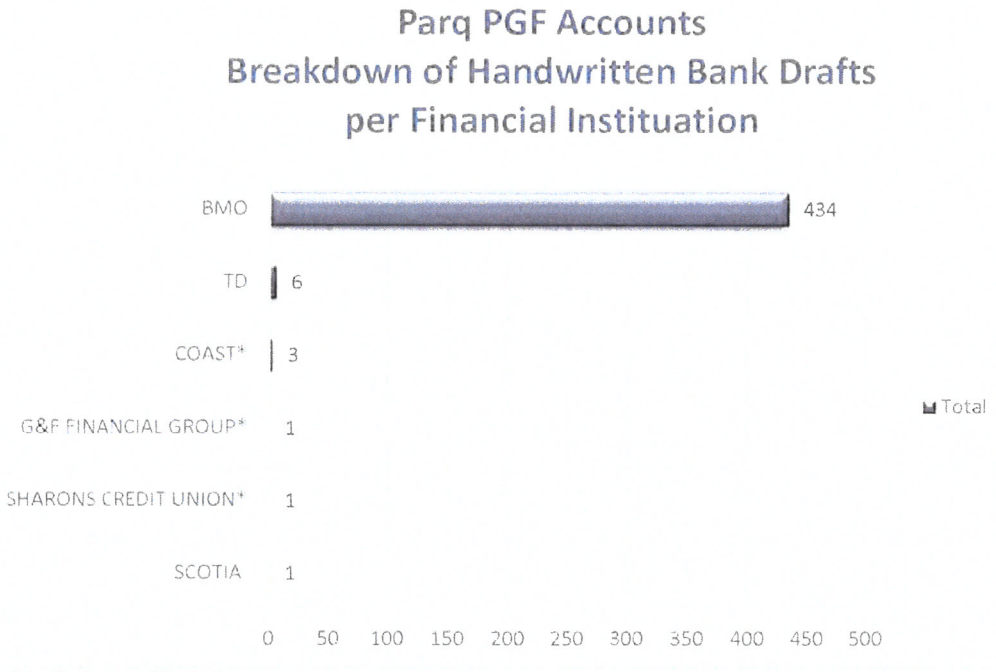


Table 3: Handwritten vs Typed Bank Drafts



** indicates certified cheques*

Table 4: Breakdown of Handwritten Bank Drafts

bclc
playing it right

This is Exhibit "58" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Parq Casino PGF Account Bank Draft Analysis

A review of all bank drafts from 2015-2017 was conducted at the Parq Casino on November 23 & 26, 2017. There were some bank drafts reviewed from 2011-2014 as they were in the files provided by the site, however, these numbers do not reflect the total number of bank drafts for those years.

The total number of bank drafts reviewed was 2042 broken down as follows:

Year	Number of Bank Drafts
2011	2
2012	21
2013	21
2014	187
2015	312
2016	678
2017	669

*Note: The year was not recorded for 152 bank drafts

Breakdown by Financial Institution
As outlined in Table 1, the majority of bank drafts came from Toronto Dominion (TD) 35%, followed by:

- Bank of Montreal (BMO) 21%
- Royal Bank (RBC) 16%,
- Canadian Imperial Bank of Commerce (CIBC) 16%
- Hong Kong and Shanghai Banking Corporation (HSBC) 5%

Payer Listed
635 (31%) bank drafts listed a payer as identified on Table 2.

Handwritten vs Typed
Of the 2042 bank drafts reviewed, there were only 446 (22%) that were handwritten (Table 3). Handwritten modifications to clarify the payee were made to a small number of bank drafts for one customer.

Handwritten per Financial Institution
Table 4 has the breakdown of handwritten bank drafts from the various institutions; 97% came from BMO.

There was nothing suspicious or untoward noted in this review.

Parq Casino PGF Account Bank Draft Analysis

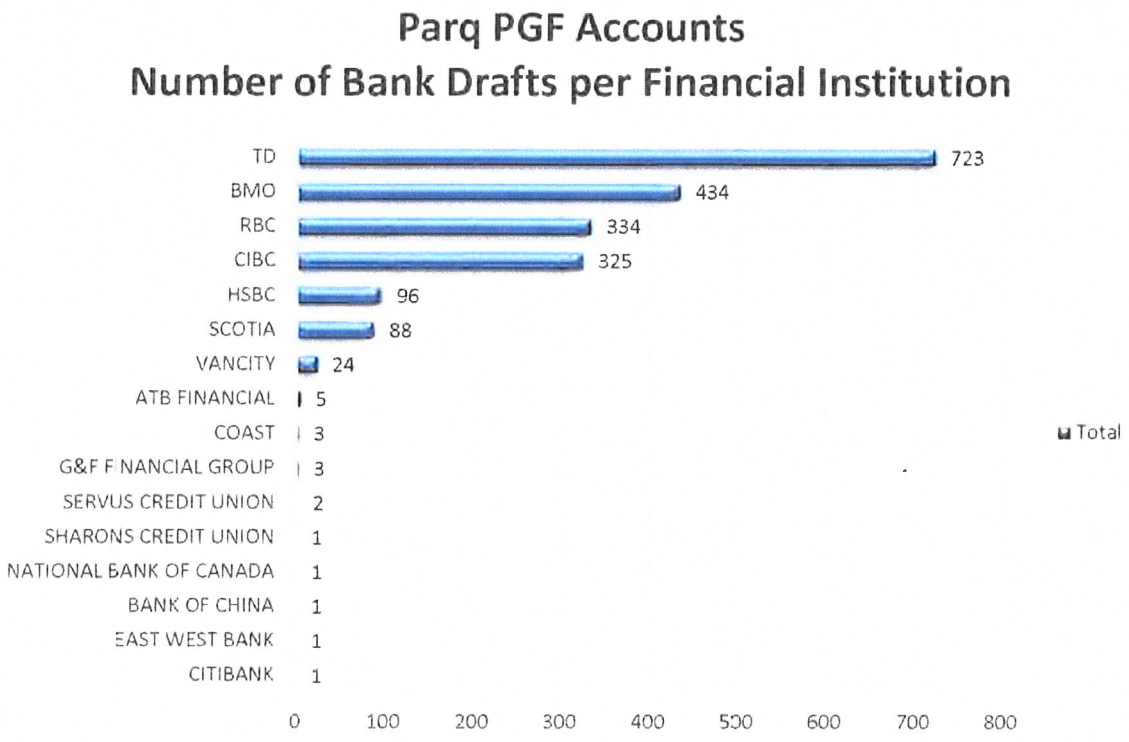


Table 1: Number of Bank Drafts per Financial Institution

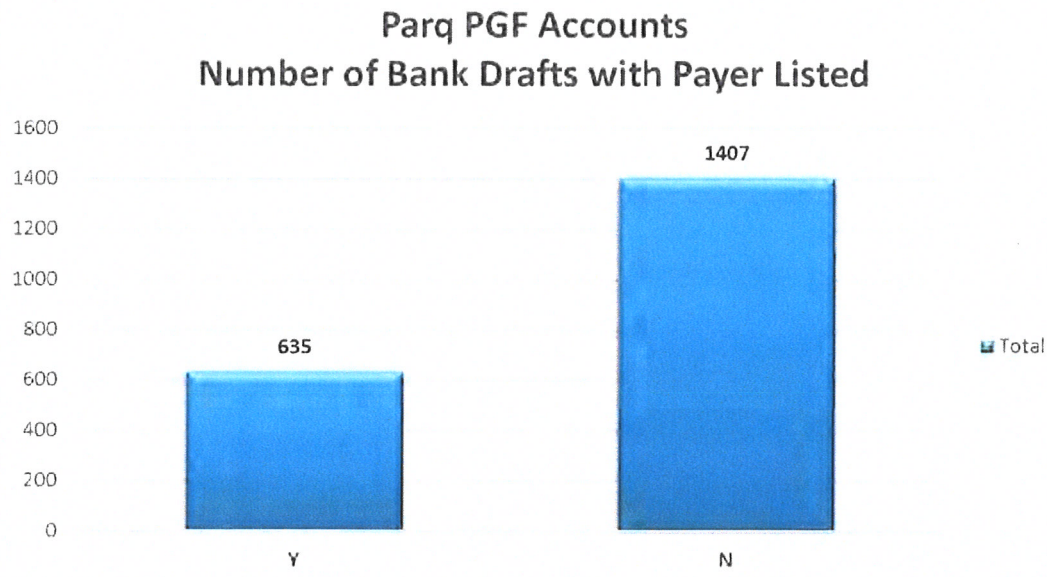


Table 2: Number of Bank Drafts with Payer Listed

Parq Casino PGF Account Bank Draft Analysis

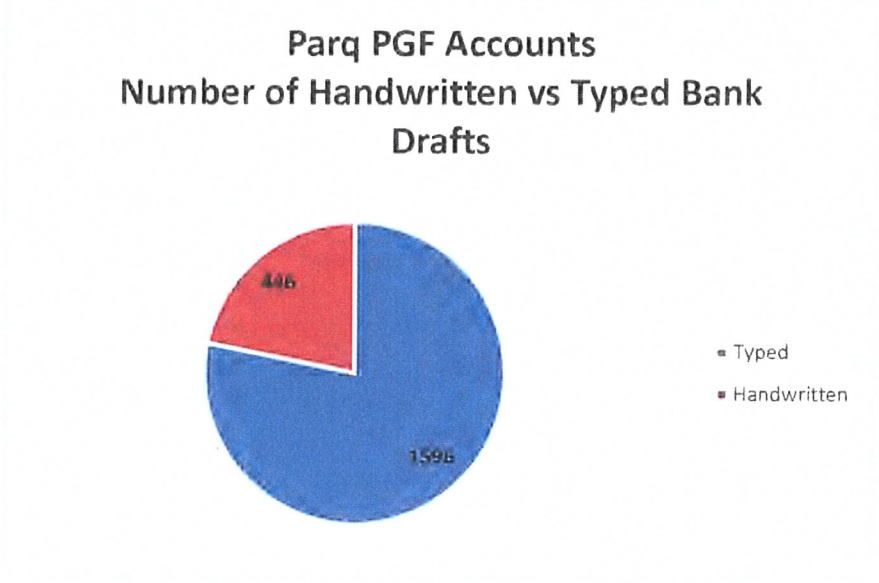


Table 3: Handwritten vs Typed Bank Drafts

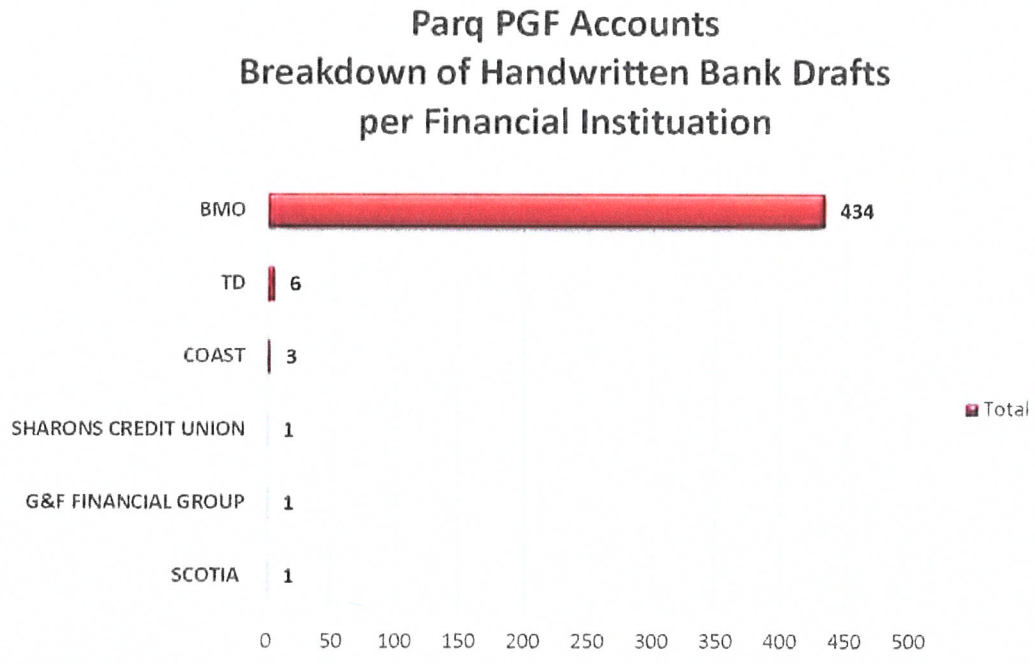


Table 4: Breakdown of Handwritten Bank Drafts

Starlight Casino PGF Account Bank Draft Analysis

A review of all bank drafts from October 20, 2010 to October 31, 2017 was conducted at the Starlight Casino on November 16, 2017. The total number of bank drafts reviewed was 460, broken down as follows:

Year	Number of Bank Drafts
2010	1
2011	16
2012	6
2013	20
2014	70
2015	74
2016	166
2017	107

Breakdown by Financial Institution
The majority of bank drafts came from Toronto Dominion (TD (36%)), followed by Bank of Montreal (BMO (28%)), Canadian Imperial Bank of Commerce (CIBC (15%)), Royal Bank (RBC (13%)) and Coast Capital Savings (COAST (4%)) as outlined in Table 1.

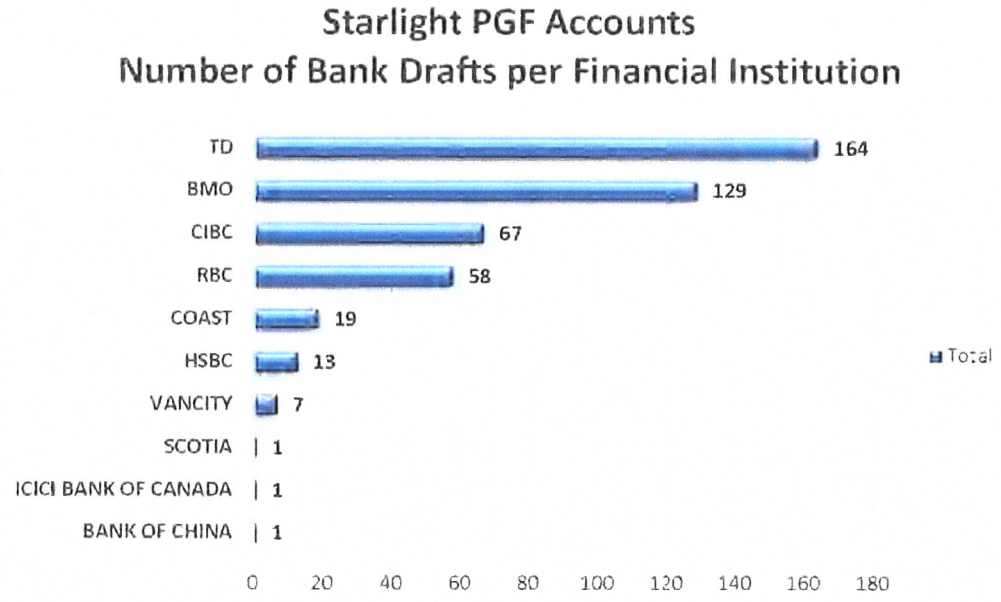
Payer Listed
179 (39%) bank drafts listed a payer as identified on Table 2.

Handwritten vs Typed
Of the 460 bank drafts reviewed, there were only 159 (35%) that were handwritten (Table 3). None of these bank drafts were defaced in any way and were legible to read.

Handwritten per Financial Institution
Table 4 has the breakdown of handwritten bank drafts from the various institutions; 81% came from BMO.

There was nothing suspicious or untoward noted in this review.

Table 1: Number of Bank Drafts per Financial Institution



17-Nov-2017

Starlight Casino PGF Account Bank Draft Analysis

Table 2: Number of Bank Drafts with Payer Listed

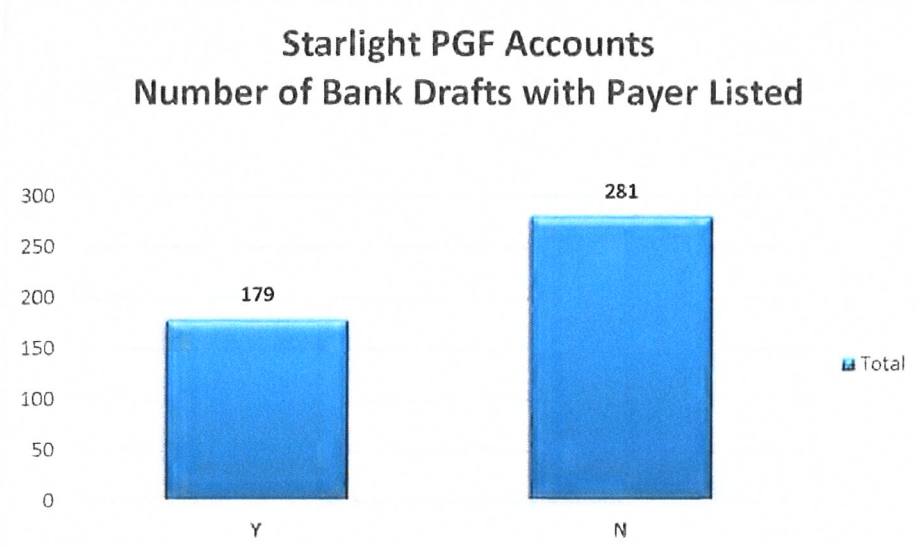
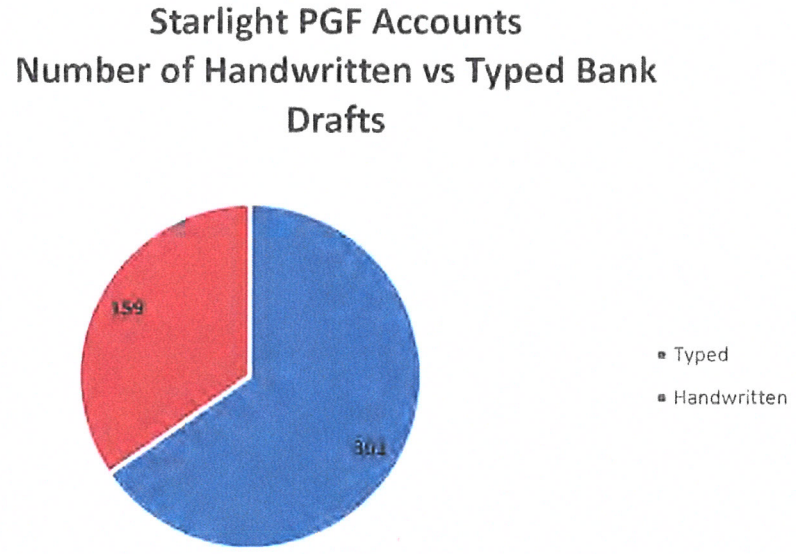
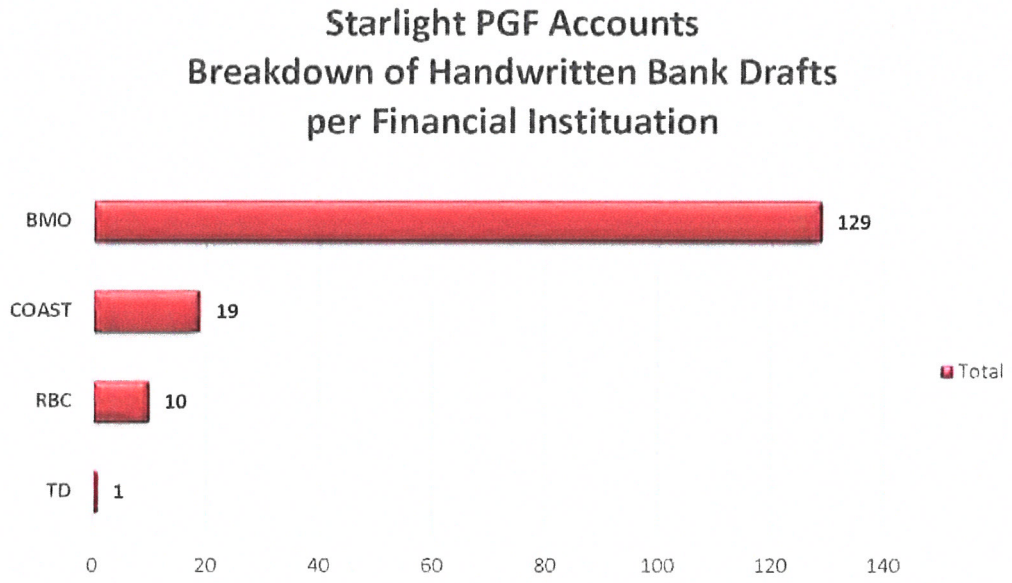


Table 3: Handwritten vs Typed Bank Drafts



Starlight Casino PGF Account Bank Draft Analysis

Table 4: Breakdown of Handwritten Bank Drafts



Grand Villa PGF Account Bank Draft Analysis

A review of all bank drafts from January 1, 2015 to October 31, 2017 was conducted at the Grand Villa Casino on November 16, 2017. The total number of bank drafts reviewed was 502 and the findings are as follows:

Breakdown by Financial Institution
The majority of bank drafts came from Canadian Imperial Bank of Commerce (CIBC (39%)), followed by Toronto Dominion (TD (31%)), Bank of Montreal (BMO (16%)), Royal Bank (RBC (8%)) and Hong Kong and Shanghai Banking Corporation (HSBC (4%)) as outlined in Table 1.

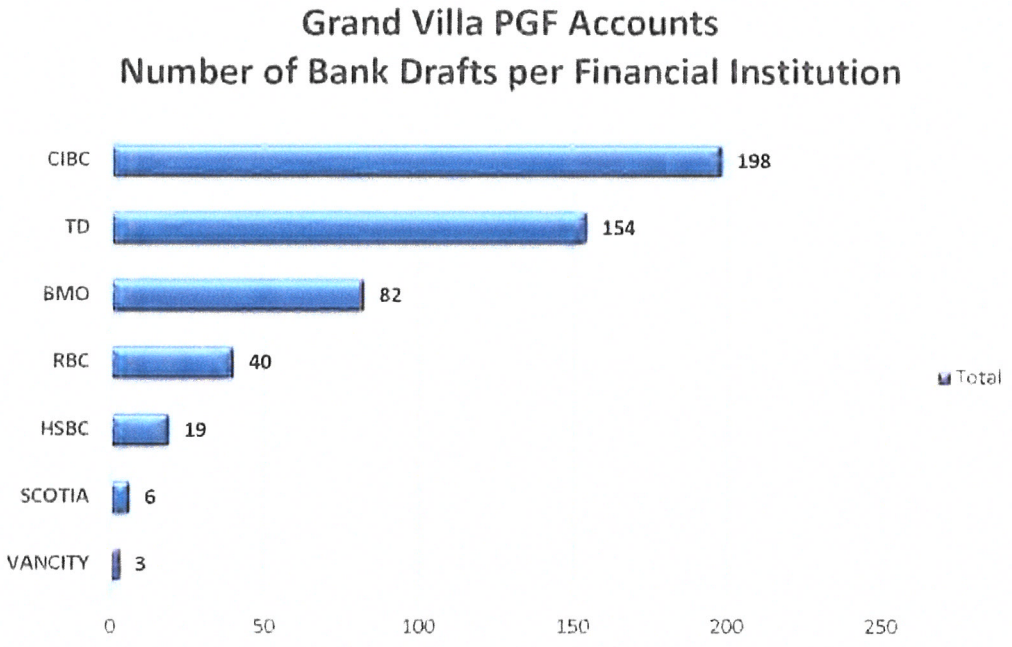
Payer Listed
269 (54%) bank drafts listed a payer as identified on Table 2.

Handwritten vs Typed
Of the 502 bank drafts reviewed, there were only 87 (17%) that were handwritten (Table 3). None of these bank drafts were defaced in any way and were legible to read.

Handwritten per Financial Institution
Table 4 has the breakdown of handwritten bank drafts from the various institutions; 94% came from BMO.

There was nothing suspicious or untoward noted in this review.

Table 1: Number of Bank Drafts per Financial Institution



Grand Villa PGF Account Bank Draft Analysis

Table 2: Number of Bank Drafts with Payer Listed

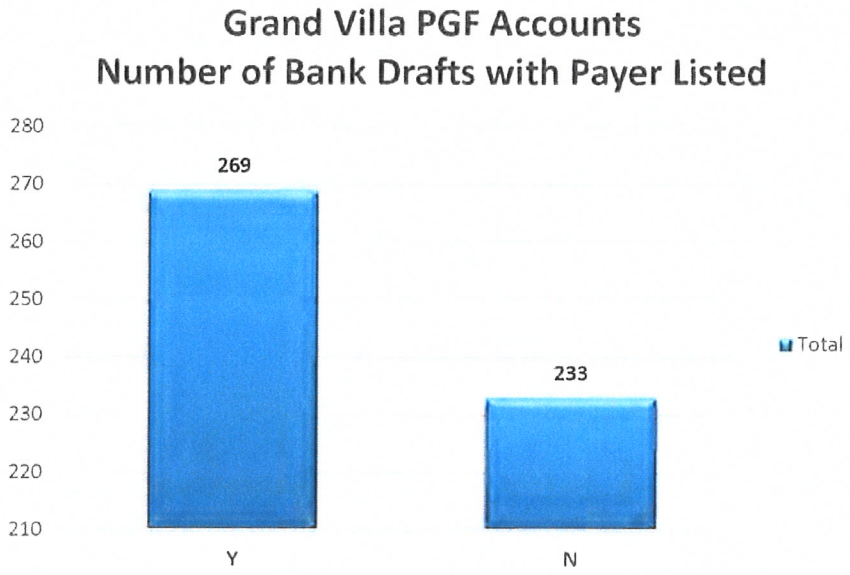
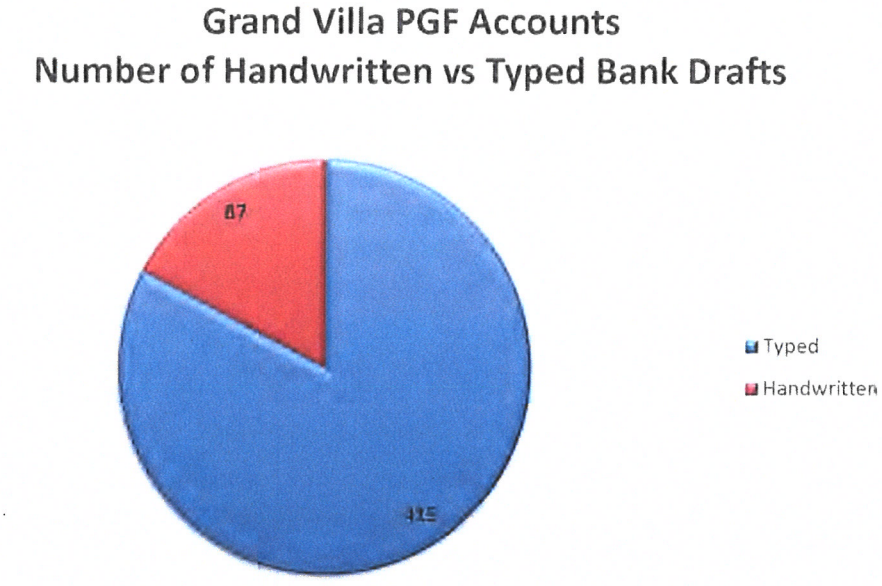
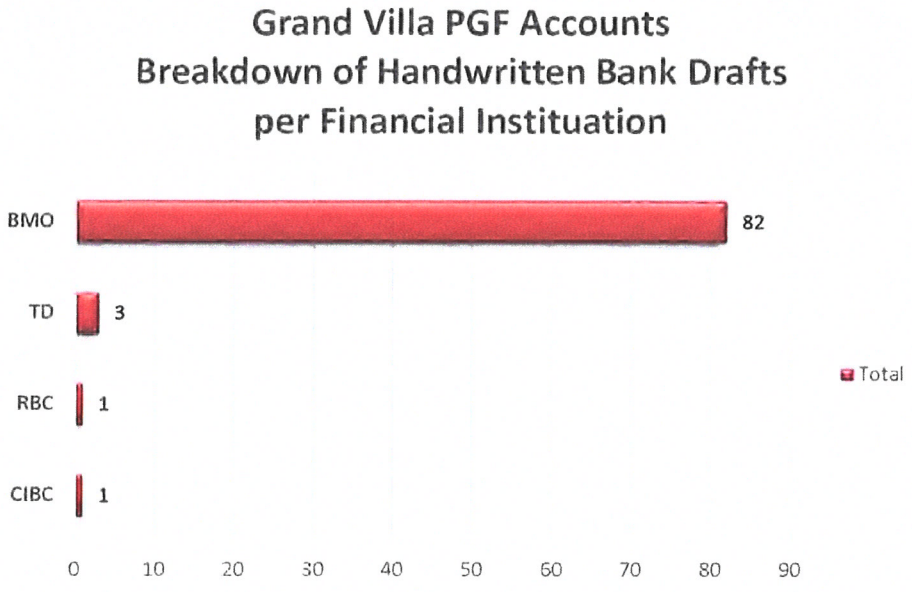


Table 3: Handwritten vs Typed Bank Drafts



Grand Villa PGF Account Bank Draft Analysis

Table 4: Breakdown of Handwritten Bank Drafts



River Rock PGF Account Bank Draft Analysis

A review of all bank drafts from January 1, 2015 to October 31, 2017 was conducted at the River Rock Casino. The total number of bank drafts reviewed was 4055 broken down as follows:

- 2013/2014 = 429 bank drafts (this number is not indicative for both years; these are the bank drafts that we came across while reviewing the scope period identified above)
- 2015 = 1053 bank drafts
- 2016 = 1303 bank drafts
- 2017 = 1270 bank drafts

A team of seven individuals conducted this review over a two day window (November 6/7, 2017).

Breakdown by Financial Institution
The majority of bank drafts came from Toronto Dominion (TD (33%)), followed by Bank of Montreal (BMO (23%)), Canadian Imperial Bank of Commerce (CIBC (20%)), Royal Bank (RB (13%)) and Hong Kong and Shanghai Banking Corporation (HSBC (8%)) as outlined in Table 1.

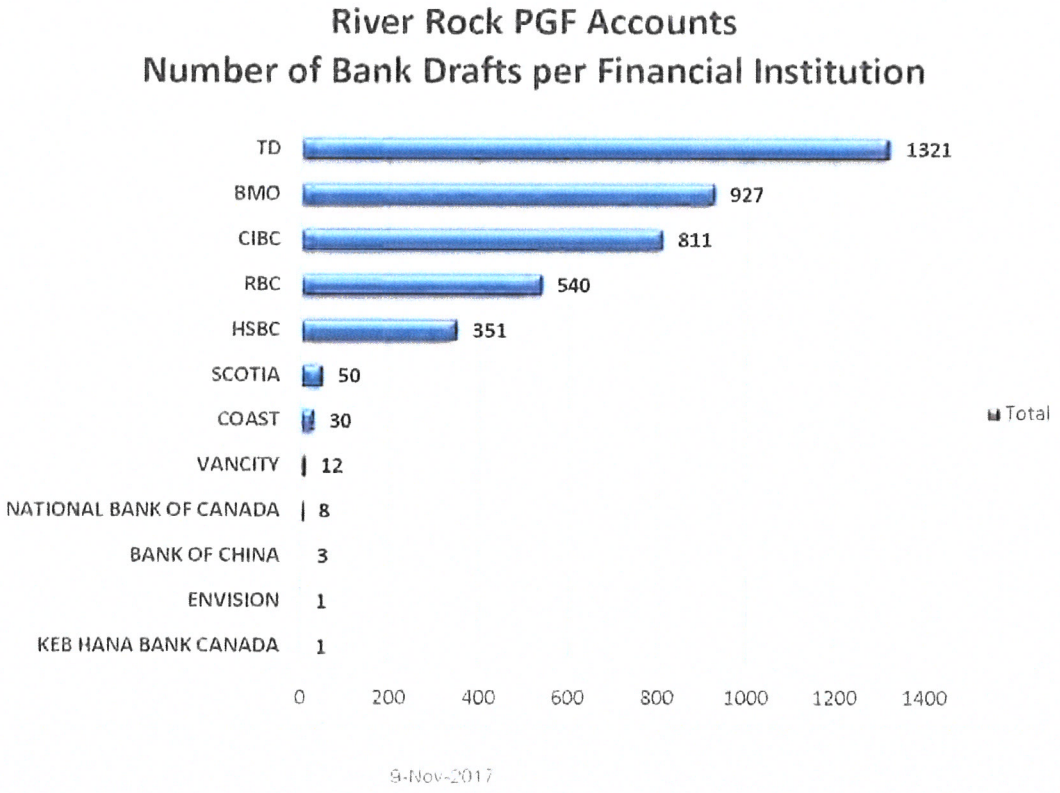
Payer Listed
1715 (42%) bank drafts listed a payer as identified on Table 2.

Handwritten vs Typed
Of the 4055 bank drafts reviewed, there were only 905 (22%) that were handwritten (Table 3). None of these bank drafts were defaced in any way and were legible to read.

Handwritten per Financial Institution
Table 4 has the breakdown of handwritten bank drafts from the various institutions; 96% came from BMO. None of the hand written bank drafts were from TD.

There was nothing suspicious or untoward noted in this review.

Table 1: Number of Bank Drafts per Financial Institution



River Rock PGF Account Bank Draft Analysis

Table 2: Number of Bank Drafts with Payer Listed

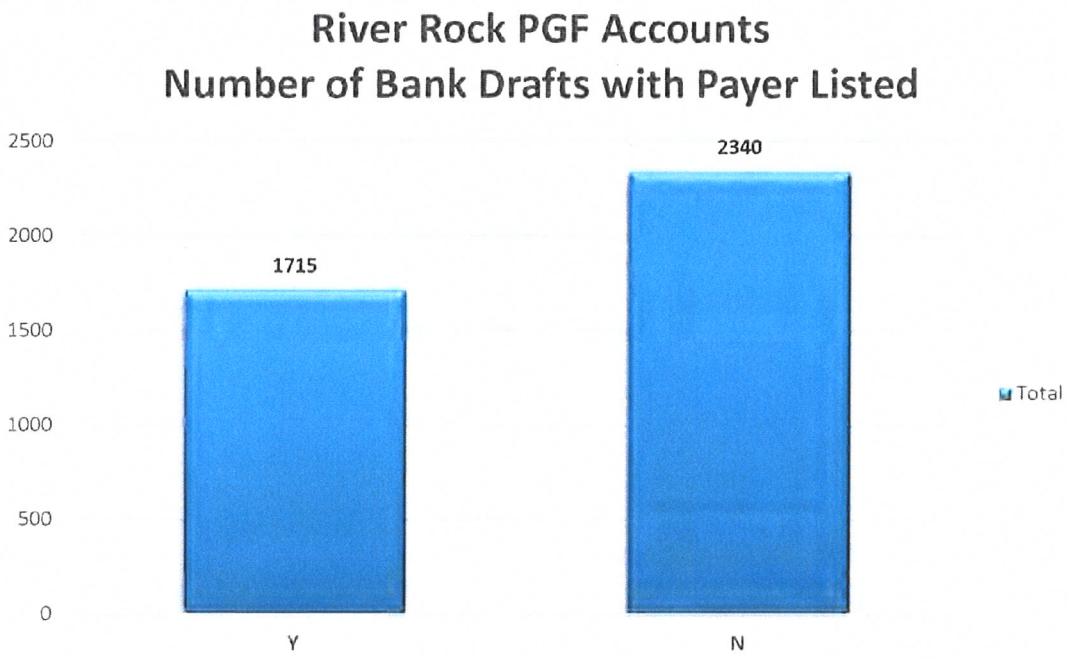
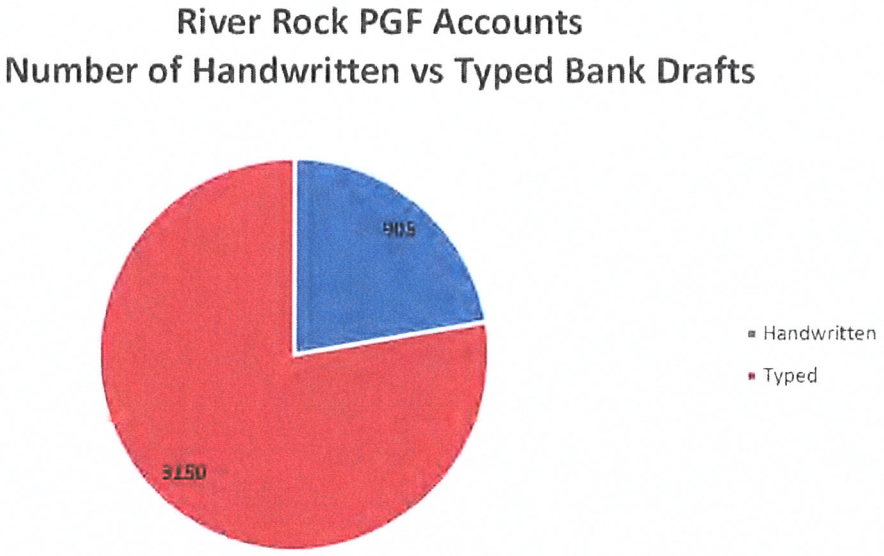
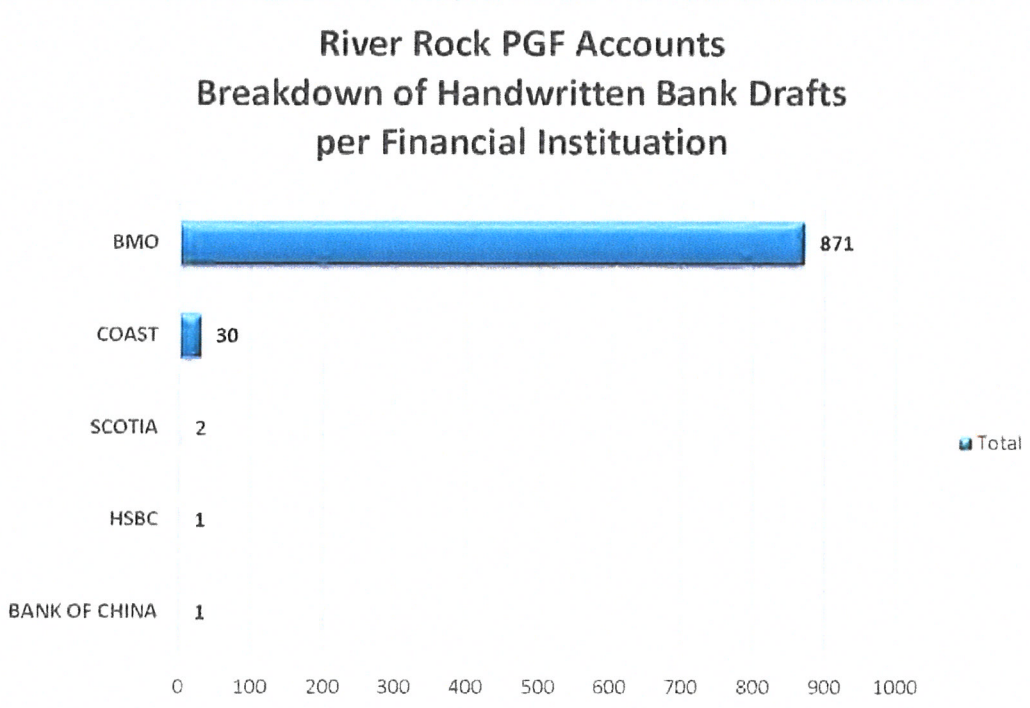


Table 3: Handwritten vs Typed Bank Drafts



River Rock PGF Account Bank Draft Analysis

Table 4: Breakdown of Handwritten Bank Drafts



Note: Drafts from Coast Capital are certified cheques.

Hard Rock Casino Vancouver PGF Account Bank Draft Analysis

A review of all bank drafts from PGF Account inception in late 2013 to November 10, 2017 was conducted at the Hard Rock Casino Vancouver on November 10, 2017. The total number of bank drafts reviewed was 335 broken down as follows:

- 2013 = 1 bank draft
- 2014 = 27 bank drafts
- 2015 = 57 bank drafts
- 2016 = 118 bank drafts
- 2017 = 132 bank drafts

Breakdown by Financial Institution
The majority of bank drafts came from Bank of Montreal (BMO (33%)), followed by Toronto Dominion (TD (31%)), Canadian Imperial Bank of Commerce (CIBC (17%)) and Scotiabank (Scotia (9%)) as outlined in Table 1.

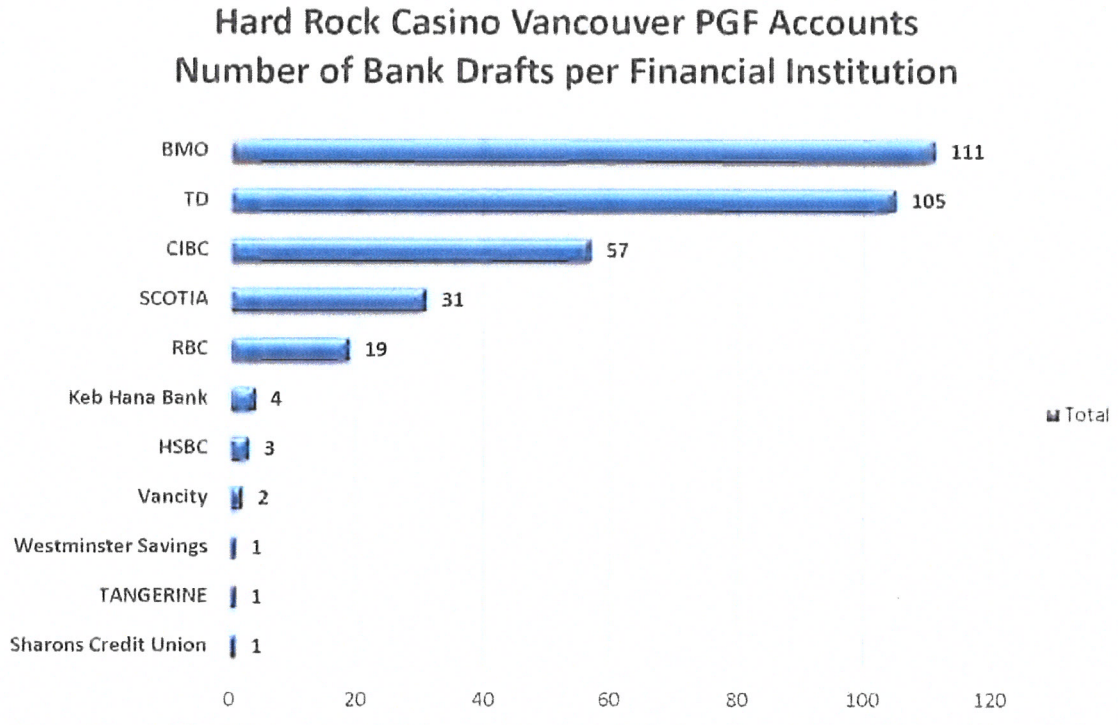
Payer Listed
158 (47%) bank drafts listed a payer as identified on Table 2.

Handwritten vs Typed
Of the 335 bank drafts reviewed, there were 111 (33%) that were handwritten (Table 3). None of these bank drafts were defaced in any way and were legible to read.

Handwritten per Financial Institution
100% of handwritten bank drafts came from BMO. None of the hand written bank drafts were from TD.

There was nothing suspicious or untoward noted in this review.

Table 1: Number of Bank Drafts per Financial Institution



10-Nov-2017

Hard Rock Casino Vancouver PGF Account Bank Draft Analysis

Table 2: Number of Bank Drafts with Payer Listed

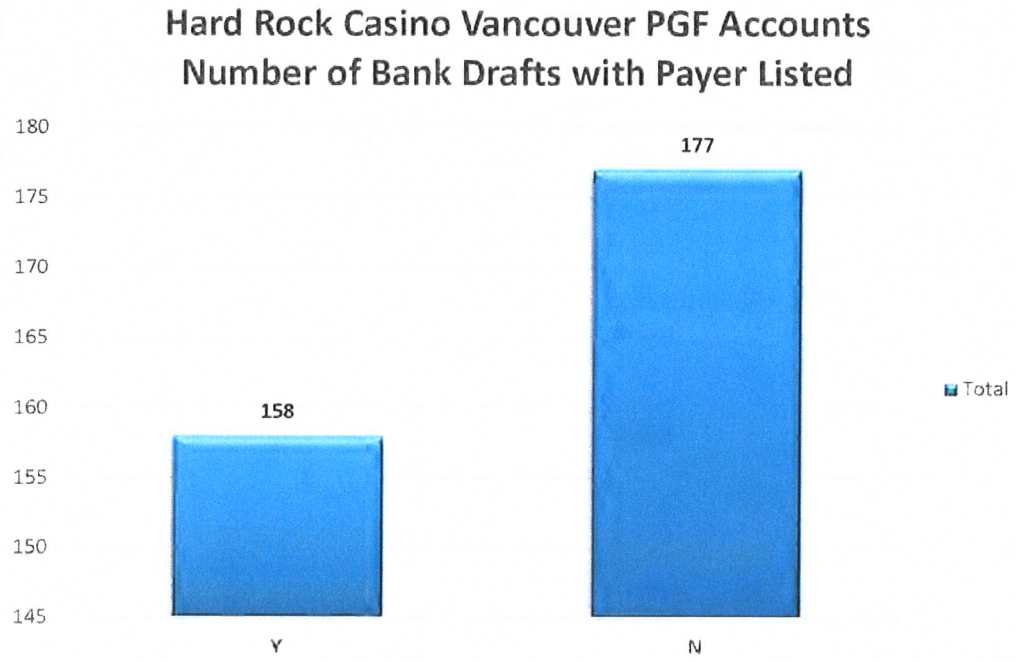
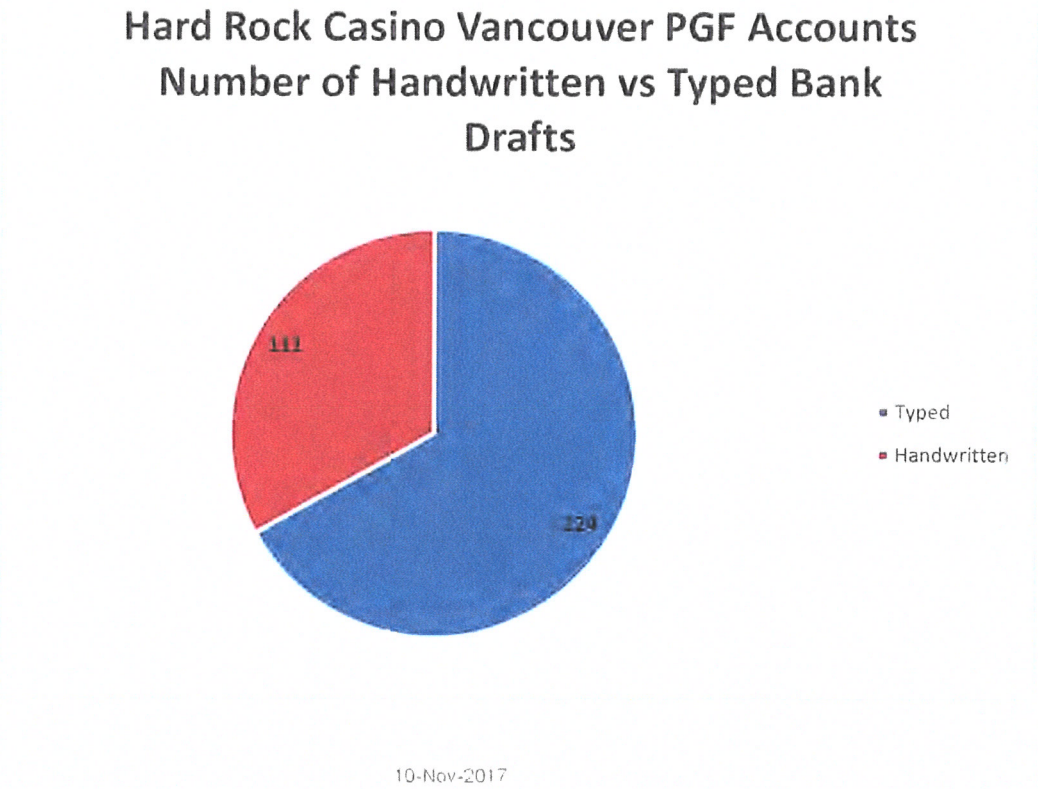


Table 3: Handwritten vs Typed Bank Drafts



Elements Casino PGF Account Bank Draft Analysis

A review of all bank drafts at Elements Casino from the time of PGF Account inception in late 2016 to November 10, 2017 was conducted at Elements on November 10, 2017. The total number of bank drafts reviewed was 38 and the findings are as follows:

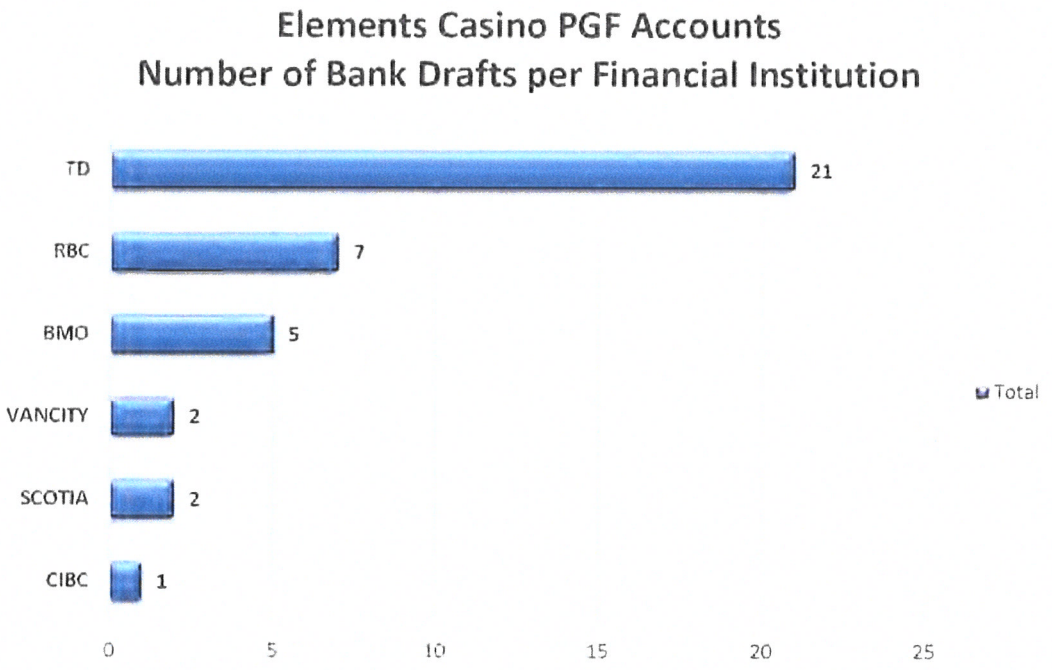
Breakdown by Financial Institution
The majority of bank drafts came from Toronto Dominion (TD (55%)), followed by Royal Bank (RB (18%)) and Bank of Montreal (BMO (13%)) as outlined in Table 1.

Payer Listed
10 (26%) bank drafts listed a payer as identified on Table 2.

Handwritten vs Typed
Of the 38 bank drafts reviewed at Elements Casino, there were only 5 (13%) that were handwritten (Table 3), and all of these came from the Bank of Montreal (BMO). None of these bank drafts were defaced in any way and were legible to read.

There was nothing suspicious or untoward noted in this review.

Table 1: Number of Bank Drafts per Financial Institution



Elements Casino PGF Account Bank Draft Analysis

Table 2: Number of Bank Drafts with Payer Listed

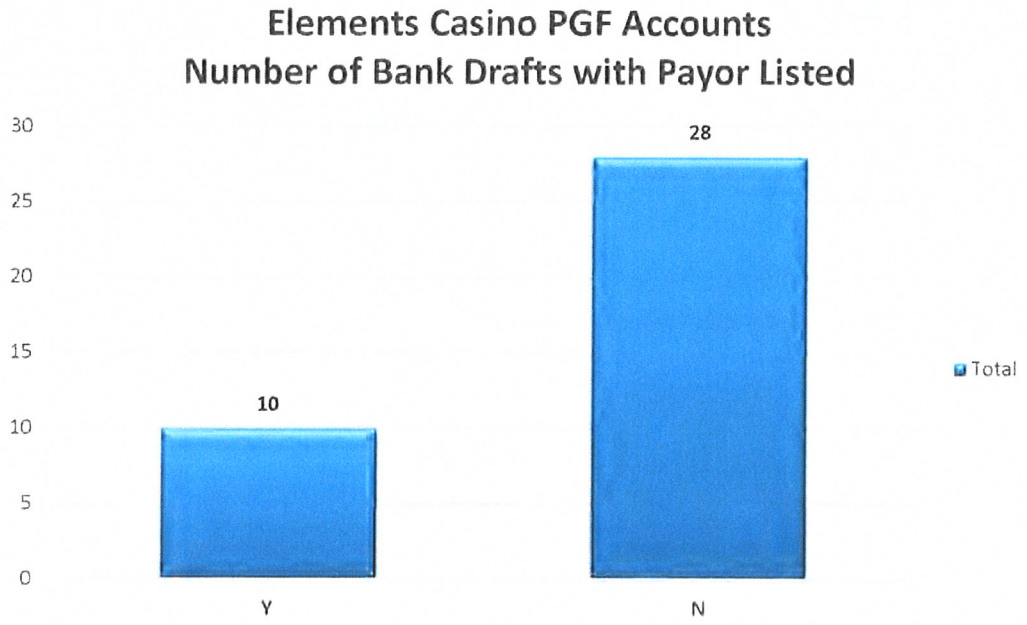
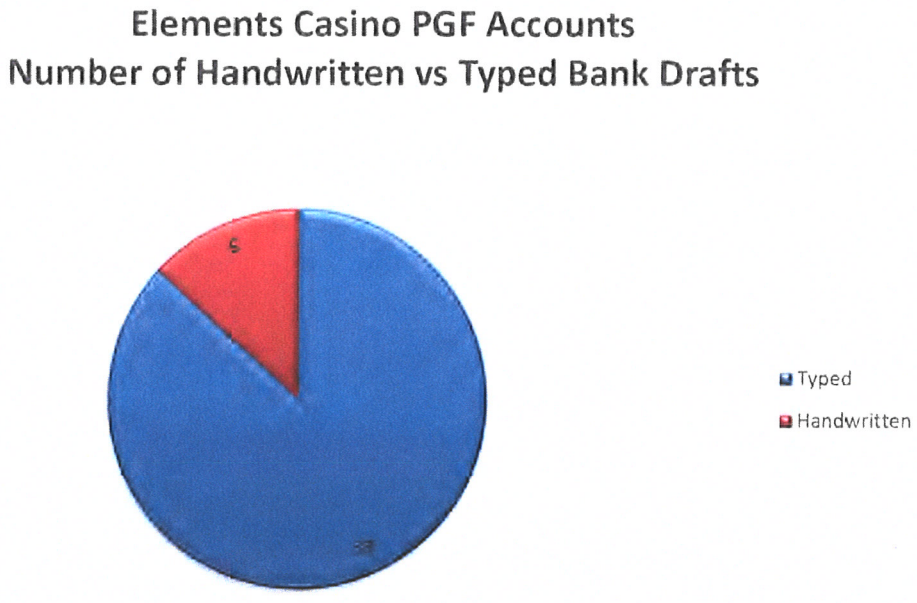


Table 3: Handwritten vs Typed Bank Drafts



Cascades Casino PGF Account Bank Draft Analysis

A review of all bank drafts at Cascades Casino from the time of PGF Account inception in early 2017 to November 10, 2017 was conducted at Cascades on November 10, 2017. The total number of bank drafts reviewed was 4 (from 2 separate PGF accounts) and the findings are as follows:

Breakdown by Financial Institution
50% of the bank drafts came from Toronto Dominion (TD) and 50% of the bank drafts came from Scotiabank (Scotia).

Payer Listed
None of the bank drafts listed a payer.

Handwritten vs Typed
Of the 4 bank drafts reviewed at Cascades Casino, all were typed.

There was nothing suspicious or untoward noted in this review.

This is Exhibit "59" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Daryl Tottenham[PERSONAL INFO]; Garth Pieper[PERSONAL INFO]; Bal Bamra[PERSONAL INFO]; Brad Desmarais[PERSONAL INFO]
Cc: Kevin Sweeney[PERSONAL INFO]
From: Rob Kroeker
Sent: Fri 27/10/2017 3:21:05 PM
Subject: RE: Bank Draft Procedures

Daryl and Bal

Thank you for the quick, thoughtful and detailed work on this.

I am in agreement with the proposal. I offer one additional suggestion for consideration. Should we also implement this at certain dollar threshold – for example all drafts of $100,000 or more? Please consider benefits and drawbacks.

Again, great work.

Rob

From: Daryl Tottenham
Sent: October-26-17 6:45 PM
To: Garth Pieper [PERSONAL INFO]; Rob Kroeker [PERSONAL INFO]; Bal Bamra [PERSONAL INFO]; Brad Desmarais [PERSONAL INFO]
Cc: Kevin Sweeney [PERSONAL INFO]
Subject: RE: Bank Draft Procedures

Hi all,
We have looked at this issue from a number of angles and have taken into account the variances in banking procedures and the limitations we have to access patron bank information. We have a substantial number of high value patrons that are consistently using bank drafts through their PGF accounts and have considered the potential impact of requiring bank draft receipts in every instance. We have come up with plan for consideration of the group in hopes that we can achieve consensus on a final product and have it implemented with a very short timeline.

Essentially it is Directive that would be similar to the cash condition program which has been extremely effective to date. The attached document is an outline of what we are proposing which would require patrons we flag to include bank receipts for each bank draft they bring in. The receipt would be required to show the patrons name and account and must be linked to the accounts on file when they opened their PGF account. The player profile would have the appropriate flag to alert the SP to collect the receipt and scan it into the media tab on the LCT.

The implementation of this program would be phased in starting with patrons that we believe may currently put BCLC at risk and for new accounts. For PGF account-holders that have an established history and we have already completed enhanced DD on, this directive will not be applied at this time unless we find reason to make those changes. We are currently reviewing all PGF account-holders over the past 4 months to determine which patrons would likely be impacted at the onset of this program.

We are looking for feedback from everyone at this point to help shape this into a final draft. The implementation date will depend on any required changes but we are looking for a short timeline to complete on. Just an fyi, the screenshot mentioned in the directive is not attached to this file as we are still working on that piece.

Thanks,

Daryl and Bal

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Garth Pieper
Sent: Wednesday, October 25, 2017 12:01 PM
To: Rob Kroeker <PERSONAL INFO; Daryl Tottenham PERSONAL INFO; Bal Bamra PERSONAL INFO; Brad Desmarais <PERSONAL INFO>
Cc: Kevin Sweeney <PERSONAL INFO
Subject: RE: Bank Draft Procedures

Hi folks,

I don't believe it would be disruptive or adversely impact operations in the long-term. The short-term impact might be a hit to revenue and the frustration that some of our players would be declined if they couldn't produce the receipt. This will sort itself out sooner than later with the proper communication and implementation strategy. I agree that this shows that we are taking the initiative vs reacting to what might be a future recommendation.

Here are some of my thoughts for the discussion:

- OPTION 1 - Implement the control immediately and incorporate a grace period to inform our players (with limits).
- OPTION 2 - Announce the control effective in 30 days, and launch an expedited education program for SP's and players.
- Would all players be required to provide the receipt for every bank draft or just players that need additional scrutiny?
- Is the process below a banking requirement or a best practice for that institution?
- How much more protection would this new control provide vs. the effort and disruption to implement?

Let me know how I can support with the feasibility review or any efforts.

Garth

Garth Pieper
Director, Operations
Casino & Community Gaming, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
T PERSONAL INFO F 604 225 6484

PERSONAL INFO

Connect with us:
Twitter @BCLC | Twitter @BCLCGameSense | YouTube | Blog | bclc.com

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across BC.

From: Rob Kroeker
Sent: Wednesday, October 25, 2017 10:56 AM
To: Daryl Tottenham <PERSONAL INFO; Bal Bamra <PERSONAL INFO; Garth Pieper PERSONAL INFO Brad Desmarais PERSONAL INFO
Cc: Kevin Sweeney PERSONAL INFO
Subject: RE: Bank Draft Procedures

At this stage I think this is an added control we need to put in place and should proceed quickly absent any major adverse impacts to service providers.

I know you have much on your plate, however can I ask you as a priority to assess the feasibility of putting this measure in place and how quickly we can.

I have included Brad and Garth and will ask them to provide any comments or concerns about this measure as quickly as possible.

Thank you.

Rob

From: Daryl Tottenham
Sent: October-25-17 10:43 AM
To: Rob Kroeker <PERSONAL INFO; Bal Bamra PERSONAL INFO
Cc: Kevin Sweeney PERSONAL INFO
Subject: RE: Bank Draft Procedures

We do not currently require that or ask for it. The down side would likely be minimal and would be from the SP perspective of having to ask their VIP's to bring in the receipt as well as the draft.
On the upside it would be a great advantage to us or the SP trying to confirm the origin of each bank draft as it goes through the PGF process as we have very limited ability currently to confirm account ownership. Given what we are currently looking at and GPEB's constant interest in the bank draft process (we just got another 86 request for 10 more) this would be a good idea to explore and from my perspective.
Bal is in a meeting but will likely have more to add shortly.
D

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Rob Kroeker
Sent: Wednesday, October 25, 2017 10:35 AM
To: Daryl Tottenham <PERSONAL INFO>; Bal Bamra <PERSONAL INFO>
Cc: Kevin Sweeney <
Subject: Bank Draft Procedures

Hi you two

Our Board chair has brought up an interesting point. He recently transferred money using a bank draft. The receiving institution required him to provide the receipt from the bank for the draft which shows payors name and bank account #.

Do we require players to provide the receipt for bank drafts and if not any down sides to implementing this?

Rob

This is Exhibit "60" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker PERSONAL INFO
Cc: Kevin Sweeney PERSONAL INFO; Bal Bamra PERSONAL INFO
From: Daryl Tottenham
Sent: Fri 27/10/2017 7:58:30 PM
Subject: Bank draft proposal

Hi Rob,

We have reviewed all the bank draft information from November 2016 to present day and have come to the conclusion that implementing a certain dollar threshold would not be conducive to player experience or casino revenue. Instead, we propose that bank draft receipts will be required for the following individuals:

1. Patrons who we believe have bank drafts that are suspect from credible information from JIGIT whom they are investigating;
2. Patrons that have been suggested from interview sources as conducting suspicious transactions;
3. Patrons who come in with bank drafts from other institutions that are not listed on their PGF accounts as per BCLC policy.

Currently, we have 281 players that are regular users of bank drafts; regular defined as more than one. We have collected all bank draft activity for 2017 broken down by player and amount for review. Our plan is to request information from our PGF sites on all active players listed at their properties with the banks (accounts) that are on file for each patron. (This will parallel our requirement for enhanced DD by SP's for all bank draft activity) We will begin reviewing this list against the information we have in iTrak, interview files and information from JIGIT to implement the bank draft directive on targeted patrons. This would satisfy our due diligence process against accepting bank drafts will little to no impact to revenue .
Next steps will include taking our list of bank draft users (by user volume) and will review each player's activity, previous bank draft use, and any previous DD we have already completed on their accounts. If we start at the highest volume and work backwards (highest risk) we should be able to work through our master list in a relatively short period. We will continue to review our rolling 30-day bank draft alert on a daily basis and will flag players with receipt conditions if we encounter any suspicious activity.
The last suggested change would be a requirement for all "new" PGF accounts to automatically be required to include receipts for bank draft deposits as a condition of PGF approval.

Let us know what you think on this proposal. There are no policy impacts for the "Directive" portion of this program but we may have to make policy amendments for the new PGF component of this plan if approved.

Thanks,
Daryl and Bal

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

This is Exhibit "61" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker[PERSONAL INFO]; Kevin deBruyckere[PERSONAL INFO]; John Karlovcec[PERSONAL INFO]
Cc: Daryl Tottenham[PERSONAL INFO] Bal Bamra[PERSONAL INFO]
From: Bal Bamra
Sent: Thur 16/05/2019 12:31:57 AM
Subject: Bank Draft Analysis for STR Meeting Tomorrow
Bank Draft Analysis September 2018.pdf
RiverRock Sept 2018.pdf
Parq Sept 2018.pdf

Hi All,

Please review the following report prepared by Mitasha on explaining the peak we hit for September 2018 with bank drafts.

Analysis shows the following:

During the review period there were 6 players identified in September 2018 with a total spend of $5.9 million totalling to 17 bank drafts and certified cheques.

Parq Casino:

- 3 individual players were identified and they do not appear to be associated or linked to each other.
- 2 players were identified as new players and are from Ontario totalling $1.55 million in bank drafts and certified cheques.
- 1 of the 2 Ontario players utilized a TD bank draft ($755k) that he fraudulently acquired. The bank draft was accepted however he was not returned the funds. SID 250938, a 29 year old, produce wholesaler male was only identified in the month of September 2018.
- Second player from Ontario SID 272733 a 22 year old, salesman - unconfirmed utilized a CIBC bank draft for $800k. He was only identified in the month of September 2018.
- Third player utilized a HSBC bank draft for $640K. Player SID 65035 is a 61 year old, Chinese herb merchant and his home ownership was confirmed valued at $3.4 million in West Vancouver.

Parq Recommendation:

No additional measures are recommended at this moment as 3 players are currently on "watch" status of which 1 is banned.

RiverRock Casino:

- All 3 players own businesses in China.
- SID 111325 a 54 year old businessman, utilized a TD bank draft for $170K, his listed address in Canada is owned by his wife. No businesses in Canada were identified. His associates identified are associated with JIN, Paul SID 118418.
- SID 175028 a 49 year old businessman, was identified as a CEO of 2 businesses in

China with annual sales of US$38 million. No businesses in Canada were identified. He utilized 10 bank drafts totalling $2.7 million. His listed address is owned by his son and his roommate is associated with JIN, Paul SID 118418.

- SID 142066 a 33 year old businessman, utilized 2 BMO and 1 RBC bank drafts totalling $880K. He owns 5 additional businesses in Canada; a currency exchanges, financial services, wine, etc. and mining in China. He has 2 different address on iTrak and Encore and does not own either properties. His wife associates are associated to JIN, Paul SID 118418.

RiverRock Recommendation:

All 3 players are currently placed on "watch" status. The players did observe the rules for play and provided proper documentation. There are significant questions as to the associates and legitimacy of the transaction conducted within the businesses, especially SID 142066 and SID 175028.

- Recommended that the players SID 142066 and SID 175028 be interviewed and asked to provide a statement of net worth or financial statements from their companies.
- No additional measures are recommended at this moment on player SID 111325

We will discuss at the STR meeting tomorrow.

Thanks,

Bal Bamra BCom, CAMS
Manager, AML Intelligence
Legal, Compliance & Security Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO

Yes, and...

PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

Bank Draft Analysis September 2018

Review Period 01 June 2018 to 31 December 2018

Prepared by: Mitasha Sewpersad
AML Intelligence Analyst

bclc

Executive Summary

The average contribution of bank drafts or certified cheques on a month by month basis is 7%. The month of September 2018 observed a rise to 12%. An ABC analysis was conducted on the raw data of bank drafts and certified cheques for the months of June 2018 to December 2018; as a best practice to extrapolate player behavior 3 months prior and post the focal month was analyzed.

The findings from the ABC analysis concluded that the Top A patrons contributed to 72% of the $151 million 2018 year total. The Top A category comprises of 99 Patrons that contributed greater than or equal to $350k in bank drafts and certified cheques for the calendar year 2018.

During the review period 8 key players were identified from the Top A category. 6 of the 8 players, were identified in September 2018 with a total spend of $5.9 million totalling to 17 bank drafts and certified cheques.

Further analysis was conducted into the 6 player profiles (see pages 7 and 8). All 6 players identified are male. 3 players identified played at Parq casino for a total of $2.2 million and 3 players identified played at RiverRock casino for a total of $3.7 million.

Parq Casino:

- 3 individual players were identified and they do not appear to be associated or linked to each other.
- 2 players were identified as new players and are from Ontario totalling $1.55 million in bank drafts and certified cheques.
- 1 of the 2 Ontario players utilized a TD bank draft ($755k) that he fraudulently acquired. The bank draft was accepted however he was not returned the funds. SID 250938, a 29 year old, produce wholesaler male was only identified in the month of September 2018.
- Second player from Ontario SID 272733 a 22 year old, salesman - unconfirmed utilized a CIBC bank draft for $800k. He was only identified in the month of September 2018.
- Third player utilized a HSBC bank draft for $640K. Player SID 65035 is a 61 year old, Chinese herb merchant and his home ownership was confirmed valued at $3.4 million in West Vancouver.

RiverRock Casino:

- All 3 players own businesses in China.
- SID 111325 a 54 year old businessman, utilized a TD bank draft for $170K, his listed address in Canada is owned by his wife. No businesses in Canada were identified. His associates identified are associated with JIN, Paul SID 118418.
- SID 175028 a 49 year old businessman, was identified as a CEO of 2 businesses in China with annual sales of US$38 million. No businesses in Canada were identified. He utilized 10 bank drafts totalling $2.7 million. His listed address is owned by his son and his roommate is associated with JIN, Paul SID 118418.
- SID 142066 a 33 year old businessman, utilized 2 BMO and 1 RBC bank drafts totalling $880K. He owns 5 additional businesses in Canada; a currency exchanges, financial services, wine, etc. and mining in China. He has 2 different address on iTrak and Encore and does not own either properties. His wife associates are associated to JIN, Paul SID 118418.

There are reasonable grounds to infer that the significant dollar increase in bank drafts and certified cheques are due to the 6 identified players. The reasonable assumption concludes that should the 6 players dollar spend be isolated the dollar spend in the month of September 2018 would have been in line with the average percentage contribution and resulting in more linear growth (see graph on page 5).

Recommendation:

Parq Casino:

3 players are currently placed on "watch" status and 1 player has been banned. No additional measures are recommended at this moment.

- No concerns were identified on player SID 65035.
- Player SID 250938 has been banned.
- No additional measures are recommended at this moment on player SID 252733

RiverRock Casino:

All 3 players are currently placed on "watch" status. The players did observe the rules for play and provided proper documentation. There are significant questions as to the associates and legitimacy of the transaction conducted within the businesses, especially SID 142066 and SID 175028.

- Therefore it is recommended that the players SID 142066 and SID 175028 be interviewed and asked to provide a statement of net worth or financial statements from their companies.
- No additional measures are recommended at this moment on player SID 111325

Methodology:

- An ABC analysis for the calendar year 2018 was conducted on bank drafts/certified cheques data. The output resulted in ascertaining parameters/threshold for the Top A players, B and C categories.

ABC ANALYSIS CONDUCTED ON BANKDRAFTS CY 2018					
Categories	Totals	Bankdrafts	Patrons	Parameters	Contribuiton
A	$ 108,910,604.89	1523	99	>=$350k	72%
B	$ 27,762,534.00	782	126	>=120k<$350k	25%
C	$ 15,194,046.04	650	315	<$120k	10%
Grand Total	**$ 151,867,184.93**	**2955**	**540**		

- Review Period 01 June 2018 to 31 December 2018.

Focal month = September. Based on financial institutions best practices to ascertain patterns for customer behavior; 3 months prior and 3 months after the focal month were reviewed. Filters for Top A players (>= $350K) were applied to bank draft data for each of the 7 months. The following results were yielded:

Review Period 01 June 2018 to 31 December 2018		Drafts>=$350K
Start month	June	0
	July	0
	August	0
	September	4
	October	2
	November	1
End month	December	1
Top A		8

- Top A category i.e. patrons with bank drafts greater than or equal to $350,000 resulted in 8 players being identified for the review period.

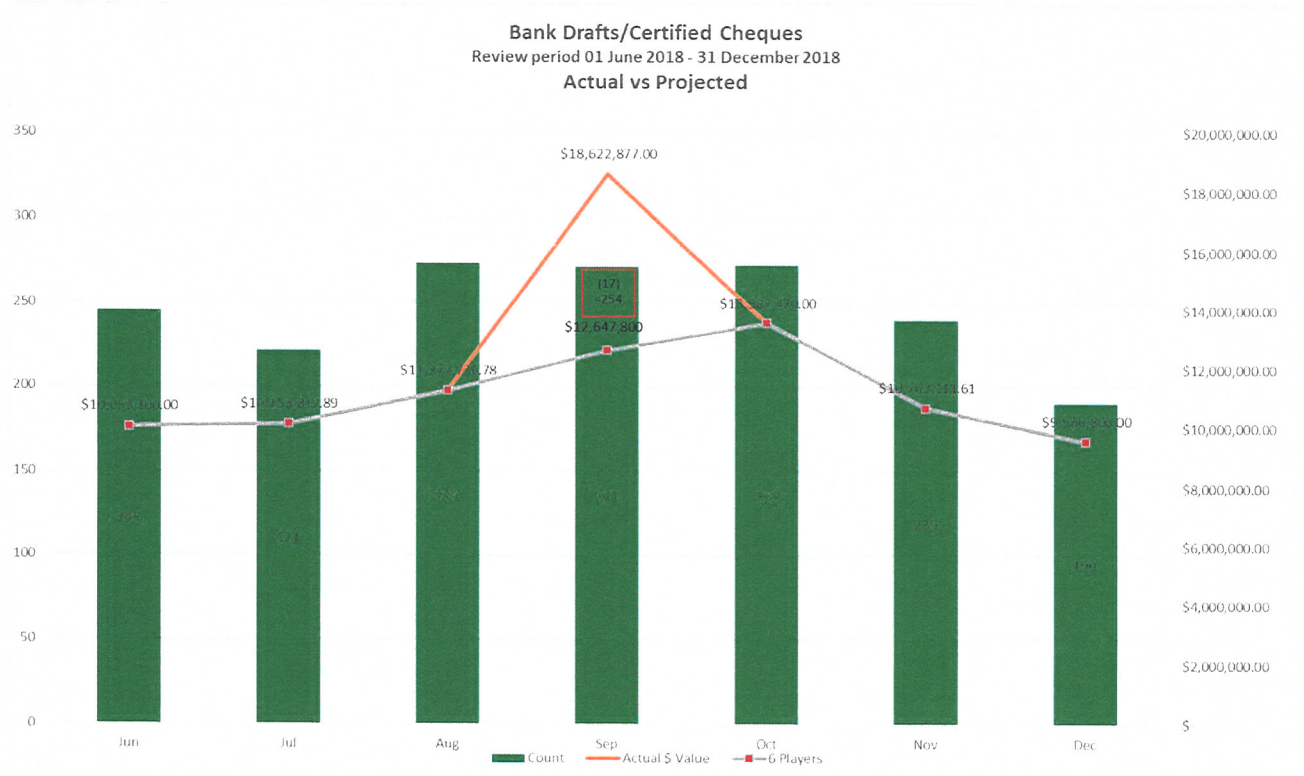
Summary of Top 8 players based on ABC analysis threshold >=$350K for CY 2018				
SID	Count for 2018	Sum for 2018	Sum for Review period	Difference
175028	26	$ 7,270,000.00	$ 4,070,000.00	$ 3,200,000.00
142066	6	$ 1,780,000.00	$ 1,480,000.00	$ 300,000.00
253545	10	$ 1,700,000.00	$ 1,700,000.00	$ -
89199	5	$ 1,250,000.00	$ 1,250,000.00	$ -
252733	2	$ 1,049,000.00	$ 1,049,000.00	$ -
250938	1	$ 755,077.00	$ 755,077.00	$ -
65035	1	$ 640,000.00	$ 640,000.00	$ -
111325	2	$ 530,000.00	$ 170,000.00	$ 360,000.00
Grand Totals		**$ 14,974,077.00**	**$ 11,114,077.00**	**$ 3,860,000.00**

- Out of the 8 players identified during the review period 6 players were identified in September with total spend of $5,975,077.00 i.e. 32% of total bank draft contribution in September $18,622,877.

SID	$$$ September 2018	Count September 2018
175028	$ 2,730,000.00	10
142066	$ 880,000.00	3
253545	$ -	
89199	$ -	
252733	$ 800,000.00	1
250938	$ 755,077.00	1
65035	$ 640,000.00	1
111325	$ 170,000.00	1
Grand Total	**$ 5,975,077.00**	**17**

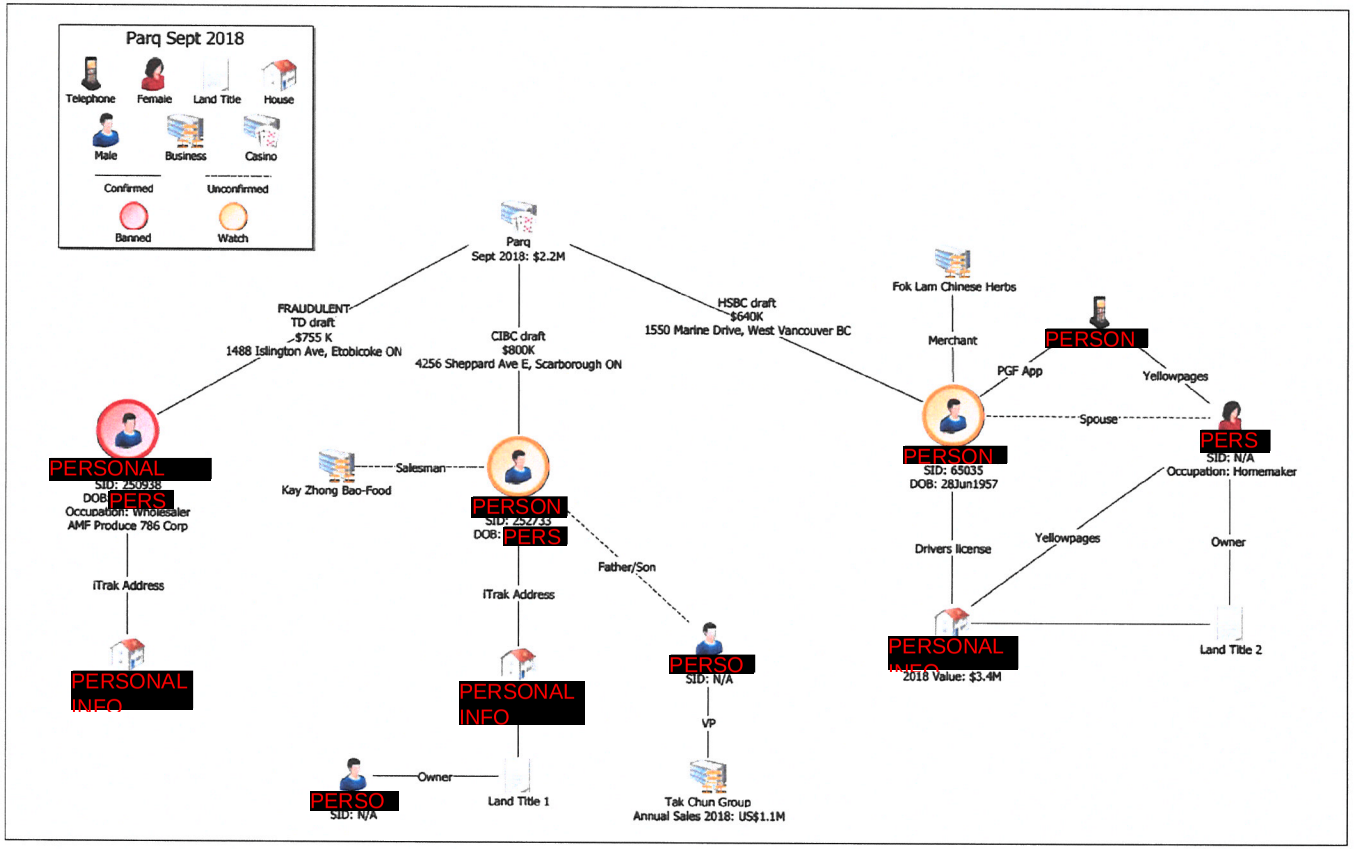
- This one third in dollar spend contribution has resulted in a significant spike which drove the dollar value higher while the count of bank drafts remains relatively constant. Looking at the trajectory for the bank drafts based on the ABC analysis findings (see above table), the reasonable assumption would have resulted in linear growth ($12,647,800 and 254 bank drafts).

Reasonable Assumption:



Player Profiles and Associations at PARQ Casino:

File Name: Parq Sept 2018.anb

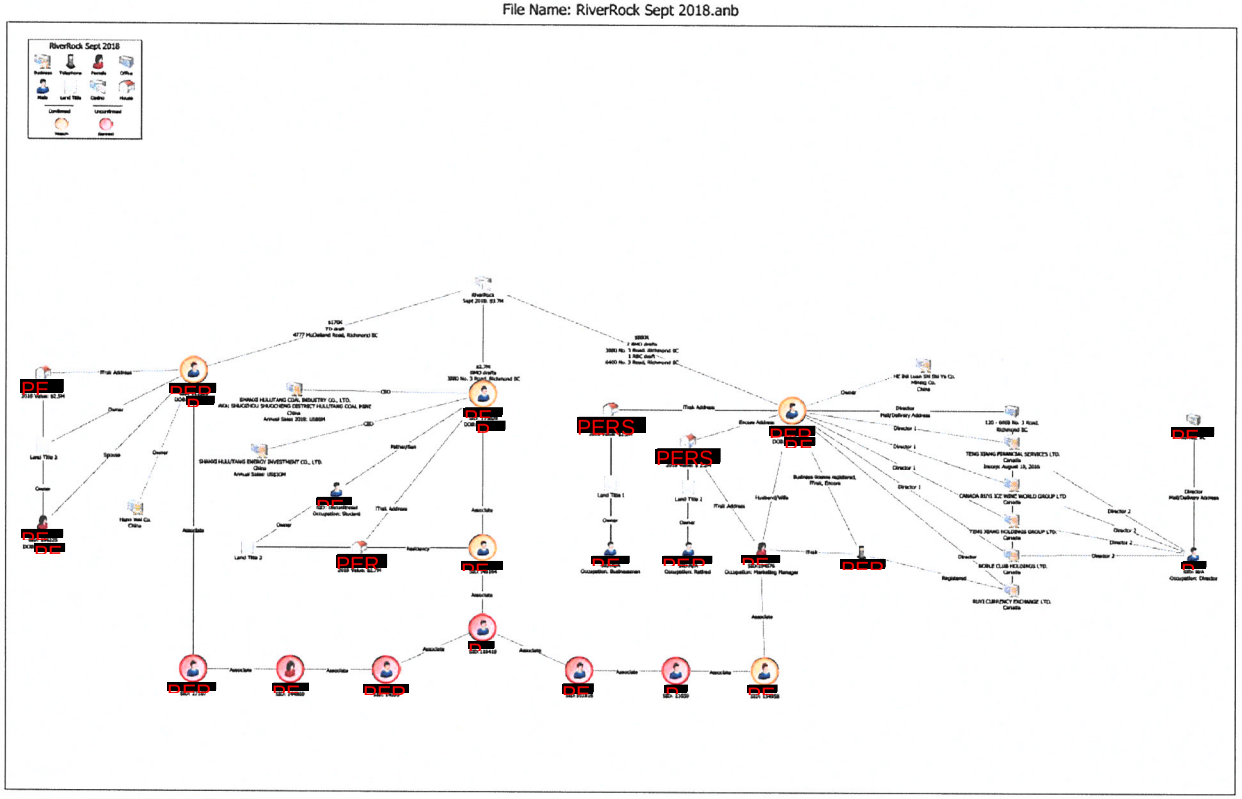


Last Saved: 15/05/2019 11:15:35 AM

Author: Mitasha Sewpersad

Player Profiles and Associations at RiverRock Casino:

File Name: RiverRock Sept 2018.anb



Last Saved: 15/05/2019 11:21:25 AM

Author: Mitasha Sewpersad

This is Exhibit "62" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker PERSONAL INFO
Cc: Bal Bamra PERSONAL INFO
From: Bal Bamra
Sent: Thur 03/01/2019 6:56:27 PM
Subject: RE: Bank Draft Numbers

Hi Rob,

Please find the CY2018 numbers:

Bank Drafts

- 2956 bank drafts ($151.9 M) were brought in by 540 players
- 94% (2770) of these bank drafts were greater than $10,000
- 7% (39) players used 3 or more different banking institutions

LCT Buy-ins

- 13,369 LCTs buy-ins reports ($172.3M) were created by 2308 players
- 1406 players had 2 or more LCT buy-ins in CY2018

Revenue

$1,496,003,194 (slots) +
$499,470,149 (table) +
$22,003,959 (bingo)
$2,017,477,302 (Net Win)

Encore Players

- Approximately 1.2M players visited a Casino/CGC in CY2018 and 30% of those players played with a card.

- 58.5% of **table drop** is carded play CY2018

  $1,517,042,671.20 / $2,592,767,522.35 = 58.5%

- 47.2 % of **coin in** is carded play CY2018

  $10,383,599,213.59 / $21,991,512,683.48 = 47.2%

Thanks,

Bal Bamra BCom, CAMS
Manager, AML Intelligence
Legal, Compliance & Security Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO

Yes, and...
PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Rob Kroeker [PERSONAL INFO]
Sent: January-03-19 9:41 AM
To: Bal Bamra <[PERSONAL INFO]>
Subject: RE: Bank Draft Numbers

It would be cleaner if we could do January 1, 2018 to December 31, 2018, but if that is problematic then the Dec to Nov period is fine.

From: Bal Bamra [PERSONAL INFO]
Sent: January-03-19 7:10 AM
To: Rob Kroeker <[PERSONAL INFO]>
Subject: RE: Bank Draft Numbers

Absolutely.

To confirm, is the timeline below good or do you require all of 2018?

Bal Bamra BCom, CAMS
Manager, AML Intelligence
Legal, Compliance & Security Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T 604 228 3113 C 604 910-7897

Yes, and...

bbamra@bclc.com

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Rob Kroeker <[PERSONAL INFO]>
Sent: January-03-19 7:08 AM
To: Bal Bamra <[PERSONAL INFO]>
Cc: John Karlovcec <[PERSONAL INFO]>; Daryl Tottenham <[PERSONAL INFO]>
Subject: RE: Bank Draft Numbers

Thanks Bal. One other metric that would be helpful would be total casino revenue for the period if we can get that as well.

Thanks,

Rob

From: Bal Bamra <[PERSONAL INFO]>
Sent: January-02-19 4:53 PM
To: Rob Kroeker <[PERSONAL INFO]>
Cc: John Karlovcec <[PERSONAL INFO]>; Daryl Tottenham <[PERSONAL INFO]>; Bal Bamra <[PERSONAL INFO]>
Subject: Bank Draft Numbers

Hi Rob,

As per our discussion this morning, please find Brad's email below.

We have put a request in with EBI to get the carded play numbers; hopefully we will get those numbers for tomorrow.

Just some clarification on the "unsourced" cash, this includes the errors that were made by sites, allowing people to play without requesting a receipt and some unsourced buy ins from December 2017 before we had the rule implemented.

The numbers were not updated for December 2018, that's why the window of December 2017 to November 2018. I'm hoping that the numbers for December 2018 will be updated tomorrow, so I can resend these numbers for CY2018.

Please let me know if you have any questions.

Thanks,

Bal Bamra BCom, CAMS
Manager, AML Intelligence
Legal, Compliance & Security Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO

Yes, and...

PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Brad Rudnicki <PERSONAL INFO
Sent: January-02-19 11:27 AM
To: Bal Bamra <PERSONAL INFO
Subject: Jim Numbers

Hi Bal,

I have reached out to EBI for the encore % play values as this is something they should have.

As far as the other values go here they are.

12 month period (Dec 2017 to Nov 2018)

Bank Drafts

- 2,951 bank drafts ($154.8M) were brought in by 535 players
- 94% (2768) of these bank drafts were greater than $10,000
- 7% (39) players used 3 or more different banking institutions

LCT Buy-ins

- 15,789 LCTs buy-ins reports ($205.3M) were created by 2,461 players; of this amount, 1,549 players had 2 or more LCTs.

Note: These 'bank note' buy-ins include: debit at the cage, credit card, ATM, previous cash disbursements, unsourced.

Brad Rudnicki, CAMS
AML Intelligence Specialist, Anti-Money Laundering Unit
Legal, Compliance & Security Division | BCLC

BCLC, 2940 Virtual Way, Vancouver, BC V5M 0A6
T PERSONAL INFO F 604 225 6488

PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

This is Exhibit "63" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Bal Bamra[PERSONAL INFO]; John Karlovce[PERSONAL INFO]
From: Daryl Tottenham
Sent: Thur 2019-04-18 3:28:30 PM
Subject: RE: Bank draft spike in 2018
2018 bank draft spike- aug-sept-oct.xlsx

Just finished the spreadsheet, still requires more work to pinpoint the validity of the numbers against the overall data totals but certainly in the short term it answers the question that was nagging at me. Copy attached.
D

From: Bal Bamra <PERSONAL INFO
Sent: Thursday, April 18, 2019 8:25 AM
To: Daryl Tottenham <PERSONAL INFO>; John Karlovcec PERSONAL INFO
Subject: RE: Bank draft spike in 2018

Excellent. Our next STR meeting is next week, we can bring this up.

Thanks,

B
From: Daryl Tottenham PERSONAL INFO
Sent: April-17-19 8:34 PM
To: John Karlovcec <PERSONAL INFO>; Bal Bamra PERSONAL INFO
Subject: Bank draft spike in 2018

As discussed today at our meeting, I am looking at that huge spike in 2018 for bank drafts from August to October to try and determine a root cause. I have gone through all the bank drafts on Cathy's spreadsheet and pulled out the top players in this period and have identified the players that were running at huge numbers in that period. I used 400K over the 3 months as a benchmark and found there were a total of 18 players in this period that were running bank drafts in excess of 100K.
The overall breakdown shows as follows:

- 18 players accounted for $17,985,077 with an aggregate total of 105 drafts.
- The top 5 players within this group account for $7,966,000 and 40 bank drafts during this period. (44% of volume by 28% of the players)

I have not found other clusters of high value play throughout the year that are anywhere near these numbers. I still need to overlay these numbers with the totals Cathy has in her spreadsheet over the entire calendar year to confirm the significance of this group but it does appear to account for the majority of the spike. It does not however explain why these players spiked during what is usually a non-peak period, as they numbers dwarf the numbers during Chinese New Year which is normally our overall peak period. As Brad would say, this is interesting.....
D

565

SID #	G1-G2	SURNAME	$$ TOTAL FOR PERIOD	# OF DRAFTS	AUGUST	SEPT	OCTOBER	NOTES
175028	[redacted]		2,730,000	10	NO	YES	NO	
10455			2,250,000	9	YES	NO	YES	
103608			1,937,000	19	YES	YES	YES	
142066			1,480,000	5	NO	YES	YES	
89199			1,250,000	5	NO	NO	YES	Top 5- $7,966,000 40 drafts
252733			1,049,000	2	NO	YES	YES	
237362			910,000	4	NO	YES	YES	
158813			900,000	3	NO	NO	YES	
143342			768,000	12	NO	YES	NO	
250938			755,077	1	NO	YES	NO	Parq fraud file
165611			696,000	5	YES	YES	NO	
65035			640,000	1	NO	YES	NO	
253545			510,000	5	NO	NO	YES	
17042			450,000	2	NO	YES	NO	
140261			440,000	4	YES	NO	NO	
134491			420,000	4	NO	YES	YES	
26303			400,000	2	NO	YES	NO	
24307			400,000	2	NO	YES	NO	
		TOTALS-	$17,985,077	105	4	13	9	

PERSONAL INFO

This is Exhibit "64" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker [PERSONAL INFO]; Brad Desmarais [PERSONAL INFO]
From: Jim D. Lightbody
Sent: Fri 02/02/2018 6:39:40 PM
Subject: Re: AML Program adjustments

I have also given the DAG heads up on these.

From: Rob Kroeker <[PERSONAL INFO]>
Date: February 2, 2018 at 5:45:02 PM GMT
To: Jim D. Lightbody <[PERSONAL INFO]>, Brad Desmarais <[PERSONAL INFO]>
Subject: AML Program adjustments

Jim and Brad

A week or so ago we discussed some modifications to current controls that we believe will not only improve those controls from an AML stance but will also help smooth out the impacts of the new prescriptive source of funds requirement. Those three things are:

1. Reduce PGF account opening requirement from $10,000 to $0 (this was not an AML control but rather a request of SPs to control account administration costs).
2. Delimit all convenience cheques (right now delimited cheques only go to account holders, but with all case and bank drafts of $10K or more being sourced in every instance delimiting cheques is now very low risk)
3. Cap cash payments (bank notes) out to $25,000. (this will reduce the churn of cash and help with verification procedures when cash an SP pays out comes back).

These three measures will reduce the burden of account and buy-in – cash-out administration and provide additional AML oversight.

At the operational level, my team is saying the SPs are good with these.

We would like to proceed, subject to Brad giving the SPs a heads up at the top end and any other comments or concerns the two of you might have.

Rob

This is Exhibit "65" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: 'Jag Nijjar [PERSONAL INFO] 'Bill Stewart - Playtime Gaming [PERSONAL INFO]; 'CCK-Operations@cascadescasinokamloops.com'[CCK-Operations@cascadescasinokamloops.com]; 'operations@cascadescasino.ca'[operations@cascadescasino.ca]; 'CCP-Operations@cascadescasinopenticton.com'[CCP-Operations@cascadescasinopenticton.com]; 'GVB-Operations@grandvillacasino.com'[GVB-Operations@grandvillacasino.com]; 'LCCKEL-Operations@lakecitycasinos.com'[LCCKEL-Operations@lakecitycasinos.com]; 'LCCVER-Operations@lakecitycasinos.com'[LCCVER-Operations@lakecitycasinos.com]; 'Starlight-Operations@starlightcasino.ca'[Starlight-Operations@starlightcasino.ca]; 'rmutti@gcgaming.com'[rmutti@gcgaming.com]; 'abbotsford-operations@playtimegaming.com'[abbotsford-operations@playtimegaming.com]; 'campbellriver-operations@playtimegaming.com'[campbellriver-operations@playtimegaming.com]; 'courtenay-operations@playtimegaming.com'[courtenay-operations@playtimegaming.com]; 'mission-operations@gatewaycasinos.com'[mission-operations@gatewaycasinos.com]; 'Squamish-Operations@gatewaycasinos.com'[Squamish-Operations@gatewaycasinos.com]; 'Newton-Operations@gatewaycasinos.com'[Newton-Operations@gatewaycasinos.com]; CGC- Playtime Langley[josborne@playtimegaming.com]; 'victoria-operations@playtimegaming.com'[victoria-operations@playtimegaming.com]; 'GCCOperationsBCLC@gcgaming.com'[GCCOperationsBCLC@gcgaming.com]; [PERSONAL INFO] [PERSONAL INFO] 'ParqBCLCOperations@parqvancouver.com'[ParqBCLCOperations@parqvancouver.com]; 'management@treasurecovecasino.com'[management@treasurecovecasino.com]; 'cgshiftmanagers@berezan.ca'[cgshiftmanagers@berezan.ca]; Nancy Robertson[PERSONAL INFO]; CGC- Chances FortStJohn[gm@chancesfsj.com]; 'tolson@chanceskamloops.com'[tolson@chanceskamloops.com]; 'opsemergency@chanceskelowna.ca'[opsemergency@chanceskelowna.ca]; gamingmanager[gamingmanager@chancespr.ca]; 'rimrockmanagement@chancesrimrock.ca'[rimrockmanagement@chancesrimrock.ca]; 'SalmonArmGaming@berezan.ca'[SalmonArmGaming@berezan.ca]; 'spg.SignalPointGM@shaw.ca'[spg.SignalPointGM@shaw.ca]; CGC- Chances Terrace[gm@terracechances.com]; Lynn Peachey[manager@harbourcitybingo.com]; 'accounting@cgmanagement.ca'[accounting@cgmanagement.ca]; 'Joe Brunini [PERSONAL INFO]; [PERSONAL INFO] [PERSONAL INFO] [PERSONAL INFO] [PERSONAL INFO] Nancy Robertson[PERSONAL INFO] [PERSONAL INFO] [PERSONAL INFO]; 'Bruno Bourassao - Chances Ft St John - Pomeroy Group [PERSONAL INFO]; CGC- Chances Kelowna[PERSONAL INFO]; Lynn Peachey[manager@harbourcitybingo.com]; 'Greg Cruz'[PERSONAL INFO]; 'CCK-Policy@cascadescasinokamloops.com'[CCK-Policy@cascadescasinokamloops.com]; 'policy@cascadescasino.ca'[policy@cascadescasino.ca]; 'CCP-Policy@cascadescasinopenticton.com'[CCP-Policy@cascadescasinopenticton.com]; 'GVB-Policy@grandvillacasino.com'[GVB-Policy@grandvillacasino.com]; 'LCCKEL-Policy@lakecitycasinos.com'[LCCKEL-Policy@lakecitycasinos.com]; 'LCCVER-Policy@lakecitycasinos.com'[LCCVER-Policy@lakecitycasinos.com]; 'Starlight-Policy@starlightcasino.ca'[Starlight-Policy@starlightcasino.ca]; 'abbotsford-policy@playtimegaming.com'[abbotsford-policy@playtimegaming.com]; 'campbellriver-policy@playtimegaming.com'[campbellriver-policy@playtimegaming.com]; 'courtenay-policy@playtimegaming.com'[courtenay-policy@playtimegaming.com]; 'mission-policy@gatewaycasinos.com'[mission-policy@gatewaycasinos.com]; 'Squamish-Policy@gatewaycasinos.com'[Squamish-Policy@gatewaycasinos.com]; 'GCCPolicyBCLC@gcgaming.com'[GCCPolicyBCLC@gcgaming.com]; [PERSONAL INFO] 'ParqBCLCPolicy@parqvancouver.com'[ParqBCLCPolicy@parqvancouver.com];

'management@treasurecovecasino.com'[management@treasurecovecasino.com];
'cgshiftmanagers@berezan.ca'[cgshiftmanagers@berezan.ca]; Nancy
Robertson[redacted]; 'policy@chanceskelowna.ca'[policy@chanceskelowna.ca]; gamingmanager[gamingmanager@chancespr.ca];
'rimrockmanagement@chancesrimrock.ca'[rimrockmanagement@chancesrimrock.ca];
'SalmonArmGaming@berezan.ca'[SalmonArmGaming@berezan.ca];
'spg.SignalPointGM@shaw.ca'[spg.SignalPointGM@shaw.ca];
[redacted]
Cc: Rob Kroeker[redacted]; Brad Desmarais[redacted]; ALL- Casino & CGC Directors[ALL-Casino&CGCDirectors@BCLC.com]; Bal Bamra[redacted]; John Karlovcec[redacted]; Daryl Tottenham[redacted]; Bonnie Armand[redacted]; Gina Morin[redacted]; Andrew Williamson[redacted]; ALL- Casino & CGC MBO[ALL-CasinoandCGCMBO@BCLC.com]; ALL-Casino & CGC Regional Managers[ALL-CasinoANDCGCRegionalManagers@BCLC.com]; BCLC Media Relations[MediaRelations@bclc.com]; Narissa Kohut[redacted]
From: gamingchannel
Sent: Thur 01/03/2018 10:34:48 PM
Subject: UPDATE: Cash Reduction Strategies

Dear Service Providers,

Recently you were informed of upcoming changes to BCLC's cash reduction strategies. Specifically, changes to PGF accounts, convenience cheques and cash distribution limits. These changes were originally intended for implementation on March 15, 2018. After further consultation it has been decided to delay these changes until the Peter German Report has been released. These changes will be forthcoming at a later date and will be communicated in advance for your implementation.

If you have any questions, please direct them to BCLC's AML team at aml@bclc.com

Thank you,
AML Unit

bclc

This is Exhibit "66" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BCLC Directive

PGF Account Changes
Convenience (Return of Funds) Cheque Processes
$25,000 Maximum Cash Payout

Effective Date: August 7, 2018

1- Effective August 7, 2018 the limitation of one convenience cheque per patron per week for non-PGF patrons is removed. The maximum cheque limit of $10,000 is also removed and will now be unlimited for all patrons. All disbursements by cheque (convenience (return of funds) or verified win) must be clearly documented on the player tracking sheet and Casino Disbursement Report. All convenience (return of funds) cheques must be clearly marked on the face of the cheque "Return of Funds, Not Gaming Winnings". In addition, patrons will no longer be required to have an active Player Gaming Account (PGF) to use bank drafts or certified cheques for LCT buy-ins.
All current source of fund determination and declarations MUST be completed in full **prior to** acceptance of bank drafts or certified cheques.

2- Effective August 7, 2018 the minimum bank draft or certified cheque deposit required for PGF account openings and subsequent deposits will be removed and will be at the discretion of the Service Provider. All current PGF opening rules remain in effect and all bank drafts continue to require receipts with patron name, bank location, and account number.

3- Effective August 7, 2018 any cage disbursement of bank notes will be limited to $25,000 per patron per day at any BC gaming site, with the outstanding balance to be paid by cheque (convenience or verified win depending upon the circumstances) to the patron. Any further disbursements within the same 24-hour period shall be issued by cheque (convenience or verified win depending upon the circumstances) for the outstanding balance. The 24-hour period shall be measured in compliance with **Fintrac guideline reporting requirements** based on hours of operation. Click link for more information.

   Further to this, any disbursement of bank notes requested (to a maximum $25,000) must be paid to the patron in the same denominations used by the patron at the time of buy-in at the cage.

These changes are intended to enhance controls on flows of bank notes, enhance on-going monitoring measures BCLC is required to take under legislation, and to assist Casino Service Providers with the continuing implementation of the first interim recommendation made in the German Report.

The next release of BCLC Casino Policies and Procedure updates will reflect these changes and replace this directive.
If you have any questions regarding this directive, please contact the AML unit at AML@bclc.com

Sincerely,

Daryl Tottenham, Manager AML Programs

playing it right

74 West Seymour Street
Kamloops BC V2C 1E2
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2940 Virtual Way
Vancouver BC V5M 0A6
T 604 215 0649
F 604 225 6424

This is Exhibit "67" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Question/Answer Document
BCLC Directive - $25,000 Cash Limit
Effective Date: August 7, 2018

Q. If a patron arrives with $30,000 in sourced cash, can they get the full buy-in amount in a disbursement because it was sourced?

A. No, the maximum they can receive at disbursement is $25,000. The remainder of the disbursement must be by cheque.

Q. If a patron arrives from another casino where they had a previous disbursement the same day and received $25,000 in cash, can they receive another $25,000 in cash at our casino upon disbursement?

A. Yes. The $25,000 cash limit per day applies per patron per day at any BCLC site. Patrons can receive another $25,000 in cash disbursements during the same 24 hour period but must receive the same denominations they bought in with.

Q. We work at a casino that is not open 24 hours a day. If a patron receives a $25,000 cash disbursement at 9:00 p.m., leaves at the end of the night, then returns the next morning at 11:00 a.m. and has a $50,000 disbursement, can they receive another $25,000 in cash from us?

A. Yes, because you are a site with fixed hours, your gaming day runs from open to close. The second disbursement is considered to be the next gaming day. That patron would not be eligible to receive another cash disbursement until the next gaming day now.

Q. If a patron buys in for $25,000 in cash in $20 bills which is sourced and wins $75,000, can they get paid back in $100 bills as a customer service if it is a known regular patron?

A. No, they can only get paid in $20 bills even though the cash was considered sourced. The remainder of their winnings must be paid back with a cheque for the remainder of the disbursement.

Q. If a patron bought in for $25,000 in cash and a bank draft for $75,000 and they subsequently cash out for a total of $200,000, can they get a verified win cheque for the entire amount?

A. No, the verified win cheque would be for $100,000 (cash-out minus buy-in) and the remaining $100,000 would be by convenience cheque with a maximum amount of $25,000 in cash if requested.

Q. If a patron has a disbursement for $40,000, should we automatically pay out the first $25,000 in cash and the remainder by cheque?

A. No. You should suggest the patron takes the entire amount by cheque for ease of use if they plan on returning for further play and for their own safety when they leave the casino. By returning with a cheque on their next visit, they will avoid any possible delays while their cash buy-in is sourced.

Q. If the patron has just received a convenience cheque the previous day for a $10,000 disbursement, can they receive another convenience cheque the following day?

A. Yes, they can receive an unlimited number of convenience cheques now and there is no longer a limit of $10,000 per cheque. Use this opportunity to explain that using cheques is much safer than cash and will make buy-ins quicker when they return?

bclc playing it right

Q. If a patron brings in with a $15,000 bank draft but does not have a current PGF account, can they buy-in with this draft?

A. Yes. They should be encouraged to open a PGF account but it is not a requirement to use a bank draft for buy-in. You must ensure to complete a Reasonable Measures and Source of Funds form if the amount is for $10,000 or more and scan the bank draft with receipt into the LCT report.

Q. If a patron cashes out in the morning and takes a cheque for their disbursement, can they return later that day and buy-in with the cheque? Will they also be able to cash out and take another cheque during the same day?

A. Yes. There is no longer a limit on convenience cheques and patrons are encouraged to use them for disbursements which includes same day play.

Q. With the new changes in convenience cheques, can any patron receive a convenience cheque whenever they cash out?

A. Yes, we want to encourage patrons using cheques as they are safer than leaving with cash and are easier to return with, as they do not require receipts for buy-in.

Q. Is there a limit to the dollar amount of a cheque a patron may receive if they are not PGF account holders?

A. No. The $10,000 maximum per cheque per person has been removed.

Q. If a patron is cashing out $75,000 in chips but their buy-in was only $10,000, can they only get $10,000 in cash back and the remainder paid by cheque?

A. No. They can take up to $25,000 in cash regardless of their buy-in amount but whatever denominations they used for their buy-in must be matched for disbursement. This would mean that if the $10,000 buy-in was in $20 bills, the disbursements MUST include $10,000 in $20 bills and the remaining $15,000 can be in $100's with the balance by way of cheque.

Q. If a patron brings in a $5,000 bank draft that includes their name as sender, payable to the casino, and includes the bank location and their account number on it, can they use it to buy-in even though they do not have a PGF account?

A. Yes. The rule that you must have a PGF account to buy-in with bank drafts and certified cheques has been removed. However, we still have to track all incoming bank drafts therefore the patron must have a SID profile and the draft must be documented and scanned. You can use a directive file created in iTrak to document a sourced buy-in to store the scanned copies for the draft and/or receipt.

Q. If a patron wants to open a PGF account but only wants to deposit $2,000 to the account, can we allow this?

A. The minimum deposit of $10,000 for PGF account openings has been removed and is left to the discretion of the Service Provider. You will have to confirm the minimum deposit requirement that your site is going to allow.

Q. If our site allows PGF openings with initial deposits under $10,000, do we still have to create an iTrak file for the PGF opening and complete the regular due diligence on the patron?

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A. Yes. All the previous rules and PGF opening processes still apply and will require the same documentation and signatures as previously required.

Q. Are there any changes being made to how we enter bank drafts we receive or convenience cheques that we disburse?

A. No, all the same rules apply regardless of the amount of drafts or cheques and they must be entered for tracking purposes by the AML unit. BCLC has added a new sub menu in the drop-downs to identify bank drafts and certified cheque used by non-PGF account patrons labelled 'Non-PGF Bank draft/Certified Cheque'.

Q. If the patron is able to write in their name as 'sender' or the account information, how can we confirm it is true?

A. The patron will be completing a Source of Funds declaration (at $10,000 and over) which requires them to certify the information they are providing is accurate and complete. Based on our reviews of these patron files, if we suspect there is an issue with the actual owner of the account, we will follow up with our partner agencies and law enforcement to determine ownership of accounts. Any patrons found to be knowingly providing false information to us will result in Provincial barring's and/or other gaming restrictions.

Q. Can a non-PGF patron conduct international/domestic wire transfers?

A. No, patrons that conduct international/domestic wire transfers MUST have a current PGF account as part of the wire transfer request process. BCLC conducts extensive due diligence on these patrons before they are allowed to wire in cash from international accounts and require the PGF accounts to receive those funds in that process.

Q. Do we consider incoming convenience cheques sourced or unsourced?

A. Incoming convenience cheques are considered sourced for the current time. As all cash buy-ins of $10,000 or more must be sourced under the new guidelines, the potential for receiving convenience cheques that will include un-sourced cash is minimal. BCLC will be closely monitoring the cheque users on a daily basis and will place any patron on full sourced cash conditions if we encounter any abuses of the convenience cheque program.

Q. How can we track all buy-ins in the site to determine what each patron will be paid back in?

A. The change in this directive requires only those buy-ins and disbursements conducted by the cage to track denominations for this purpose. It would be extremely difficult to track buy-in denominations at the tables but we suggest that any substantial cash buy-ins at the tables should be directed to the cage to ensure best practices in tracking requirements.

bclc playing it right

This is Exhibit "68" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BRITISH COLUMBIA

Know your limit, play within it.

August 9, 2018

552607

Jim Lightbody
President and CEO
British Columbia Lottery Corporation
74 West Seymour Street
KamloopsBC V2C 1E2

Dear Jim,

Thank you for suspending the implementation of a British Columbia Lottery Corporation's (BCLC) directive that updated Patron Gaming Fund (PGF) account and convenience cheque policies and procedures for Casino Service Providers on August 2, 2018 at my request.

As you are aware, government is initiating policy-related work stemming from the German Report recommendations through an internal deputy minister committee. Some of the recommendations overlap the areas where BCLC's proposed changes are directed. In order to minimize the impact on service providers, these recommendations should be considered before the proposed changes are implemented. Government will decide how to move forward as quickly as possible with the best ways to implement them.

A robust Source of Funds process minimizes any incremental risk associated with the implementation of the proposed changes to the PGF and convenience cheque policies. As you know, the Gaming Policy and Enforcement Branch (GPEB) is currently undertaking an audit of the Source of Funds Directive. Preliminary findings from our audit, which has been supported by work undertaken by BCLC, have led to an extension of the audit timeframe. It is important to first determine the effectiveness of the Source of Funds process and whether the additional training undertaken by BCLC has increased compliance.

.../2

Ministry of Attorney General

Gaming Policy and Enforcement Branch
Assistant Deputy Minister's office

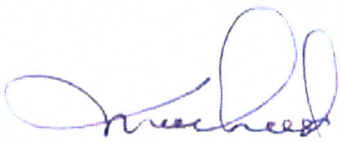
Mailing Address:
PO BOX 9311 STN PROV GOVT
VICTORIA BC V8W 9N1
Telephone: ((778) 698-2277
Facsimile: (250) 356-8237

Location / Courier Address:
Third Floor, 910 Government Street
Victoria, BC V8W 1X3

Web: www.gaming.gov.bc.ca

I request you continue to hold implementation of the directive to Casino Service Providers until this audit work is complete and future direction has been established by the deputy minister committee.

Sincerely,



Sam MacLeod
Assistant Deputy Minister
Gaming Policy and Enforcement Branch
Ministry of Attorney General

GPEB is a 2018 recipient of the BC Public Service Top Work Unit Award

This is Exhibit "69" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: gamingchannel[gamingchannel@bclc.com]; 'CCK-Operations@cascadescasinokamloops.com'[CCK-Operations@cascadescasinokamloops.com]; 'operations@cascadescasino.ca'[operations@cascadescasino.ca]; 'CCP-Operations@cascadescasinopenticton.com'[CCP-Operations@cascadescasinopenticton.com]; 'GVB-Operations@grandvillacasino.com'[GVB-Operations@grandvillacasino.com]; 'LCCVER-Operations@lakecitycasinos.com'[LCCVER-Operations@lakecitycasinos.com]; 'LCCKEL-Operations@lakecitycasinos.com'[LCCKEL-Operations@lakecitycasinos.com]; 'Starlight-Operations@starlightcasino.ca'[Starlight-Operations@starlightcasino.ca]; 'abbotsford-operations@playtimegaming.com'[abbotsford-operations@playtimegaming.com]; 'mission-operations@gatewaycasinos.com'[mission-operations@gatewaycasinos.com]; 'Squamish-Operations@gatewaycasinos.com'[Squamish-Operations@gatewaycasinos.com]; 'campbellriver-operations@playtimegaming.com'[campbellriver-operations@playtimegaming.com]; 'courtenay-operations@playtimegaming.com'[courtenay-operations@playtimegaming.com]; 'victoria-operations@playtimegaming.com'[victoria-operations@playtimegaming.com]; 'GCCOperationsBCLC@gcgaming.com'[GCCOperationsBCLC@gcgaming.com]; 'Jade Kotzer PERSONAL INFO PERSONAL INFO; 'ParqBCLCOperations@parqvancouver.com'[ParqBCLCOperations@parqvancouver.com]; 'management@treasurecovecasino.com'[management@treasurecovecasino.com]; 'cgshiftmanagers@berezan.ca'[cgshiftmanagers@berezan.ca]; Nancy Robertson PERSONAL INFO; CGC- Chances FortStJohn[gm@chancesfsj.com]; PERSONAL INFO; 'opsemergency@chanceskelowna.ca'[opsemergency@chanceskelowna.ca]; gamingmanager[gamingmanager@chancespr.ca]; 'rimrockmanagement@chancesrimrock.ca'[rimrockmanagement@chancesrimrock.ca]; 'SalmonArmGaming@berezan.ca'[SalmonArmGaming@berezan.ca]; 'spg.SignalPointGM@shaw.ca'[spg.SignalPointGM@shaw.ca]; CGC- Chances Terrace[gm@terracechances.com]
Cc: Rob Kroeker PERSONAL INFO; Brad Desmarais PERSONAL INFO; ALL- Casino & CGC Directors[ALL-Casino&CGCDirectors@BCLC.com]; Tom Maryschak PERSONAL INFO; Bal Bamra PERSONAL INFO; John Karlovcec PERSONAL INFO; Daryl Tottenham PERSONAL INFO; Bonnie Armand PERSONAL INFO; Laird Robinson PERSONAL INFO; Gina Morin PERSONAL INFO; Laura Piva-Babcock PERSONAL INFO; Lara Gerrits PERSONAL INFO; BCLC Media Relations[MediaRelations@bclc.com]; ALL-Casino & CGC Regional Managers[ALL-CasinoANDCGCRegionalManagers@BCLC.com]; ALL- Casino & CGC MBO[ALL-CasinoandCGCMBO@BCLC.com]
From: gamingchannel
Sent: Thur 02/08/2018 6:21:51 PM
Subject: UPDATE - DO NOT IMPLEMENT: BCLC Directive - Convenience Cheques -PGF Accounts - 25K Limit
BCLC ConveniencePGF- 25K Limit - DO NOT IMPLEMENT.pdf

Good Morning,

Please be advised BCLC has been asked to suspend implementation of this directive that was issued yesterday. **No changes contained in this directive are to be implemented.**

Please see the attached for further information.

Thank you,
AML Unit

From: gamingchannel
Sent: August-01-18 3:37 PM
To: 'CCK-Operations@cascadescasinokamloops.com' <CCK-Operations@cascadescasinokamloops.com>; 'operations@cascadescasino.ca' <operations@cascadescasino.ca>; 'CCP-

Operations@cascadescasinopenticton.com' <CCP-Operations@cascadescasinopenticton.com>; 'GVB-Operations@grandvillacasino.com' <GVB-Operations@grandvillacasino.com>; 'LCCVER-Operations@lakecitycasinos.com' <LCCVER-Operations@lakecitycasinos.com>; 'LCCKEL-Operations@lakecitycasinos.com' <LCCKEL-Operations@lakecitycasinos.com>; 'Starlight-Operations@starlightcasino.ca' <Starlight-Operations@starlightcasino.ca>; 'abbotsford-operations@playtimegaming.com' <abbotsford-operations@playtimegaming.com>; 'mission-operations@gatewaycasinos.com' <mission-operations@gatewaycasinos.com>; 'Squamish-Operations@gatewaycasinos.com' <Squamish-Operations@gatewaycasinos.com>; 'campbellriver-operations@playtimegaming.com' <campbellriver-operations@playtimegaming.com>; 'courtenay-operations@playtimegaming.com' <courtenay-operations@playtimegaming.com>; 'victoria-operations@playtimegaming.com' <victoria-operations@playtimegaming.com>; 'GCCOperationsBCLC@gcgaming.com' <GCCOperationsBCLC@gcgaming.com>; Jade Kotzer [redacted]
'ParqBCLCOperations@parqvancouver.com' <ParqBCLCOperations@parqvancouver.com>; 'management@treasurecovecasino.com' <management@treasurecovecasino.com>; 'cgshiftmanagers@berezan.ca' <cgshiftmanagers@berezan.ca>; Nancy Robertson [redacted]; CGC- Chances FortStJohn <gm@chancesfsj.com>; [redacted] 'opsemergency@chanceskelowna.ca' <opsemergency@chanceskelowna.ca>; gamingmanager <gamingmanager@chancespr.ca>; 'rimrockmanagement@chancesrimrock.ca' <rimrockmanagement@chancesrimrock.ca>; 'SalmonArmGaming@berezan.ca' <SalmonArmGaming@berezan.ca>; 'spg.SignalPointGM@shaw.ca' <spg.SignalPointGM@shaw.ca>; CGC- Chances Terrace <gm@terracechances.com>

Cc: Rob Kroeker [redacted] Brad Desmarais [redacted]; ALL- Casino & CGC Directors <ALL-Casino&CGCDirectors@BCLC.com>; Tom Maryschak [redacted] Bal Bamra [redacted]; John Karlovcec [redacted]; Daryl Tottenham [redacted]; Bonnie Armand [redacted]; Laird Robinson [redacted]; Gina Morin [redacted] Laura Piva-Babcock [redacted]; Lara Gerrits [redacted] BCLC Media Relations <MediaRelations@bclc.com>; ALL- Casino & CGC Regional Managers <ALL-CasinoANDCGCRegionalManagers@BCLC.com>; ALL- Casino & CGC MBO <ALL-CasinoandCGCMBO@BCLC.com>

Subject: IMPORTANT: BCLC Directive - Convenience Cheques -PGF Accounts - 25K Limit

Importance: High

Good afternoon,

Please review the attached Directive and Q&A.

BCLC is committed to safeguarding its business alongside industry and government partners, for the benefit of all British Columbians. Effective August 7th we have implemented the following changes in order to support the use of cash alternatives at BC Casinos.

Summary of key changes:

- Reduce the minimum deposit required to open a player account from $10,000 to $0.00.
- Limit the payment out to a player in cash for either winnings or return of funds to $25,000.
- Remove the present limitations (dollar value and quantity) on return of funds convenience cheques.

If you have any questions, please contact the AML Unit at aml@bclc.com

Thank you,

AML Unit



BCLC Directive

PGF Account Changes
Convenience (Return of Funds) Cheque Processes
$25,000 Maximum Cash Payout

Do Not Implement

As a result of a change in direction. BCLC have been asked to suspend implementation of this directive that was issued yesterday containing:

- The removal of the limitation of one convenience cheque per patron per week for non player gaming fund patrons:
- The removal of the $10,000 limit on initial deposit for player gaming fund accounts:
- The $25,000 cash disbursement limit.

No changes contained in this directive are to be implemented.

We apologize for this inconvenience. If you have any questions, please contact Bal Bamra PERSONAL INFO) or Daryl Tottenham PERSONAL INFO .

Thank you.

Sincerely,

Daryl Tottenham
Manager AML Programs

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F 250 828 5631

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T 604 215 0649
F 604 225 6424

This is Exhibit "70" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

memo

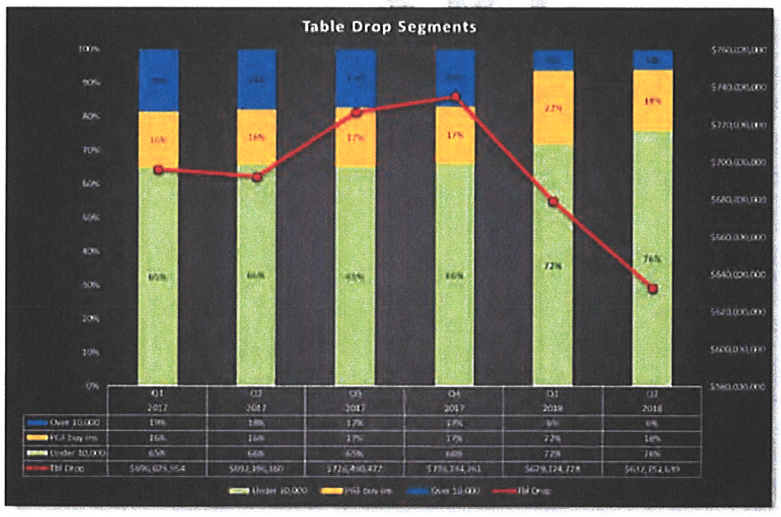
bclc
playing it right

To:	File	Date:	November 2, 2018
From:	BCLC AML		
Subject:	Identification Threshhold - Table Game Buy-in Trend Shifts		

On January 10, 2018, BCLC implemented an interim recommendation arising from a government review of anti-money laundering measures in BC's casino sector. The recommendation was for BCLC to move from requiring source of funds inquiries on a risk basis (which is based on FinTRAC guidance) to requiring source of funds documentation for any and all customer buy-ins of $10,000 or more. Implementation of the recommendation required casino service providers, under contract to BCLC, to complete a source of funds declaration for all buy-ins of $10,000 or more. In accordance with the recommendation, completion of a declaration involved capturing the customer's identification, documentation showing the financial institution and account number from which the funds were sourced, and the customer's signature attesting to the accuracy of the information collected.

Since the implementation of the interim recommendation, BCLC's AML unit observed a change in the casino table game drop trends. Specifically, BCLC observed shifts in table drop segments by dollar value. Transactions occurring under the $10,000 threshold increased by 6-10% while transactions over $100,000 dropped by 11-13% (see Table 1). There is some temporal correspondence between these shifts and the implementation of the recommendation. This may suggest some cause and effect relationship, however caution around drawing conclusions is needed as other variables believed to have an impact on table game drop occurred in the same time period. These variables include: moving the gaming sites involved to a new casino services operating agreement under which casino service providers earn a higher commission on lower bet limit table games than on higher bet limit table games; reported tightening on currency controls by the Chinese government; and, a general North American and Asian market decline in high bet limit table game play.

Table 1: Table Game Drop Segments by Dollar Value



BCLC0004204

In addition to the segmentation shift, BCLC observed that some players who had tended to conduct transactions moderately over $10,000 were now transacting just below the $10,000 threshold. This shift in behaviour is concerning as it may be an indicator of structuring; a money laundering typology designed to avoid anti-money laundering controls. In response, BCLC began placing these customers on conditions prohibiting bank note transactions and in some cases suspending all transactions pending more in-depth due diligence inquiries including interviews in which customers were directly asked about changes in their transaction patterns. Initial indications from these inquiries are that customers have shifted their transaction behaviours because they find having to provide detailed personal financial information to a casino business concerning for privacy reasons, or to avoid the additional effort of having to acquire a receipt or other documentation from their bank to conduct a transaction of $10,000 or more. Notwithstanding these seemingly innocent explanations for the shifts in behaviour, the trend remains a focus of attention for BCLC and in its' view further inquiry is warranted.

In accordance with federal legislation, BCLC reports all bank note transactions of $10,000 or more to FinTRAC. Reports to FinTRAC require BCLC to ascertain the identity of any customer conducting a transaction subject to the reporting requirements and include in that report the customer's identification information. To ensure BCLC fulfils this requirement, BCLC requires casino service providers to ascertain the identification of any customer at the point that customer's buy-ins total $9000 in a 24-hour period. While this identification threshold is sufficient for FinTRAC reporting purposes, it is not providing sufficient information for BCLC to conduct more detailed monitoring and analysis of customers now making multiple buy-ins below the $10,000 threshold. To allow for the level of monitoring and analysis BCLC believes is now required, a lower threshold for triggering customer identification requirements is needed.

As noted above, Canada has adopted, through legislation, a $10,000 cash transaction threshold for reporting and identification requirements. In its' 2016 Mutual Evaluation Report of Canada (*See*: http://www.fatf-gafi.org/media/fatf/documents/reports/mer4/MER-Canada-2016.pdf), the FATF stated, "The CAD 10,000 thresholds for ascertaining identity for cash financial transactions and casinos disbursement are higher than the FATF standard." It further said that casinos should identify and verify the identity of players who engage in financial transactions equal to or above $3000.

In a recent article published by *Rahman Ravelli* (*See*: https://www.rahmanravelli.co.uk/articles/money-laundering-and-the-gambling-industry/) the authors looked at the vulnerabilities of money laundering and published its guidance on '*Prevention of Money Laundering and Combating the Financing of Terrorism*.' This advice included:

- Developing systems and controls to reduce the risk of money laundering;
- Ensuring commitment to such systems from senior management;
- Regularly assessing the effectiveness of such controls;
- Keeping records of customer transactions;
- Training employees so they can carry out checks on customers and know how to report suspicious activity;
- Appointing officers to deal with any reports of suspicious activity.

This article also states that the casinos in the United Kingdom (UK) have implemented a process to perform enhanced due diligence on any customer placing bets totalling 2,000 euros (~$3000 Canadian).

BCLC has concluded, due to the recent shift in player behaviour, the money laundering risk associated with transactions under $10,000 has increased subsequent to the implementation of the recommendation to apply source of funds declarations to all transactions of $10,000 or more. One measure that will allow BCLC to better respond to this risk is to reduce the threshold for the ascertaining of customer identity from $9000 to $3000. This change will give BCLC the ability to monitor much more closely and accurately customer transactions between $3000 and $10,000 for indicators of money laundering or terrorist financing activity. Moreover, this change will exceed existing federal requirements and will align BCLC's anti-money laundering practices with international standards.

This is Exhibit "71" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker [PERSONAL INFO]
Cc: John Karlovcec [PERSONAL INFO]; Timothy Storms [PERSONAL INFO]; Douglas Mayer [PERSONAL INFO]
From: Anna Fitzgerald
Sent: Tue 20/11/2018 4:40:46 AM
Subject: RE: Meeting Follow up

Hello Rob,
Thank you ever so much for summarising out discussions below and for a productive meeting. I believe everything we discussed was captured below with the exception of our conversation about STRs and I believe Bob and John have already connected and actioned this.
In response to your numbered items below:

1. I confirm that we have received the revised response for which many thanks. I agree that we should meet as soon as possible to discuss our various options.
2. I confirm that we will be carrying out a follow up audit in early new year. We would be happy to provide feedback about the Deloitte process and look forward to seeing and discussing the ongoing results but are cognisant that the duration for which Deloitte is retained is your organization's domain.
3. We look forward to receiving and reviewing the draft policy related to VIPs.
4. I am awaiting some final feedback and we will conclude our part as soon as possible. I apologize I was not able to get anything to you on Friday, I am hoping we will get some feedback to you this week.
5. Thank you for the update on the iTrak instillation and confirmation it remains a priority.
6. Thank you for the information relating to the due diligence using Chinese characters, my team are reviewing this in light of our original report finding.

I look forward to moving all of this forward with you.
Anna

Anna Fitzgerald CPA,CA,CIA
Executive Director,
Compliance Division,
Gaming Policy and Enforcement Branch
[PERSONAL INFO]

From: Rob Kroeker [PERSONAL INFO]
Sent: Friday, November 9, 2018 7:13 AM
To: Fitzgerald, Anna GPEB:EX <[PERSONAL INFO]>
Cc: John Karlovcec [PERSONAL INFO]; Storms, Timothy GPEB:EX <[PERSONAL INFO]>; Mayer, Douglas GPEB:EX <[PERSONAL INFO]>
Subject: Meeting Follow up

Good morning Anna

Thank you for the meeting yesterday. I feel we covered a lot of ground and there were a number of takeaways. I want to make sure I have not missed anything so will recap here:

1. **SoF Audit** – BCLC will review and revise its response as discussed. Additionally I will reaffirm here BCLC's commitment to meeting with you and your team to address the recommendation around account confirmation. We would appreciate setting this meeting up as soon as schedules permit. Please let me know if you would like to initiate scheduling or if you would like us to.

2. **SoF Monitoring** – consensus was Deloitte should monitor up to November 15, 2018, at which point you and I will assess the results to that date and then decide what actions should come next. Assuming more positive results than initially seen, GPEB would do a follow-up audit (with some consultation with BCLC AS) to determine on-going compliance rates in the post Deloitte review period.

3. **VIP Investigation** – BCLC is in the process of creating policy that will map directly to the commentary in the report. Once a draft is ready it will be provided to GPEB for comment. BCLC is hopeful this work can be completed in the next 60 days.

4. **Threshold for Ascertaining Identity** – It is BCLC's judgment that the threshold for when service providers first ascertain/confirm identity for table play and cage buy-ins should be lowered to $3000 from $9000 to address a recently observed increase in the ML risk related to transactions under the $10,000 FinTRAC reporting threshold. It is BCLC's view that this change should occur as soon as practicable. GPEB will review BCLC's memo on this matter and provide feedback at its earliest convenience. Service providers have not yet been consulted on this change, but would be once we have GPEB's feedback. I would like to thank you for agreeing to make this review a priority.

5. **iTrack Terminals** - the installation of terminals and the citrix option were discussed. This work is a priority for BCLC and the matter has IT staff dedicated to its completion. BCLC will work to have this completed as soon as practicable. GPEB has provided its policy on access to iTrack to Mark Lane and I will obtain that from him which concludes GPEB's commitment in relation to this work.

6. **Due Diligence using Chinese language characters** - BCLC will provide a brief summary to you on how Chinese characters are utilized by subscription OSINT services BCLC and other reporting entities use for customer due diligence purposes. I hope to have this to you in the next week to 10 days.

Please let me know if I have forgotten anything or made any errors.

Regards,

Rob Kroeker
Chief Compliance Officer & VP Legal, Compliance, Security
British Columbia Lottery Corporation

2940 Virtual Way, Vancouver BC V5M 0A6
T PERSONAL INFO | F 604.225.6488

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

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This is Exhibit "72" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Brad Desmarais PERSONAL INFO Rob Kroeker PERSONAL INFO
Cc: John Karlovcec
From: Garth Pieper
Sent: Tue 27/11/2018 9:11:15 PM
Subject: FW: Potentially $21.5M Impact from the $3K-$10K Group

Good afternoon Gentlemen,

I had Brad do some calculations on what the potential impact might be from lowering the identification threshold from $9K to $3K. His assumptions and math are outlined below for the impact, with the $21.5M decline in Net Win being the worst case scenario.

As always, I understand there are many considerations when making a decision like this, but I wanted to provide the potential financial impact as a perspective to consider.

Thank you,
Garth

Garth Pieper
Director, Operations
Casino & Community Gaming, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
T PERSONAL INFO F 604 225 6484

PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across BC.

From: Bradley Bodenhamer PERSONAL INFO
Sent: November 27, 2018 11:19 AM
To: Garth Pieper PERSONAL INFO
Subject: Potentially $21.5M Impact from the $3K-$10K Group

Garth,
I've put together two perspectives for this limit impact. The first table looks at our *carded* data, all cash drop transactions and bucketing them. So <$100 means players who brought $100 cash or less during a table transaction. The second table extrapolates that data into the whole table network and provides an anticipated financial impact if the limit change goes to $3K and we see the same impact the $10K+ group saw last year.

- **The $10K+ group has seen a 23% YOY carded theo net win decline. This is the majority of the overall $31M decline.**

Theo Net Win by Cash Drop Buckets				
Cash Drop Buckets	TY	LY	Var	% Var
<$100	$7,175,269	$6,992,228	$183,042	3%
$100-$500	$30,611,356	$26,390,536	$4,220,820	16%
$500-$1000	$25,665,705	$23,937,531	$1,728,174	7%
$1,000-$3,000	$43,702,424	$45,886,597	-$2,184,173	-5%
$3,000-$10,000	$51,500,924	$58,514,272	-$7,013,348	-12%
10K+	*$97,804,605*	*$126,202,442*	*-$28,397,837*	*-23%*
TOTAL	**$256,460,282**	**$287,923,606**	**-$31,463,323**	**-11%**
*Data From Jan 11-Nov 11, 2018 vs. Jan 11-Nov 11, 2017- CARDED ONLY				

- Currently, the $3K-$10K group represents 20% of our net win. The $10K+ represents 40%.
  - Extrapolated to the whole table network, if the $3K-$10K group sees the same results as the $10K group did LY, we could potentially see a **$21.5M** decline among the $3K-$10K group. This assumes a 23% decline exhibited by the $10K+ group this year after the $10K limit change.

WHOLE NETWORK EXTRAPOLATION				
Cash Drop Buckets	Annual TY	With New Changes	Var	% Var
<$100	$13,349,707	$13,699,174	$349,467	3%
$100-$500	$56,952,933	$66,061,807	$9,108,874	16%
$500-$1000	$47,751,469	$51,198,894	$3,447,425	7%
$1,000-$3,000	$81,309,082	$77,438,820	-$3,870,262	-5%
$3,000-$10,000	$95,818,321	$74,257,462	-$21,560,859	-23%
10K+	*$181,967,084*	*$141,021,191*	*-$40,945,893*	*-23%*
TOTAL	**$477,148,595**	**$423,677,348**	**-$53,471,247**	**-11%**
Extrapolating FY19 vs. FY20 If New Limit Changes Are Made				

Let me know if you have questions, I'll try to find you before the meeting.

Bradley Bodenhamer
Senior Client Insights Partner
eGaming-Business Intelligence, BCLC
T PERSONAL INFO

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

This is Exhibit "73" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BCLC
BRIEFING DOCUMENT

Date Prepared: December 5, 2018

Prepared By: Jim Lightbody **Phone Number:** 604-225-6412

Contact: Jim Lightbody
President and CEO
BCLC

Email: PERSONAL INFO

TITLE: Identification Requirements for Table Game Buy-Ins at B.C. Casinos

---

PURPOSE:

(X) FOR INFORMATION

TITLE: Identification Requirements for Table Game Buy-Ins at B.C. Casinos

ISSUE: BCLC, in consultation with the Gaming Policy and Enforcement Branch, is lowering the threshold from $9,000 to $3,000 at which casino service providers are required to ascertain the identify of patrons and confirm their status in BCLC's casino-reporting system.

BACKGROUND:
Since BCLC implemented, in January 2018, Peter German's recommendation requiring service providers to complete source of funds documentation for all buy-ins of $10,000 or more, BCLC's Anti-Money Laundering (AML) Unit has observed a change in casino table-game buy-in trends.

Specifically, BCLC has observed shifts in table-game buy-ins by dollar value.

BCLC believes that the source of funds requirements and an associated shift in player behavior may have increased the money-laundering risk associated with transactions of less than $10,000.

Players who previously played in the $10,000 to $15,000 range now appear to have shifted their play to just under $10,000, which is behavior that may be an indicator of structuring (a money laundering typology): the act of parceling what would otherwise be large financial transactions into a series of smaller transactions to avoid AML controls, including reporting requirements.

For example, transactions under the $10,000 threshold increased by 7 and 10 per cent in Q1 and Q2 of fiscal year 2018, respectively, compared to the same periods in fiscal year 2017. Transactions over the $10,000 threshold decreased by 13 and 12 per cent in Q1 and Q2 of fiscal year 2018, respectively, as compared to the same periods in fiscal year 2017. *See Appendix A for further detail.*

While there may be some correlation with the introduction of the source of funds requirements, other variables include:

- Introduction of a new Operational Services Agreement, wherein casino service providers earn a higher commission on lower bet-limit table games than on higher bet-limit table games;
- Tightening of currency controls by the Chinese government;
- A general decline in high-limit table game play in North American and Asian markets; and/or
- Patrons' privacy and convenience concerns.

Since January 2018, BCLC has placed 212 patrons (as of December 5, 2018) who have exhibited indicators consistent with suspicious financial transaction behavior on cash/chip conditions that restrict the patron to using only non-cash forms of buy-ins.

In some cases, BCLC has suspended all transactions pending more in-depth due diligence, including interviews where BCLC's AML Unit ask patrons directly about changes in their transaction patterns.

Initial results from these interviews are showing that patrons have privacy concerns, or wish to avoid the additional effort of having to acquire and produce a receipt or other documentation from their bank to conduct a transaction of $10,000 or more.

DISCUSSION:
To mitigate risk related to the increased source of funds requirements and the associated shift in player behavior towards lower buy-in amounts, BCLC is increasing the level of monitoring and analysis capabilities by lowering the buy-in threshold for triggering patron identification requirements.

To ensure compliance with FinTRAC's $10,000 reporting threshold requirements, BCLC's current policy requires casino service providers to confirm the identification of any patron whose buy-ins total $9,000 in a 24-hour period. While this identification threshold is sufficient for FinTRAC reporting purposes, it is not sufficient information for BCLC to conduct more detailed monitoring and analysis of patrons now making multiple buy-ins below the $10,000 threshold.

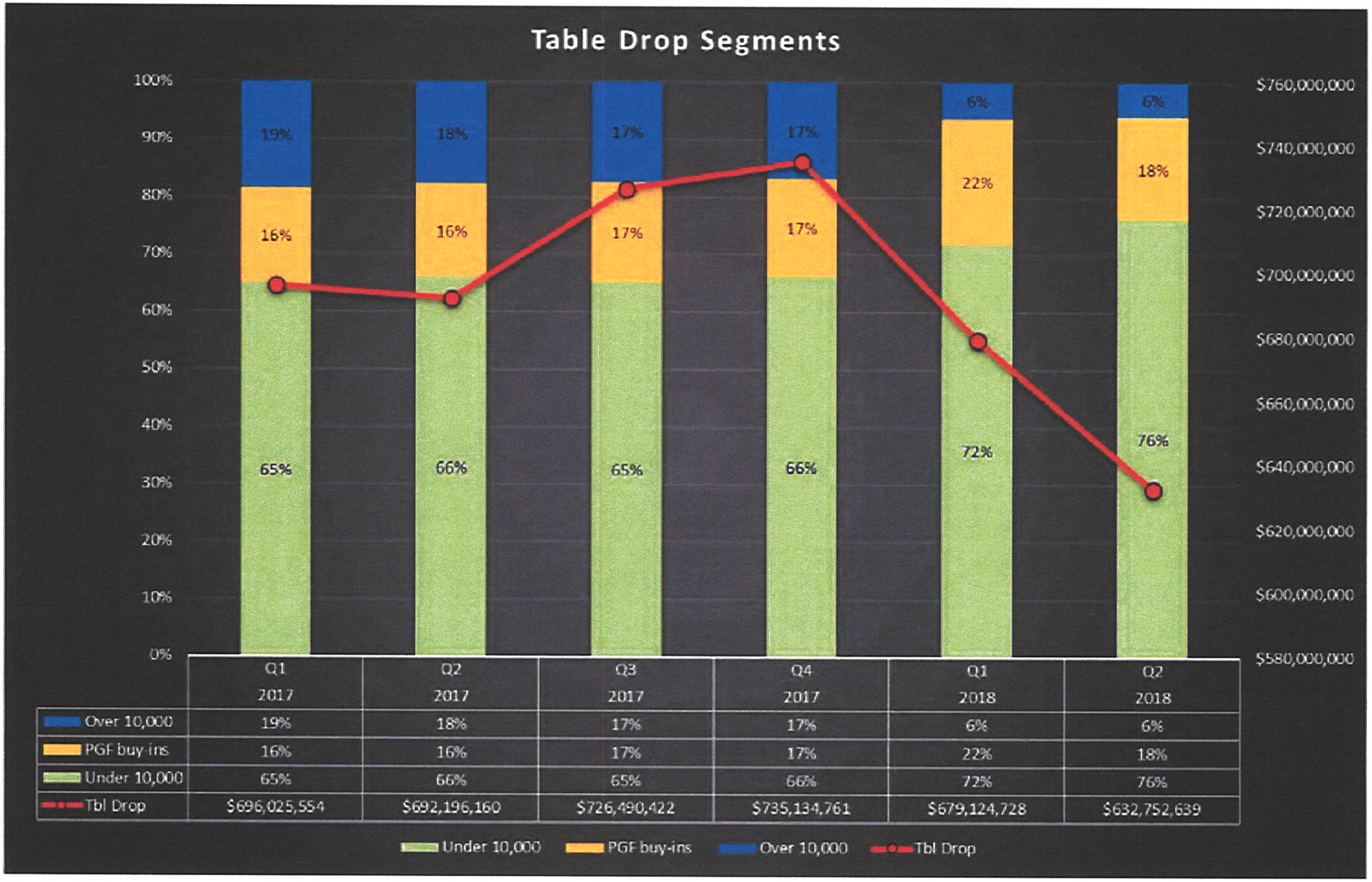
As such, BCLC will lower the threshold for determining patron identity from $9,000 to $3,000 and require casino services providers to confirm a patron's status in BCLC's casino-reporting system. BCLC's AML Unit will conduct weekly monitoring after the implementation of the policy. The source of funds requirements (completion and signing of a declaration by the patron) will remain at the threshold of $10,000 or more as per Dr. German's recommendation.

Lowering the threshold gives BCLC the ability to monitor more closely and accurately transactions between $3,000 and $10,000 for indicators of money-laundering or terrorist financing activity. This change will exceed existing federal requirements and align BCLC's AML practices with international standards. Additionally, it will provide an opportunity for the earlier interception of patrons who have signed up for voluntary self-exclusion.

BCLC has consulted with the Gaming Policy and Enforcement Branch (GPEB), which supports a lowered threshold for ascertaining a patron's identity. GPEB flagged a concern regarding the impact on casino service providers, and emphasized the need to ensure that casino service provider staff do not see the changes as a replacement for evaluating whether a transaction is suspicious or not.

BCLC's AML Unit has made service providers aware of the upcoming change and BCLC will communicate to all service providers regarding implementation timing. BCLC will ensure it is clear to service providers that they are still required to record and report all suspicious transactions. BCLC is in the process of finalizing a date for the new policy to take effect.

Appendix A: Table Game Drop Segments by Dollar Value



	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Over 10,000	19%	18%	17%	17%	6%	6%
PGF buy-ins	16%	16%	17%	17%	22%	18%
Under 10,000	65%	66%	65%	66%	72%	76%
Tbl Drop	$696,025,554	$692,196,160	$726,490,422	$735,134,761	$679,124,728	$632,752,639

This is Exhibit "74" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: John Karlovcec PERSONAL INFO
From: Rob Kroeker
Sent: Mon 21/01/2019 10:14:57 PM
Subject: FW: SOF requirements @ $3,000

John

See the info below from Brad D. on transaction numbers that might be expected with a $3000 id threshold.

Over the next few weeks can you please meet with Bal and Daryl to discuss what our options may be on lowering the ID threshold to $3000 – at least interim measures as we look at automated solutions over the balance of the year. Once you have had a chance to consider as a group, would you please setup a meeting for all of us to discuss next steps.

Rob

From: Brad Desmarais <PERSONAL INFO
Sent: January-08-19 10:01 AM
To: Rob Kroeker PERSONAL INFO
Subject: FW: SOF requirements @ $3,000

Brad Desmarais
Vice President, Casino and Community Gaming

BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T PERSONAL INFO F 604 225 6488

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Chris So <PERSONAL INFO
Sent: January 8, 2019 9:53 AM
To: Brad Desmarais <PERSONAL INFO; Charlene Nielson <PERSONAL INFO
Cc: Bradley Bodenhamer <PERSONAL INFO
Subject: SOF requirements @ $3,000

Hello Brad,

I spoke with Brad Bodenhamer and can confirm the following data to follow up on our conversation yesterday.

There were a total of 1,169 unique carded players who drove 12,058 transactions of **$10,000+** in calendar 2018. This is an average of **228 transactions per week** across the network.

When the range is set to **$3,000 to $9,999**, the number of players increases to 5,851 and transactions to 52,252. This is an average of **986 transactions per week**.

From an impact to player standpoint, we see that at $10,000+ level, unique players are performing an average of 2.6 transactions at this value per week.
At $3,000 to $9,999, unique players are performing an average of 2.0 transactions per week.

This implies that even though the impact of this change might not be at a player level (same player having to produce ID multiple times in one day), it would certainly impact the speed of play at a table.

Lastly, we assume that the transactions are occurring at the top sites River Rock, Parq, Grand Villa, Starlight. And can drill down the data to facility level if needed.

Please let me know if you require anything further.

-Chris

Chris So
Snr. Specialist, Loyalty Acquisition
Casino & Community Gaming, BCLC
E PERSONAL INFO

This is Exhibit "75" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BRITISH COLUMBIA

December 4, 2018 556862

Mr. Jim Lightbody, CEO
British Columbia Lottery Corporation
2940 Virtual Way
Vancouver, BC V2C 1E2

Re: Source of Funds Declaration Identification Threshold

Dear Jim:

I am writing in response to the November 2, 2018 memo the British Columbia Lottery Corporation's (BCLC) Anti-Money Laundering (AML) unit shared with the Gaming Policy and Enforcement Branch (GPEB). The memo presents an amended policy aimed at better addressing risks of money laundering in gambling facilities by reducing the threshold for ascertaining customer identity from $9000 to $3000.

I would like to thank you for the opportunity to review the proposal and provide feedback. I appreciate BCLC's efforts to be responsive to ever-changing risks and align with international standards. GPEB supports this initiative, and I would appreciate BCLC keeping GPEB apprised of any improvements or implications related to the implementation of this new policy.

To ensure successful implementation of the policy, I recommend BCLC consults with service providers as they will be directly impacted by its introduction. I also recommend BCLC inform the AML Deputy Minister's Committee prior to implementing the proposed policy.

I look forward to further collaboration between our organizations to ensure the integrity of gambling and prevention of money laundering in the province. Should you have any questions or concerns, please contact me.

Sincerely,

Sam MacLeod
Assistant Deputy Minister and General Manager
Gaming Policy and Enforcement Branch
Ministry of Attorney General

Ministry of Attorney General

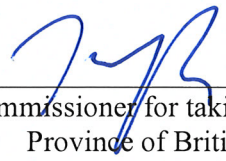
Gaming Policy and Enforcement Branch
Assistant Deputy Minister's office

Mailing Address:
PO BOX 9311 STN PROV GOVT
VICTORIA BC V8W 9N1
Telephone: (250) 387-1301
Facsimile: (250) 356-8237

Location / Courier Address:
Third Floor, 910 Government Street
Victoria, BC V8W 1X3

Web: www.gaming.bov.bc.ca

This is Exhibit "76" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020



A Commissioner for taking Affidavits for the
Province of British Columbia

Message

From: Peter Demonte [PERSONAL INFO]
Sent: 2017-05-01 4:40:17 AM
To: Patrick Ennis [PERSONAL INFO]; Arlene Strongman [PERSONAL INFO]
Subject: RE: High Limit List Player - No Cash Receipt Required If Under 9k

Hello Pat,

I had a conversation with Steve Beeksma last Friday. He had informed me that coming from Darryl, BCLC is not concerned with anything under the "LCT" threshold when it comes to both SOF patron interviews and Unsourced Cash conditions players. I explained that I would not be messaging this information out until this was received in writing from BCLC and would not be changing the way we currently deal with these incidents. I also explained that it would make sense to update the current Directives to reflect this. I have not received anything to date. I discussed this with Arlene on Friday and she agreed.

I heard off hand that Daryl has explained to David ZHOU and Table operations Management that he's not concerned with under LCT. Apparently they are following this from his word. This concerns me..

Please let me know if you have any questions.

Thank you,

Peter Demonte | Surveillance Manager
T: [PERSONAL INFO]
E: [PERSONAL INFO]

Expect Great Things...River Rock Casino Resort is hiring. Click Here

From: Patrick Ennis
Sent: Sunday, April 30, 2017 9:32 PM
To: Arlene Strongman; Peter Demonte
Subject: Fwd: High Limit List Player - No Cash Receipt Required If Under 9k

Obviously a concern. Let me know what you have received please. I believe this came up at our last meeting?

Pat

Begin forwarded message:

From: Michael Kim <[PERSONAL INFO]>
Date: April 30, 2017 at 7:19:10 PM PDT
To: Patrick Ennis <[PERSONAL INFO]>, Shauna Gillespie <[PERSONAL INFO]>
Cc: Jimmy Ho <[PERSONAL INFO]>, Shawn Duncan <[PERSONAL INFO]>, Rishi Khaira [PERSONAL INFO], Raj Mutti <[PERSONAL INFO]>
Subject: Fwd: High Limit List Player - No Cash Receipt Required If Under 9k

Hey Pat/Shauna,

Please see below. Can you confirm if you have received anything from BCLC?

This would definitely change a lot for our operations. Any light you can shed on this would be greatly appreciated.

Thank You,

Michael Kim
General Manager, Casino Operations
River Rock Casino Resort
C[PERSONAL INFO]

Begin forwarded message:

From: David Zhou <[PERSONAL INFO]
Date: April 30, 2017 at 18:49:52 PDT
To: Rishi Khaira <[PERSONAL INFO]>, Michael Kim <[PERSONAL INFO]
Subject: Fwd: High Limit List Player - No Cash Receipt Required If Under 9k

FYI

Did you guys receive the revision of this policy from BCLC. Any sanction guests that buy ins under 9K will not be questioned...

Rishi, if I remember correctly, Jim was in our office talking about this revision. However that was no confirmation at all. I thought the message was wait till confirmation and a formal notice like the 48 cash buy in policy.

If none of us received the email/revision notice, then we really should make stink about this. RR is already labeled as the most tight site and everything is so black & white here. And we have by far the most sanction players, any revision like this we should be the first ones to notified.

Well I will leave this issue into your capable hands now.

Thanks,

David

Begin forwarded message:

From: Ann Chu <[PERSONAL INFO]>
Date: April 30, 2017 at 6:33:54 PM PDT
To: David Zhou <[PERSONAL INFO]
Cc: Ann Chu [PERSONAL INFO]
Subject: High Limit List Player - No Cash Receipt Required If Under 9k

Hi David,

I was informed by Surveillance for a $1,500 cash buy-in from Ms.[PERSONAL INFO] (SID#44053) on MEZB25. As [PERSONAL INFO] is on the 'high limit players list', she is required to provide a cash receipt for her cash buy-in. When I approached [PERSONAL INFO] she questioned River Rock is being so difficult to the players. She said she was told by Starlight yesterday, anyone who is on the 'blacklist' can have buy-ins without receipt if not exceeding $9,000. I called Daryl Tottenham to confirm this information immediately. Daryl said the players who are under BCLC Directive do not require to provide cash receipt if the buy-ins are small and not exceed $9,000. I told Daryl that we are not aware of this and he said there's an email was sent out to River Rock. I asked Daryl to send me the email regarding the 'no cash receipt require under $9,000', he said he can't send me that email as he's not at work but he will send me something for this.

P.S. PERSONAL INFO had cash buy-in at Edgewater last night, the transaction went smoothly without being asked for receipt. He was not happy that he's being treated like a criminal at River Rock.

Thanks,

Ann Chu | Gaming Manager
T: PERSONAL INFO | F: 604-247-8974
E: PERSONAL INFO

This is Exhibit "TT" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

2014 Cash Alternative and Outstanding Chip Liability
Timeline of events

Redacted - RCMP UFT file on alert system for IN2014-52289 for Redacted - RCMP who bought in for $469,960 in small bills and took his chips and left the casino without play. Daryl sent an email requesting an action be taken to investigate which resulted in Redacted being barred for 14 days pending RR investigators reviewing and/or interviewing Redacted to determine the whereabouts of the o/s chips.

Redacted - RCMP BCLC Investigators subsequently approached Redacted when he returned on site at RR and interviewed him with a translator and RR staff present to find out where the chips went. Redacted advised that he was comped tickets to a show by RR staff and decided to go to the show and did not return that night. He did return on this date and had all the chips in his possession and subsequently did use them at the tables so the issue was resolved. See File 2014- 55729 for details on the interview with Redacted and the subsequent information he provided on how arrangements were made to have cash made available and the betting habits of his associates and the commonality of lending cash to each other.

Redacted - RCMP BCLC received an email from Pat Ennis (RR) requesting a meeting to discuss how BCLC plans to approach patrons in the future for these types of issues as the manner that Redacted was approached was viewed as problematic. A meeting was set up for Oct 20th at 230 pm at RR with Kevin, Kris, Daryl, and RR staff.

Redacted - RCMP Daryl was reviewing files from the previous night and found a large buy-in with Redacted - RCMP which included a cash delivery of $645,105 of small bills. (RR IN2014-52723) An email was forwarded to BCLC managers to initiate another investigation by BCLC site investigators for this incident due to the size of the buy-in and cash being delivered to Redacted - RCMP notwithstanding he has an active PGF account and has been using it properly prior to this date.
AML unit is currently trying to arrange another meeting with CFSEU members to encourage they initiate a Redacted - RCMP from the Redacted - RCMP that we provided them. This incident will be added to that intel for their consideration and use.

Redacted - RCMP Kevin, Kris, and Daryl attended a meeting at RR with Pat Ennis, Rob Kroeker and several managers to discuss the approach of VIP's and the related issues of cash deliveries, chips leaving the casino and the amount of extremely large cash buy-ins that we are seeing recently. Discussions about the Redacted interview and concern from RR staff that if we are going to be doing this, they would like to be able to have staff bring the patron to a private room and be involved in the process with BCLC. They would appreciate that they be given the opportunity when possible to deal directly with the patron in the first instance and agreed that the problems involving cash deliveries and the use of PGF accounts for large buy-ins are serious and they are supportive of our actions to deal with them.

It was explained to RR staff that there may be instances when having RR staff try to resolve an issue in the first instance may not be possible but we would try to facilitate an intervention by RR staff with the patron prior to escalating the issue at BCLC.

An agreement was made to have BCLC investigators contact RR managers when they wished to interview a VIP (whenever possible) and they would provide a room for this meeting to occur and bring the patron to the room. RR also agreed that they needed to make contact with Redacted - RCMP regarding the recent file and cash delivery of 645K and the need to utilize his PGF account instead of cash buy-ins and would update us once this is completed and confirm Redacted - RCMP understood the problems and would be cooperative.

The meeting summarized with RR managers and BCLC both agreeing that this issue is a serious one and that a combined effort between the parties was required to stop the cash deliveries, excessive cash buy-ins and getting the VIP players to utilize their PGF accounts.

Redacted - RCMP Daryl was able to confirm a meeting date with Trevor Emmerson , CFSEU to discuss possible enforcement action against Redacted - RCMP and determine what else BCLC could provide to assist and make this happen. Meeting arranged for Redacted - RCMP in Surrey at Redacted - RCMP

Redacted - RCMP Daryl sent an email to RR BCLC investigators and managers regarding a file involving Redacted - RCMP (friend of Redacted - RCMP) whereupon Redacted - was running short of chips and subsequently left the table and went to an u/k room in the hotel and returned with a bag containing $200,000 in small bills for another buy-in. Due to the circumstances of the file, investigators were asked to review the Redacted - RCMP further and update the report on who may of supplied Redacted - with this cash for the buy-in.(IN2014-54199)

Redacted - RCMP While reviewing files Daryl located another problematic file and subsequently sent an email to BCLC managers to request a review and possible follow up action for a large PGF withdraw by Redacted - RCMP for $157,000 with no play. Redacted - RCMP opened the PGF account just prior to the deposit by bank draft, than withdrew the cash to a table. Upon receiving his chips he gathered them up and left the casino without play and did not return.

Redacted - RCMP has an extensive gaming history with Redacted - RCMP Redacted - FINTRAC Redacted - FINTRAC and had a PGF account back in Redacted - but it was closed due to in-activity. As Redacted - RCMP was allowed to re-open another PGF account and his deposit was removed and taken out of the casino, I advised BCLC managers that action should be taken at the site level to not allow further play until RR staff are able to interview him and determine where these chips went and that further abuse of the PGF account system would likely result in his account being closed.

This information was passed on to Pat Ennis to have his staff speak to Redacted - RCMP but in subsequent follow up emails to Pat, it would appear that this was done despite Redacted - RCMP

being at RR 4 times and involved in 3 incidents of chip-passing. Pat advised he thought that Redacted - RCMP was going to be allowed to continue to attend and play and RR staff could speak to him regarding his PGF account use. After 1 week had passed and Redacted - RCMP was getting chips given to him by other players, it is apparent that he no longer possessed any of the 157K in chips he withdrew from his account and likely owed them to another player. This issued is to discussed further at meetings with RR management to determine any action to be taken.

Redacted - RCMP While reviewing weekend files Daryl observed another problematic file involving Redacted - RCMP which involved a cash buy-in for $360,000 in small bills. Redacted - RCMP subsequently left the casino and returned shortly after and bought in with another $240,000 in small bills and continued playing. Redacted - lost those funds and met up with an u/k person in a Redacted - RCMP and obtained a bag which was found to contain $200,000 in small bills and he continued playing and lost all his funds. His total buy-ins in small bills on this occasion was in excess of $800,000 and his PGF account was not used on this occasion. A request was made for BCLC management to discuss and determine a course of action to approach RR management with. (IN2014- 54771)

Redacted - RCMP While reviewing files Daryl located another cash delivery file to RR involving Redacted - RCMP and Redacted - RCMP where Redacted - RCMP bought in for $200,000 in small bills which he lost in an hour and subsequently met with an u/k person in a Redacted - RCMP Redacted - RCMP who delivered another $200,000 in small bills to PERSONAL which he brought into RR. (IN2014- 55048) An email was forwarded to BCLC managers to request this file be reviewed in detail by site investigators as part of our ongoing strategy to determine a method to stop the cash deliveries to VIP players.

Redacted - RCMP While reviewing files Daryl located another problematic file involving Redacted - RCMP and subsequently sent an email to BCLC managers to have a detailed investigation by site investigators. In this instance Redacted - RCMP came in with 2 other males and Redacted - deposited $450,000 into his PGF account, then withdraws $300,000 of those funds and upon receiving his chips, leaves the salon without any play. It was later learned that Redacted - met up with other players and although the chips could not be seen to have changed hands, it is likely that they were given to Redacted - RCMP (IN2014- 55769)

Redacted - RCMP did return the following day with the other 150K in chips but played for only 10 minutes and subsequently left the casino with the chips and the chips have not been accounted for since. It is believed that he lent them to friends or owed them to friends and used his PGF account to obtain the funds via casino chips.

Redacted - RCMP While reviewing files Daryl observed another problematic file involving Redacted - RCMP and forwarded an email to BCLC managers to have the details reviewed by site investigators. On this occasion Redacted - RCMP bought in with $200,000 in small bills and upon receiving his chips at the table, gave $100,000 to Redacted - RCMP Redacted - RCMP exited the casino with the remaining chips. Redacted - stayed at the casino and played on the tables with the 100K he was given and it was later learned that Redacted - returned the next morning and used his chips at the tables. (IN2014- 56264)

Redacted - RCMP While reviewing overnight files Daryl observed another file involving Redacted - RCMP and an extremely large cash buy-in and loss of approx. $1,770,000 in cash and chips. While reviewing his file I also located another LCT that was from 3 days earlier and involved withdraws and subsequent losses from his PGF account totaling $1,600,000 and was not documented in an incident file but was reported on an LCTR.
The file on the 10th (IN2014- 56969) involved Redacted - RCMP bringing in a bag of small bills totaling $300,000 in cash and a small clear bag of $5,000 RR chips found to total approx. $700,000. Redacted - gambled with the chips and lost them all while his cash was being counted and delivered to the table. Upon losing that cash Redacted - produces another $70,000 in cash and buys in, loses and makes a call and subsequently meets an u/k person in a Redacted - RCMP in the parking lot and receives a bag which is found to contain $200,000 in small bills and $200,000 in RR chips.

Redacted - RCMP continues play until he loses that money and subsequently goes to a hotel room on the 9th floor and subsequently returns with another $500,000 in cash which is all in $100 bills and continues gaming until he has lost all his money. His total losses in cash and chips on this date were $1,770,000 and $1,600,000 from his PGF account 3 days earlier. An email was forwarded to BCLC Managers for a full review of these files due to the extremely high amount of cash and chips produced by Redacted - RCMP and concerns that previous efforts by RR managers to have Redacted - utilize his PGF account and not have cash delivered to the site appear to have failed.

Redacted - RCMP As a result of the previous files involving Redacted - RCMP and other prominent VIP's at RR, a conference call was arranged between BCLC and RR management to discuss these issues. A synopsis of that call shall be added by John Karlovcec as follows:

Conference Call BCLC & Great Canadian Gaming Corporation - Redacted - RCMP Redacted - RCMP **13:00**

Subject: Redacted - RCMP

Participants:
BCLC:
Brad Desmarais
Kevin Sweeney
John Karlovcec

GCGC:
Rob Kroeker
Patrick Ennis
Walter Soo
Terrance Doyle

Conference call to discuss patron Redacted - RCMP recent use of large volumes of un-sourced cash and casino value chips at River Rock Casino. This has attracted the attention of the Provincial regulator GPEB. This discussion was requested by BCLC VP Corporate Security & Compliance Brad Desmarais.

GCGC Walter SOO advised that Redacted - RCMP is in Canada on a 10 year visitor visa and that he has significant assets in general as well as acquired assets in the Redacted - RCMP area of Redacted - RCMP was first introduced to River Rock Casino by a friend of his Redacted - RCMP Redacted - RCMP and has been a regular at RRCR since May 2014.

Walter SOO advised the group and it was agreed that the following course of action would take place;

- Walter is to arrange for contact with Redacted - RCMP in the next 24-48 hours to initiate conversation in regard to concerns about personal safety and expectations in regard to cash buy-ins.

- Walter will keep the group updated as to success in arranging for the conversation to occur and outcome after the conversation has occurred.

- Should the player attend and attempt similar a cash buy-in prior to Walter being able to make arrangements, Walter's timetable for arranging the conversation will be immediately accelerated and will occur when the player requests the cash buy-in.

- Should the player attempt a similar cash buy-in subsequent to the conversation, BCLC will then arrange to have a direct discussion with the player. While BCLC makes arrangements for this discussion to occur, the player will be banned from making any cash buy-ins (PGF only) or prevented from gaming with un-sourced casino value chips at BC casinos until the BCLC discussion has been completed.

Further to the above BCLC VP Corporate Security requested the following action;

- The message also needs to be communicated not only to Redacted - but all his associates that they must stop using cash and or un-sourced chips from individuals such as Redacted - RCMP

Should these patrons continue to use un-sourced cash and casino value chips a 14 day BCLC Provincial Barring will be in place to allow for further investigation by BCLC investigators..

13:30 – Call ends. Follow up call to take place next week.

John Karlovcec

Redacted - RCMP On this date a follow up email was forwarded by Kevin to RR management (Terrance Doyle, Rob Kroeker, Pat Ennis, and Walter Soo) providing the names and SID#'s for 11 close associates of Redacted - RCMP hat will require direction from RR management regarding the use of cash and cash deliveries to the casino. The ensuing email messages that circulated between BCLC and RR indicated that RR managers were concerned that BCLC wanted all 12 players contacted and spoken to and that this could have a serious impact on RR VIP play.

Also on this date Kevin requested the BCLC investigators conduct a review of the current outstanding chip counts at RR and was provided with those figures which indicate o/s balances are significantly higher than in past months and account for over 5 million in $5,000 chips that are not currently on-site. (See graph/data folder for full details of chip counts)

Redacted - RCMP BCLC received several emails from RR staff indicating that they had in fact reached out to Redacted - RCMP again to ensure he understood the issue regarding large amounts of small bills into the sites. The following is a copy of the email that indicated they were confident the message got through to Redacte d - and were waiting to see if Redact ed - RCMP esponded to these concerns:

. From: Walter Soo <PERSONAL INFO>
Date: November 14, 2014 at 10:11:15 AM PST
To: "Robert G. Kroeker" <PERSONAL INFO>>
Subject: Redacted - RCMP

We use Wechat to communicate with them, and they do the same as this app is the most common in China. It allows for a voice message to be left so they see it when they wake up.

Redacted - RCMP eft a clear message telling Redact ed - RCMP not to bring large amounts of cash to buy in, and to opt using his PGF account. Therefore Redact ed - hould have received the message already. However we asked Redacted - RCMP o also call and talk so he can determine his state of mind - this is what he has been unable to do but he hopes the Vancouver friend may confirm.

Sent from my iPhone

On Redacted - RCMP at 9:58 AM, Robert G. Kroeker <PERSONAL INFO> wrote:

Thanks Walter. Any chance we can confirm before tonight or is it Reda cted - RC that you need to confirm with and there are time zone issues?

From: Walter Soo

Sent: Redacted - RCMP 8:41 AM
To: Robert G. Kroeker
Subject: Re: Redacted -

Hi Rob,

We contacted Redacted - RCMP the player who knows Redacted - RCMP is in Redacted - RCMP at the moment. He called Wel but did not make contact. Redacted - RCMP then contacted a friend in Vancouver who knows Redacted - as well and told him to talk to Redacted - on his behalf. Redacted - said he believes his friend made contact with Redacted - RC but we haven't confirmed that yet. I will follow up again tonight.

Sent from my iPhone

Redacted - RCMP Steve Beeksma inquired with RR AGM Daniel LAY to confirm if Redacted - RCMP had been contacted yet regarding the previous email sent regarding the w/d of 450K that Redacte made from his PGF account without any table play. Steve's original inquiry was as follows:

Good morning all,

On the afternoon of Redacted - RCMP deposited a $450K BMO bank draft into his PGF account, withdrew $300K and left the site after receiving the chips (no play).

I've reviewed LCT paperwork and as much footage as is available/accessible to me and it does not appear he returned and actually gambled with the $300K.

The following evening he returned and withdrew the remaining $150K, played for about 10 minutes and left the table with slightly more than the $150K (he did bet relatively large amounts in this 10 minutes, up to $15K per hand).

Redacted - RCMP them met with whom I believe to be Redacted - RCMP and exited the Salon (to the smoking patio?) I was unable to review past this point.

I can only assume that the majority, if not all of the $450K was given to other high level players. In all of the footage reviewed I didn't see any chip passes that might explain where or with whom the chips ended up.

BCLC corporate security management and our AML unit have reviewed this file and have advised/recommended the following:

1. Site management is to educate the patron on the proper use of a PGF account and he needs to be advised that if he were to continue to conduct activity that is not consistent with the proper use, it could result in his account being closed.

2. When spoken to/ educated, by site management determine what explanation he provides for the disposition of the 300K (and $150K).

We're not overly concerned with players of this level sharing chips (we understand this is common practice between known, high level players) however the issue is we don't know what Redacted did with the chips and the involvement of a PGF account brings some issue regarding its intended/proper use.

Once Redacted - RCMP is educated/spoken to and any explanation is gained for the whereabouts of the chips please provide us with an update and document the results in an iTrak file.

Feel free to forward this to any relevant people I may missed.

Thanks, Steve Beeksma

In response to the email to Daniel LAY, it was indicated that Pat Ennis had previously spoken to John and Daryl and that having Redacted approached was not required and that they would speak to him when he is in next regarding the use of his PGF account. This is in fact incorrect and appears to be a communication error by Pat as he was previously advised that BCLC was not going to suspend Redacted - RCMP playing status and would allow RR staff to approach him when he returned and find out what he did with the chips and to advise him that using his PGF account in this manner would likely result in BCLC closing it and he would not be allowed to re-open it.

Writer subsequently checked the account and activities of Redacted - to see if he had returned top RR since that incident and found that he had no further cash buy-ins since Nov 4th when he had returned for a period of 10 minutes and bet several hands and subsequently left the casino with approx. 160K in chips and did not return. Howeve Redacted - RCMP was named in several files on Nov 6 to 13 and was involved in a number of chips passes with other known VIP patrons in which Redacted - was receiving chips. It was assumed that the 450 K in chips that he had previously walked out with was in fact gone as he clearly did not have his own chips and was borrowing on these dates from others to play on the tables.

Writer subsequently sent an email to Pat Ennis to inquire what his status was and that we were expecting Redacted was going to be approached on his next visit and questioned regarding his PGF account and to determine who he gave the chips to. Pat responded that he was under the impression that we were not going to interview Redacted - and wait until he returns to see what he does and if he brings back the chips. Pat further stated that he had not played much at all since that time and wondered if he was playing elsewhere. Writer advised his only activity was at RR and that he was involved in several chips passes which would indicate he no longer has his own chips and referred Pat to Steve to go over those files at RR.

To date Redacted - RCMP has not returned and had any activity since November 13th and has not been spoken to regarding his PGF activity but if he returns RR staff will approach him and update his file..

Redacted - RCMP Scheduled meeting at RR at 10 am with Brad Desmarais, Kevin Sweeney, Kris Gade, Daryl Tottenham, Terrance Doyle, Rob Kroeker, Pat Ennis and Walter SOO to discuss the Redacted - RCMP situation and further to discuss the outstanding chip balance of $5,000 chips from RR currently.

"Notes from meeting attached in folder for reference purposes."

During the meeting BD provided an overview of the issues from the perspective of BCLC and the recent amount of large amounts of cash in small bills being brought into RR by this group including Redacted - RCMP and the continued use of Redacted - RCMP and associates to facilitate the cash being delivered to RR for VIP patrons. BD also advised that we have reason to believe that there are police agencies that are currently targeting Redacted et al and that if a seizure occurred and a large amount of cash and RR chips were seized that the fall-out of that would not be good for RR and they need to drastically reduce the amount of RR chips being taken off the property by these players.

WS advised tha Redacted - RCMP was spoken to a second time by staff and friends and his in an attempt to curtail his recent activities but that he may have been spooked by this and this explains why he has not returned in the past 12 days. BD offered to contact Redacted - RCMP and speak to him directly if they thought this would be helpful but WS advised that he was reluctant to have a 3rd set of people contact Redacted - In retrospect they likely should have made direct contact with him in the first instance (culture issue) and contact by a third party could be considered disrespectful. They are aware of his extreme level of wealth so comping him was likely not something that would be helpful.

BD advised that BCLC investigations have found that Redacted is currently involved in a very large takeover bid of a major steel company and that he may just be tied up with business of late or that he may have shifted his play to Vegas or Macau as they have large companies that are able to accommodate the level of play that Redacted - is at.

RK advised that they are looking at several options which include trying to get GPEB to agree to exceptions for accepting foreign electronic transfers or different options to look at involving the use of credit for some patrons including options of secured credit lines with property, which is something that this level of patron does routinely at other casinos abroad.

WS advised that VIP play is drastically down in Macau and Singapore and that numerous large casinos are moving towards a different way of dealing with VVIP's , ie direct dealing with them for their specific banking and gaming needs.

BD and WS agreed that it was important that the word is put out to the VVIP players that these actions are being done for their own protection, safety and FOI concerns, as

it is just a matter of time before something is going to happen with so many players carrying extremely large amounts of cash in and out of the casinos here.

BCLC provided RR with recent information that shows there was approx. 10 million in chips from RR outstanding in October and currently there is in excess of 6 million o/s. They were advised that the chip issue is of huge concern to BCLC and measures must be taken to reduce that number and keep the chips in the casino and out of the hands of those that might be trying to use them as cash in the underground market through Redacted - RCMP group.

TD requested that BCLC give them one week to meet and come up with a plan to deal with the issues surrounding Redacted - RCMP and his group who are bringing in large amounts and small bills and to also address the o/s chip problem. One of the suggestions (having Redacted - RCMP and friends invited to a dinner to discuss these issues) was something they were going to pursue ASAP and requested BD be available to speak at that dinner if they came to the conclusion it might be helpful. BD agreed that he would assist if they put something together and added that this would serve to get the message out there from BCLC as opposed to being driven by RR. BD also ensured that this problem is not limited to RR and that any actions taken by BCLC will be the same for all other service providers to ensure that there is a fair playing field at all times. The meeting ended at this point and RR advised they would get back to us shortly with their plans.

Redacted - RCMP Meeting at BCLC 0800 hrs with Brad Desmarais, Kevin Sweeney, Kris Gade, and Daryl Tottenham

- BD reviewed the past week of activity surrounding Redacted - RCMP and the need to move forward with a process to increase coverage by BCLC investigators at RR as they will need to be available when VIP players attend with large buy-ins of small bills and need to be interviewed. This coverage should be as wide as possible 20/7 if we are able to manage the shifts and utilize other investigators from the lower mainland to fill in gaps.
- The issues that need to be addressed with these players when they are interviewed include where is the cash/chips coming from, how does the process work to have them delivered, who delivers them and who supplies them, how are the amounts paid back (locally or in another country?)
- Investigators also need to explain to them that we are concerned about their safety, privacy and protection from FOI requests and that we want to assist them to be able to game when they want to but that they cannot continue to bring in huge amounts of cash in small bills and should be using other means, (PGF) to ensure everyone's safety.
- BD also discussed the issue of the huge amount of value chips that are currently outstanding from RR and that this is clearly trending upward and we are concerned about the establishment of a large black market pool of chips being used similar to cash for players looking for money sources outside of banking hours.

- Several options were discussed for consideration including a C/S being done at some point with little notice and tight controls when effected.
- BD also spoke about long-term options including lines of credit for players and increasing cheque amounts which would help lower the amount of cash coming and going through the doors but those processes require GPEB approval and are major changes that are unlikely to occur in the short-term.
- BD requested we look at setting up a more effective method of tracking chips at RR that leave the site and considered alternatives that may include RFI chip identification and equipment at entry points that would set off alerts of chips were being taken out of the casino.
- BD requested KS and KG start putting together a schedule for investigators to see what shifting alternatives are available to get as much coverage as possible over the next few months to accommodate request for interviews when VIP players are on site and trying to buy in with huge amounts of small bills.
- More follow up to be done on determining what and how this system would work and how we set a benchmark for VIP players that would trigger an interview.

Redacted - RCMP 500K third party cash buy-in for Redacted - RCMP

- At approx. 2040 hrs RR had a large cash buy-in totaling $500,000 in small bills by Redacted - RCMP nd Redacted - RCMP ut upon review it was learned that the buy-ins were likely for Redacted - RCMP s it was Redac ted - who directed all the bets and there were several chip passes documented to Redacted - RCMP during this time.
- Reda cted bought in for $300,000 in cash ($50's and $100's) and Redac ted - bought in for $199,980 (all in $20's) and they both join Redacted - RCMP . Throughout the evening they move from table to table and Reda cted makes numerous bets using the chips from Redacted - RCMP or appears to be directing Redacted - RCMP to make some bets on his behalf. The video review concludes that it does not appear at any time that Redact ed - or Redact ed - were playing on their own and making bets and that everything was at the direction or by Redact ed -
- During the course of this table play, surveillance documented numerous chips passes and opened incident files for those passes. The related files numbers that document this activity are: 2014- 59832, 2014-59882, 2014- 60152, and 2014-60173. Redacted - FINTRAC Redacted - FINTRAC
- At approx. 0156 hrs it appears that Redacted - RCMP have lost all their chips and Redac ted - is observed removing 2 bricks of $20 bills from his briefcase and placing them on the table in front of Redac ted - This money was taken to the cage and Redact ed - continued removing more loose cash from his briefcase and giving it to Reda cted was attempted to buy in at the table with it.
- At 0202 hrs the 20K Redac ted - gave to Reda cted is returned from the cash cage and he is advised that they will not allow him to buy in with it or the loose cash on the table and it is all returned to Redacted - RCMP subsequently leaves the gaming floor, orders some food to go and returns to his hotel room for the night.

Redacted - RCMP As a result of the recent activity by Redacted - RCMP a directive was initiated at the request of Brad Desmarais and Jim Hustler sent out the following directive that was posted on the profile for Redacted - RCMP

From: Jim Husler
Sent: November-27-14 7:58 AM
To: Kris Gade; Steve Beeksma; Jerome Wakeland; Cameron Dodson
Cc: Tom Plante; Stone Lee; David Slobodian; Brian Stephens; Tom Caverly; Brandon Norgaard; Bruno Gatto; Kevin Sweeney; John Karlovcec; Daryl Tottenham
Subject: RE: Redacted - RCMP

Hi Kris,

The following comment has been added to Redacted - RCMP profile SID#144419:

Redacted - RCMP **BCLC Corp Sec - BCLC Directive for Investigative Purposes;** Redacted - RCMP Redacted **is not permitted to buy-in at any property with "ANY" cash or un-sourced chips until he is interviewed by BCLC Corporate Security and Compliance. Provide patron with the BCLC Consumer Services number if an investigator is not available, so an appointment can be set up at the earliest convenience: 1-866-815-0222.**

Jim HUSLER
BCLC Casino Investigator

Redacted - RCMP

- At approx. 2100 hrs Redacted - RCMP attended RR with Redacted - RCMP and Redacted was playing at the tables with approx.. $2,000 in value chips. Redacted was observed on his cell phone at 2127 hrs and subsequently spoke to Redacted who then left the casino and went out to the Sea Harbour Restaurant and was observed getting into a vehicle that was parked outside the restaurant. The vehicle was a Redacted Redacted - RCMP which is associated to BCLC barred Redacted - RCMP who is known to facilitate cash for patrons. Redacted exited the vehicle and returned to the VIP room and met up with Redacted - RCMP
- At 2145 hrs Redacted removes 20-30 $5,000 RR chips and Redacted is observed to start directing her on table bets which she places on her spot. Redacted is not handling the chips but clearly is giving directions hand to hand on what to bet with the chips. There is nothing found in the video review that would source where the 150K in value chips came from in her table play and it is likely the chips were dropped off by the vehicle driver.
- Redacted - RCMP were approached at the table by the AGM and Director of Table games for RR and they subsequently advised Redacted that as the source of the chips were suspicious, he was not going to be allowed to sit at the table, squeeze

cards or direct bets and he advised he understood and stood and watched for approx. 1 hr before leaving the casino.

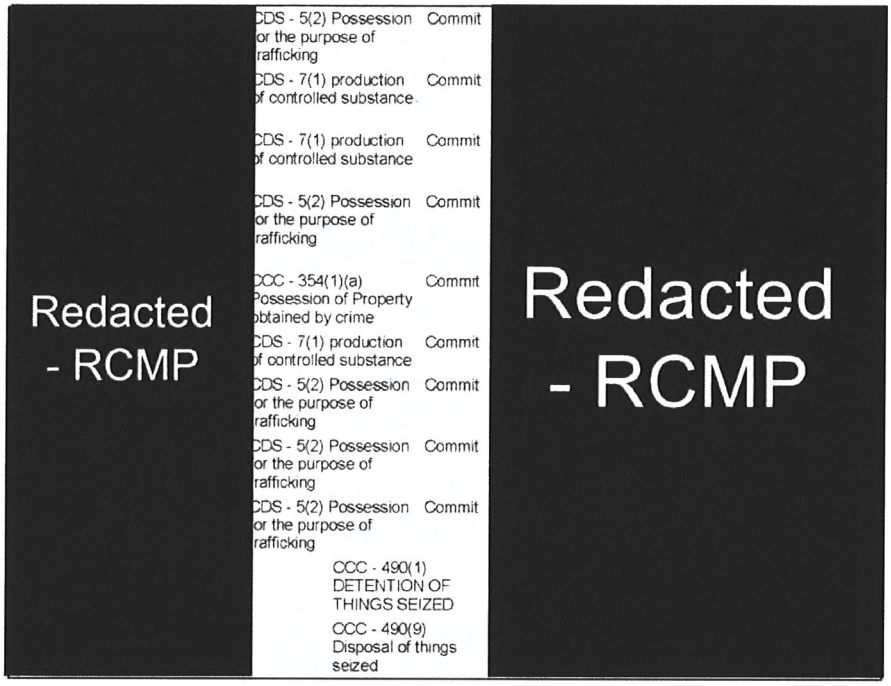
Redacted - RCMP Brad D met with RR staff and Redacted - RCMP at a dinner function to discuss recent events and try to explain to Redacted - why they could not allow him to buy-in with cash or un-sourced chips. More to follow on this meeting.....

Redacted - RCMP The subject profile for Redacted - RCMP has been updated and now reads " BCLC Directive for investigational purposes: Redacted - RCMP is not permitted to buy-in at any property with "ANY" cash or un-sourced chips/chip passes until further notice.

Redacted - RCMP Writer requested a deep dive on Redacted - RCMP as he is believed to be extremely active in cash facilitation at the River Rock Casino and writer believes he is not associated under the Redacted - RCMP but runs a separate group that appears to be much larger than the Redacted - RCMP and has serious ties to criminal organizations.

Redacted - RCMP Writer received a copy of the deep dive on Redacted - which confirms his ties to organized crime and level of activity in BC. The dive is held in the AML risk folder under 14/15>bus relationship>OSINT>001-Osint>TAM and his criminal record is as follows:

Document	Count	Offence Date	Statute	Nature	Accused	City Of Offence
Redacted - RCMP		Redacted - RCMP	CCC - 355(a) PSP Over $5,000	Commit	Redacted - RCMP	Redacted - RCMP
			CCC - 90(1) Possession of a prohibited weapon	Commit		
			CCC - 90(1) Possession of a prohibited weapon	Commit		
			CCC - 91(1) Possession of unregistered restricted weapon	Commit		
			CCC - 91(1) Possession of unregistered restricted weapon	Commit		
			CDS - 5(2) Possession for the purpose of trafficking	Commit		
			CCC - 355 Possession of Stolen Property	Commit		
			CCC - 355 Possession of Stolen Property	Commit		
			CCC - 355 Possession of Stolen Property	Commit		
			CDS - 7(1) production of controlled substance	Commit		
			CDS - 5(2) Possession for the purpose of trafficking	Commit		



December 26th, 2015- As a result of several large cash buy-ins by a VIP who has not been active since 2013 over the Christmas holidays , a review of the players and activities associated to these buy-ins was requested and completed for possible action to be taken by BCLC in conjunction with SP staff.

From: Daryl Tottenham
Sent: Friday, December 26, 2014 9:47 AM
To: AML
Cc: Brad Desmarais
Subject: Binshun CAO # 11435

Brad/Cathy
When you return could you please do a priority dive on this guy and create a dossier for him? I have added him on the HRP list and flagged him accordingly and placed him on watch, along with comments to obtain details on the hotel he refers to in his occupation as "hotel owner". He was with a female on his last 2 large buy-ins and although she parked the car and brought in 200K in small bills and gave it to CAO, they did not get ID from her on either visit so she is listed as an LNU. I have flagged her as well to obtain ID and occupation details and will advise accordingly when it is added to this file..

He has a history with BCLC and River Rock back in 2005/2006 but his buy-ins were generally in the 20-60 K range. He disappeared in Nov 2006 and re-surfaced in July 2014 and has had 17 LCT's since that time with buy-ins ranging from 200K to 600K which total 2.6 million from July to December. However he did

have a PGF deposit in July for 266 K and the vast majority of the buy-ins from July to late August are grossly inflated due to the churn factor. Most of those buy-ins can be tracked to large disbursements and carry-over.

The anomaly from his play started on December 23rd, 2014 as he had no play between August and Dec 23rd, then showed up with the female and brought in $250,000 in $20 bills for table play. (It appears he lost all but 25K of that buy-in.) This cash was brought in by them when they arrived in their Mercedes.

He returned on the 24th with the same female and CAO carried in 250K in cash and the female followed shortly after with another bag of 200K which she gave to him. The total buy-in was for $450,000 and was in $10, $20, $50, and $100 bills and the only disbursement shown anywhere at this point if for 10K at 0727 hrs on the 25th.
Will follow further with the RR investigators when they are back to work next week and try to confirm ID on the female.
Brad, you were CC'd on this as an FYI just in case you get a phone call as both buy-ins were properly reported to GPEB and may trigger some activity.
Thx Daryl

December 31st, 2014

Direction was given by Brad D to request RR staff conduct an interview wit[Redacte] regarding his previous activities and use of cash and cash facilitators and to communicate the results of that meeting back to BCLC for documentation and further action if required. As a result of the activities of several players at RR, management from GCC decided to arrange a lunch meeting with several of the key Asian players before they returned home after the holidays and subsequently contacted Brad D. and requested he attend the meeting and speak directly to them regarding the concerns that BCLC has over their use of large amounts of cash and utilizing cash facilitators to obtain those funds. A meeting was subsequently arranged for Jan 3rd, 2015 at the RR Casino which Brad D. attended.

January 3rd, 2015- Brad D. attended a lunch meeting at the RR hotel and met with[PERSON] [PE] # 88248 and[PERSONAL INFO] # 67225 to discuss the use of cash facilitators and the need to use the PGF accounts that these players had in place. Overall the discussion went well and[P] and[PERSO] appeared to understand what the concerns of BCLC were and the need to utilize PGF accounts and reduce the amount of cash being brought into the casinos. Notes of the meeting held by Brad D. if required.

January 15th, 2015 – Steve Beeksma advised that GPEB investigator Ken Ackles had just advised him that Kesi WEI was found to have been arrested in October 2014 by BC Conservation Officers for being in Pssn of dead animals contrary to the Wildlife Act. This information was subsequently confirmed to be a charge of Unlawful Pssn of dead wildlife on Oct 25th, 2014, sec 33(2) WLA and his court date was set for Feb 24th, 2015. Information added to his file and further discussions followed regarding further prohibitive action against Kesi WEI and a possible BCLC barring to be considered.

January 19th, 2015- Interview details of Redacted - Patron Interview Identifying by BCLC Investigators regarding the use of cash facilitators and large cash buy-ins at RR the previous week. Details of the interview are as follows:

Patron Interviewed: Redacted - Patron Interview Identifying Information

Involved in Interview:

Patron: Redacted - Patron Interview Identifying Information

Subject

BCLC Investigators: Jerome WAKELAND and Stone LEE

Service Provider Staff: Assistant General Manager Daniel LAY

Reason for Interview:

Investigators requested the interview to determine if Redacted was conducting gaming play on behalf of Redacted - Patron Interview and/or with Redacted - Patron s funds.

On December 25, 2014 Redacted - Patron conducted cash buy-ins for a total of $920,000 at the River Rock Casino. Redacted - conducted all gaming play in the company of Redacted - Patron Interview

Goals of Interview:

Determine if Redacted - Patron was using funds belonging to Redacted - Patron to conduct gaming play.

Determine i Redacted - was following the betting instructions of Redacted - Patron

Determine the type of relationship between Redacted - and Redacted - Patron

Determine the occupation/source of funds of Redacted - Patron

Interview Results Summary:

The interview was conducted on January 19, 2015 in a private gaming room of the River Rock VIP Salon.

Redacted - Patron Interview Identifying provided the following information during the interview:

- Occupation – Redacted - Patron Interview Identifying Information Redacted - Patron Interview Identifying Information
- Source of Funds – Obtained through wire transfers from his Chinese accounts to Canadian cheque-cashing businesses/underground transfer companies which then deliver the funds to the casino.
    - There are very many businesses along 3 Road that offer this type of service.

- It's a phone call to transfer funds to Redacted - Patron Interview Identifying then arranges for the funds to be delivered here.
- There is loan-sharking taking place on the floor, but he doesn't need to use them.

- Relationship to Redacted - Patron Interview Identifying Information are known to each other personally through business connections in the Redacted - Patron industry in China. They also know each other from gambling in Macau.
  - It is common for gamblers at this level to share bank rolls while conducting gaming play.
- Gaming play on Dec 25 - Redacted - stated he was conducting gaming play with his own funds on these dates and his total losses for the weekend were close to $1.2 Million. He was not using Redacted - money or playing on his behalf.
- Use of Patron Gaming Fund Accounts – He has had difficulties using his PGF account because he disagrees with Service Provider staff about re-depositing the funds at the end of the session.
  - He once requested a video-review to determine how much he should be able to re-deposit at the end of a session, a frustrating experience that took almost an hour.
  - He stated that the extension of credit to high-limit players could eliminate loan-sharking and also bring more players to the casino.
  - He stated that if the government allowed direct deposit from foreign accounts that would actually be more transparent than the current PGF system and better than cash. He wouldn't need to use cash at all.

ADDITIONAL Investigator comments:

Redacted - appeared forthcoming and non-evasive during the interview. Redacted - provided several suggestions that he feels could improve the PGF system and AGM Daniel LAY told Redacted - that his ideas were appreciated.

Interpreter required: BCLC Investigator Stone LEE acted as a Mandarin Translator.

BCLC Prohibition: None recommended or discussed.

February 2nd, 2015- Jia **GAO** #142378 Request to have staff approach him

Writer was reviewing files and noted several large cash buy-ins from Jia GAO # 142378 totaling in excess of 1.3 million in small bills and utilizing a known cash facilitator for cash deliveries. Email forwarded to Bruno for a review by investigators and action to be

taken by BCLC to have the patron spoken to and documented in his file as this behaviour will not be tolerated. File 2015- 5415 refers.

February 2nd, 2015- Jia **GAO #** 142378

Writer received a copy of the report on GAO and spoke with Bruno to arrange for investigators to contact Villa management and have GAO approached and spoken to and to document the results of that action. His summary of this is as follows:

Hi Daryl,

For complete details of GAO's activity, Redacted - FINTRAC Redacted - FINTRAC Total suspicious buy ins = $1,145,020 (over 2 gaming days) using mixed denomination bills. Staggering statistic is that he used 44,837 x $20 bills = $887,740 in that total. 3 out of the 4 buy ins also were using cash deliveries from an unknown source as it is out of camera range.

Thanks,
Brandon

Brandon Norgaard
Casino Security Investigator

February 3rd, 2015- BCLC Investigator Jereome Wakeland advises of a file review for PERSONAL INFO who utilized his PGF account to purchase 160K in chips, had minimal play and took the chips off-site and handed them off to an unknown person in a vehicle Redacted - RCMP (2015-6061 refers. There also a previous incident with another VIP patron 2 weeks earlier (2015- 4645) where 150K of chips were taken from the casino Redacted - RCMP and is under investigation.

February 16th, 2015 PERSONAL INFO #100893 File 2015-8556

From: Daryl Tottenham
Sent: Monday, February 16, 2015 8:20 AM
To: AML
Subject: PERSONAL INFO #100893 High Risk Patron of concern

For Brad D's review and comments:

PERSONAL is a player with a history at BCLC that dates back to June 2011 with over 60 LCTs on file. His average cash buy-ins ranged from 10K to 100K from 2011 to 2013 with very limited use of his PGF account. He fell off the map in Feb 2013 after a 20K cash buy-in and did not re-surface for almost 2 years.

On January 26th, 2015 I noticed a number of very large cash buy-ins from PERSONAL and upon reviewing them, found that he had re-opened his PGF accoun Redacted - RCMP Redacted - RCMP. At this point I added PERSONAL to our HRP program and placed notes on his profile to be closely monitored including the documenting his source of funds and to advise me.
Since he returned to River Rock on Jan 20th, 2015 he has 27 LCT's with numerous extremely high cash buy-ins with small bills and is playing at a level that far exceeds his stated occupation as a "Fund Manager". Redacted - RCMP Redacted - RCMP **Since Jan 20th, 2015 he has accumulated $4,370,280 in cash buy-ins** and utilized his PGF account several times in January but has since operated solely in cash. Redacted - FINTRAC

The following is a breakdown of his activities in the past month:

- Jan 21, 2015 re-opened his PGF with a 90K draft
- Jan 22- PGF deposit and B/I- 100K
- Jan 23- PGF deposit and B/I- 200K
- Jan 24- cash buy-in with small bills- 150K
- Jan 25- cash buy-in with small bills- 150K and chip pass file
- Redacted - RCMP
- Jan 27- cash buy-in with small bills- 190K
- Redacted - RCMP
- Feb 1 to 8th- PERSONAL was in everyday but no buy-ins recorded, just disbursements and no documentation of chip-ins made each day but clearly he was utilizing chips to start play.
- Redacted - RCMP
- Writer requested a meeting to address concerns with PERSONAL and initiate action at the Service Provider level. Meeting held on Feb 13 at Vancouver office and immediate action to be taken was docmented however unknown if this was carried out by SP, as **KONG should have been interviewed on his next visit and there are no details in file showing this ocurred.** A priority deep-dive was requested as well to try and estabilish source of wealth for PERSONAL as it is suspect at this time for his level of play.
- Redacted - RCMP

- Feb 15 PERS came to RR with another male and bought in for **$350,000 in small bills** and lost most of those funds.

To date there is nothing documented on his file to indicate RR management followed up on the request that Steve sent on Friday (Copy attached below) and as such, BCLC needs to take further and immediate action to ensure that PERS 's activities are addressed and corrected. I am documenting same in the RR cash alternative master file.
For your information and thoughts.
Daryl

From: Steve Beeksma
Sent: February-13-15 4:16 PM
To: Daniel Lay; Deb Huang; Rishi Khaira (PERSONAL INFO
Cc: Arlene Strongman (PERSONAL INFO); Rob Reddy (PERSONAL INFO); Jim Husler; Jerome Wakeland; Rob Stratford; Bruno Gatto
Subject: Redacted - Patron Interview Identifying Information - Follow up required

Good afternoon River Rock Managers,

AGM's...To follow up on our conversation this afternoon. I have received direction from BCLC corporate security management and our AML unit requesting that the a/m patron be spoken to by RRCR management.

Over the past approx. 3 weeks Redacted - FINTRAC

Redacted - FINTRAC

In most instances surveillance footage confirms Redacted - has been acquiring his money via delivery from a banned individua Redacted - RCMP

Redacted - RCMP) which is of concern.
The following points are requested to be discussed with KONG:

1. Redacted - RCMP
2. **The incidents of chip passing that include a chip pass in a washroom (multiple instances up to $500K).**
3. **Educate Redacted - on cash alternatives (PGF account etc).**
4. **This is also an opportunity to update/clarified his occupation (it's likely been over 2 years since it was last updated). I seems something may have been lost in the translation of "Financial Manager".**

Once Redacted - Patron spoken to please let us know and include the details of the conversation in an incident file (there's been so many recently it's probably easiest to create a new one and let us know which number to refer to).

Regards,
Steve Beeksma

February 11th, 2015- Chang [redacted] LIU #24307 File 2015- 7169 et al

From: Daryl Tottenham
Sent: February-11-15 9:20 AM
To: Bruno Gatto
Cc: AML
Subject: Chang LIU #24307- HRP patron requiring action.

This is one of 2 HRP patrons that have accelerated sharply in their day to day activities in the past 1-2 weeks and we will need to initiate a process to deal with them. LIU has an extensive history with BCLC having very high LCT ranges since 2006 but in the past year he has generated 42 files Redacted - FINTRAC Redacted - FINTRAC. He does not have a PGF account and in the past 3 days has bought in for 300K, 100K, and 130K which was all in $20 bills Redacted - FINTRAC Redacted - FINTRAC
He is a close associate and has been playing with PERSONAL INFO for the past year and also has strong ties to Li Lin SHA, with most of his activity at Starlight Casino PE PS has had numerous covert chip passes from PERSO in the past month and PERSO has generated over 80 files Redacted - FINTRAC Redacted - FINTRAC All three players are well known to BCLC and are established VIP's with substantial wealth and occupations however his recent activities have ramped up to a point where we need to start taking action and documenting the activities for PER

I would suggest in this instance your investigators meet with management and VIP staff at Starlight and explain how we are handling these issues at other locations and provide them an opportunity to make an approach on PE and discuss these issues in the hopes that through education, he will change his behavior and not require further action by BCLC. They would need to document that discussion and report back to us which would allow us to monitor further and ensure compliance. I would also strongly suggest that they attempt to have PE initiate a PGF account and utilize that for his cash movement and table play. He should also be advised that continued covert passing of large amounts of chips with PERS ONAL will become a problem.
I am hopeful with PE PS's history that this approach may slow his activity down substantially but clearly if it does not have an impact, we will be need to look at escalation for him.
Let me know your thoughts on this one and I will send you the info on the other problem shortly.
Thx Daryl

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

February 13, 2015 PERSONAL INFO # 112076 PGF mis-use file 15-5868

Meeting held at BCLC on Feb 13th to discuss the actions of PE using her PGF account to deposit bank drafts and immediately withdraw them and turn the chips over to another person and leaving the site. It is believed the person receiving the chips may be her father but this has not been confirmed therefore a directive was made to approach RR management and allow them an opportunity to speak with PER and correct this behavior before BCLC takes further action.

From: Steve Beeksma
Sent: February-13-15 3:45 PM
To: Daniel Lay; Deb Huang; Rishi Khaira PERSONAL INFO
Cc: Jerome Wakeland; Jim Husler; Rob Reddy PERSONAL INFO ; Arlene Strongman PERSONAL INFO); Bruno Gatto; Rob Stratford
Subject: PERSONAL INFO (f) SID 112076 - Follow up required

Good afternoon River Rock Managers,

AGM's...To follow up on our conversation this afternoon. I have received direction from BCLC corporate security management and our AML unit requesting that the a/m patron be spoken to by RRCR management.

It has been now documented twice whereby PER has been conducting buy ins with her PGF account (most recently $100K, account number 349), receiving the chips then leaving the sites with little, or no play to speak of. Review of her LCT's confirms 8 PGF account deposits and subsequent withdrawals with no table tracking to support she gambled on all but one of them (and the one instance was a single entry, minimal play).

BCLC management has requested that PE be spoken to about proper PGF account usage. There's a chance she is doing these transaction on behalf of a player whom I believe could be her father PERSO PERS 110647). If that's the case PERS (who does hold a PGF account at RRCR) should be conducting his own transactions.

I don't believe PERSO NAL is a substantial player (at least not $100K buy in level) but her father could be.

Once PERSO is spoken to please let us know. Also include the details of the conversation in an incident file (either a new incident or the most recent one can be updated, 2015-05868).

Regards,

Steve Beeksma
Casino Investigations
BCLC, 2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO

February 16th, 2015 PERSONAL INFO #100893- Escalation of file

From: Daryl Tottenham
Sent: February-16-15 1:10 PM
To: Bruno Gatto; Steve Beeksma
Cc: Kris Gade; Jim Husler; Jerome Wakeland; Rob Stratford; John Karlovcec
Subject: RE: PERSONAL (m) SID 100893 - Follow up required

Thanks Steve, could you please ensure that when he comes in, they update his info and that they get his employer and/or company information confirmed and added to Itrak? We absolutely need to have this information to address source of funds/wealth for him if he is to continue gaming, as our Osint search has come up with no links to any type of work or property found.
Thanks Daryl

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

Hi Steve,
As the RRC delay in speaking with PERSON has led to Redacted - RCMP on the weekend, it is now necessary to escalate this to prevent a repeat.

Please advise the AGM(s) that PERSONA is not permitted to play until he has been spoken to by site staff. Therefore RRC Management will need to ensure there is someone that is in a position to speak to him regardless of what time or what day PERSON next attends.

Additionally, please advise the AGM(s) of the requirement to obtain the information that Daryl has detailed.
Thanks
Bruno

February 16th, 2015- Redacted - Patron Interview Identifying Information interview at River Rock

SP20150024381 Attached by sbeeksma on Feb 17, 2015 09:40
Description: Interview with Redacted - Patron Interview Identifying Information
2015-FEB-16 @ 1455hrs
Present: BCLC investigator Steve BEEKSMA, RRCR Redacted - Patron Interview Identifying Information and Redacted - Patron Interview Identifying Information assisting with translation.
Background:
On the afternoon of 2015-FEB-13 the writer sent email correspondence to RRCR management requesting they speak with Redacte at the next opportunity regarding concerns surrounding who he is getting his gambling money from Redacted - Patron Interview Identifying Information Additional goals surrounded KYC with hopes of clarifying Redacte s occupation and obtaining company name(s). Redacte was in the casino

twice over the weekend (14th and 15th) however he was not approached by RRCR management as requested. The explanation provided by Redacted - Patron Interview Identifying Information was that there were no AGM's on site at the time and they preferred an AGM or higher speak with Redacted - Patron to ensure a consistent message, similar to past patron interviews.
The directive came form BCLC HQ that Redacte s play would be suspended until he speaks with RRCR management. RRCR management requested the writer be available to assist with the questioning/education. Redacted - Patron Interview Identifying were going to make arrangements to have Redacted - Patron attend the casino to meet with us. Redacted - Patron s casino profile comments were updated to reflect this (he remained on Watch, no Ban was implemented).
Incident details:
On the above date and time the writer was called by RRCR Redacted - Patron advising that Redacted - Patron was on site and requested the writers presence in relaying the desired message to him. This was an unscheduled meeting however Redacted - Patron was on site and the decision was made to take the opportunity to speak with him.
At approx 1455hrs the writer attended RRCR's VIP Salon and met with Redacted - Patron and Redacted - Patron Interview Identifying was with Redacted - Patron as he was redeeming chips at the cashier and escorted him to a private gaming room to speak with us.
It was noted tha Redacted - Patron appeared to have consumed alcohol, was mildly intoxicated (staggering slightly and the smell of alcohol on his breath) but was in good spirits and seemed to completely understand the points we wanted to convey.
Redacte spoke no English as such the entire conversation was translated by Redacte into Mandarin Chinese. It seemed to the writer that Redacted - Patron Interview Identifying understood some of what was being said by Redacted
Introductions were made and the role of BCLC in gaming in BC (along with briefly touching on other regulators) was explained to Redacted
The concerns regarding who Redacted is getting his gambling money from were addressed. Redacted explained that he is very friendly and likes to make friends everywhere he goes. He further stated he wished to become friends with us but was sad that he could not communicate with us. All persons present were invited by Redacted - Patron to come to China as his guest.
He admitted to borrowing money from Red and referred to him as his "friend". Redacte explained that he does not hold any bank accounts in Canada and has no other alternative to cash when he comes to gamble.
Redacte mentioned that he does have a wife in Canada who holds Canadian bank account(s) but

Incident File Full Report Incident File #IN20150008636

SP20150024381 Attached by sbeeksma on Feb 17, 2015 09:40 SP2015002438

1 – Continued cannot
use her accounts (the impression was she does not know the extent of his gambling).
Redacted s wife's name was not requested.
The safety concerns regarding large amounts of cash and his dealings with Red acte were expressed.
Redacte thanked us for our concerns.
It was explained to him that Red acte is banned from BC casinos and if he continues to associate with him he could lose his ability to gamble in all BC Casinos (not only RRCR).
Redacte stated he would never borrow money from Reda cted again. It was reiterated that if he wants to gamble he should arrive with his money in hand and to not be involved in deliveries of cash Red or otherwise), Redacte d - understood.
Redacted - Patron was asked to elaborate on his business/occupation. He explained that he is a property developer in China and runs two companies.
Redact had the two company names written in Chinese characters which he translated as follows:
1 Redacted - Patron Interview Identifying Information
2
To conclude Redacted was advised that he is a valued guest and welcome to play in RRCR but he needs to cease his dealings with R eda and stop receiving cash deliveries at the casino. Red acte was never named specifically but Redacte d - seemed to know who we were referring to (recent incidents show Redact has been dealing with Red acte exclusively).

Redacted understood and left casino with his associate previously identified as Redacted - Patron Interview Identifying Information Redacted - Patron indicated that he would be returning to China on 2015-MAR-03.
Following the interview the writer located Redacted in the Redacted - Patron to thank him for making the quick arrangements to speak with Redacted - Redacted - Patron was thankful for the writers assistance and suggested perhaps this would be a positive way of doing these types of interviews in the future.
Redacted mentioned that Redacted - referred to Redacted - Patron Interview Identifying Information. This was not translated to the writer during the interview but was how Redacted - understood Redacted - Patron may have some knowledge of the Chinese language).
Conclusion:
Redacted - Patron subject profile was updated to reflect that he had been spoken to and may resume gambling. Additionally his occupation and company name were updated.
BCLC management along with the AML unit was updated at the conclusion of the interview (which was not planned) via telephone followed by email.
A copy of this report has been forward to the management group via email as well.
File concluded here.
S.BEEKSMA
BCLC
Casino Investigations

February 16th, 2015- Jia **GAO** #142378 Follow up 2015- 5824

- On this date writer sent out a request to Grand Villa management to have Jia GAO spoken to regarding his recent buy-ins with large amounts of small bills and not using his PGF account. File 2015-5824
- GM Randy Sears called BCLC and spoke to Bruno Ghatto and was inquiring exactly what the issues were prior to them approaching GAO. It was explained to Randy and he advised he understood and would ensure Jia GAO was spoken to and would document same when completed.

February 17, 2015- **Jia GAO**- Notes have been added to the file indicating that Jia GAO has been spoken to by Villa staff and his account information, personal data and employer/owner information has all been updated in Itrak as we requested. GAO remains on our radar for monitoring due to his extremely high level of play but understands that he must be using his PGF account and not be passing large amounts of chips freely to his associates while on the gaming property.

February 24th, 2015- PERSONAL INFO **#24307** Follow up action request

From: Bruno Gatto
Sent: February 20, 2015 2:36 PM
To: Stone Lee
Cc: Kris Gade
Subject: Starlight - PERSONAL INFO #24307- PERSONAL INFO #10418

Hi Stone,
Follow up to our phone discussion from yesterday and moments ago.

Please see the below emails that involve:

1. PERSONAL - SID 24307
2. PERSONAL - SID 10418

As mentioned, on Wednesday afternoon, Feb. 18th , I met with Randy Sears, Executive General Manager, GVRD, and VP Marketing, Gateway, and Bill Lang, Executive Director, VIP, Gateway.

We discussed the issues that Daryl identified; repeated buy-ins with large amounts of 20's and the suspected chip pass in the washroom. I also mentioned the safety issue of travelling with and leaving cash in the trunk. I totally forgot to mention to suggest to the patrons to consider opening a PGF account.

Bill Lang will be the Point of Contact for these types of follow ups with patrons and he is aware you will be contacting him. He is in Vegas for the weekend and should be back on Monday morning. He is aware that you will be asking him to educate the two patrons. As mentioned, I forgot to mention to him and Randy the part about possibly opening a PGF. Please give Bill direction on how the session to educate is to be documented by him. As we just discussed; in an email to you that you can then cut and paste into a BCLC file.

Bill's contact information: cell - PERSONAL desk- PERSONAL email- PERSONAL INFO
Thanks
Bruno

February 27th, 2015- PERSONAL INFO follow-up- River Rock PGF mis-use file 2015- 9853

After a review by BCLC investigator Steve Beeksma, it was decided to close the PGF accounts of both patrons pending the ability of River Rock management to speak to them regarding the in-appropriate use of their PGF accounts and an understanding that this practice would be corrected. Steve's report is as follows:

From: Steve Beeksma
Sent: February-27-15 12:30 PM
To: Daniel Lay; Deb Huang; Rishi Khaira (PERSONAL INFO
Cc: Cage (PERSONAL INFO ; Michael Mead (PERSONAL INFO
PERSONAL INFO Jerome Wakeland; Jim Husler; Bruno Gatto
Subject: PGF Account Suspensions 349 & 491
Importance: High

Good afternoon all,

As a result of recent incidents reported as suspicious and the investigations that followed the 2 persons detailed below PGF accounts are to be suspended immediately:

PERSONAL (f)
SID 112076
PGF# 349
Redacted - FINTRAC

PERSONAL (m)
SID 136735
PGF# 491
Redacted - FINTRAC

Neither PERSONA are thought of as players (at least not near the level that their transaction amounts would suggest) and it has been determined they have been misusing their PGF accounts (purchasing large volumes of chips with no intention of gambling).

If either attempt a PGF transaction they need to be educated regarding proper PGF account usage (before any PGF transaction is allowed) and informed that if they are purchasing chips there is an expectation that they will be gambling and at a level relative to the transaction amount. If after being educated and there is a clear understanding they cannot purchase chips and leave the casino with minimal to no play they can continue to use their respective PGF accounts.

Account activity will be monitored and any future misuse will result in the account be closed completely with further sanctions considered.

Please keep BCLC investigators updated of any attempted/completed transaction and subsequent conversation had with either PERSON (an iTrak report should be created to document this).

Regards,

Steve Beeksma
Casino Investigations
BCLC, 2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO

March 3rd, 2015 - PERSONAL INFO # 26564 File 2015-10133 large cash B/I's Redacted - RCMP
Redacted - RCMP

From: Daryl Tottenham
Sent: March-03-15 9:01 AM
To: AML
Cc: Bruno Gatto
Subject: priority subject for deep dive- PERSONA #26564

Morning all,
Just want to request we add this guy to our list for deep dive as a priority, based on his recent level of play and data we currently have on him. He has some extremely high cash buy-ins of late totaling approx. 1 million in cash in the past week and another pocket of buy-ins in July 2014 for almost 1 million.
These numbers are concerning based on his stated occupation "Financial Investor" which is a profession that often works with other peoples funds through investments and is not a cash-driven business.
Bruno

As soon as River Rock has their process in place for obtaining and updating patron info, this guy will be a priority to approach and get company information, which will greatly assist Cathy and Brad in their dive. If you could pass along to the RR guys it would be appreciated.
Thanks Daryl
**** Confirmed by Brad that PERSONAL dive was being completed this week.

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

From: Steve Beeksma
Sent: March-09-15 2:01 PM
To: Bruno Gatto; Jerome Wakeland; Jim Husler
Subject: RE: priority subject for deep dive-PERSONA #26564

Hi Bruno,
On 2015-MAR-08 RRCR cage staff updated PERSONAL's profile with newly acquired info (company and phone number).
Thanks,
Steve Beeksma
Casino Investigations
BCLC, 2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO

March 10, 2015-- PERSONAL # 25566 690K B/I small bills & 2 deliveries, followed by another 300K small bills in am.

Redacted - FINTRAC

Redacted - FINTRAC

PERS conducted another buy-in for $300,000 at 1255 hours today and is continuing gaming play right now.

Further bulletins as events warrant
P. Jerome Wakeland
BCLC Casino Security Investigator
Corporate Security & Compliance Division, BCLC

MARCH 11, 2015 File review PERSONAL INFO #25566 and action recommended :

Bruno,
I have reviewed the circumstances of this file and based on his recent activities I believe we need to escalate this file and follow our protocol to have PER approached immediately by RR management and be spoken to about the large cash buy-ins and use of a cash facilitator to deliver funds to the casino. He has a total of 690K on this report and came in this morning with another 300K in cash so he has amassed a total of almost 1 million in cash within a 24-hr period which is problematic.

The subject that delivered the funds PERSO s barred for 5 years for loan-sharking activities Redacted - Redacted - RCMP but given the denominations of the bills (which include 50 and 100 dollar bills) I suspect he is likely associated to Kwok TAM's group and possibly an underground banking system in Richmond Redacted - RCMP PERS is linked to other Redacted - RCMP Redacted - RCMP which further backs up the theory that these deliveries are initiated through the Macau contact Redacted - RCMP

I would suggest we need the investigators to speak with RR management to make first contact and fully explain our concerns and if this behavior does not change, it is escalated to an interview by BCLC Investigators. If that step fails to correct the behavior we are likely looking at sanctions to limit cash play for P at a minimum.
Let me know your thoughts on this and shout me on cell if you have any questions on this.
Thanks Daryl
Daryl Tottenham BA, CAMS
AML Specialist

- Request for action approved and message sent to RR investigators to arrange meeting with RR staff and P on his next visit and provide BCLC with details when completed.

March 14, 2015- Redacted - Patron Interview Identifying Information Update from RR staff interview request

From: Deborah Huang [mailto:PERSONAL INFO
Sent: March-14-15 3:08 AM
To: Jerome Wakeland; Rishi Khaira; Arlene Strongman; BCRRC Surveillance Shift Managers; Peter Demonte; Lily Ma
Cc: Bruno Gatto
Subject: Re: Redacted -

Hello Jerome,

Redacted - Patron was spoken to and iTrak supplemental has been entered.

Thank you,

Deborah Huang | Assistant General Manager Casino Operations
T: PERSONAL INFO

2015-Mar-18 –Writer has reviewed file and although PE s activity is very heavy in the past week, the issue regarding utilizing cash facilitators appears to be corrected. Subject will be closely monitored given his level of play and any further concerns will be dealt with as an escalated action by BCLC Investigators. File 2015- 12936 has been updated by RR staff accordingly.
D Tottenham BCLC AML Unit

March 24, 2015- Jia GAO #142378 File 2015-15425 For Interview

Morning Bruno,
If you recall back on Feb 2nd , 2015 I sent you an email outlining the activities of Jia GAO regarding cash buy-ins of over 800K in small bills and subsequent cash/chip passes to known associates at the Villa Casino. At that time I recommended that BCLC Investigators speak to Villa management and direct them to approach GAO and discuss the issue of cash passing to associates and the need for him to utilize his PGF account as opposed to using cash facilitators for gaming funds. I believe you spoke to the GM Randy Sears in the following week as he was looking for direction on what exactly needed to be conveyed to GAO.

On Feb 16th we received further information that Villa management had approached GAO and spoke to him about the issues we had and that he understood and that he would comply with our directives. At that point it appeared that things settled down and his activities changed somewhat and we have been monitoring him since that point.

On March 23rd, 2015 GAO was involved with another similar incident (see file 2015-15425) Redacted - FINTRAC Redacted - FINTRAC This incident involves GAO conducting a large cash buy-in for approx. $290,000 in small bills and upon review it was learned that this cash was delivered to the casino and passed off to GAO. The subject delivering the cash was not 100% identified but is believed to be sid# 123528 Redacted - RCMP Redacted - RCMP but a plate was not obtained as they stayed off-camera in the parking lot.

After conducting a review of the past files for GAO and specifically the file related to Randy Sear's meeting, I am satisfied that he was advised about the chip/cash passing issue and the need to utilize his PGF account but not so confident they clearly outlined our concern with him using cash facilitators like Redacted - RCMP. Notwithstanding GAO's extreme wealth and the obvious sensitivities when dealing with him, we cannot ignore AML risks and allow him to bend the rules. We have completed a deep dive on GAO and can confirm his source of wealth and lack of any adverse media but I believe we are obligated to re-address this issue at this point.

My suggestion at this point is that BCLC Investigators or you (preferably) contact the GM Randy Sears and explain this situation and direct him to re-approach GAO and have another conversation with him specifically on the cash facilitation issue. He needs to be advised that if he continues to have cash delivered to the casino in this manner, we will be applying sanctions on his gaming status which could impact his ability to gamble in BC. It needs to be clear that the next step could likely result in GAO not being able to buy in with cash unless his behavior changes while on casino property. Once this action is completed , it should be documented in file 2015- 15425 and we should be notified accordingly.
As always this is open for discussion so feel free to shout me if you wish to chat further.
Thanks Daryl

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

March 26th, 2015 Jia GAO- update to action requested. 2015-15425

Hi Brandon,
As discussed, please make contact with Bill LANG, Executive Director, VIP, Gateway Casinos, cell-PERSON, desk-PERSONAL INFO in relation to iTrak 2015-15425, that you are Lead Investigator on. Please let Bill know that Mr. GAOs' activity in this incident is not acceptable and that Mr. GAO needs to be educated to avoid repeating this type of activity.

Let Bill know that he can arrange to have Mr. GAO educated by Gateway staff or he has the option of allowing you to have a session to educate with Mr. GAO.

The main issues:

1. The use of a cash facilitator (290K) in the lobby of the hotel that is on casino property.
2. Redacted - RCMP
3. The use of a cash facilitators would not be necessary if the PGF account was utilized.

Bill is aware of the protocol that has been drafted that is presently close to being finalized that details courses of action for these types of situations; therefore he will be familiar with what you are asking of Gateway.

After you have a discussion with Bill, please follow up with an email to him to document the discussion.

Ask that the session to educate Mr. GAO needs to be done on his next visit and ask for an email detailing the discussion and what if any acknowledgement and commitment is made by Mr. GAO.
Thanks
Bruno

Bruno Gatto
Assistant Manager – Investigations
Corporate Security & Compliance Division, BCLC

Jia GAO update:
Hi Brandon,
As just discussed.
Additionally:
Please let Bill know that should Mr. GAO repeat activity of this nature or other activity that is considered unacceptable, it will likely result in an escalation of action by BCLC, such as:

1. An interview by an Investigator to provide another session to educate, or;
2. An interview by an Investigator for a session to warn, or;
3. BCLC Provincial Barring.

Thanks
Bruno

Jia GAO update from Brandon: March 26, 2015

Hi Bruno,

I spoke with Bill today for approximately 15 minutes and discussed the issues below. Dave was also here and was present for the conversation. Bill has also been sent a follow up email to summarize the discussion.

Discussed was the following in relation to GAO:

- Cash drop offs at the site are not encouraged as they present a safety and security risk for him and other patrons/staff
- That GAO is encouraged to utilize his PGF Account (bank drafts) whenever possible as he has been doing so often in recent months
- Redacted - RCMP
- That further activity by GAO such as this may result in further interviews conducted by BCLC Investigators

Bill seemed to be receptive to the idea and agrees that the idea of having cash facilitators on site does not look good, and is not good for business.

Bill will arrange to have GAO spoken to at the site level on his next visit and will email me a summary of the discussion once completed.

Hopefully this will be a step in the right direction for GAO and his gaming moving forward.

Please let me know if you need anything else.

Thanks,
Brandon

Brandon Norgaard
Casino Security Investigator
Corporate Security & Compliance Division, BCLC
2940 Virtual Way, Vancouver B.C. V5M 0A6
PERSONAL INFO

April 1, 2015 Jia GAO follow up to Bruno- new incident

Bruno,
I have gone through the files for GAO and cannot find anything that confirms that GAO was spoken to on the second occasion by Villa management but clearly he has chosen to move to another venue as his last 7 LCTR's have popped up at Edgewater (1) and RR (6) including last night's 300K buy-in.
I have briefly reviewed the file from last night and GAO received his 300K cash buy-in from a delivery to the casino by one of the vehicles we have flagged to PERSONAL INFO who is prohib for 5 yrs for loan-sharking activities and is an active cash facilitator.
We need to send a consistent message to GAO and ensure that he knows that jumping casino's will not mask his activities to BCLC and that using cash facilitators to deliver cash to the casino will not be tolerated and will end with sanctions against him.

I would recommend that the RR investigators speak to RR management and explain the previous warning that GAO received about the need to utilize his PGF account as often as possible and further that further incidents like last night that involve cash deliveries to the casino property is likely going to result in sanctions being placed upon his play and ultimately could lead to a BCLC barring. I realize the sensitivity dealing with him as his revenues are substantial and I believe allowing RR management the opportunity to deal with him in this instance is appropriate. However if this process is not effective, the next step will likely require BCLC interviews without RR staff on hand to deal with him and if he fails to adhere to the rules, an escalation that limits his ability to use cash will be in order.
As always, shout me on cell if you wish to discuss further.
Daryl

Daryl Tottenham BA, CAMS
AML Specialist

April 1, 2015 Responses from Bruno and Pat Ennis, River Rock re: Jia GAO

From: Daryl Tottenham [mailto PERSONAL INFO]
Sent: Wednesday, April 01, 2015 12:14 PM
To: Patrick Ennis
Cc: Bruno Gatto; Shauna Gillespie
Subject: Interview for Jia GAO- BCLC Request

Hi Pat,

Further to our conversation, I just spoke to Bruno as he was making arrangements with the RR BCLC investigators to have RR management approach Jia GAO if he returns tonight regarding our concerns for GAO's use of cash facilitators. I outlined you're your request to have our Investigators conduct the interview instead and he agrees that this will likely be a more effective way to deal with the problem. Bruno will set that up with his guys at our end and we will take this approach with GAO, regardless of where he may show up next.
Could you please do me a favour and tee this up with Daniel Lay as I believe he is the point of contact with our guys and he will likely be the one that will be pulling GAO aside to set up the interview. Hopefully this will send a strong message to GAO that BCLC is serious about this issue and the need to utilize his PGF account which will eliminate future problems.
Thanks, Daryl

Pat Ennis:

I've have discussed it with Rishi and they would like to have someone from our management accompany the investigator. I have told Rishi that your investigators will be coming to see him to discuss it further.

Thanks

Bruno to Investigators:

Hi All,
Follow up to the below:

I will be sending out an email in the a.m. with the course of action BCLC will be taking with Mr. Jia GAO. If Mr. GAO attends a site at some point this afternoon or evening, if his behaviour, activity or conduct, is reported and is considered unacceptable it will simply be added to the list of what he will be interviewed about by a BCLC Investigator.

For the River Rock – Rishi was expecting a call this afternoon from one of you. Please advise Rishi that follow up discussion with RRC management on Mr. GAO will be tomorrow at some point. I'll call you to explain.

Brandon:
1. For the Edgewater; please hold off speaking to anyone there pending the plan being sent out tomorrow.

2. For the Grand Villa; please advise Bill Lang that as a result of BCLC learning additional information on Mr. GAOs' activity, BCLC will be arranging an interview with Mr. GAO, therefore the request for Gateway to have a session to educate is no longer necessary.

Please call me with any questions or to clarify.
Thanks
Bruno

April 7, 2015 Redacted - Patron interview and report filed by Steve

SP20150048581 Attached by sbeeksma on Apr 2, 2015 15:34

Description: On the above date the writer received direction from BCLC Corporate Security management, after
consultation with BCLC's AML unit that patron [redacted] would need to be interviewed by an investigator regarding recent suspicious transactions at VILLA, EDGE and RRCR casinos.
The writer along with BCLC Stone LEE were assigned to make arrangements for [redacted] to meet with us.
-On 2015-APR-02 at approx 1430hrs investigator LEE was able to get in touch with [redacted] via telephone [redacted] was informed who we were and that we'd like to meet with him to discuss some things at a location of his choosing. [redacted] did not enquire as to why we needed to meet with him and suggested meeting at RRCR.
It was agreed that we would meet on 2015-APR-07 (Tuesday) at 1300hrs in the reception area of RRCR's VIP Salon.
Appropriate BCLC personnel were updated [redacted] does not need to be approached should he come to a BC Casino this weekend).
Appropriate GCGC/RRCR management were updated in a separate email and asked to arrange for a quiet place for us to meet on the specified date/time (recommending a private gaming room as this has worked well in the past).
The key points to be covered in the interview are as follows:
-[redacted] recent cash deliveries at the VILLA from an associate of banned individual [redacted]
-[redacted] recent cash delivery at RRCR from an a banned individual [redacted]
-Discourage cash deliveries entirely.
-Encourage continued use of his PGF account as a first choice.
-Be clear that continued use of cash facilitators and deliveries could result in future interviews with an investigator, restrictions to play and/or a provincial ban from all BC Gaming facilities.
-Any further intelligence [redacted] can provide surrounding how he makes the arrangements for the cash.
-Discuss the recent PGF/Bank Draft issues at VILLA (drafts in another persons name from another persons account).
This incident will be updated with the results of our conversation with [redacted]
S.BEEKSMA
BCLC
Casino Investigations
SP20150051200 Attached by sbeeksma on Apr 7, 2015 14:51
Description: 2015-APR-07 @ approx 1255hrs the writer, along with BCLC investigator LEE, Stone assisting with
translation met with [redacted] as previously arranged. RRCR AGM's were updated and RRCR VIP staff arranged for us to speak with [redacted] in one of the private rooms in the Salon (MDB 13 and 14).
To the writers knowledge [redacted] does not speak English, the entire conversation was done through LEE via translation in Mandarin.
Firstly [redacted] was thanked for taking the time to meet with us.
We discussed the 2015-MAR-23 incident at VILLA casino that involved [redacted] receiving a cash delivery from a vehicle believed to be associated to [redacted]
[redacted] explained that he is lazy and does not want to leave the casino and they will deliver to him. He referred to them as "friends" that know is credit is good and will provide him with money when he
Reporting
Party:
Supervisor:
Printed: 07-Apr-2015 15:00 Page 2 / 4

Incident File Full Report Incident File #IN20150017390

SP20150051200 Attached by sbeeksma on Apr 7, 2015 14:51 SP2015005120
0 - Continuedneeds
it. When asked for his "friends" name(s) he only stated he referred to one of them as [redacted]
[redacted] When asked if [redacted] stated he simply makes a phone call and they bring him the money he's asked for.
Next we moved on to the 2015-MAR-31 incident at RRCR detailing a cash delivery from a vehicle

associated to a banned Redacted - Patron Interview Identifying Information stated that similar to the VILLA incident he makes a phone call and the money is delivered to him.
Redact ed was asked if it is the same number he calls and he stated no, these are 2 different groups of "friends" (different people).
We explained to Redac our concerns surrounding cash deliveries and the fact that some of these people are banned and we don't want them near the casino.
Redacte d - explained that he loves Canada, is completely legitimate (his money is legitimate), pays taxes and does not want to break the law. He stated he would stop calling these people to bring him money. Redact ed - went on to explain that he has lost nearly a quarter of his net worth in the casino and had to sell one of his 6 homes as a result.
We explained to Redac ted our concerns for his safety in receiving cash deliveries and walking around with bags of cash, he thanked us for our concerns.
We also told him that he is a valuable customer in BC Casinos and that 90% of the time he is what we consider to be the perfect player (using his casino account). We communicated that if he continues to associate with these individuals that are delivering cash he may be put in the same category and it could affect his ability to gamble in BC Casinos. Redac ted - understood and told us that he would not do this any longer. He stated that if he needs more cash in the future he would go and get it himself (earlier in the conversation he had indicated he has up to $700K in cash at his home from casino disbursements).
Over the weekend an exchange cash/chips incident was generated at RRCR occurring 2015-APR-02 (2015-17415 refers). This incident details Reda cted redeeming $550K in chips, placing the cash into a green bag and giving the cash to a Middle Eastern male whom was in the company of an Asian female (neither identified on the incident date as they had departed the casino).
Redact ed was asked to explain who they were and why he gave them so much money. It took a moment for Redact ed - to recall then suddenly remembered what we were referring to.
Redact ed explained that the male (described by Redacted - Patron Interview Identifying Information is the manager of a jeweller in Redact ed - Redacted - Patron Interview. He stated he has spend millions at this jeweller over the past years. The money was for a 10 carat diamond ring and watch he purchased for his wife (whom accompanied him to the casino but waited in a lounge area while we spoke with Redacted - Patron proceeded to show us a photo of the ring on his cell phone which appears substantial. Both the writer and LEE agreed that Redac ted - was telling the truth. The writer has overheard staff at RRCR talking about the substantial diamon Redact ed - Patron had recently purchased for his wife.
Overall was very cooperative with us. He stated he is willing to meet with us anytime and that he would stop having cash delivered to him suggesting perhaps this will help control his spending.
He was thanked again for his time and our meeting ended here.
Following the meeting RRCR AGM Daniel LAY was updated and thanked for allowing us to meet at RRCR.
BCLC corp sec management has been sent a copy of this report.
S.BEEKSMA
BCLC
Casino Investigations

April 13, 2015 Jia GAO update- further actions taken for sanctions 2015-19377

Jia GAO file from last night, we should chat later today about Jia GAO's buy-in after he lost his cash at the RR tables. On a positive note, Redacted - RCMP ....on a negative note he had 500K in un-sourced cello-wrapped 5K chips delivered by PER SON #140681 who, according to our records, is a dealer at the Edgewater Casino.....this will be interesting!
Daryl

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit

April 14, 2015 Jia GAO 2015-19377 follow up

Hi All,
As a result of recent activity by Jia GAO, SID# 142378, the following sanctions are imposed on him:
1. No play/chip-in with un-sourced chips.
2. No play/buy-in with un-sourced cash.

At 0920 hrs. Apr. 14, 2015, Stone LEE made phone contact with Mr. GAO to advise him of the sanctions. Stone has entered comments in Mr. GAO's profile indicating such.

Steve, Jim or Jerome- Please notify Great Canadian and alert to the comment in GAO's profile.

Brandon, please do the same with Gateway.

Tom Plante – please do the same with Edgewater.

Thanks
Bruno

April 14, 2015 Jia GAO follow up

Hello Bruno,

As per your email in respect to notifying the GCC Site Management about GAO's comment on his subject profile.
I have spoken with Rishi and he is aware, sounds like Pat ENNIS updated him this morning.

The only concern/question they had is that happens now with the chips GAO has access to ~ approx. $1.5 million in chips on him & the $1,000,00.00 in the abandoned chip account.
Are there any additional instructions. . .

Rishi also stated that we would like an email from BCLC Management as to the instructions that were placed on GAO.

(*He stated in the past that was the plan for BCLC to provide an email to the Service Provider*)

RR Surveillance is also aware of the BCLC Directive if GAO comes in this afternoon.

Thanks,

Jim HUSLER
BCLC Casino Investigator
Corporate Security and Compliance

Hi Stone,
It's been determined by RRC that Mr. GAO has 1.4 million in winnings that he may still be in possession of in chips, in addition to the 1 million that he is currently playing with.

Please make phone contact with Mr. GAO to advise him that if he still has the 1.4 million in chips he is to bring them to the RRC no later than 1300 hrs. (1pm) this Friday Apr. 17th, 2015 and RRC will process the 1.4 million as verified winnings.

If Mr. GAO questions why these actions are being pursued by BCLC, you have the two files we spoke of earlier to reference; 2015-18549 and 2015-19377.

Please call me to discuss if necessary prior to calling him.
Thanks
Bruno

April 14, 2015 Jia GAO update 2015-19377

Hi All,

Just got off the phone with Mr. GAO, GAO was informed of the deadline for bringing in his gaming chips to RRCR. Mr. GAO stated that he only have approximately 1.1 million in chips left which he will bring them in.
When mentioning the sanctions placed on him, Mr. GAO just said "I know.. I know.. it appears that he did not want to talk in front of someone?

Stone Lee
Casino Investigator

April 24th, 2015 Jia GAO update from Ross Alderson 2015-19377

Good afternoon all,

On April 14, 2015, certain conditions were imposed on Casino Patron Mr. Jia GAO (SID #142378)

Mr. GAO was no longer permitted to buy-in at any BC Casino with any "un-sourced" cash or gaming chips until further notice. In February of this year Mr. GAO had also been informed that bank drafts made out to third parties were also not acceptable for buy in's.

These conditions were also discussed directly with Mr. GAO by a member of BCLC Investigations and Mr. GAO confirmed he understood.

There has been recent continued activity by Mr. GAO contrary to these conditions, BCLC asks that the following reiteration and clarification of these conditions be **immediately** communicated to **all** BC Casino front line staff who may have direct contact with Mr. GAO:

1/ Un-sourced Cash and Chips

- If Mr. GAO decides to buy-in using cash (any amount), this buy-in must be accompanied by a withdrawal slip from an accredited financial institution showing the same date as the attempted buy-in, as well as show that said cash is from an account associated with Mr. GAO

- If Mr. GAO decides to buy-in with gaming chips, the site must be able to show that said chips were the result of a verified win by Mr. GAO
- Mr. GAO is not to accept any cash or chips (either sourced or un-sourced) from any other persons at any time. Mr. GAO is not permitted to partake in "chip passing" of any kind

Please note the above applies to all transactions, regardless of amount

2/ Bank Drafts

- If Mr. GAO chooses to make a deposit into his PGF Account using a bank draft, the following restrictions apply:

- Bank Draft must be from an accredited financial institution
- Mr. GAO must be able to show that the said Bank Draft is derived from his own bank account, and must be made payable to the Casino accepting the deposit
- Mr. GAO is not permitted to deposit any Bank Draft that may be considered as a "Third Party" (ie; cannot have any other individuals name as the "remitter" or the like)

Any deviation from the above conditions, may result in immediate additional measures, including sanctions such as possible suspension or outright prohibition of Mr. GAO's gaming privileges.

As we all value our business partnership with Mr. GAO, it is critical that all Service Partners assist in ensuring these conditions are followed without exception. BCLC will be reaching out to Mr. GAO today in the hope of alleviating the need for any future sanctions.

As always we appreciate the assistance of our business partners.

If there are any comments or questions please feel free to contact me at your earliest convenience.

Regards

Ross Alderson CAMS

Director, AML & Operational Analysis
Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO 604 225 6488

April 26, 2015 Jia GAO update from Steve re; Weekend play by Jia GAO

From: Steve Beeksma
Sent: April-26-15 3:42 PM
To: Bruno Gatto; Kris Gade
Cc: Jerome Wakeland; Jim Husler
Subject: GAO...latest
Importance: High

Hi all,

Just wanted to get this to you, I'm sure we'll be looking into it further tomorrow.
Yesterday I received a phone call from Peter Demonte (surveillance manager) advising that GAO came to RRCR and redeemed 200+ in chips (un-sourced). He took the cash and left the site. He returned later with a band draft in what I understand to be the same amount. The transaction was completed and GAO gambled with no further irregularities known at this time.
Peter called to give me a heads up as clearly GAO has found a work around. I told him it's OK for now as the buy in money was from a draft as directed and we'd make further inquiries on Monday.
Peter called again today to advise that he attempted the same thing today with $300K in un-sourced chips. This time RRCR made the decision to not allow the transaction as they feel that he is circumventing the sanctions we imposed. It's beloved he's taking the disbursed cash from the casino, depositing it into his bank then taking out a draft to gamble with.
Peter does not believe these chips are from past winnings.
Needless to say GAO will likely do the same thing at a competitors casino (if he hasn't already) so I'm sure it was not easy for RRCR to turn away $300k.
I wanted to bring this to your attention ASAP as this will probably require some pretty quick action or direction from us tomorrow if we want to prevent him from trying this elsewhere.
More to follow tomorrow,
Steve

April 27, 2015 Jia GAO update from Kris Gade to Stone Lee for GAO interview.

Hi Stone...

As per our conversation... I was able to confirm with GCGC that the $200K in chips that Jia **GAO** was permitted to exchange for cash on Saturday, were not the result of any winning in the past week... In addition, the $300K in chips that he was denied as a second exchange, were not from any verified winnings as well...

Further to this, it is confirmed that none of the chips that GAO brought in over the weekend, were part of the 1.4 million in chips he was allowed to return to the RRCR as verified win chips no later than 1300 hours Friday Apr. 17th, 2015... Those chips have all previously been returned...

Therefore, we ask that you make contact with Mr. GAO, and explain the following:

1. ***We value him as a customer however he is creating a difficult situation through his actions***
2. ***Where did the $500K in chips come from on Saturday?***
3. ***If they were given to him, by whom?***
4. ***If they were his, how many more does he have?***
5. ***If they were his, how did he get acquire them? (We are certain they are not from any verified wins)***
6. ***If they were his, is able and willing to return any remaining chips he has in his possession, once and for all? By when can here turn them?***
7. ***Why did he not bring in a bank draft originally, instead of chips?***
8. ***Tell him we cannot tolerate him trying to circumvent the conditions we have imposed.***
9. ***If he continues to do so, it may only lead to more stricter conditions***

10. The above applies to all casinos in the Province

Please be sure to add this in a summary in CRS iTrak... Thanks in advance...

Kris Gade
Manager, Investigations
Corporate Security and Compliance Division, BCLC

April 28, 2015 Jia GAO update- Kris Gade

Hi everyone...

If and when Mr. GAO calls Stone back, he can be told that he is allowed to "Buy-In" for the remaining $300K in outstanding RRCR chips that he apparently is in possession of... There is no need for him to exchange the chips for cash and then go get a Bank Draft... He can play straight away with said chips... This is a **one (1) occurrence however**, and the site is going to have to accurately track said chips to assure this $300k does not turn into a bottomless ordeal...

We will advise Pat ENNIS of this ASAP...

Kris Gade
Manager, Investigations
Corporate Security and Compliance Division, BCLC



Redacted - FINTRAC

April 28, 2015 PERSONAL INFO **follow up- 2015- 21808**

Hi Steve,

As per the BCLC Investigations Protocol for Educating, Warning, Sanctioning or Barring Patrons guidelines:

The actions of PERSONAL INFO **SID# 165568, calls for a 'Session to Educate' by a representative of the River Rock Casino.**

The Session to Educate is to include:

1. She is not to associate on or near any casino property in B.C. Redacted - RCMP Redacted - RCMP, as he is the subject of a BCLC Provincial Ban.
2. She is not to purchase chips for anyone but herself.
3. Purchasing chips, not gambling and passing the chips to someone else is considered suspicious and unacceptable activity.

The actions of PERSONAL INFO **SID# 112727, calls for a 'Session to Educate' by a representative of the River Rock Casino.**

The Session to Educate is to include:

1. He is to buy-in with his own funds.
2. The chips that he receives when he buys-in he is to play with.
3. By having someone else purchase chips for him and passing him the chips is considered suspicious and unacceptable activity.

Please let me know of any modifications to the above you would like to make.

Thanks
Bruno

PERSONAL INFO **reply- Steve**

Hello,

As per directive, I spoke with RRCR management (Arlene STRONGMAN, Rishi KHAIRA and Deborah HUANG) and followed up with this email (hope your OK with me copying and pasting your directive).

Both are here at the moment and it sounds like Rishi has assigned Arlene and Deborah to do the talking (they have not requested an investigator to be present).

At 1453hrs PERSONAL was spoken to by STRONGMAN and HUANG (w/guest services translating).
At 1509hrs PERSONAL was taken into the private room and spoken to also (for more than 40 minutes).
(we were watching from our review station in our office)

I'll ensure the site opens an iTrak file to document the details of their conversations an pass that number on.

Thanks,

Steve Beeksma

PERSONAL INFO – 2015-21521- follow up from Steve on interview requests.

Hello all,

Attached is the iTrak-Assist to BCLC file the site opened to document the educational sessions with Redacted - and Redacted - Patron

The sites reports are a little thin but they have acknowledge that everything we have requested to be covered has been.

The only thing I will clarify later with Arlene (she's not in at the moment) is if they established the relationship between Redacted - Patron Interview Identifying .

FYI,

Steve Beeksma

May 9th, 2015 PERSONAL INFO #26303 600K cash buy-in 2015-24313

Brandon/Tom
On 2015- May- 05 I placed a comment on PERSONAL's profile that states no further play until they comply with our request to obtain occupation/employer/owner information for PERSONAL INFO which has not been

done since the initial request on Feb 23, 2015. Due to the extremely high level of cash buy-ins that PERSONAL has been bringing in, having "Real Estate Developer" as our only information on him is not acceptable and must be updated.

PERSONAL was in Edgewater last night with a 600K cash buy-in and notwithstanding he sat and waited for an hour to have the buy-in counted and the note on his file, it appears this information was again not obtained. I have now placed another comment for this information to be obtained as PERSONAL abandoned 290K at the tables last night and will likely be back in tonight. If either of you are working today and could make a call to your site and ensure that surveillance and the VIP host are made aware of this requirement, it would be greatly appreciated.
Having VIP patrons bringing in 600K in cash is problematic in itself but not having source of wealth information on file for him seriously compounds things, along with the fact our "no further play" comment appears to have been ignored.
Thanks kindly, Daryl

Daryl Tottenham BA, CAMS
AML Specialist

PERSONAL INFO #26303 update on 2015- 24313

Hi Daryl,

I just spoke to Cameron CONN at Edgewater and he informed me that his info was updated today. Apparently the issue was that he was approached last night but when he gave the info, he wrote it down in Chinese characters which Cameron says no one was there to translate. Allegedly the profile has been updated with the required information so hopefully all should be well now.
Cheers,
Brandon

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Daryl Tottenham
Sent: Saturday, May 9, 2015 7:39 AM
To: Tom Plante; Brandon Norgaard
Cc: Bruno Gatto; Ross Alderson; Kris Gade
Subject: PERSON - 600K cash buy-in 2015-24313

May 12th, 2015 PERSONAL INFO #31644 2015- 24297- PGF acct. abuse

Morning Bruno,
Just as a follow up to this file, I have gone through his account and activities over the last few days since PERS took out the 300K from his PGF. That money has not shown back up in the any of the 3 LCT's he has registered since Friday but he has pretty much drained out the majority of the remaining 200K that was left in his PGF account after the initial 500K bank draft deposit.
These w/d's appear to be legitimate and are tied to table play and losses by PER so I think the only follow up that needs to be done here is to arrange an interview either by RR staff or BCLC investigators and find out where the 300K he initially took from his PGF account went, document that information and warn him that further PGF account abuses may result in his PGF account being closed.
I will leave it in your hands to determine a course of action with Kris and follow up accordingly.
Thx Daryl

Daryl Tottenham BA, CAMS

May 14th, 2015 PERSONAL INFO #170270 520K in cash buy-ins in 5 days, associated to PERSONAL INFO and PERSONAL INFO

Redacted - FINTRAC

Redacted - FINTRAC

Redacted - FINTRAC

May 14th, 2015 – reply for action for PERSONAL INFO

#1 - Good pick up Jerome, definitely somewhat that we need to take a closer look at and deal with ASAP. I have amended his profile with 2 notes regarding monitoring his play and activities and have also flagged him for the HRP program and put him on WATCH. He is also now flagged for "no further play" until occupation/employer/owner details are provided by him and his profile is updated.
I will be having a conversation with Bruno and he will get back to you on further steps to be taken but we need to escalate to interview stage and establish what he is doing with the o/s chips he has received.
Thanks Daryl

#2- Bruno,
Further to the email that I sent Jerome regarding PERSONAL, I have reviewed his files and that of PERSONAL # 170269 who resides at the same address and is likely his wife but that is not confirmed. PERSONAL has 5 previous LCT buy-ins totaling
$ 552,020 in cash and the same general behavior on each file whereupon he buys in, separates his stacks and pockets them or wraps in cello and then leaves shortly after arriving with minimal bets. It is clear that he is stockpiling chips but unknown if they are for friends Redacted - RCMP or for his own use down the road.
Due to the high number of missing chips I believe we need to accelerate an action for PER and require an interview before we allow him to continue play. I have him flagged currently to get ID and employment data but a proper interview to establish the current location/ status of those chips is in order. I also would suggest that the interview is done by the Investigators as we need to take a more proactive approach against him and to me he does not fit in the "treat him like gold" category as a long-term VIP player the RR should be worried about offending. Once we have some information we can review and decide if further actions are required .
I will leave it with you guys to discuss and let me know your thoughts on him.
Cheers daryl

Daryl Tottenham BA, CAMS

Update: PERSONAL INFO

Hi Daryl,
I discussed with Kris:
I will proceed with directing an Investigator interview, however, it will be arranged for 'as soon as is practicable' for if we suspend play pending an interview, we'll encounter the issue of not having an Investigator available for possibly days before an interview can be arranged/conducted.
Thanks
Bruno

May 13th, 2015 PERSONAL INFO **#663 - 365 K cash buy-in** Redacted - RCMP **2015-24818 and** PERSONAL INFO **for 100K** Redacted - RCMP **- 2015-24889**

From: Jim Husler
Sent: May-12-15 7:45 AM

To: Bruno Gatto
Cc: Kris Gade; Steve Beeksma; Jerome Wakeland; Tom Caverly
Subject: Morning FYI from the RR

Morning Bruno,

Two files to note:

20150024818

Part 1
1352hrs – Redacted - RCMP looks like it was approx. $220k (10500x$20.00 & 1000x$10.00) for patron PERSONAL INFO SID#663.

Part 2
1735hrs – PERSONAL INFO SID#663 makes a phone call then meets up with a Redacted - RCMP LP not obtained. $60K (3000x$20.00)

Part 3
2223hrs – PERSONAL INFO SID#663 dropped off by a Redacted - RCMP series another $85K (4250x$20.00)

20150024899

2357hrs – PERSON SID#140770 – he met up Redacted - RCMP Redacted - RCMP) $100,040K (5002x$20.00)

Reply- Bruno et al for PERSONAL INFO

Hi Jerome,
Follow up to our discussion:

As per guidelines outlined in BCLC Investigations Protocol for Educating, Warning, Sanctioning, or Barring Patrons, please request that Subject, PERSONAL SID# 663, receive a Session to Educate by a River Rock Casino representative on the issue of dealing with BCLC Provincially Banned person Redacted - RCMP Redacted - RCMP

- PER SON is to be made aware that Redacted - RCMP on or near any B.C. casino property is unacceptable activity.

Also, as per the guidelines, the RRC representative is to document the session in CRS (iTrak).
Thanks

May 13, 2015- Redacted - Patron Interview Identifying Information Follow up- 2015-24297

Hi Steve,
Follow up to our discussion:

As per guidelines outlined in BCLC Investigations Protocol for Educating, Warning, Sanctioning, or Barring Patrons, please arrange to interview Redacted - Patron Interview Identifying Information

The basis for the interview is to determine:
1. From who's bank account was the 500K HSBC bank draft he deposited to his PGF account on May 8th, 2015.
2. The disposition of the 300K in chips he received on May 8th, 2015.
3. The source of his funds.

Thanks
Bruno

May 14th, 2015- PERSONAL INFO # 40443 200K buy-in with delivery to site by recently 5 yr barred L/S suspect- refusal to provide occ details.

Morning guys,
Just a heads up that I have amended PERSON's profile with a directive that no further gaming is allowed at any BCLC site until he provides information on the hotel he owns and/or company name. He has refused to provide this information and last night he was in RR with PERSONAL who is the subject of an ongoing inquiry after he removed 300K from his PGF account and left the casino with those chips which are still outstanding. The 200K delivered last night to P E appears to be have dropped off by PERSONA #53878 who was the subject of a 5 yr BCLC barring for loan-sharking activities but the barring expired last year. We may need to re-visit her status if we can confirm her by photo.
Could you please touch bases with surveillance and VIP today and ensure they are aware of P's new status as he will likely be back on the weekend.
Thanks Daryl

Daryl Tottenham BA, CAMS

May 14, 2015- Redacted - Patron Interview Identifying Information Follow up- 2015-24297

On this date, Steve interviewed Redacted - Patron Interview Identifying Information and was advised that the 300K he withdrew from his PGF was used to pay off some loans after he sold his house. It was explained to Redacted - Patron that the 500K deposit to his PGF account was not normal and that is why he was being spoken to. He insisted it was from the house sale and understood the concerns. The details are filed in a supplement for this file and he will be monitored closely to see if any other problems are noted.
Daryl Tottenham BCLC AML Unit

May 14th, 2015 Jia GAO update- 300K bank draft at Villa and RR

From: Steve Beeksma [mailto PERSONAL INFO
Sent: Wednesday, May 13, 2015 2:20 PM
To: Arlene Strongman; Daniel Lay; Deborah Huang
Cc: Rishi Khaira; Jerome Wakeland; Jim Husler
Subject: GAO, Jia SID SID 142378 - Last night

Hello all,

Last night at approx. 1941hrs Mr. GAO entered the casinos VIP Salon. Upon review of footage it appears he presented a CIBC bank draft to guest services which was returned to him by Executive Host Wilber about 5 minutes later. GAO exited the casino with his associates shortly thereafter (does not appeared the transaction went through).

As per CSPP's surrounding PGF accounts, any irregularities surrounding the accounts need to be reported in the CRS (Casino Reporting System).

*4.3 An Incident Report in CRS shall be generated for any discrepancies or irregularities to the Cage – Patron Gaming Funds Accounts procedures.

Can someone please arrange for an incident to be opened and the specific issues with GAO's draft documented? I understand that Wilber wouldn't have iTrak access so either a statement from him (scanned into the media) or if someone can simply find out and document it in a supplemental that'd be great.

I'm not aware if anyone other than Wilber was involved (and surveillance).

Thanks,

Steve Beeksma

From: Bruno Gatto
Sent: Thursday, May 14, 2015 1:15 PM
To: Steve Beeksma
Cc: Kris Gade; Ross Alderson; Daryl Tottenham; Brandon Norgaard
Subject: RE: GAO, Jia SID SID 142378 - Last night

Thanks Steve.
I just checked. The Grand Villa submitted a report too for the bank draft they refused earlier.
Bruno

From: Steve Beeksma
Sent: May-14-15 11:30 AM
To: Bruno Gatto
Subject: FW: GAO, Jia SID SID 142378 - Last night

Hello Bruno,

See chain below and reference RRCR incident 2015-25156 documenting GAO's attempted PGF account transaction. As suspected the BD was made out to GAO instead of GCGC.

Thanks,

Steve Beeksma
Casino Investigations

May 15th, 2015 PERSONAL INFO #663 - 365 K cash buy-in Redacted - RCMP 2015-24818 and PERSONAL INFO for 100K Redacted - RCMP - 2015-24889

From: Steve Beeksma
Sent: May-14-15 1:04 PM
To: Bruno Gatto
Cc: Kris Gade; Jerome Wakeland; Jim Husler; Daryl Tottenham
Subject: Redacted - FINTRAC Redacted - FINTRAC

Hello all,

I just wanted to let you know that I intend to direct RRCR management to speak with PERSONAL INFO regarding his associate PERSONAL INFO conducting his buy in for him suggesting that PERSONAL INFO be told to conduct his own buy ins (LCT records are far from accurate as a result). Daryl has also added a comment recently to his SID profile to get updated business name etc which can be done at the same time.

If you guys are OK with this I'll send them something today.

Thanks,

Steve Beeksma

May 14th, 2015 Redacted - Patron Interview Identifying Information -update for interview

Hi Jerome,
As just discussed:
As per guidelines outlined in BCLC Investigations Protocol for Educating, Warning, Sanctioning, or Barring Patrons, please arrange to interview 'as soon as is practicable, Redacted - Patron Interview Identifying Information Redacted

The basis for the interview is to determine:

- The disposition of the chips he has received and left the site with as you have detailed below.

I leave it to you to plan the best method of communication with Redacted - Patron to arrange for the interview and also to determine if an interpreter will be required.
Thanks
Bruno

May 24th, 2015 Jia GAO update on play

Good morning everyone,

GAO has been back playing at the Villa for the past couple days.

On May 20, GAO attended the Villa with a $200,000 BD @ 1502 hrs, withdrew the funds, and lost it all.

On May 21, GAO's activity is as follows:

- 1146 hrs - attended the Villa with a $220,000 BD, withdrew funds and gamed
- 1305 hrs – produced another $150,000 BD, withdrew funds and gamed
- 1835 hrs – cashed out $530,000 – deposited the whole amount, and took a ROF check for $430,000. $100,000 was left in his PGF.

On May 22 (early this morning), GAO's activity is as follows:

- 0126 hrs – withdrew that remaining $100,000 in his PGF from above
- 0500 hrs – cashes out $215,000 – deposited $100,000 back into PGF, took verified win check of $115,000 (INC: 15-26719)

GAO's PGF balance at this time: $100,000

Hope this helps.
Brandon

May 25th, 2015 Jia GAO update- Brandon

Subject: Jia GAO - INC: 15-27005

Good morning gentlemen,

Just wanted to bring your attention to GAO and one minor incident that happened at the Villa on May 23. As per Ross' email to the SPs on April 24, GAO is not to be involved any kind of chip passing.

GAO did not receive any chips from another patron, but he did pass $10,000 (2 x $5,000 chips) to an associate he was gaming with. Asian female he passed to was identified as PERSONA INFO (SID: 141493).

This pass was done in plain view of the cameras, and no attempts were made to conceal it. A further review of PE[redacted]s play shows that she does have some chips from before the pass, and continues to game with the chips after the pass. It is likely that she played off all of the chips from GAO.

There does not appear to be any suspicious indicators of this exchange, just wanted to let you know his one incident.
Cheers,
Brandon

May 25th, 2015 Jia GAO- reply from Ross A.

Thanks Brandon, based on your observations the chip pass appears to be non –suspicious, not commercial in nature and not to avoid any reporting requirements.

The main concern which prompted the directive for chip passing was primarily based on GAO being the recipient, considering the ongoing concerns that have arisen over his source of funds.

Considering the restrictions already imposed on GAO and that he now appears to be complying I don't see a need for him to be spoken to however we will continue to monitor.

I appreciate the heads up

Regards

Ross Alderson CAMS

June 1, 2015 PERSONAL INFO - cash delivery

Bruno/Kris
I have reviewed the past month of PE's activities including his most recent file at Edgewater where he received a cash delivery Redacted - RCMP in the month of May alone PE has 4.5 million in cash buy-ins, 3.6 in CDR's and has one PGF deposit for 200K. Redacted Redacted - FINTRAC Redacted - FINTRAC Redacted - FINTRAC PE has 22 small bill buy-ins in May which range from 100K to 280K and has moved around all 4 major sites during this time. There are 5 large cage buy-ins with large bills that appear to be recycled winnings from the previous night's play and one incident at Starlight where PE became upset and threw a chair in the direction of VIP staff.

On file 2015-28352 PE ran out of money and subsequently contacted someone by cell phone and PERSO attended at the valet loop at Edgewater Casino and dropped him off $150 K in $20 and $100 bills which he used to buy in with PER was recently given a 5 year BCLC barring for her activities concerning cash facilitation at casino sites Redacted - RCMP In light of this latest incident, I am suggesting that contact be made with Edgewater management by BCLC Investigators and arrangements are made to have them speak with PE and advise him about the use of cash facilitators in the hopes that he will change his behavior and utilize his PGF account that he just recently opened. It is hoped that this action would be enough to resolve this issue and we can monitor accordingly from our side as PE travels often to other sites in the Lower Mainland.

I will leave it with you guys to discuss and advise of the action plan for PE
Thanks in advance,
Daryl

Daryl Tottenham BA, CAMS
AML Specialist

June 27, 2015 PERSONAL INFO #14090- Refused OCC info

Thank you very much Djordie. I will make contact with her.

Thanks
Brandon

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Djordje Trajkovic
Sent: Saturday, June 27, 2015 5:35 PM
To: Daryl Tottenham; Brandon Norgaard
Cc: Peter Demonte; BCRRC Surveillance Shift Managers; BCRRC Surveillance Supervisors
Subject: SID # 14090 (PERSONAL INFO

Hello gentleman,

Please be advised that SID # 14090 PERSONAL INFO was approached in RRCR (see IN 20150033200) and informed of BCLC directive of suspended gaming privileges until Investigators can contact her; she provided phone number PERSONAL INFO for you to contact her and was escorted out.

Thanks!

Djordje TRAJKOVIC – Shift Manager Surveillance
T: PERSONAL INFO
C: PERSONAL INFO
E:

June 29th - Redacted - Patron Interview Identifying Information interviewed

Good afternoon everyone,

My apologies for the mass of emails, but one final update.

Redacted attended the Villa today to speak with me. A discussion was held in the VIP Salon with a translator.

A brief introduction was given about myself and the nature of the discussion.

Redacte was informed that due to federal government regulations, certain information must be obtained, some of which may not have been obtained in the past, regardless of how long they have been coming to casinos. Redacte was also informed that she is not the only one that we must speak to, nor is she in any trouble.

Redacte d - was questioned about her change of occupation from manicurist. Redact ed - now stated that she worked for a company called Redacted - Patron Interview Identifying ' which is based in Canada. There were some difficulties with the translation, but it appears as if she is the owner of the company, which deals with the cleaning

up of building sites. Redacted has apparently been working there for approximately 3 years. The company cleans up many different sites all throughout the lower mainland.

Redacted stated that on June 2, when she was questioned by several service provider employees, that she felt overwhelmed and offended. This was likely the cause of her agitation and unwillingness to speak to BCLC. I apologized for her experience and stated that we will try and approach situations such as these in the best way possible, so long as she is willing to work with us when new information is required.

Redacted was informed that her gaming privileges resume at this time and she will be allowed to resume gaming. Redacted seemed pleased to hear this.

Redacted did appear to be forthcoming throughout the discussion, although you could see that she did seem uncomfortable.

I have updated the site as to her privileges, updated comments on her profile, changed her occupation/company name in iTRAK, and updated INC: 15-28828.

Please let me know if you have any further questions.

Cheers,

Brandon Norgaard, CAMS
Casino Security Investigator
Corporate Security & Compliance Division, BCLC
2940 Virtual Way, Vancouver B.C. V5M 0A6
PERSONAL INFO

July 7th, 2015 Jian Qiu RONG #16985 Assessment report- Brandon

RONG, Jian Qiu – SID: 16985
Occupation: Housewife

Review of activity from January 1, 2015 – Present

Redacted - FINTRAC
1 x 3rd party cash out
3 x cash/chip exchanges

19 x LCTs:
Buy ins = $563,320
Disbursements = $41,545

Notable Associates:
CHEN, [redacted] – SID: 89530 – BCLC Prohibited 5 Years for Loan Sharking Activity

PERSONAL INFO – SID: 99395 – High Profile VIP player
GAO, Jia Gui – SID: 142378 – High Profile VIP player
WEI, Kesi – SID: 144419 – High Profile VIP player
PERSONAL INFO – SID: 90767 –
SID: 174008 – Redacted - RCMP (very active recently)

Review of iTRAK incidents:

2015-02107 – no suspicious involvement
2015-03113 – EDG – **POSSIBLY** received chips in washroom to take off site – **POSSIBLY** assisting in the repayment of a loan?
2015-03863 – RRCR – vehicle associated to RONG delivered funds ($50,020) to patron
2015-08534 – RRCR – possibly received a delivery of $50,000 ($20s)
2015-09514 – RRCR – leaves site and returns 10 mins later to buy in $50,000 ($20s)
2015-13549 – RRCR – received cash delivery ($99,920 in $20s) from PERSONAL Redacted - RCMP Redacted - RCMP
2015-15273 – RRCR – meets with CHEN and **POSSIBLY** gives CHEN a bag of funds
2015-17637 – RRCR – no suspicious involvement
2015-29188 – RRCR – bought in $50,000 ($20s) – brought funds with her on site
2015-29921 – VILLA – received chips from GAO, likely took off site – **POSSIBLY** repayment of a loan?
2015-29946 – STAR – assisted with a cash delivery from PERSONAL Redacted - RCMP of $100,000 to PERSONAL

Review of September 2014 – December 2014 iTRAK incidents:

2014-48431 – RRCR – assisted with 2 x cash deliveries for WEI (total value of 2 deliveries is approx.. $1,000,000 ($20s)
2014-49508 – RRCR - **POSSIBLY** lent her vehicle to an associate to assist with a cash delivery off site
2014-49523 – RRCR - assisted GAO with a delivery of approx.. $300,000 ($20s)
2014-49615 – VILLA – no suspicious involvement
2014-49957 – RRCR – no suspicious involvement
2014-50103 – RRCR - no suspicious involvement
2014-26042 – RRCR - no suspicious involvement
2014-56133 – EDG - no suspicious involvement (3rd party cash out for known associate)

Summary:

It appears as if RONG is an unofficial "VIP Hostess" for the VIP patrons. In my discussion with WAKELAND & BEEKSMA, I was informed that RONG appears to like to take care of the high limit room and see if anyone requires anything further. RONG appears to be associated with several prominent cash facilitators Redacted - RCMP and has possibly introduced several VIP patrons to these facilitators. RONG does appear to assist on several occasions with the delivery of funds to certain VIP players.

RONG does game, however, the amounts that she buys in for are not significant (average approx.. $25,000-30,000.

2015-JUL-07
Review of 2015 LCTs:

RONG is a legitimate player and does game with regular frequency at RRCR, STAR, VILLA, EDG

24 total LCTs in 2015 (19 x RRCR/2 x EDG/2 x STAR/1 x VILLA)

19 INCs in 2015 (15 x RRCR/2 x VILLA/1 x EDG/1 x STAR)

- 7 of the INCs involve her being (directly or indirectly) a Facilitator
- 3 of the INCs involve her receiving cash deliveries (to use for buy ins for her own play)

- Average buy ins **WITHOUT** taking into consideration her "shady" business = **approx. $16,000-17,000**
- Average buy ins **WITH** taking into consideration her "shady" business = **approx. $30,000**
- Average buy ins **WITHOUT** taking into consideration her "shady" business & removing 1 highest anomaly/1 lowest anomaly = **approx. $14,000**

- Total buy ins (2015) **WITHOUT** taking into consideration her "shady" business = **approx. $353,000**
- Total buy ins (2015) **WITH** taking into consideration her "shady" business = **approx. $618,000**

- 2 x LCTs from EDG where she was not involved in an incident (gaming legitimately)
- 2 x LCTs from STAR where she was not involved in an incident (gaming legitimately)
- 1 x LCT from VILLA where she was not involved in an incident (gaming legitimately) – engaged in chip passing with GAO, but not deemed suspicious
- Total of 5 x LCTs that coincide with same date/property as various incidents
- 19 LCTs are independent of the incidents
- 3 x LCTs where no buy ins but disbursements ranging from $10,000-23,000 (possible that these chips being cashed out are from previous gaming sessions of hers where she has left with chips)
- All LCTs that involve buy ins have NO disbursements except for two - LCT15-23945 (EDG) & 15-26358 (VILLA)
- All other LCTs with buy ins have NO disbursements – could imply that she is taking chips off site

- LCTs that include buy ins – average length of time = approx. 6+ hrs (min. = 1.5 hrs/max = approx. 14 hrs)

- Overall, RONG is up and down, losing her chips on occasions, and appearing to be winning on occasion, however, no disbursements

Conclusion:
It is clear that RONG's usual legitimate play is significantly lower than the amounts that she is dabbling in when acting as a facilitator or assistant to a facilitator. RONG does game legitimately on dates without creating issues at various sites (total of 19 LCTs where no incident was created). RONG does game for extended periods of time, often in excess of 6+ hrs. RONG either loses all of her chips or prefers to take chips off-site with her.

July 7th, 2015 Guo Tai SHI #71603- update on file- report



2015-07-07 PERSONAL INFO file 2015- 34963

Good afternoon everyone,

I just want to bring your attention to the above two files that occurred at the Villa yesterday.

The first one (15-34963) involves GAO leaving the VIP room at the Villa, walking onto Dominion Street and entering the passenger side of a black Mercedes SUV (BCLP: PERSON). GAO receives what appears to be a white plastic bag with unknown contents. No clear face shot of the driver could be obtained. An RO request was made and came back to PERSO (SID: 73465), which of course, is not great news. As per iTRAK, the vehicle is also associated to PER PERSONA s driver/associate).

GAO then took this bag into the VIP room and held onto it for several hours. GAO did not buy in with this. GAO does return from the vehicle with what appears to be $11,000 (2 x $5,000/1 x $1,000) in chips that he uses at the table. It is unclear if those came from the vehicle or if he had those on his person. GAO's sole buy in was a bank draft via PGF for $300,000, which he lost all but $5,000. GAO later goes with several associates to dinner at the Grand Dynasty restaurant nearby.

I have attached the second incident as GAO's associate, PERSONAL INFO (SID: 143928) comes back to the casino along with GAO and others. GAO and others leave site in their respective vehicles, however PER goes to buy in using a white plastic bag with $20,000 inside. It cannot be confirmed, but it is possible that this white plastic bag was the same as the one GAO got from PE s vehicle. It is also unknown at this time if those are PER s funds that GAO was just assisting with, or if PER was playing for GAO.

If there is anything else you need, please let me know.

Cheers,

Brandon Norgaard, CAMS
Casino Security Investigator
Corporate Security & Compliance Division, BCLC

Redacted - FINTRAC

bclc.com

Redacted - FINTRAC

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- FINTRAC

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- FINTRAC

Redacted - FINTRAC

2015-Jul-13 PERSONAL INFO #132164 –refused Occ info- Placed on ban until obtained.

Subject: RE: iTrak Report PERSONAL INFO

Steve,
As it appears PERSONAL INFO does not want to play nicely, he will not play at all. I have amended his profile to require his business information as well as his address and phone number which also appear to be bogus. He is flagged as banned until this information is provided and we will assess further down the road if he returns and complies with information that is "real".
Thanks Daryl

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

2015-July- 14 PERSONAL INFO #85666 and PERSONAL INFO #87937- high volume buy-ins with multiple cash deliveries

Redacted - FINTRAC

Redacted
- FINTRAC

Redacted
- FINTRAC

Redacted
- FINTRAC

Redacted - FINTRAC

P. Jerome Wakeland
BCLC Casino Security Investigator
Corporate Security & Compliance Division, BCLC

2015-July-14 PERSONAL INFO – sanction/education session request.

Hi Jerome,
Please communicate the following request to River Rock Management:

In accordance with BCLC Investigations Protocol for E. W. S. B. Patrons, River Rock Management to arrange for a Session to Educate PERSONAL INFO on the following points:

1. The risk of being the victim of a robbery during his travel to the River Rock Casino with large amounts of cash as he has recently had in his possession when attending the casino and the concern for his safety.

2. His interaction with cash facilitators Redacted - RCMP Redacted - RCMP, is considered by BCLC as not appropriate.

3. He should be encouraged to open and utilize a PGF account.

If River Rock Management choose not to conduct the Session to Educate and prefer an Investigator do it, let them know you'll get back to them and let me know.
Thanks
Bruno

2015-July 15 PERSONAL INFO #14033- 1.5 M in cash buy-ins with Redacted - RCMP



Redacted
- FINTRAC


Redacted
- FINTRAC

Redacted
- FINTRAC

Redacted - FINTRAC

Regards,
Steve Beeksma
Casino Investigations

2015-July 15- PERSONAL INFO - Education session request RR 2015-35503

Hi Steve...

This individual and his recent behaviour has been discussed at length. As such, it has been determined the best course of action is for him to have an education/information session with one of our BCLC Investigators. In this session, the following information needs to be relayed and gleaned to and from PE PERSO NAL

1/ We appreciate PERSON 's patronage; he is an important player
2/ We are concerned for his safety when he carries large amounts of cash
3/ We are concerned for the safety of other patrons and staff when he carries large amounts of cash
4/ We would like to know the source of the funds that he has been bringing in lately, as these small denominations are not normally associated with his stated occupation?
5/ We would ask PERSON if he is at liberty to divulge who is in fact dropping him off at the casino in various different vehicles (and his relationship to that person(s))?
6/ It reflects negatively on all parties involved, when he associates with individuals who are known to be banned
7/ It is highly recommended that PERSON take advantage of the PGF account option, both for safety and convenience
8/ Is there anything that BCLC or RRCR can do, in order to assist PERSON in order to streamline is player experience?

Please advise the RRCR Site Manager of our intentions, and please be sure to report in CRS iTrak all details once completed.
Any questions, give me a shout.
Cheers,
Kris Gade, CAMS
Manager, Investigations

2015-July-19 [redacted] **#95916 Interpol warrant-** 5 yr barring- high volume VIP player

[redacted] was asked to leave at 1415 hrs after barring paper being served. He arrived and left in the same Rolls Royce L/P [redacted]

Louis Wan, Shift Manager, Surveillance
T: [redacted]

2015- July 29 [redacted] # 101816- For file review and temp barring

Thanks Don for the Subject profile,

I have reviewed this players iTrak profile and incidents

A few concerns come to mind.

1. It does not appear from the site that his details were updated as per Daryl's request on the profile.
2. This player has a Regina address yet he has been here since July 23 primarily involved in cash facilitation and has a history of incidents in BC
3. The narratives in a lot o f previous incidents are quite clear that he is facilitating and involved in cash drop offs
4. In one of the files there is a direct link to PJ at the RRCR in a hotel room.

Being that is the case I would like to BCLC ban this person two weeks pending a detailed analysis of him, (Cathy or Brad) and a report put together (Bruno maybe one of your troops?) summarizing his previous incidents so we can look at a lengthy ban.

I understand iTrak unfortunately is not the best case management system when it comes to consolidating information however what I found in 10 mins this morning in my mind, was enough to warrant further action.

Regards
Ross Alderson CAMS

July 29,2015 [redacted] #11354 For file review and temp barring

Morning Bruno
Perhaps you can have Brandon add the comments in her profile for the ban and Ross can give you an idea what he wants asked during interview.
I am still not back from my Toronto trip and am driving through the Rockies so cell access is sketchy....
D

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Bruno Gatto
Sent: Wednesday, July 29, 2015 11:02 AM
To: Daryl Tottenham
Cc: Ross Alderson
Subject: Subject-PERS SID# 11354

Hi Daryl,
Please see the attached info on PER Jim Husler did a good job of reviewing her slot play and Brandon has provided a good summary of iTrak IN15-39028, (converting and passing 25K in 20's into 100's with no play).

Yesterday, Ross spoke with me about this subject and directed she be given an immediate 14 day suspension of play pending an investigation that is to include an Investigator interview.

If you could enter the 14 day suspension in the Comments, and perhaps let me know any specifics you would like from the Investigator interview, I'll assign an Investigator to arrange for the interview.
Thanks
Bruno

July 30, 2015 PERSONAL INFO #23057 Dive request- new player returning- very high volume compared to previous play 2 years ago.

Hi Cathy and Brad
Could someone take a look at this guys profile and see what we have on him please? I do not know the name so he is either fairly new or someone who has not been in for a while.
With a 200k cash buy in in $20's here, we should ensure we have a file and basic dive for adverse media and criminal completed.
Also could you check file 15-39167 from RR for PERSONA #28473 for the same as above please? He had a 100k cash buy in and we should have a basic dive on him.
Just rolling through the Rockies so will be back in the office early tomorrow and on cell this afternoon.
Thx kindly,
D

July 30th, 2015 PERS ONAL #11354- update on actions taken

Hi Jim and Stone,
When iTrak is up again I'm going to enter comments in this subjects profile that her play is suspended pending an interview by an Investigator.

Jim- Please give Great Canadian the heads up.
Stone-Please do the same with Gateway.

If they ask why you can let them know it's a directive that came from the AML Unit.
Thanks
Bruno

July 30, 2015 - PERSON # 11354 -Update
Hi Daryl,
I'll call you in a minute about this draft.

BCLC AML Unit Directive – No further gaming allowed for Subject PERSONAL SID# 11354, at any site pending an interview by a BCLC Investigator. Please advise subject to contact BCLC Consumer Services, 1-866-815-0222, and provide her name and contact phone number; an Investigator will call her back to set up a time and day for the interview. B. Gatto, BCLC Asst. Mgr. Casino Investigations.

Bruno Gatto

July 30, 2015 PERSONAL INFO KO update:

Morning all,
Just to follow up with PERSONAL INFO now that Itrak is up I have checked his file and confirmed he has not been in our sites since Sept 2013 but has just started up this past week with 1.6 milllion in cash buy-ins including a 800K cash buy on the 28th at RR. His profile only has him shown as a manager for a Real Estate company so I am adding a company/employer request immediately before further play is allowed but without a banned flag and will give the sites a heads-up on that.
Based on his 800 K buy-in and level of play, we should make him a high-priority for the initial dive for adverse media, criminal and civil checks and once we have occupation details, we can run that down and see what his story is.
Thanks kindly,
Daryl

Daryl Tottenham BA, CAMS
AML Specialist

July 30, 2015 Redacted - #

Hi Jim, I have cc'd Daryl too for both of you to review and provide feedback/edits. Thanks.
Bruno

The below email from Brandon is a main issue for the interview.

The interview should include questions about the below specific incident as well as other 'Know Your Customer' related questions.

1/ We appreciate Redacted - patronage; she is an important player
2/ We are concerned for her safety when she carries large amounts of cash
3/ We are concerned for the safety of other patrons and staff when she carries large amounts of cash

4/ We would like to know the source of the funds that she has been bringing in? Is she employed?
5/ It is highly recommended that Redacte *take advantage of the PGF account option, both for safety and convenience.*

On July 28th , 2015, at the Grand Villa, early morning hours she exchanged 25K in 20's and received 100's. She later walked out to a vehicle, Redacted - Patron *and turned over the bag with the 25K to the male driver.*

Q – Who was the male driver? (it may have been her husband)

The driver then gave her another bag with 25K in 20's she tried to convert this bag of 20's but was denied.

Q- Why did she try to convert this 25K too?

Her actions of converting the currency as she did is an indicator of money laundering. This is a warning to her that she is not to do it again and if she did, it could possibly lead to a BCLC Provincial Ban.

Bruno Gatto
Assistant Manager – Investigations
Corporate Security & Compliance Division, BCLC

Aug 4th, 2015 PERSONAL INFO #46375 -For corrective action-business info

Hi Rishi,

The BCLC AML Unit has attached the following BCLC Directive to patron PERSONAL INFO 's profile SID#46375:

2015-Aug-04 BCLC DIRECTIVE: No further gaming at any BCLC site until patron provides the company name and address as requested by BCLC. Ban can be removed when information has been obtained and his profile has been updated. Please advise writer by email when information is obtained. D Tottenham BCLC AML Unit

Can you please have your staff ensure this information is updated.
Thanks,
Jim HUSLER

Aug 10th, 2015 PERSONAL INFO update- resolved

Sent: August-10-15 7:27 AM
To: Jim Husler
Subject: RE: SID#46375 PERSONAL INFO
Morning Jim
Just an fyi, he caved like a cheap tent and gave all his required info, I have removed the ban and updated his file.

Thx D Daryl Tottenham BA, CAMS

Aug 10, 2015 PERSONAL INFO #83626 Refused company Info

From: Jim Husler
Sent: Monday, August 10, 2015 9:25 AM
To: Daryl Tottenham
Subject: SID#83626

Morning Daryl,

SID#83626 is another RR PGF Patron that does not want to give her Company Name – Patron is also at HRPP....
I just called the RR Cage and had a Shift Manager confirm that the Account has been opened with the Company name added.
Might need to have a Directive and a RED profile...
Thanks,
Jim HUSLER

Aug 10, 2015- subject profile amended by Daryl and player banned until company information is provided.
Later in the evening when player returned to the site, she was advised of the ban and subsequently provided her company info, profile was updated and ban removed.

Aug 12, 2015 Interview with Redacted - Patron Interview Identifying Information Van office

August 11, 2015 - This date, at approximately 1430 hrs, I was informed by BCLC GATTO that my attendance was requested at the Vancouver Head Office to assist with the impending interview of Red acte Redacted - Patron Interview Identifying Information

The interview was to be conducted by BCLC TOTTENHAM, with myself taking notes, and BCLC Admin. Assistant WU acting as a translator.

At approximately 1430 hrs, GATTO informed me tha Reda had arrived and was waiting in the front lobby. TOTTENHAM and I met with R and escorted her to Prize Payout Room #1 where WU was waiting.

Brief introductions were given and R was thanked for her attendance for the interview. Basic demographic information such as her address and occupation was confirmed.

R was informed that the reason for the interview was to discuss recent activity at the River Rock Casino including multiple cash deliveries. Redact ed - as informed that we are worried for her safety when she receives deliveries of large amounts of cash answered that she needs to have the cash to purchase chips at the casino.

Reda cted stated that a few days ago, she had $40,000 in cash that belonged to her. Red acte stated that a "Red acte Redacted - Patron" owed her money and Redacted had repaid Red acte that money. This was that money that Red acte had used on that day to attempt to buy in with. The transaction was denied at the River Rock, and Red acte then took that money home.

Red acte was asked if she usually brings cash with her to the casino to which she answered, "Yes."

It was reiterated to [R]e that we are concerned for her safety when she brings in large amounts of cash or receives cash deliveries. [Red] was then questioned if the money came from a bank.

[Red acte] stated that sometimes she gets the money from the bank, and the bank will ask her why she needs so much. [R] will also borrow some money from friends (like [Redacted - Patron Interview] and [R] will then pay her friend(s) back with no interested/fees/surcharges, etc. [R eda] has also used bank drafts on occasion.

[R e] also stated that she usually takes out $5,000 each transaction at the bank, and will borrow from friends as they have known each other for a long time. When she borrows money from friends [Red acte] stated that her friends get the money from a bank.

[Red acte] was then explained the regulations surrounding Large Cash Transactions (LCTs), and [Red] is aware of these.

[Red acte] was questioned about an incident that occurred at River Rock approximately 2 months ago (INC: 15-32614) where she had received a delivery of over $100,000. It was mentioned to [Red] that we are concerned about who brought that money to her.

[Red acte] stated that she had lost her money at the casino and was told by a friend (did not mention who) that they had cash in their car that [Reda cted] could borrow. [Red acte] had lost approximately $30,000-40,000 and had paid back what she could. A few days later, [R] had won some more money, and repaid the funds owing.

[Red acte d - Patr on Inter view Ide] was questioned as to who this person is that gave the money to you. [Red acte] stated it was [Redacted - Patron Interview] was questioned as to how she knows [Redacted -] stated that she is a friend of a friend.

[Redacted - Patron] was then questioned as to where [Redacted] gets her money from. [R eda] stated tha [Redacted - Patron] is very rich and is visiting Canada from China. [Redacted - Patron] had a lot of Chinese currency converted to Canadian. [Redacted - Patron] has now returned to China but had lots of Canadian currency left over as she did not want to travel with it back to China. [Redacted - Patron] then lent out a lot of that money to various people, including [Reda cted]. The money is then paid back via wire transfers in Chinese currency. No interested/fees are paid by [Reda cted] when repaying funds. [Reda cted] stated that she has also repaid [Redacted] in River Rock $5,000 chips.

[Reda] was questioned if she ever uses anyone else to borrow money from other than [Redacted - Patron Interview] stated that she borrows money from players at the casino, but these are small amounts and chips are used. [R] stated that it is pretty common in the casino for this to occur. This is likely referring to the chip passes that are conducted on tables and in washrooms.

[Red] was questioned if she is aware of any loan sharks at River Rock. [Red acte] stated that she would not ask for any money from any loan sharks, and she only plays with money that she can afford.

[Red acte] was questioned about her association to the company listed on her iTRAK profile [Redacted - Patron Interview Identifying Information] stated that her and her husband owned the company, however, she has split from her husband, and she is no longer associated to it. [Red acte] confirmed that she is still a housewife.

[Red acte] s opening of a PGF account at River Rock in May was discussed. [Reda cted] was questioned on why she conducted a buy in of $80,000 in $20 bills two days after she opened a PGF account. [Red acte] stated that she doesn't know how to get a bank draft and/or finds it inconvenient to obtain a bank draft during business hours as she likes to gamble at night and in the morning on occasion. [Reda] also stated that she finds it difficult to find a bank employee that speaks her language [Red acte] further stated that she got the money from ATMs.

[Red acte] was encouraged to use her PGF account and avoid cash and reiterated the inconvenience of obtaining bank drafts, stating that she prefers to use ATMs. [R eda] was explained that we need to know that money coming in is legitimate. [Red acte] was explained that she must bring in a cashier's receipt/ATM receipt for any cash buy ins. [Red acte] stated that she understood this.

Redacted was questioned about the above incident in June where a vehicle that dropped money off for Redacted is associated to bad people. Redacted was explained that should she continue to receive cash deliveries, especially from bad people, that she will not be able to play at all.

Redacted was questioned if she is aware of any illegal casinos in the lower mainland or if she has ever attended one. Redacted stated that she does not ask any questions, does not want to know anything about them, and has never been.

Redacted was asked if Redacted - Patron is in Canada or in China, to which Redacted answered, "China."

Redacted - Patron was then asked if the banks are closed and Redacted - Patron is in China, who she gets money from. Redacted stated that she has another friend (male) and will usually go with her to the casinos. The male friend uses his credit card with Global Cash and lends the money to Redacted

Redacted was explained once again that she cannot receive any cash deliveries, otherwise her ability to play will be suspended. Redacted stated that she understood this.

Redacted was thanked for her time and escorted back out of the room and off-site.

At 1630 hrs, the interview was completed.

Briefing notes of the interview were given to ALDERSON, GATTO, GADE and TOTTENHAM.

Brandon Norgaard
BCLC Casino Investigator
215001

Redacted - RCMP update- RR

Just an interesting FYI, Redacted was in at RR last night , wandering around and eventually sat at a table and appeared to be directin Redacted - RCMP to place bets for him. Redacted - has been at RR all day gaming and Redacted - arrived around 1030 pm and stayed for a few hours. He was approached by management and spoken to and had his profile info updated and was reminded he cannot play with another players chips. He seemed amused by this and continued watching for a while before leaving later in the night. He did come in with another u/k Asian male who was approached twice for ID and refused both times and subsequently was asked to leave Redacted - has had 2 LCT's in 2015 since Redacted - RCMP and both appear to have been chip-ins with small disbursements pf 11K and 16K. FYI only
Daryl

Daryl Tottenham BA, CAMS
AML Specialist

Aug 13, 2015 Sanction update sent to Sites- Ross

Hi all,

As a follow up to recent discussions BCLC has today received approval from GPEB to implement changes to the current PGF process as it relates to ALL bank drafts.

While BCLC makes the necessary changes to policy, please take this email as official direction to implement the following changes IMMEDIATELY

- ***A Bank Draft must be from an approved financial institution and be made payable to the casino accepting the deposit.***
- ***The player presenting the bank draft must complete the declaration of Source of Funds form.***

An "Approved Financial Institution" is defined by the current policy.

Please note the only change here is that the Service Provider will no longer be responsible for verifying the originating account of the bank draft. This change is consistent with best practice in the banking environment and should alleviate some of the challenges previously faced in obtaining information from a bank in a timely manner.

Please feel free to disseminate this email to all operational staff.

Regards
Ross Alderson CAMS
Director, AML & Operational Analysis

Redacted - RCMP

To: Arlene Strongman
Subject: Kesi WEI

Hi Arlene,

I just spoke to Daryl TOTTENHAM around Redacted - RCMP is most welcome to play by buying in with a bank draft, or using cash confirmed as withdrawn by him from an approved financial institution.
However I have been informed tha Redacted - RCMP is essentially utilizing a third party to buy in while he openly directs play. While there is absolutely no issue with players interacting while gambling together, this certainly on face value, appears to be a little more than that. Additionally Redacted RCMP has also been warned twice previously about this practice.
Fintrac states:

7. Examples of Common Indicators (of a SFT)
The following are examples of common indicators that may point to a suspicious transaction, whether completed or attempted as explained in subsection 3.2.

Client appears to be acting on behalf of a third party, but does not tell you.
While it is not clear whether Redacted - RCMP is avoiding Fintrac reporting, it does appear to be a clear attempt to circumvent the current conditions.
I would appreciate if staff could advise Redacted - RCMP against this practice and confirm with him the payment options that are open to him.
Feel free to contact me directly should you wish to discuss further, or have any contrary information around the believed intent of Redacted - RCMP

I note that since conditions were imposed in Redacted - RCMP has declined to buy in with any of the sourced funds options available to him.
As always I appreciate your assistance, cooperation and feedback.
Many thanks

Ross Alderson CAMS

Aug 18, 2015

To: Kris Gade
Cc: Daryl Tottenham; Ross Alderson
Subject: Mr. GAO

Hi Kris,

I have attached the subject summary for Mr.Gao and activities at the Villa. Our operations group has become aware of this and are asking me questions as to why he is being allowed to pass chips. I am assuming that there is more to it but you can understand by looking at the file that it is drawing a lot of attention from management at RRCR in regards to the consistency of enforcement at the sites.
Patrick Ennis | Director, Surveillance

Aug 18, 2015 Response to Jia GAO inquiry.

Hi Pat,
I am following up on your email regarding the chip passes with Jia GAO as Ross and Kris are out of the office today. As you are aware, Jia is high on our radar and every night he is in at any location, his play and activities are closely monitored and reviewed daily by our Investigators. I have reviewed the last dozen entries dating back to July 4th which are flagged with chip pass incidents and all of them have been reviewed by the investigator and involve his daughter and his brother as they have been coming in together most often. Jia has been buying in with bank drafts as per our direction to him and we will not allow him to play with un-sourced chips or cash at all. In these chip pass files he is openly shared chips between his daughter and several with his brother, all amounts are relatively small and in the majority of instances it is Jia giving his daughter some chips to play another hand.

I found no instances where he had ran out of chips and family members were buying in and feeding him chips and no instances where his actions were cause for any concern and in violation of our intended sanctions to monitor his source of funds. I also monitor all UFT files every morning from all sites and I can assure you that if I see anything that goes against his sanctions, I will be on the phone to the site as the Investigator walks in the door in the morning as we are not prepared to allow him to disregard our rules of play regardless of what level he normally plays at.

Hopefully this helps clarify things for your managers as I acknowledge the importance of a level playing field at all times in this regard. I am on cell if you wish to shout me and discuss further,
Cheers Daryl

Daryl Tottenham BA, CAMS
AML Specialist

Aug 30, 2015 PERSONAL INFO - high volume play- email sent to Bruno, Kris, Kevin, Ross

Hi all,
PERSONAL INFO was in Edgewater last night and bought in for $390,000 in cash in mixed bills consisting of 115K in $20's, $500 in $50's and a whopping 274,500 in $100's. He has an extensive history for large cash buy-ins in the 200K to 700K range and lists his occupation as a property developer for the Gold Bay Construction Group.
Redacted - RCMP I flagged him back in January and he was subsequently interviewed in February by an Investigator and RR staff. In this instance he arrived with the cash and there are no indications of cash deliveries but considering the extremely high volume, I think we should be looking at another BCLC Interview. He did have a PGF account at RR back in Jan 2015 but has not used it since Jan 27th.
FYI for your considerations...
Daryl

Daryl Tottenham BA, CAMS

Redacted - RCMP update on recent activity with directed play

Hello all,
Just letting you all know that Redacted was asked to leave on 2 occasions this past weekend for circumventing the BCLC directive.
Assist BCLC incident 15-45368:
On Redacted - RCMP was given a warning as staff in the VIP room overheard Redacted asking other players to place bets for him Redacted reportedly understood and was allowed to remain in the VIP room. At approx Redacted - RCMP was asked to leave the casino as he failed to comply with the previous request and continued to direct players to bet for him.
Assist BCLC incident 15-45368:
On Redacted - RCMP was asked to leave the salon as he was once again overheard asking players to place bets for him. Instead of exiting the salon he sat in lounge chairs near the exit with a line of site to table 28 in the Salon Redacted was observed using his cell phone at the same time as a female Redacted - RCMP seated there. It was suspected that Redacted was proving direction to Redacted via cell phone. About 15 minutes later Redacted exited the Salon with Redacted - RCMP

Redacted is a close associate to another big player Redacted - RCMP) whom is thought to be good friends with Redacted We generally only see R in the casino when R is in town gambling (which he is now).
Site management has reached out to us asking if there is any further directive or action being considered by BCLC with regards to Redacted and his status in BC Casinos.

Steve Beeksma
Casino Investigations
BCLC, 2940 Virtual Way, Vancouver, BC, V5M 0A6
PERSONAL INFO

Redacted - RCMP repeat of directed play activities

Hello again,

Redac ted - was in again last night...same thing as the other 2 nights.

Assist BCLC Incident Redacted - RCMP

Redacted - RCMP

I'm sure you all are coming up with a game plan to deal with him but needless to say he is taking up a lot of the sites (and our) time playing these games. I'm thinking we either need to give him another chance and allow him to play like (almost) everyone else or simply bar him.
FYI,
Steve Beeksma
Casino Investigations

Redacted - RCMP Response and action plan- Kris Gade

Hi Steve... As per our conversation... **Please update** Redacted - RCMP **CRS iTRAK file as follows...**

As per BCLC Corporate Security & Compliance Redacted - RCMP is banned from all Casinos in the Province of British Columbia, until such time he is interviewed by a BCLC Investigator.
If Redacted - RCMP attends any Casino, please provide him with the BCLC Consumer Service # 1-866-815-0222.
We can discuss the exact contents of the interview once it has been scheduled...

Kris Gade, CAMS
Manager, Investigations

Redacted - RCMP info – also Redacted - RCMP who was identified by Steve in RR and FSOC

Morning all,
I'm sure you guys saw the Consumer complaint last night from Redac looks like we will need Stone to make contact with him this afternoon to arrange an interview and prepare some questions for him. Just a note that upon reviewing his file, back in Redacted - RCMP he used his PGF account extensively with extremely high deposit amounts so it might be something that bring up during interview and ensure he understands he can use that account without limit. We may want to inquire if he still has accounts set up in Canadian banks to assist in utilizing his PGF account, along with the questions regarding the underground casino operation.

Redacted - RCMP

Redacted - RCMP

Just an fyi to keep everyone in the loop.
Daryl

Daryl Tottenham BA, CAMS

Redacted - RCMP Review of recent play- request from Brad

Brad,
There were 129 STR's filed in the month of June overall Redacted - FINTRAC Redacted - FINTRAC He has been extremely dating back to early May this year but specifically for June R Redacted - FINTRAC Redacted - FINTRAC Redacted - RCMP bodyguard/gopher and is with him almost every time he comes in and often carries in the cash and carries it out when he leaves Red has a listed occupation as Redacted - RCMP and has a substantial LCT history as well dating back to Redact Redacted - RCMP Redacted - FINTRAC Redacted - FINTRAC

Redacted - FINTRAC

Reda cted was interviewed on Redacted - RCMP by Tom Caverly and Stone Lee regarding an incident of chair-throwing Redacted - RCMP as well questions regarding his relationships with Redacted and associates, as well as several Redacted - hostess staff members Redacted - RCMP and the interview is documented in the Redacte file. R eda is currently not on the list for another interview from the most recent batch of Reda that I was advised of and I have not been CC'd anything since indicating who is in the next group to be flagged.
Just as an FYI, R is one of the players that I suspect has crossed over to the underground casino and has not returned to date, which is coming up on 2 months now. His last LCT was a 200K cash buy-in Redacted Redact ed - at which point he dropped off the grid. We first thought maybe he went back overseas for business but during a subsequent interview with another VIP who supplied extensive details about the underground casino, he singled out R by name as one of the big players now going there. This information will be captured in the report that Brad is working on with me for the revenue loss numbers project.
Shout me if you need further data or have more questions on him.
Daryl

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Brad Desmarais
Sent: Thursday, September 03, 2015 1:18 PM
To: Daryl Tottenham
Cc: Ross Alderson
Subject: GPEB person of concern

GPEB mentioned to government that someone had Redacted - FINTRAC Redacted - FINTRAC – is this one of the individuals we are interviewing? I have no name.

Brad Desmarais
Vice President, Casino and Community Gaming

Sept 4th, 2015 Interview with Redacted - Patron Interview

Interview with Redacted - Patron Interview Identifying Information
iTrak BCLC file 2015-46176
Investigators Steve BEEKSMA and Stone LEE
2015-SEP-04
1030hrs-1100hrs

On the above date and time Redacted was met as previously arranged in River Rocks hotel lobby by investigators Stone LEE and Steve BEEKSMA. Redacted was escorted to a private gaming room in River Rocks VIP Salon (tables 13/14) as arranged with River Rock Director of Table Games Arlene STRONGMAN.

While waiting for Redacted - Patron Interview Identifying Information in the hotel LEE and BEEKSMA were met by a female patron identified as Redacted - Patron Interview Identifying Information is known to both investigators LEE and BEEKSMA from past interactions while conducting unrelated investigations.
Redacted has been known to accompany big players (supposedly at the players' request) to the casino for meetings with investigators acting as a translator for the patron Redacted speaks English). Redacted was told that we needed to speak with Redacted - Patron Interview Identifying was fine with this and said she was only here because Redacted asked her to come, she didn't want to be involved.

Introductions were made and business cards provided to Redacted - Patron was thanked for talking the time to meet with us and informed that he was not in any trouble but that we simply wanted to ask him some questions and go over a few things.
All questions were asked by investigator BEEKSMA and translated into Mandarin by investigator LEE.

Line of questioning as follows:

1-Does he reside in the Lower Mainland for the majority of the year or is his primary residence overseas?

Redacted - Patron Interview Identifying Information indicated he spends about half of his time in Canada and half overseas (China) Redacted - was shown the local address we have on file and indicated he can't read English. He indicated his local address is in Vancouver now. Redacted showed us his local address on his cell phone as follows:

Redacted - Patron Interview Identifying Information

It was described as being near a Redacted - Patron Interview

2-confirm his company name, is the business still active? **CFO -** Redacted - Patron Interview Identifying Information Redacted - cannot read English so the name of the company we have on file did not resonate with him. He indicated he has many different business/investments but his primary business is a mining company. The company does not have an English name but the Chinese characters were drawn on the table (with his finger) for investigator LEE who indicated it sounds like Redacted - Patron in English. Redacted stated his mining company is listed in the top 20 revenue making companies in China.

Redacted attempted to locate a business card in his bag but was unable to find one.

3-Inquire if he still has accounts set up in Canadian banks to assist in utilizing his PGF account (RBC account).

***From Oct to Dec 2014 he used his PGF account extensively with very high deposit amounts**, discuss to ensure he understands he can use that account without limit and encourage him to utilize his PGF account.

-Not banned from playing.

Redacted does still have a CDN bank account but indicated that it's very difficult and cumbersome for him to get bank drafts. It was explained that he is not banned and is welcome to play as long as he is using funds in which we can confirm the source (bank drafts).

Redacted indicated that if Bank Drafts are the only way he can play now he will do that.

4-Questions about any information he may be aware of, or rumors he may have heard, about any underground casino operation. Redacted was asked if he is aware of any other casinos in Richmond.

Redacted - is aware of there being other casinos in Richmond. Immediately he indicated that there are 2 that he is aware (holding 2 fingers up) of but he does not go to them. He did not seem surprised or confused by this question.

5- If one of those sites gets busted by the police, all patrons found in there will likely be banned long-term from BCLC sites.

Redacted understood this point and indicated that he is aware they are illegal and this is why he does not go, he does not want any legal trouble or to be involved in any illegal activity.

5-Does he have any River Rock 5K chips at home/outside? How many?

No, Redacted indicated he does not have any River Rock chips outside of the casino.

6-Does he know anywhere where $5K chips can be obtained other than River Rock itself (we see many players coming in with chips)?

No, this answer tied into question 7 Redac indicated that when he gambles he only borrows money/chips from friends in, or known from the casino. He indicated that if he asked anyone of these friends for a million dollars it would be provided to him without question.
He only gambles for fun/to fill time. Winning or losing is not important to him, in fact he indicated most of the time he loses.
If he loses money borrowed from a friend he arranges to pay them back in Macau.
Reda cted was asked if he has to pay back his "friends" with interest, he said no, no interest.

7-How he coordinates obtaining cash when he wants to play?
Reda cted does not deal with any of the local people outside of the casino. He has friends that provide him with any money or chips he needs.
Redact ed - was shown a single page Word document prepared by the writer which contained 9 images of 9 persons of interest (no names or particulars, only images taken from iTrak SID profiles). He was asked if he recognized or knew any of these individuals.
Reda cted took time to scan over the images and said the only picture he recognized was that of Redact ed - Redacted - Patron Interview Identifying Information. He seemed to indicate that he wasn't close to him but recognizes him from a dinner party he attended in which Redac ted was also present.

8-Discuss having other people gamble for him. He is jeopardizing his and their ability to attend BCLC sites with these continued minor violations of his restrictions and that if it continues we will have no choice but to ban him for 5 years and that would not be easily reversed.
The current sanctions pertaining to un-sourced funds were gone over with Redac ted - again. He was also told that having other people bet for him may not only affect his ability to gamble in BC Casinos but it is also potentially putting those other individuals in a bad position, Reda cted understood.

9-We are trying to help him regain his normal playing status as we value his business.
It was explained to Reda that he is a valuable customer to BCLC and that we are not picking on him. If he is able to demonstrate that he is able to conduct transactions in the casino with sourced funds without attempts to circumvent the sanctions imposed his status may be revisited by BCLC and possibly lifted.

10-Reda cted was asked if he had any questions, concerns or suggests for BCLC?
Redac ted - suggests that BCLC offer credit to high level players like himself. Reda cted was told that this is something that BCLC are looking into offering but there are many challenges involved in this, one of which are related to Responsible gambling initiatives (people spending/borrowing more than they can afford). Reda cted indicated this is not the case with him and that he has a lot of money.
In closing Reda cted was reminded that he is welcome to gamble so long as he is using sourced funds (bank drafts), He acknowledged. He was thanked for his time and exited the room.
The interview lasted approx. 30 minutes.

Sept 5th, 2015- Final draft of OPS plan for "Sienna" – RR

BACKGROUND

A review of all Suspicious Transaction Reports (STR's) filed between June 1 to July 23, 2015 has been conducted by our AML and Operational Analysis team at BCLC. Below is a breakdown of that analysis:

- Redacted - FINTRAC

OBJECTIVES

As a result of the information noted above coupled with recent intelligence we have received from authorities, we are requesting that the Investigators assigned to this plan conduct interviews Redacted - FINTRAC Redacted - FINTRAC as well as educate the players as per the BCLC Patron Education Protocol – April 16, 2015.

For the purpose of this updated Operational Plan we have moved the previous Priority 2 players and , this Operational Plan will cover Priority 1 interviews only. All Priority 1 players are prohibited from buying in at BC Casinos with un-sourced cash and/or un-sourced chips until further notice.

Priority 1

Scope of Investigation

Interview of players known to have had cash drop offs linked to Paul King JIN.

Process

1. Casino Service Providers to be notified of players on list along with conditions and expectations. To be completed by Director AML & Operational Analysis.

2. Project Leader to work with Casino Service Providers on contacting players (see appendix A) with connection to the cash drop(s) off involving Paul JIN and schedule time for Investigator(s) to interview them.

3. Update 'Comments' in Subject Profile, *eg* "Player to be interviewed by BCLC Investigator at earliest opportunity"(To be completed by AML Unit).

4. Conduct interview of players.

5. Summarize findings and interview in report to be submitted to Project Leader.

Interview Script/Process

1. Print off subject profile to confirm personal details, including stated address, employment/company, and status in Canada.

2. Conduct the interview in as much of a conversation tone as is possible. Avoid being accusatorial.

3. Thank player for their cooperation in attending interview, and that we greatly appreciated their making time to speak with us

4. Introduce yourself and try to confirm personal details as above.

IMPORTANT NOTE:

a. Do not ask direct questions about Paul JIN, his associates or any vehicles he is associated to, or mention Paul JIN, his associates or any vehicles he is associated to, during the interview. If the patron mentions the name Paul JIN, an associate or any vehicles he is associated to; probing questions can be asked.

b. No individual photograph's or photograph line-ups of others are to be used.

Advise the patron that:

1. *The reason we have asked to speak with you is that "BCLC is concerned about recent cash deliveries brought to you outside one or more BC casinos. As a result this interview was requested. We are also concerned that you are putting yourself and others at risk of personal harm, including being robbed, by receiving cash drop offs of this nature."*

2. *Under Canadian law, BCLC is obligated to report "All cash buy ins over $10K to the Canadian Federal Govt* Redacted - FINTRAC Redacted - FINTRAC

3. *Canadian tax authorities and the police may access these reports.*

Interview content

- Request the source of funds, *(specifically mention cash dropped off outside the facility involving type of vehicle etc)*
- What is the player association to the person(s) dropping off the cash
- How does the player arrange the delivery (get as much info as possible)

- Does the player ever ask where the money comes from? *(eg-are the funds his? If so why in cash?)*
- If the funds are borrowed then ask player how/when he pays it back and how can he or the Casino be assured that the funds are not from proceeds of crime?
- Does player believe this behavior (cash drops offs) is suspicious?
- Why does the player utilize this method rather than use a PGF account (find out if they have businesses here/bank accounts or any assets)
- Does the player know of any information which can help BCLC determine that the player's funds are from legitimate sources.
- Do you have any chips in your possession? If so how many, which Casinos and when did you win them*? (Inform the player they have 72 hours to return the chips and after that they may be subject to interview)*
- Why does the player choose to use cash?
- Would they be interested in credit if it were to be offered?
- What can we do to assist you in future to not using cash in this method? (Eg are there alternative methods such as offering overdraft or credit which we could use?)
- Is the player aware of any illegal gaming houses in the Lower Mainland. (if so get details)

Advise the patron that:

1. *"We appreciate your patronage however if we receive any information that the cash used by you is suspected to be proceeds of crime then BCLC will be unable to accommodate any further cash buy ins and you are putting yourself at risk. We would strongly advise you utilize a PGF account or use cash withdrawn from a Canadian or U.S. bank which is accompanied by a receipt from that bank. BCLC cannot accept funds believed to be the proceeds of crime and this behavior puts the entire Casino business in BC at risk. "*

2. *Gambling anywhere but at legal casino is criminal offence in Canada. Even being present at an illegal gambling house is an offence. If a person was found to be in any place where illegal gambling was taking place, even if they were just observing, they could be arrested and charged with a criminal offence. "*

3. *If a person who was not a Canadian citizen was found in an illegal gambling house, it could impact their status in Canada and could affect their ability to travel to and from Canada or the United States.*

Conclude with:

. We continue to value your business and hope you will continue to enjoy our gaming facilities. We do ask that you only buy-in with non-cash options like bank drafts and debit, cash you a have receipt for from a bank or chips you purchased yourself. Unsourced cash or chips will not be accepted.

Comment [RK1]: This sounds a bit ominous. Do we need to say this.

"We regret any inconvenience or upset this talk has caused. While we understand this interview was likely uncomfortable we greatly appreciate your cooperation here today. BCLC's main priorities are to protect you and gaming integrity in BC."

INTERPRETERS

It is anticipated that many that will be interviewed will require an interpreter to communicate with in either the Mandarin or Cantonese language. Access to an interpreter proficient in each of these languages will be required.

An objective of the interview is to also develop any other information/ intelligence that Investigators are able to determine in relation to the gaming industry.

With this in mind, the interpreter(s) will require a high level of security clearance as a high level of confidentiality must be exercised with those interviewed that provide valuable information; any compromise could potentially jeopardize their safety and or the safety of others associated to those providing the information/intelligence.

The services of MOSAIC Translation Services will be utilized whenever identified BCLC Internal staff is not available. Service Provider interpreters will not be utilized except to make introductions and to confirm personal details, including stated address, employment/company, and status in Canada.

MOSAIC Translation Services:

Monday to Friday 8:00am - 5:30pm - 604-254-8022
Afterhours line - 5:30pm - 4:00am - 604-254-8617.

Saturday/ Sunday/ Statutory Holidays – afterhours line - 604-254-8617.

When calling:

a). Identify yourself with your first and last name and advise it is to be invoiced to BCLC Corporate
Security and Compliance. You may be asked for a file name or client name; give only your first and
last name.

b). Request the language required. It can take anywhere between 5 minutes and 15 minutes to get an interpreter on the line.

c). The following is required for invoicing purposes:
- The precise time the request is made and language required.
- The precise time the interpreter is on the line.

- The precise time the call with the interpreter ends.

Provide all information related to the use of the MOSAIC to Kris Gade and Bruno Gatto.

DOCUMENTING

iTrak Subject Profile - Comments - Subsequent to the interview, update the iTrak Subject Profile Comments section with an applicable update:

For example:
"Date - Patron has been interviewed by BCLC Investigators therefore is no longer required to contact BCLC Consumer Services. The BCLC DIRECTIVE by Ross ALDERSON, dated Sept. 11, 2015, detailing SANCTIONS remains in effect."

iTrak Report - Create a Corporate Security BCLC Vancouver - Assistance to BCLC file. Document the Session to Educate or Session to Warn related information.

Intelligence - Any intelligence/sensitive information learned is to be documented in a Word Document addressed to Ross Alderson, Director, AML & Operational Analysis. Email intelligence report to Kris Gade and Bruno Gatto.

INVESTIGATION TEAM MEMBERS
Project Leader: Ross Alderson

Project Team: Kris Gade, et al

Project/File Coordinator: Tom Caverly

SUBMITTED BY
Kevin Sweeney
Director, Compliance and Investigations
&
Ross Alderson
Director, AML and Operational Analysis

Redacted - RCMP - Update on Project "Sienna"- postponed until further notice- request from FSOC

Please be advised the scheduled $5K chip swap for RRCR tomorrow morning is POSTPONED until further notice.
I apologize for the late notice and any inconvenience caused. Please share this email with those personnel who are impacted.
Thank you for your cooperation. I will be back in the office tomorrow morning should there be any questions or concerns.
Regards
Ross Alderson CAMS

Sept 18, 2015 PERSONAL INFO #183808 New subject for review

Morning gang,
RE: PERSONAL INFO #183808

This is a new player , showed up 5 days ago and has 3 cash buy ins Redacted - FINTRAC Redacted - FINTRAC and has an address in Edmonton. When someone has a minute, could you do a quick mini-dive on him and check out any obvious hits, adverse media and criminal/civil court records please?
He appears to be tied to PERSONAL INFO and 4 others that all came in together, all appear to be new players with ties to the Real Estate field except one weasel we looked at a couple months ago PERSONAL INFO who claims to be a self-employed tour guide with no company and resides in West Vancouver.....
This is all associated to 2015- 48602 where PERSONAL INFO bought in for 30K in $100 bills, lost it and re-bought with another 40K in $20's that PERSONAL INFO brought in when she arrived.
Just looking to ensure there is nothing blatantly sinister with him as they likely will all be in through the weekend...
Thx Daryl

Redacted - RCMP - update on activities

Redacted - RCMP
Incident 20150049102
Incident 20150049172

On Redacted - RCMP were involved in chip passing incidents. It appears tha Redacted - RCMP was directing Redacted - RCMP to conduct buy-in or place wagers o Redacte behalf.

At 12:25 hours Redacted - RCMP conducted a Patron Gaming Fund buy-in. These funds were already in Redacted - RCMP PGF account from previous deposits.
At 14:25 hours Redacted - conducted a Patron Gaming Fund buy-in using a Royal Bank bank-draft for $200,000.

At 16:25 hours it appears tha Redact ed - was out of chips. Redac ted - was sitting at a gaming table in the VIP Salon Redact ed - came to the table and counted out approximately $100,000 worth of $5K chips, separated into 4 stacks Reda cted placed one of the stacks into the gaming spot in front of Redac ted - This was a winning wager an Redact ed - took possession of these chips Redac ted - then walked away from the table, leaving behind the entire $100,000 worth of chips and the winning chips. Reda cted took all the chips and began conducting wagers with the chips.

At 1713 hours the site staff reviewed the chip pass and determined that Redac ted - was playing with chips that he received from Redac ted - against the conditions currently in place. Redac ted - was approached by site staff and instructed to return the chips to Redacted - RCMP returned approximately $100,000 worth of $5K chips to Redact ed - Redact ed - was allowed to remain in the VIP Salon

At 2300 hours Redac ted - was conducting gaming play at a gaming table in the VIP Salon. Reda cted had a stack of lower denomination chips and a separate stack of $100,000 worth of $5K chips Redac was only conducting wagers with the lower denomination chips.

Redacted - RCMP arrived and sat down at the gaming table Redacted - RCMP then placed a wager at spot 7, in front of using $50,000 worth of $5K chips from the $5K stack Redacted - also placed a wager at spot 6, in front of Redacted - using the smaller denomination chips. The wager won Redacted - took possession of all the $5K chips at spot 7, Redacted took possession of the winning wager at spot 6.
Redacted - began placing wagers with the $5K chips that he'd received from Redacted -
A short time later Redacted - was asked to leave by site staff due to the use of chips from another patron and directing patrons to conduct wagers on his behalf.

F. Jerome Wakeland
BCLC Casino Security Investigator

Sept 22, 2015 New subject- PERSONAL INFO for review

Cathy
When you have time, could you please do another 1st level check on PERSONAL and create a dossier for him? He is tied to the last 2 that you recently did for PERS and PERSONAL INFO except PE has a Vancouver address and is listed as President of a Real Estate company.
He has been coming in with the other 2 and is starting to rack up substantial cash buy-ins.....not sure what their connection is other than the obvious real estate occupations but having Vancouver, Edmonton and Ontario addresses and 1,389,000 in buy-ins between them is concerning.....
Thanks Daryl

Daryl Tottenham BA, CAMS

Sept 22, 2015
Hi Ross,

Just an FYI that PERSONA arrived on site today with approximately $30,000 in chips. Before anyone caught it, PE had begun to play and was betting significantly. Surveillance believes that PE may have some more in his pocket to play with.

There are not too many LCTs from the Villa, and I have gone back to October 2014 and cannot find any chip outs whatsoever to source these chips. The site has been instructed to stop PE playing and inform him of the conditions placed on him. PE will be given the phone # and will hopefully arrange for an interview at that time to speak with BCLC Investigations.

The previous interview with PE and BCLC surrounded the use of cash, however, no conditions were placed on him at that time.
Once a file is open, I will send it over to you guys.
Cheers,
Brandon Norgaard, CAMS

Redacted - RCMP

Thanks Brandon,
There is little doubt that Red acte got the chips from Redacted - RCMP as they are close associates Redacted - FINTRAC
Redacted - FINTRAC Red acte also has

several files where he purchased 100K in chips and immediately supplied them to [redacted] for table play and upon leaving the casino had no CDR's and likely walked with RR and Villa chips on those files. [redacted] also has a history with a couple other VIP's and appears to be facilitating chip/cash access for them and accompanies them to the casino often but he also plays himself so not sure what his actual role is. He is listed as a Redacted - RCMP but has over 4 million in accumulated buy-ins and 3.7 in CDR's so clearly we may need to conduct a dive on him as well and see what pops up.
I doubt we will hear from [redacted] as he is likely using the U/G casino over the past couple months and upon showing up at Villa for the first time in almost 3 months caught nothing but grief and got punted out. We shall see if he pops up again down the road or actually tries to set up an interview.
Thx Daryl

Daryl Tottenham BA, CAMS

Redacted - RCMP Dive into subjects from news article-

iTrak results for subject in article.

Given: Redacted - RCMP 1 incident file 2010-Assist CBSA. He was not in the system as given name. He was in system under an alias and false identification.
False: Redacted - RCMP Last LCT 2007-he had ten buy ins ~$10-60K. False ID confirmed by CBSA.

Checked both above SID's associates and/or CBSA identified associates in iTrak.

Redacted - RCMP

- No recent activity

Redacted - RCMP

- 1 recent Buy-in May 2015 $11K
- Associated to
- Associated to Redacted - RCMP

Redacted - RCMP - BC driver's license Redacted - RCMP

Redacted - RCMP - BC driver's license Redacted - RCMP. License lists same home address as Redacted - RCMP

Redacted - RCMP - BC driver's license Redacted - RCMP

Redacted - RCMP

Redacted - RCMP

Brad Rudnicki
Intelligence Analyst, AML & Operational Analytics
Corporate Security & Compliance Division, BCLC

Redacted - RCMP Follow up on Redacted - RCMP - Daryl

Hi Daryl, I am good with your approach. Feel free to share your recommendations with Kris and Bruno to implement and distribute to the investigators

Regards Ross

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Daryl Tottenham
Sent: Wednesday, September 23, 2015 10:42 AM
To: Ross Alderson
Subject: RE Redacted - RCMP at River Rock

Hi Ross,
I know you are busy today so I will likely wait till tomorrow to chat with you on this.
I was planning on adding Redacte to the list and having a request for interview arranged by BCLC investigators and include him in our tracking moving forward so no problem there.
Red acte is also a good candidate for a soft start, interview by site or BCLC to remind him of issues with passing chips to other players. He is a heavy user of his PGF and bank drafts so keeping it low-key would be a good reminder/education piece and not be disruptive.
As for Redacted - RCMP, I am hesitant to ban him for a week based solely on the fact that we have been harping at him to set up and use his PGF with bank drafts and albeit he shared partial play with R eda 2 days ago, in the last 2 days he has returned to RR tables using a 200K bank draft on the 20th, and back last night with a 300K RBC bank draft with no incidents. That is $500,000 in 2 nights with bank drafts which we have been directing him to use and by dropping a 1-week barring on him for a previous incident now would likely not be understood by him and sends the wrong message after he has now complied and is using the PGF/draft process.
Let me know your thoughts, I am thinking we monitor closely (daily) and see how he conducts himself but keep him on a very short leash if he strays off path.....
D
Daryl Tottenham BA, CAMS

Sept 24, 2015 PERSONAL INFO - placed on sanctions

Bruno,
Could you please advise your group that PERSONAL INFO #100893 has been added to Itrak requiring an interview and placed on conditions which will not allow any buy-ins with un-sourced cash or chips. He has been added to the spreadsheet and his profile has been updated with the "sanction caption" being used for all interview patrons. Although PERS was interviewed back in February 2015, the un-sourced cash/chips issue has escalated and PERS has had 13 large cash buy-ins with extremely high amounts since his interview. It has been established that PERS Redacted - RCMP Redacted therefore he is now being placed on restrictions to eliminate this activity and hopefully convince him to utilize his PGF account moving forward.
Shout me if you have questions,
Daryl

Sept 24, 2015 PERSONAL INFO #17135 - Interviewed by Steve

Hi Steve,
I just reviewed; good report, thanks.

Hi Ross,
For your review. Also requires AML direction for 125K in RRC chips the subject claims to have at home.
Thanks
Bruno

Sept 24, 2015 Sanctions interviews completed

PERSONAL INFO and PERSONAL INFO were interviewed as part of their conditions. Full reports held in AML risk folder for review.

Redacted - RCMP PERSONAL INFO updates

Gentlemen,

A couple of files for your attention:

1. There have been some recent chip passing files regarding Redacted - RCMP both Redacted - RCMP bought in with bank drafts and Redacted proceeded to pass approx. $100K in chips to Redacted throughout the day. There are several previous incidents where Redacted has been advised by staff he is not allowed to borrow other patrons chips, notwithstanding tha Redacted - s buy-in was from a bank draft and does not fit the criteria for "un-sourced" funds.

   In consideration of taking any further action agains Redacted - I have also considered his recent play which includes 2 buy-ins using RBC bank drafts totaling $500,000 in the past 4 days. Redacted - last high level activity was in Redacted - RCMP prior to BCLC placing restrictions on him. Since that time we have consistently requested Redacted use his PGF account and utilize bank drafts for future casino buy-ins and it appears that the message has got through as evidenced by the 2 bank drafts. At this point in time, I have decided that taking punitive action against Redacted - for shared-play with Redacted might be counter-productive in our efforts to hav Redacted continue using bank drafts and his PGF account moving forward.

   Redacted - RCMP play and files will be monitored on a daily basis until we have a reasonable comfort level with him.

2. Today PERSONAL INFO has been placed on conditions which will not allow any buy-ins with un-sourced cash or chips. He has been added to the spreadsheet and his profile has been updated with the "conditions caption" being used for all interview patrons. Although PERS was interviewed back in February 2015, the un-sourced cash/chips issue has escalated in recent weeks and PERS has had 13 large cash buy-ins with extremely high amounts since his interview Redacted - FINTRAC

It has been established that PERS Redacted - RCMP Redacted - RCMP therefore he is now being placed on restrictions to eliminate this activity and hopefully convince him to utilize his PGF account moving forward.

Currently we now have 39 players with conditions around un-sourced cash and chips. All have links to the current LE investigation.

Ross Alderson CAMS

Sept 24, 2015 5 yr BCLC barring- PERSONAL INFO #102258

History:

Subject PERSONAL INFO (SID 102258) has an extensive history noted in CRS iTrak including, but not limited to:

- Multiple incident of Cash/Chip Facilitation to various patrons
- Redacted - FINTRAC
- Large cash buy ins with unsourced funds and leaving the site with the gaming chips

Current:

IN20150049741 – Current incident involves a review of Subject PERSONAL INFO **(SID 102258)** actions while attending gaming facilities. Redacted - FINTRAC Redacted - FINTRAC Redacted - FINTRAC PE has also been noted to conduct large buy ins with 'unsourced' funds and leaving the site with the gaming chips after little or no play.

PER s actions have clearly escalated in the past year, which upon the conclusion of the Casino Investigations review supports a BCLC Provincial Prohibition due to Cash Facilitation.

Recommendation:

Based on the above and BCLC CCGC SPP Sec: 8-2.1, 6.4.5, I approve a **Five (5) year** BCLC Provincial Ban for PERSONAL INFO **(SID 102258)**.

I have added a Supplemental to ***IN20150049741*** approving the barring. Please advise when the CRS iTrak BCLC Ban File has been completed and I will add a Supplemental detailing the justification accordingly.

Thanks,

David Slobodian CAMS,

Sept 24, 2015

From: Daryl Tottenham
Sent: September-24-15 2:29 PM
To: Bruno Gatto
Cc: Kevin Sweeney; Kris Gade; Ross Alderson; Tom Caverly
Subject: PERSONAL - file review

I have been reviewing the play and activities of PERSONAL # 44727 recently and would like to arrange an interview with BCLC as an educational session aimed at correcting his history of sharing/lending chips to other players. PERS has an extensive history with BCLC and plays at a very high level with over 12 million in accumulated buy-ins, most of which is in the past 2 years. PERS has an active PGF account and uses it often with bank drafts and only has the occasional cash buy-in which is a good thing therefore I would suggest an educational "soft interview" is in order for him.

PERS has 15 listed associates and is well known with most of the high-level players however he also openly shares his bankroll with his friends which includes several high-level players on our sanction list, which is causing us problems. These players include [redacted], and Kesi WEI along with PERSONAL INFO who we have just added to the SIP list (Sanction imposed patron). Of course we are not in a position to be able to communicate which players he can or cannot share chips with therefore we need to arrange a short interview (with or without the SP present) and emphasize that we value him as a customer but he cannot lend cash or chips to other players in the casino. We should also reinforce the use of bank drafts and his PGF account to ensure he does not transition to bringing in cash simply for the convenience of it. PERS rarely uses cash but just bought in for 200K in small bills on the 21st which was delivered by a white Sienna [Redacted - RCMP].

In consideration to his regular use of bank drafts and PGF and high level of play I think this approach in the first instance should resolve the shared play problems moving forward. We will certainly monitor his activities after the interview and escalate accordingly if we do not achieve the desired results. PERS only plays at the River Rock and he is there almost on a daily basis so it should be easy enough to arrange a sit-down with him on site if RR management are OK with that.
Let me know if you have any concerns or wish to discuss further.
Thanks Daryl

Sept 24- Reply for SIP

Hi Guys,
Please see the below from Daryl.

To be handled in accordance with the BCLC Investigations Protocol for Educating..... 'Session to Educate.'

If you require an interpreter, if Stone is not available for Mandarin, please check with Nicole WU if she is available to assist over the phone.

For Cantonese:
Please check with Nicole or Brandi CHAN via the phone.

Please let us know if/when the interview is scheduled or conducted.
Thanks
Bruno

Sept 24, 2015

Good evening,

As per my voice mail to Pat.

2 BCLC Investigators will come down to RRCR tonight to interview the patron in question.

Please contact one of the investigators Brandon Norgaard on PERSONAL to facilitate the interview.

Just to be clear as there appears to be some misunderstanding, the players are not prohibited from playing pending the interview. They are freely allowed to gamble however are prohibited from using unsourced cash and/or unsourced chips. Further details as per the letter.

Just because the interview is conducted it does not mean the player will be able to use unsourced cash and/or unsourced chips after the interview either. The whole issue here is the unsourced cash and chips.

The purpose of the interview is to speak to the player about previous transactions, encourage him/her not to use unsourced cash /chips and speak to the dangers of carrying around such large amounts of cash.

This is why there was no urgency around the interview process and why it is preferably scheduled ahead of time. However we understand there is some miscommunication at RRCR and we will accommodate GCC tonight and all SP's over the weekend investigators on call.

The BCLC customer support team are expecting calls from players and we do have some non-english speaking agents, however if the player is having challenges using the phone we would appreciate if GCC could have guest services assist the player to make the call and provide the BCLC Customer Support agent their contact details so someone from BCLC investigations can contact them back in the language of their choice to schedule the interview.

Please contact myself on my cell if there is still uncertainty about the direction provided in the letter or email today.
Many thanks
Ross Alderson CAMS

Sept 25, 2015
Good afternoon Gentlemen,

See attached Word doc containing the interview notes/summary.
BCLC only iTrak file 2015-49401 has been created for statistical purposes and PE PS SID comments have been updated as per the operational plan.

Tom Caverly has asked me to provide him with a copy of the attached but I will leave it to you to provide him with it.
Please let me know if I've missed anything or you require anything further from me on this matter.
Thanks,
Steve Beeksma
Casino Investigations

Hi Steve,
I just reviewed; good report, thanks.

Hi Ross,
For your review. Also requires AML direction for 125K in RRC chips the subject claims to have at home.
Thanks
Bruno

My recommendation would be if we are satisfied that he may legitimately have $125k in chips that we allow him to use them. Being that tracking has been poor let's lean on the side of the player. He should bring them all in at one time (in next visit) and we can let him play with them or redeem for cash. We will not issue a verified win cheque. Appreciate if Investigations can advise the site. If he starts turning up with more they will be refused
Ross

Just to be clear...we are **not** authorizing him to open a PGF account with them and deposit it? I know no verified win cheque but we have allowed this previously and I want to be clear on the direction I provide the site.

Thanks,

Steve Beeksma

If we can verify the chips are from a specific win we can deposit into PGF or even give him a verified win cheque but if we are unsure we should not. I doubt he or the site can confirm they are from a verified win. Does that make sense?
Ross

Sept 28, 2015 Redacted - interview- by Brad D.

Hi All,

Subject Redac ted - was interviewed last Thursday, Sept. 24th, (more on the interview to follow).
He advised he has 2 million in 5k RRC chips. He will return chips and will be permitted to deposit to his PGF account.
No un-sourced chips and no un-sourced cash conditions remain in effect.
Tom Caverly,

Please update the comment section in his profile with:
" Sept. 24, 2015, Patron met with BCLC, is no longer required to call Consumer Services.
All other conditions as detailed in the BCLC Directive by Ross Alderson on Sept. 11, 2015, remain in effect."
Thanks
Bruno

Sept 29, 2015 Update from Dave Re: VIP interviews scheduled

Morning Bruno,

Just a quick summary of the upcoming interviews that have been scheduled.

Tuesday, Sept. 29 @ 13:00hrs [Redacted - Patron Interview Identifying Information] - Was contacted yesterday and arrangements have been made [Redacted - Patron] requested to be interviewed at RRCR as he was unfamiliar with heading in to Vancouver. Stone LEE will interpret and one of the RRCR Investigators have volunteered to conduct the interview.

Wednesday, Sept. 30 @ 14:00hrs [Redacted - Patron Interview Identifying] - Interview to take place at Vancouver Head Office [Redacted - Patron Interview] will interpret with Tom PLANTE and Steve BEEKSMA conducting the interview. (You were already aware of this interview)

Thursday, Oct. 01 @ 14:00hrs [Redacted - Patron Interview Identifying Information] - Patron attended Edgewater on Sunday evening. Stone LEE contacted [Redacted] yesterday and arrangements were made to interview [Redacted] at the Edgewater Casino. Stone LEE will interpret, while Tom PLANTE will conduct the interview.

All intelligence notes will be documented and forwarded on accordingly.
Thanks,
David Slobodian CAMS.

Sept 29, 2014 Bin Sung CAO- File 2015-

Hi Pat, thought I would shoot you an email as we seem to be playing phone tag. I am also having issues accessing voicemail while in the US.
You are likely aware of an incident involving CAO and a person of interest yesterday.
With the increased scrutiny from GPEB in AML related issues BCLC are taking the steps of speaking to the staff involved to ensure their actions are documented correctly. I believe the investigators are following up with Rishi today to facilitate.

I understand after the meeting CAO took a blue bag to a hotel room in the West Tower and I would appreciate if you could confirm if the room is comped to CAO or any other patron and if BCLC has any financial involvement in the comp.
We would also like to speak to Mr. CAO to discuss the incident and at this time he is prohibited from buying in with un-sourced chips and cash. His iTrak profile will be updated to reflect.
I greatly appreciate your assistance
Many thanks Ross Alderson

Bruno
Yes please. Same conditions. We need to ask him directly what was in the blue bag and where the chips came from. Based on what he says we will review the conditions
Ross

Hi Jerome, Jim and Steve,
Would one of you please update CAO's profile with what the other Priority 1 List patrons have that was entered by Ross on Sept. 11.

Hi Tom,
Please add to the list and note in your spreadsheet the specific questions Ross indicates below.

Thanks All
Bruno

Hello Bruno,

The conditions have been added to Bin Shun CAO's profile. CAO usually plays the slot machines when he's at River Rock. His sessions have resulted in disbursements between $40,000 to $150,000. His slot sessions have lasted as long as 12 hours, moving between machines in the Jade Room. The LCT only track his disbursements so I'm not sure how he puts the money into the machines, or how much CAO actually puts in to get this level of payouts. Have we talked to the site about preventing a patron with conditions from playing at the slot machines on the main floor?

Thanks,
Jerome

Hello Ross,

I've interviewed Lisa GAO regarding her involvement in the incident. I let Lisa know that conditions have been placed on Redacted - Patron she will be speaking with him shortly to arrange an interview.

The full interview summary should be ready tomorrow. There was one piece of information that she provided that was concerning.

- Redacte d - *called Lisa and said he was on his way to the casino with a bunch of money and he would need help to carry it in.*

- Lisa was actually off-site at the time of the incident, she received a call from Redacted - Patron Redact ed - and her information is all second hand.
- Lisa contacted security and guest services to meet with Redact ed - and escort the money into the casino.

I've asked for surveillance to do an additional review to see if Redac ted - actually arrived at the casino Redacted - RCMP and then was met by site staff in the hotel lobby as Lisa believes. The additional comings and goings o Redacte d - will also be requested.

Because of the set-up here at River Rock we only have the ability to review interior cameras, we're reliant on surveillance and security monitoring to provide us with exterior footage and hotel movements.

Lisa has been in contact with Redacted since the incident.

- Redacted said this was all his own money and the guy driving him was a referral from a friend.
- Redacted has asked if he was in trouble, and he didn't understand why the guy who was driving seemed so nervous when site staff came out towards the vehicle.
- Redacted was planning to come in tonight (sep 29) to use the money.

Jerome

Sept 29, 2015 2015-50086 [redacted] CAO- Edgewater

Redacted - FINTRAC

Redacted - FINTRAC

Hello Ross,

It appears as if the Shift Manager Stanley SUN reported that PEP was having CAO play/buy in for him.

PEP was on site earlier and had managed to slip through the cracks buying in for $1,300 on the table. PEP was approached and told the site that the money was from a bank draft he had deposited to his RRCR PGF. Tom Plante reviewed the LCTs and there is no evidence to support this assertion. PEP's gaming was then suspended (see attached file INC: 15-50095).

After PE[redacted]s gaming was suspended, the buy in occurred and since P[redacted] was sitting right next to CAO when she was betting heavily, SUN believed CAO to be playing as instructed by P[redacted] Once the review was completed, there are multiple indicators that would lead one to believe that CAO was indeed buying in/playing for PE[redacted]

Cheers,
Brandon Norgaard, CAMS

Copy. Is Sun or any of the floor staff in a position to confirm what was said by PE[redacted]? The reason I ask is that I want to be as certain as possible he was directing play as I am contemplating suspensions for P[redacted] and CAO and that will have revenue and relationship impact.

I am pleased that [redacted] reported this and although the expectation under the AML training is that he does he should be commended for his diligence
Ross

Good morning Ross,

Please see Stanley Sun's reply below:

After being spoken to at MEZB1, CAO, [redacted] (who made the large table buy-in) moved to MDB23, followed by PERSON I informed Surveillance and suggested them watching this table closely. I also explained the conditions to dealer supervisor and ask supervisor to monitor the play. I personally walked close to the table for a couple times, they did not have conversation about the play when I was around. However, after a little while the supervisor reported to me that it looked like they were playing together. Although P[redacted] was not touching the chips and cards, PERSO[redacted] had a second scored card under the one she used to track the hands and wrote some number on the second card after each hand. I reported it to Surveillance, and Surveillance confirmed that it was suspected upon their view too. I went over and spoke to P[redacted] again regarding the conditions. They left soon after this.

The dealer supervisor was not a Chinese speaker, so he could not catch the conversation, but the supervisor did a good job by monitoring and reporting the play.

Looks like no conversation(s) were overheard, however, taking all the circumstances into consideration, it does paint a picture that P[redacted] may have been instructing PERS ONAL

Let me know if you require anything further.
Cheers,
Brandon Norgaard, CAMS

Kris/ Bruno,
Hi gents, after discussing with Kevin and Rob yesterday can we coordinate a second interview with PERS ONAL and discuss this incident. He should be warned that another occurrence WILL result in a suspension from BC Casinos
Thanks
Ross

Hi Brandon,
I will also discuss with you by phone:
At this time please update PERSONAL profile comments section with:
BCLC Directive Sept. 30, 2015, Subject PERSONAL is to schedule another interview with a BCLC Investigator by first contacting BCLC Consumer Services at.....and provide his name and contact phone number. A BCLC representative will call back to schedule the interview. "

Cont/
The objective of the interview is to discuss this incident and to Warn him that a repeat of this nature will result in a BCLC Provincial Ban.
Thanks
Bruno

Oct 1, 2015 Interview completed on Redacted - Patron Interview Identifying Information

Hello Kris, Bruno
See the attached summary on Redacted - Patron Interview Identifying interview that took place on September 30, 2015.
Tom, I have CC'd you in on this as you are File Coordinator for the info. File in AML risk folder
Thanks,

David Slobodian CAMS,
Investigator, Casino Security

CHEN #76841 – Request for company info refused X 3

Sorry AML peoples...I hit send before typing this...Basically this report involves a HRP patron refusing to provided company/phone number info as per enhanced DD/SID comments.

Thanks,
Steve Beeksma

Update from Oct 12, 2015 from Daryl Tottenham:

As writer has made numerous requests to have this patron provide company name and details and he has refused to date, resulting in a refused cash-out on Oct 2nd for a 50K un-sourced chip buy-in, writer has now placed a BAN status on CHEN until we receive the required information. If CHEN does return and provide the information, the ban may be removed but he will likely be flagged for an interview for un-sourced cash buy-ins and placed on sanctions for future play.
Daryl Tottenham

Oct 2, 2015 Interviews Redacted - Patron Interview Identifying Information

Both of the noted parties have now been interviewed by BCLC Investigators and the drafts on in the AML risk folder.
Daryl

Oct 2, 2015 Osint report for PERSONAL INFO #183560- Cathy

Daryl, file can be found under

M:\Due Diligence\Requests from AML Specialist\PERSONAL INFO SID 183560

Nothing criminal in nature found. Unable to confirm company information. Not the owner of the address/residence he provided in iTrak. Doesn't appear to be the owner of any property in BC.

Again apologize for the delay, let me know if you need anything further. Thanks. Cathy

Oct 2, 2015 Update file on Jia GAO

Hi Bruno,

I got a call today from the Villa saying that GAO had come in with $25,000 in un-sourced chips. They denied his play but then cashed him out. They are making notes on the tracking sheet that he will not be allowed to use that cash received for a subsequent buy in even though it says it came from the casino.

I have asked that should GAO come back with any more un-sourced chips that he is not to cash them out, but to let me know and I will give an answer after consulting with you guys.

I don't know if he will show up with any more as it is not really his style but you never know. If he does come in again I have asked the site to try and determine if he has any more chips at home.

I'm not sure if you wanted him to be able to cash out any other chips but I advised against it at this time to be safe. If you guys or Ross believes otherwise, I will let the site know.
Thanks,
Brandon Norgaard, CAMS

Oct 5th, 2015 PERSONAL INFO review and PERSONAL INFO occupation isue

Morning Bruno,
I am just catching up on a couple files from 2 weeks ago and wanted to touch bases with you on these 2 patrons.

- PERSONAL I dealt with his file prior to leaving for the conference and placed him on the Priority 1 list and amended his profile to include a request for interview and sanctions on un-sourced cash or chips. PER is an extremely high-value player with average buy-ins between 200- 600K and 20 million buy ins over the past 4 months. Of note since his subject profile was flagged for interview (Feb 24th PERS ONAL has not registered a single buy-in and I have not seen a Consumer request to indicate he wishes to be interviewed. No further action is required with

PERSONAL until he shows up again and decides to come in for an interview but clearly his inactivity will have a significant revenue impact.

- PERSONAL INFO #127567- This player VSE'd back in early Feb 2015 for 6 months and has since returned when the VSE expired. She has a total of 414K in buy-ins in the past 2 months but a large portion of that total includes churn so her actuals are a lot lower however she was flagged by me several months ago requesting company information as she indicated she owned a cleaning company. When her file was updated it now indicates she works for Uniclean as an office cleaner which provides no source of wealth confirmation as her level of gaming play is not supported by her occupation.
  It is possible that her spouse's income is high (but we do not know who that is) or it is a language communication issue about her actual occupation (owner vs worker) but in any event we need to flag her for interview and establish those facts before we allow her to continue to play. She does have previous files for chips passes with Jia GAO but she also has 4 alias names on her file so I am less than comfortable with her until we confirm some details.
  I would suggest we place a temporary ban on her until she makes contact with BCLC Investigators for an interview as she frequents numerous sites and will be difficult to track down without a ban in place. If she comes in for an interview, the above-noted areas should be the focus of the interview.

  Let me know if you have any questions or concerns with these actions.
  Thanks Daryl

Daryl Tottenham BA, CAMS

Oct 5, 2015 PERSONAL INFO et al- update on file (Real Estate ties- Ontario)

Update on this file,
I have reviewed the activities of the 4 players found to be associated to each other and a period of extremely high play between them in September. They are all associated to the Real Estate sector but based in Edmonton, Toronto, and Vancouver and racked up 1.3 M in cash buy-ins in a 4 day period. Upon review their LCT's started on Sept 11th and ended 9 days later with the exception of PERSONAL #81092 who had activity until Sept 29. It was suspected that they might have been in town together on business and their play supports that theory. Cathy did backgrounds on them and there were no red flags anywhere therefore their risk level has been lowered unless another period of activity occurs in the near future.

PERSONAL INFO have not re-surfaced since Sept 20th therefore no further follow up is required on an urgent basis on them. PERSONAL has not been back since Sept 29th and writer will continue to monitor him through October to see if he has any further activity or if he likely returned to Toronto.
Just an FYI at this point as we are trying to prioritize the subjects that we need to conduct deep dives on and focus on active subjects at this time.
Shout me if you have any concerns here,
Thanks Daryl

Daryl Tottenham BA, CAMS
AML Specialist

Oct 6th, 2015 Michael MANCINI- request from Don M.- Kelowna

Tom & Daryl (Bob – FYI)

FYI Tom.

You placed a note on this guys profile for ID, which he has produced. Travels a lot....hmmmm.

I will asking the member to send me another email, requesting FinTrac information regarding the cheques. Looks like they came from LCC Kelowna, Oct 4 – LCT46660. Not closed yet. I will pull the tracking sheets today. STR??

Don

Oct 6th, 2015

Don,

At first glance I don't see much on this guy , google searches are all company or facebook related, looks like he may have his business located in Salmon Arm, his travel suggests he has business in Kamloops, Kelowna and Langley as he seems to migrate back and forth between these three. Either his business has running contracts in these places or he has grow-ops in these places and makes the rounds tending them and gaming. (this makes more sense with a landscaping business as he has been busy the entire year from Jan to present)

Although his numbers are very high with LCT's around 50-80K, these numbers are grossly inflated by churn and his actuals are likely much lower. I looked at a half dozen of his LCT's and they all run for 10-12 hours which means he is in there cycling small jackpots over a long period of time producing huge numbers but I doubt he leaves the casino with more than 5K on a good night. The majority of his JP's are between 2-4K so he is likely playing the dollar slots with max play doing $30 spins to generate JP's that size consistently. I would guess that when he comes in he starts with under 5K each time, and on occasion he has several large jackpots that paid out the verified win cheques that the RCMP likely seized along with the cash.

The RCMP should be able to check PRIME and see if he has anything in his history associating him to grow op activities, but one thing you could follow up is to flag his vehicle on the LPR and put a request in his profile that when he shows up at a site, request surveillance monitor his play closely for a half hour period and zoom in on the slots he plays and record the bet sizes per spin. If they do this for a short period of time it will give you a good idea what kind of cash he is rolling per hour and make it easier to assess if he is up to no good.

I have CC'd this to Cathy and Brad and when they have time they might be able to dig into this guy a bit and see what they find. Clearly into gambling though as not many people can sit playing slots for 12 hours at a time so AML concerns are not likely at play here.

Daryl Tottenham BA, CAMS

Oct 6th, 2015 Redacted - Patron Interview Identifying Information by Steve B.

Good morning all,

See attached interview summary regarding priority 1 patron Redacted - Patron Interview
Interview was conducted yesterday afternoon by Stone and I at RRCR.
BCLC intelligence/iTrak file 15-50711 has been opened. Related SF Case 02095966 was updated and closed.
Please distribute as you deem appropriate. In the absence of Kris and Bruno I've CC'd David.
Copy of interview in AML Risk Folder.
Thanks,
Steve Beeksma

Hi Bruno,

Thanks for the interview.
Daryl and/or Tom, can we have a look at his play and determine if the $60K in chips can be attributed to verified wins.
If so we will allow them to be utilized. The site will need to track any subsequent wins from then on.
If we are not satisfied the chips originated from a verified win, they can be redeemed for cash however the cash cannot be used for gaming.
Other conditions remain the same

Many thanks
Ross Alderson CAMS

Oct 6th, 2015 Redacted - Patron Interview Identifying Information Interview and follow up.

Redacted - FINTRAC

Redacted - FINTRAC

Steve B.

Oct 7th, 2015 Interview completed for [redacted]

: BCLC Interview [redacted]

Attached is interview conducted October 7, 2015 by BCLC Investigators Stone LEE and myself.
Regards
Tom
Thomas (Tom) Plante
Casino Security & Surveillance Investigator

Oct 8th, 2015 [redacted] & [redacted] - for review

Ross,

This female patron was recently involved in a file (2015-52304) where she attended Edgewater Casino, w/d 40K from her PGF and played on the tables for the majority of the day. In the evening [redacted] attended Edgewater, met with [redacted] and they both attended to her car, returning with a bag which [redacted] turned over to [redacted] attended the VIP cage and subsequently bought in with the contents of the bag (100K) and played for the evening with [redacted] sitting at the table watching. They both show different addresses and no file notation that they are a couple however upon review of her files, it was found that she has done this type of activity numerous times in the past with [redacted]. What is concerning is that she has also done the same thing with [redacted] and [redacted] on numerous files and appears to be supplying cash to these players on a regular basis.

I would propose that [redacted] is flagged for an interview with BCLC investigators to determine her relationship with these other players, confirm her occupation/source of wealth and have her confirm the source of her cash which is often large amounts in $20 bills. Once she is interviewed we can

determine the next course of action but failing to have a reasonable explanation for the above, she will likely be a candidate for un-sourced cash and chip restrictions.

Let me know your thoughts and if you agree , I will make arrangements with Bruno et al to have her flagged and interviewed.
Thanks Daryl

Daryl Tottenham BA, CAMS

Oct 8th, 2015 Follow up on [redacted] XU- Priority 1 patron

Good morning,

I was going to let this pass but this series of emails is a good example of the challenges we face with some site staff simply not getting it, or choosing not to.

This started yesterday morning with Rishi coming into our office asking for clarification on the direction offered regarding XU (priority 1 patron) and what he can do with his RRCR chips (post-interview).
I located and forwarded back to Rishi the original direction sent Sep-25, see attached for that email chain. In Rishi's defense, he was out of the country grieving the loss of his mother so I understand how he may have overlooked it in his inbox upon return (not sure what the other recipients excuses are though).
The chain below starts with Alasdair, I've never met him but I believe the executives hosts (Randy, Lisa, Jenna etc answer to him) asking the very same questions that were answered in the 25th email and forwarded again on this date. Rishi was apparently in meetings and failed to forward this on to the people on his end. Once he did the below line of questions started from Randy...Rishi answered them all correctly but these are questions that have been clearly addressed (as Rishi pointed out to Randy below). I also confirmed the PGF question with Rishi via telephone prior to him answering that one.
I forwarded the attached to Pat as well (after Alasdair started the chain) and asked if he would like to be included in future correspondence of this type and he has yet to answer (he thanked me for the email).

I've reviewed iTrak records this morning and see nothing to suggest XU, despite being anxious to gamble, came in last night. No LCT's and no incident file created (as per the attached direction).

I'll make further enquiries to try and determine if he was in or not and update you all.
FYI,
Steve Beeksma

Oct 8th, 2015 Update on PERSONAL INFO [redacted] directive

Cathy, do you have time to look at doing a dive on PERSONAL [redacted] Brad is running back and forth to meetings all day here.

Tom, if you could take a look at the thread and maybe set out some notes for Brandon and Tom P to consider, they will likely be the point of contact when and when she complies with the request for interview. We can monitor her play once we have implemented the directive on her profile and if she ignores same, we absolutely will look at a temp ban until she attends.

I will wait until the dive is completed before we alter her profile comments.

Thanks all, Daryl

Daryl Tottenham BA, CAMS

Redacted - RCMP

Incidents 20150052167 and 20150052301

It looks like Red and some associates are staying at the River Rock hotel. R has provided a home address in Ontario.

Associates:

Redacted - RCMP

Redacted - RCMP and his associates were dropped off by Redacted - RCMP
Redacted - RCMP was the driver of the Redacted - RCMP
Reda got out of the vehicle and talked with R et al outside the east lobby.
Then R and his associates split up and went to 2 rooms in the east tower. It appears that they are registered guests in at least two rooms.

Buy-in $50,000
Redacted - RCMP LCT records show that R conducted a buy-in for $50,000. The buy-in consisted of $2,000 with $20 bills, $6,800 with $50 bills and $41,200 with $100 bills.

- I've requested a review of this buy-in to determine if a UFT should be created

In the evening of Redacted - RCMP and his associates continued gaming.

Buy-in $50,000
Redacted - RCMP met with a white Redacte to obtain the funds. Redacted - RCMP passed the funds to R for his first buy-in. $50,000 with $20 bills.

Buy-in $50,000
Redacted - RCMP were dropped off by a Redacte Redacted - RCMP pickup. Redacted - RCMP passed the funds to Redacted - RCMP passed the funds to R for his second buy-in. $50,020 with $20 bills.

As an aside,
Scott McGregor from FSOC was at River Rock yesterday and he was aware of some of the incidents on Redacted - RCMP McGregor emailed us today looking for an update, which I will leave up to you.

Redacted - FINTRAC

Jerome Wakeland
BCLC Casino Security Investigator

Oct 8th, 2015 RR File 2015- 52385 PERSONAL INFO - 100K b/i- min play

Hi guys,
This file is from yesterday and involves a patron who is not HRP and bought in with 100K in $20's which is way out of his normal playing range. Upon getting his chips he left the VIP room, went to the Dogwood and started playing with small bets. When you review this file could you please determine what he actually cashed out with and if he left with chips, how many and did he put them at risk during his session.
He received the chips via a delivery from a black SUV so if surveillance can also please obtain more details if possible on this vehicle and occupants if possible. If he did not put the chips at risk and left with a large quantity of chips, I am looking to place immediate sanctions on his play and add him for interview if it appears he is cycling cash for chips for a third party.
Thanks kindly,
Daryl

Daryl Tottenham BA, CAMS
AML Specialist

Oct 11th, 2015 File review for PERSONAL INFO #147906

Hi all,
As a result of multiple cash deliveries Redacted - RCMP and having several people involved in buying in on behalf of the primary subject P who is from Toronto, I am adding an immediate un-sourced cash/chip condition of the play of PERSON AL INFO until such time that we can conduct further reviews and a deep dive on the subject. PE RS is clearly the focus of play and although he has provided an occupation as Real estate investor, his buy-ins totaling in excess of 150 K in 2 days in multiple deliveries from a known criminal source presents a level of risk to BCLC that cannot absorb. Due to the long weekend we likely will not be able to conduct these reviews until Tuesday or Wednesday therefore the restrictions are being put in place immediately.

Cathy/Brad
When you are back this week could you please conduct a priority deep dive on P and a preliminary dive (adverse media, etc) on PERSONAL INFO #185571 and CHEN #181571 please? Redacted - RCMP Redacted - RCMP and the guys at RR are aware of him.

Tom,
When you are back could you please add P to the spreadsheet for interview and conditions pending approval by Ross on Tuesday.

Thanks in advance,
Daryl

Daryl Tottenham BA, CAMS
AML Specialist

Oct 11th, 2015 -Follow up on PERSONAL INFO

Tom/Brandon,
Just as an FYI on PERSONAL , after I sent out the original email PERS has since returned to Edgewater and subsequently met up with PERSONAL . (file 2015-52585) who had bought in with 100K in $50 bills. PER sat down at the same table as PERS and PERSON were at and immediately passed PERS a 1K chip under the table which she then passed to PE It looks like PER played till almost 4 am and subsequently bought in for another 54K , not sure how long PE and PERS sat with him. It appears he lost most of his bankroll but you may to take a closer look at this file as it may assist in figuring out what these people are up to. There may be a relationship between them but PER clearly is arranging money for players and considering her background info seems to be suspect, it should be an interesting interview when she comes in.
I have changed her profile comments this am to reflect the need for an interview now that we have the dive completed.

Cheers Daryl

Daryl Tottenham BA, CAMS

Oct 12th, 2015 [redacted] CHEN # 76841- red-flagged for company info refusal

Ross,
I placed a request for a patron information update including business details on CHEN back in Feb 2015 and during the last 3 visits to our sites, he has refused to provide his company/ employer information. On Oct 2nd he chipped in for 50K with un-sourced chips and when they asked for his company information he refused and was subsequently denied cash-out for his chips.

I have placed a Province-wide ban on CHEN until such time he provides the information and have updated his profile to this effect. If he returns and provides the information the ban will be removed but he will likely be a candidate for interview and un-sourced cash/chip restrictions moving forward. He has 3 previous LCT's in 2015 and presents minimal revenue risk.
Daryl

Daryl Tottenham BA, CAMS
AML Specialist

Oct 13th, 2015 [redacted] CHEN follow up –Ross

Hi Daryl,
I have reviewed the players profile and I agree with the course of action. As a high risk patron the occupation does not account for his method of buy in.
Please ensure the sites that [redacted] CHEN attends are also notified as to the new conditions.
Regards

Ross Alderson CAMS

Oct 13th, 2015

I have Jim tracking file 2015- 53260 where a guy named PERSON showed up with 50 K in $20's and bought in at a table. When the chips came he bagged them and left the casino, got into a Honda Van and was off-site in 4 minutes after getting the chips! Jim is going to monitor to see if he returns today (I doubt he will) and if not we will drop an immediate barring for investigational purposes and interview to determine where the chips went to. He has a definite history of cash buy-ins and no CDR and chips off site so I suspect he was filling an order for someone. He is shown as an Executive assistant (gopher) for the Viceroy Investment Group so I suspect he was sent out to do this possibly for someone who is prohib or VSE. Will monitor and advise.
Daryl

Daryl Tottenham BA, CAMS
AML Specialist

Roger. I have reviewed PERSON s previous history.
He may have a legitimate reason for leaving with the chips so soon however we should err on side of caution as I note this is not the first time he has left with chips without play and his large cash buy ins would seem to be typical of an "Executive Assistant". I note PERSON has a Richmond address however not contact phone numbers. Can we make enquiries with the SP to see if we have any contact details for PERSON and this might be simply addressed by calling him and asking him why he left so soon with the chips and when we expect him to re-attend. If we cannot contact him then I agree he is banned from play until he returns the chips and explain his actions. In the interim lets have Cathy look into "Viceroy Investment Group"
Regards

Ross Alderson CAMS

Oct 13th, 2015 PERSONAL INFO # 127567 Review for conditions/ Interview

Ross,
Background info on the entry that I put in Itrak for this patron is as follows:

-
- PERSONAL INFO #127567- This player VSE'd back in early Feb 2015 for 6 months and has since returned when the VSE expired. She has a total of 414K in buy-ins in the past 2 months but a large portion of that total includes churn so her actuals are a lot lower however she was flagged by me several months ago requesting company information as she indicated she owned a cleaning company. When her file was updated it now indicates she works for Uniclean as an office cleaner which provides no source of wealth confirmation as her level of gaming play is not supported by her occupation.
  It is possible that her spouse's income is high (but we do not know who that is) or it is a language communication issue about her actual occupation (owner vs worker) but in any event we need to flag her for interview and establish those facts before we allow her to continue to play. She does have previous files for chips passes with Jia GAO but she also has 4 alias names on her file so I am less than comfortable with her until we confirm some details.

I would suggest we place a temporary ban on her until she makes contact with BCLC Investigators for an interview as she frequents numerous sites and will be difficult to track down without a ban in place. If she comes in for an interview, the above-noted areas should be the focus of the interview.

Fast forward to today: PE came into Edgewater and confirmed with staff that she is in fact a cleaner for Uniclean, but refused to provide any information on her spouse. We have updated the file but given that she has over 5 million in cash buy-ins and 4.3 Million in CDR's in the past 5 years and she buys in between 10 and 30 K each visit, we now have no source of wealth and no source of funds for her.
Given this new information my plan is to temporarily ban her from all play pending an interview with BCLC to answer these questions. If she refuses to come in, the ban stays in effect as she becomes a high risk that cannot be tolerated.

Let me know if you have any questions or concerns with these actions.
Thanks Daryl

Daryl Tottenham BA, CAMS

Hi Daryl, yes I agree. Ban should be placed pending further clarification of her source of wealth and funds. It is unreasonable to expect a cleaner to have that type of money.

Regards

Ross Alderson CAMS

Oct 14th, 2015 PERSONAL INFO #65 -Review of play- for conditions/Interview

Ross,
Last night we were able to get employment details updated on PERS and as suspected, his occupation makes no sense to his playing level which is extremely high. On a positive note he does have a PGF and uses it but he shows his occupation as a server at the Pan Pacific and his average buy-ins range from 30-50K with many of those buy-ins in cash. His YTD buy-ins are at 4.2 Million and CDR's are at 5.9 million and he may have a source of wealth that justifies his playing level but that will require an interview and documentation to satisfy at our end. His playing frequency has also sky-rocketed over the past few months, having 28 LCT;s in Sept and 14 LCT's to date in October.

I have removed the temporary ban as he provided the information but I will now be placing him on WATCH and adding him to our conditions and interview list with his profile flagged accordingly. Upon being interviewed, the focus should be on his actual source of funds when he is not using his PGF account, as well as his source of wealth for buying in at this level with only an income derived from his server job at a hotel.

Brad/Cathy- When you have time could you please complete a dive on PER would be interesting to see if he has any CDSA charges/convictions in his background.
If you have any concerns with this action, please advise.
Cheers Daryl
Daryl Tottenham BA, CAMS

Oct 14th, 2015 [Redacted - Patron Interview Identifying Information] Interview of [Redacted] by Brad D.

On Friday, 2015-09-25 at 1700 hrs. I met with [Redacted - Patron] at Tramonto Restaurant at the River Rock Casino Resort in Richmond, BC. The purpose of the meeting was to explain to [Redacted - Patron] the "no-cash" restrictions placed on him. Also present for this meeting was Rob Baker, CEO of Great Canadian Gaming Corporation and Terrence Doyle, the COO. A RRCR guest services manager, Lisa, acted as translator. The following is a synopsis of the conversation with [Redacted - Patron]

- [Redacted - Patron] was upset that he had this restriction placed on him and suggested he would limit his attendance at RRCR in the future;
- He indicated that he thought it proper and appropriate that he be given notice before this restriction was placed on him. I advised that this is his notice and that, absent clear evidence where he obtained currency from, he would only be permitted to play with non-cash financial instruments;
- He inquired about chips and I advised that only sourced chips would be permitted without a further interview. [Redacted - Patron] said he had approximately $3M in chips at his residence *(Terrence DOYLE advised RRCR would review internal records to determine if that quantity of chips could reasonably be attributed to [Redacted] from play/buy-in; B.D.)*;
- [Redacted - Patron] said that cash is his preferred means of play at BC Casinos because he does not want his family (wife?) knowing what his gambling habits are. [Redacted] indicated his family (wife?) has visibility into his Canadian bank accounts.
- [Redacted - Patron] obtains cash through an arrangement with individuals in China/Hong Kong/Macau whereby he makes a call there and cash is delivered to him here;
- [Redacted - Patron] advised he and most (all?) of his friends use this underground banking service everywhere they gamble, anywhere in the world. He couldn't understand why Canadians are upset with this arrangement as it is in use in every country that has a casino industry;
- He had no idea of the source of the cash delivered to him here; he settles the debt plus a very small handling fee through a domestic EFT in China.
- He also uses this underground banking system to circumvent Chinese law *(presumably referring to the Flight of Capital laws; B.D.)*
- [Redacted - Patron] stated that the use of credit and international wire transfers (he specifically mentioned Singapore) would significantly reduce the demand for cash amongst his contemporaries who gamble.
- [Redacted - Patron] was coy when asked about illegal gambling houses although he did state he had other alternatives to BC Casinos if he wanted to gamble, even at high stakes.

The meeting concluded with [Redacted - Patron] lamenting further about his inability to use cash and suggested there was some discriminatory component to this rule because he had seen others using cash. I advised that we had become concerned about the source of his cash which is why this step was being taken. [Redacted] said he knew there was a "list" of players who were no longer allowed to play with cash and how unfair this is. [Redacted - Patron] should have a crystal clear understanding of restrictions now placed on him with respect to the use of cash and unsourced chips. The meeting terminated at 1745 hours.

Brad Desmarais
Vice President, Casino and Community Gaming

Oct 14th, 2015 Redacted - Patron Interview Identifying Information Interview by Steve

Hello all,

Just a brief head up... Redacted - was in and RRCR's executive host offered for us to interview him this afternoon.
A lot of the questions about un-sourced cash doesn't really apply to him in the way a lot of the other priority ones Redacted - FINTRAC
We explained the casinos need to sourced his cash...confirmed his occupation accurate to what it was updated to last night (and he showed us his Great West Life insurance card). He admits his gambling money does not come from his occupation but indicated he takes out equity in his house via line of credit and this is what he uses to gamble with.
I'll have a full summary for you tomorrow.
The site and Redacted - s SID profile comments have been updated. There's nothing in addition to direct the site about (IE chips at home etc) so I don't see a site generated incident as necessary for this one (to document BCLC direction).
FYI,
Steve Beeksma

Oct 14th, 2015 PERSONAL INFO #77247 review of play Re: 60K o/s Edge chips

RE: PERSONAL INFO SID #77247

Hi Tom

So I looked at August and September specifically and I compared our in house tracker to iTrak records. When comparing the numbers the buy-in figures matched exactly. What I did to figure out the rest is add up his buy-in plus his winnings which totaled $567,881. That number should be the most he could possibly cash out but the disbursement recorded was $607,000 which is obviously more. If his disbursement was substantially less that it would make sense that he still had not cashed out everything.

Below are the records I used, the left side is the manager tracker and the right side is from iTrak.
Please call me at 524 if you need further clarification, I am here until 2pm.
Nuno Mendes, Edgewater

Oct 14th, 2015 Redacted - Patron Interview Identifying Information – update

Good afternoon all,
See attached interview summary (conducted yesterday afternoon by Jerome and I).
There is no further direction/follow up required to be communicated to the site (like X number of chips at Redacted - s home) so I didn't ask the site to create a public file for this one.
I did open a BCLC file (15-53736) for statistical purposes which includes a synopsis of the interview.
Thanks,
Steve Beeksma

Oct 15th, 2015 PERSON – update – Daryl

Ross

See attached thread from Nino at Edgewater, they cannot confirm os chips totaling 50-60 K that PE states he has at home.

What are your thoughts on this? His level of play in substantial so this amount is below his normal range. I am thinking a one-time shot to return them for cash and cannot drop them in PGF or play with them but your call.

D

Reply- Ross

Yes to be consistent with what we have done with other players we can cash him out however he cannot use the cash or the chips to play. The conditions would still apply. Moving forward the site should recommend to the player to cash un-sourced chips out so he can deposit them into a FI that qwe can source

Ross Alderson CAMS

Oct 15th, 2015 Directive sent to Edge staff- PERSON

Good morning

Regarding the above player, PERSONAL INFO, it was reported to BCLC that Mr. LIU was holding about 50K to $60K in chips at his residence. A review was conducted for August and September, 2015 which compared the in house tracker to iTRAK LCT records. The findings did not support PERSONAL INFO's explanation of having this amount of chips on hand from his play.

The direction I have been given to be consistent with what BCLC has done with other patrons is to contact PERS about the chips he has, have PE return these chips for a cash out. Chips and cash from these chips will not be allowed to be used for play. Conditions still apply.

Recommended the site should recommend to the patron to cash the un sourced chips out so he can deposit the proceeds into a financial institution that can be sourced.

Regards

Tom Plante

Oct 15th, 2015 PERSONAL INFO OSINT report completed by Cathy

Daryl, OSINT report has been completed. Can be found under CINVAML\OSINT Reports\Investigator Requests-Complete\PERSONAL INFO SID 65

No criminal records found and owns the property he has listed within iTrak. Land titles confirms his occupation as server, spouse (or other name on title) is Janitor. Please let me know if you require anything further or have any questions. Thanks.

Oct 16th, 2015 Redacted - Patron Interview Identifying Information For Interview

Hello Tom,

We've just been contacted by Player Relations Manager Lisa GAO. GAO has advised us that a Priority 1 interview subject has just arrived at the River Rock and would like to be interviewed. We've tentatively scheduled an interview for 1530 hours this date for:

Redacted - Patron Interview Identifying Information

Any additional information you have on file would be greatly appreciated Redacted - Patron is apparently in town for 5 days.

Thanks,
P. Jerome Wakeland, CAMS

Oct 16th, 2015 Redacted - Patron nterview by Steve

Hi all,

We are finished speaking with Redacted - Patron I'll have the full interview summary for you all on Monday but some quick points of interest:

-Has been to Underground casino, taken there by "friends" (he doesn't drive). Everyone is playing there, they have their own chips (not using RRCR chips). No cash, gambling debt is paid in China. Knows of 2-3 of them but only been to one of the once and did not gamble. His "friends" keep pressuring him to play there.
-Won't use cash anymore, has CDN account now and can use PGF moving forward.
-NO chips off site (no directive required regarding this). Open iTrak not required or requested.
-When he did/does use cash his "friends" either drop it off at his house or deliver it to him at the casino. Borrowed money is paid back in China. He met most of these people locally at social events (out drinking or having dinner or both).
-Suggest a safety deposit type box on site as a solution.
-He's only here for a few days, then to LA for business then back to China for at least the next year.

As mentioned, a more detailed summary will be completed next week. Thought the extra info on the underground casino may be useful.
I-Trak SID comments and the site have been updated that he does not need to call CS anymore.
Have a good weekend,
Steve Beeksma

Oct 17th, 2015 PERSONAL INFO #170278 Interview/conditions placed on profile

Jim,
I have checked PERSONAL INFO s file this morning and there has been no further activity on his profile since the 50K cash buy-in and walk-away on Oct 12th. As discussed earlier RR staff do not have a contact number for him Redacted - FINTRAC I have flagged his subject profile and he is now temporarily banned and I have added an interview request in his comments including directions to be notified when he returns and is advised of these conditions. The

ban will not be removed until the subject attends and completes an interview and we assess the content and determine his suitability to return to normal playing status.

If he comes in for interview , the focus of the interview should be the purchase of the 50K in chips in small bills and immediate departure from the casino, the whereabouts of those chips currently and/or who he purchased them for. I have updated his file and Tom will add him to the spreadsheet for monitoring purposes.
Thanks Daryl

Daryl Tottenham BA, CAMS

Oct 19th, 2015 PERSONAL INFO # 115177 For Interview and conditions- Daryl

File from RR last night for 150K in small bills including numerous 5's, 10's, and 20's which is highly suspect for this patron. She is PERSONA #115177 who is a very well-known VIP and has an EXTENSIVE BCLC history with 97 million in buy-ins and 109 Million in CDR's lifetime. She shows her occupation as manager of a medical clinic in Beijing but clearly resides here as she is in our sites 4-5 times a week. It is suspected that her spouse is PERSONA who is also an HRP but plays at a lower level than PERS PERS has a PGF account and uses it almost daily for table play and re-deposits but also seems to be pretty consistent with using bank drafts from the TD bank for her buy-ins to start play when funds are low.

Due to her high level of play and high risk level for BCLC, I think we need to add her to our interview list for a soft interview by BCLC investigators. The focus of the interview would be to emphasize the need for her to use her PGF account and not be bringing in large amounts of small bills (which she has done consistently in the past along with her PGF deposits), establish the source of her cash when she has brought it in , and confirm her spouse's information if possible for our records and source of wealth documentation. As well she should also be given the usual positive feedback for her use of her PGF account and how much we value her as a customer. I am confident that she has the banking structure in place to utilize bank drafts consistently but we definitely need her to reduce these large buy-ins with small bills moving forward.

Let me know your thoughts and if that works for you, I will set her profile up and liaise with the RR guys accordingly to give RR staff a heads-up on it.
Daryl

Daryl Tottenham BA, CAMS

Oct 19th, 2015 PERSONAL INFO #68538 For interview/conditions- Daryl

Ross,
This is the file that I referred to last night for PERSONAL INFO #68538 that alerted on a 200K cash buy-in and is not well known to us. Turns out it was actually a 400K cash buy-in almost exclusively in $20 bills (10K in 100's) as he bought in a second time with another 200K in small bills but we will have to wait for details of where that came from as surveillance did not see fit to include that info into their report.....

PERS has a limited history with BCLC with only 4 LCT's in 2015, 5 in 2013 and the remainder between 2009 and 2011. Most of his buy-ins are small but he does has several large buy-ins out of the blue, then back down to 10K buy-ins. He shows an address in China and owns a Herbal Tea company Redacted - FINTRAC Redacted - FINTRAC

PER SON came in with PERSONAL who has no history with BCLC, shows an address in China and lists his occupation as a metal trader Manager for a company in Lo Shan City. I don't have much on him but in both cases, my gut feeling on them is not great so I am thinking we need to have Cathy and Brad take a run at them and see what they can find or confirm asap.

In terms of PERS s buy-in I am suggesting we need to immediately add him as a flagged patron for interview to establish the source of his cash and place him on conditions for un-sourced cash/chips restrictions effective immediately. Let me know if you have any issues with this and we will work out the details at our end.
Thanks Daryl

Daryl Tottenham BA, CAMS
AML Specialist

Oct 19th, 2015 PERSONAL INFO # 109940 For Interview/ Conditions - Daryl

This patron bought in last night for 90K in cash in small bills and has an extensive history of cash buy-ins in the past year dating back to early 2014 however his level of play increased substantially around Oct 2014 and since that time he has averaged small bill buy-ins between 50K and as high as 200K. Redacted - FINTRAC Redacted - FINTRAC although it appears he has a PGF account, he uses it sporadically and deals mostly in cash which he brings on-site. He shows an occupation of Logistics Import/Export with Fortune Transportation which does not support the source of cash he brings in to RR.

PER currently has 12 million in buy-ins and 9 million in CDR's to date , most of which is in the period of Oct 2014-2015 so his level of play is high. He has 5 listed associates, four of which are HRP patrons but none of them are high profile on our radar. This patron is cycling through a large volume of cash albeit mostly in the 50-60K buy-in level which has kept him largely off the radar for some time. I would suggest we need to flag PE for an interview to assess the source of cash he is bringing in, who supplies him with the cash and confirm his occupation further to confirm his source of wealth for the overall level of play he has shown in the past year. PE should also be placed on un-sourced cash and chips restrictions at this time and urged to utilize his PGF account for buy-ins moving forward.

Please advise if you have any concerns with this action and if you agree, I will coordinate the required changes.
Thanks Daryl

Daryl Tottenham BA, CAMS

Oct 22, 2015 Interview of [Redacted - Patron Interview Identifying Information] - Conditions

[Redacted - Patron] was interviewed and details of the interview have been placed on in the AML Risk folder, conditions have been placed on her for un-sourced cash/chips play as her income and occupation do not support the level of play she is doing.

D Tottenham BCLC AML Unit

Oct 21, 2015 [PERSONAL INFO] #31207- Request for interview, deep dive-Daryl

Hi Ross,
Just wanted to give you a heads up on this patron, she was at Star last night and staff approached her as I had flagged her file for spouse name/employment or company info to establish source of wealth for her. She refused to provide it and simply said the family is wealthy therefore she brings cash from her own account. They updated her file and prior to me re-flagging it to mandate compliance, she just arrived at Star and they have called me as they fully expected to see the next message of "no further play until client provides info" (They are learning out there which is good!!)
I have advised that I will be flagging today and gave them some advice on how to present it to her so that she understands why we are asking and hopefully that will do it but you never know. [PERS] has 3.5 Million if lifetime buy-ins and 6.2 Million in CDR's . The disparity in the numbers is that her history shows that she often takes home chips after a large win and chips in the next day therefore no buy-in but CDR's stack up. Nothing about her play or other that is suspicious but her average buy-ins range from 10-30 K fairly consistently so in terms of volume, I don't think we can continue unless we have at least something to confirm source of wealth for her. Once I have that, I will have Brad or Cathy do a quick dive and confirm business and the house they own in Vancouver but for now I plan on sticking to my guns if she refuses again and she will be temporarily barred until we get it. That work with you?

Daryl Tottenham BA, CAMS

Hi Daryl,
My thoughts to cover off

What's her stated occupation?
What's her buy in like for the last 12 months?
Are the buy in's in small bills?
Let's find out what we do know on her first through Cathy and Brad and then look at doing an interview. We can use that during the interview. That way the investigator will have some background. If she refuses a "voluntary" interview then gaming privileges can be suspended pending one.
If she is independently wealthy and the cash is from her bank account then we can ask her to bring in a bank receipt with her in future. If the analysts can't find anything on her then I agree she is a high risk.

Ross Alderson CAMS

Hi Cathy/Brad
I know I have sent a couple other requests today but could you add on one more to look at? This gal has an extensive history with BCLC and huge numbers, I flagged her several days ago and when she was

approached she simply stated she has never worked but her family is wealthy and refused to provide her husband's name or company info. She came back in today and they re-approached her after calling me. I spoke to Ross about her and he suggested we look at doing a dive on her in case something comes up and to also pull up any information on her house address to see what we can find and confirm value, who owns it, etc.
While I was talking to Ross I assume they were talking to her and trying the nice approach and she basically refused so they refused her play and updated her profile. Can we do some quick work on her and we will likely amend her profile requesting an interview before we allow her further play and it would be good to see if there is anything there prior to interview.
Thanks kindly
Daryl

Oct 22, 2015 PERSONAL INFO UPDATE

After several emails between the SP and ensuring they understand what information we are trying to obtain from PERSONAL they were able to speak with her and spent 3 hours over lunch explaining our request to determine her source of wealth info for her file and encourage her not to come in with cash and gave her other options. PERSONAL agreed to open a PGF account and bring future buy-ins in through her PGF account.
We were also able to confirm PERSONAL owns the house she lives in (3-4 M value) and we have now identified her husband and confirmed extensive wealth. As a result we are satisfied with her current status and will monitor her account moving forward to confirm the use of a PGF and bank drafts.
Daryl Tottenham BCLC AML

Daryl,
That report is done and a copy has been placed on the CINVAML share drive. You can review it here.
It looks like her source of wealth is tied to her husband PERSONAL (Architecture) who has additional companies with links back to Hong Kong. He is not in iTrak.
The only thing in question is why her BCDL surname is different from all of the other information (Land title, BC courts) that were found. An email will be sent to ICBC to validate her BCDL information.
-Brad R

Redacted - RCMP - update on play at RR

Hi Daryl,
As per our phone call...2 RRCR gaming managers approached us this morning with a Redacted - RCMP was in the VIP Salon and awaiting a decision so the managers were anxious for an answer.
He started with a $10K PGF buy in (sourced funds) and lost that. He then produced "1 or 2" $5K chips from his person (origin unknown, amount to be reviewed) and according to them won $100K with these chips.
Redacted - then asked to put the chips into his PGF account.

Following our discussion I instructed them that he can deposit the **verified winnings only**, chips he won out of the tables tray and that there needs to be proper documentation to confirm the deposit as verified winnings (I will be reviewing his play to confirm the win). Both gaming managers seemed sure they are in fact verified winnings.
I've also instructed them to remind Redacted that he cannot introduce un-sourced chips and that this is not direction for all future similar type occurrences (case by case moving forward).
I suggested that if a similar scenario occurs again (with any sanctioned player) and they cannot get an immediate answer from BCLC to put the chips into "abandoned chips" to await further direction.
Surveillance has opened a "BCLC – Directive" incident (2015-54997) for them (and me) to document this.
I'll keep you all updated if there are any further issues discovered on review.
FYI,
Steve Beeksma

Thanks Steve, with the level of play Kesi does normally, it would be pretty difficult for a SP to accurately track a single 5 K chip in previous play back to today's play. Giving him the benefit of the doubt but with a reminder of his conditions is a fair resolve at this point.

Thx Daryl

Hello Daryl,
See attached for my summary/findings.
I've confirmed that Redacted - introduced up to $13,575 in chips during his first session of play. As per table tracking documents he gambled on and off from Redacted - RCMP (about 12 hours) and played on 3-4 different tables in the Salon.
Please advise if there is any value in doing further review of his play this date and/or any other direction.

Thanks,
Steve Beeksma

To RR SP/VIP staff- from Steve on Redacted - RCMP

Hello all,

The A/M incident involves Redacted receiving a verified PGF deposit for winnings derived from un-sourced chips (Rishi and Arlene, we spoke in our office briefly about this).
The deposit was OK'd by BCLC however the un-sourced chips (contrary to the conditions on Redacted - profile) require some minor follow up from your management team.
I reviewed the first 2 hours of his related play session and verified 3 instances of introducing chips totaling $13,575 (a relatively small amounts for Redacted. He was tracked for about 12 hours of play and I'm sure there was likely more than this amount.

To conclude the file for now, BCLC's AML unit have asked that someone from the site kindly remind Redacted that he cannot be introducing chips of unknown origin into his play and update the incident with the details of the conversation.

This was part of the direction given to Oscar and Bo when they approached us for guidance relating to the verified win issue so one of them may have already had this conversation with Redacted Oscar completed a supplemental on the a/m incident but there is no mention of a conversation with Redacted on this topic.
Can someone please confirm if this conversation took place and ensure the iTrak incident is updated accordingly?
Thanks very much,
Steve Beeksma

Oct 24th, 2015 PERSONAL INFO - RR file 2015- 55223 100K buy-in

Hi all,
Last night PERSONAL INFO conducted a 100K cash buy-in with mostly $20's and $100 bills. PERSONAL INFO has an occupation showing he owns a Real Estate company in China and has an extensive history with BCLC for high levels of play and can certainly support this level of play albeit the denomination's are of issue. However PERSONAL INFO has not had an LCT since Feb 23rd, 2015 and since that time has been identified as a Foreign PEP and added to our system as such for monitoring.

Could we please review his file and determine the circumstances that ID'd him as a PEP and update his dossier by re-checking him for adverse media or other "issues" that may have surfaced since he was last checked?
Assuming we have a dossier for him but if not, we need to create one and document everything accordingly.

Tom,
I am not going to add any conditions at this point as it is his 1st buy-in in 8 months and I would like to see the report back from Cathy and Brad before I determine the direction we take with him. (We are also saturated with interview requests so trying to prioritize until we are caught up)

Thanks kindly,
Daryl
Daryl Tottenham BA, CAMS

Oct 24th, 2015 PERSONAL INFO #88425 100K buy-in- small bills- occupation issue

PERSONAL INFO #88425 bought in last night for 100K at RR which was all in $20 bills. It took a bit of work pinning down his employer/company information but he recently complied and is shown as a "Nutrition Product Salesman" for an Asian-based company.
PERSONAL INFO has an extensive history of large cash buy-ins and LCT's and his level of play is not supported by this occupation nor is it an occupation that would explain the denominations used for this buy-in. At this point I am going to be having PERSONAL INFO's file amended to request an interview with BCLC Investigators and will be placing him on conditions for no further cash buy-ins with un-sourced cash or chips".

Tom ,
Could you update his profile accordingly and add him to the interview spreadsheet?

Ross,
As always, if you have any questions or concerns, shout me anytime.
Cheers Daryl
Daryl Tottenham BA, CAMS

Oct 27th, 2015 PERSONAL INFO - RR file for review

Ross,
When you have some spare time, take a look at this report (2015- 55263) from RR on Oct 23. It is a fairly complicated file in that there were a number of minor transaction happening and staff spoke to these parties on several occasions throughout the night. The main issue here is PERSONAL whom we have interviewed and has conditions on her, was allowed to buy in with 10K in cash with no documentation that she produced a bank receipt and that followed her already playing with chips that were un-sourced. They may have been hers from previous play but clearly there is nothing documented to confirm that by the SP.
The secondary issues are several chip passes that took place and were addressed by the shift manager. Most of these exchanges were minor ones with 1K chips being passed between known associates and wagered on the following hand so in the grand scheme of things they are not huge pressing issues.

In taking into account the fact that there was a Baccarat tournament happening and the entire room was full with almost every table operating at full capacity and the parties involved are all associates, I am less inclined to want to make an issue with the small passes BUT the cash buy-in by PERSO is completed at the cage and they can clearly see the conditions on her and should be getting banking documentation in every instance. I am thinking that this issue should be escalated to Pat Ennis to look into and determine who was involved at the cage (teller and supervisor) and get an explanation and have it documented for PERS's buy-in. I think we need to make an issue with this to send a message that there will be no exceptions to the conditions BCLC has put in place and that failure to abide by them by staff will not be tolerated.
Your thoughts?
D
Daryl Tottenham BA, CAMS

Thanks Daryl. I agree this is not acceptable. Can you draft an email with a brief summary of the issues (probably copy and paste from the report) as you see them and send it through to me. I will then review and send to Pat. I fee PE should be prohibited from play pending interview and I agree we need an explanation from the staff involved.

Ross Alderson CAMS

Ross,
Attached is a separate Word doc with the relevant details from the assortment of incidents from RR starting Oct 23rd and ending in the early hours of the 24th.
I am thinking we require documentation from RR as to how PERS chipped in and bought without any fund-sourcing by RR staff and ensuring this file is updated accordingly.

Also I am thinking that PE should be flagged as temporarily suspended from gaming until contact is made and an interview is completed. He ducked out on the original one and I don't think it is now a priority for him and clearly he continues to abuse the system with chip and cash passing.
Let me know if you need anything further.
Daryl Tottenham BA, CAMS

Hi Gents,
I have spoken to Pat ENNIS and he has informed me of the following
PERS's $10K buy was allegedly accompanied by a receipt from a bank. According to Pat this was not recorded anywhere but should be on surveillance video. I have agreed due to privacy reasons it is not ideal to attach a copy of the receipt (displaying potentially name, acct number and balance etc) to the LCT but stated to Pat there still needs to be a note as to how it was verified. This doesn't need to be a directive but should be discussed at site level. Pat did say he had not viewed the video so he is going off the information he has received.

The details of PE's $15,950 cash out on Oct 11th are as per a follow up email from Pat: *"We show PE as winning $12,650 on Oct 11. There is no record of a buy in so I would assume that it was in the $3500 range(Total cash out $15,950) and was not called up to Surveillance."*

It appears that the buy in was indeed not picked up and the subsequen PE $6.6K buy in on Oct 17th and $5K chip pass on October 23rd were also not picked up. The explanation provided by Pat is that the salon was extremely busy so PE would not have been identified and as he never reached the reporting threshold he was never identified by Surveillance who know the players better than the floor staff. Again he has not seen the footage.

In my experience, Surveillance usually know everyone in the salon and I mentioned to Pat that I am surprised that at least one of the dealers or floor staff would not have identified PE Perhaps we can look for evidence of him being spoken to or zoomed in on which would indicate otherwise as I am not sure if this is a reasonable explanation

Rob K has suggested if we identify blatant disregard for the direction then we may need to consider a letter to them advising of the breach of policy and setting out expectations.

Kris, perhaps the RRCR guys can follow up on the points made by Pat to either verify or refute so I can look at next steps?
As for PERS , he is prohibited from all play until he is interviewed so it can be explained to him the expectations. Tom, Daryl, can you please facilitate.
I have agreed to send RRCR an updated list of players with un-sourced conditions so. Daryl is looking after that.
Many thanks
Ross Alderson CAMS

Good morning Ross,

I have placed a ban on PE's profile along with a directive to facilitate an interview.

Tom Caverly

Oct 27th, 2015 Redacted - Patron Interview Identifying Information Interview completed

Redacted - Patron has been interviewed this date and details of the interview have been stored in the AML Risk Folder for review. All conditions placed on the subject remain in place for un-sourced cash and chips.
Daryl Tottenham BCLC AML Unit

Hi Tom,

Thanks for the interview transcript.
I agree with you, based on the information provided by the player previously, and during the interview, her stated source of funds and wealth do not appear consistent with her play. Her OSINT report attached is also vague.
Therefore the conditions in place should remain.
Brad R, can you link with RTIC to see if there is anything from their end to ensure there are no criminal concerns which may result in further action.
Thanks

Ross Alderson CAMS

OSINT report complete. Copies placed on the AML drive and the CINVAML share drive.

2 land titles associated to her name were identified. These partially corroborate her interview statements. The difference between the purchase price and selling price of the properties total $1.3M. How much went into the renovations and/or building cost is unknown.
-Brad R

Oct 28th, 2015 PERSONAL INFO patron and file review

Morning all,
When someone has time today, could you please do an initial dive on PERSONAL INFO # 67255 and PERSO PERS #83997? PERS brought in 50K in $20's last night which is substantially higher than her regular buy-in and shows an occupation as housewife. Also please run PERSONAL INFO and obtain owner and value details and see if it links to them. The house is in an expensive area and will no doubt help with source of wealth details. PERSONAL INFO is believed to be her husband but shows an address in Bellevue, Washington which was just updated in June but not sure if we can get owner details on property in the USA.
Thx, Daryl

Oct 28th, 2015 Redacted - Patron Interview Identifying Information Interview: completed

On Oct 28th Tom Plante and Stone Lee conducted an interview wit Redacted - Patron t Edgewater Casino. The interview can be found in the AML Risk folder and his conditions have been amended to reflect the interview was completed but his buy-in with sourced cash and chips remains in effect.
Daryl Tottenham BCLC AML Unit

Oct 29th, 2015 Dive request on PERSONAL 490K cash buy-in- no play 15-56278

Brad or Cathy,
Could someone please do a priority dive on PERSONAL tomorrow and create a dossier for him? He bought in this afternoon at RR for a half million in small bills and has only 4 previous LCTs since 2011.
However one of those buy-ins was in Feb 2015 for another half million which he subsequently passed off in chips to PERSONAL INFO and P left the casino.
I have added comments to his profile to get employer- company. Details and have placed him on watch. I have also spoken to Pat Ennis who will ensure his activities are closely monitored tonight.
Be on cell tomorrow but shout if you have any questions.
Daryl

Oct 29th, 2015- Dive request on PERSONAL INFO #183858

Hi all, (AML group)
I have one more request when you have time. It is for PERSONAL INFO sid# 183858.
He has strong gang ties and I asked for company info which he provided tonight at Villa but was not happy.
Could you guys track down the company he provided and get as much info as you can with regards to who owns it, what they do and anybody else listed as directors or owners?
Thanks kindly
Daryl

Oct 27th, 2015 Redacted - Patron Interview Identifying - interview completed

Redacted - Patron Interview Identifying was interviewed by Tom Caverly and Stone Lee on Oct 27th and a copy of the interview is held in the AML Risk folder. Redacte s profile was updated and her conditions remain in place.
Daryl Tottenham BCLC AML Unit

Oct 30, 2015 PERSONAL INFO # 183858- Law Enf. Review request

Hi Derek,

I have attached a player profile Redacted - FINTRAC his individual has just appeared at the Villa Casino. His first LCT (and first exposure to BC Casinos) was on Sept 16. Since that time period, he has attended quite regularly, with buy in's not usually greater than $60,000. However, since Sept 16 he has amassed $775,000 in accumulated buy ins. He seems to be winning a decent amount so some of these buy ins are likely recycled winnings however .

He has given his occupation as a landscaper (gives an address of a $1.5 million home) but I have a suspicion there may be gang affiliations. In light of any potential public safety risk if he is affiliated to gangs and or violence I thought it prudent to reach out.
We have found nothing on him through open source intelligence which is also unusual.
Current ISA's with RCMP are under review so I was wondering if there is information on this individual that you can share.
Many thanks
Ross Alderson CAMS

Hi Ross,
It is my understanding that your ISA agreements with the RCMP have been reinstated pending a review, so I am going to assume you can obtain the information you are seeking though them.
Thanks,
Derek

FYI
Brad, please leverage our ISA first thing Monday morning to gain intel on this individual. I gather from Daryl's intel that this person is suspected to have gang ties. If Police can confirm that then I want him banned.

Ross Alderson CAMS

Oct 30th, 2015 PERSONAL INFO -# 110107 500K buy-in and chip walk

Last night, PERSONA attended RRCR and bought in with $500K in un-sourced cash, P gambled with approx. $10-15K in chips the left the Casino shortly after with the remaining chips.
I have reviewed P most recent Casino history:
On 2015-FEB-10 (RRCR incident 15-07446) P purchased $500K in casino chips by way of a Player Gaming Fund account withdrawal (RBC Bank Draft) which ultimately were passed to PERSONAL . (who now currently has conditions)
On 2015-FEB-12 (RRCR incident 15-07850 PE purchased $500K in casino chips by way of a large cash buy in (un-sourced, wheeled into the casino inside a suitcase) which ultimately were passed to PERS PERSON

On 2015-OCT-29 (RRCR incident 15-056278 PE purchased $500K in casino chips by way of a large cash buy in (un-sourced, in small denominations) 30X$5 = $150, 196X$10 = $1,960, 22,477X$20 = $449,540, 513X$50 = $25,650, 128X$100 = $12,800. Surveillance footage shows he played approx. $10K then left with the chips.
This is the third time in the last three visits to BC Casinos that PER has bought in for $500K and not played. At face value he appears to be a facilitator only.
Our intelligence confirms he has assets in Canada however he is not a registered realtor in BC which is his given occupation. The source of funds for this transaction is inconsistent with his given occupation. There are significant AML concerns with this behavior.
P is to be prohibited from all play until he is interviewed by BCLC Investigations. His profile will be updated shortly to reflect.
Regards
Ross Alderson CAMS

Oct 30, 2015 - PERSONAL INFO - To RR Invt.'s

Steve,
Can we **prohibit play** on PERSONA pending interview. Although he may be back for the weekend it is unlikely based on the previous history.
This is the third time he has bought in for $500K and not played.
Our OSINT information confirms he has a source of wealth however he is not a register realtor in BC and as a realtor I would question the source of funds for this transaction.
There are significant concerns with his behavior. He needs to be questioned pending his source of funds, his occupation and his behavior which is entirely suspicious
Daryl is off so appreciate if you could update his iTrak profile.
I will contact the appropriate GCGC staff.
Regards
Ross Alderson CAMS

Oct 31, 2015 Request to RR re: missing UFT alert information

Hello all, (sent to Pat et al)

I am forwarding a copy of an alert that I received from Oct 29th at 10 pm regarding a large cash buy-in at RR by PERSONA This alert is triggered when a UFT file is created at ANY site and goes directly to the AML unit for real-time monitoring which is vital to what we are doing currently. The lack of information in this alert basically renders it useless and is the focus of an issue we had at RR 4-5 months ago that I thought we had resolved. Of late I have seen more and more coming through and just 3 days ago I had Jim Hustler speak to the Surveillance unit as there were 2 more rather important ones missed this past week. This report was created by Irezek who was the main offender last go round when we tried to have this issue resolved but is not the only one sending them through lacking any content. We also did not receive an alert that night for the 500K cash buy-in by PERS and I was advised it was as a result of being labeled something other than a UFT which is somewhat confusing in itself.

In this instance the buy-in was for 200K for a person of interest by our unit and involved a delivery by a suspect of interest to us, which is precisely why we have this alert system set up. It is extremely frustrating that we are unable to fix a very simple process that is extremely important in today's climate and I am hoping that I can get some assistance in getting this issue back on track. The information that is missing that should have been on this is "#115965 PERSONAL INFO - 200K buy-in - small bills" which turns a useless alert into a proper and useful alert. I'm not looking for a file synopsis, just 10-12 words on what they have in the first instance while the file is being created and the money-count is being done.

Any help I can get on this would be greatly appreciated please!
Thanks, Daryl

Nov 1, 2015 Info request for PERSONAL INFO # 68538

Hi guys
Do we have a dive on PER SON yet and did anything come up to back up his interview if we have looked at him?

If not we should put it on the list but it'd not a high priority as I know you guys are busy. He stated he owns casinos in macau and is patented with MGM so one would imagine that would be pretty easy to confirm some of this info.
I think he is likely pretty wealthy but I don't buy the rest of it....if he does properties in macau, he of all people would know what we are doing and why.....
Chat next week.
Daryl T

Nov 2, 2015 PERSONAL INFO # 43868 signed up for 3 yr VSE

Good morning everyone,

Just wanted to pass along an FYI that PERSONAL INFO (SID: 43868) has signed up for a 3 year VSE from Nov 1/15 – Nov 1/18 at the Villa.
It looks like he has PGF accounts at both STAR and EDG, so I will let Stone/Tom know as well to have those PGF accounts closed.
Cheers,
Brandon Norgaard, CAMS

Thank Brandon, I have CC'd this to Tom so he can update PERSO file on the spreadsheet. I have also CC'c Tom and Stone for the PGF closure and would request that once those accounts are confirmed closed today, could Tom and Stone please reply by via email so we can document it for our files in AML?
Thanks kindly, Daryl

Daryl Tottenham Ba, CAMS

Nov 2nd, 2015 -Interviews completed fo Redacted - Patron Interview Identifying Information

Both subjects have been interviewed and copies of those reports are held in the AML Risk folder and their profiles have been updated accordingly. Conditions in place for both subjects remain for un-sourced cash and chips.
Daryl Tottenham BCLC AML Unit

Nov 2nd, 2015 Missing UFT files- RR- found on RR drop sheets- Jim H.

1) After reviewing the Cage-Cashier Drop Buy in Tracking Sheets, it was discovered that patron PERS PERSON AL INFO SID#88040 had a $50,000.00 cash buy in which consisted of: 2000x$20.00 & 100x$100.00 - **NO UFT Created!**
LCT20150050412
Resolution: I will speak with the Surveillance Manager and have a UFT created.

2) After reviewing the Cage-Cashier Drop Buy in Tracking Sheets, it was discovered that Patron PERSO PER SON SID#49980 had a $200,000.00 cash buy in which consisted of: 4000x$20.00 - **NO UFT Created!**
LCT20150051224
Resolution: I will speak with the Surveillance Manager and have a UFT created.

Writer was advised from Jim H that the internal RR drop sheets show several large buy-ins that were not created by surveillance staff into UFT for review by BCLC Investigators. A review was done on those files and it was determined that both should have triggered a UFT file and writer requested Jim to advise Peter DeMonte to speak with staff and have those files created. Writer also forwarded a copy of the information and details of 4 incidents requiring follow up to Pat Ennis to determine why these were not created in the first instance.

Later in the day writer was informed by Jim that Peter was not going to have them created and that Pat was going to deal with BCLC HQ on the issue. (Ross was away all week on holidays) I did not get a response back from Pat on this issue but received an email from Kevin S late in the day advising that Pat had called in to complain about why they were being directed to create UFT's. The email advised that the issue be left until Ross returns and Kevin could meet and discuss with Pat to see what the issue was.

Writer responded by email outlining the concerns and problems with that approach and that this issue needed to be dealt with ASAP due to issues like video retention and reporting deadlines.

Hello Guys,

I just spoke with Pat Ennis regarding a concern that he had with respect to how a few incidents occurred at RRCR where he was advised that UFT's should have been reported and more importantly how there is inconsistency being communicated to the Service Providers from BCLC CS&C staff.

There has been no change or direction that I am aware of regarding reporting all cash buy ins nor has any communication and or policy been updated/amended that would require the SP's to do so. If there is no evidence to support that the buy in is derived from proceeds of crime, I do not think any direction should be provided to Service Providers surrounding UFT reports until such time Ross, Rob and I have had a chance to discuss this in more detail as this will have a significant impact to our reporting/metrics, caseloads, SP workloads and overall processes.

Thanks,

Kevin Sweeney, CRM

HI Kevin,
I just wanted to provide you with the background on this as Pat did not respond to me after I asked him to review the 4 points Jim has captured. There was an issue with a file from the previous night and upon looking into it, Jim located an entry on the daily drop sheet that indicated there was a 450K cash buy-in with no UFT or LCT created and very limited details about where this came from. As we looked into this matter we found several other items of concern, two of which are the cash buy-ins that were not reported.

You are correct in your email that we have not changed policy or procedures on UFT reporting however what we have been told by RR (Peter) is that these were not reported as they fail to meet the "un-written "threshold that they operate under which is small ills under 50 K or under 200K for large bills. As you will recall years ago we did have something similar in place but that has long since been abandoned and all the training that we have completed in the past 2 years has emphasized that UFT creation is based on Fintrac guidelines for suspicious behaviours and known facts about the patron. We have been

clear in our message and it conforms to expectations from Fintrac auditors and reinforced in the recent EY audit that RR cannot have their own rules simply because of the size of their client base.

In the two un-reported buy-ins that RR have identified, one is a 50K cash buy-in with 40 K in $20 bills and 10K in $100's. The patron is [redacted]CHEN who is a shoe factory owner in China which does not support a cash-based business explanation for that level of buy-in in small bills. Using the laminated charts we provided to RR surveillance, those factors alone support the creation of a UFT file for review. The file creation is a simple process and based on the footage that is saved in most RR files these days, the time spent to complete this task is minimal. The Investigators are solely responsible to determine if the cash may have come from a criminal source and submit an STR but in my opinion, this clearly supports a UFT file to be created, regardless of whether it is at RR, Edgewater or the Villa

The second case involves a 200K cash buy-in which was originally thought to be $20 bills but appears to have been $50 bills from PERS[redacted] who owns a hotel in China. Not unlike the first example PE[redacted] may have the source of wealth to play at this level but the source of his cash at 200K in any denomination is suspect in itself and needs to be reviewed. Again that is in my opinion a clear example of a cash buy-in requiring the creation of a UFT and is not anything "new" that we are doing, it is what we have been preaching to them for the past years.

I was unaware that some surveillance staff were making these decisions because unless a file is created or the investigators sift through the daily drop sheets and LCT reports, they will not be found by us. I can assure you that if I was aware of this practice, it would have come up for discussion long ago. I will say I am not impressed by how this issue has been handled at the SP end as the communication has been very poor and time is somewhat critical on these reports. I believe one is already a week old and the other is several days old and as you know we lose video retention after 7 days which greatly hampers our ability to properly investigate these incidents and determine suitability for an STR. The 30-day reporting window is also of concern but I am somewhat concerned that if these reports exist, there are more un-reported cash buy-ins that likely have already exceeded our reporting window.

Last week we concluded the Ernst & Young audit Redacted - FINTRAC Redacted - FINTRAC We were able to show how we rationalized not reporting them under our system but that was after an Investigator did the work and made that determination but if they produced only the LCT and cage notes and asked why we did not even create a file and look at it, I don't know how we could defend our actions.

I will be in Vancouver tomorrow and we can discuss further if you wish but I would have preferred either Peter or Pat to call me so we could discuss this issue in the first instance when we asked the question and am a little disappointed in the process that they opted to take.

Daryl

Daryl Tottenham Ba, CAMS

To Rob re: RR UFT non-reporting issue

Daryl and I spoke with Pat yesterday AM. There is an obvious difference of opinion as to what their current reporting obligations are compared to what was in place many years ago. At the end of the day,

I committed to meeting with Ross and Pat on Monday to discuss the situations in question and next steps. I think it is very clear that there are obligations for reporting and I think that formal direction to all SP's may be warranted so everyone understands what those obligations are and there is no inconsistent messaging or application to the process.

Kevin Sweeney, CRM

Nov 5th, 2015 PERSONAL INFO # 67255 Subject of interest for interview

Good morning Daryl,

As you may have seen from the influx of UFTs, PERSONAL (SID: 67255) has been quite busy since Oct 23. Her LCTs show that every day since Oct 23, she has bought in either at Villa/RRCR/EDG. The only day she has skipped was Oct 28. Buy ins average about $20,000.

She also has 7 UFTs in that time frame, with 5 being from Villa, and 2 from EDG.

What is quite odd is that all of these UFTs include $20 bills, however, prior to almost all of these UFTs, she had a disbursement of a similar amount in $100 bills as per her LCTs. In some cases, it is a matter of hours between her receiving $100 bills and then buying in with $20 bills at another location.

Her "husband," PERSONAL (SID: 83997) has a Washington DL with an address in Washington, while she has a BCDL with an address on PERSONAL

I have noticed that none of the sites (Villa included) have obtained PERSO s company name even though the directive was in there. Villa claims they have updated the information on June 30, however, did not obtain company name. I will be speaking with them once again about this. We will try and get this information ASAP as her "husband" is her source of wealth allegedly as she is a "housewife."

Seems like something interesting may be going on here....
Cheers,
Brandon Norgaard, CAMS

On Nov 5th, writer reviewed this file and subsequently added her on to the BCLC Interview spreadsheet and amended her profile accordingly. No conditions were placed on her but we will require an interview to determine her source of cash and explain the need to utilize a PGF account and bank drafts for buy-ins whenever possible.

November 6th, 2015 PERSONAL INFO - # 67255 File review for interview

Morning Tom,
Could you please add PERSONAL # 67255 to the spreadsheet and update her profile with the Interview request condition only at this time? I do not want her put on un-sourced cash/chip conditions

at this point but depending on her interview results and/or if she contacts us for an interview, that status may change. Ross is back Monday and I will be speaking with him about her file.

For your interview notes intel, I am fairly satisfied with her source of Wealth based on her husband's occupation, their house on [PERSON] and BCLC history of play however we just got the husbands info yesterday ([PERSONAL INFO] #83997) so we will have to search that out to confirm his details. What she needs to be spoken about is her recent play starting Nov 1 where she has won 4 days in a row, been paid out in cash in $100 bills and returns each day with another cash buy-in in $20 bills and no sign of the $100's she got the previous night .She has cycled $130,000 in $20's in 4 days against $162,715 in cash-outs in large bills and rotates daily between RR, Edgewater and Villa.

I am attaching a spreadsheet that Brandon put together regarding her recent play that you can attach for interview notes if you wish. We need to establish where she is getting the $20 from, why she is cycling the bills and not using her PGF which she apparently has at RR but does not use much.

She should be advised that failure to effectively deal with these issues is likely going to result in the "un-sourced cash/chips " conditions being placed upon her in very short order.
Shout me if you have any questions, in Cascades for the morning and on cell as Ryan has no work today so it is catch-up day.

Cathy/Brad- Could you please search out [PERSONAL INFO]'s company "Little Sheep Mongolian Hot Pot Corp. " and maybe his address in Bellevue , Wash which I suspect is going to be a business and not a res. Also please confirm title and value of [PERSONAL INFO] that ZHAO has provided. She is listed as a housewife – "Never been employed" which I sense is likely true.....she has 12.5 M in lifetime buy-ins and 10.4 M in CDR's.

Daryl Tottenham Ba, CAMS

Nov 6th, 2015 [PERSONAL INFO] - # 27498 Extreme risk invest- for review

Hi all,
Here is another one that looks all wrong, I have a line out to Law Enforcement to get any intel tying him to gang/CDSA activity but was wondering if we could run his numbered company through the system and see what that business is and any history that might show up on him from Alberta.,
He states he is a real estate investor and his company is 1462560 Alberta Ltd
Thanks D

Daryl Tottenham Ba, CAMS
AML Specialist

Nov 6th, 2015 [PERSONAL INFO] - # 115177 - follow up on status – 380 K B/I with $20's

Morning Tom,
I am absolutely astounded after reading her interview yesterday and the very clear directions that she was given that she returned last night with 380K in $20 bills and bought in. We are going to have no

choice but to place her under conditions for "no un-sourced cash or chips" however I am going to wait till Ross comes back on Monday and we can discuss in detail before we pull the trigger.
PE is RR's biggest patron right now and there is little doubt that they will go nuts if we put conditions on her, especially with the way this past week has rolled out with RR management and the LCT reporting issues!!
What makes matters worse is that she killed last night and ended up taking a half million in verified cheques, walked with chips and put some into PGF so there is little doubt she will be very active over the weekend as she is in almost every day. Given her winnings last night if she returns today or tonight with another large batch of $20's we may have to escalate accordingly.....
Stay tuned.....

Daryl Tottenham Ba, CAMS

Morning RR gang,
Not sure if you will get to it today but when someone starts looking at the cash buy-in and activities of PERSONA last night, could you send out a short synopsis to me? It looks like she made quite a bit after her 380K cash buy-in with $20's, may have put some in her PGF, left with chips and possibly returned or continued and ended up with 2 verified win cheques for 200 and 300K each and walked with chips. It would be helpful to have a clear picture of what she did and what she have in her possession currently for chips, cash and cheques in case she returns over the weekend and packs more $20 bills with her..
Thanks kindly
Daryl

Update on PERSONAL INFO review- Daryl

Just an FYI, got some intel on PERSO that confirms my thoughts on him however he has NO criminal record anywhere, stays under the radar and clearly has access to lots of cash. The numbered company intel may help, otherwise our only option may simply be placing him on un-sourced cash/chips which should have an impact as we may not be able to build a case for an extreme barring..
Have a good weekend all,
D

Nov 6th, 2015 Update on PERSONAL INFO 380K buy-in Jerome

Hello All,

On November 5th PERSONAL conducted a UFT buy-in for $380,005. PERSO initially received $50K worth of chips and began gaming play. PERSO accumulated significant winnings using the $50K and did not receive the remaining $330,005 worth of chips until the end of the gaming session.

In total PERS ended the gaming session with
A $117,000 deposit to her PGF account
A $300,000 verified win cheque # 22765
A $200,000 verified win cheque #22766
$50,000 in cash ($100 bills)
$330,005 in chips (from the initial UFT Buy-in, she never needed these chips).

On November 6 PERSONAL returned to the casino and continued gaming. No incidents were generated and we loosely monitored her play. It looks like she returned and began gaming with her chips from the night before, and she also conducted at least one buy-in with $100 bills. When future LCT's and tracking sheets are completed we should be able to determine if she used all the chips that she left with the night before.

The excel sheet is PERSONAL's play from October 18 to date,
Further bulletins as events warrant,
P. Jerome Wakeland, CAMS

Nov 8th, 2015 File reviews from RR LCT's- Missing UFT files from surveillance

Jim,
When you are back in tomorrow could you please review and confirm the following buy-ins off the internal drop sheet from Saturday and forward a request to Peter to have files created for the following ?

- PERSONAL #20484 1531 hrs- 60K buy-in in $20's
- PERSONAL INFO #174593 1630 hrs and 1809 hrs- 2 cash buy-ins in $100's totaling $130,000

These files are clearly suspicious Redacted - FINTRAC and we need to ensure the video is captured before we lose it.
Thanks kindly, shout me if there are any issues getting this done.
Daryl
Daryl Tottenham Ba, CAMS

Nov 9th, 2015 Redacted - Patron Interview Identifying Information OSINT completed and added to dossier

Ross,
Red acted is linked to multiple companies and properties as well as some unconfirmed links to China and Australian mining companies .
Redacted is connected to over $30 million in Vancouver real estate.

Details in his interview did not mention mining... From interview: "Basic demographic information was also confirmed such as occupation Redacted - Patron Interview Identifying Information Redacted - Patron Interview Identifying Information, and address. " Redacted has a vehicle in iTrak with RO info linking back to Redacted - Redacted - Patron Interview Identifying which is one of the companies he owns. This company is listed as the owner of several properties in Vancouver.

Complete report and supporting files can be found on the AML drive and the Casino Investigators share drive. The link chart helps summarize the all of the connections. There are lots.
Brad Rudnicki

Nov 10th, 2015 PERSONAL INFO - SID: 67255

Morning Tom,
Just an observation for our spreadsheet, PERS was spoken to on Nov 5th at Villa and advised of the BCLC request placed on her file for interview only but no conditions were added. Up until that point she has been coming in daily with un-sourced cash but upon getting notified of the interview she has not returned to date. Maybe ensure we have added the notification date on her in the spreadsheet and we will wait to see if she calls in.
Thx D
Daryl Tottenham Ba, CAMS

Nov 10th, 2015 Redacted - Patron Interview Placed on conditions- no un-sourced cash/chips

Hi Pat, as per our discussion yesterday.

Here is a synopsis of the recent activity o Redacted - Patron Interview Identifying Information

On Nov 3rd 2015 at 1422 hrs Redacted - Patron was interviewed by BCLC Investigations regarding a number of recent incidents, including one dated October 26th where she removed $310K in table chips from her stack, exited the Casino and walked out to the valet parking area at RRCR. Redacte d - was then seen handing the chips to someone in a vehicle parked there. When the vehicle left Redacted - Patron returned to her gambling. Redacted - Patron advised Investigators during her interview that was money she owed to a friend but would not any disclose further information.

During the interview Redacted - Patron also advised Investigators from time to time she "borrows" large quantities of small bills from friends however does not know the original origin of those funds. She stated she did not think it was necessary that she provide the identities of the friends.

Redacted - Patron was praised for using her PGF account and was encouraged to continue. She advised Investigators she would avoid bringing cash in and use her PGF.

However on Nov 5th at 02:20 hrs Redacted attended the RRCR casino and bought in with a total of $380,000 in $20 bills.

While Redacted - Patron play itself is not an issue the $380K in $20 bills is entirely suspicious, especially considering her comments in the interview where she would not disclose the source of her funds. It is also unreasonable to believe that $380K in $20 bills at 0220 hrs in the morning originated from a traditional financial institution, also taking into consideration the way it was packaged.

Redacted - FINTRAC

Her given occupation of managing a Medical company also does not align with someone having that volume of cash.
Redacted - Patron has used her PGF account extensively in the past and the use of cash appears to be more a convenience once the PGF balance has been exhausted. Unfortunately the source of that cash is extremely questionable.

As a result effective **IMMEDIATELY** Redacted - Patron is prohibited from buying in with UN-SOURCED Cash and Chips. All sourced cash and chips are allowed, as are all cash alternatives such as bank draft and EFT.

Redacted - Patron s iTrak profile will be updated accordingly with the actual conditions.
I appreciate if your staff can be advised accordingly
Regards
Ross Alderson CAMS

Good morning, (1140 hrs Redacted - Patron Interview conditions added to her profile

The c/n has had the following conditions added to their profile:

2015-NOV-10 ***BCLC DIRECTIVE*** Effective immediately, patron is not allowed to buy-in at any BCLC site with "un-sourced" cash (all cash without a bank or ATM withdrawal slip) or "un-sourced or borrowed" chips until further notice. Ross ALDERSON, Director AML & Operational Analysis, BCLC AML Unit

Tom Caverly

Nov 9th, 2015 PERSONAL INFO # 153030

Good morning Daryl,
Another FYI on a Villa patron who has popped up on my radar after reviewing LCTs. See attached SID file.
Her buy ins are not large, with her largest being on Nov 7 at $40,000. Has been more active recently since Oct 1 and has total buy ins of $325,000 since Oct 2014. Her occupation also states that she is a "Housekeeper." It appears as if she plays once every few days or so with average buy ins around $15,000-20,000.

No associates and no incidents of any interest.
Cheers,
Brandon Norgaard, CAMS

Note: Writer has amended profile for request for details for SOW and will forward to Brad/Cathy once we have the information to confirm.
Daryl Tottenham

Nov 10th, 2015—Follow up with RR –un-reported UFT's from LCT's

Subject: Follow up to meeting yesterday.
Hi Pat,
I have had a chance to discuss with the management team the content of our meeting yesterday.

I need to have further discussions here, and likely again with yourself, so we can all reach a resolution that is both practical and compliant. I totally agree that 105 LCT's over 3 days is unmanageable for all parties should they all be treated as UFT's.

I did however review the Cage tracking sheets for 8th and 9th of November with the Management team here and I do concur with Daryl that there are a number of transactions that should have resulted in UFT's. The investigators on site will reach out to Surveillance to initiate.

It is important to note that primarily this issue was raised as a result of a specific buy in last week that was initially classified incorrectly in iTrak, and not any recent change in philosophy.

The 4 cases of UFT's are as follows:

1- PERSONAL INFO 220K in 100's
2- PERSONA – 140 K in 20,50,100's
3- PERSO - 60 K in 20, 100's
4- PERS - 140K in 100's

I have asked the BCLC Investigations Group to do a review of recent cash tracking sheets at all sites to ensure we are meeting our FINTRAC requirements.

Once I have had an opportunity to digest that information and take into consideration impact to all parties involved I will be in touch to discuss further.

I appreciate if you could pass the message on to your team regarding the 4 UFT's noted above.
Many thanks
Regards
Ross Alderson (CAMS)

Hi Daryl,
The requested cash sheets have been placed in a folder on the AML Shared Drive.
[RR Cash Sheets]
Note: The RR Surveillance Manager has been given the "pasted" list – so they will have ample time to start gathering the related footage.

Nov 6th, 2105
PERSONAL INFO SID#174593
1- $30k – 300x$100.00
2- $50k – 500x$100.00
3- $80k – 800x$100.00

Nov 7th, 2105
PERSONAL INFO SID#174593
1- $50k – 500x$100.00
2- $120k – 1200x$100.00
3- $100k – 1000x$100.00

Nov 8th, 2015
PERSONAL SID#20497
1- $80K – 800x$100.00
2- $60K – 600x$100.00

Nov 9th, 2015
PERSONAL INFO SID#10455

1- $48,020.00 – 1021x$20.00, 100x$50.00 and 220x$100
2- $90,500.00 – 610x$50.00 and 600x$100.00

Patron PERSONAL INFO SID#174593

1- $60k – 600x$100.00
2- $50k – 500x$100.00
3- $80k – 800x$100.00

Patron PERSONAL INFO SID#75406

1- $60K – 1500x$20.00 and 300x$100.00

Thanks,
Jim HUSLER
BCLC Investigator

Nov 12th, 2015 PERSONAL INFO # 135044 for extreme barring

Hello Daryl,

Just wanted to shoot over a quick FYI on this file.

As per the incident file, the patron was later identified as PERSONAL INFO (SID: 135044).

Reviewing his file brings up some interesting content. Please see the two files below:
EDG 2013-19136
BCLC 2013-26523

Redacted

Redacted A request made by Mike HILLER in 2013 to police contacts brought up information that did not substantiate a 5 year Undesirable BCLC Prohibition.

Just wondering if we should chat again with law enforcement and see what this guy may be involved in and if things have changed since 2013. BC Courts shows an extensive history with lots of assault charges (including assault with a weapon and aggravated assault).
Cheers,
Brandon Norgaard, CAMS

Nov 12th, 2015 PERSONAL INFO # 174593

Morning Jim,
Further to our lists of UFT files that RR needs to create could you please add another one for PERSO on Nov 10 for his 2 cash buy-ins of 210K in $100? The 245 K he bought in with the previous day was all lost

at the table as was this 210 K but he is playing at a level 10 times higher than his previous play and has a short history with huge numbers in the past 2 weeks, which clearly do not fit his self-employed stock broker occupation and access to cash at this level.
Thanks D

Daryl Tottenham Ba, CAMS

Nov 13th, 2015

Morning all, (AML group)
When someone has time could you please create a dossier fo[redacted] and do a dive on him and ensure that he does not have anything out there that can impact us? It may be difficult to get anything from a company /employer side of the house but at least covering off the adverse media and courts review will be helpful.
Thx D

Daryl Tottenham

Nov 12th, 2015 River Rock UFT reporting issue- Review

Ross,
I have now reviewed the last 5 files that were just created as per our request based solely upon the amounts and denominations that RR chose to ignore and I am somewhat concerned as to what is transpiring over there with these types of buy-ins and VIP player monitoring. Our request for files was based solely on the information on the internal drop sheets but we now have a file created for each that contains a supplement of activities by surveillance which indicates that these players are not being monitored to any degree in the Salon Prive room. A quick snapshot of each file follows:

1- 2015- 58656 [redacted] (self-employed stock broker) bought in for 190K in $100's however it was in 3 separate buy-ins where upon losing all his cash, he leaves the room with [redacted] (a fork left driver) and they go down into the west parkade and are last seen going down a stairwell only to return back to the casino and [redacted] produces more cash and continues play. This is done 3 times and upon returning to the room [redacted] is also observed buying in and playing at times. His buy-ins appear to be happening at the tables but he does not appear on the drop sheets, however I just found an LCT for him on Tuesday which shows he made 45K in buy-ins and 90K in disbursements. We have no info on him other than his profile and 3 previous LCT's. [redacted] is a 30 yr old who looks barely 20 and would stand out like a sore thumb in the Salon Prive Room.
2- 2015- 58643 [redacted] (restaurant owner [redacted] buys in for 138K in 20's, 50's, and 100's but upon arrival he has not seen carrying anything. He goes to the Phoeniz room and meets with [redacted] wife) and picks up a white bag sitting on a chair, goes to the cage and buys in with the contents of the bag and plays.
3- 2015- 58627 [redacted] (Winery owner [redacted] buys in for total of 140 K in $100's, starts with 80K buy-in and loses it, leaves the casino in his vehicle and returns 30 minutes later with another 60 K and ultimately loses that.

4- 2015- 58508 PERSONAL INFO again, this time with 6 buy-ins totaling 183K in $100's . First buy in is about 20K at various tables where he loses all, gets in his car and leaves the site. Returns with 30K in cash, buys in and loses and leaves site. Returns with 50K in cash and plays and loses all, goes back to his car and returns with another 10K. Leaves the site in his car and returns with another 80K and ultimately loses that.
5- 2015- 58509 PERSONAL INFO again- next day PERSO returns with PERSON (fork lift driver) and buys in with 50K and plays. They don't know when he left but an hour later he is seen arriving again with PERSON and buys in for 120K in cash and plays. Again they have no idea when he left but 2 hrs later he is observed coming back to the casino with PERSON and buys in for another 100K in cash...his total losses for the day are 270K in cash.

These are 5 examples over 2 days of files that they did not create a UFT file and argued with us when we asked them to be created and reviewed. These are players that are playing at the highest level on those days in the Salon Prive and ought to be the focal point of surveillance for obvious reasons and none were reported. I think this places everyone at serious risk with Fintrac reporting and high risk monitoring and needs to be addressed during the next meeting with our group and with RR management which I assume will happen next week. I have just sent a request to have 5 more files I pulled from the drop sheets yesterday for Nov 9th and 10th which I am sure you will hear about from Pat.
Ryan has a slow day tomorrow so I will likely pop into Cascades for a while and work on the October drop sheets, if you are feeling better and come in, you can shout me anytime on cell. I will call in for the 2 pm conf call on the PGF issue.
Thanks Daryl

Daryl Tottenham Ba, CAMS

Hi Daryl,

Thanks for your email.
As you know Kevin and I met with Pat last week and we discussed some of the challenges. For the time being I did say to Pat that we would remain status quo however would review buy ins from the cage sheets. As you recall a we also had a cursory meeting on this in my office early this week.

Kevin has scheduled a follow up meeting with the BCLC management team on Wed at 9 am next week to further discuss and review recent buy in examples. I want to ensure we have all our ducks in a row before I go back to Pat as this has operational impact for his team (and Kris's) Pat was in full agreement that all suspicious buy ins need to be reported. It may be that RRCR require some follow up training at the site.

While I entirely agree we need to ensure we are completely compliant with FINTRAC there are a number of considerations on both sides. One of those being the expectation we have of the SP surveillance operators. As you have outlined below a lot of the suspicion is based on a detailed review of the circumstances, usually pre or post the actual buy in so is not always immediately evident. However I also agree with you in many cases the buy in itself should have been enough to initiate a UFT and start a review. This is what we need to discuss WED and why we have included the BCLC RRCR investigators who can give better context than what I can sitting in my office.

Moving forward there is no issue with you reviewing cage buy in sheets and requesting follow up and we should continue to do so, but for now I would ask we treat this with some sensitivity. We need the SP on board and RRCR have been under a ton of pressure with players on conditions and a drop in revenue. We also need to be doing this for all service providers, not just RRCR.

I appreciate your due diligence on this Daryl and bringing to our attention.

Regards
Ross Alderson CAMS

Nov 14th, 2015 2015-59085 - [PERSONAL INFO] # 131623

Brad/ Cathy
When you have time next week could you please do a quick search on the a/n subject for adverse media and pull the ownership and value for the house on record at [PERSONAL INFO]. It is a high-end area and I suspect her SOW will be evident but she is listed as a housewife, comes in 4-5 times a month and has accumulated 4.6 Million in buy-ins in 3 years so we should confirm her wealth and document same. Her buy-in last night for 100K in 20's and 100's was reported by Edgewater.
Thanks Daryl

Daryl Tottenham Ba, CAMS

This is Exhibit "78" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

High Risk Patron (HRP) Enhancement Program

As a result of Federal Legislative changes that came into effect in February 2014, BCLC and other designated reporting entities are now required to validate, collect and update client information with respect to those patrons classified as high risk (HRP) patrons and update this information on a more frequent basis than regular patrons.

Recently Fintrac conducted an examination of BCLC's AML compliance program and determined that BCLC as the designated reporting entity was non - compliant with this enhanced due diligence requirement which dictates confirming patron's addresses, contact numbers, occupation details and related employment information.

After consultation with the Federal regulator Fintrac BCLC has made a business decision to validate/update client information for those classified as high risk at least every 18 months moving forward in order to meet our compliance obligations.

In order to achieve this enhanced level of due diligence BCLC Investigator's will be completing bi-annual reports on all HRP patrons and requesting that service provider cage staff update HRP patron information when they next visit a gaming site and document this information in the patron subject profile in Itrak.

When HRP clients conduct any transaction that requires confirmation of valid Gov't issued ID, cage staff will be required to ask the patron if the address, phone and occupation details on file are correct. If not, the information should be updated and a note placed in the comments field of the patron's subject profile in iTrak.

Furthermore employment details should be confirmed and where there is no current information, it should be requested and recorded. This includes any HRP patrons that are self-employed and if they own a company, the company name and location should be added to their profiles. If the patron refuses to provide employment details, that should be noted in the employer section of their profile.

Please ensure that once the information has been updated and added to Itrak, you place a note in the comment box of the patron profile indicating it has been completed.

BCLC is committed to ensuring reporting and monitoring requirements are maintained at a very high standard and we are confident that this can be achieved by working together with all service providers to meet Legislative changes as they occur.

Thank you in advance for your ongoing cooperation and if you have any questions, please do not hesitate to contact John Karlovcec or myself at any time.

Daryl Tottenham,
AML Specialist
BCLC AML Unit

This is Exhibit "79" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Message

From: Patrick Ennis [PERSONAL INFO]
Sent: 2015-11-02 10:41:27 PM
To: Peter Demonte [PERSONAL INFO]
Subject: FW: River Rock - Four Items Noted - Topic Tracking Sheets & LCT issues.
Attachments: Scan from BCRRCHP3035-06.pdf; #1.pdf; #2.pdf; #3.pdf; #4.pdf

From: Daryl Tottenham [mailto[PERSONAL INFO]
Sent: Monday, November 02, 2015 2:34 PM
To: Patrick Ennis
Subject: FW: River Rock - Four Items Noted - Topic Tracking Sheets & LCT issues.

Hi Pat,
This morning we were looking into an entry on the RR daily cash/pgf sheet as there was an entry for a 450K cash buy-in with no particulars and no Itrak report. As it turned out, there was no actual cash buy-in for that amount as the entry was made to document an abandoned chip file and was the sum of 2 entries and labeled as cash. While I was dealing with Jim on it we started finding some other issues and Jim continued pulling documents trying to track the chip movements. As you can see, when he was finished there were several other issues found that resulted when he started looking in depth at the LCT's created over the past 2 days.
I cannot imagine why neither of the cash buy-ins did not result in a UFT file being created and I am looking to find out how this could occur so we know where to start to fix it. The other 2 issues revolve around the proper documentation of chip and PGF movements that need to be addressed as we have seen a number of similar issues in the recent past.
Could you please take a look at these issues and let me know what your findings are when finished? In the culture that we are currently working within, we expect close scrutiny from our Provincial and Federal Regulators and would not be able to defend files being missed like this unless they were a one-off rarity.
I am on cell if you need to chat further today but will be on a conference call for the next hour.
Thanks
Daryl

Daryl Tottenham Ba, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
[PERSONAL INFO]

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Jim Husler
Sent: Monday, November 02, 2015 1:09 PM
To: Daryl Tottenham
Cc: Bruno Gatto; Kris Gade; Steve Beeksma; Jerome Wakeland; Tom Caverly
Subject: River Rock - Four Items Noted - Topic Tracking Sheets & LCT issues.

Hello Daryl,

A few items discovered:

1) After reviewing the Cage-Cashier Drop Buy in Tracking Sheets, it was discovered that patron CHEN, [redacted] SID#88040 had a $50,000.00 cash buy in which consisted of: 2000x$20.00 & 100x$100.00 - **NO UFT Created!**
LCT20150050412
Resolution: I will speak with the Surveillance Manager and have a UFT created.

2) After reviewing the Cage-Cashier Drop Buy in Tracking Sheets, it was discovered that Patron PERSONAL INFO SID#49980 had a $200,000.00 cash buy in which consisted of: 4000x$20.00 - **NO UFT Created!**
LCT20150051224
Resolution: I will speak with the Surveillance Manager and have a UFT created.

3) In connection to point#2 - IN20150056582 for Abandoned Chips valued at $300,000.00 that was put into GMS then taken out. **This chip movement ($300k) was not documented as a disbursement/buy in on an LCT!**
LCT20150051224 - Has been opened so the adjustments can be made by the AML Department.
Notes: IN20150056582 - Supplemental number four - says the chips were sent to MDB26.
Update: **BCLC Corp Discussions are ongoing....**

4) After reviewing the Cage-Cashier Drop Buy in Tracking Sheets, it was discovered that Patron PERSONAL INFO SID#49980 had a $450,000.00 cash buy in which consisted of: 4500x$100.00.
Resolution: After speaking with the Count Team Supervisor and Cage Shift Manager it was determined that the $450,000.00 **was not `CASH` but it was really Abandoned Chips**.
The Cage Manager is away until Wednesday and it would be nice if the correct method was added on the tracking sheet.
Note: IN20150056859 – Chips were given back to PERSONAL INFO at MDB16 - ``Used as a buy-in``.

Thanks,

Jim HUSLER
BCLC Investigator
Corporate Security and Compliance
BCLC 2940 Virtual Way, Vancouver BC V5M 0A6
C 604 880-9461
PERSONAL INFO
bclc.com

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Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

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Province of British Columbia

Message

From: Arlene Strongman [PERSONAL INFO]
Sent: 2017-03-28 9:09:50 PM
To: Patrick Ennis [PERSONAL INFO]
Subject: FW: Tracking sheet use
Attachments: image001.jpg; image003.jpg; image005.jpg

Arlene Strongman
Director of Surveillance | Great Canadian Gaming Corp.
Great Canadian Business Centre (GCBC)
95 Schooner Street
Coquitlam, BC V3K 7A8
C: [PERSONAL INFO]
W
E:

GREAT CANADIAN GAMING CORPORATION | PROUD of our people, our business, our community

From: Daryl Tottenham [mailto: [PERSONAL INFO]
Sent: Tuesday, March 28, 2017 1:57 PM
To: Arlene Strongman
Subject: RE: Tracking sheet use

Yikes, that is not good. Can we ensure that from today going forward this practice will change and that all active players tracking cards are duplicated and left active on the tables at 7am? If this issue was raised in audit with Fintrac, they would consider this a serious violation and the fines involved would be substantial and apply to every instanced where this occurred and the player was not reported but would have breached 10K with the earlier card still in play. I would maybe looking at putting this in writing to all table managers in all areas and have them sign off on it to ensure there are no gaps.
Please keep me posted on this.
Thanks daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
[PERSONAL INFO]

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Arlene Strongman [mailto [PERSONAL INFO]
Sent: Tuesday, March 28, 2017 1:16 PM

To: Daryl Tottenham <PERSONAL INFO>
Subject: RE: Tracking sheet use

Hi Daryl,

I tried to confirm their tracking process, but ended up with conflicting answers.
The first time you asked, we inquired with one of the Gaming Managers. She told us that the buy in amount was transferred to a new tracking card.
Now, Director of Table Games, David Zhou, is telling us that 2 other Gaming Managers are saying that they just collect the cards without transferring and they close them at 7 am.
I had Peter Demonte meet with David to express the importance of tracking for a rolling 24 hour period. David said that he understands and that it will be done going forward.

My apologies for all the confusion and apologies to Robert!

Thanks

Arlene Strongman
Director of Surveillance | Great Canadian Gaming Corp.
Great Canadian Business Centre (GCBC)
95 Schooner Street
Coquitlam, BC V3K 7A8
PERSONAL INFO

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From: Daryl Tottenham [mailto:PERSONAL INFO
Sent: Monday, March 27, 2017 10:45 AM
To: Arlene Strongman
Subject: RE: Tracking sheet use

Thanks Arlene, I assumed that would be the answer but I had someone suggest the cards were collected at 7am and if the player was still playing they started a new tracking card at zero again.....I was confident that was not the case but thought an email would confirm the issue for them.
Thanks Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Arlene Strongman [mailto:PERSONAL INFO]
Sent: Monday, March 27, 2017 9:46 AM
To: Daryl Tottenham <PERSONAL INFO
Subject: RE: Tracking sheet use

Hi Daryl,

My apologies for the delayed response.

To answer your question, yes, the cards are collected at 7 am, however, if a player bought in for $7000 at 5 am and remains in the casino playing, as in your example, the amount is transferred to a new tracking (blue) card. The player still remains active.

Hope that helps.

Thanks

Arlene Strongman
Director of Surveillance | Great Canadian Gaming Corp.
Great Canadian Business Centre (GCBC)
95 Schooner Street
Coquitlam, BC V3K 7A8
PERSONAL INFO

GREAT CANADIAN GAMING CORPORATION | PROUD

From: Daryl Tottenham [mailto:PERSONAL INFO]
Sent: Wednesday, March 22, 2017 12:36 PM
To: Arlene Strongman
Subject: Tracking sheet use

Hi Arlene,
I was just talking to Bill regarding the processes being used for 24 hr tracking at our big sites and wonder if you could confirm something for me. I know the tracking sheets are collected for 7 am for shift change from the various sections and cages but I assume that the collection process does not include active tracking cards. As an example if a player has bought in for $7,000 at 5 am and is still playing at shift change, they are not collecting his tracking sheet and starting a fresh one are they?
I don't believe that is the case but just need to confirm to ensure we are conforming to Fintrac reporting requirements.
Thanks Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

• Yes, and... •

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

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Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

770

Top 100 Cash Analysis

FY15 and FY16

Prepared for: Rob KROEKER
Prepared by: Brad RUDNICKI
Prepared on: May 11 2016

bclc

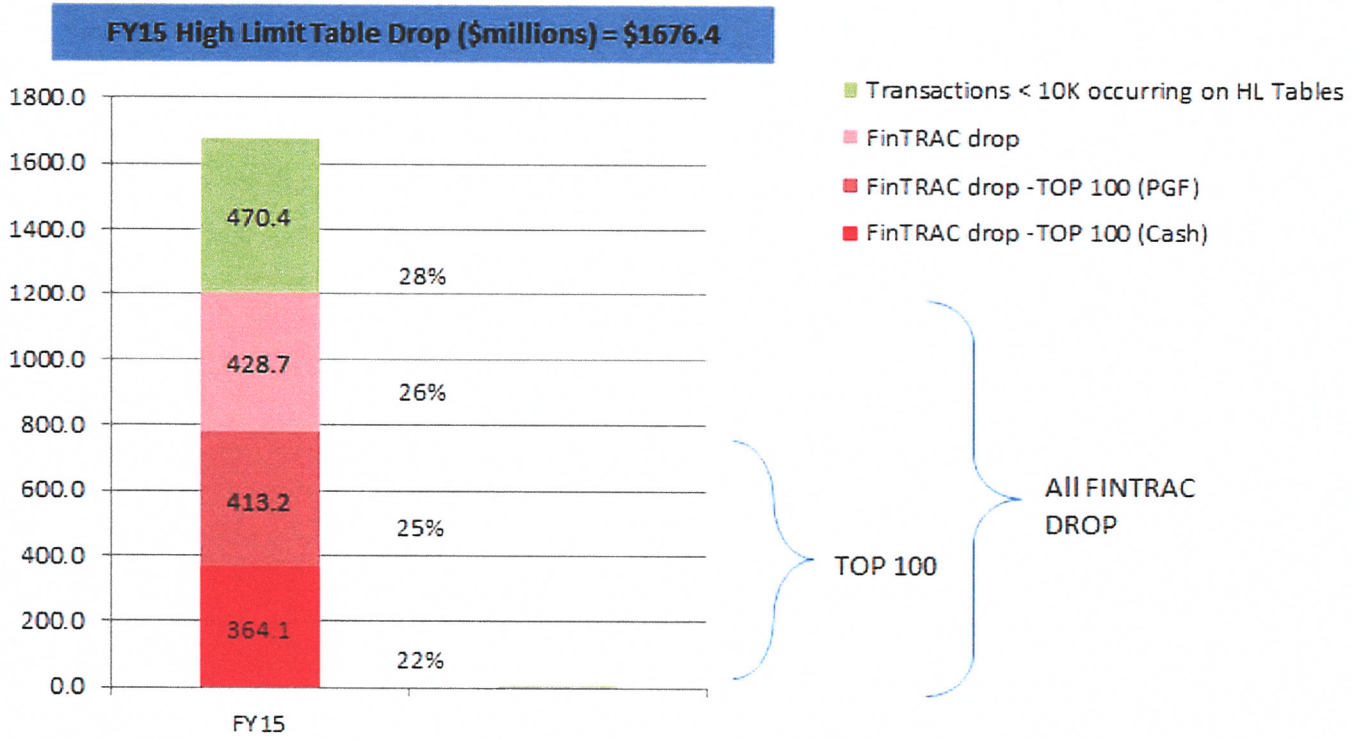
Assumptions

- All 'Top 100 FINTRAC drop' occurred on high limit tables
- All 'FINTRAC drop' occurred on high limit tables
- High Limits tables include:
  - Midi EZ Baccarat
  - M EZ Baccarat
- Unknown how much the Top 100 contribute to transactions <$10K occurring on high limit tables
- Transactions of <$10K occurring on high limit tables is calculated by:

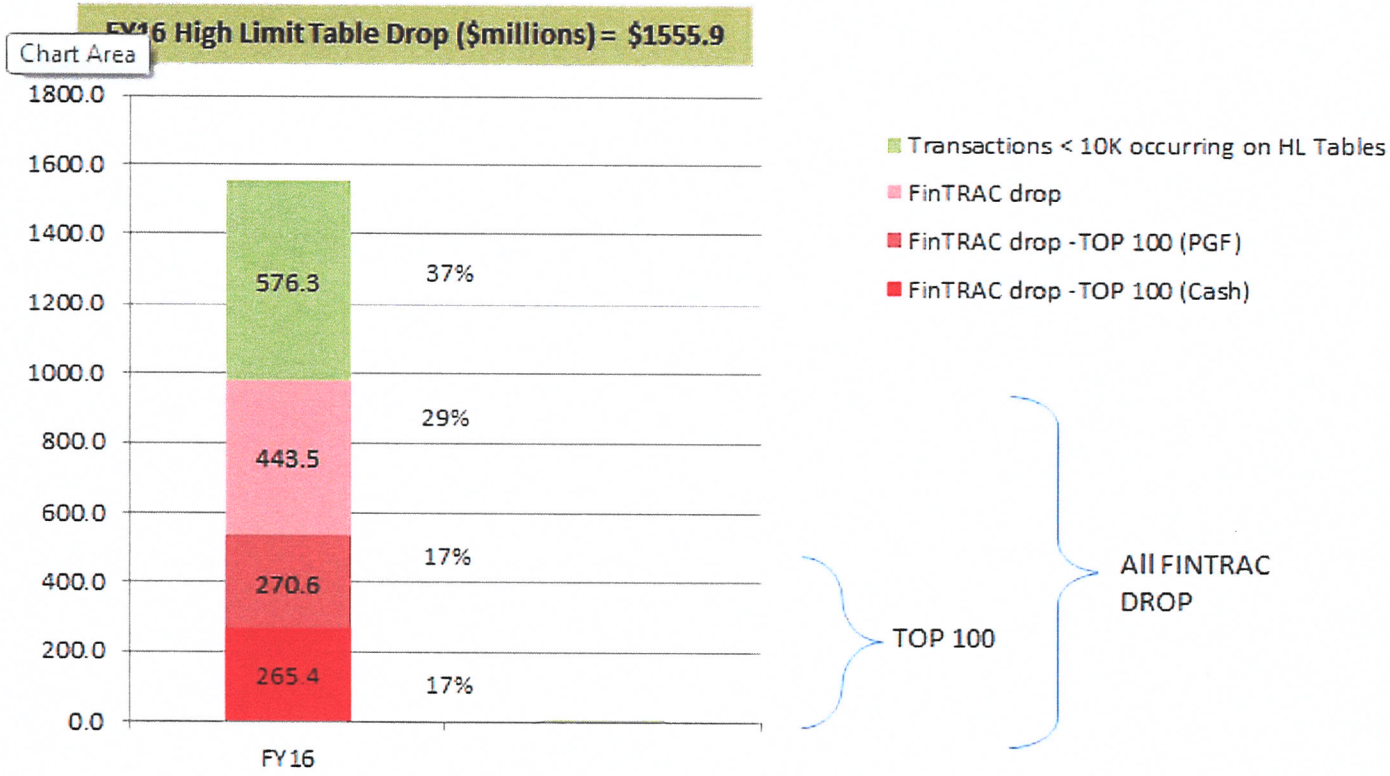
  (CCG High Limit tables summary produced by CCG) – (All 'FINTRAC drop')

bclc

FY15 Analysis



FY16 Analysis



774

Top 100 Net Win

	FY15- Top 100			FY16- Top 100		
	Drop	Hold %	Net Win	Drop	Hold %	Net Win
FinTRAC drop-PGF	$413.2	19.9%	$ 82.2	$270.6	18.6%	$ 50.3
FinTRAC drop-CASH	$364.1	19.9%	$ 72.5	$265.4	18.6%	$ 49.4
Total	$777.3		$154.7	$536.0		$ 99.7

Hold % calculated by CCG

This is Exhibit "82" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker PERSONAL INFO PERSONAL INFO
Cc: Bal Bamra
From: Daryl Tottenham
Sent: Sat 21/10/2017 11:31:24 PM
Subject: Emailing: Review of GPEB COMM-final
Review of GPEB COMM-final.docx

Rob,
Here is an updated copy with the disbursement numbers factored in. Overall it provides a percentage of loss at 71% for the reported buy-ins with the one exception of the PERSONAL single-day disbursement of 4.335 Million from a 100K buy-in. Aside from that anomaly it backs up our position that these buy-ins do not support refining as the vast majority of funds are complete losses.
Edit as you need and advise if there is something else you want done prior to your Monday meeting.
D

Your message is ready to be sent with the following file or link attachments:

Review of GPEB COMM-final

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

Review of GPEB COMM-8669 Report

Filed by Parminder Basi on April 29, 2016

Summary of review

The purpose of this review was to examine the reported files in COMM-8669 that alleges players banned by BCLC for cash facilitation were supplying patrons with suspicious cash while under site surveillance. The report further states that site staff knew the funds were coming from a banned patron and "knowingly accepted the cash" in all 46 files examined.

The report cited 46 files totaling 6.7 million in cash delivered to 25 different patrons by 8 known cash facilitators (banned) from Jan 1, 2015 to December 31, 2015. The conclusion of the GPEB report stated:

"Despite site surveillance monitoring the activities of banned individuals and documenting in Itrak that a patron obtained cash from them, the cage still accepted the funds as buy-ins. This indicates the sites knowingly accepted cash that they acknowledged was obtained from a banned individual and appeared of questionable source."

Findings of Review

The focus of this review was to examine the circumstances of each file and determine if it was reasonable to suggest that surveillance would have known about the origin of funds prior to fund acceptance by the cage. The majority of all files occurred prior to the start of the BCLC sourced cash program initiated on September 5th, 2015. There were only 5 files that occurred after September 5th and is reflective of the program changes implemented by BCLC.

Prior to this date the large cash process routinely saw the video reviews by surveillance completed well after the buy-in process was completed. In these instances the surveillance staff would have no information available prior to buy-in that would indicate where the patron obtained the funds from. This gap was identified in late 2015 and SP staff were directed to review arrival video of the patron during the buy-in process to enable them to stop the buy-in before the patron started gaming where appropriate.

The circumstances reviewed in each file also included a focus on previous play by the patron to determine if the source of cash was likely the result of previous wins and cash disbursements. This would be a significant factor in determining whether the source of the cash is suspicious or expected based on casino disbursements.

Lastly, the files were examined to determine if the "banned" patron was in fact confirmed to be involved or if these files were based on speculation and assumptions. In the vast majority of these files the person suspected of facilitating the cash for the buy-ins was not actually confirmed to be in attendance. Most of the files indicate "the vehicle is similar" to the vehicle associated to the banned patron but is based on speculation. This information cannot be relied upon to ensure the accuracy and integrity of this review.

Summary of Review

- The actual number of files reviewed by GPEB is 45 (not 46 as stated in the report) so the percentage breakdowns in their report are incorrect.

- The number of files found from Jan 1, 2015 to September 5th, 2015 (start of BCLC sourced cash condition program) is **40.**
- The number of files found from September 5th, 2015 to December 31, 2015 is **5.**
- Total value of files between September 5th and December 31st- **$261,000**
- Total number of files without confirmed ID of the "banned" subject- **40 (88%)**
- Total number of files without confirmed licence plate identification- **28 (62%)**
- Total number of files with previous wins prior to buy-in- **19 (42%)**
- Total disbursements on reported GPEB buy-ins- $ 5,341,000 (79%) **includes PERSONAL INFO single day $4,335,000 disbursement**
- Total disbursements on reported GPEB buy-ins (less PERSONAL $4,335,000 disbursement) was $ 1,006,100 (14.9%) ***Results in 85.1% player loss***
- Of the 45 GPEB reported buy-ins, **32 resulted in zero disbursements. (71%)**
- The total value of these 32 complete losses is $6,729,310 (includes buy-ins not reported by GPEB)
- Total value of all associated buy-ins inclusive of the 45 GPEB reported buy-ins is $8,879,655

The conclusions made in this report are serious in nature and will have a significant impact on the Service Providers and BCLC as it implies gross negligence in the pursuit of revenue dollars. In my opinion, these reports have not been properly reviewed and documented by GPEB, in most instances rely on assumed identities of banned persons and not confirmed identities, and result in conclusions unsupported by factual information resulting in misleading information. The allegation that "the sites knowingly accepted cash that they acknowledged was obtained from a banned individual" is not factual based on the contents of their report and creates an inaccurate and misleading impression of the actual circumstances.

This is Exhibit "83" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Message

From: David Zhou [PERSONAL INFO]
Sent: 2018-02-20 10:37:12 PM
To: Rishi Khaira [PERSONAL INFO]
CC: Michael Kim [redacted] Ji Soo Lee [PERSONAL INFO]
Subject: RE: Unusual Financial Transaction

Hello Rishi:

Further to my email below; please his play below.

As you can see, the guest bet very heavy and jump from table to table in a short period of time. The longest he stayed on one table is less than 20 mins.

Unfortunately, we did not notice him till he left the site...

David
215,000 204,000 81 mins 4 tables
LastName Bet CashBuyIn CreditBuyIn ChipBuyIn BuyIn AvgBetPerPlay CasinoWin WalkedWith RatingPeriodMinutes RatingStartDtm RatingEndDtm Document
VVIP2324940 11250 0 0 0 0 5000 0 0 3 2/17/2018 15:40 2/17/2018 15:43 XX146912784 28163 28163 TABL PIT06 RIC-MDB20
VVIP2324940 15000 0 0 40000 40000 20000 40000 0 1 2/17/2018 15:43 2/17/2018 15:44 XX146912950 28163 28163 TABL PIT06 RIC-MDB20
VVIP2324940 750 0 0 0 0 1000 0 0 1 2/17/2018 15:59 2/17/2018 16:00 XX146913593 24793 24793 TABL PIT06 RIC-MDB24
VVIP2324940 6750 0 0 10000 10000 3000 10000 0 3 2/17/2018 16:00 2/17/2018 16:03 XX146913674 24793 24793 TABL PIT06 RIC-MDB24
VVIP2324940 2700 0 0 10000 10000 300 0 10000 12 2/17/2018 15:52 2/17/2018 16:04 XX146913311 21926 21926 TABL PIT06 RIC-MDB27
VVIP2324940 1125 0 0 0 0 300 0 0 5 2/17/2018 16:17 2/17/2018 16:22 XX146914430 21926 21926 TABL PIT06 RIC-MDB27
VVIP2324940 15000 0 0 5000 5000 5000 5000 0 4 2/17/2018 16:16 2/17/2018 16:20 XX146914426 21169 21169 TABL PIT06 RIC-MDB30
VVIP2324940 22500 0 0 0 0 15000 0 0 2 2/17/2018 16:22 2/17/2018 16:24 XX146914690 24793 24793 TABL PIT06 RIC-MDB24
VVIP2324940 11250 0 0 50000 50000 5000 49000 1000 3 2/17/2018 16:22 2/17/2018 16:25 XX146914761 21926 21926 TABL PIT06 RIC-MDB27
VVIP2324940 153000 0 0 45000 45000 12000 45000 0 17 2/17/2018 16:24 2/17/2018 16:41 XX146914771 24716 24793 TABL PIT06 RIC-MDB24
VVIP2324940 2250 0 0 0 0 300 0 0 10 2/17/2018 16:44 2/17/2018 16:54 XX146915619 23854 23854 TABL PIT06 RIC-MDB27
VVIP2324940 150000 0 0 55000 55000 10000 55000 0 20 2/17/2018 16:54 2/17/2018 17:14 XX146916002 21926 23854 TABL PIT06 RIC-MDB27

Kindly regards!
-----Original Message-----
From: David Zhou
Sent: Tuesday, February 20, 2018 11:29 AM
To: Rishi Khaira
Cc: Michael Kim; Ji Soo Lee

Subject: RE: Unusual Financial Transaction

1. How was PERSONAL INFO able to go to 7 tables and produce 200K in chips without a deal / dealer supervisor asking him where he received these chips from?

Any guest introduce any 5K chips from Main gaming floor, Dogwood and Maple, the DSV will inform surveillance right away, before the transaction get approved. However, in Salon, 5K chip is a common denomination, it is almost impossible to inform surveillance to verify every 5K single transaction taking place. For that day, we had over 40 guests in the room at that time with heavy action; we did not notice his play till he finished his session.

Our practice for Salon is, after each gaming session, gaming mgr will verify the guest tracking card and balance the "Sourced Cash and chips", then enter the info into our tracking spreadsheet.

2. Where did PERSONAL INFO receive these chips from? He is currently banned pending an interview with BCLC however he wants us to explain where the chips came from.

We don't know where did he received these chips; according to the tracking sheet he has over 70K of sourced cash and zero sourced chips.

3. What steps have been put in place to ensure that this does not occur at again?

From River Rock end, we will continue to educate our DSVs, anything does not seem right; they need to contact gaming mgr and surveillance right away.

We are in the process of implementing the new tracking system developed by Sam Park, it will give DSV an additional tool to better tracking players. It has a build in function where DSVs can search for certain players and see their current "condition/directives" from BCLC Itrak. It will effectively eliminate cases like this.

Few recommendations we would like to see from BCLC End

• RFID chips, we need better RFID tracking chips, the ones that actually automatically tracking chips that is placed on the table.
• Non-negotiable chips; certain high tier players get approved for these chips. Every player will have their own set of chips, and can not take any of these chips off site.

David

-----Original Message-----
From: Rishi Khaira
Sent: Tuesday, February 20, 2018 10:31 AM
To: David Zhou
Cc: Michael Kim
Subject: FW: Unusual Financial Transaction
Importance: High

Please look into this.

Thanks

Rishi Khaira
Assistant General Manager
River Rock Casino Resort
T: 604-247-8970

-----Original Message-----
From: Shauna Gillespie
Sent: Tuesday, February 20, 2018 10:26 AM
To: Michael Kim; Rishi Khaira; Peter Demonte
Cc: Arlene Strongman
Subject: FW: Unusual Financial Transaction
Importance: High

Hi guys,
I know that the surveillance department has performed a full review on the below scenario and that Operations has confirmed that PERSONAL INFO was not sourced for any 5K chips.
Daryl just called me and to discuss this topic further - his questions are:

1. How was PERSONAL INFO able to go to 7 tables and produce 200K in chips without a deal / dealer supervisor asking him where he received these chips from?
2. Where did PERSONAL INFO receive these chips from? He is currently banned pending an interview with BCLC however he wants us to explain where the chips came from.
3. What steps have been put in place to ensure that this does not occur at again?

We are meeting with BCLC tomorrow at 1PM and we are expected to provide responses to these questions at this time. Please let me know.

Take care,
Shauna

Shauna Gillespie, CAMS
Director, Compliance
O. PERSONAL INFO
C.
8831 River Road, Richmond B.C., V6X 1Y6

-----Original Message-----
From: Daryl Tottenham [mailto:PERSONAL INFO
Sent: Sunday, February 18, 2018 8:34 AM
To: Krissy Wong; Shauna Gillespie; Arlene Strongman; Peter Demonte; Patrick Ennis
Cc: AML; John Karlovcec
Subject: FW: Unusual Financial Transaction

Good morning Shauna,
I reviewed this file from last night which was a player that blasted through 200K in 5K chips that appear to be un-sourced. PERSONAL INFO is under conditions for sourced cash and chips and reading the flow from his arrival, it

does not show any point where he was stopped to ascertain the source of his chips. PERSONAL INFO plays at a high level and certainly has a history of chip removal, as I was able to find numerous files with chips likely coming and going off-site with him.

As Investigators will be reviewing this file tomorrow and will require this information asap, could you please ensure that someone is assigned immediately to document his o/s 5K value chips and what can be sourced? The secondary issue is to determine if efforts were made to source those chips prior to allowing him to play last night.

As you know this was an area of concern in the past and we saw a large amount of chips being taken off-site and ending up in the control of PERSO s group. As these chips allow players to stay off the Fintrac and BCLC radar, we need to ensure all chip-ins are sourced or refused if sourcing cannot be confirmed.

Please advise if this can be done by staff on duty today so we can determine the status of PERSONAL As it is quite possible he may return tonight and return with more chips, I may need to freeze his playing status until we can interview him if the origin of his chips cannot be confirmed.

Thanks,
Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Legal, Compliance & Security Division

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

●Yes, and…●

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

-----Original Message-----
From: iTrakReports@bclc.com [mailto:iTrakReports@bclc.com]
Sent: Saturday, February 17, 2018 6:27 PM
To: Cathy Cuglietta <PERSONAL INFO>; Tom Plante <PERSONAL INFO>; Stone Lee <PERSONAL INFO>; Brian Stephens <PERSONAL INFO>; Giulia Fabbro <PERSONAL INFO>; Daryl Tottenham <PERSONAL INFO>; Bruno Gatto <PERSONAL INFO>; Darryl Tateishi <PERSONAL INFO>; Rolly Dioquino <PERSONAL INFO> Kris Gade <PERSONAL INFO> Brandon Norgaard <PERSONAL INFO>; Brandi Chan <PERSONAL INFO>; John Ramsay <PERSONAL INFO>; Craig Morphet <PERSONAL INFO>; Andrew Brintnell <PERSONAL INFO>; Lynn Cousins <PERSONAL INFO>; Craig Longley <PERSONAL INFO>; Paul Stanney <PERSONAL INFO>; Joseph Depaulo <PERSONAL INFO>; Bal Bamra <PERSONAL INFO>; Mark Dickenson <PERSONAL INFO>; Marcia Guizzo <PERSONAL INFO>; Courtney Robinson <PERSONAL INFO>; Steve Beeksma <PERSONAL INFO>; Jim Husler <PERSONAL INFO>
Subject: Unusual Financial Transaction

Unusual Financial Transaction

Property: River Rock (GCC)

Incident File # IN20180010292
Date: Feb 17 2018 6:26:11 PM
Created by: lwan

File details: SID 103796 PERSONAL INFO played with 200K all 5K unsourced chips
Created by: lwan 2/17/2018 18:26:53 Modified by:

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

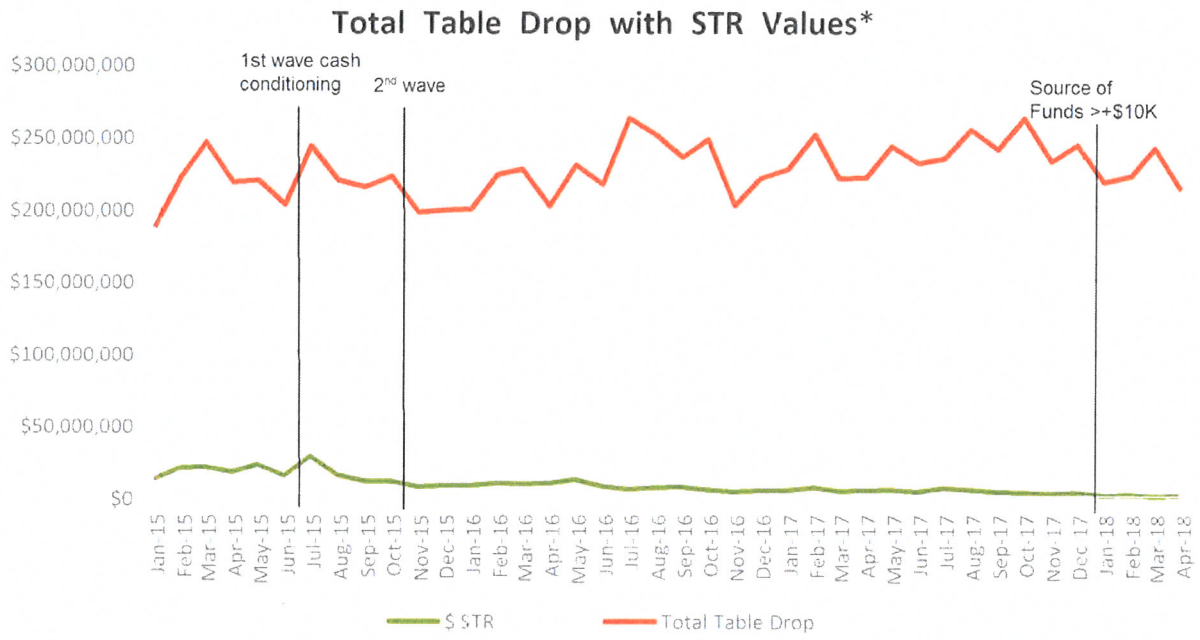
This is Exhibit "84" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Suspicious Transaction Reports (STR), Large Cash Transactions (LCT) and Table Performance

May 2018

Since 2015, the total number, total value and average value of STR has been trending down, while total table drop has continued its upward trend.



* *All data presented in table form below.*

Key points:

In April 2015, BCLC initiated a sourced-cash condition program to address the unexplained increase in un-sourced cash and chips being brought into lower mainland casinos. As part of its AML due diligence screening process, BCLC Investigators interviewed certain VIP players to determine the origin of their cash and chips. If a player was unable to prove source of funds, or BCLC suspected or received information that the source of funds originated from underground banking operations, or suspected proceeds of crime, the player was immediately placed on "sourced cash conditions" and would only be allowed to buy-in if they could provide the service provider cash cage with an original receipt sourcing the funds as follows;

- A bank draft, EFT, certified or Casino Cheque (as defined under policy)
- Cash drawn from an accredited Financial Institution
- Cash drawn at the gaming facility using Global Cash, Debit at Cage, ATM

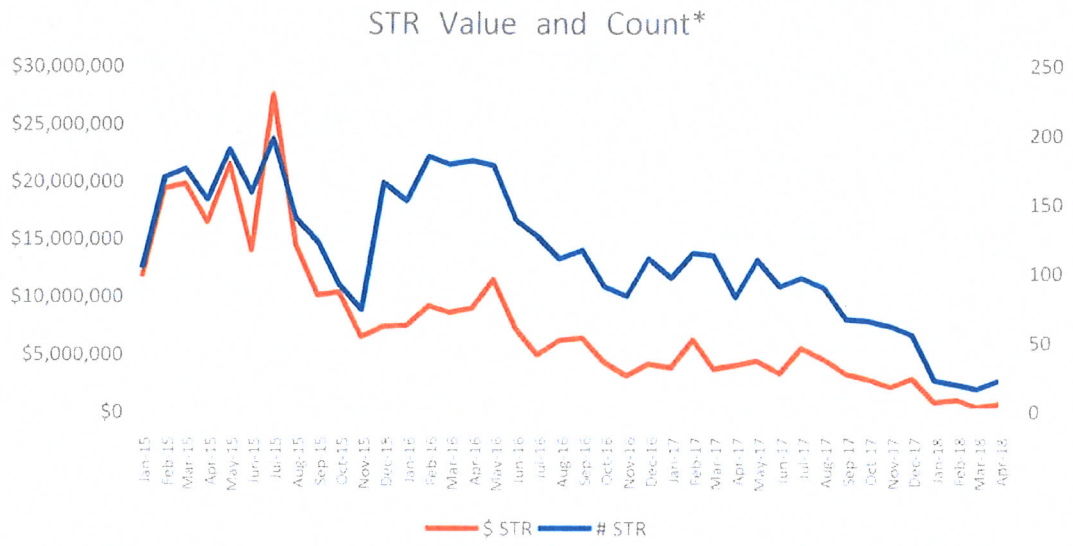
or that the source of funds originated from;

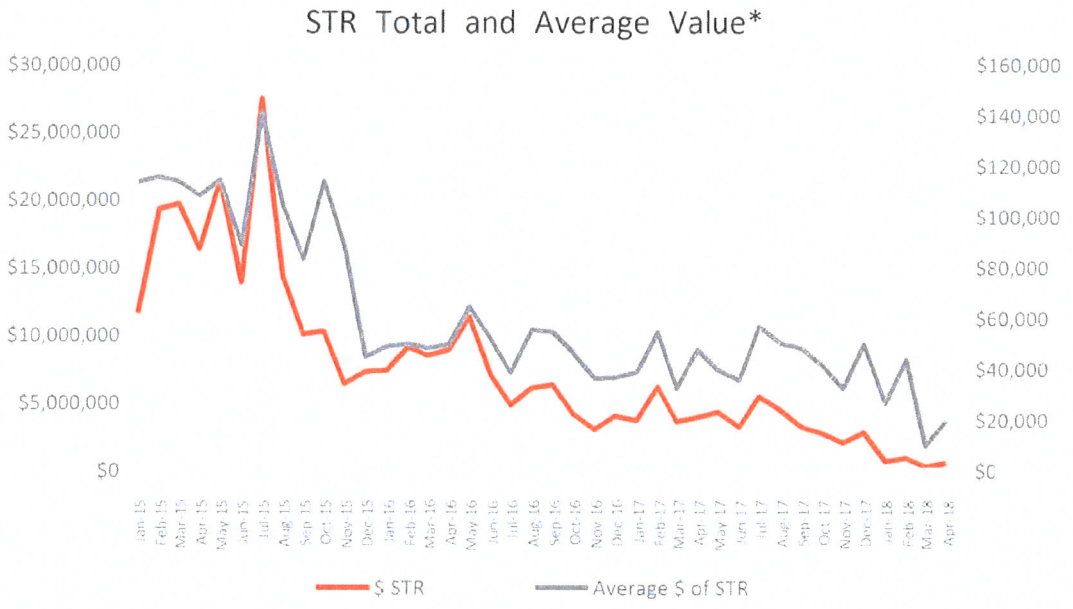
- Cash verified as from a recent sourced Casino Disbursement
- Chips verified as from a recent sourced Casino Disbursement

Dollar value of STR has decreased (as have counts – see next table)

bclc playing it right

Jan 10, 2018 – Implemented Source of Funds Declaration for cash deposits of $10,000 or more as per Peter German's interim recommendation to BCLC.



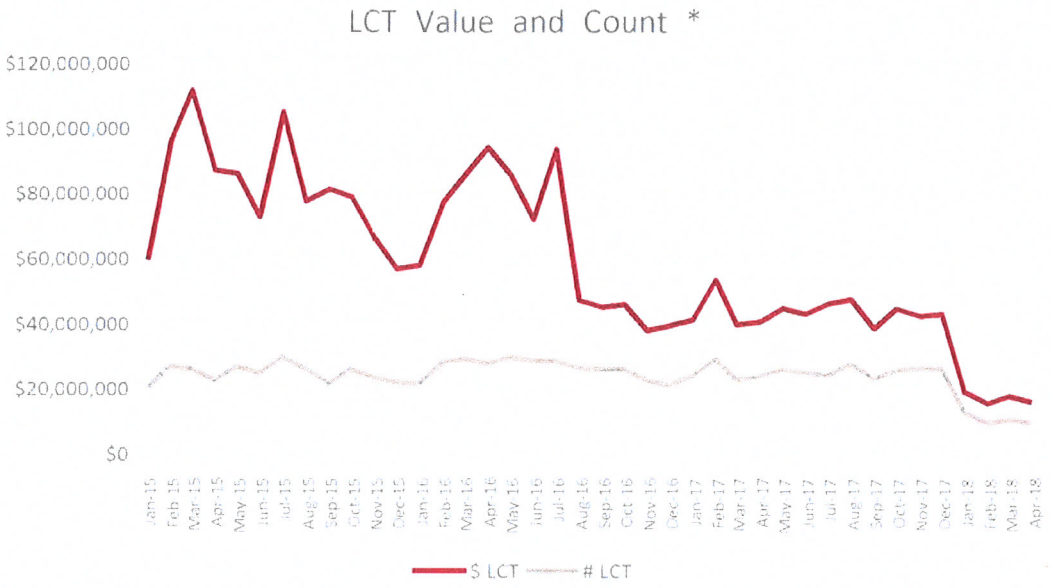


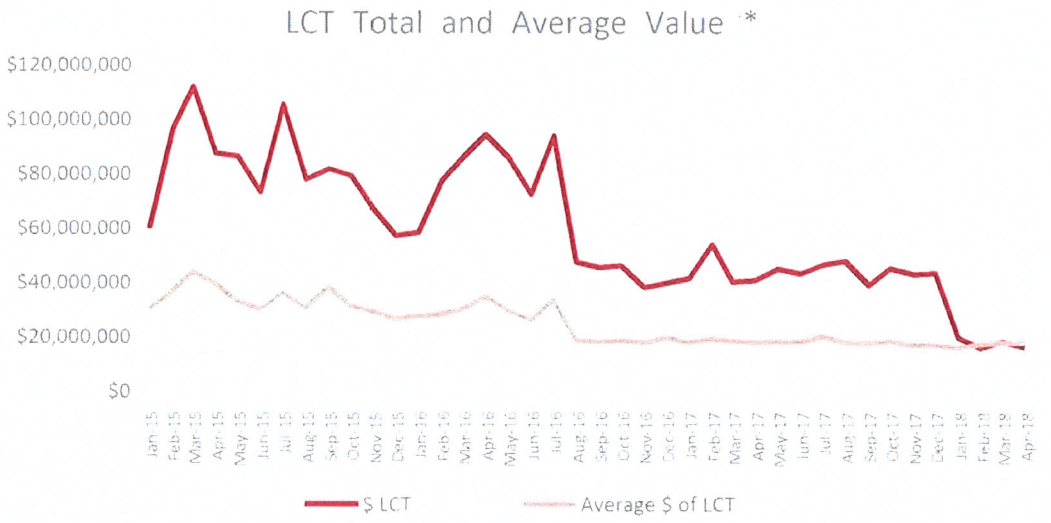
* *All data presented in table form below.*

Key points:

- Both the count, total value and average value of STR have been decreasing since 2015, with a significant drop in the second half of the year when BCLC began cash conditioning players.
- Not only are there fewer STR, the ones that are reported are decreasing in value.

bclc playing it right





** All data presented in table form below.*

Key points:

- Both the count, total value and average value of LCT have been decreasing since 2015, with a significant drop in the total value of LCT in January 2018, when BCLC implemented Source of Funds Declaration for cash deposits of $10,000 or more.

bclc playing it right

Month	# STR	$ STR	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Jan-15	101	$11,356,965	$185,417,014	6.1%	2442	$58,483,012	31.5%
Feb-15	167	$19,064,854	$221,147,991	8.6%	3239	$95,197,337	43.0%
Mar-15	173	$19,462,764	$244,375,305	8.0%	3124	$110,632,244	45.3%
Apr-15	151	$16,123,855	$216,608,331	7.4%	2710	$86,172,676	39.8%
May-15	187	$21,201,775	$218,186,402	9.7%	3226	$85,166,441	39.0%
Jun-15	156	$13,676,465	$201,344,040	6.8%	2997	$71,878,541	35.7%
Jul-15	195	$27,243,150	$241,888,750	11.3%	3597	$104,214,227	43.1%
Aug-15	137	$14,138,565	$218,164,623	6.5%	3144	$76,627,301	35.1%
Sep-15	120	$9,825,950	$213,405,914	4.6%	2601	$80,326,546	37.6%
Oct-15	89	$10,045,281	$220,930,949	4.5%	3118	$77,998,962	35.3%
Nov-15	71	$6,159,039	$195,892,062	3.1%	2813	$65,583,408	33.5%
Dec-15	163	$7,055,010	$197,654,842	3.6%	2644	$55,864,733	28.3%
Jan-16	150	$7,149,960	$198,290,501	3.6%	2593	$57,072,335	28.8%
Feb-16	182	$8,847,035	$222,322,359	4.0%	3405	$76,493,140	34.4%
Mar-16	176	$8,271,680	$226,148,655	3.7%	3531	$84,668,131	37.4%
Apr-16	179	$8,653,255	$200,745,010	4.3%	3345	$93,164,801	46.4%
May-16	175	$11,096,690	$228,732,489	4.9%	3582	$84,821,753	37.1%
Jun-16	136	$6,853,117	$215,754,977	3.2%	3447	$71,091,438	33.0%
Jul-16	124	$4,601,405	$261,176,104	1.8%	3455	$92,586,445	35.4%
Aug-16	108	$5,850,500	$249,726,100	2.3%	3177	$46,132,224	18.5%
Sep-16	114	$6,081,832	$234,568,406	2.6%	3133	$44,144,673	18.8%
Oct-16	88	$3,969,055	$246,717,806	1.6%	3128	$44,913,487	18.2%
Nov-16	81	$2,836,569	$200,837,162	1.4%	2712	$36,845,032	18.3%
Dec-16	108	$3,800,280	$219,896,314	1.7%	2512	$38,347,268	17.4%
Jan-17	94	$3,507,455	$226,231,338	1.6%	2888	$40,249,347	17.8%
Feb-17	112	$5,948,770	$249,814,715	2.4%	3518	$52,610,470	21.1%
Mar-17	110	$3,410,960	$219,979,501	1.6%	2735	$38,779,652	17.6%
Apr-17	80	$3,715,810	$220,153,775	1.7%	2879	$39,610,698	18.0%
May-17	107	$4,095,101	$241,729,928	1.7%	3116	$43,807,244	18.1%
Jun-17	88	$3,020,060	$230,312,458	1.3%	3005	$42,038,429	18.3%
Jul-17	94	$5,216,080	$233,368,366	2.2%	2886	$45,187,699	19.4%
Aug-17	87	$4,254,290	$253,317,319	1.7%	3355	$46,578,065	18.4%
Sep-17	64	$3,000,605	$239,804,737	1.3%	2776	$37,675,408	15.7%
Oct-17	63	$2,530,020	$261,022,645	1.0%	3106	$43,863,375	16.8%
Nov-17	59	$1,828,050	$231,477,360	0.8%	3188	$41,618,438	18.0%
Dec-17	53	$2,582,140	$242,634,757	1.1%	3167	$42,174,250	17.4%
Jan-18	20	$505,199	$217,174,414	0.2%	1504	$18,353,874	8.5%
Feb-18	17	$721,630	$221,439,676	0.3%	1100	$14,716,449	6.6%
Mar-18	14	$119,572	$240,510,638	0.0%	1221	$17,011,015	7.1%

bclc
playing it right

Apr-18	20	$370,000	$211,984,029	0.2%	1094	$15,099,170	7.1%

playing it right

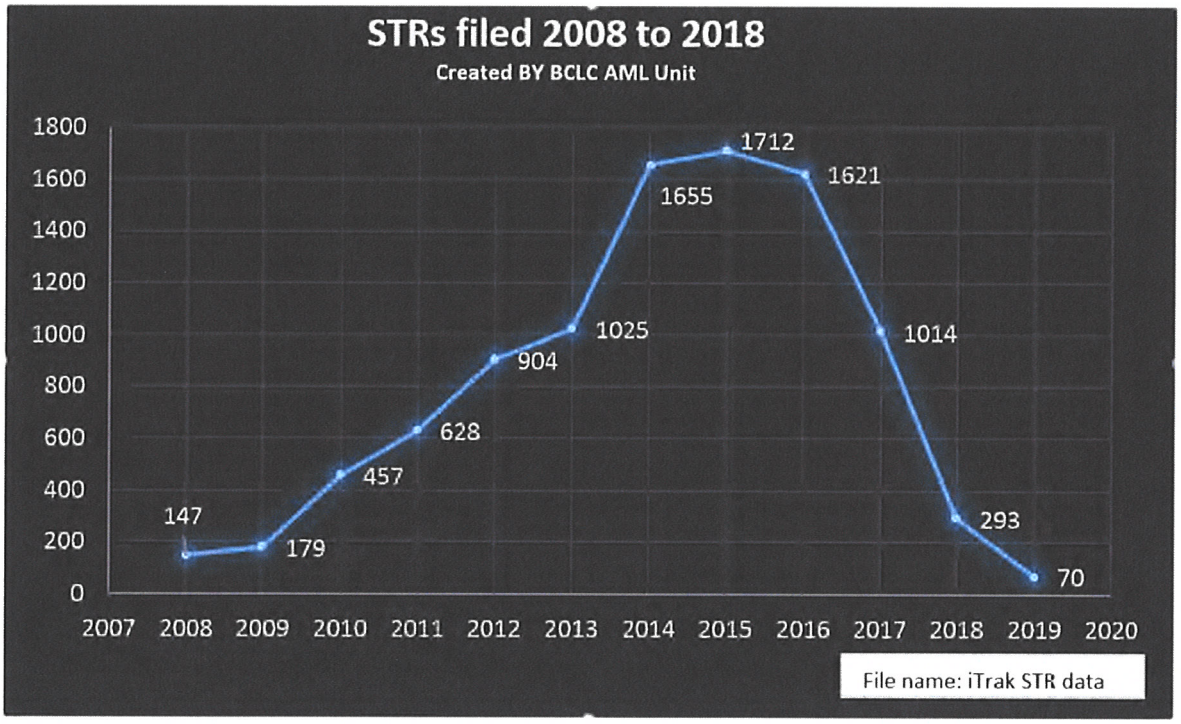
This is Exhibit "85" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

STRs filed between 2008 and 2019 (To date Apr-2019)

STRs prior tc 2014 were filed using FINTRAC's F2R system. Quantifying these F2R files was completed by counting the individual files stored in the monthly folders for the corresponding year. STR reporting in 2014 was conducted using F2R and batch filing in iTrak. By September 2014 all STRs were filed through batch filing using customs forms in iTrak. STR data counts from 2015 forward were sourced to custom forms in iTrak.

Some values from 2015 onwards may be higher than previously reported values as historical STRs are filed when situations arise warranting a historical STR filing. These values are small in contrast to the overall amount of STRs filed in a given year.



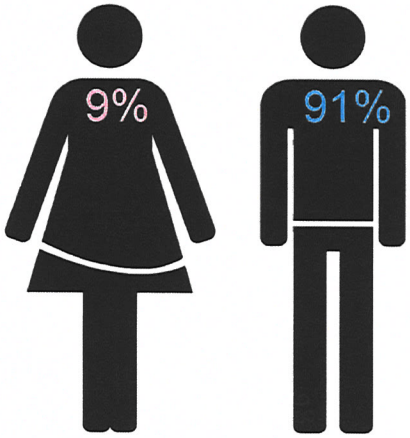
BCLC0004271

This is Exhibit "86" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

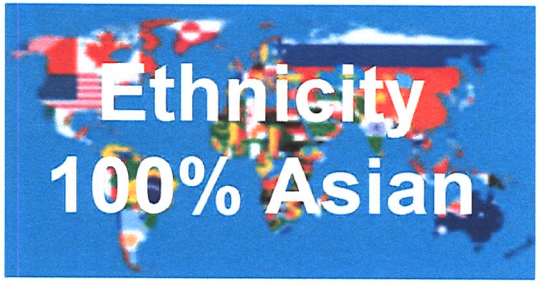
Top 45 Patrons 2012

based on cumulative total of buy-ins >$10,000

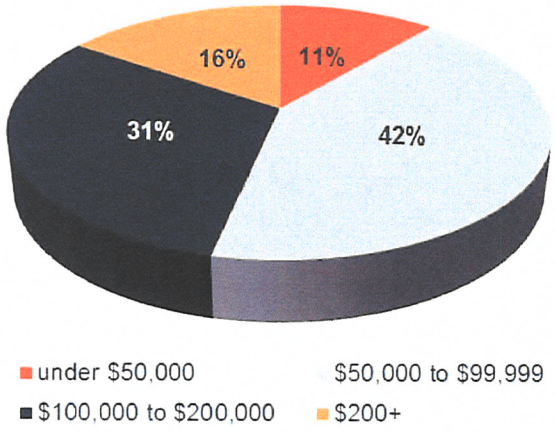


Age Demographic

Young Adult (19-34)	9%
Gen X (35-44)	13%
Boomers (45-64)	76%
65+	2%



Average Buy-in Total per Visit



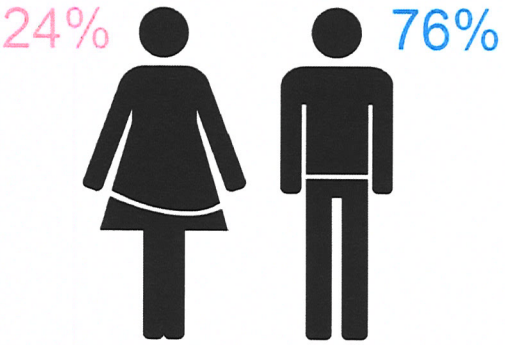
Stated Occupation by Industry

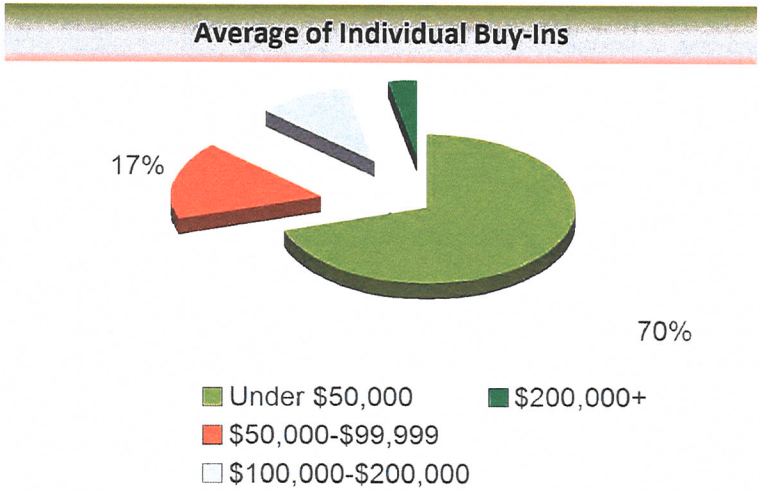
Real Estate (Sales or Development)	14
Energy & Natural Resources	6
Import/Export	5
Other	5
Hospitality	4
Medical and Health	3
Manufacturing	2
Financial	2
Agriculture	1
Engineering	1
Textile	1
Telecommunications	1
Grand Total	45

Top 100 Patrons (Jan-Sep 2016)

795

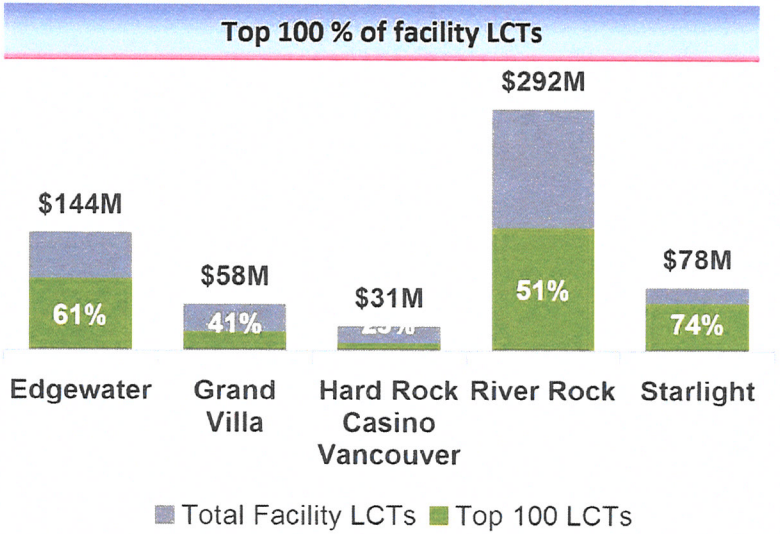
based on cumulative total of buy-ins >$10,000





Age Bracket	
19 - 34	16%
35 - 44	8%
45 - 64	74%
65 +	2%

Ethnicity	
Asian	97%
Middle-Eastern	2%
East Indian	1%

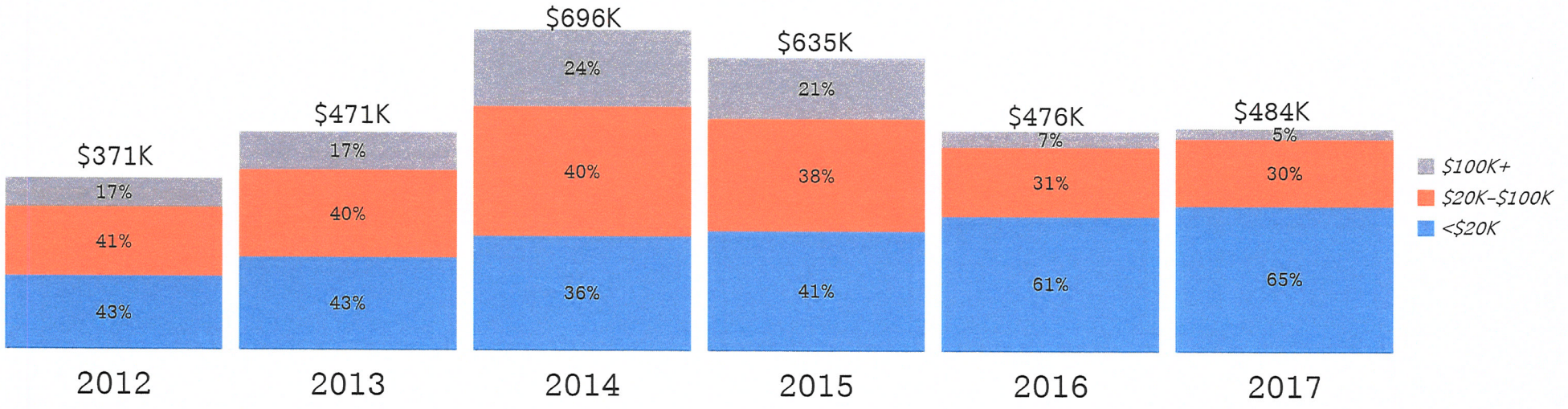


Occupation by Industry	
Real Estate	19
Service	14
Other	11
Import/Export	9
Housewife	8
Student	6
Financial	5
Construction	5
Petroleum/Mining	4
Manufacturing	4
Technology	3
Trades	3
Medical	3
Film/Entertainment	2
Textile	1
Energy and Resources	1
Banking/Investment	1
Telecommunications	1
Grand Total	100

This is Exhibit "87" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Large Cash Transactions by Year (Total $ and % Contribution)



In addition to the overall LCT decline from 2014 to 2017, the distribution of the value of LCTs have also shifted significantly. We see significant declines in the $100k+ category and increase to the less than $20k. The decline and overall shift would suggest positive impacts of BCLC's AML efforts.

Sourced Cash/Chips Conditions Program: Program focused on obtaining the source of cash/chips.

Interview Program: Suspended player interviews with BCLC Security.

Refused buy in initiative: If surveillance identified obvious cash deliveries they would be refused.

Source of Wealth & Funds Program: Through Interviews, confirmed source of wealth and funds with appropriate documentation.

Reasonable Measures Policy implemented: Policy which enables the refusal of third party transactions.

Expanded Source of Funds Procedures: procedures requiring detailed information on the source of player funds for all transactions of $10,000 or more (Jan 2018).

This is Exhibit "88" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker PERSONAL INFO
From: Daryl Tottenham
Sent: Sat 02/12/2017 6:30:28 AM
Subject: RE: CONFIDENTIAL - Interim German Recommendations

Hi Rob,
This should be an easy transition for us to implement. We set up the Reasonable Measure form and process anticipating we were going to end up with a Source of Fund requirement sooner than later. I actually included that point in the RM training with the SP's back in June so there will be minimal sticker shock here when it is put in place.
We can discuss further Monday with John and I will mock up a draft to work with.
Have a good weekend.
D

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Legal, Compliance & Security Division

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Rob Kroeker
Sent: Friday, December 01, 2017 6:36 AM
To: John Karlovcec <PERSONAL INFO>; Bal Bamra <PERSONAL INFO>; Daryl Tottenham <PERSONAL INFO>
Cc: Andrea Nicholls <PERSONAL INFO>
Subject: CONFIDENTIAL - Interim German Recommendations

Good morning all

This is not for sharing and do not mention to GPEB if you are speaking with them as it do not know how far this may have been communicated down.

Late yesterday we received two interim recommendations from German. One directed at us. One at GPEB. Give it a read. I think a fairly light touch for us. Please consider and I will stop by to discuss at some point this morning for those of you who are in the office.

Andrea – please add both recommendations to the tracking sheet. Obviously we will not have anything to fill in on the GPEB one other than it is their responsibility.

Rob

This is Exhibit "89" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

memo

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To:	Jim Lightbody President &CEO	Date:	December 11, 2017
From:	Rob Kroeker Chief Compliace Officer & VP Legal, Compliance, Security		
Subject:	German Interim Recommendation #1 - Source of Funds Declarations		

On December 5, 2017, the Attorney General announced that Mr. Peter German, who is conducting a review of money laundering controls at casinos, amongst other things, has made two interim recommendations. The first of the two recommendations relates to the conduct and management of gambling and speaks to business transactions between customers and BCLC casinos. Specifically, Mr. German recommended:

> *First, I recommend that Gaming Service Providers (GSPs) complete a source of funds declaration for cash deposits and bearer monetary instruments which exceed the FinTRAC threshold for Large Cash Transactions of $10,000. At a minimum, the declaration must outline a customer's identification and provide the source of their funds, including the financial institution and account from which the cash or financial instrument was sourced. In the case of new customers, after two transactions, cash should only be accepted from the customer if the veracity of the previous answers has been confirmed and is not considered suspicious.*

The second recommendation was directed to GPEB and relates to staffing of investigators in casinos.

The Attorney General stated in his announcement that he had:

> *... directed the BC Lottery Corporation (BCLC) and government's Gaming Policy and Enforcement Branch (GPEB) to implement the recommendations as soon as possible.*

BCLC's Anti-money Laundering Unit has now completed the work necessary to implement the first recommendation. In every instance where a player buys-in for an amount of $10,000 or more, a source of funds declaration will be completed by the gaming service provider at the time of the transaction. The registered gaming worker conducting the transaction will be required to certify that she or he ascertained the source of funds information from the player and that she or he accurately entered that information on the source of funds declaration. Where a player is not able, or refuses, to provide the required information, BCLC has directed service providers to refuse the transaction and submit a report to BCLC. Service providers will be responsible for scanning source of funds declarations, and any necessary supporting documentation, into BCLC's information management system.

It is now possible for BCLC to implement these new procedures, in collaboration with service providers, effective December 18, 2017.

Under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, BCLC is required to take reasonable measures to determine if any reportable transaction is being conducted on the part of a third party. Inquiries in relation to reasonable measures dovetail with the new source of funds requirements. Accordingly, BCLC has modified buy-in procedures to ensure service providers conduct and record source of funds and reasonable measures inquiries contemporaneously. Linking the collection of source of funds and reasonable measures information provides for administrative efficiency and reduces the risk of error and oversight.

The source of funds declaration document and a policy directive to service providers are attached to this memorandum.

The initial implementation of the new requirement involves the completion of a paper document that service providers will scan into BCLC's system. The scanned document provides a record of the information collected, however the individual data elements contained within that record are not searchable nor can those elements be subject to an automated analysis and reporting processes. For these reasons the AML Unit will be working with BCLC's systems providers to determine the feasibility of modifying our existing system so that source of funds information can be directly entered into the system, as opposed to scanning a copy of the form. This would provide much better capability with respect to tracking, monitoring, analyzing and creating trend and other reports related to source of funds. These additional capabilities will enhance anti-money laundering controls. The AML Unit will undertake this feasibility work over the next few months.

This is Exhibit "90" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BCLC DIRECTIVE

SOURCE OF FUNDS DECLARATION

Effective Date: January 10, 2018

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74 West Seymour Street
Kamloops BC V2C 1E2
T 250.828.5500
F 250.828.5631

2940 Virtual Way
Vancouver BC V5M 0A6
T 604.215.0649
F 604.225.6424

Effective January 10th, 2018 all cash and bearer monetary instruments (bank drafts/ certified cheques) of $10,000 or more will require a source of funds (SOF) receipt by the patron prior to acceptance for buy-in at all BCLC Gaming Service Provider locations. This receipt will be documented on a revised Reasonable Measures (RM) form and shall be scanned into iTrak for all LCT entries.

This change follows an interim report to the Attorney General's office from the Peter German review currently underway. We currently have a source of funds process for patrons flagged in iTrak by the AML Unit however, this new process will apply to ALL cash and bank draft/ certified cheque buy-ins for $10,000 or more. This also includes incremental table buy-ins when they reach the $10,000 threshold. The reported amount for incremental buy-ins must be reported in full once the amount reaches $10,000. The cash receipt will be required before the patron is allowed to buy-in and will be reviewed daily by the AML Unit.

The required receipt must be an original which aligns with the amount and denominations expected for the buy-in. The receipt shall be retained by the Service Provider and scanned into the associated iTrak LCT entry for the patron. If the receipt is not from the same day of use, further inquiries need to be made to confirm it is legitimate. An example of this might include cash withdrawn prior to a long weekend by a patron, however, a receipt that is two weeks old would not be reasonable. If Service Provider staff find the circumstances suspicious in any way the buy-in must be refused and documented as an Unusual Financial Transaction incident in iTrak.

The Reasonable Measures form has been updated and now contains both the RM questions and the SOF Declaration on one form. Effective January 10th, 2018 when a patron attempts to buy-in with $10,000 or more, they shall be advised of the new SOF process and that a receipt is now required for the cash. **A notation must be made on their iTrak subject profile in the comments field that indicates they have now been advised of the new SOF program.** On all subsequent cash buy-ins of $10,000 or more where the patron does not provide a receipt, an iTrak file must be created for a "refused SOF request" for investigation by the AML Unit.

Where a player is buying-in with cash that was paid out to the player by a casino for casino winnings, the Gaming Service Provider must confirm the player was paid out an amount that is consistent with the buy-in amount and the date of the prior cash-outs. This would include contacting the casino that paid out the disbursement in order to confirm the amount, date and denominations. If you are unable to obtain the required information from the casino that paid the patron out, you should contact BCLC for confirmation. In these circumstances, "pay out from casino" shall be indicated in the account number field of the RM/SOF Form including the casino name and the amount received by the patron.

Once completed, the employee documenting the information shall print and sign their name at the bottom of the RM/SOF form, along with their GPEB number and the date. The employee signing the form is certifying that the information is complete and accurate.

This RM/SOF form must also be signed by the patron for cash buy-ins of $10,000 or more, including incremental buy-ins at the tables. The transaction that triggers the $10,000 threshold shall not be completed until the RM/SOF form is completed and signed by the patron.

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Please ensure a copy of the completed form is scanned into the media file of the iTrak LCT report and that it is legible.

The next release of BCLC Casino Policies and Procedures will incorporate these changes and replace this directive.

If you have any questions regarding this directive, please contact the AML Unit at aml@bclc.com.

74 West Seymour Street
Kamloops BC V2C 1E2
T 250 828 5800
F 250 828 5631

2940 Virtual Way
Vancouver BC V5M 0A6
T 604 215 0649
F 604 225 6424

Sincerely,

Daryl Tottenham
AML, Programs Manager

This is Exhibit "91" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

memo

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To:	Jim Lightbody President & CEO	Date:	January 4, 2018
From:	Rob Kroeker Chief Compliance Officer & VP Legal, Compliance, Security		
Subject:	GPEB Recommendations on Source of Funds Process		

In her letter of December 27, 2017, the Acting General Manager of GPEB provided seven recommendations in regard to German Recommendation #1 dealing with the source of funds declaration process. Each of those recommendations has been reviewed and considered. The following are the responses to the recommendations.

GPEB Recommendation

1. Supervisory sign-off - BCLC has advised that "a duly registered gaming worker assigned to and familiar with cage policies and procedures" will be authorized to sign the Declaration. GPEB recommends that BCLC require the signature of an employee in a supervisory position, particularly given it is currently BCLC policy for a cash cage supervisor to verify other transactions, including any cash or chip transaction of $5,000 or more.

BCLC

BCLC policy requires the cage supervisor to witness and verify cash and chip transactions of $5000 or more. Under the procedure the individual responsible for completing the SoF declaration will be required to sign the record, as will the customer. By policy, the cage supervisor is already responsible for overseeing and verifying the process. Adding a third signature does nothing to increase the obligations and responsibilities of the cage supervisor and conversely, not having the third signature in no way takes away from the supervisor's responsibilities or the ability to hold that individual responsible for the activities that occur under their supervision. Ultimately, the site general manager and the executive members of the service provider remain responsible for all activities at a gaming site as well as compliance with all laws including anti-money laundering laws. Logically, if signatures were beneficial and necessary to confirm the ascending order of responsibility every person from the cashier to the CEO should sign the declaration. Further, a focus on rigid, paper-based procedures, such as multiple hard copy signatures, creates barriers to moving to more effective automated AML systems. BCLC's vision and desire is to move as quickly as possible to increased automation which will allow for more sophisticated money laundering analytics and countermeasures. For these reasons we do not believe having the cage supervisor sign the SoF is beneficial.

GPEB Recommendation

2. Clarification of $10,000 threshold- BCLC has advised that applying the Source of Funds Declaration to a series of transactions totaling $10,000 or more over a 24 hour period is something "that is covered in existing training extensively" and is something that Service Providers are "intimately familiar with" because it has been a requirement under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) since 2000. However, the Source of Funds Declaration is not a PCMLFTA requirement and, as a result, GPEB recommends clarifying on the Source of Funds Declaration that it applies to a series of buy-ins totaling $10,000 or more over a 24 hour period to ensure there is no confusion among Service Providers.

BCLC

Contrary to the statement in this recommendation, source of funds and source of wealth measures are requirements under the PCMLTFA. The PCMLTFA is a risk based regime – meaning prescriptive and detailed procedures are not set out explicitly in the legislation. Rather, reporting entities are expected and required to undertake the activities and implement the systems needed, tailored to their individual circumstances and risk, to meet the statutory requirements. Notwithstanding, "source of funds" requirements are specifically set out in the legislation – see for example section 67.1 of the general regulation. Source of funds and source of wealth requirements in regard to customer due diligence and on-going monitoring are created, based upon the risk presented by the customer, through the operation of section 9.6 of the Act and section 71.1 of the general regulations. This is confirmed in FinTRAC Guideline 4, which specifically mentions determining the "source of funds and source of wealth" of the client.

As initially stated, source of funds and wealth inquires have been part of BCLC's AML regime for a considerable period of time. Service Provider cage and surveillance staff are well versed in these obligations and have received specific training. Moreover, BCLC believes there is very little chance of any confusion arising as the changes being made are an extension of existing SoF procedures rather than the introduction of a new process. Nonetheless, BCLC acknowledges GPEB's concern about confusion and will monitor compliance with the change closely for an initial period to make sure no difficulties are experienced.

GPEB Recommendation

3. Field for refused transactions- There may be instances where a transaction that is subject to a Source of Funds Declaration is refused (e.g. patron does not have a receipt). GPEB recommends adding a field on the Source of Funds Declaration to indicate the transaction has been refused and the reason for refusal.

BCLC

A refused transaction will already generate an unusual financial transaction report to BCLC, which may in turn result in an STR to FinTRAC. UFTs and STRs include much more information than the fact there was a refusal and the reason for the refusal. Putting these data fields on the SoF form will create a redundancy within the existing procedures, will serve no purpose given the current requirement for an UFT, and could create confusion. For these reasons BCLC believes it would not be beneficial to add these data fields to the SoF form.

GPEB Recommendation

4. Signature of registered gaming worker involved in interpretation- GPEB investigators have experienced situations where a Service Provider staff member has been involved in interpreting language on a document on behalf of a patron when the document is provided in English and the patron does not read I speak English. Given the Declaration will only be provided in English, GPEB recommends that a field be added to the Source of Funds Declaration that captures the name and GPEB registration number of any staff member that may be involved in translating information on the Source of Funds Declaration for a patron or translating information provided by the patron that will be captured on the Source of Funds Declaration.

BCLC

BCLC has not experienced or had difficulties reported where translation is required for basic gaming transactions. BCLC will monitor for these situations and will revisit the translation issue should it become evident it is creating transactional or monitoring issues. While BCLC will monitor this situation, adding a fourth signature to the SoF form is likely to prove counterproductive to AML program improvement for the reasons set out in the response to #1 above.

5. Clarify language in directive regarding Large Cash Transactions (LCTs)- The proposed language in the Directive requires Service Providers to "document the player declaration on a revised Reasonable Measures I Source of Funds form and...scan the form into Itrak for each associated LCT entry." This may cause some confusion for Service Providers given the Source of Funds Declaration applies to transactions that do not have an associated LCT entry (e.g. bank draft $10,000 or greater). GPEB recommends the language be clarified that all Declarations should be scanned into Itrak regardless of whether there is an associated LCT.

There appears to be some misapprehension on the part of GPEB in regard to the existing buy-in processes. For tracking and monitoring purposes, an LCT record is currently initiated in all buy-in instances of $10,000 or more – cash or bank instrument. A formal LCT report to FinTRAC is only generated and sent in the case of a cash buy-in, as per PCMLTFA requirements and FinTRAC direction to BCLC. Service Providers are intimately familiar with the process requirements and how iTrack works. In this regard there is no change to existing processes and thus there should be no opportunity for confusion at the Service Provider.

All completed SoF forms will be scanned into iTrack regardless of the form of buy-in; cash or bank instrument.

GPEB Recommendation

6. Provide clear guidelines for Service Providers- The Declaration relies on Service Providers exercising their judgement. BCLC asks the Service Providers to ensure information provided by the patron is "specific" and includes "reasonable detail". GPEB recommends that BCLC provide clear written guidelines to Service Providers to assist them in making these determinations.

BCLC

Where appropriate and practical, BCLC prefers a non-prescriptive approach to policy and procedure. Challenges with a rigid prescriptive approach where detailed direction or a list is provided include: 1) it is impossible to cover every circumstance or eventuality that will arise so gaps in the prescriptive requirements are certain to emerge over time; and 2) compliance tends to become reduced to the prescribed guidance. BCLC prefers to require Service Providers, through training and experience, to be knowledgeable and have expertise in their areas of responsibility which leads to an obligation to exercise sound judgment and good decision making in duties such as completing free text data fields. BCLC is of the view this approach leads to higher and better

levels of compliance as opposed to tick-box compliance which comes with prescriptive guidance. For example, Service Providers do a good job of identifying and completing UFT reports with the requisite level of detail and information. BCLC believes this same approach will be successful in with the completion of SoF records. BCLC acknowledges GPEB's concern and will monitor the completeness of SoF forms closely for an initial period to make sure no difficulties are experienced. Should issues with lack of specificity or detail be found, this recommendation will be revisited.

GPEB Recommendation

7. Privacy Impact Assessment- BCLC has advised GPEB that the Source of Funds Declaration "does not collect personal information that is not already collected through the CDD/KVC and EDD procedures." GPEB understands that public bodies are required to complete a Privacy Impact Assessment (PIA) for any proposed enactment, system, project, program or activity. GPEB recommends that BCLC consult with the Office of the Information and Privacy Commissioner for B.C. to determine whether a PIA is required for the implementation of the Source of Funds Declaration.

BCLC

While not required, a formal PIA review was completed as part of the implementation process for recommendation #1.

This is Exhibit "92" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

LCT Buy-ins Source of Funds Review

February 2018 Transactions

Prepared by: AML Unit

Prepared on: 10-Aug-2018

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Overview

LCT buy-in transactions occurring during the month of February 2018 were manually reviewed to determine the source of funds (SOF). Each FINTRAC Reporting Number (FRN) represents a LCT buy-in report that was sent to FINTRAC.

Table tracking sheets and other attached media within the LCT were reviewed to determine the SOF. The sources identified are:

1. **No Receipt:** Service provider missed collecting the SOF due to the buy-ins occurring on separate days or there is no indication on the table tracking sheets and other media relating to the SOF.

2. **Previous Cash Disbursement:** Table tracking sheets indicate that the cash buy-in is from a rolling source of funds (RSF) from a previous casino cash out.

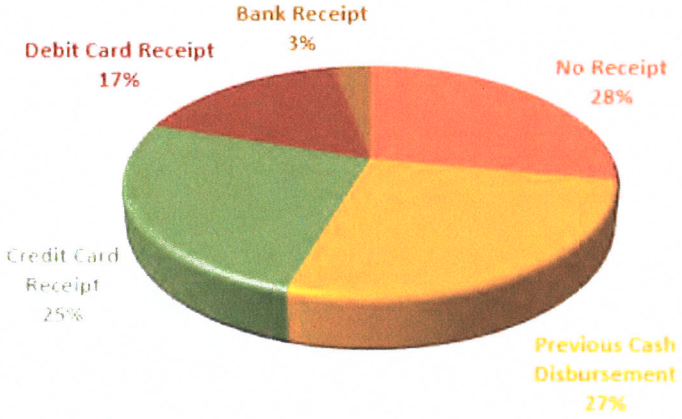
3. **Credit Card Receipt:** Scanned copies of the credit card transaction receipts from Global Cash or Cash Club are viewable and linked to the buy-in.

4. **Debit Card Receipt:** Scanned copies of the debit card transaction receipts from an ATM or debit at the cage are viewable and linked to the buy-in.

5. **Bank Receipt:** Scanned copies of the bank withdrawal slips indicate the amount and sometimes the denominations are viewable.

Results

February 2018 had 1100 LCT buy-in transactions. 1089 LCT buy-in transactions were reviewed. 11 transactions were not included as they originated from PGF accounts and were entered in error.



	# of LCT buy-ins (FINTRAC)	
No Receipt	304	28%
Previous Cash Disbursement	290	27%
Credit Card Receipt	278	26%
Debit Card Receipt	185	17%
Bank Receipt	32	3%
	1089	100%

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BCLC0004157.02

This is Exhibit "93" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

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BCLC AML Unit
Reasonable Measures / Source of Funds (RM/SOF) Review
Summary of Findings

January 31, 2019

As part of BCLC's Anti-Money Laundering Program testing, a review was completed of the Reasonable Measures and Source of Funds Forms for LCT transactions with buy-in amounts of $10,000 or more during the period of December 23 – 29, 2018 and December 30, 2018 – January 5, 2019.

The scope of this review is to determine if the RM/SOF Forms are being accurately completed by Casino Service Providers and that all required information has been entered, with supporting evidence provided (ie: Bank or ATM Receipt).

Transactions from the following sites were reviewed:

- Cascades Langley
- Casino Nanaimo
- Elements Surrey
- Elements Victoria
- Hard Rock Casino Vancouver
- Starlight Casino

This review mirrors the testing approach of the RM/SOF audits completed at River Rock, Parq and Grand Villa by Deloitte, and Deloitte's document *Source of Funds (SOF) Monitoring Testing Approach* dated November 30, 2018 was used as a guideline.

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Summary of testing December 23-29, 2018

	Completeness			Accuracy		
	# of RM SOF Reviewed	# Exceptions	% Exceptions	# of RM SOF Reviewed	# Exceptions	% Exceptions
Starlight	14	2	14%	14	0	0%
Cascades Langley	6	0	0%	6	0	0%
Hard Rock Casino	5	0	0%	5	2	40%
Elements Victoria	1	0	0%	1	1	100%
Elements Surrey	1	1	100%	1	0	0%
Casino Nanaimo	1	0	0%	1	1	100%
Hastings	1	0	0%	1	0	0%
TOTAL	**29**	**3**	**10%**	**29**	**4**	**14%**

Summary of testing December 30, 2018 - January 5, 2019

	Completeness			Accuracy		
	# of RM SOF Reviewed	# Exceptions	% Exceptions	# of RM SOF Reviewed	# Exceptions	% Exceptions
Starlight	13	0	0%	13	0	0%
Cascades Langley	9	0	0%	9	0	0%
Hard Rock Casino	3	1	33%	3	2	67%
Elements Victoria	3	1	33%	3	0	0%
Elements Surrey	2	0	0%	2	0	0%
Casino Nanaimo	1	1	100%	1	1	100%
TOTAL	**31**	**3**	**10%**	**31**	**3**	**10%**

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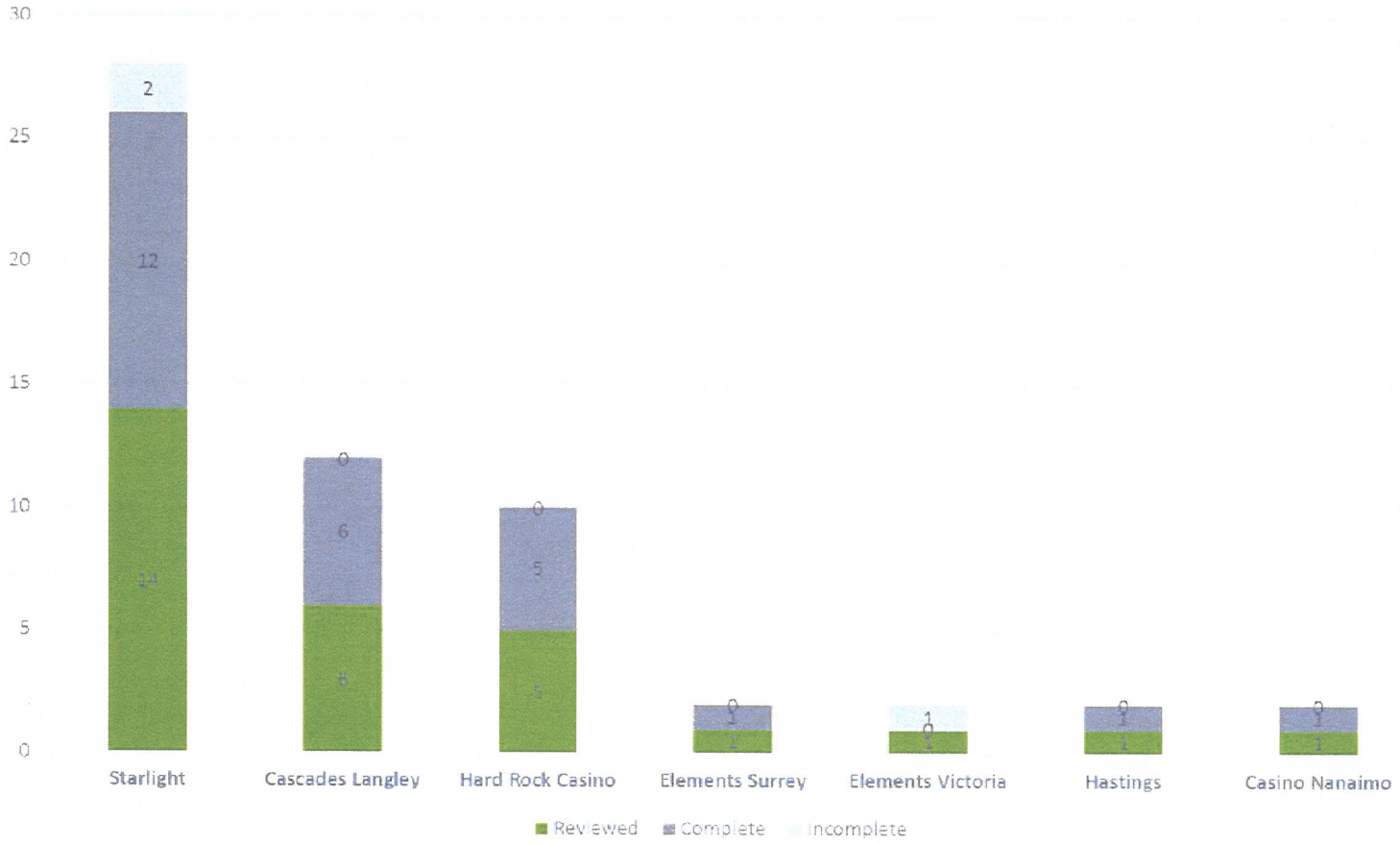
RM SOF Review - Completeness Summary
Week of December 23-29, 2018



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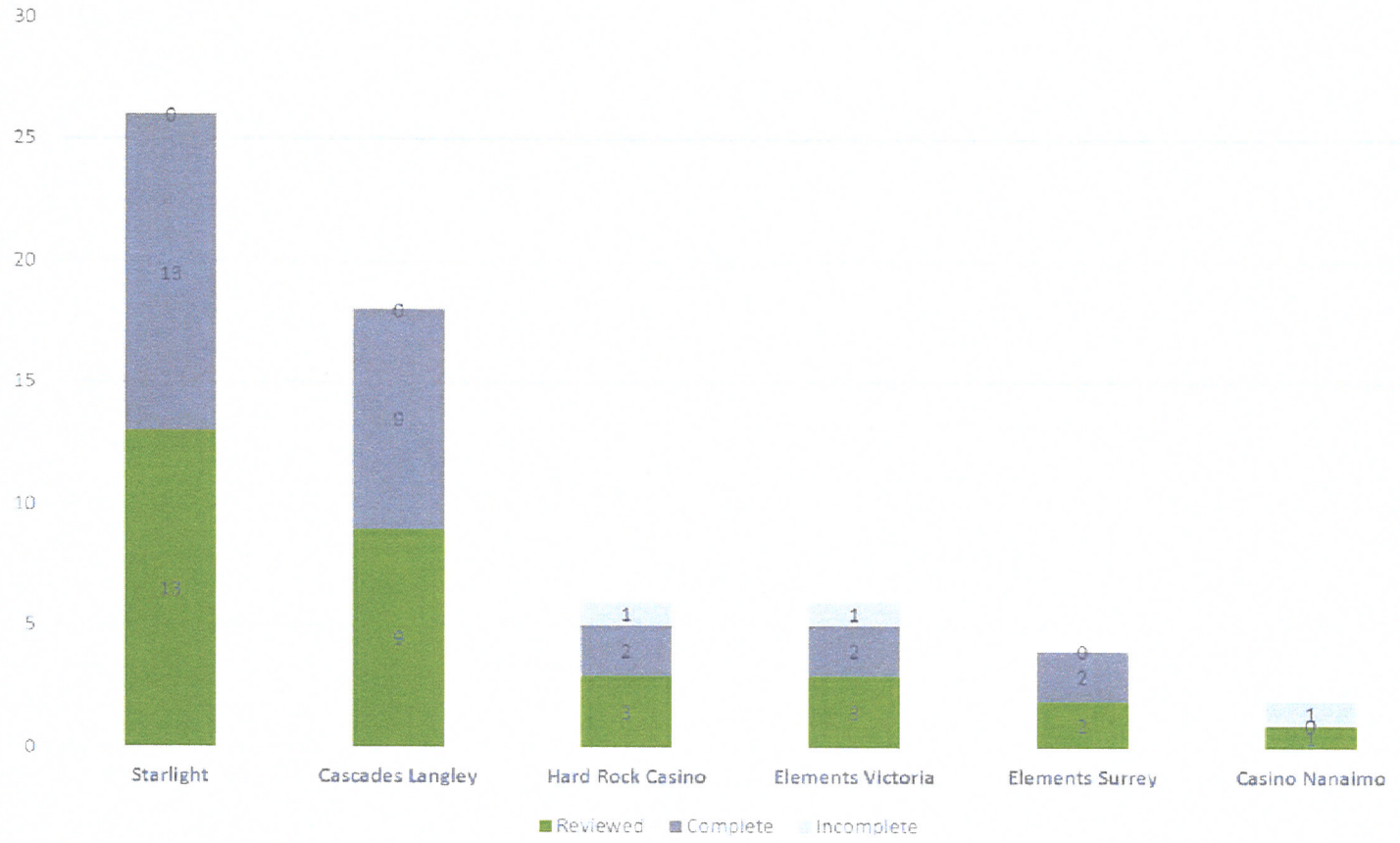
RM SOF Review - Completeness Summary
Week of December 30, 2018 - January 5, 2019



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RM

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REASONABLE MEASURES FORM

Date Completed: _____ **ID confirmed? Yes** ___ **No** ___

Patron Name: _____ **SID #:** _____

Ask the guest if he/she was acting on behalf of a third party "Are you buying in or cashing out on behalf of someone else?"
Answer:

- Yes (third party transaction – transaction is refused)
- No (funds belong to patron)
- Undetermined (see reason why below)

Time	Buy-in / Cash-out Amount						
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____
	B	C	$	Yes	No	UND	Employee name/GPEB
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____
_____	B___	C___	$_____	Yes___	No___	UND___	Employee name/GPEB_____

Why Reasonable Measures were unsuccessful:

_____

_____

_____

Privacy Notice: Your personal information is collected in accordance with the Freedom of Information and Protection of Privacy Act, British Columbia, and will be used, accessed, disclosed and stored by BCLC and its service providers inside and outside Canada to administer and validate your transactions for auditing, record keeping and reporting purposes as required by BCLC and its regulators, including the Gaming Policy and Enforcement Branch (GPEB) and the Financial Transactions and Reports Analysis Centre (FINTRAC) and to comply with applicable laws and BCLC policies, procedures and standards. Questions related to the collection or use of your personal information may be directed to BCLC's Customer Support Centre at 74 West Seymour Street, Kamloops, BC V2C 1E2. Telephone 1 800 [illegible] or bclc.com.

Updated December 2018

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SOF

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SOURCE OF FUNDS DECLARATION

(Buy-ins of $10,000 or more)

Amount of buy-in requested: _____

Type:

Cash ☐
Draft ☐
Certified Cheque ☐
Debit Card ☐
Credit Card ☐

Does the patron have a receipt from a financial institution which sources the funds? Yes____No____

Does the patron have an existing PGF account? Yes___No___

Is this a new customer? Yes____No____

Notes (specify every transaction):

_____

_____

_____

Ask the patron where they acquired the funds for this buy-in? (This information is mandatory and must be specific)

_____

_____

_____

Banking Information

Financial Institution:_____ Branch_____ Account # _____
(N/A for credit card) (last 4 digits of credit card)

Draft Transit # _____ Draft # _____

Signature of registered gaming worker certifying source of funds information_____

Print name of registered gaming worker certifying information_____ GPEB #_____ Date _____

Name of patron certifying this information: (please print name) _____

Date:_____ Patron signature: _____

Privacy Notice: Your personal information is collected in accordance with the Freedom of Information and Protection of Privacy Act, British Columbia, and will be used, accessed, disclosed and stored by BCLC and its service providers inside and outside Canada to administer and validate your transaction, for auditing, record keeping and reporting purposes as required by BCLC and its regulators, including the Gaming Policy and Enforcement Branch (GPEB) and the Financial Transactions and Reports Analysis Centre (FINTRAC), and to comply with applicable laws and BCLC policies, procedures and standards. Questions related to the collection or use of your personal information may be directed to BCLC's Customer Support Centre at 74 West Seymour Street, Kamloops, B.C. V2C 1E2, telephone 1 866 815-0220, or bclc.com.

Updated December 2011

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Details of Missing Data - December 23-29, 2018

	Elements Victoria	Hard Rock Casino	Casino Nanaimo	Starlight	Related LCT#
Source of Funds Form Completed					
Reasonable Measures Form Completed					
Bankdrafts/Receipt Scanned into iTrak					
RM Date Written					
RM ID Confirmed (Y/N)					
RM Guest Name					
RM SID					
RM - Info for each buy in checked (time, buy in or cash out, $ amount, 3rd party, if undetermined - reason written, emp name, GPEB #	1	2			LCT20180065296 LCT20180065465 LCT20180065464
SOF amount written					
SOF cash/draft/cert chq					
SOF where funds came from written			1		LCT20180065601
SOF Financial Inst.				1	LCT20180064305
SOF Branch				1	LCT20180064305
SOF Acct #				1	LCT20180064305
SOF Receipt Checked Y/N					
Receipt Scanned into iTrak (if applicable)					
New customer Y/N Checked					
PGF Acct Y/N Checked					
Signature of Gaming Worker					
GPEB #					
Name of Gaming Worker					
Date Signed by Gaming Worker					
Date Signed by Gaming Worker					
Name of Patron				1	LCT20180065314
Signature of Patron				1	LCT20180065314
Date Signed by Patron				1	LCT20180065314

*Elements Surrey, Cascades Langley and Hastings Park did not have any missing data

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Details of Missing Data - December 30, 2018 - January 5, 2019

	Elements Victoria	Hard Rock Casino	Casino Nanaimo	Related LCT#
Source of Funds Form Completed		1		LCT20190003724
Reasonable Measures Form Completed				
Bankdrafts/Receipt Scanned into iTrak				
RM Date Written				
RM ID Confirmed (Y/N)				
RM Guest Name				
RM SID				
RM - Info for each buy in checked (time, buy in or cash out, $ amount, 3rd party, if undetermined - reason written, emp name, GPEB #		2		LCT20190003724 LCT20190000237
SOF amount written				
SOF cash/draft/cert chq				
SOF where funds came from written			1	LCT20190000718
SOF Financial Inst.				
SOF Branch				
SOF Acct #				
SOF Receipt Checked Y/N				
Receipt Scanned into iTrak (if applicable)				
New customer Y/N Checked				
PGF Acct Y/N Checked				
Signature of Gaming Worker				
GPEB #				
Name of Gaming Worker			1	LCT20190000718
Date Signed by Gaming Worker				
Date Signed by Gaming Worker				
Name of Patron				
Signature of Patron	1			LCT20190000820
Date Signed by Patron	1			LCT20190000820

*Elements Surrey, Cascades Langley and Starlight did not have any missing data

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This is Exhibit "94" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BCLC AML Unit
UFT Refused Buy-Ins Review
Summary of Findings – May 2018

June 4, 2018

As a result of the implementation of the SOF Declaration directive put in place on January 10, 2018 a review of Unusual Financial Transactions was completed of all site refused buy-ins for the May 1-31, 2018 period. These transactions were recorded in iTrak as Unsubstantiated, Unsubstantiated – No Receipt and Substantiated. The sites included in this review are:

Cascades Langley
Hard Rock Casino Vancouver
River Rock Casino
Grand Villa
Elements Victoria
Parq
Starlight

These buy-ins were refused when customers were not able to provide a receipt to prove the source of funds for any buy in of $10,000 or more, or a buy-in that would put them over the $10,000 threshold, or if they are subject to full cash conditions (a BCLC directive requiring receipts for all cash buy-ins).

May 2018 Refused Buy-Ins – Unsubstantiated and Unsubstantiated-No Receipt

The total number of unsubstantiated transactions reviewed for the month of May was 155. Of those 155 transactions, the number of transactions that were site refused buy-ins was 134. 3 of the buy-ins that were refused in May were for an undetermined amount, and as such they were not included in the final numbers.

The dollar amount of the transactions varied from $180 to $28,000, and the total amount refused in May was $330,680.

May 2018 Refused Buy-Ins –Substantiated

During the month of May there was one substantiated unusual financial transaction for a refused buy-in of $9,400.

	# of Substantiated UFT Buy-In Refusals	$ Amount of Substantiated UFT Buy-In Refusals	# of Unsubstantiated UFT Buy-In Refusals	$ Amount of Unsubstantiated UFT Buy-In Refusals
May 2018	1	$9,400	131	$330,680

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This is Exhibit "95" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

May 9, 2018

BCLC AML Unit
UFT / Refused Buy-Ins Review
January 10, 2018 – April 30, 2018

On January 10, 2018, the Source of Funds (SOF) Declaration initiative was put in place in response to Peter German's interim recommendation. As a result of this recommendation, BCLC reviewed all substantiated and unsubstantiated UFT files for refused buy-ins for the period of January 10, 2018 to April 30, 2018. These transactions are recorded in iTrak as *Substantiated, Unsubstantiated and Unsubstantiated – No Receipt*. The sites that had recorded transactions were:

Chances Abbotsford
Chances Kelowna
Chances Squamish
Elements Surrey
Elements Victoria
Hard Rock Casino Vancouver
Hastings Park
Grand Villa
Cascades Langley
Cascades Kamloops
Casino Nanaimo
Playtime Kelowna
Parq
River Rock Casino
Starlight

These buy-ins are refused when customers are not able to provide a receipt to prove the source of funds for any buy in of $10,000 or more, or if they are subject to full cash conditions (a BCLC directive requiring receipts for all cash buy-ins).

The total number of unsubstantiated transactions reviewed for the entire period was 636, of which 477 were refused buy-ins, as shown on Appendix A. The dollar amount of the transactions varied from $100 to $35,000 and the total amount refused was $2,033,114.

It should be noted that the majority of refused buy-ins were for less than $5000, as shown on Appendix B. An analysis of the total dollar amount refused for each month was completed, with Appendix C demonstrating that the highest amount refused was in February.

During the January 10, 2018 to April 30, 2018 timeframe, the table revenue, net win and net win overall (including slots and Bingo) was:

- Total Table Revenue (Drop) = $856,200,599
- Total Table Net Win = $153,822,158
- Total Overall Net Win = $617,441,290

The percentage of refused revenue (table drop) from Jan 10, 2018 - April 30, 2018 is 0.24%.

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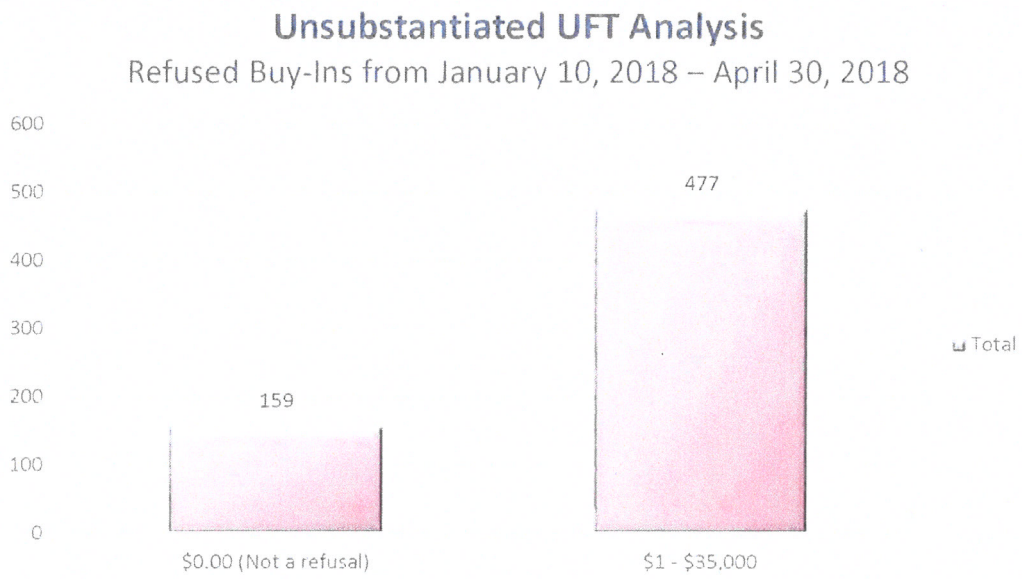
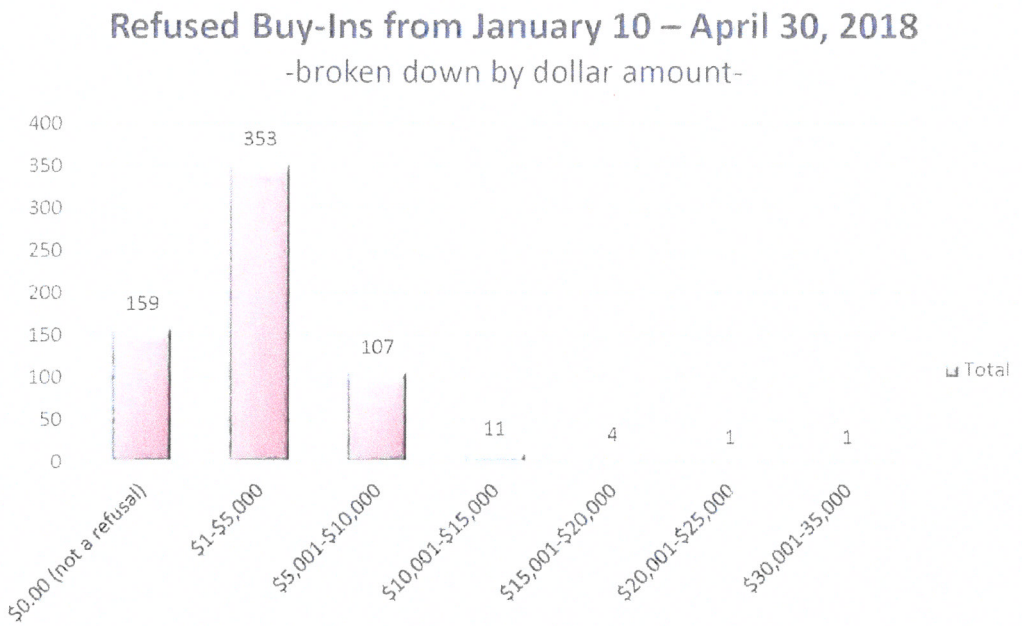
Appendix A: Unsubstantiated UFTs - Refused Buy-Ins vs. Non-Refusal



Appendix B: Unsubstantiated UFTs - Refused Buy-Ins by Dollar Amount



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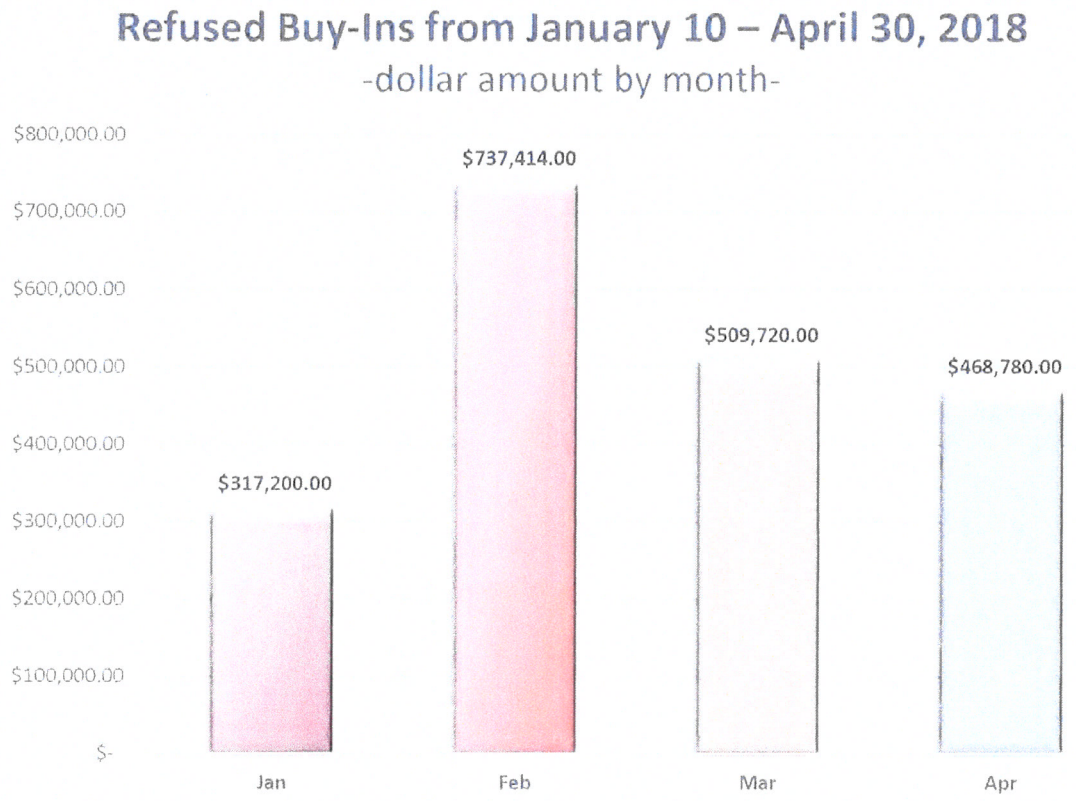
Appendix C: Unsubstantiated UFTs - Dollar amount of Refused Buy-Ins per Month



Substantiated UFT's

From January 10, 2018 – April 30, 2018 there were 66 Substantiated UFT's resulting in STR's, with 10 being refused buy-ins due to no receipt (per SOF directive). The total dollar amount of Substantiated UFT's that were refused during this period was $97,760.

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Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
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BCLC AML Unit
Unsubstantiated UFT / Refused Buy-Ins Review
Summary of Findings

April 9, 2018

As a result of the implementation of the SOF Declaration directive put in place on January 10, 2018 a review of Unsubstantiated Unusual Financial Transactions was completed of all site refused buy-ins for the January 10, 2018 to February 28, 2018 period. The sites included in this review are:

- River Rock
- Parq
- Elements
- Cascades Langley
- Hard Rock Casino Vancouver
- Casino Nanaimo
- View Royal Casino
- Grand Villa
- Starlight
- Playtime Kelowna

These buy-ins were refused when customers were not able to provide a receipt to prove the source of funds for any buy in of $10,000 or more, or a buy-in that would put them over the $10,000 threshold.

The total number of transactions reviewed during this period was 304. Of those 304 transactions, the number of transactions that were site refused buy-ins was 232.

The dollar amount of the transactions varied from $100 to $35,000, and the total amount refused was $1,054,614.

During the January 10, 2018 to February 28, 2018 timeframe, the table revenue, net win and net win overall (including slots and Bingo) are:

- Total Table Revenue (Drop) = $384,704,747
- Total Table Net Win = $69,281,803
- Total Overall Net Win = $266,510,841

The percentage of refused revenue (table drop) is 0.27%.

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This is Exhibit "97" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Source of Funds and Reasonable Measures (SOF/RM) Reference Guide for Service Providers

July 2019
AML Unit

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Reasonable Measures & Source of Funds (RM/SOF) Reference Guide

Source of Funds Overview

On January 10, 2018 following an interim recommendation from the Peter German review, BCLC released a directive for Source of Funds (SOF) Declarations at the $10,000 threshold to confirm where BC Casino patrons are obtaining the funds used for their buy-ins. This directive was included in Policy effective September 6, 2018. This process applies to all cash and cash equivalents including debit/credit card advances and bank draft/certified cheque buy-ins for $10,000 or more and includes incremental table buy-ins when the patron reaches the $10,000 threshold.

SOF Forms

In addition to the completion of the SOF form at the $10,000 threshold, an SOF Form must also be completed for every subsequent buy-in after the original $10,000. This can be completed either on additional SOF forms or by using the multiple entry page 2 form. The player must sign for each incremental buy-in past the $10,000 and all documentation must be scanned into the media tab in LCT entry.

DETAILS ON SOF FORM

The SOF form must show the breakdown of the funds and not just the total amount. This means that if there is $5000 from cash, $2000 from debit, and $4000 from global cash, all three need to be listed on the SOF for a cumulative total of $11,000. For cash and debit transactions, full banking information must be collected including transit number/branch location and bank account number, and/or the last four digits of credit cards must be recorded.

It is imperative that every line or checkbox MUST be completed on the SOF form before it is signed by the patron and scanned into the media tab.

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EXAMPLES OF SOF PROCESS

Example 1: If a patron is playing at a table and hits the $10,000 threshold:

1) Play must be stopped until the SOF form can be completed by the gaming employees, receipt(s) collected and recorded and the SOF form signed by the patron. The SOF form must be fully completed before being presented to the patron for their signature.

2) The SOF form must be signed by the patron to certify the information they provided before any further play can commence.

3) The employee documenting the information must also print and sign their name at the bottom of the SOF form, and provide their GPEB number and the date. The employee signing the form is certifying that the information is complete and accurate.

4) Once the SOF form is complete and receipts have been obtained, the patron may continue play and the completed SOF form and receipts must be scanned into the LCT entry in iTrak.

5) Un-sourced cash cannot exceed $10,000 or more per day per site under any circumstances.

Example 2: If the patron refuses to provide their information, receipt(s) and/or sign the SOF form:

1) Gaming privileges must be refused.

2) An Unusual Financial Transaction incident in iTrak (UFT, SOF Refusal) must be created for review by the AML Unit.

Example 3: If the Service Provider employees find the circumstances suspicious in any way:

1) The buy-in must be refused.

2) The incident must be documented as an Unusual Financial Transaction incident in iTrak.

Example 4: If an SOF Form is missed by Service Provider employees:

1) An iTrak file MUST be created to explain why this occurred and if it was avoidable

Missed SOF Form

When an SOF form is missed an iTrak file must be created to explain why this occurred and details for the missed report must be provided. If the SOF form was missed because of the 48-hour rule or multiple tracking sheets, this explanation must be noted on the form or the tracking sheets and scanned into iTrak.

The application of the 48-hour rule is for multiple tracking sheets that extend over two playing days or on a single day with a significant break in play which are under $10,000 each but when found in review, contain buy-ins of $10,000 or more within a 24-hour period.

The multiple tracking sheet rule is used in instances where a player has bought in on the same day in different areas or on different floors and staff are unaware that there is an open tracking sheet already started. Upon collection of the tracking sheets at days end, two or more sheets are located for the same person that total $10,000 or more within the 24-hour period.

In both these examples, staff would not have initiated an SOF or RM form as the known totals were under $10,000 therefore those forms are not required.

Receipts

Patrons presenting unsourced cash totaling $10,000 or more, or cash equivalents such as certified cheques or bank drafts, must produce receipts for all of the unsourced cash and cash equivalents and the receipt must include the patron's name, financial institution that issued the cash, location of the financial institution, and the patron's bank account information. This information must be provided by the patron and recorded on the receipt by the gaming employee.

If the total of the unsourced cash is less than $10,000 but the overall total includes cash equivalents which brings the total to $10,000 or more, receipts are only required for the cash equivalents.

If the patron is unable to produce receipt(s):

1) No further cash buy-ins can be accepted from them and gaming privileges must be refused.

2) The incident must be documented in an Unusual Financial Transaction incident in iTrak (UFT, no receipt) for review by the BCLC AML Unit.

Bank receipts for cash must be dated within 24 hours of the patron declaring the funds as sourced. The receipt must be an original, which aligns with the amounts expected for the buy-in. The original receipt shall be retained by the Service Provider and scanned into the associated iTrak LCT entry for the patron with the full bank account number, branch location and name of patron recorded.

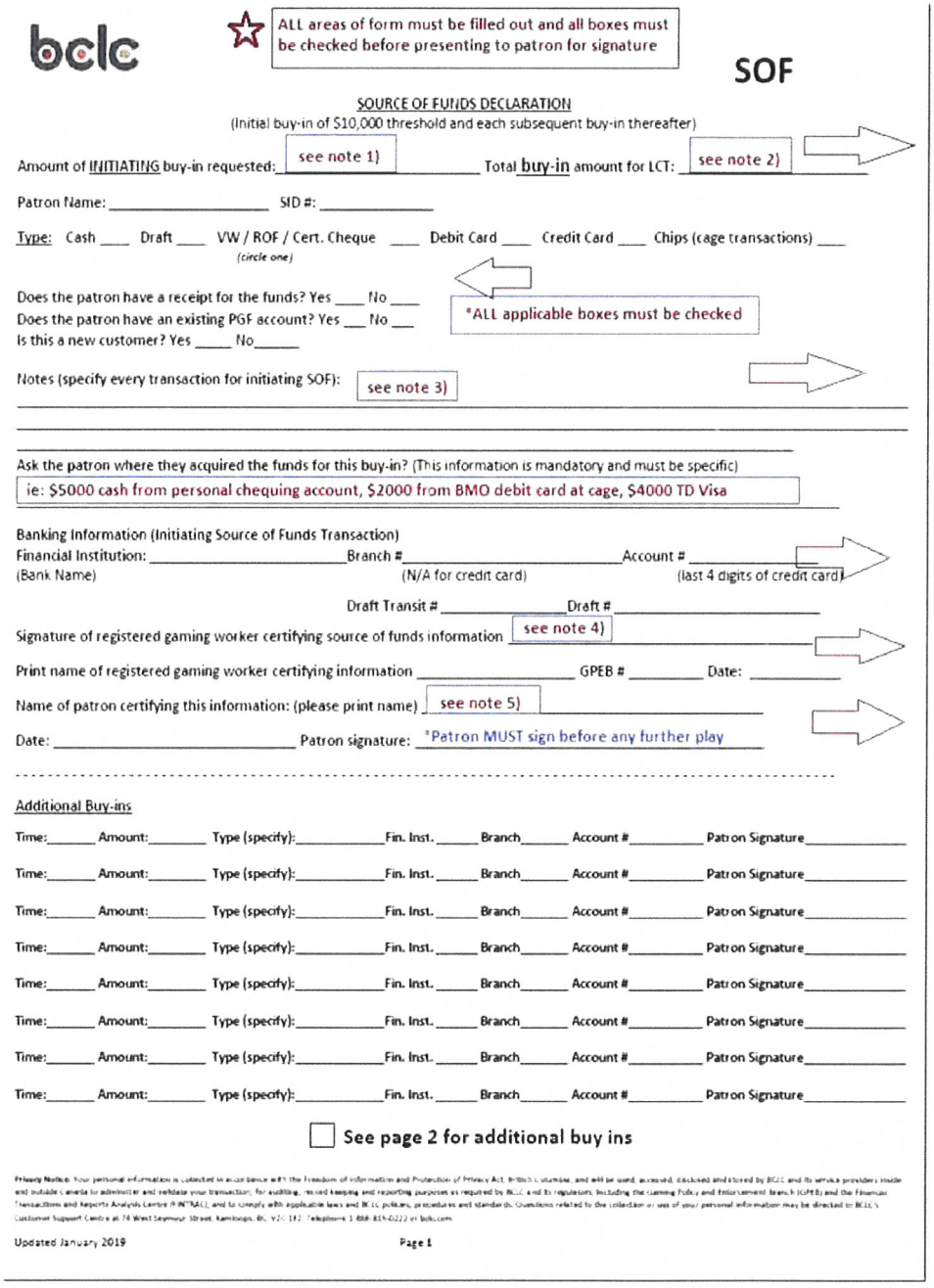
For debit card transactions, the receipt must include the patron's name, financial institution, location of the financial institution, and the patron's bank account information. For credit card transactions, the receipt must contain the patron's name, the financial institution issuing the card, and the last 4 digits of the card number. Card type is not required to be recorded (i.e. Visa, MasterCard etc.).

It should be noted that Money Service Businesses (MSBs) are not considered acceptable sources of funds and therefore funds presented from these businesses shall not be accepted.

Casino Disbursements

Cash that is from a casino disbursement can be presented within 48 hours of the disbursement providing gaming staff confirm the disbursement by checking the details with the issuing site or with the BCLC AML Unit. Any cash from previous winning outside the 48-hour window must be confirmed by BCLC before it can be accepted for gaming. The site can call the AML Unit or the onsite Investigator to confirm previous disbursements outside the 48-hr window. This rule is in place as sites do not have visibility across all Service Providers therefore, cannot confirm that previous disbursements were not already returned and that this is not new money. Verified Win or Return of Funds cheques from BC Casinos can be presented for redemption at any time and a copy must be scanned into LCT entry in iTrak.

Two Approved SOF Form Examples



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ALL areas of form must be filled out and all boxes must be checked before presenting to patron for signature

SOF

SOURCE OF FUNDS DECLARATION

(Initial buy-in of $10,000 threshold and each subsequent buy-in thereafter)

Amount of INITIATING buy-in requested: see note 1) Total buy-in amount for LCT: see note 2)

Patron Name: _____ SID #: _____

Type: Cash ___ Draft ___ VW / ROF / Cert. Cheque ___ Debit Card ___ Credit Card ___ Chips (cage transactions) ___
(circle one)

Does the patron have a receipt for the funds? Yes ___ No ___
Does the patron have an existing PGF account? Yes ___ No ___
Is this a new customer? Yes ___ No ___

*ALL applicable boxes must be checked

Notes (specify every transaction for initiating SOF): see note 3)

Ask the patron where they acquired the funds for this buy-in? (This information is mandatory and must be specific)

ie: $5000 cash from personal chequing account, $2000 from BMO debit card at cage, $4000 TD Visa

Banking Information (Initiating Source of Funds Transaction)

Financial Institution: _____ Branch # _____ Account # _____
(Bank Name) (N/A for credit card) (last 4 digits of credit card)

Draft Transit # _____ Draft # _____

Signature of registered gaming worker certifying source of funds information see note 4)

Print name of registered gaming worker certifying information _____ GPEB # _____ Date: _____

Name of patron certifying this information: (please print name) see note 5)

Date: _____ Patron signature: *Patron MUST sign before any further play

Additional Buy-ins

Time:___ Amount:___ Type (specify):___ Fin. Inst. ___ Branch___ Account #___ Patron Signature___

Time:___ Amount:___ Type (specify):___ Fin. Inst. ___ Branch___ Account #___ Patron Signature___

Time:___ Amount:___ Type (specify):___ Fin. Inst. ___ Branch___ Account #___ Patron Signature___

Time:___ Amount:___ Type (specify):___ Fin. Inst. ___ Branch___ Account #___ Patron Signature___

Time:___ Amount:___ Type (specify):___ Fin. Inst. ___ Branch___ Account #___ Patron Signature___

Time:___ Amount:___ Type (specify):___ Fin. Inst. ___ Branch___ Account #___ Patron Signature___

Time:___ Amount:___ Type (specify):___ Fin. Inst. ___ Branch___ Account #___ Patron Signature___

Time:___ Amount:___ Type (specify):___ Fin. Inst. ___ Branch___ Account #___ Patron Signature___

☐ See page 2 for additional buy ins

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Updated January 2019 Page 1

1) Buy in amount which triggers the LCT reporting requirement

2) Total buy in amount at ths point ($10K+)

3) Must show breakdown of the funds and not just the total amount.
ie: $5000 cash buy in at 11:03am, $2000 debit buy in at 11:26am, $4000 global cash at 11:49am.
Receipts must be scanned into iTrak.

*Note: Patron can present up to $9999 unsourced cash, and once $10,000 threshold is hit all receipts must be collected before any further play

FULL Banking information must be collected including transit/branch number and account number

4) Gaming worker name, GPEB#, signature and date must all be completed

5) Present to patron for signature after form has been completely filled out. Form MUST be signed by patron before any further play

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SOF

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SOURCE OF FUNDS DECLARATION

(Buy-ins of $10,000 or more)

Amount of buy-in requested: _____

Type:

Cash ☐
Draft ☐
Certified Cheque ☐
Debit Card ☐
Credit Card ☐

Does the patron have a receipt from a financial institution which sources the funds? Yes____No____

Does the patron have an existing PGF account? Yes___No___

Is this a new customer? Yes____No____

Notes (specify every transaction):

_____

_____

Ask the patron where they acquired the funds for this buy-in? (This information is mandatory and must be specific)

_____

_____

Banking Information

Financial Institution:_____ Branch_____ Account # _____
(N/A for credit card) (last 4 digits of credit card)

Draft Transit # _____ Draft # _____

Signature of registered gaming worker certifying source of funds information_____

Print name of registered gaming worker certifying information_____ GPEB #_____ Date _____

Name of patron certifying this information: (please print name) _____

Date:_____ Patron signature: _____

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Updated December 2018

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Reasonable Measures Overview

The purpose of the Reasonable Measures Form is to determine and document ownership of funds before any transaction of $10,000 or more within a static 24-hour period is completed. This process has been put in place to determine ownership of cash for buy-ins and disbursements and to ensure transactions are not being completed on behalf of a third party. The question MUST be asked and documented with the time of the buy-in/cash out at the $10,000 threshold and every subsequent increment of $10,000 per gaming day.

Individual sites may capture this information at each $10,000 progression or for every $10,000 reached for larger transactions. (i.e.: 10k, 20k, 30k or 17K (first buy in), 27K, 37K).

'UNDETERMINED' RESPONSE / THIRD PARTY TRANSACTIONS

The bottom section of the RM form only needs to be filled out when the response is "undetermined". In this case, the buy-in or disbursement must be refused, as BCLC does not allow third party buy-ins under any circumstances. If the patron is unable to confirm it is not third party cash or refuses to provide this information, the transaction must be refused and the player should be asked to leave. The incident then shall be documented as a UFT- Refusal. All applicable boxes on the RM form MUST be filled in and must contain the full name and GPEB number for the gaming worker asking the questions.

MISSED RM FORM

When an RM form is missed, an iTrak file MUST be created to explain why this occurred and details for the missed report must be provided. If the RM form was missed because of the 48-hour rule or multiple tracking sheets, this explanation MUST be noted on the form or the tracking sheets and scanned into iTrak.

SCENARIOS FOR REASONABLE MEASURES REQUIREMENTS WITH RESPECT TO PGF TRANSACTIONS

Is an RM required to be completed when:

1. A patron deposits 10K into their PGF account using an approved method, with no withdrawal-buy-in.
   Yes
2. A patron requests a 10K withdrawal-buy-in (CPV) from their PGF account to play Tables.
   No
3. A patron requests a 10K cash withdrawal from their PGF Account to play Slots.
   Yes (essentially a disbursement)
4. A patron withdraws 10K (CPV) from their PGF account to play Tables, cashes out 10K after play within 24hrs, and requests a redeposit of 10K back into their PGF account.
   No
5. A patron withdraws 10K (CPV) from their PGF account to play Tables, cashes out 20K after play within 24hrs, and requests a redeposit of 10K plus a deposit of 10K in verified win back into their PGF account.
   No
6. A patron withdraws 10K (CPV) from their PGF account to play Tables, cashes out 20K after play within 24hrs, requests a redeposit of 10K back into their PGF account and a 10K Verified Win cheque.
   Yes (VW is a disbursement)
7. A patron requests a 10K Return of Funds-PGF cheque from their PGF account.
   Yes

RM Form Example

RM

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REASONABLE MEASURES FORM

Date Completed: _____ ID confirmed? Yes ___ No ___

Patron Name: _____ SID #: _____

Ask the guest if he/she was acting on behalf of a third party "Are you buying in or cashing out on behalf of someone else?"
Answer

- Yes (third party transaction – transaction is refused)
- No (funds belong to patron)
- Undetermined (see reason why below)

Time Buy-in / Cash-out Amount

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

_____ B___ C___ $_____ Yes___ No___ UND___ Employee name/GPEB_____

Why Reasonable Measures were unsuccessful

_____

_____

_____

Updated November 2018

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Q/A Document for SOF Directive

1. Sometimes patrons withdraw cash without receiving/collecting a receipt, in this case is there any way we can verify the banking information?
A. In every instance when cash is withdrawn, a receipt is either given or offered. It is up to the patron to obtain one and retain it for buy-in purposes. There is a zero tolerance on this issue. The onus is on the patron to bring in a receipt for cumulative buy-ins of $10,000 or more or the buy-in will be refused.

2. If someone wins a slot jackpot and then buys-in at a table with $10K cash, some of which includes proceeds from the jackpot, how do we verify the funds and what information is needed under such circumstances?
A. You will require a receipt for the portion of cash used and document the JP disbursement on the tracking sheet and LCT for $10,000 transactions or higher.

3. If a guest passes the $10,000 buy-in threshold with multiple subsequent buy-ins, does the full account number need to be disclosed every time? Is it sufficient to receive the full account number the first time and then for all subsequent $10k buy-ins to match the partial numbers shown on the receipt to that full account number first provided?
A. Once they have passed the $10,000 threshold and have provided the required receipt, all subsequent cash buy-ins regardless of size will require a receipt to be scanned into the LCT. Each receipt will require the patron name, financial institution name, financial institution location (branch location and/or transit number) and account number for the patron so we can show the link to the LCT entry and scan.

4. At what point, if any, do we need a receipt for foreign currency? Do the same requirements apply?
A. The same requirements apply for Forex. At $3,000 CDN equivalent, they are reported as normal for record keeping, at $10,000 CDN they are reportable to FINTRAC and require the same receipts and RM/SOF attention as CDN funds.

5. When patrons produce a receipt with their account number and name on it, are we scanning it into iTrak? Are we documenting the account number in any way to confirm it matches previous buy-ins?
A. Yes, scan the receipt in with the noted information with the LCT. We will be reviewing these files moving forward but as a best practices rule, for large buy-ins it would be a good practice to look at any previous receipts/cheques to ensure the numbers match. If they do not, further questions should be asked prior to buy-in to determine why they are different.

6. Is it a rolling 24-hour period or is it by gaming date?
A. It is a rolling 24-hr period for 24-hr sites, and a fixed 24-hr period for non-24-hr sites. These are the same standards applied by FINTRAC for LCT reporting.

7. If there is a player buying-in with $10,000 cash or more who is notified of the new SOF policy and then attempts to buy in with $9000 instead, will we accept this transaction?

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A. The buy-in for $9000 can be accepted and the patron should now be aware of the receipting rules. If that player returns with subsequent cash buy-ins just under $10,000, it is likely going to result in the patron being placed on full sourced cash/chip conditions by BCLC. In no circumstance should SP staff give patrons direction as to what they can do to buy in under the $10,000 threshold (structuring) as it will likely result in registration issues for the employee.

8. How would this impact GCA (credit card) transactions as the receipts may not include bank account information?
A. Please include the receipt that the patron withdraws on their credit card, which should house the truncated credit card number and the company that issued the card. Due to the payment industry standard, we are not authorized to retain credit card numbers, therefore the receipt will be proof of source of funds.

9. Will BCLC be providing a statement or privacy notification for all service providers to pass on to players when collecting information for the new SOFs?
A. No. BCLC has conducted a PIA (Privacy Impact Assessment) on this issue and the information we are collecting does not require a notification as it required under Federal Legislation for the RM form and enhanced due diligence on source of wealth and source of funds for FINTRAC reporting purposes, as set out in FINTRAC guidelines.

10. Can we utilize company phones to take pictures of the receipts that will then be scanned?
A. Only company phones can be used to photograph and scan in receipts. Once completed, the photo must be removed from the phone SIM card.

11. Can we allow players to sign the receipt of the buy-in instead of the Tracking Sheet?
A. The patron must sign the SOF form as it is being used to certify the information.

12. Many guests want their receipts back, does this mean we keep the receipt and do not give it back to the patron or is a copy of the original sufficient?
A. The original receipt should be retained but if they wish to have a copy of the receipt, that is ok. (I would suggest you stamp the copy so it is clear it is a copy) We want the original retained and scanned so we have a record of it and to ensure they do not leave, go to another site with more cash and re-use the same receipt.

13. Once the receipt is scanned, do we have to keep a hard copy of it?
A. Keeping the hard copy of the receipt is up to the site and policy. Once you have scanned it and confirmed the scanned copy is clear and readable, the original receipt must be retained and not given back to the patron.

14. How are we to handle casinos that do not want to provide information due to privacy and use this to get the guest to go back to their site?
A. All SP's have been asked to cooperate as this is a two-way street and we all need to work together to make things work. That being said if they refuse to confirm the disbursement, you could contact the BCLC Investigator at your site or the AML unit if they are available. Failing that and outside normal working hours, you can contact Daryl Tottenham who can confirm that information in most instances and he will deal with the site refusal the next day.

15. Should we be offering our guests receipts at the Cage when they cash out with information on the denominations given and to whom?
A. We do not currently have provisions to work with receipts from SP's. If the patron plans on returning and is concerned about being able to buy in, the easiest way to deal with it is to take a convenience cheque. When they return they have no receipt issues to deal with and if they change their mind, they can simply deposit the cheque into their bank account.

16. Where incremental buy-ins breach the $10,000 threshold what amount will be recorded in the "amount of buy in requested"? Will this be $10,000 or the amount which incrementally breached the $10,000 threshold?
A. The notations made should include the amount information on the buy-in that caused it to breach $10,000 and the overall total with that buy-in included.

17. For the question of Financial Institution does this have to be the numeric code for their bank or is RBC, BMO etc. sufficient?
A. The name of the bank is fine for the form but the branch transit number is the entry required in the FINTRAC module.

18. Does any amount received in a certified cheque or bank draft need a receipt or only a reportable threshold?
A. Bank drafts require receipting in all instances which includes patron name, bank and location, and account number.

19. If the SP has collected receipts but the buy-in does not reach reporting threshold, what do you want them to do with them?
A. Those receipts would have to be kept for 24 hrs to ensure the patron does not return within the 24 hr window with more buy-ins. However, once that 24 hr window passes and the receipts are no longer required, they should be shredded.

20. In regards to sourced buy-in, for example, if a player bought in for $3,000 and cashed out $12,000. He comes in the next day; we could source the buy-in up to $12,000 without receipt? At what point do we ask for a receipt in this scenario? When he reaches $22,000?
A. The first $3,000 buy-in is un-sourced, the balance of the cash-out is sourced by winnings for $9,000, therefore when he comes back in, $9,000 is sourced not the entire $12,000. He would require a receipt for the next buy-in that puts him over $10,000 so $3,000 in un-sourced and an additional $7,000 would put him at 10K and require receipting for the entire 10K. He would then require receipts for ANY amount of further buy-ins.

21. When a player withdraws from the ATM with a debit card, the bank account number would not appear on the receipt, could we accept the receipt without bank account number?
A. No, the gaming staff will have to record the patrons name, financial institution, financial institution location and account number on the receipt. They will be signing a declaration that the information is true and accurate and that is the information we will be tracking.

22. As patrons may be concerned about their privacy when asked for their bank account numbers, how should we respond when they question our authority?

A. They can be advised that their information is only kept for FINTRAC reporting purposes that will be strictly protected by BCLC as required by Federal Legislation.

23. Is the SOF declaration the same for out-of-town patrons (holding foreign passport) with foreign currency?
A. Yes.

24. If a patron is denied a buy-in as no receipt was produced for the entire buy-in amount, when can the patron return to the casino?
A. They can return 24 hours after their last buy-in.

25. If a patron is still gaming with chips but is denied when attempting to buy-in over $10,000, can the patron continue gaming with the remaining chips?
A. Yes. The same rules apply similar to LCT reporting, they cannot allow further buy-ins but their gaming can continue with active chips.

26. If a patron does not have receipts for the entire buy-in amount and withdraws at the cage, can the amount from the cage be approved?
A. If they buy-in from the cage off a card those funds are considered sourced. The receipt from the transaction shall be scanned and included for the SOF form at 10K but it would not impact any outstanding un-sourced cash total for receipting purposes.

27. If the withdrawn amount on the receipt is greater than the buy-in, how long is the unused portion of the receipt valid for?
A. There is no shelf life on receipts. When they buy-in the original receipt must be retained and scanned into the system. They will not be able to use that receipt for partial buy-ins after that point. This would be impossible to track per site let alone across multiple sites. Patrons will have to make those calculations prior to going out to casinos moving forward.

28. Do we really need to document the bank and personal information on the ATM receipt when this is already required on the RM/SOF?
A. Yes, we need it written on the receipt for ATM Slips as there needs to be something that ties it to the SOF form to make the declaration of value. Otherwise the patron could deny the receipt was the one he provided if he became an issue and we could not show otherwise.

29. Will a full bank card number be acceptable on the SOF?
A. No, it needs to be their account number. Some bank cards do not have the patron names on them and proving ownership of the card does not confirm the funds are from the patron. In addition, anytime the patron gets a new card, the number will change. We will be tracking customer account numbers for buy-ins and remembering that they are signing a declaration stating the information is true and accurate, we need consistency in the information they are providing.

30. If a player comes with $10,000 in cash without a receipt. Can we tell them to buy in under $10,000 in order to play?
A. Gaming staff cannot tell them to buy in under $10,000 in order to play. Gaming staff can explain the rules to the patron. If the patron chooses to buy-in on their own accord under the $10,000 threshold, that is different then staff telling them to do so. BCLC will be reviewing these

transactions closely and if we see players starting to buy in just under $10,000 to avoid the receipt and reporting process, we will be placing them on permanent sourced cash conditions which will require receipts for every single buy-in regardless of amount. Buying in just under the threshold is called structuring and is one of the FINTRAC indicators that is taught in AML training. Having staff advise them to buy-in under that threshold could cause employees to lose their GPEB registration so not recommended.

31. Please confirm if SOF has no cut-off after reaching $10,000 threshold. E.g. patron brought in $5,000, $5,000, $2,000 - patron provided receipts for the first two buy-ins of $5,000, but they are still required to provide the receipt for $2,000.
A. Once they hit the $10,000 threshold and are asked for receipts, any buy-in after that MUST have a receipt. This is not the same as the Reasonable Measures program which asks after each $10,000 increment.

bclc

This is Exhibit "98" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Glenn Atchison[PERSONAL INFO]; 'Frank Corlis[PERSONAL INFO]; 'Angela Swan[PERSONAL INFO]; Shauna Gillespie[PERSONAL INFO]; Krissy Wong[PERSONAL INFO]; Patrick Ennis[PERSONAL INFO]; Jag Nijjar[PERSONAL INFO]
Cc: Daryl Tottenham[PERSONAL INFO]; Bal Bamra[PERSONAL INFO]
From: Daryl Tottenham
Sent: Fri 5/4/2018 9:51:05 AM
Subject: 10K receipting changes- High Priority

Hello all,

In anticipation of an expected increase in seasonal and visitor patrons over the coming months who will likely not know the receipt requirements in BC Casinos, we are making the following adjustments:

- If a patron attempts to buy in for $10,000 or more without proper receipts, casino staff should advise them of the current BCLC policy.
- Casino staff MUST NOT direct patrons on what actions to take or handle the cash themselves to peel off money to be under the $10,000 threshold.
- If a patron decides to reduce the amount of their buy-in to comply with BCLC policy, that buy-in CAN be accepted for play. There is no requirement to eject the player from the casino unless there are other suspicious indicators or criminal activity that would support that action.
- BCLC is monitoring patron buy-ins under $10,000 and if it appears a patron is intentionally keeping their buy-ins just under $10,000 to avoid SOF receipting requirements, those patrons will be placed on full sourced cash conditions.
- If casino staff observe patrons exhibiting this type of behavior please check the patron name and status on Itrak whenever possible to determine if the patron is presently under sourced cash conditions.

If you have any questions, feel free to reach out to the BCLC AML unit at aml@bclc.com.

I am forwarding this email to key contacts at our major sites so that you can send your messaging out to all your respective sites as you wish. Feel free to forward my email and add any comments along with it for your staff that you feel will help with messaging. We are hopeful that this will assist in reducing the amount of files being created and patrons being sent away for no reason. In the instances where a person decides to reduce their buy-in to comply with BCLC policy, we are not requiring Itrak files to document this process. I am on cell all weekend so please call if you have any immediate issues.

Thanks in advance,
Daryl Tottenham, Manager, BCLC AML Programs

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

This is Exhibit "99" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

From: Basi, Parminder GPEB:EX
Sent: Tuesday, April 9, 2019 12:22 PM
To: Henderson, Jeff GPEB:EX
Cc: Lenz, Allison GPEB:EX; Mayer, Douglas GPEB:EX; Storms, Timothy GPEB:EX
Subject: Email #1: BCLC Communication of the Source of Funds Policy
Attachments: Q&A 1 (Jan 10, 2018).pdf; Q&A 2 (May 2018).PDF; Q&A 3 (October 2018).pdf; Example of New Communication Protocol.pdf

Email #1: BCLC Communication of the Source of Funds Policy

The Source of Funds policy in the BCLC Standards is principles based, in that it provides a basic guideline meant to encompass a variety of circumstances. It is meant to allow the service providers to act in the spirit of the overall standard rather than adjusting their entire operations to a prescribed set of rules. However, BCLC AML Unit's communication of the Source of Funds policy to service providers is essentially strict rules that must be adhered to. The communication out of the numerous requirements and instructions has been through various informal Question and Answer (Q&As) documents, emails, phone calls, training sessions and presentations.

For example, the three Q&A documents (January, May and October 2018) alone contain replies to 83 questions from the service providers. **(Please see attached Q&A 1,2,3).** Additionally, questions would be fielded by BCLC's AML Unit and at times the onsite BCLC Gaming Compliance Officers (GCOs) from both casino site personal and the service provider's compliance teams.

During our audit, on February 6, 2019 a communication protocol between BCLC and the service providers was implemented. The new protocol was implemented because BCLC had received feedback from the service providers that there was a need to improve communications. Questions or clarification were required to be documented on a standardized form and completed and sent to a central BCLC email box by the service provider's compliance team. BCLC's response to the service provider's questions would be documented on the form and distributed to all service providers compliance team for dissemination to their site personnel. **(Please see attached – 'Example of New Communication Protocol').**

Feedback during our audit suggests that the various informal channels of communication between the service providers and BCLC has led to unclear responses and inconsistent application of the Source of Funds policy.

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Gaming Policy & Enforcement Branch
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Office: 604-398-6277
Cell: PERSONAL INFO
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A. Those receipts would have to be kept for 24 hrs to ensure the patron does not return within the 24 hr window with more buy-ins. However, once that 24 hr window passes and the receipts are no longer required, they should be shredded.

28. In regards to sourced buy-in, for example, if a player bought in for $3,000 and cashed out $12,000. He comes in the next day, we could source the buy-in up to $12,000 without receipt? At what point do we ask for a receipt in this scenario? When he reaches $22,000?

A. The first $3,000 buy-in is un-sourced, the balance of the cash-out is sourced by winnings for $9,000, therefore when he comes back in, $9,000 is sourced not the entire $12,000. He would require a receipt for the next buy-in that puts him over $10,000 so $3,000 in un-sourced and an additional $7,000 will put him at 10K and require receipting for the entire 10K. He would then require receipts for ANY amount of further buy-ins.

29. Do we still go by the 48 hour rule for sourced buy-in from gaming winnings?

A. Yes, that is correct.

30. What if the patron buys-in for $3,000, cashed out $8,000. Next day comes in, buys in for $8,000, loses, and then buys in for $2,000. Do we ask for receipt since buy-in is $10,000? If not, at what point do we ask for receipt?

A- No because his original buy-in was for $3,000, the other $5,000 is gaming winnings. When he buys in for another $2,000, he is only at S5,000 in un-sourced buy-ins. Because his overall buy-in total is now $10,000 you will require an SOF to be completed and signed but that will show that $5,000 of that total is winnings therefore there is no receipt required, just the SOF. If he buys in for another $5,000, he will then require receipts for the entire $10,000 amount.

31. We have players that often repeatedly buy-in and cash out, accumulating over $10,000 in buy-ins and cash outs. What do we do to source the buy-in? The directive states to put "pay out from casino" in the account number field, and to state the name and amount. But if the patron is constantly increasing his buy-in and cash outs, do we keep changing the amount written?

A. You will have to do the required tracking for this patron and if it becomes problematic, they would be required to produce receipts to ensure accuracy. If you are unable to keep track of the buy-ins and cash-outs, you must consider the cash as un-sourced to ensure compliance with the policy.

32. The new form asks for Bank info (Institution, Brand and Account#) and the Q&A says that it must be obtained "in full". These documents, from the bank, usually truncate the accounts so is the truncated information acceptable on the form?

A. No, the account info must be in full so the truncated numbers will have to be filled in. Although relies on the patron to complete, they are signing a certification that the information is true and accurate and we will be reviewing these and ensuring the information is consistent. Providing false data will likely impact playing status.

33. The Q&A doc asks the facilities to source cash and cheques from other service providers with that service provider, where possible, but I feel that it would be a huge privacy risk for Service Providers to give out information on a patrons gaming activities to someone claiming to be from another casino. Has this been contemplated and if so does it meet privacy expectations?

A. They will only have to source previous winnings from other sites in cash and we are hopeful that all SP's will cooperate in this aspect of the program. They will simply be confirming the amount of cash paid out and no further details are required. If they are unwilling to advise, they will still have the option of calling Daryl Tottenham to confirm. There is no privacy issues associated with that request as the player will be supplying the information where he gambled and how much he got paid out. The SP will simply be asking to confirm that amount. If they are unsure if it is a legit call, they can simply get the employees name and call the casino back and confirm the employee name and request.

34. Can we accept this or not:
   a. Bank Draft with top or bottom attached receipt with name or without name – but no bank withdrawal receipt?
   b. The draft is the receipt as long as it has the sender name written on it. This can be done by the draft holder as they will be signing the SOF form confirming the information is true.
   c. Bank Draft with the carbon copy, and last white copy of the bank draft has a name, but no bank withdrawal receipt?
   d. Same answer, must have sender name on it
   e. Bank Draft with bank withdrawal receipt without the name, but has the bank stamp and hand written name?
   f. That is fine with handwritten name.
   g. Even if they have receipt for the bank draft with name, is it required to have the actual bank withdrawal transaction slip?
   h. No, the draft is the receipt if it has the info on it. Copy the draft as the receipt.
   i. Bank Draft with bank withdrawal receipt with only first initial and last name?
   j. Yes, just write the first name on it for clarity.
   k. Bank Draft with bank withdrawal receipt with only last name?
   l. Same answer, write the first name on it and sign the SOF form.

35. When a player withdraws from the ATM with a debit card, the bank account number would not appear on the receipt, could we accept the receipt without bank account number?

A. No, they will have to write in their name and account number of the receipt. They will be signing a declaration that the information is true and accurate and that is the information we will be tracking.

36. As patrons may be concerned about their privacy when asked for their bank account numbers, how should we respond when they question our authority?

A. They can be advised that their information is only kept for Fintrac reporting purposes that will be strictly protected by BCLC as required by Federal Legislation. It will be deleted

from the system pursuant to Fintrac reporting requirements and is not shared with any other entity.

37. Will there be a BCLC Investigator on site 24 hours?

A. No, one of the recommendations made by Peter German is requiring attendance and availability 24/7 by the regulators (GPEB) but that is being worked out by them and is not directed or controlled by BCLC.

38. Is the SOF declaration the same for out-of-town patrons (holding foreign passport) with foreign currency?

A. Yes.

39. If a patron is denied a buy-in, are gaming privileges suspended?

A. No, the gaming privileges are only suspended at buy-in for cash drops and suspicious activity. However if a patron continues to try and work around this directive, their playing status might be jeopardized and sourced cash conditions are a likely outcome.

40. Are rolling sourced funds still valid for 48 hours?

A. RSF funds will continue as we currently operate however these must be tracked accurately and documented on the LCT.

41. Can the BCLC AML unit approve rolling sourced funds that have expired?

A. For the time being we will continue with our current practice, which means if you are outside the 48 hr window and outside of regular business hours, you can contact Daryl Tottenham to confirm RSF. Essentially a RSF is no different than previous gaming winnings: we must confirm the disbursement and that the player did not attend any other casino outside the 48-hour window.

42. Will iTrak incidents be required for sanctioned and SOF players, in addition to the RM and receipts scanned for the LCT?

A. All previous SOF notations on player files for SOF interviews have been removed and they are no longer required, nor are the emails to Daryl required. For players currently on cash conditions iTrak files are no longer required for cash buy-ins which are accompanied with receipts. These must be noted in the daily log to confirm receipts were obtained.

43. What is the expectation for service providers in regards to sharing players' disbursement records with each other?

A. It is expected that ALL sites will cooperate with requests from other sites to confirm a recent disbursement for a patron. If a site refuses to provide the disbursement information upon request, please advise Daryl Tottenham by email and he will follow up with the site accordingly. We strive to maintain confidentiality between sites and ensure a level playing field but instances where staff are intentionally not cooperating will not be tolerated.

44. If a patron is denied a buy-in as no receipt was produced for the entire buy-in amount, can the patron return in 24 hours from the initial buy-in time?

A. They can return anytime provided they have a receipt for the buy-in they are bringing in.

45. If a patron is still gaming with chips but is denied when attempting to buy-in over $10,000, can the patron continue gaming with the remaining chips?

A. Yes. The same rules apply similar to LCT reporting, they cannot allow further buy-ins but their gaming can continue with active chips.

46. If a patron does not have receipts for the entire buy-in amount and withdraws at the cage, can the amount from the cage be approved?

A. If they buy-in from the cage off a card those funds are considered sourced. The receipt from the transaction shall be scanned and included for the SOF form at 10K but it would not impact any outstanding un-sourced cash total for receipting purposes.

47. If the withdrawn amount on the receipt is greater than the buy-in, how long is the unused portion of the receipt valid for?

A. There is no shelf life on receipts. When they buy-in the original receipt must be retained and scanned into the system. They will not be able to use that receipt for partial buy-ins after that point. This would be impossible to track per site let alone across multiple sites. Patrons will have to make those calculations prior to going out to casinos moving forward.

48. Because the SOF mainly applies to tables as stated are we able to use the old RM forms for Slots, the new forms only have 3 lines which may not be enough for some slot players who require multiple RM lines.

A. We have developed a page 2 of the RM form only which has an entire sheet of RM entries for slot purposes.

49. If a player attempts a buy in at one of our gaming tables with $10,000 or more but is unable to provide receipts, do we decline the individual to buy in at all for any amount, or can the player then decide to only buy in for an amount less that the $10,000 threshold?

A. The patron should be advised of the BCLC rules for receipt requirements at $10,000 and the cash should be pushed back. The player should not be advised to buy in for less to stay under the $10,000 threshold as that is called structuring and would place the patrons gaming status in jeopardy as well as the GPEB registration tag for the gaming worker directing them to do this. If the player asks what to do, they should be advised that you cannot instruct them what to do but you are obligated to advise them of the rules. If they then choose to buy in for an amount under 10K, that buy-in can be accepted and they can play. If we find players are starting to buy in just under the limit to avoid reporting and receipts, they will be placed on full sourced cash conditions which will require receipts for any cash buy-in.

50. What if a player has accumulated a $9,000 buy in at one of gaming tables and has $1,000 left in chips in front of him but attempts to buy in for another $1,000 bringing their total buy in to the $10,000 threshold and then unable to provide receipts. Do we allow that

individual to continue to play with the chips he has remaining from his previous buy-ins but not allow them to buy in over the $10,000 threshold?

A. That is correct. You cannot allow him to buy-in if he does not have the receipts but he can continue to play with chips on the table.

51. If a customer brings in a $20,000 receipt, buys in for $10,000 and leaves the site and comes back on the next gaming day to buy in for another $10,000 under the same receipt – Is the customer allowed to do it?

A. No, the site will be retaining the original receipt when it is produced therefore they will not have the receipt to return with. If they plan on returning for the other $10,000 the next day, they should consider buying in with the entire amount, then taking a convenience cheque for $10,000 when they leave and return with that cheque the following day or hold the money in the Patron Gaming Fund account.

52. If a player is denied buy in due to no receipt - are they allowed to buy in again after 24 hours?

A. If they take their cash to the bank, deposit it and then withdraw it and bring the receipt, they can return an hour later if they wish. Again it is imperative that the SP asks the right questions when these types of anomalies occur so that the answer makes sense and are not considered suspicious.

53. Do we really need to document the bank and personal information on the ATM receipt when this is already required on the RM/SOF?

A. Yes, we need it written on the receipt for ATM Slips as there needs to be something that ties it to the SOF form to make the declaration of value. Otherwise the patron could deny the receipt was the one he provided if he became an issue and we could not show otherwise.

54. What if the patron brought in:
11:00 buy-in $4000, and then at 13:00 cash out $3000
13:05 buy-in $2000, and then at 14:00 cashed out $4000
15:00 buy-in $5000

Are we still require to ask for receipt even though the second and last buy-in was from the previous cash out?

A. In this instance once the player hits $10,000 you are required to complete a RM/SOF form. On this form you would document that the player had $7,000 in disbursements but his actual un-sourced cash after the third buy-in is only at

55. Will a full bank card number be acceptable on the SOF?

A. No, it needs to be their account number. Some bank cards do not have the patron names on them and proving ownership of the card does not confirm the funds are from the patron. Also anytime the patron gets a new card, the number will change. We will be tracking customer account numbers for buy-ins and remembering that they are signing a declaration stating the information is true and accurate, we need consistency in the information they are providing.

56. Is receipt within 1 week reasonable?
A. That would be an outside window but only if they could provide a logical reason why they took the money out a week prior to needing it. If in doubt it should be refused.

57. Can we inform patrons of the $10,000 receipt rule before reaching the $10,000 threshold?
A. Yes, that would be a good practice to follow to avoid problems when they hit the threshold.

58. If a player comes with $10,000 in cash without a receipt. Can we tell them to buy in under $10,000 in order to play?
A. Absolutely not. We will be reviewing these transactions closely and if we see players starting to buy in just under $10,000 to avoid the receipt and reporting process, we will be placing them on permanent sourced cash conditions which will require receipts for every single buy-in regardless of amount. Buying in just under the threshold is called structuring and is one of the Fintrac indicators that is taught in AML training. Having staff advise them to buy-in under that threshold could cause employees to lose their GPEB registration so not recommended.

59. Please confirm if SOF has no cut-off after reaching $10,000 threshold. E.g. patron brought in $5,000, $5,000, $2,000 - patron provided receipts for the first two buy-ins of $5,000, but they are still required to provide the receipt for $2,000.
A. Once they hit the $10,000 threshold and are asked for receipts, any buy-in after that MUST have a receipt. This is not the same as the Reasonable Measures program which asks after each 10K increment.

60. Does the SOF include free play?
A. The $10,000 reporting is for sourced and unsourced buy-ins only, it does not include free play, encore points, etc.

61. Can Service Providers accept bank drafts from patrons that use two different names (i.e. maiden name vs. married name)
A. No. If the patron officially had their name changed, they will not be able to continue cashing bank drafts under their maiden name despite having accounts in their old name. Patrons cannot operate under two different names.

62. If a buy-in is over $10,000, can the bank card number be accepted instead of the bank account number?
A. No, the bank account number must be recorded.

63. If there is a debit transaction at the cage for $10,000, do we still need to record the bank account information, branch and financial institution on the SOF?
A. Yes

October 12, 2018

To: Shauna Gillespie
Angela Swan
Glenn Atchison

playing it right

Over the past few weeks, you have been receiving weekly emails from Andrea Nicholls with respect to the Source of Funds and Reasonable Measures documentation at your sites. We have come across some common issues that are happening at all sites, so we thought we would share our responses with everyone.

1. Debit /ATM receipts are missing bank account info
   - The receipt must include the patrons name, financial institution, location, and the bank account number. This applies to all debit and ATM transactions.

2. Credit Card (Global Cash) Withdrawals
   - Some credit cards do not have a physical location, so in this case, the account number is the truncated card number (which is listed on the receipt), the financial institution should be addressed, and the branch left as N/A. In the notes section, it should state it was a credit card advance from the global cash machines. There is no requirement to physically see the card.

3. No breakdown of cash/debit/credit at cage amounts on some SOF, with only a total buy in amount shown
   - The SOF must show the breakdown of the funds and not just the total amount. This means, that if there is $5000 from cash, $2000 from debit, and $4000 from global cash, all three need to be listed on the SOF for a cumulative total of $11,000

4. No customer signature on SOFs
   - The patron must sign the SOF forms; no exceptions. **The transaction CANNOT be completed until the patron has signed the SOF form so we should not be seeing any forms missing the signature.**

5. Missed items on SOF forms or tracking sheet SOFs such as receipt yes/no box not being checked off, no gaming worker name/GPEB number/signature/date, etc.
   - SOF forms need to be completed in its entirety; no exceptions

6. Dollar amount of receipts scanned into iTrak do not match SOF
   - All receipts scanned should match the SOF form.

74 West Seymour Street
Kamloops, BC V2C 1E2
T 250.828.5500
F 250.828.5631

2940 Virtual Way
Vancouver, BC V5M 0A6
T 604.215.0649
F 604.225.6424

7. PGF deposits, is it necessary to ask on SOF where funds were acquired from and relatively the same question again on RM? (On RM – Ask if they are buying in on behalf of someone else if they've already declared funds were from own personal bank account on SOF?)
    - These are two different processes and should be treated as such. The SOF is declaring the source of funds, the RM is asking if they are conducting the transaction on behalf of a third party. These are two different questions, please treat this as such.

8. For re-deposits into PGF does an RM also need to be completed? Does this mean we require an RM once for the deposit and then a second one completed for the redeposit? Also several players withdraw from PGF multiple times in a session are we to ask for each withdrawal as well? If they answered "no funds belong to individual" when they deposited into PGF wouldn't this cover subsequent withdrawals made from that same source of funds?

    There is no requirement for an RM to be completed from the PGF account to tables and back to their account. The chips from the table will only be what they removed from their account to play and any winnings which are verified wins which are documented on the tracking sheet. The only time they would require an RM moving from the tables would be if they took a disbursement (or partial disbursement) and it met the threshold OR if they removed their funds from their account as a disbursement. This follows the actual reporting guidelines of funds from FINTRAC as we do not report these moves from account to tables and back to account unless there is a disbursement.

We hope that this will address some of the common issues that are occurring at sites. If you have any questions, please let us know.

Thanks,

Bal Bamra
Daryl Tottenham

cc: John Karlovcec

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bclc

AML Questions and Concerns

To be completed by Service Provider:

Date Submitted:	March 4, 2019
Submitted by (name/title):	Glenn Atchison, Manager of Compliance
Company:	Gateway Casinos & Entertainment Limited
Site/Location:	All Gateway properties with PGF Accounts

Question/Concern:

I need to reconfirm the below Receipting Rule requirements based on several recent conversations I have had with Daryl in order to protect Gateway against a GPEB sanction.

Cash with an ATM receipt is not factored into the Receipting Rule whatsoever. The Receipting Rule only pertains to cash with no receipt or to cash with no direct source such as a prior verified win or sourced cash out within the previous 48 hours (not an exhaustive list, just two examples).

ATM cash can be used from an on-site (trusted) and from an off-site (untrusted) ATM as long as we match the Client Card No. on the receipt to the the Client Card No. on the patron's card. (I will remove the name-match requirement from our current practice since finding out most Debit cards no longer have the patron's name on them.)

If ATM cash is presented and the physical and receipt card numbers do not match, the cash is considered unsourced and a Casino Incident Report must be created since the patron's activity would be considered suspicious in nature.

Please email your request to AML@BCLC.com. We will respond within 48 hours of receipt. Thank you!

BCLC Response:

1- Un-sourced cash is cash without a receipt. Period. There is no "other" type, they either have a receipt or they don't . If it is from a verified win or previous disbursement which is tracked, it is sourced.

2- ATM receipts require patrons name, account number, bank, and location. We do not allow bank card numbers to be used as they do not satisfy the receipting or SOF requirements. You advised me that Gateway asks to see the card used and compares that the receipt and confirms the name on the card. Number one, that is a Gateway thing, not BCLC as we do not have that requirement anywhere in our rules. Number 2, as I advised you, debit cards do not include account holders names. Debit cards are replaceable at the bank tellers if you lose your card and the new card they issue will be a different number. Essentially it is useless information and does not meet the criteria we require for SOF and receipting. We require account numbers from the patron. If Gateway chooses to do more with card and receipt matching, that is your prerogative.

3- This practice is a Gateway issue, we do not have a direction in our process to compare receipts and ATM slips and take an action. Clearly if you are doing other due diligence at your end and you have reason to believe there is something suspicious about a transaction, it should be refused and an IN should be created.

Date Responded:	March 5, 2019
BCLC Employee:	Daryl Tottenham
File #:	19-0011

Please email your request to AML@BCLC.com. We will respond within 48 hours of receipt. Thank you!

If you believe that you have received this email in error, please notify the sender and delete the email from your mailbox.

$10,000 Source of Funds Process Questions and Answers

Effective January 10, 2018

Q. If a patron attends with $10,000 in cash and when asked, refuses to provide any information as to where they obtained the cash, do I document their answer and allow them to buy-in anyway?

A. No. The information and receipt must be obtained prior to accepting the cash for buy-in. In this example, the bank information is required and the fact that they have refused to provide the information just adds to the suspicious nature of the incident.

Q. If the patron provides a receipt with the bank name and location but does not show their name or account number, is it ok to leave out?

A. No, the information must be obtained in full. The player needs to be advised the account number is required if it is not shown on the receipt and they can return once they have obtained the information.

Q. When asked, if the patron advises they got the funds from their safe at home, is that sufficient?

A. No, that does not explain where the funds came from. The patron must provide a receipt to show where the funds were obtained and when. If they are unable to provide a reasonable explanation for a receipt that is a week or two old, the buy-in needs to be refused.

Q. What if the patron advises they got the funds from a friend that owed them money?

A. No, that still does not explain the origin of the funds. It is expected that cash buy-ins of $10,000 or more likely originated from a financial institution and that is what needs to be shown. If the cash they have was received from a friend, they need to be advised to deposit it to their bank account and then withdraw the cash for their buy-in, and bring in the receipt.

Q. What if the patron advises their funds are from previous casino winnings?

A. You need to obtain as much detail as possible including the casino where they were paid out, the date and the amount won. The denominations need to reflect what would be expected from a casino i.e. likely $100's and/or $50's. The cage supervisor should contact that site and confirm the disbursement details for the patron.

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Q. If a patron attends to buy-in with cash of $10,000 or more and does not have a receipt as they were not aware of the SOF changes, what should we do?

A. The patron should be advised that they need to return to the bank and get a receipt before the cash will be accepted. You must document the fact that they have now been advised about the SOF program and place a note in the comments field of their subject profile confirming they have been advised of the SOF changes and the date advised. Any further attempts to buy-in with cash without a receipt must be documented in an iTrak UFT file.

Q. If a patron is subsequently refused a buy-in for any reason, do we have to document the incident in iTrak?

A. Yes, in every instance you should have an iTrak file created and document the patron's information, amount of attempted buy-in and provide details of what information was provided and why it was refused. Create the incident under a UFT dropdown with "refused buy-in" in the details to flag it to the AML Unit.

Q. If the patron buy-in is allowed, do we still have to create a RM/SOF form?

A. Yes, a RM/SOF form is required for the initial buy-in and all subsequent increments of $10,000.

Q. Once the information for SOF is completed, does the patron have to sign anything?

A. Yes, the patron must sign the RM/SOF form certifying that the information they have provided is true and complete.

Q. If a patron is refused for a cash buy-in and asks why, should we tell them that it is because we think the source of the cash is suspicious or possibly proceeds of crime?

A. No, you should explain that it is being refused because of policy changes with BCLC, which require a same day receipt and that they should consider taking the cash to their bank to obtain a receipt or a bank draft.

Q. If the patron provides a reasonable explanation for their source of their funds, do I have to ask them the same questions the next time they buy in?

A. Yes, a RM/SOF form must be completed for each buy-in of $10,000 or more, which includes a receipt for further cash buy-ins. The BCLC AML team will be reviewing these files and conduct the appropriate follow up if needed.

Q. If the patron has several small buy-ins and finally hits the $10,000 threshold, do I ask the SOF questions for the last buy-in or the entire amount of the buy-ins?

A. You need to ask for the receipt for the entire amount, which includes all buy-ins leading up to the last one that hit the $10,000 threshold. If they are unable to produce a receipt, no further cash buy-ins can be accepted from them.

Q. If a patron has been playing on different tables or areas and has now hit the $10,000 threshold, what should be done?

A. When the patron hits the $10,000 threshold, their play must be stopped until the RM/SOF form can be completed and signed by the patron. You should print off a copy of the form and have a supervisor attend the table where the patron is sitting and complete the form by hand. Once they have provided the receipt for their cash, have the patron sign to certify the information they provided. Once completed the patron may continue play and the handwritten RM/SOF form must be scanned into the LCT entry in iTrak.

Q. If a patron is cashing out with a substantial amount of chips and is concerned they may have problems buying back in with their winnings, what should we advise them?

A. Patrons should be encouraged to take a convenience cheque whenever possible if they plan to return to play again. Cheques (convenience or verified win) do not require receipts and are quick and easy to buy-in with. It is also safer to leave with a cheque as opposed to a large amount of cash.

Q. If we encounter a situation and require assistance, can we contact BCLC Investigators?

A. If you are unsure of how to proceed with a situation, contact your shift supervisor and discuss the issue. If you are still in doubt, contact the BCLC Investigator assigned to your site. If you are unable to contact your Investigator, you can contact the AML Unit directly. Patrons should always be encouraged to consider opening a PGF account (where available) and use bank drafts instead of cash for buy-ins.

Q. Where is the information being stored and who has access to it? How will you be using the information?

A. The information will be stored in the BCLC system along with all other data that is required to be collected by FINTRAC reporting guidelines. The information will not be shared with anybody and will be managed pursuant to FINTRAC regulations.

Q/A Document for SOF Directive
Answers Provided to Service Providers

1. Sometimes patrons withdraw cash without receiving/collecting a receipt, in this case is there any way we can verify the banking information?

A. In every instance when cash is withdrawn, a receipt is either given or offered. It is up to the patron to obtain one and retain it for buy-in purposes. There is a zero tolerance on this issue. The onus is on the patron to bring in a receipt or the buy-in will be refused.

2. If guests buy-in using credit cards through Global Machine, how do we record the account information and what kind of information is needed?

A. Global cash is not considered cash for these purposes as it is an electronic transaction. This applies for debit cards as well, they are not cash transactions but are buy-ins under the cash alternatives category. A Source of Funds Declaration is still required if it meets the threshold; as for the account number, please document that it was from the global cash machine.

3. If someone wins a slot jackpot and then buys-in at a table with $10K cash, some of which includes proceeds from the jackpot, how do we verify the funds and what information is needed under such circumstances?

A. You will require a receipt for the portion of cash used and document the JP disbursement on the tracking sheet and LCT for $10,000 transactions or higher.

4. If a guest passes the $10,000 buy-in threshold multiple times, does the full account number need to be disclosed every time? Is it sufficient to receive the full account number the first time and then for all subsequent $10k buy-ins to match the partial numbers shown on the receipt to that full account number first provided?

A. Once they have passed the $10,000 threshold and have provided the required receipt, all subsequent cash buy-ins regardless of size will require a receipt to be scanned into the LCT. Each receipt will require the name and account number for the patron so we can show the link to the LCT entry and scan.

5. Will uniform messaging go out for all service providers across BC or will each service provider have their own messaging for this policy change?

A. The messaging for this directive is being left to each SP and many sites have already started and posted them.

6. At what point, if any, do we need a receipt for foreign currency? Do the same requirements apply?

A. The same requirements apply for Forex. At $3,000 they reported as normal for record-keeping, at $10,000 CDN they are reportable to Fintrac and require the same receipts and RM/SOF attention as CDN funds.

7. When patrons produce a receipt with their account number and name on it, are we scanning it into iTrak? Are we documenting the account number in any way to confirm it matches previous buy-ins?

A. Yes, scan the receipt in with the noted information with the LCT. We will be reviewing these files moving forward but as a best practices rule, for large buy-ins it would be a good practice to look at any previous receipts/cheques to ensure the numbers match. If they don't, further questions should be asked prior to buy-in to determine why they are different.

8. Is it a rolling 24-hour period or is it by gaming date?

A. It is a rolling 24-hr period for 24-hr sites, and a fixed 24-hr period for non-24-hr sites. These are the same standards applied by Fintrac for LCT reporting.

9. If there is a player buying-in with $10,000 cash or more who is notified of the new SOF policy and then attempts to buy in with $9000 instead, will we accept this transaction?

A. The buy-in for $9000 can be accepted and the patron should be advised that attempts to buy in just under the reporting threshold will likely result in their playing status in BCLC sites being restricted or result in a barring in the future. In no circumstance should SP staff give patrons direction as to what they can do to buy in under the $10,000 threshold (structuring) as it will likely result in registration issues for the employee.

10. When cashing guests out can we provide them with a specific type of bill only so that it is easier for us to validate that the money has come from our casino? (i.e. $100 bills)

A. In most situations, players are paid out in $100 bills for large amounts and that should continue at this time however buy-ins from previous disbursements still operate under the 48-hr rule which requires confirmation from the casino source before they can be accepted.

11. How would this affects GCA (credit card) transactions as the receipts may not include bank account information?

A. Please include the receipt that the patron withdraws on their credit card, which should house the truncated credit card number. Due to the payment industry standard, we are not authorized to retain credit card numbers, therefore the receipt will be proof of source of funds.

12. With regards to the following will BCLC be providing a statement or privacy notification for all service providers to pass on to players when collecting information for the new SOFs?

4.5 Patrons shall be provided with a Privacy Notice upon collection of personal information for a database such as Encore Rewards Player Club Program or any Service Provider player program.

4.5.1 The Privacy Notice appears on the application form for the Encore Rewards Player Club Program;

4.5.2 Service Providers shall ensure a similar statement is provided for any other programs that include collection of players' personal information

A. BCLC has conducted a PIA on this issue and the information we are collecting does not require a notification as it required under Federal Legislation for the RM form and

enhanced DD on source of wealth and source of funds for Fintrac reporting purposes, as set out in Fintrac guidelines.

13. With the new SOF requirement, it states that it is mandatory to get a signature from the patron but this would mean that we cannot utilize computerized system to track RM. Is there any leniency to this that can replace physical signature?

A. Unfortunately no, we cannot relax on that at all as it was a major concern with GPEB.

14. Also, as the new changes require everyone to provide SOF for all transactions over $10K, if my program can systematically generate record of cash out for all players as needed, will this be sufficient as a proof of SOF? (will it be 48 hour rules for this?) Do you require any further documentation to support SOF?

A. We would definitely need receipts for new money. The disbursements would be ok as long as you can prove tracking and it is noted on the SOF form. We are sticking to the same rules for 48 hr. tracking for disbursements from your own site or other sites that can confirm the pay-out.

15. Can we receive a translated, simplified version of the directives from BCLC for patrons?

A. We are not in a position at this point to provide translated versions of the directive. It is already a very busy document and trying to shorten or translate it would likely create more issues than it would solve.

16. Can we utilize company phones to take pictures of the receipts that will then be scanned?

A. If you have company phones and can use those to photograph and scan in, that would be ok.

17. Can we allow players to sign the receipt of the buy-in instead of the Blue Card?

A. The patron must sign the SOF form as it is being used to certify the information.

18. The directive says "The receipt shall be retained by the Service Provider and scanned into the associated iTrak LCT entry for the patron." In the past, many guests want their receipts back, does this mean we keep the receipt and do not give it back to the patron or is a copy of the original sufficient?

A. The original receipt should be retained but if they wish to have a copy of the receipt, that is ok. (I would suggest you stamp the copy so it is clear it is a copy) We want the original retained and scanned so we have a record of it and to ensure they do not leave, go to another site with more cash and re-use the same receipt.

19. Once the receipt is scanned, do we have to keep a hard copy of it?

A. Keeping the hard copy of the receipt is totally up to your site and policy. Once you have scanned it and confirmed the scanned copy is clear and readable, it is your call. From a best practices perspective, we recommend that the receipt be retained for a short period.

20. How are we to handle casinos that do not want to provide information due to privacy and use this to get the guest to go back to their site?

A. All SP's have been asked to cooperate as this is a 2 way street and we all need to work together to make things work. That being said if they refuse to confirm the disbursement, you could contact the BCLC Investigator at your site or the AML unit if they are available. Failing that and outside normal working hours, you can contact Daryl Tottenham who can confirm that information in most instances and he will deal with the site refusal the next day.

21. Should we be offering our guests receipts at the Cage when they cash out with information on the denominations given and to whom?

A. We do not currently have provisions to work with receipts from SP's. If the patron plans on returning and is concerned about being able to buy in, the easiest way to deal with it is to take a convenience cheque. When they return they have no receipt issues to deal with and if they change their mind, they can simply deposit the cheque into their bank account.

22. Where incremental buy-ins breach the $10,000 threshold what amount will be recorded in the "amount of buy in requested"? Will this be $10,000 or the amount which incrementally breached the $10,000 threshold?

A. When the player hits the $10,000 threshold, the receipting required will be for the entire amount and will be required for any subsequent buy-ins past the $10,000. That means if they walk over to the ATM and withdraw another $3,000 to continue play, they need to bring the receipt back to the table for the buy-in.

23. For the question of Financial Institution does this have to be the numeric code for their bank or is RBC, BMO etc. sufficient?

A. The name of the bank is fine for the form.

24. For the field "ask the guest where they acquired the funds from for this buy-in?" It states that this must be specific. Would the answer bank account be acceptable if the Financial Institution/Branch/Account# question is completely answered below?

A. For the last question, bank account is fine as they will be also providing RBC, Main St. branch, acct # 1234567 which is all they need to do along with their signature.

25. If the buy-in is foreign exchange, do they only ask when the total is $10,000 or at $3,000?

A. The $3,000 limit for Forex is for reporting purposes only to identify the patron and retain that info. The SOF requirement kicks in at the $10,000 CDN mark.

26. Does any amount received in a certified cheque or bank draft need a receipt or only a reportable threshold?

A. Bank drafts require receipting in all instances which includes patron name, bank and location, and account number. If that info is already on the draft, the draft becomes the receipt and at $10,000 they are required to fill out an SOF as well.

27. If the SP has collected receipts but the buy-in does not reach reporting threshold, what do you want them to do with them?

This is Exhibit "100" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

October 12, 2018

To: Shauna Gillespie
Angela Swan
Glenn Atchison

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Over the past few weeks, you have been receiving weekly emails from Andrea Nicholls with respect to the Source of Funds and Reasonable Measures documentation at your sites. We have come across some common issues that are happening at all sites, so we thought we would share our responses with everyone.

1. Debit /ATM receipts are missing bank account info
   - The receipt must include the patrons name, financial institution, location, and the bank account number. This applies to all debit and ATM transactions.

2. Credit Card (Global Cash) Withdrawals
   - Some credit cards do not have a physical location, so in this case, the account number is the truncated card number (which is listed on the receipt), the financial institution should be addressed, and the branch left as N/A. In the notes section, it should state it was a credit card advance from the global cash machines. There is no requirement to physically see the card.

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   - The SOF must show the breakdown of the funds and not just the total amount. This means, that if there is $5000 from cash, $2000 from debit, and $4000 from global cash, all three need to be listed on the SOF for a cumulative total of $11,000

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   - The patron must sign the SOF forms; no exceptions. **The transaction CANNOT be completed until the patron has signed the SOF form so we should not be seeing any forms missing the signature.**

5. Missed items on SOF forms or tracking sheet SOFs such as receipt yes/no box not being checked off, no gaming worker name/GPEB number/signature/date, etc.
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    - These are two different processes and should be treated as such. The SOF is declaring the source of funds, the RM is asking if they are conducting the transaction on behalf of a third party. These are two different questions, please treat this as such.

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    There is no requirement for an RM to be completed from the PGF account to tables and back to their account. The chips from the table will only be what they removed from their account to play and any winnings which are verified wins which are documented on the tracking sheet. The only time they would require an RM moving from the tables would be if they took a disbursement (or partial disbursement) and it met the threshold OR if they removed their funds from their account as a disbursement. This follows the actual reporting guidelines of funds from FINTRAC as we do not report these moves from account to tables and back to account unless there is a disbursement.

We hope that this will address some of the common issues that are occurring at sites. If you have any questions, please let us know.

Thanks,

Bal Bamra
Daryl Tottenham

cc: John Karlovcec

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This is Exhibit "101" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Message

From: Louis Spetrino ["/O=PARQVANCOUVER/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=3A205FD3126F450EBCCEB0B10E6A5DC8-LOUIS SPET"]
Sent: 1/18/2019 1:38:08 PM
To: Tek Lee PERSONAL INFO
CC: Phuong Waldner PERSONAL INFO
Subject: RE: Clarification - Source of Funds Policy

yup

From: Tek Lee
Sent: Friday, January 18, 2019 1:25 PM
To: Louis Spetrino <PERSONAL INFO>
Cc: Phuong Waldner PERSONAL INFO
Subject: Re: Clarification - Source of Funds Policy

Definitely. How about after Joe's meeting at 2pm? Is that works for everyone?

Tek Lee
Casino Manager
PERSONAL INFO

On Jan 18, 2019, at 1:04 PM, Louis Spetrino <PERSONAL INFO> wrote:

> Let's get together today and discus.
>
> Sent from my iPhone
>
> On Jan 18, 2019, at 12:18 PM, Phuong Waldner <PERSONAL INFO> wrote:
>
> > I guess the four of us in that room that day all need to get our hearing checked.
> >
> > Regards,
> >
> > --
> > **PHUONG WALDNER**
> > DIRECTOR, CAGE OPERATIONS
> > PERSONAL INFO
> > **O** PERSONAL INFO
> > **M**
> > --
> > 39 SMITHE STREET
> > VANCOUVER, BC V6B 0R3
> >
> > PARQVANCOUVER.COM
> >
> > **From:** Louis Spetrino
> > **Sent:** Friday, January 18, 2019 9:23 AM
> > **To:** Phuong Waldner <PERSONAL INFO>; Tek Lee <PERSONAL INFO>
> > **Subject:** Fwd: Clarification - Source of Funds Policy
> >
> > FYI
> >
> > Sent from my iPhone

Begin forwarded message:

From: Angela Swan <PERSONAL INFO>
Date: January 18, 2019 at 9:15:41 AM PST
To: Joe Brunini <PERSONAL INFO>, Louis Spetrino <PERSONAL INFO>
Subject: FW: Clarification - Source of Funds Policy

Please see notes below.

Angela

From: Bal Bamra <PERSONAL INFO>
Sent: Friday, January 18, 2019 6:41 AM
To: Angela Swan <PERSONAL INFO>
Cc: Daryl Tottenham <PERSONAL INFO>
Subject: RE: Clarification - Source of Funds Policy

Hi Angela,

This goes back to my last email...there is still confusion around receipting and SOF. These are two different processes separate and apart from each other, and that's how they need to think. The rules have never changed from the original training provided by Daryl and I, or from the original direction.

Thanks,

Bal Bamra BCom, CAMS
Manager, AML Intelligence
Legal, Compliance & Security Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO

•Yes, and...•

PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Daryl Tottenham <PERSONAL INFO>
Sent: January-17-19 10:32 PM
To: 'Angela Swan' <PERSONAL INFO>; Bal Bamra <PERSONAL INFO>
Subject: RE: Clarification - Source of Funds Policy

Hi Angela,
Not sure where that came from but I think she is having issues between 2 separate processes that she is tying together. With the example used, the first buy-in at 8K is cash un-sourced. If the patron wishes to buy-in

for another 3K, they would require receipts for the 3 K AND the 8 K. The receipting requirement requires ALL receipts at 10K and over AND for every subsequent buy-in past 10K. If the player is unable to provide receipts for the entire 10K, the 3K buy-in can not be allowed.

The SOF form is required at 10K and must be completed before the transaction can be allowed. The form must show where the funds came from and be filled out in full. For any subsequent buy-ins after 10K, another SOF is required.

While we were at the lunch table with the others, we were talking about the Directive that we put out and got pulled back by GPEB, amongst other items. One of the items was our hopes to eventually get the Directive back out that would only require the tipping point buy-in at 10K, as well as un-limited convenience cheques and removing PGF minimum $$ openings but the table conversation was clearly talk about where we want to get to and not current state. This is a pretty basic part of the SOF and receipting that came out in Jan 2018 and nothing has changed since inception so not sure how this could possibly be an issue still.... There were only staff from Villa at the table and they clearly know this rule and did not state otherwise so I am a little confused on this one.

I am off tomorrow but on cell and available at anytime if you wish to chat further tomorrow.
Thx Daryl
.

From: Angela Swan <PERSONAL INFO
Sent: Thursday, January 17, 2019 5:19 PM
To: Daryl Tottenham <PERSONAL INFO>; Bal Bamra <PERSONAL INFO>
Subject: FW: Clarification - Source of Funds Policy

Hi Daryl and Bal,

Please see the notes below. Can you please clarify whether Phuong's understanding in the email below is correct? The general understanding here (including mine) was that receipts would be required for the full amount including the initial buy-in(s) under the $10K and not just for the buy-in that put the player over the $10K and then subsequent buy-ins.

I checked the policy and the additional guidance provided on October 12th but it didn't directly address this:

1.3 Patrons presenting unsourced cash or cash equivalents such as certified cheques, or bank drafts for buy-ins totaling $10,000 or more must produce a source of funds receipt from the remitting financial institution;

1.3.1 The receipt must show the patron's name, the name of the financial institution that issued the cash, certified cheque, or bank draft, and the patron's bank account number.

1.3.1.a The patron may record all of the above in writing on the receipt if the information is not already present.

Thanks,
Angela

From: Louis Spetrino
Sent: Thursday, January 17, 2019 5:01 PM
To: Angela Swan [redacted]
Subject: FW: Clarification - Source of Funds Policy

Angela please get us clarity on this. I highly recommend training for all service providers in one room.

Thank you,

Lou

From: Phuong Waldner
Sent: Thursday, January 17, 2019 10:59 AM
To: Louis Spetrino [redacted]
Subject: Clarification - Source of Funds Policy

Hi Lou,

As per our conversation yesterday. In regards to providing SOF receipts I would like to get some clarity on the policy. For example:

A player buys in for 8k cash, loses it, then buys in for another 3k. Do we need a receipt for the entire 11k or just the 3k ?

This month in our monthly meeting with Grand Villa and River Rock management we learnt that there are multiple opinions on this.

Our team met with BCLC the same day and confirmed verbally that players can buy in with unsourced cash up to 9.9k, and receipting is only required for the amount of funds over 10k and the receipting is required for all subsequent buy ins.

Please confirm that this is our policy

Regards,

PHUONG WALDNER
Director, Cage Operations

O [redacted]
39 SMITHE ST. | VANCOUVER (BC) V6B 0R3

<image001.jpg>

PARQVANCOUVER.COM

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This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

This is Exhibit "102" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BRITISH COLUMBIA

Know your limit, play within it.

November 27, 2018 556626

Angela Swan, Vice President, Regulatory Affairs and Compliance,
Parq Vancouver,
39 Smithe St, Vancouver BC
V6B 0R3

Dear Ms. Swan,

As you are aware, the Gaming Policy and Enforcement Branch (GPEB) is responsible for the overall integrity of gambling in the province. Under section 34(1)(f)(i) of the Gaming Control Regulation, it is a condition of registration for gaming service providers to obey the standard operating procedures (BCLC Standards) and rules of play set out by the British Columbia Lottery Corporation (BCLC).

In January 2018, BCLC implemented the new Source of Funds Declaration policy (the Source of Funds Policy). The policy requires that:

> Patrons presenting cash or cash equivalents such as certified cheques, or bank drafts for buy-ins totaling $10,000 or more must produce a source of funds receipt from the remitting financial institution. The receipt must show the patron's name, the name of the financial institution that issued the cash, certified cheque, or bank draft, and the patron's bank account number.

This policy was formally incorporated into the BCLC Standards in September 2018. The Source of Funds Policy is an integral control in anti-money laundering efforts, and compliance with this policy is critical for upholding the integrity of gaming in BC.

As you are aware GPEB conducted an audit of transactions in August 2018 at Parq Vancouver to verify compliance to the Source of Funds Policy issued by BCLC in January 2018. Our audit found non-compliance with this policy, specifically around incomplete or missing documentation required to substantiate the source of the patron's funds. The results of our audit were shared with you on October 30, 2018 and your response was received by GPEB on October 31, 2018. GPEB acknowledges the commitment made by Parq, in your response to our audit, to address these issues.

As this policy has now formally been incorporated into the BCLC Standards for two months, GPEB expects full compliance as required under section 34(1)(f)(i) of the Gaming Control Regulation.

./2

Ministry of Attorney General

Gaming Policy and Enforcement Branch
Assistant Deputy Minister's office

Mailing Address:
PO BOX 9311 STN PROV GOVT
VICTORIA BC V8W 9N1
Telephone: ((778) 698-2277
Facsimile: (250) 356-8237

Location / Courier Address:
Third Floor, 910 Government Street
Victoria, BC V8W 1X3

Web: www.gaming.gov.bc.ca

GPEB will be conducting a follow up audit at Parq Vancouver in early 2019 to verify full compliance with this policy. Please be advised that any further findings of non-compliance will result in escalating administrative sanctions which could include additional conditions being imposed on your registration, fines, suspensions and/or cancellation of registration pursuant to sections 69(1)(a) and 68(c)(i) of the *Gaming Control Act.*

Sincerely,



Sam MacLeod
Assistant Deputy Minister and General Manager
Gaming Policy and Enforcement Branch

Cc: Joe Brunini, President, Parq Vancouver
Jim Lightbody, CEO, BC Lottery Corporation

GPEB is a 2018 recipient of the BC Public Service Top Work Unit Award

This is Exhibit "103" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BRITISH COLUMBIA

November 29, 2018 557029

Jim Lightbody, Chief Executive Officer,
BC Lottery Corporation
2940 Virtual Way
Vancouver, BC
V5M 0A6

Dear Mr. Lightbody,

As you are aware, the Gaming Policy and Enforcement Branch (GPEB) is responsible for the overall integrity of gambling in the province. Under section 34(1)(f)(i) of the Gaming Control Regulation, it is a condition of registration for gaming service providers to obey the standard operating procedures (BCLC Standards) and rules of play set out by the British Columbia Lottery Corporation (BCLC).

GPEB considers the Source of Funds Policy BCLC, implemented in January 2018 and incorporated into the Standards in September 2018, an integral control in anti-money laundering efforts, and service provider compliance with this policy is critical for upholding the integrity of gambling in BC.

GPEB conducted an audit of transactions from May to June 2018 and a follow up audit of transactions in August 2018 at the five largest Lower Mainland casinos to verify compliance to BCLC's Source of Funds Policy. Our audit found non-compliance with this policy, specifically around incomplete or missing documentation required to substantiate the source of the patron's funds. In addition, preliminary results from the work being performed by Deloitte have identified continued non-compliance with Source of Funds Policy.

As a result of these findings, I sent letters on November 28, 2018 to the three largest casino service providers in the Lower Mainland outlining GPEB's expectations of their compliance with BCLC's Source of Funds Policy. These letters outlined that continued non-compliance will result in escalating administrative sanctions, which could include additional conditions being imposed on their registration, fines, suspensions and/or cancellation of registration.

./2

Ministry of Attorney General

Gaming Policy and Enforcement Branch
Assistant Deputy Minister's office

Mailing Address:
PO BOX 9311 STN PROV GOVT
VICTORIA BC V8W 9N1
Telephone: ((778) 698-2277
Facsimile: (250) 356-6237

Location / Courier Address:
Third Floor, 910 Government Street
Victoria, BC V8W 1X3

Web: www.gaming.gov.bc.ca

GPEB's audits also found service provider confusion during the roll-out of the Source of Funds Policy. The policy has been in effect for 11 months and formally incorporated into BCLC Standards for two months, yet non-compliance remains at unacceptable levels. As BCLC is responsible for the conduct and management of gambling in the province, including the implementation of this policy, GPEB requests that BCLC support service providers in their efforts to achieve and maintain full compliance. This may include analysis to determine the reasons behind non-compliance and additional training and increased onsite support from BCLC as necessary.

GPEB expects service providers to be in full compliance as required under section 34(1)(f)(i) of the Gaming Control Regulation. GPEB will be conducting another source of funds audit in early 2019 to review BCLC's program and to verify service provider compliance with the policy.

GPEB is committed to ensuring the integrity of gambling in BC and supporting BCLC in its anti-money laundering efforts.

Sincerely,

Sam MacLeod
Assistant Deputy Minister and General Manager
Gaming Policy and Enforcement Branch

This is Exhibit "104" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Gaming Policy and Enforcement Branch

2018/2019

Source of Funds Declaration Audit 3

COMM File #: 9403

Draft Issue Date: May 13, 2019

Distribution List

Sam MacLeod, Assistant Deputy Minister and General Manager, GPEB
Jim Lightbody, CEO, BCLC
Robert Kroeker, BCLC, Vice President, Legal, Compliance & Security, BCLC
Gurmit Aujla, Director, Audit Services, BCLC
Shauna Gillespie, Director, Compliance, GCGC
Chris Masters, Director, Compliance & AML, Gateway Casinos

This document is the property of the Gaming Policy and Enforcement Branch (Compliance Division). It is confidential and shall not be released or disclosed in whole or part without the permission of the General Manager or a delegated authority.

Terry McInally, Chief Compliance Officer, Gateway
Angela Swan, VP, Regulatory Affairs and Compliance, Parq Vancouver

Executive Summary

In response to Peter German's December 2017 interim recommendation, that gaming service providers complete a Source of Funds Declaration for cash or cash equivalents of $10,000 or more, BCLC introduced the Source of Funds Declaration directive on January 10, 2018. This requires service providers to gather detailed information on the source of the patron's funds for all transactions of $10,000 or more. This directive was formally incorporated as policy in the BCLC Standards in September 2018.

GPEB conducted two previous Source of Funds (SOF) audits in 2018. On November 27, 2018, the Assistant Deputy Minister and General Manager of GPEB sent letters to the three largest casino service providers and BCLC outlining GPEB's expectations related to the SOF policy.

This third audit was to verify service provider compliance since the letters were issued as well as identify any issues that may continue to impact the effectiveness of the SOF policy. The scope of this audit included a review of a random sample of 250 Large Cash Transaction (LCT) reports requiring a Source of Funds Declaration during the period January 15 – February 18, 2019 at the same five Lower Mainland casinos as our previous two audits: River Rock, Parq Vancouver, Grand Villa, Starlight and the Hard Rock Casino.

Issues identified in our audit related to:

- Minor instances of non-compliance to the SOF policy, specifically at Parq Vancouver, Grand Villa and Starlight Casino. No audit exceptions were identified at the River Rock and Hard Rock Casino.

- Opportunities for improvement in BCLC's communicating of the SOF policy and procedures out to service providers.

Overall, service providers have improved their compliance with the SOF policy since GPEB's first two audits. Generally, supporting documentation is being obtained and the Source of Funds Declaration and Reasonable Measures (RM) forms are being completed as required. BCLC's SOF policy aligns with the intent of the Peter German recommendation.

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Introduction

Background

In response to Peter German's December 2017 interim recommendation, BCLC implemented the Source of Funds Declaration directive on January 10, 2018. The directive was formally incorporated as policy in the BCLC Standards in September 2018, and requires that:

> *Patrons presenting unsourced cash or cash equivalents such as certified cheques, or bank drafts for buy-ins totaling $10,000 or more must produce a source of funds receipt from the remitting financial institution. The receipt must show the patron's name, the name of the financial institution that issued the cash, certified cheque, or bank draft, and the patron's bank account number. The patron may record all the above in writing on the receipt if the information is not already present.*

The Source of Funds (SOF) policy is an integral control in anti-money laundering efforts, and compliance with this policy is critical for upholding the integrity of gaming in BC.

GPEB conducted two SOF audits in 2018, the first reviewing transactions from May to June 2018 and the second reviewing transactions from August 2018, to review service provider compliance and BCLC's roll out of the policy. Our audits found non-compliance on the part of the service providers around incomplete or missing documentation required to substantiate the source of the patron's funds as well as issues with BCLC's implementation of the policy.

On November 27, 2018, the Assistant Deputy Minister and General Manager of GPEB sent letters to the three largest casino service providers and BCLC outlining GPEB's expectations of their compliance with the SOF policy. This third audit was to verify service provider compliance since the letters were issued as well as identify any issues that may continue to impact the effectiveness of the SOF policy.

Objective

The objectives of the audit were to verify:

- Service provider compliance with the BCLC Standards.
- BCLC's SOF policy and procedures align with the intent of the Peter German recommendation.

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- BCLC's communication of the SOF policy and related procedures is consistent, clear and effective.

- BCLC has an adequate process in place to review and analyze information captured by service providers through the Source of Funds Declaration process.

Scope

The scope of the audit included:

1. A review of a random sample of 250 Large Cash Transaction (LCT) reports requiring a Source of Funds Declaration during the period January 15 – February 18, 2019 at the same five Lower Mainland casinos as our previous two audits: River Rock, Parq Vancouver, Grand Villa, Starlight and the Hard Rock Casino.

2. A review of BCLC's conduct and management of the Source of Fund process.

Approach

The approach for this audit included the following steps:

1. Engage in discussions with service provider management responsible for overseeing casino compliance and anti-money laundering.

2. Conduct a walkthrough of the SOF process with the cage and table games departments at each of the five casinos audited.

3. Meet with the BCLC AML Unit (AML Programs and AML Intelligence) to gain an understanding of how the prescribed details of the SOF policy have been communicated to the service providers; and to confirm if there have been any subsequent changes or additional direction given to service providers related to the policy since it was formally incorporated into the BCLC Standards in September 2018.

4. Review a random sample of 250 LCT reports to verify compliance with the SOF policy. The number of LCTs reviewed per site were as follows: River Rock (95), Parq Vancouver (85), Grand Villa (35), Starlight (20) and Hard Rock (15). The sample sizes for each site were based on 20% of the site's LCT population between January 15 – February 18, 2019 which required a Source of Funds Declaration.

Issues and Recommendations

This document is the property of the Gaming Policy and Enforcement Branch (Compliance Division). It is confidential and shall not be released or disclosed in whole or part without the permission of the General Manager or a delegated authority.

Issue #1 – Service Provider Non-Compliance to SOF Policy

A random sample of 250 LCT reports requiring a Source of Funds declaration during the audit period January 15 – February 18, 2019 from the five Lower Mainland casinos were reviewed to assess service provider compliance to the SOF policy.

No audit exceptions were identified at the River Rock and Hard Rock Casinos. Details of the issues resulting from the audit procedures are discussed below:

Issue	Casino	% Non-Compliant
Bank draft and bank draft receipt were not scanned into iTrak.	Parq Vancouver	**3%:** (1/29 bank drafts)
SOF receipt was not scanned for additional buy-ins over $10,000.	Parq Vancouver	**2%:** (2/85 LCTs)
Source of Funds Declaration form was not signed by the patron.	Parq Vancouver Grand Villa	**1%:** (1/85 LCTs) **6%:** (2/35 LCTs)
Source of Funds Declaration form was not signed by the employee.	Starlight	**5%:** (1/20 LCTs)
Patron signature was not obtained for additional buy-ins over $10,000.	Parq Vancouver	**8%:** (7/85 LCTs)
Additional buy-ins over $10,000 were not documented on Source of Funds Declaration form.	Parq Vancouver	**2%:** (2/85 LCTs)
Corrections on Reasonable Measures form were not initialized by the employee.	Parq Vancouver	**1%:** (1/85 LCTs)

Parq Response:

Parq in the midst of implementing organizational and procedural changes that will ensure a high level of compliance with the Source of Funds, Reasonable Measures and receipting processes. The following activities are currently underway:

- Effective May 27, 2019, a Compliance Manager has been hired to oversee all anti-money laundering and gaming compliance processes.
- Recruitment has commenced for a Gaming Compliance Analyst who will perform spot checks on the forms and processes to ensure that the requirements are being met. Depending on the volume of work required, an additional resource may be added at a later date.
- The Compliance team will report in under Regulatory Affairs and Compliance and will be responsible for ensuring that staff are appropriately trained on the processes and forms and are held accountable for completing them accurately and in compliance with the requirements.
- Cage will perform operational reviews of the forms to ensure that front-line staff are adhering to the guidance and are collecting and recording the appropriate information and where necessary, having the customer attest to the sources of the funds provided.

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- Any changes to procedures with respect to these forms or the associated procedures will require the review and approval of the Regulatory Affairs and Compliance team moving forward.
- As the new Compliance Manager and Gaming Compliance Analyst are brought up to speed on the processes and the reviews, Parq will request a working session with the BCLC AML team to review our forms and processes and to identify any opportunities for improvement.

Issue # 2: Opportunities for improvement were identified in BCLC's communication of the Source of Funds Policy.

Procedures in the BCLC Standards are not sufficiently detailed which has led to inconsistent application of SOF Policy.

Since the implementation of the Source of Funds directive more than a year ago, BCLC has relied on informal methods to communicate the SOF requirements to the service providers. In addition, the direction provided by BCLC to service providers has at times been inconsistent or unclear.

In September 2018 BCLC incorporated the source of funds policy into the BCLC Standards however this is not at an adequately detailed enough level to give the service providers the direction needed. Rather than have detailed procedures in the Standards, BCLC has relied on informal methods, such as Question and Answer (Q&As) documents, emails, phone calls, training sessions and presentations, which has resulted in some inconsistent or unclear direction.

As a result of the lack of detailed procedures, service providers have frequently had to ask BCLC for clarification on source of funds policy. The answers provided by BCLC have not always been consistent or clear. For example, the three Q&A documents (January, May and October 2018) contain replies to 87 questions from the service providers. Some of these were repeat questions as the initial direction from BCLC was unclear or inconsistent.

On February 6, 2019 BCLC implemented a formal communication portal, including using a standardized Q&A form for service providers to ask SOF questions. Responses from BCLC were then sent to all service providers in order to ensure consistent communication. Initial feedback is that this formal portal has improved communications between BCLC and service providers, however challenges still exist.

Recommendations

BCLC should update its Standards to ensure they are detailed and comprehensive enough to meet service provider needs. The guidance communicated out in the various channels should be consolidated into detailed instructions in either the BCLC Standards or an instruction guide or a manual. Future communication with service provers in relation to the SOF policy should be consistent with the wording in the BCLC Standards.

This document is the property of the Gaming Policy and Enforcement Branch (Compliance Division). It is confidential and shall not be released or disclosed in whole or part without the permission of the General Manager or a delegated authority.

Conclusion

The audit determined that overall, the service providers are compliant with the SOF policy. Supporting documentation is being obtained and scanned and the Source of Funds Declaration and Reasonable Measures (RM) forms are being completed as required.

We also found that BCLC's SOF policies align with the intent of the Peter German Recommendation, which were designed to require patrons to provide evidence of the source of their funds.

It was identified that there were opportunities for improvement with the way the SOF policies and procedures are communicated by BCLC to the service providers. Communication of policy should be done in a more structured process and should be consistent between all service providers.

As noted in the report, BCLC has implemented steps to improve the communication flow between themselves and service providers. Feedback from both BCLC and service providers indicates these steps have streamlined the communication flow however this same feedback has also indicated there continues to be room for improvement.

DRAFT

This is Exhibit "105" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Produced pursuant to Ruling #8 of Commissioner Cullen (September 18, 2020)

Federal Court Cour fédérale

Date: 20170811

Docket: T-1801-10

Ottawa, Ontario, August 11, 2017

PRESENT: The Honourable Madam Justice Gagné

BETWEEN:

BRITISH COLUMBIA LOTTERY CORPORATION

Appellant

and

ATTORNEY GENERAL OF CANADA

Respondent

CONSENT ORDER

UPON motion in writing on behalf of the appellant and respondent for an order allowing the appeal to vary the decision of the Director of the Financial Transactions and Reports Analysis Center of Canada;

AND UPON reading the consent filed by the parties;

THIS COURT ORDERS that:

1. The appeal is granted and the decision of the Director of the Financial Transactions and Reports Analysis Center of Canada to impose an Administrative

Monetary Penalty against the appellant is varied and that the Administrative Monetary Penalty thereby imposed is hereby set aside;

2. There is no order as to costs.

"Jocelyne Gagné"
Judge

This is Exhibit "106" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker [PERSONAL INFO]
From: Brad Desmarais
Sent: Thur 23/11/2017 2:27:17 AM
Subject: FW: Heads up on another large cash buy-in- River Rock 2014- 52289

Notification of GPEB and evidence of Mazure being briefed

Brad Desmarais
Vice President, Casino and Community Gaming

BCLC, 2940 Virtual Way, Vancouver, B.C. V5M 0A6
T 604 225 6408 C 604 328 2481 F 604 225 6488

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: John Karlovcec
Sent: Thursday, October 16, 2014 1:22 PM
To: Daryl Tottenham <[PERSONAL INFO]; Bruno Gatto <[PERSONAL INFO] Kris Gade [PERSONAL INFO], Kevin Sweeney [PERSONAL INFO]>
Cc: Brad Desmarais <[PERSONAL INFO]
Subject: RE: Heads up on another large cash buy-in- River Rock 2014- 52289

Thanks Daryl. I totally agree with the same approach being applied as yesterday. I further suggest that we make a discrete inquiry to determine who the hotel room on the 1th floor is registered to.

John

From: Daryl Tottenham
Sent: Thursday, October 16, 2014 7:30 AM
To: John Karlovcec; Bruno Gatto; Kris Gade; Kevin Sweeney
Subject: Heads up on another large cash buy-in- River Rock 2014- 52289

Similar to yesterday's large cash buy-in, last night at RR [PERSONAL INFO] arrived around 8 pm in a vehicle with 2 other Asian males and carried in a large gym bag with $469,960 in $20 bills. (23,498 X $20) [PERS] bought in and waited at the table for his chips and upon receiving them [PERSON] played one hand and got up and took his chips to the cage to cash out. He was advised by cage staff that he would be getting his small bills back at which point he opted not to cash out and left the casino and was last seen going to an unknown room on the 11th floor of the hotel.
The 2 males that came in with [PERS] are [PERSONAL INFO] #145096 who is currently banned and was placed on WATCH by Steve in Oct 2013 for suspected cash facilitating activities and [PERSONAL INFO] #57331 who was involved with [PERSON] yesterday in a similar file for a $100,000 buy-in. In that file YU bought in for $100,000 in $20's and upon receiving his chips at the table [PERSONAL] took $50,000 of the chips and left the casino and met with BCLC barred [PERSONAL] and they both went up the same room on the 11th floor of the hotel.
I think the prudent action to take here is to place the subjects involved on an immediate 14-day investigational barring and have the site investigators follow up similar to yesterday and attempt to contact and interview the subjects. Clearly that room on the 11th floor is being used as a supply point for this group to cycle small bills and stockpile chips for use with VIP clients.
[PERS] has approx. 25 LCT's in his history but they are all mostly in the 10-40K range for cash buy-in with the exception of yesterday's 100K buy-in and this 467K buy-in which is 10 times higher than his normal level of play. (if you call one hand a normal level of play....)

Bruno, let me know if there is anything you need assistance with. I have not copied this to the guys at RR and will leave it with you to decide a course of action and give them direction on it.

John and I have an AML presentation to look after at Hard Rock this afternoon but will be around this am.
Daryl

This is Exhibit "107" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

June 15, 2017

Re: BCLC DIRECTIVE – FINTRAC Amendments effective June 17th, 2017

This directive outlines the requirements for all BC Casinos and Community Gaming Centres to complete enhanced due diligence efforts to determine and document ownership of funds for all cash buy-ins, disbursements, and Forex transactions of $10,000 or more within a static 24 hour period. These records must be retained for a 5 year period from the date the record was created and must be completed BEFORE any transaction of $10,000 or more is completed.

BCLC has attached a copy of the form that staff are required to complete prior to each transaction. The original must be retained or electronically scanned and saved within the reporting document. The intent of this form is to document the patron's response when asked if the cash is their own or is being produced on behalf of another patron. If the patron refuses to provide a response you must document the fact you asked and that the player refused to provide a response.

If the patron advises that the cash is on behalf of another patron, you must determine who that individual is, the relationship between the parties and treat the transaction as a third party transaction. This would include obtaining all the necessary documentation for a third party transaction and scanning ID of the third party BEFORE the transaction can be completed. If the third party is not present or refuses to provide this information the transaction must be refused and an Itrak file shall be created to document why the service provider was unable to identify the third party.

Third party transactions involving corporations or other entities are not permitted under any circumstances.

Where the service provider is unable to determine the relationship between the parties or circumstances give rise to a concern any level of coercion is involved in the transaction, the transaction must be refused and a UFT considered

An example of reasonable measures for a cash buy-in would be:

1. If you, as a casino, are receiving a cash buy-in of $10,000 or more and you ask the patron if they are the owners of the cash and they confirm they are, you would fill in the appropriate responses on the attached form and scan it into the media tab of the LCT.

2. If you, as a casino, are making a disbursement to a patron and you ask if the patron is receiving the funds on behalf of a third party and

the individual refuses to answer yes or no. You would need to record that you asked the patron, the date you asked and the fact that the patron refused to answer.

If a patron refuses to answer the question of who owns the funds, you must document the fact that you asked and document what their response was; however, the transaction may still be completed.

playing it right

3. If you, as a casino, have a patron that has multiple cash buy-ins and is now approaching the $10,000 threshold, you should approach the patron and follow your current Fintrac reporting protocols AND include the attached reasonable measures form and determine if the cash is their own. If it is their own cash you shall fill out the form and scan a copy of the form along with the tracking sheet to the LCT media tab

   If a patron indicates that the funds are from a third party but refuses to identify the third party, you must also record those details but the transaction should be denied and the attempted transaction should be reported to BCLC.

If a patron asks why we are now requiring this information, the correct response should be: Due to Legislative amendments to the Regulations Proceeds of Crime (Money Laundering) and Terrorist Financing Act, (PCMLTFA) effective June 17, 2017 casino staff are obligated to request this information on behalf of BCLC.

Please ensure that all staff are apprised of these changes and that a reasonable measures form is completed in every instance effective 0001 hrs. on June 17th, 2017.

If you have any questions on this process please contact your assigned BCLC Investigator or the AML unit at AML@bclc.com to ensure a smooth transition of these amendments to the PCMLTFA.

This is Exhibit "108" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Daryl Tottenham PERSONAL INFO ; Ross Alderson PERSONAL INFO
Cc: Bal Bamra PERSONAL INFO
From: Rob Kroeker
Sent: Mon 19/06/2017 1:52:38 PM
Subject: RE: Press release impact on table revenue

Good morning Daryl & Bal

This is interesting insight. We need to consider this further. Specifically, here are some of the questions we should look at:

- Has there been a corresponding increase in other buy-in methods
- Is this a general chilling effect – in other words has there been a decrease across the board for higher end table play
- If there has been a wide spread decline why do we think this is so. Are players staying away because they were engaging in problematic buy-ins or is it they are wanting to maintain privacy and avoid general police/government scrutiny.
- Is this a specific chilling effect – where only a certain number of players have change their behaviour
- If the effect is more specific, who are the players involved and what does our analysis tell us about why their behaviour has changed. Does it appear they were engaged in questionable transactions or are they concerned about general police/government scrutiny.
- If the effect is restricted to a certain number of players we should analyze their play and transaction history over a set period and reassess their risk assessments.

Would you and your teams please consider these issues over the next several weeks and any others that occur to you. We will need to put these issues on our next STR meeting agenda.

Thanks,

Rob Kroeker
Vice President | Corporate Security & Compliance
British Columbia Lottery Corporation

2940 Virtual Way, Vancouver BC V5M 0A6
T PERSONAL INFO | F 604.225.6488

Yes, and...

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Daryl Tottenham
Sent: June-18-17 3:44 PM
To: Rob Kroeker PERSONAL INFO Ross Alderson PERSONAL INFO
Cc: Bal Bamra <
Subject: Press release impact on table revenue

Just an FYI for your discussions this week and the ongoing strategies with JIGIT and GPEB actions. In the past 6 days since the CFSEU press release last we have seen a serious reduction in UFT files for cash buy-ins from River Rock. They average 3-4 per day and more over the weekend so the expected volume should be around 20+ files.

In the past 6 days RR had 4 UFT files for 11K, 20K, 30K, and PERSONAL INFO s 100K buy-in. These are seriously low numbers and I expect it will continue over the next few days which is going to have an impact on table revenues in the short term. We will continue to monitor activities and will advise if we get any feedback from site staff on this topic.
Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

This is Exhibit "109" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: 'Steven LY'[PERSONAL INFO]
Cc: John Karlovcec[PERSONAL INFO]; Rob Kroeker[PERSONAL INFO]
From: Daryl Tottenham
Sent: Mon 2017-12-04 11:19:37 PM
Subject: [PERSO]day-to-day breakdown 2015-2017
[PERS]overall.xlsx

Steven,
As promised here is the [PERSO]day-to-day breakdown for his entire history with BCLC. There are recent bank drafts on this spreadsheet that you will not have hard copies on as they happened after the review period when we pulled the other drafts. Sorry for the delay but it took a bit of work due to the large number of tracking sheets embedded in each day of gaming. If you require clarification on this report prior to your meeting tomorrow with the bosses, do not hesitate to call me anytime.
Here are a couple points with respect to this document to help understand it:

- As[PERSON AL INFO] lives and works in Ontario and comes into BCLC sites when he is in town on business, the entries are blocked according to each visit. You will see "Win/Loss to Date" numbers after each block and these reflect his plus/minus on that date.
- As you can see, after his initial 300K buy-in with his own funds,[PERSON AL INFO] was playing with River Rock money throughout this period except for his last 2 visits. When he left with ROF (return of funds) cheques and put them back into his account at home, his next bank draft brought in was a result of casino winnings.
- When RR asked him to stop coming and he switched to Parc Casino, he was still playing with RR winnings till the end.
- The 2 dates where he brought in a large amount of cash based on accumulated winnings and cash pay-outs (700K and 650K) that were pre-approved by BCLC, you will see the cash totals in "red" showing what he actually received in net cash from RR prior to the buy-in. The cash was brought in $100 bills bundled exactly as he received it from RR and everything was found to be completely in order.
- His last 2 visits to Parc are the first time he was actually using his own funds and suffered a loss. On his last visit he brought 2 friends/executives from Ngen Technologies and I can only conclude he was trying to make an impression on them which would explain his large losses. He is usually very methodical in his play and on this instance he was playing very loose and lost a large amount of money in a very short period of time.
- Since that loss of over 3 million in one day, (Oct 28th) he has yet to return to Parc which is out of the norm for his regular schedule of play but expected considering his losses.

Hopefully this makes his overall gaming picture easier to explain for your bosses.
Cheers,
Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Legal, Compliance & Security Division

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

Yes, and...

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

907

DATE	BUY-IN	DRAFT/CASH	DISBURSEMENT	CHEQUE/CASH	WHOSE MONEY?	Notes
2015-08-30	$300,000	draft	16,000	cash	Rhee	Abandoned chips 165K
2015-08-31	PGF		39,035	cash	RR	chips to PGF WIN/LOSS DATA FROM PLAYER PERSPECTIVE
2015-09-01	PGF		23,555	cash	RR	chips to PGF
2015-09-02	PGF		7,800	cash	RR	chips to PGF
2015-09-03	20,000	cash	440,000	Cheque	RR	WIN/LOSS TO DATE- $ +206,390
						PER cashed and left
2015-09-13	$300,000	draft	0	PGF	Rhee/RR	chips to PGF
2015-09-14	500,000	draft	78,200	cash	RR	chips to pgf
2015-09-15	30,000	cash + pgf	36,200	cash	RR	
			85,000	cheque	RR	2 verified win cheques (40K and 45K)
2015-09-16	30,000	cash + pgf	40,500	cash	RR	
			37,800	Cheque	RR	verified win cheque
2015-09-17	40,000	cash + pgf	71,000	cash	RR	short day, no PGF
2015-09-18	100,000	cash only	124,800	cash	RR	Took cash and closing cheque
			518,500	cheque	RR	ROF cheque
2015-09-19	148,600	cash	170,000	cash	RR	played with extra cash
						PERS cashed out and left
						WIN/LOSS TO DATE- $+ 219,790
2015-10-06	500,000	draft	75,000	cash	RR	chips to PGF
2015-10-07	60,000	cash + pgf	79,750	cash	RR	chips to PGF
2015-10-08	30,000	cash + pgf	85,100	cash	RR	chips to PGF
2015-10-09			575,000	cheque	RR	No play, cashed out and left
						WIN/LOSS TO DATE- $ + 444,640
2015-10-19	500,000	draft	0		RR	lost all
2015-10-20	750,000	draft X 2	0		RR	won, back to PGF, no disbursement
2015-10-21	13,300	cash + pgf	105,300	cash	RR	
			1,250,000	cheque	RR	cheque and PERS eft
						WIN/LOSS TO DATE- $ + 536,940
2015-10-30	300,000	draft	9,850	cash	RR	chips to PGF
2015-10-31	0	pgf	5,450	cash	RR	chips to PGF- started with PGF chips
2015-11-01	0		15,000	cash	RR	
			380,000	cheque	RR	no play, cashed out and left
						WIN/LOSS TO DATE- $ + 647,240

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2015-11-23	300,000 draft	33,200 cash	RR	chips to PGF
2015-11-24	0 pgf	40,000 cash	RR	chips to PGF
2015-11-25	0 pgf	2,800 cash	RR	took cash. Rest to PGF
2015-11-26	0 pgf	15,500 cash	RR	took cash and ROF cheque and left
		380,000 cheque	RR	WIN/LOSS TO DATE- $ + 818,740
2015-12-14	300,000 draft	27,050 cash	RR	chips to PGF
2015-12-15	4,000 cash	38,250 cash	RR	chips to PGF
2015-12-16	54,000 cash - 5 buy-ins	88,145 cash	RR	chips to PGF
2015-12-17	85,000 cash- 3 buy-ins	150,350 cash	RR	cash and cheque
		400,000 cheque	RR	ROF cheque
				Took cheque and left
				WIN/LOSS TO DATE- $ + 949,090
2015-12-21	25,000 cash	38,100 cash	RR	Single day only- cash
				WIN/LOSS TO DATE- $ + 977,190
2016-01-01	400,000 draft	0	RR	lost all
2016-01-02	600,000 draft	27,025 cash	RR	chips to PGF
2016-01-03	0 pgf	35,350 cash	RR	took cash
		1,100,000 cheque	RR	took cheque and left
				WIN/LOSS TO DATE- $ + 1,139,565
2016-01-27	6,500 cash	550 cash	RR	chips to PGF
	500,000 draft			
2016-01-28	5,000 cash	0	RR	Chips to PGF
2016-01-29	0 pgf	33,075 cash	RR	cash
		660,000 cheque	RR	took cheque and left
				WIN/LOSS TO DATE- $ + 1,321,690
2016-02-07	500,000 draft	0	RR	lost all
2016-02-08	39,000 cash	23,800 cash	RR	cash only play
2016-02-09	900,000 draft	0	RR	chips to PGF (1.6 M)
	900,000 draft			
2016-02-10	0 pgf	13,550 cash	RR	cash
		2,395,000 cheque	RR	took cheque at end and left
				WIN/LOSS TO DATE- $ + 1,491,240

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BCLC0005939.03

2016-02-21	500,000 draft	0	RR	Lost all
	5,000 PGF			
2016-02-22	1,000,000 draft	10,500 cash	RR	chips to PGF
2016-02-23	0 pgf	500 cash	RR	cash out
		1,650,000 cheque	RR	took cheque at end left
				WIN/LOSS TO DATE- $ + 1,647,240
2016-03-13	500,000 draft	0	RR	chips to PGF
2016-03-14	0 pgf	6,050 cash	RR	cash out- chips tp pgf
2016-03-15	0 pgf	800 cash	RR	cash out- chips to pgf
2016-03-17	0 pgf	205,000 cash	RR	cash out- with cheque
		700,000 cheque	RR	took cheque and left
				WIN/LOSS TO DATE- $ + 2,059,090
2016-03-29	500,000 draft	11,850 cash	RR	cash out- chips to pgf
2016-03-30	0 pgf	133,700 cash	RR	cash out- chips to pgf
2016-03-31	1,000,000 draft x 2	20,200 cash	RR	cash out- chips to pgf
		1,600,000 cheque	RR	Took cheque later in same day
2016-04-01	0 pgf	28,000 cash	RR	took cash and went home
				WIN/LOSS TO DATE- $ + 2,352,840
2016-04-10	500,000 draft	0	RR	chips to PGF
2016-04-11	0 pgf	0	RR	chips to PGF
2016-04-12	9,000 cash	216,100 cash	RR	cash out
		600,000 cheque	RR	Took cheque and left
				WIN/LOSS TO DATE- $ + 2,659,940
2016-05-16	650,000 draft	9,825 cash	RR	cash out- chips to PGF
2016-05-18	0 pgf	0	RR	chips to PGF
2016-05-19	0 pgf	114,000 cash	RR	Took cash and left with chips- btb 17 X 5K
			RR	WIN/LOSS TO DATE- $ + 2,133,765 plus o/s chips
2016-06-22	0 started with chips	0	RR	took chips out
2016-06-23	0 chips	3,000 cash	RR	cash out
2016-06-24	800,000 draft	985,000 cheque	RR	took cheque in AM
		1,895,000 cheque	RR	took 2nd cheque in PM and left
				WIN/LOSS TO DATE- $ + 4,213,765
2016-07-06	500,000 draft	12,200 cash	RR	cash out- chips to PGF

2016-07-07	0 pgf	0	RR	chips to PGF
2016-07-08	1,000,000 draft	86,600 cash	RR	cash out and cheque
		1,650,000 cheque	RR	Took cheque and left
				WIN/LOSS TO DATE- $ + 4,462,565
2016-07-19	800,000 draft	0	RR	chips to PGF
	800,000 draft	0	RR	chips to PGF- 200K left
2016-07-20	600,000 draft	0	RR	Lost all and left
	10,000 cash			WIN/LOSS TO DATE- $ + 2,252,565

Total cash in	Total cash out	Total cash available
709,400	2,407,610	$1,698,210

2016-08-08	700,000 cash-approv. BCLC	4,000 cash	RR	cash out- called ahead to approve cash- chips to PGF
2016-08-10	700,000 draft	114,625 cash	RR	cash out plus cheque in PM
		1,300,000 cheque	RR	cheque out and left
				WIN/LOSS TO DATE- $ + 2,271,190
2016-08-23	800,000 draft	81,100 cash	RR	One day play only
		1,400,000 cheque	RR	
				WIN/LOSS TO DATE- $ + 2,952,290
2016-09-08	500,000 draft	134,000 cash	RR	One day play only
	500,000 draft	753,000 cheque		
				WIN/LOSS TO DATE- $ + 3,039,290
2016-09-21	1,000,000 draft	13,485 cash	RR	One day play only
	800,000 draft	2,400,000 cheque		
				WIN/LOSS TO DATE- $ + 3,652,775
2016-10-08	15,000 cash	0 cash	RR	chips to pgf
2016-10-11	400,000 draft	110,000 cash		cash out and left
		500,000 cheque		
				WIN/LOSS TO DATE- $ + 3,847,775
2016-10-27	800,000 draft	43,455 cash	RR	One day play only, player left
	500,000 draft			WIN/LOSS TO DATE- $ + 2,591,230
2016-11-22	17,000 cash	3,500 cash	RR	One day play only

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	550,000 draft	700,000 cheque		
				WIN/LOSS TO DATE- $ + 2,727,730
2016-12-06	650,000 draft	0	RR	chips to pgf
				WIN/LOSS TO DATE- $ + 2,077,730
2016-12-07	1,000,000 draft	45,700 cash	RR	cash out and left
		1,950,000 cheque		
				WIN/LOSS TO DATE- $ + 3,073,430
2016-12-27	750,000 draft	0	RR	chips to pgf
2016-12-28	900,000 draft	0		chips to pgf
2016-12-29	700,000 draft	0	RR	chips to pgf
2016-12-30	200,000 draft	75,975 cash	RR	cash out and left
		1,600,000 cheque		
				WIN/LOSS TO DATE- $ + 2,199,405
2017-01-04	0 pgf	0	RR	chips to pgf
2017-01-05	0 pgf	500 cash	RR	cash out and left
		1,150,000 cheque	RR	
				WIN/LOSS TO DATE- $ + 3,349,905
2017-01-24	500,000 draft	0	RR	chips to pgf
2017-01-25	0 pgf	11,525 cash	RR	
2017-01-26	0 pgf	33,000 cash	RR	chips to pgf
2017-01-26	30,000 cash	40,795 cash	RR	one afternoon at Parc
2017-01-27	0 pgf	120,000 cash	RR	Took cash and left
				WIN/LOSS TO DATE- $ + 3,025,205
2017-02-07	600,000 draft	0	RR	chips to pgf
2017-02-08	0 pgf	0	RR	chips to pgf
2017-02-09	500,000 draft	1,150,000 cheque	RR	cash out
	250,000 draft			WIN/LOSS TO DATE- $ + 2,925,205
	900,000 draft			
2017-02-13	0 pgf	6,150 cash	RR	chips to pgf
2017-02-14	0 pgf	150,000 cash	RR	cash out and left
		1,300,000 cheque	RR	
				WIN/LOSS TO DATE- $ + 3,381,355

912

2017-03-06	650,000 draft	0	RR	chips to pgf
2017-03-07	0 pgf	0	RR	chips to pgf
2017-03-08	0 pgf	79,000 cash	RR	cash out and left
		850,000 cheque		
				WIN/LOSS TO DATE- $ + 3,660,355
2017-03-20	200,000 draft	64,075 cash	RR	chips to pgf
2017-03-21	0 pgf	0	RR	chips to pgf
2017-03-22	800,000 draft	50,000 cash	RR	
	50,000 cash	1,050,000 cheque	RR	cash out and left
				WIN/LOSS TO DATE- $ + 3,774,430
2017-04-09	350,000 draft	1,350 cash	RR	chips to pgf
	800,000 draft			
2017-04-11	0 pgf	28,485 cash	RR	cash out and left
		650,000 cheque	RR	
		710,000 cheque	RR	
				WIN/LOSS TO DATE- $ + 4,014,265
2017-04-27	400,000 draft	7,650 cash	RR	chips to pgf
	800,000 draft			
2017-04-25	0 pgf	12,650 cash	RR	
		1,400,000 cheque	RR	
2017-04-26	0 pgf	79,627 cash	RR	cash out and left
				WIN/LOSS TO DATE- $ + 4,314,192
2017-05-16	300,000 draft	3,890 cash	RR	
2017-05-17	0 pgf	3,700 cash	RR	
2017-05-18	0 pgf	9,525 cash	RR	cash out and left
		385,000 cheque	RR	
				WIN/LOSS TO DATE- $ + 4,416,307
2017-05-28	250,000 draft	3,900 cash	RR	one day play only
	800,000 draft			
	500,000 draft			
				WIN/LOSS TO DATE- $ + 2,870,207

Total cash in	Total cash out	O/s balance for B/I
112,000	1,297,182	$1,185,182

BCLC0005939.06

	BCLC			
2017-06-19	650,000 Cash approved	1,465 cash	RR	cash approved by BCLC
2017-06-20	550,000 draft	25,900 cash	RR	
	350,000 draft	1,800,000 cheque	RR	cash out and left
				WIN/LOSS TO DATE- $ + 3,147,572
2017-07-10	250,000 draft	6,000 cash	RR	chips to pgf
2017-07-11	750,000 draft	2,800 cash	RR	chips to pgf
2017-07-12	0 pgf	27,650 cash	RR	
		1,180,000 cheque	RR	cash out and left
				WIN/LOSS TO DATE- $ + 3,364,022
2017-07-29	400,000 draft	6,050 cash	RR	chips to pgf
2017-07-30	0 pgf	5,600 cash	RR	chips to pgf
2017-07-31	900,000 draft	5,000 cash	RR	chips to pgf "DRAFT COPIES END HERE"
2017-08-01	0 pgf	25,600 cash	RR	chips to pgf
2017-08-02	0 pgf	25,000 cash	RR	cash out and left
		1,800,000 cheque		
				WIN/LOSS TO DATE- $ + 3,931,472
2017-08-13	250,000 draft	5,775 cash	RR	chips to pgf
2017-08-15	0 pgf	360,000 cheque	RR	cash out and left
				WIN/LOSS TO DATE- $ + 4,047,247
2017-08-24	250,000 draft	5,700 cash	RR	chips to pgf
	600,000 draft			
	800,000 draft			
2017-08-25	800,000 rof cheque	800,000 cheque	RR	chips to pgf
		800,000 cheque	RR	
2017-08-26	0 pgf	1,000,000 cheque	RR	chips to pgf
2017-08-28	50,000 draft	50,000 cheque	RR	
	250,000 draft	300,000 cheque	RR	cash out and left
				WIN/LOSS TO DATE- $ + 1,297,247
2017-09-05	125,000 draft	20,830 cash	RR	chips to pgf
2017-09-06	300,000 draft	4,850 cash	RR	
		450,000 cheque	RR	cash out and left
				WIN/LOSS TO DATE- $ + 1,347,927

BCLC0005939.08

2017-09-12	225,000 draft	6,450 cash	RR	chips to pgf
2017-09-13	525,000 draft	5,650 cash	RR	chips to pgf
2017-09-14	850,000 draft	260,000 cheque	RR	
		1,500,000 cheque	RR	cash out and left
				WIN/LOSS TO DATE- $ + 1,520,027
2017-09-28	250,000 draft	2,950 cash	RR	chips to pgf
	750,000 draft			
2017-09-29	0 pgf	1,100,000 cheque	RR	chips to pgf
2017-10-01	0 pgf	28,700 cash	RR	cash out and left
				WIN/LOSS TO DATE- $ + 1,651,677
2017-10-06	200,000 draft	23,500 cash	RR	chips to pgf
	450,000 draft			
2017-10-08	850,000 draft	850 cash	RR	lost rest and left
				WIN/LOSS TO DATE- $ + 176,027
2017-10-15	800,000 draft	0	RR	chips to pgf
	400,000 draft			
2017-10-17	0 pgf	3,000 cash	RR	chips to pgf
2017-10-18	0 pgf	2,200,000 cheque	RR	chips to pgf
2017-10-19	0 pgf	65,750 cash	RR	cash out and left
				WIN/LOSS TO DATE- $ + 1,244,777
2017-10-23	400,000 draft	0	RR/RHEE	lost all and left
	400,000 draft			
	400,000 draft			
	300,000 draft			
				WIN/LOSS TO DATE- $ - 255,223
2017-10-25	63,000 cash	0	RHEE	Villa one day
2017-10-26	1,000,000 draft	0	RHEE	lost all
2017-10-27	1,000,000 draft	0	RHEE	lost all, last play to date
	200,000 draft			
	100,000 draft			
	600,000 draft		Last date played-	WIN/LOSS TO DATE- $ - 3,218,223
				PERSONAL: last playing date was October 28, 2017

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This is Exhibit "110" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

From: Akin, Richard FIN:EX
Sent: Friday, September 15, 2017 12:31 PM
To: 'Daryl Tottenham'; Stewart, Robert A FIN:EX
Cc: Fitzgerald, Anna FIN:EX; Ross Alderson; Stenerson, Laurin P FIN:EX; Samson, Heather FIN:EX; Ackles, Ken FIN:EX
Subject: RE: RRCR issue re 3rd party buy in

Hi Darryl,

Thanks for your assistance in the investigation. An 86 (1) has been sent today to BCLC under the File #97791. All the documentation you have listed below and being gathered in your file can be downloaded to the secure server when available. Of interest to us is the surveillance footage of the cash cage transaction and subsequent actions/or inactions by staff. My understanding is that Bob will be in touch and further discussions will ensue.

Thanks again,

Richard

Investigator, Special Provincial Constable #917
Gaming Policy and Enforcement Branch
Ministry of Attorney General
408 – 4603 Kingsway Avenue
Burnaby, BC V5H 4M4
Direct Line: PERSONAL INFO
Mobile: PERSONAL INFO
Fax: (604) 660-2333
Email: PERSONAL INFO

If you believe that you have received this email in error, please notify the sender and delete the email from your mailbox.

From: Daryl Tottenham [mailto PERSONAL INFO]
Sent: Friday, September 15, 2017 11:59 AM
To: Stewart, Robert A FIN:EX
Cc: Fitzgerald, Anna FIN:EX; Ross Alderson; Akin, Richard FIN:EX; Stenerson, Laurin P FIN:EX; Samson, Heather FIN:EX
Subject: RE: RRCR issue re 3rd party buy in

Hi Bob,
No problem, I am on days off but have been working all morning at home on-line and am available for a call whenever you have time. My cell is PERSONAL INFO
I will put together an outline and my concerns for this incident and send it your way. I have also had Steve create a file and download all statements to date, profiles, Reasonable measures form and the saved video to date. I have also asked him to try and isolate the cage video in regards to the buy-in process to determine if he was even asked at the cage about the ownership of funds which is a requirement by policy and Fintrac reporting guidelines. Steve had an opportunity to review much of the footage and at this time it would appear that PERSON was never asked at buy-in and the RM form was filled out after the fact and falsified. This has not

been confirmed but would be a serious violation with Fintrac reporting requirements if confirmed so the cage cashier will likely need to be interviewed by your investigators.

I am in the process of contacting Pat at RR as I suggested to him yesterday their first order of business should be contacting PERSONAL INFO and requiring him to immediately return the chips to RR and document that process fully. It is our intention to interview him when (if) he returns with the chips and it would be a good idea to have your investigators either sit in on the interview or conduct the interview if you prefer. If they are unavailable we will have a hard copy of the interview and make it available for your team.

Shout me at any time on cell if you have questions, synopsis to follow shortly.
Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Stewart, Robert A FIN:EX [mailto PERSONAL INFO
Sent: Friday, September 15, 2017 10:40 AM
To: Daryl Tottenham PERSONAL INFO >
Cc: Anna Fitzgerald < >; Ross Alderson < PERSONAL INFO ; Richard Akin < PERSONAL INFO ; Laurin Stenerson < PERSONAL INFO >; Samson, Heather FIN:EX < PERSONAL INFO >
Subject: FW: RRCR issue re 3rd party buy in
Importance: High

Hello Daryl,

As per the e-mail chain be advised that we will conduct an investigation in relation to this and I have assigned Laurin Stenerson and Heather Samson with oversight from our Lead Investigator Rich Akin. BCLC and RRCR will soon be receiving Section 86 Demands for information related to this event.

If you have time this afternoon I would like to give you a phone call to further discuss. In the meantime, and as a start to the investigation, it would be appreciated if you could send me an e-mail outlining the specific compliance and policy breaches that you feel occurred here. I think it is important that both GPEB and BCLC share the same expectation as to what is going to be investigated. We can discuss more on the phone but if you could provide reference documentation that would be helpful.

Would you be available this afternoon between 1300 and 1500?

Thank you,

Bob Stewart
Manager, Intelligence Unit &
Lower Mainland Investigations
Gaming Policy and Enforcement Branch
Ministry of the Attorney General
#408-4603 Kingsway Avenue
Burnaby, BC, V5H 4M4
Office: PERSONAL INFO

If you believe that you have received this email in error, please notify the sender and delete the email from your mailbox.

From: Fitzgerald, Anna FIN:EX
Sent: Thursday, September 14, 2017 6:05 PM
To: Stewart, Robert A FIN:EX; Meilleur, Len FIN:EX
Subject: FW: RRCR issue re 3rd party buy in
Importance: High

Hello Len and Bob,
I think we should let them know we will look into this (if we aren't already) and touch base with Dary TOTTENHAM first thing tomorrow. Any other thoughts?
Anna

From: Ross Alderson [mailto PERSONAL INFO
Sent: Thursday, September 14, 2017 5:19 PM
To: Fitzgerald, Anna FIN:EX
Cc: Meilleur, Len FIN:EX; Daryl Tottenham; Kevin Sweeney; Rob Kroeker
Subject: RRCR issue re 3rd party buy in
Importance: High

Hi Anna,
Firstly official congrats on your new position. Personally I am delighted GPEB saw fit to choose you as the candidate for this role.
I further look forward to the continued excellent working relationship.

I did leave you a quick VM on your cell. A matter has come up at RRCR this week that I believe should be of concern to GPEB as it has been to BCLC.
Essentially a third party cash buy in for $200K on behalf of a banned individual was allowed by the site. The individual who purchased the chips then left the site immediately with the chips without play. In a statement by a VIP host to BCLC investigators on why this was allowed to occur, it was indicated that the chips were to be further disbursed to 4 unknown individuals visiting from China so they could play at a later stage. What is further concerning is that the VIP host was aware of all these facts however stated to the BCLC Investigators that she was instructed by RRCR Management to proceed with the transaction.

There are a number of concerns here:

- In June 2017 new FINTRAC requirements came out regarding third party buy ins and reasonable measures. BCLC provided new policy that every $10K buy 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 is 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

I have received a phone call from Pat ENNIS and Greg PATTISON from GCGC and they are concerned and have asked that I contact GPEB for assistance. We all feel with the potential implications it would be far better that GPEB interview RRCR staff than this be done internally.
I am away from the office this week however Manager AML Programs Daryl TOTTENHAM is coordinating the BCLC Investigation. I feel GPEB should also be involved. I have also cc'ed Len as I am aware the position is in transition.

Appreciate your assistance in this matter and if GPEB can confirm either way whether they will investigate I can then inform GCGC of such.

Many thanks

Ross Alderson CAMS

Director, AML & Investigations
Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO F 604 225 6488

Yes, and...

PERSONAL INFO

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

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This is Exhibit "111" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Daryl Tottenham[PERSONAL INFO]; Laura Piva-Babcock[PERSONAL INFO]
From: Lara Gerrits
Sent: Wed 06/12/2017 7:51:47 PM
Subject: RE: Additional information

.....
,,,,,,,
Daryl, huge thanks for all of your help this morning .
Were you able to find any further information about this from Steve? Dates? Other specifics that we can site?
One other incident was info forwarded from one of my investigators (Steve) regarding an incident that occurred last year during the chip swap at RR. BCLC had to authorize any files where patrons brought in old chips that could not be tracked back to that players recent play. One player came in with some 5K chips and advised investigators that Lisa Gao could vouch for him but they could not find anything on him (Chinese name). When they spoke to Gao about him, Gao called him on the phone and referred to him as [PERSONAL]" and Lisa Gao had his listed in her phone. (direct dialed him) When they did their follow up they learned his actual name and it turns he is a real bad dude.....Little concerning that he was in her contact list. Steve is going to try and find the info tomorrow morning and if located, I will forward to you.
Thanks,
Lara

From: Daryl Tottenham
Sent: December-05-17 9:02 PM
To: Laura Piva-Babcock
Cc: Lara Gerrits
Subject: RE: Additional information

Hi Laura,
Got some of the information for you here. First off, [redacted] CHEN's barring was for an assault that occurred where he was liquored and grabbed the breast of one of the female staff members in the salon. (File 2017-8580) This resulted in a flurry of activity and it looks like another assault occurred before things settled down.
That was the file that Lisa Gao was on site and was believed to have tried to smooth things over with the staff member that was assaulted to avoid police charges. Police did attend but it looks like no charges were filed at the end of the day as the victim did not pursue the issue. A sec 86 was filed and GPEB were notified of file details but nothing I can find where any action was taken.
CHEN was banned for 2 years starting on Feb 10, 2016 and it expires on Feb 10, 2018.
In an ironic twist of fate, this is the same [redacted] CHEN that sent [PERSONAL] in to pick up the 200K worth of chips for his friends that went sideways.
The other incident reported to GPEB on a sec 86 report was the assault X 2 by Li Lin SHA that got heavily intoxicated with GAO in the Sea Harbour hotel. Gao eventually got him into a comped room for the night, RCMP attended but could not wake SHA, staff cleaned up his vomit trail and the staff members decided not to pursue charges after receiving 2K from Sha by way of a cheque that Gao wrote on Sha's account. Very cozy. This was file 2017-35975 and occurred at 8 pm on June 23, 2017. Sha eventually received a 6 month barring for River Rock only for the assault and supposedly Gao was spoken to by RR management.
One other incident was info forwarded from one of my investigators (Steve) regarding an incident that occurred last year during the chip swap at RR. BCLC had to authorize any files where patrons brought in old chips that could not be tracked back to that players recent play. One player came in with some 5K chips and advised investigators that Lisa Gao could vouch for him but they could not find anything on him (Chinese name). When they spoke to Gao about him, Gao called him on the phone and referred to him as [PERSONAL]" and Lisa Gao had his listed in her phone. (direct dialed him) When they did their follow up they learned his actual name and it turns he is a real bad dude.....Little concerning that he was in her contact list. Steve is going to try and find the info tomorrow morning and if located, I will forward to you.

That is pretty much all I have been able to find at this point. As I stated earlier, there are a series of small issues that just do not sit well with us from an ethical perspective but the 200K cash buy-in crossed several boundaries with the falsifying of reports for Fintrac, allowing 3rd party cash for chip transactions for a barred patron and the likelihood that management was aware of the transaction. Feel free to shout me anytime, will be at my desk by 6 am but tied up from 10-11 am assisting with a hiring interview for Kris's group.
Cheers,
Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Legal, Compliance & Security Division
2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

•Yes, and...•
Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Laura Piva-Babcock
Sent: Tuesday, December 05, 2017 6:41 PM
To: Daryl Tottenham <PERSONAL INFO
Cc: Lara Gerrits <PERSONAL INFO
Subject: Additional information

Hi Daryl,
I've cc'd Lara who will be in touch tomorrow with some of the additional information we'll need.
Here is a short list so you're aware
The start and end date of Chen's barring.
Other incidents (dates) that involved gao and short description of each. And whether a section 86 or other report/notification was shared with GPEB on each of these incidents and when.
Thanks for your help on this,

Laura Piva-Babcock
Director, Communications
74 West Seymour Street, Kamloops, B.C. V2C 1E2
T PERSONAL INFO

Connect with us:
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Last year more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

This is Exhibit "112" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: John Karlovcec[redacted]
Cc: Rob Kroeker[redacted]
From: Daryl Tottenham
Sent: Tue 05/12/2017 6:53:08 AM
Subject: Lisa Gao summary
IN20170052344_IncidentFile_Full.pdf

;;;

John,
Here is a summary of events from the Gao investigation:
Sept 13, 2017- 7 pm [redacted] attended RR and met with Gao and purchased 200K in 5K chips and subsequently left the casino without play. File 2017-52024 was created for a UFT review due to no play by the patron.
Sept 14, 2017- 7 am I reviewed the file and was concerned with the circumstances of the buy-in and meeting with GAO. [redacted] is not a player but is connected to a patron, [redacted] CHEN, who is currently BCLC prohibited. I requested AML investigators contact [redacted] and interview her to determine if [redacted] was going to be returning to play or explain why he took the chips off site. I also requested a priority OSINT on [redacted] and asked for video to be saved for the file.
Sept 15, 2017- 1 pm Lisa Gao was interviewed and it was determined that she knew [redacted] was buying the chips for CHEN to give to his friends coming from China and facilitated the purchase. She did advise she warned [redacted] that this was not a good thing to do under the cameras but he insisted his boss wanted him to purchase the chips so she allowed it and provided a RR chip bag for [redacted] to take the chips off site. Of note, while [redacted] was waiting for his chips he was joined by Michael Kim and Rishi Khaira and they had a conversation with him and shook hands before leaving. Due to the size of the buy-in it would suggest that they were aware of the reason [redacted] was buying chips and for whom he was purchasing them for.
Sept 15, 2017- 2 pm I contacted Pat Ennis and advised of the circumstances and that a report would be forthcoming to GPEB for investigation and that contact should be made with [redacted] to immediately return the chips. I also advised Ross of the results and he subsequently contacted GPEB (Anna) at 519 pm to request they review the file and provided a number of points at issue. A BCLC file was created to document the actions taken and Steve was asked to review and save all relevant video. (2017-52344)
Sept 15, 2017- 4 pm I contacted Pat Ennis to find out if [redacted] had been contacted to return the chips and was advised they were reluctant to call him now that GPEB was involved. I asked for and received [redacted] cell number and subsequently called him and had several frank discussions with him if he chose to pass the chips off to friends of CHEN and they attended the casino. He eventually chose to return the chips and brought them back in that night and a file was created for the disbursement.
Sept 21, 2017- I attended the Burnaby offices of GPEB (Bob Stewart, Heather Samson and Rich Akin) and provided a full statement of my dealings with [redacted] and answered whatever questions they had regarding this incident. The meeting went very well and they were very forthcoming and professional throughout my dealings with them. They also asked to speak with Steve and Stone as they had also prepared statements at the time and that meeting was subsequently arranged.
Over the course of the next month Heather requested and received reports and footage from this incident and also requested any BCLC files or reports we have on previous incidents for Lisa Gao. The two files of focus that she was provided involved one incident where Li Lin SHA has met with her at the restaurant and after becoming extremely intoxicated, assaulted 2 RR staff members in the valet parking area. The second file involved an incident where a VIP patron sexually assaulted a staff member in the Salon area and it appeared that GAO tried to "fix" the issue without it being reported to police. I do not know what, if anything, became of those investigations.
On November 23, 2017 Bob Stewart called me to advise the investigation was concluded and that his report had been forwarded to Victoria and he would contact me directly once the results

were known. This occurred on November 24th and Bob advised Lisa Gao's registration had been pulled and that RR was made aware of this directly.

I have attached a copy of file 2017-52024 for reference in case you wish further details on this. I am also going to forward you the original emails that started this off just so you can see the context in which this investigation was initiated. If you do not require them, just delate as I have a master file for this incident for our folder.

Shout me if you need more details or have further questions.

Daryl

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Legal, Compliance & Security Division
2940 Virtual Way, Vancouver, BC V5M 0A6
PERSONAL INFO

Yes, and...
Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

This is Exhibit "113" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BRITISH COLUMBIA

Date: 2017-12-08

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

e-mail: PERSONAL INFO

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.

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,

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

This is Exhibit "114" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

FINAL INVESTIGATION REPORT
CASINO VIP OPERATIONS

OVERVIEW

Due to recent events involving suspicious transactions and high wealth casino patrons in VIP rooms in the Lower Mainland, Gaming Policy and Enforcement Branch (GPEB), Licensing Registration and Certification (LRC) Division, Corporate Registration (CREG) Unit conducted a corporate investigation of the three casino operators who operated the five casino locations with the highest level of VIP play. The purpose of this investigation was to identify:

1) whether individuals currently registered as gaming workers under Personnel Registration (PREG) and employed in VIP rooms should require registration under Corporate Registration;
2) whether junkets or independent consultants are utilized in attracting wealthy patrons to VIP rooms in BC casinos as those companies or individuals would require registration;
3) whether current procedures governing VIP rooms are sufficient in mitigating risk arising from money laundering.

This investigation reviewed the staff and procedures at the VIP rooms of Great Canadian Gaming Corporation's (GCGC) River Rock Casino Resort and Hard Rock Casino locations; Gateway Casino's Grand Villa Casino and Starlight Casino locations; and Parq Vancouver ULC.

SYNOPSIS

- VIP rooms at various BC casinos are regularly involved in large transactions.
- On September 13, 2017, a casino patron and the Director of VIP Guest Relations at the River Rock Casino Resort were involved in a third party suspicious currency transaction at the VIP room cash cage. Although referred to as the cash cage, this area is responsible for all transactions involving cash or any other monetary instruments.
- An I-TRAK report (2017-52024) was generated whereby prompting a GPEB investigation by the Compliance Division.
- The investigation concluded that the Director of VIP Guest Relations was complicit or to a lesser degree negligent in facilitating the suspicious currency transaction.
- The Director of VIP Guest Relations was deemed unsuitable for the BC gaming industry resulting in cancellation of their registration with GPEB.
- The Director of VIP Guest Relations position remains vacant at this time. The General Manager of River Rock Casino Resort assumed control of the VIP operations in the interim.
- On December 13, 2017, the Executive Director of GPEB LRC and Director of LRC CREG initiated further investigation into VIP operations at River Rock Casino Resort to ascertain whether further CREG oversight is needed.
- Also on December 13, 2017, the Director of LRC CREG requested further information regarding VIP operations from all casino operators in the province, specifically:

- Number of VIP venue(s) that your company operates.
- Personnel Organizational Chart for each venue operating a VIP gambling room(s).
- Operations and Policy Manuals specific to the VIP gambling room(s).
- Job descriptions of all individuals currently employed in VIP gambling room(s).
- Identities of any individuals acting as contractors or independent agents on behalf of your company in connecting with VIP players globally.

- A CREG investigator was assigned to further investigate the incident at the River Rock Casino Resort where VIP Guest Relations Managers who reported to the former Director of VIP Guest Relations were interviewed. On March 31, 2018, a Preliminary Investigation Report was completed and included findings and recommendations including expanding the investigation to review four additional casinos in the Lower Mainland (Parq Vancouver, Hard Rock Casino, Grand Villa Casino, Starlight Casino) and completion of a Final Investigation Report.

INVESTIGATION PROCESS

The investigation included the following process:

- Interview of employees of the VIP rooms at the River Rock Casino Resort, Parq Vancouver, Starlight Casino, Grand Villa Casino, and Hard Rock Casino.
    - On April 19 and 20, 2018, interviews with seven Parq Vancouver VIP employees were conducted.
    - From April 25, to 27, 2018, interviews with seven VIP employees from Starlight Casino and Grand Villa Casino, two additional Parq Vancouver VIP employees and two Hard Rock Casino VIP employees were conducted as a part of this review.
    - Interviews were conducted at GPEB's Kingsway office and were visually recorded.

- Review of information and documents provided by casino operators including Personnel Organizational Chart for each venue operating a VIP gambling room(s); Operations and Policy Manuals specific to the VIP gambling room(s); job descriptions of all individuals currently employed in VIP gambling room(s); and identities of any individuals acting as contractors or independent agents on behalf of the company in connecting with VIP players globally.
    - Great Canadian Gaming Corporation: River Rock Casino Resort / Hard Rock Casino
    - Parq Vancouver ULC: Parq Vancouver
    - Gateway Casinos: Starlight/Grand Villa
- It should be noted that in all cases the staff and management of the five casinos reviewed fully cooperated with the investigation and made all requested staff available to the investigators.

INVESTIGATION FINDINGS

Interviews of VIP employees included specific questions regarding:

- Policies, personal responsibilities, training, suspicious transactions, large transactions, and operations of the VIP rooms.
- Compensation, gifts, tips, and any gratuities received from wealthy patrons were asked in determining whether conflicts of interests exist due to personal dealings.

Policies:

Great Canadian Gaming Corporation: River Rock Casino Resort / Hard Rock

It was determined that special policies for VIP rooms were non-existent at the facilities[1]. However, general policies governing the casino floor were applicable to the VIP rooms (Table Games, Cash Cage, Gratuities, etc.). BCLC policies regarding the operations of gaming sites were the foundation for internal policies. Each individual interviewed asserted that the minimum standards imposed by corporate policies were adhered to on a day-to-day basis.

Parq Vancouver ULC: Parq Vancouver

It was determined that special polices for VIP rooms were non-existent at the facility. However, general policies governing the casino floor were applicable to the VIP rooms (Table Games, Cash Cage, Gratuities, etc.). BCLC policies regarding the operations of gaming sites were the foundation for internal policies. With this, policies on rules or betting revisions were implemented in the past and included the following:

- Opening Squeeze Baccarat cards
- Average Bets & Bonus
- Squeeze Cards Pre-Shuffle
- Li Room Back Betting
- Unlimited Free Hands in Li Room
- Supervisor Threshold and Li Room Rulings
- Thresholds

The aforementioned revisions were limited to ensuring clarity in what was permissible during gambling activities. Absent were further special policies governing the Cash Cage, acceptance of gratuities, fraternizing with clients/patrons, etc. It should be noted that one VIP employee openly admitted to fraternizing with a client by accompanying them to Las Vegas to Gamble on their free time. The employee emphasized that the plane ticket to Las Vegas was paid out of pocket while the hotel accommodation was provided by the client through a personal comp[2] with a Las Vegas Casino. This incident is demonstrative of a conflict of interest that occurred due to the lack of written policies in place preventing employees from fraternizing with their clients.

Gateway Casinos: Starlight/Grand Villa

Unlike the other service providers, Gateway Casinos had written policy specific to the VIP operations. The "VIP Standard Operating Parameters" dated March 19, 2012 must be signed by employees involved with VIP operations. The document[3] was divided into four sections:

- Compliance with Regulation and Law
- Protection of Proprietary and Customer Information
- Financial Interaction Boundaries

[1] As determined through correspondence from the General Managers of River Rock Casino Resort and Hard Rock Casino
[2] Comps are complimentary items and services awarded by casinos to encourage gambling. Comps are determinant on level of betting and time spent gambling.

- Professional Boundaries

Each section was designed to protect the employee and employer from any untoward interaction with VIP clients and patrons.

Policies: Summary of Findings

It was apparent that the three operators investigated applied differing levels of policies specific to the VIP rooms. Great Canadian Gaming Corporation indicated policies specific to VIP operations were non-existent. Parq Vancouver ULC's policies specific to VIP operation were limited to card play and betting thresholds. Gateway Casinos demonstrated that policies specific to VIP operation existed in the form of "VIP Standard Operating Parameters" documentation that must be signed by VIP employees. The differing levels of policies can be attributed to BCLC's lack of policies governing VIP operations.

Personal Responsibilities

Great Canadian Gaming Corporation: River Rock Casino Resort / Hard Rock Casino

When asked about personal responsibilities specific to interactions with the patrons, the consensus was that each VIP Guest Relations Manager or VIP Guest Relations Host was expected to be on call for any requests made by wealthy patrons (hotel rooms, entertainment tickets, buy ins, etc.). Although the VIP Guest Relations Manager or VIP Guest Relations Host were not expected to attend to the requests personally, they were expected to facilitate the requests by communicating to personnel on shift at the River Rock Casino Resort. Wealthy patrons had access to the VIP Guest Relations Managers or VIP Guest Relations Host by calling their corporate cellular phone provided by the company. This contact information was provided through individual business cards provided by GCGC. While at the casino, the VIP Guest Relations Managers or VIP Guest Relations Host were tasked with the following:

- Assisting in any translation services from Mandarin or Cantonese to English including but not limited to special requests, buy ins, comps, food services, and interaction with casino staff and BCLC investigators.
- Maintaining a civil environment in the VIP rooms. This included assisting in deescalating contentious situations between wealthy patrons and staff.
- Ensuring that policies were adhered to such as table play and chip passing.
- Identifying potential high limit players on the casino floor and approaching them with opportunities to play in the VIP rooms.
- Keeping wealthy patrons happy.

Additionally, the VIP Guest Relations Managers or VIP Guest Relations Host were expected to understand current policies in place regarding casino operations and anti-money laundering (AML). Risks were immediately apparent due to the VIP Guest Relations Manager or VIP Guest Relations Host's close relationship with wealthy patrons as the responsibilities and duties were designed to increase rapport with wealthy patrons.

When asked about how the casino attracts wealthy patrons, the VIP Guest Relations Managers and VIP Guest Relations Host were consistent in answering that most were recruited through word-of-mouth interaction between patrons in addition to internal efforts in identifying potential high limit players on the

casino floor. According to the VIP Guest Relations Managers and VIP Guest Relations Host, GCGC did not employ independent agents or contractors for the purpose of recruiting wealthy patrons to their gaming sites. It should be noted that both positions traditionally reported to the Director of VIP Guest Relations, however, due to vacancies at both sites, the VIP employees reported to the General Manager of their respective casinos.

Parq Vancouver ULC: Parq Vancouver

During this due diligence process, the Director of Customer Development, Customer Development Executives, and Customer Development Hosts were interviewed. The job descriptions for the positions are included in this report. The Director of Customer Development oversees the Customer Development Executives and Hosts. Both positions report directly to the director. The director was primarily responsible for the following:

- Create and implement Customer Development strategic plans
- Cultivate and sustain relationships with VIP players ensuring player loyalty
- Develop profiles and ratings of VIP players for VIP database
- Ensure compliance with licensing laws and statutory regulations
- Respond and/or resolve customer issues that are escalated

During the interview, the Director of Customer Development stated that dinners with clients at onsite restaurants occurred from time-to-time, however, her interaction was limited compared to that of her subordinates.

Customer Development Executives and Hosts had overlapping responsibilities. The Customer Development Executive had the added responsibility of driving new player acquisitions, driving business development initiatives, and laying out plans for enhancing service, and evaluating and analyzing service performance. The shared duties include:

- Resolve guest relations issues with the assistance of Casino Operations
- Make player comp decisions based on play history and potential play
- Develop player relationships
- Provide scheduling arrangements for hotel and/or restaurant
- Develop new and current player relationships

During the interviews, additional duties that were revealed were the following:

- Translation services at the cash cage
- Arranging transportation for VIP clients
- Expectation to be on call to serve VIP clients with company cell phones 24/7

The overall goal of the department was to provide a memorable experience for their VIP clients. It was determined through the interviews that client recruitment was through word-of-mouth recruiting through the clients in addition to the Customer Development Executive's duty to develop new and current player relationships as mentioned above.

Gateway Casinos: Starlight/Grand Villa

The following positions were reviewed and interviewed during this due diligence: Executive Director VIP Business Development, Business Development Manager VIP, Executive Host VIP, and Casino Host VIP. The duties and responsibilities for the Executive Director VIP Business Development were as follows:

- Creates and implements strategy for the VIP Table Game and Business Development department
- Builds strong relationships with players, VIP staff, regulators, and senior table game management
- Assumes fiscal responsibility of VIP operations
- Resolves escalated guest concerns
- Directs assigned VIP staff
- Oversees maintenance of VIP guest database

The Executive Director was separated from the VIP clients as that duty was delegated to the Business Development Managers and Executive Hosts. It is important to note that those who were compensated through fixed salary were not eligible to participate in the tip pool. As such, the only employees interviewed who participate in the tip pool were Casino Host VIP as they were hourly paid employees. Additionally, Business Development Managers and Executive Hosts were the only personnel with company cell phones. VIP clients may contact them on a 24/7 basis, however, it was expected that the Executive Hosts direct all calls to the on duty personnel at the casino. Casino Hosts utilized a shared cell phone during working hours.

The duties and responsibilities of the Business Development Manager VIP were as follows:

- Builds and maintains a database of VIP guests
- Marketing strategies
- Establishes networks with third party agents and suppliers that will assist in driving business to company properties (e.g. travel agents, tour group operators etc.)
- Handles demanding guests and resolves issues
- Ensures compliance at all times to regulatory requirements and company policy
- Supervises VIP Hosts

The main responsibility of a Business Development Manager was to bring in new players to the casino. When asked about the responsibility of establishing networks with third parties, both Business Development Managers stated that the use of a third party contractor was cost prohibitive. Additionally, most of the VIP clients that they attract are through word of mouth and fostering relationships through interaction. Interaction may include sharing a meal together at a restaurant off site. It seemed that the Business Development Managers were cognizant of the importance of maintaining a level of separation with their VIP clients.

The duties and responsibilities of the Executive Host VIP were as follows:

- Coordinates all Casino Hosts
- Manages the performance of staff
- Scheduling
- Manages all cost elements within the department
- Develops relationships with guests and customer group representatives
- Retains a thorough knowledge of internal control and regulatory policies and procedures. Liaises with government regulators.
- Issues Comps

The role was more managerial in nature as it coordinated Casinos Hosts by ensuring adherence of policy and procedure. Although the Executive Host VIPs were on call 24/7, they were trained to redirect any material issues arising from client interaction to the persons on duty. For example, one Executive Host VIP explicitly stated that they do not come in to the casino on their day off regardless of the issue. The Executive Host VIP was not responsible for attracting new players; however, they were responsible for maintaining the loyalty of current players.

The duties and responsibilities of the Casino Host VIP were as follows:

- Identifies and develops relationships with regular guests
- Monitors the arrival, stay, and departure of VIP guests
- Supervises Hosts (beverage servers)
- Ensures the guests are made to feel comfortable
- Issues comps

The Casino Host VIP was not a salaried position and participated in the tip pool where their share was 25%. They also provided translation services if it was requested by the VIP guest. During the interviews, it was evident that the Business Development Manager VIP position had the greatest exposure to VIP guests.

Personal Responsibilities: Summary of Findings

The personal responsibilities of VIP employees centered on the development and maintenance of relationship with VIP patrons. Both Great Canadian Gaming Corporation and Parq Vancouver ULC applied a decentralized management structure whereby VIP employees under the department heads were given greater autonomy in decision making with overlapping duties and responsibilities. Conversely, Gateway implemented a more centralized management structure whereby most VIP employees (excluding Business Development Hosts and Executive Host VIP) were not expected to maintain contact with VIP patrons outside their hours of employment.

Due to the personal responsibilities of VIP employees to develop and maintain rapport with VIP patrons, a conflict of interest may exist. This risk is greater with Great Canadian Gaming Corporation and Parq Vancouver ULC.

Suspicious Transactions

Great Canadian Gaming Corporation: River Rock Casino Resort / Hard Rock Casino

The VIP Guest Relations Manager's or VIP Guest Relations Host's role in transactions was limited to translation services from Mandarin or Cantonese to English. This was necessary as cash cage personnel communicated solely in English. The problem arises where the VIP Guest Relations Manager or VIP Guest Relations Host may translate in a manner that was inaccurate for AML purposes. For example, the VIP Guest Relations Manager could tell the cash cage staff that money belonged to the player when it did not. The VIP Guest Relations Manager or VIP Guest Relations Host were subject to annual or bi-annual sign offs on AML and corporate policies. It was also noted that Surveillance was only privy to a visual feed as there was no audio surveillance in the VIP room cash cage. When asked about AML policies and procedures during the interview, each individual was able to describe the corporate process and policy in

place. It was noted by the VIP Guest Relations Managers and VIP Guest Relations Host that revenues generated in the VIP rooms rapidly decreased after new recommendations requiring bank drafts with receipts was directed by the Attorney General to BCLC in early January 2018.

Parq Vancouver ULC: Parq Vancouver

All VIP employees were knowledgeable in Anti-Money Laundering policies in place. Additionally, they were well aware of the recommendations currently in place regarding bank drafts and receipts. The employees also expressed that revenues were greatly affected due to the new recommendations in place as VIP players have decreased buy in amounts to circumvent the new recommended reporting requirements mandated by the Attorney General in early January 2018. When asked if VIP players were advised to decrease buy in amounts for the purpose of avoiding the reporting threshold, each employee responded in the negative.

Gateway Casinos: Starlight/Grand Villa

A separate policy document on large cash and suspicious financial transactions existed. Each individual interviewed understood the policy and procedure and was able to explain the transaction process in detail during the interview. There was a general sentiment among the employees that revenues decreased substantially due to the new recommendations in place with respect to bank drafts and receipts. Additionally, employees were adamant that they did not suggest to VIP clients to circumvent the reporting threshold in order to gamble.

Suspicious Transactions: Summary of Findings

It was found that the new recommendations requiring bank drafts and receipts directed by the Attorney General to BCLC in January 2018 greatly affected revenue of all three operators. However, during the interviews it was found that the VIP players were circumventing the new recommended reporting requirements by buying in below the reporting threshold of $10,000.

VIP Room Operations

Great Canadian Gaming Corporation: River Rock Casino Resort / Hard Rock Casino

As previously mentioned, policies of VIP rooms mirror common internal policies governing the gaming floor. As such, special policies for VIP rooms were non-existent. Gaming floor managers and cash cage managers in the VIP rooms were shared with the gaming floor, meaning, additional special oversight for large buy-ins at the table and VIP room cash cage were non-existent. Traditionally, the Director of VIP Guest Relations managed the VIP rooms autonomous of the general gaming floor. Communication with the current General Manager was minimal according to the VIP Guest Relations Managers and VIP Guest Relations Host. At the time of the interviews, the General Manager had oversight of the VIP rooms through his Assistant General Manager.

Parq Vancouver ULC: Parq Vancouver

As previously mentioned, policies of VIP rooms mirror common internal policies governing the gaming floor. As such, special policies for VIP rooms were non-existent. Gaming floor managers and cash cage managers in the VIP rooms were shared with the gaming floor, meaning, additional special oversight for large buy-ins at the table and VIP room cash cage were non-existent. Special training for gaming floor managers and cash cage managers specific for VIP rooms appears to be lacking. As with many VIP operations, Parq Vancouver's VIP areas seem to operate autonomously of the gaming floor.

Gateway Casinos: Starlight/Grand Villa

The policy of VIP rooms mirror common internal policies governing the gaming floor. However, the "VIP Standard Operating Parameters" were also implemented in order to reduce the level of perceived conflict of interest between an employee and a VIP client. Gaming floor managers and cash cage managers in the VIP rooms were shared with the gaming floor, meaning, additional special oversight for large buy-ins at the table and VIP room cash cage were non-existent. Special training for gaming floor managers and cash cage managers specific for VIP rooms appears to be lacking.

VIP Room Operations: Summary of Findings

VIP Room Operations implement common internal policies governing the gaming floor. For Great Canadian Gaming Corporation and Parq Vancouver ULC, special policies for VIP rooms were non-existent. Gateway Casinos have implemented policy through the "VIP Standard Operating Parameters" that were specifically drafted for the VIP rooms.

VIP Employee Compensation

Great Canadian Gaming Corporation: River Rock Casino Resort / Hard Rock Casino

The range of compensation for VIP Guest Relations Managers and VIP Guest Relations Host varied from $45,000 to $70,000. The VIP Guest Relations Manager and VIP Guest Relations Host positions were not participants in the tip pool and did not participate in a bonus program. However, the VIP Guest Relations Managers and VIP Guest Relations Host were participants in the corporate stock option program.

Parq Vancouver ULC: Parq Vancouver

The compensation for each position was as follows:

- Director of Customer Development - $110,000 with a bonus up to 20%
- Customer Development Executive - $77,000 to $120,000 with various bonus structures
- Customer Development Host - $45,000 to $51,000 with various bonus structures.

Additionally, the aforementioned VIP employees did not participate in the tip pool.

Gateway Casinos: Starlight/Grand Villa

The compensation for each position was as follows:

- Executive Director VIP Business Development: $165,000 plus quarterly bonuses based on performance
- Business Development Manager VIP: $50,000 to $70,000 plus performance bonuses
- Executive Host VIP: $50,000 to $70,000 plus performance bonuses
- Casino Host VIP: $18.00 to $20.00 per hour with 25% participation in tip pool

Additionally, the aforementioned salaried VIP employees did not participate in the tip pool.

VIP Employee Compensation: Summary of Findings

The salaries reported seemed unexpectedly low for the responsibilities carried by many of the VIP employees. This may pose a risk due to the high net wealth of VIP patrons and unexpectedly low compensation of the VIP employees.

Tips, Gifts, and Gratuities

Great Canadian Gaming Corporation: River Rock Casino Resort / Hard Rock Casino

The VIP Guest Relations Managers and VIP Guest Relations Host stated that participation in the tip pool was not allowed due to internal corporate policies. If a wealthy patron insisted on the acceptance of a tip, they were directed by the VIP Guest Relations Manager or VIP Guest Relations Host on duty to give the amount to the dealer or cash cage for tip pooling purposes. Most non-monetary gifts or gratuities given to the VIP Guest Relations Managers or VIP Guest Relations Host were in the form of tea or treats. The VIP Guest Relations Managers and VIP Guest Relations Host also communicated that they had not accepted any monetary or luxury item compensation from wealthy patrons in the Casino or privately

Parq Vancouver ULC: Parq Vancouver

Participation in the tip pool for Customer Development department personnel was strictly prohibited. Additionally, the acceptance of gifts was not permitted over a value of $100. Most gifts that were offered are in the form of tea or baked goods. However, due to the employees' close relationship with clients, further due diligence into the employees will be required.

Gateway Casinos: Starlight/Grand Villa

As previously mentioned, only non-salaried employees participated in the tip pool. All gifts offered by VIP clients must be reported. Employees may only accept gifts under $100 after receiving permission from their supervisor. It was noted that there was some confusion during the interviews as to what the exact policy was with regard to accepting gifts.

Tips, Gifts, and Gratuities: Summary of Findings

It was widely reported by VIP employees that gifts in the form of tea or baked goods were gifted by VIP patrons from time to time. Tips are outright refused by the VIP employees and VIP patrons are directed to tip the dealer or the cash cage. Employees may only accept gifts up to a certain threshold dependent on the company they work for. However, there was some confusion as to what was permissible under the policy.

DISCUSSION

Although there were broad similarities in how the different casino operators managed their respective VIP rooms, it was apparent that each company had created its own standard as far as titles, duties, responsibilities, restrictions and oversight of the VIP rooms. All of the facilities used BCLC's mandatory table game and cash cage procedures as a foundation adding specific corporate policy as needed. Gateway Casino alone had a written set of procedures specific to VIP Operations.

The implication of using BCLC standard casino rules for the VIP rooms assumes that these areas do not require special consideration. This is despite the physical separation of VIP rooms with some having separate entrances restricting access to a small subset of players. Additionally, each casino operator created a number of specific VIP room related staff positions with their own chain of command and compensation structure separate from the rest of the casino floor. VIP rooms and players were treated as a different business line than the rest of the gaming floor. These areas were treated as autonomous from the rest of the casino by staff, management, and customers, therefore, policies and procedures should reflect this.

Each casino company used differing titles for VIP employees. The duties, compensation and responsibilities were inconsistent from company to company. Determining which VIP personnel at each facility requiring CREG registration will focus on a risk analysis of actual duties and authorities of each individual that may affect the integrity of gambling in British Columbia.

The investigation was focused on analysis and recommendations related to three questions as follows:

Whether individuals currently registered as gaming workers under Personnel Registration (PREG) and employed in VIP rooms should require registration under Corporate Registration (CREG);

Each company implemented unique management structures for their VIP operations, however, the autonomy of hosts or guest relations personnel is a consistent element throughout all structures. All sites reviewed were consistent in reporting structure as all personnel involved in VIP operations reported directly to the senior personnel managing VIP rooms. Currently, there are an estimated fifty gaming personnel involved in the VIP rooms across the lower mainland. However, there would be only an estimated fifteen to twenty personnel requiring registration under CREG if registration was limited to personnel with a supervisory operational VIP role in the lower mainland. It is important to note that the Personal Disclosure Form (Standard) is an intentionally intrusive application process. This process allows for information such as personal finances be disclosed to GPEB for further scrutiny. Due to the lower salary levels, a risk between hosts and wealthy patrons may exist.

Whether junkets or independent consultants are utilized in attracting wealthy patrons to VIP rooms in BC casinos as those companies or individuals would require registration;

Evidence of junket operators or independent consultants utilized by casino operators was non-existent. Individual employees interviewed, senior management, and compliance of each operator confirmed that these services were not utilized.

Whether current procedures governing VIP rooms are sufficient in mitigating risk arising from money laundering.

The casino companies operate their facilities using corporate policies under the overall framework of BCLC casino, cash cage, and AML standards. While no direct evidence that these varying corporate standards added to the risk of money laundering exist, implementing a consistent set of best practices dictated by BCLC and used in all VIP rooms would be beneficial on several levels.

First, it would ensure that customers would be treated the same in all BC casinos and could not "shop around" for casinos where standards are weaker or staff are not trained as well in AML and other practices.

Second, it would allow a consistent standard throughout the industry which could be easily audited by GPEB Compliance staff as they are able to do on cash handling, table game play, surveillance, responsible gambling, and other aspects of casino operations.

Third, it would provide a built in standard for any new casinos opened in BC such as those planned in Delta and Victoria.

Fourth, it would ensure that all casino staff are trained to the same standard and that staff moving from one company to another are already cognizant of the standards.

RECOMMENDATIONS

The following recommendations from CREG are based on the investigation pertaining to VIP operations:

1. GPEB recommend to BCLC to implement universal VIP operations policies. Areas that should be considered when designing these policies include:
   - Standards of conduct between VIP staff and customers including acceptance of gratuities, gifts or benefit.
   - Control and auditing of staff gratuities, gifts or benefits.
   - VIP staff orientation and annual training.
   - Clarification of responsibilities for all staff involved in VIP services including VIP hosts, cash cage staff, surveillance and management.

2. GPEB implement a system for audits of VIP rooms to ensure compliance with these standards.

3. GPEB require one VIP room guest services director (or equivalent) for each of the five lower mainland casinos to apply for registration as a senior employee (total of 5) through Corporate Registration.
   - The Personal Disclosure Form (Standard) is an intentionally intrusive application process that imposes a high barrier of entry into the BC gaming industry. Through this process, additional information such as personal finances may be requested by GPEB for further scrutiny. Investigation into the finances of individuals is deemed necessary in order to determine if past, current, or present risks involving external compensation from clients to employees exist due to the relatively low compensation provided to the positions investigated.

- Since the casino companies use different titles and duties for their VIP staff some analysis will be required to determine precisely which employees will be required.

This is Exhibit "115" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

BCLC File 2017- 52344

File outline

2017-09-13 1419 hrs- File 2017-52024 created by RR surveillance for a 200K cash buy-in

2017-09-14 0708 hrs- Writer reviewed the supplement in the RR file and subsequently drafted an email to the AML unit directing further review, video retention and follow-up with Lisa GAO with respect to the details outlined in the report. A priority request was sent to Cathy/Brad for an OSINT dive on PERSON AL INFO

1248 hrs- Writer contacted Pat Ennis, RR to advise of situation and request his assistance to determine why the chips were taken off-site and speak to RR staff involved in this incident.

2017-09-15 0721 hrs- Writer requested Steve Beeksma create a BCLC file to store statements, video files and document actions taken on this file. BCLC file 2017-52344 created by Beeksma

1330 hrs- Writer contacted Pat Ennis to request contact be made with PERSON AL INFO and request the immediate return of the chips to RR and documentation for this process to be completed by RR staff. Pat advised he had been contacted by GPEB and Ross Alderson and felt conflicted with calling PE and directing him to return the chips. I advised Pat I would contact PER SON and was supplied with his cell number.

1350 hrs- Writer called PER SON at PERSONAL INFO and left a voicemail on his phone.

1355 hrs- Writer received a call from PER SO from the same number and identified myself and position with BCLC and advised I was calling about purchase of 200K in RR chips that he subsequently took off site. PER SON quickly corrected me advising that the chips are not his and that he had purchased them for his boss. I asked who his boss is and he replied [redacted] CHEN". I asked where he got the cash to buy the chips from and he advised it was his boss's money and that he was told to go to RR and buy the chips and bring them back to him. He further stated that his boss was not allowed to go to the casino so he was sent for the chips and he was just doing as he was told. I asked what he was going to do with the chips and PER SO advised CHEN had friends coming to town shortly and that he was going to give the chips to them to go to RR and gamble with. He stated that they were here for a short time and [redacted] Chen "wanted them to be able to go and gamble and not waste time having to buy in with cash and all that".

I asked PER SON where [redacted] Chen got the cash from and he stated he did not know, he has lots of money and when his boss tells him to something, he does it. I asked PER SO if he knew the host Lisa and he stated that she was the one he contacted when he arrived to help him get the chips. I asked if she advised him that this was not a good idea and he quickly stated, "yes, yes she told me it looks bad under camera, that it could cause trouble" but he told her if he had to return them later, he would do that but his boss told him to go buy chips and that is what he was going to do. He stated they then took the chips to the cage and then waited for the chips to come. Lisa told him to wait and that she was going to get him something, then returned with a bag and when he got the chips they were put into the bag and he left RR in his car.

I advised him that the chips would need to be returned immediately and that he would get his money back to which he corrected me and said "its not my money, it is my bosses". I told him that regardless they would have to be returned today and because his boss was banned, he would have to return the chips. He stated he could not return them today as he was out of town and that he would be coming back in tomorrow when he brings the guests in and will return them at that time. I advised PERS ONAL that he should arrange to get the chips in before he returns with the guests but he did not think that would be possible. I advised PER SON that the likely scenario if he returns tomorrow with the chips and guests, cashed them in and then gives the guests the cash to but in will likely end by having the buy-ins refused and the players temporarily banned and escorted off the property by security. I advised him to contact his boss and see if that would cause an issue for him and to call me back once he decides what he is going to do. The call ended at this point and PE said he would call me back.

This is Exhibit "116" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Incident File Full Report

Incident File #IN20150052152

		Record Creation Details	
Date/Time Occurred:	07-Oct-2015 0:03	**Department:**	Surveillance
Day of Week Occurred:	Wednesday	**Owner:**	avilleneuve
Date/Time Created:	07-Oct-2015 0:04	**Operator ID:**	avilleneuve
Date/Time Closed:	07-Oct-2015 8:44	**Operator Name:**	
Closed By:	ikhan	**Personnel ID:**	
		Card Number:	
		Job Position	
		Secondary Operator:	

Location of Incident:

Property:	Langley (GC)
Location:	Casino Floor-Langley (GC)
Sublocation:	Slot Section 25

Details of Incident:

Daily Log #:	DL20150947703
Type:	Assistance To
Specific:	BCLC
Category:	
Incident Status:	Closed
Closing Remarks:	ikhan
Synopsis:	As per BCLC's request, Michael MANCINI was observed during his slot play
Checklist:	

Narrative:

Created On	Created By	Modified On	Modified By
07-Oct-2015 0:04	avilleneuve	07-Oct-2015 3:27	avilleneuve

As per BCLC's request, Michael MANCINI was observed during his slot play

Executive brief:

Reporting Party:	**Supervisor:**

Incident File Full Report

Incident File #IN20150052152

Participants Involved:

Personnel:	VILLENEUVE, Alison	Property:	
Role:	Reporter	Department:	
Subject:	MANCINI, Michael John	Company:	Mikes Contracting Lanscaping and Garden Supply
Role:	Patron		

Supplemental Entries:

SP20150143383 Attached by avilleneuve on Oct 7, 2015 00:05

Description: Surveillance was advised by Cage Supervisor Dina SILLETT of watched patron Michael MANCINI playing at ASL 25-2-2.

Surveillance obtained visual of MANCINI and continued observation as per BCLC's request between the hours of 2324 and 0001.

Surveillance used three cameras to obtain visual of MANCINI'S play. During the observation Surveillance noted MANCINI to be wagering anywhere between $27-$90 a spin depending on how many credits he had accumulated. MANCINI was observed playing both ASL's 25-2-3 and 25-2-4. He was observed with a female companion where he was also observed inserting funds into ASL 25-2-2 for her to play. MANCINI was also observed giving said companion cash on various occasions so as to play ASL 25-2-1; they are as follows:

- 2325 hrs appears to be $300 in $100 bills
- 2331 hrs appears to be $800 in $100 bills
- 2347 hrs appears to be $400 in $100 bills
- 2354 hrs appears to be $300 in $100 bills

MANCINI was observed receiving a $7740 jackpot payout at 2330 hrs that he had won prior to Surveillance's observation.

JACKPOTS ASL 25-2-4
- 2351 hrs $2025.00

JACKPOTS ASL 25-2-3
- 2330 hrs $2115.00
- 2341 hrs $2625.00

MANCINI'S female companion was also observed giving MANCINI $1460 of a $1500 jackpot that she had won playing on ASL 25-2-2 at 2328 hrs. The remaining $40 was given to the attending Slot Attendant as a tip.

Footage saved to the JDLR 2015 under the following:

2015-10-06 MANCINI A
2015-10-06 MANCINI B

Reporting Party:	Supervisor:

Incident File Full Report **Incident File #IN20150052152**

SP20150143383 Attached by avilleneuve on Oct 7, 2015 00:05 SP2015014338
3 - Continued-

2015-10-06 MANCINI C

An email was sent to Don MERKEL at his request with the email being cc'd to BCLC Investigator David SLOBODIAN and Surveillance Manager Irfan KHAN.

SP20150143514 Attached by dslobodian on Oct 7, 2015 07:40

Description: 2015OCT07- Incident noted and reviewed. Also see IN20150052050.

Information has been passed on to BCLC MERKEL.

D.SLOBODIAN
BCLC Investigator
Vancouver.

Reporting Party: **Supervisor:**

This is Exhibit "117" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

Brian Stephens

From: Don Merkel
Sent: October 7, 2015 6:53 AM
To: Brian Stephens
Subject: FW: 2015-39520

D.C. (Don) Merkel, CAMS
BCLC Casino Security Investigator
Okanagan, Kamloops & Castlegar
Casinos & Community Gaming Centres
BCLC
1300 Water Street
Kelowna, B.C. V1Y 9P4
Cell – PERSONAL INFO
email [redacted]

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Daryl Tottenham
Sent: Tuesday, October 06, 2015 8:21 AM
To: Don Merkel; Tom Caverly
Cc: Bob Jones; AML
Subject: RE: 2015-39520

Don,

At first glance I don't see much on this guy , google searches are all company or facebook related, looks like he may have his business located in Salmon Arm, his travel suggests he has business in Kamloops, Kelowna and Langley as he seems to migrate back and forth between these three. Either his business has running contracts in these places or he has grow-ops in these places and makes the rounds tending them and gaming. (this makes more sense with a landscaping business as he has been busy the entire year from Jan to present)

Although his numbers are very high with LCT's around 50-80K, these numbers are grossly inflated by churn and his actuals are likely much lower. I looked at a half dozen of his LCT's and they all run for 10-12 hours which means he is in there cycling small jackpots over a long period of time producing huge numbers but I doubt he leaves the casino with

more than 5K on a good night. The majority of his JP's are between 2-4K so he is likely playing the dollar slots with max play doing $30 spins to generate JP's that size consistently. I would guess that when he comes in he starts with under 5K each time, and on occasion he has several large jackpots that paid out the verified win cheques that the RCMP likely seized along with the cash.

The RCMP should be able to check PRIME and see if he has anything in his history associating him to grow op activities, but one thing you could follow up is to flag his vehicle on the LPR and put a request in his profile that when he shows up at a site, request surveillance monitor his play closely for a half hour period and zoom in on the slots he plays and record the bet sizes per spin. If they do this for a short period of time it will give you a good idea what kind of cash he is rolling per hour and make it easier to assess if he is up to no good.

I have CC'd this to Cathy and Brad and when they have time they might be able to dig into this guy a bit and see what they find. Clearly into gambling though as not many people can sit playing slots for 12 hours at a time so AML concerns are not likely at play here.

D

Daryl Tottenham BA, CAMS
AML Specialist
AML & Operational Analytics Unit
Corporate Security & Compliance Division, BCLC

2940 Virtual Way, Vancouver, BC V5M 0A6
C PERSONAL
PERSONAL INFO

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Don Merkel
Sent: Tuesday, October 06, 2015 7:21 AM
To: Daryl Tottenham; Tom Caverly
Cc: Bob Jones
Subject: FW: 2015-39520

Tom & Daryl

(Bob – FYI)

FYI

Tom.

You placed a note on this guys profile for ID, which he has produced.

Travels a lot....hmmmm.

I will asking the member to send me another email FINTRAC regarding the cheques. Looks like they came from FINTRAC Not closed yet. I will pull the tracking sheets today.

Don

D/C (Don) Merkel, CAMS
BCLC Casino Security Investigator
Okanagan, Kamloops & Castlegar
Casinos & Community Gaming Centres
BCLC
1300 Water Street
Kelowna, B.C. V1Y 9P4
Cell - PERSONAL INFO
email

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Don Merkel
Sent: Tuesday, October 06, 2015 7:15 AM
To: Daryl Tottenham
Subject: FW: 2015-39520

D/C (Don) Merkel, CAMS
BCLC Casino Security Investigator
Okanagan, Kamloops & Castlegar
Casinos & Community Gaming Centres
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Cell - PERSONAL INFO
email

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Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: David Bickle [mailto:PERSONAL INFO]
Sent: Tuesday, October 06, 2015 12:03 AM
To: Don Merkel
Cc: Bruce TROTZUK
Subject: 2015-39520

Good morning;

Concerning the above file; we have seized a large amount of Canadian currency and 3 cheques from an individual stopped during an erratic driving complaint.

The cheques are drawn on a Bank of Montreal account for Lake City Casinos. We are trying to trace whether or not this money is proceeds of crime. The suspect has various stories on how he acquired the money.

I will be back to work on Saturday, October 10.

I look forward to figuring this situation out with your assistance.

Regards

Dave

Cst. D. BICKLE
C Watch

Fraser Valley Traffic Services
46326 Airport Rd
Chilliwack, BC
V2P1A5

Ph PERSONAL INFO
Ce

This is Exhibit "118" to the Affidavit #1 of
Daryl Tottenham, sworn before me at
Vancouver, in the Province of British Columbia
this 30th day of October, 2020

A Commissioner for taking Affidavits for the
Province of British Columbia

To: Rob Kroeker PERSONAL INFO
From: John Karlovcec
Sent: Wed 14/03/2018 6:44:58 PM
Subject: FW: VVIP Players and sanctions

As requested here is Ross's E mail.

From: Daryl Tottenham
Sent: March-13-18 12:22 PM
To: John Karlovcec <PERSONAL INFO
Subject: FW: VVIP Players and sanctions

Daryl Tottenham Ba, CAMS
Manager, AML Programs
Legal, Compliance & Security Division

2940 Virtual Way, Vancouver, BC V5M 0A6
C PERSONAL INFO
PERSONAL INFO

Yes, and...

Last year, more than $1 billion generated by BCLC gambling activities went back into health care, education and community groups in B.C.

From: Ross Alderson
Sent: Thursday, May 14, 2015 3:49 PM
To: AML <PERSONAL INFO; Kris Gade <PERSONAL INFO>; Bruno Gatto PERSONAL INFO
Subject: VVIP Players and sanctions

Hi Guys,

I have been following the email chains over last couple of days regarding some of the actions of the VVIP players.

I have no concerns about requesting further employment clarification and noting it on a player's iTrak profile, nor having the Investigations Management and AML Specialist jointly discussing whether a player should be interviewed, so Investigators can then be provided with that instruction.

However in the absence of any written escalation procedures right now, before we contemplate suspending, barring or putting conditions on any of the VVIP players which may impact revenue (similar to GAO) please bring Kevin and myself into the loop in the form of arranging a teleconference or preferably a joint meeting so we can get an overall picture.

Ultimately we will have to brief Brad. Being mindful that email is not always the best method of communication in these sensitive matters lest it be misinterpreted.

I would classify any player who has $500K + of buy in's as a VVIP player which is consistent with our AML documentation.

Many thanks

Ross Alderson CAMS

Director, AML & Operational Analysis
Corporate Security and Compliance Division, BCLC
2940 Virtual Way, Vancouver, BC, V5M 0A6
T PERSONAL INFO C 604 PERSONAL INFO F 604 225 6488

PERSONAL INFO