

**COMMISSION OF INQUIRY INTO
MONEY LAUNDERING IN BRITISH COLUMBIA**

The Honourable Mr. Austin F. Cullen, Commissioner

AFFIDAVIT

I, Kevin Sweeney, of 74 Seymour St W, Kamloops, BC, Director, Security, Privacy and Compliance at British Columbia Lottery Corporation (“BCLC”), SWEAR THAT:

1. I am the Director of Security, Privacy and Compliance in the Legal, Compliance, Security division at BCLC, a participant in this public 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 joined BCLC in 2006 as a Gaming Compliance Officer. I was Manager of Operational Gaming Audit (now Operational Gaming Compliance) from 2009 to 2013. I served in the role of Director, Compliance & Investigations from July 2013 to April 2016, and since then, as Director, Security, Privacy and Compliance.
3. Prior to joining BCLC, I was the manager of Casino Surveillance at Gateway Casinos and Entertainment Ltd from 1999-2006.
4. I swear this affidavit to provide evidence to the Commission pursuant to a summons issued to me pursuant to the *Public Inquiry Act*, SBC 2007, c 9. In this affidavit, I outline BCLC’s compliance program for private sector service providers with which it enters into services agreements for administering and carrying on the day-to-day operations of gambling facilities (“Service Providers”) and efforts to assess the effectiveness of BCLC’s monitoring programs.

BCLC Operational Gaming Compliance

5. The Operational Gaming Compliance department (OGC) is one part of the overall control environment that BCLC has developed to meet, among other things, the regulatory requirements mandated by FINTRAC.

6. OGC's primary function is to assess, identify and address the levels of compliance of all BCLC casinos, community gaming centres and commercial bingo halls, with all applicable BCLC standards, policies and procedures, including those in relation to FINTRAC and anti-money laundering ("AML"). These include the (i) Casino and Community Gaming Centre Standards, Policies and Procedures; (ii) BCLC Standards; (iii) BCLC Internal Casino and Community Gaming Centre Standards Policies and Procedures; and (iv) BCLC Surveillance Standards. The OGC team consists of 13 full-time Gaming Compliance Officers that conduct cyclical compliance inspections of all BCLC gaming facilities.

7. In respect of AML measures in particular, some of the information that OGC generates allows BCLC stakeholders to better understand the state of AML compliance within the BC gaming industry and allows these stakeholders to make more informed decisions. Corrective action plans are required for instances of non-compliance. BCLC submits finalized AML compliance assessment reports to the Gaming Policy Enforcement Branch (GPEB) Audit & Compliance Division, as well as key Service Provider personnel and senior BCLC management.

Timeline of AML related Reviews conducted by OGC from 2003-2019

8. The methods and templates that OGC has employed to conduct reviews related to AML have evolved over the years. As legislative requirements evolved and BCLC policy changed, these reviews were modified and updated accordingly. I provide an historical overview of OGC's AML related reviews from 2009 to the present and provide illustrative examples of the reviews that were conducted, selecting a broad cross-section of examples by time and facility. The standards and methodologies underlying each of these reviews are set out in documents known as testing guides, and are provided with each of the attached reviews.

9. From 2009-2012, OGC conducted quarterly reviews of the completion and submission of large cash transaction reports (“LCTRs”) and of cheque issuance procedures for all BCLC casinos and community gaming centres.

- (a) Attached as **Exhibit “1”** is a copy of an example of a quarterly compliance review of LCTRs and cheque issuance procedures for River Rock Casino, dated November 25, 2009, and attached as **Exhibit “2”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review;
- (b) Attached as **Exhibit “3”** is a copy of an example of a quarterly compliance review of LCTRs and cheque issuance procedures for Boulevard Casino, dated December 31, 2010 and attached as **Exhibit “4”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review; and
- (c) Attached as **Exhibit “5”** is a copy of an example of a quarterly compliance review of LCTRs and cheque issuance procedures for Starlight Casino, dated July 4, 2011 and attached as **Exhibit “6”** is the testing guide that, to the best of my knowledge, was applicable to, consulted for, that review.

10. From 2012-2018 OGC engaged in two separate types of compliance reviews. First, OGC conducted quarterly reviews of all AML procedures, including LCTRs and cheque issuance procedures, for all BCLC casinos and community gaming centres.

- (a) Attached as **Exhibit “7”** is a copy of an example an AML compliance review for Cascades Casino Langley, dated April 26, 2012 and attached as **Exhibit “8”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review;
- (b) Attached as **Exhibit “9”** is a copy of an example an AML compliance review for the Casino of the Rockies, dated July 2015 and attached as **Exhibit “10”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review; and

- (c) Attached as **Exhibit “11”** is a copy of an example an AML compliance review for Parq Casino, dated June 2018 and attached as **Exhibit “12”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review.

11. Second, OGC conducted dedicated quarterly reviews of the patron gaming fund (“PGF”) account procedures for all casinos that had been approved to utilize PGF accounts.

- (a) Attached as **Exhibit “13”** is a copy of an example a PGF review for River Rock Casino, dated July 31, 2012 and attached as **Exhibit “14”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for. that review;
- (b) Attached as **Exhibit “15”** is a copy of an example a PGF review for Grand Villa Casino, dated May 16, 2014 and attached as **Exhibit “16”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review; and
- (c) Attached as **Exhibit “17”** is a copy of an example a PGF review for Elements Casino, dated January 2017 and attached as **Exhibit “18”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review.

12. Starting in 2018, OGC conducts quarterly reviews of all AML procedures, including LCTRs, cheque issuance procedures and relevant aspects of the PGF account procedures) for all casinos and community gaming centres.

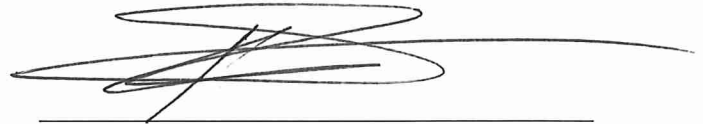
- (a) Attached as **Exhibit “19”** is a copy of an example of the AML compliance review for Chances Fort St. John, dated June 2018 and attached as **Exhibit “20”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review;
- (b) Attached as **Exhibit “21”** is a copy of an example of the AML compliance review for Cascades Kamloops, dated September 2018 and attached as **Exhibit “22”** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review; and

- (c) Attached as **Exhibit "23"** is a copy of an example of the AML compliance review for Chances Dawson Creek, dated October 2018 and attached as **Exhibit "24"** is the testing guide that, to the best of my knowledge, was applicable to, and consulted for, that review.

SWORN BEFORE ME at Kamloops,)
British Columbia, on October 26, 2020.)



_____)
A commissioner for taking affidavits for)
British Columbia)



_____)
KEVIN SWEENEY)

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

THIS IS **EXHIBIT "1"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

River Rock Casino

LCTR & Cheque Issuance Audit

November 25th, 2009

Distribution:

Rick DUFF, General Manager - River Rock Casino - GCC
Carl BOLTON, VP of Compliance - GCC
Ray PALUMBO, Casino Site Operations Manager - BCLC
Kevin SWEENEY, Manager of Operational Gaming Audit - BCLC
David PYATT, Director, Commercial Gaming Audit - GPEB

Jim HUSLER (Archived)
BCLC Operational Gaming Compliance Officer



Objectives

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

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from September 24th, 2009 to November 25th, 2009.

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

Current Findings

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 1-4.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Partially Compliant	
Issue: During this LCTR review of fifty hard copies it was noted that one entry on the blue table tracking card did not indicate a table number as to where the buy-in occurred. Section: 3-8.1 ss 7.1		Resolved
Action: The Table Games Manager has stated that the floor staff will be reminded to ensure that all table numbers are added on the tracking cards.		
Issue: Following a review of fifty LCTR hard copies, compared to the electronic LCT's was conducted on November 26th, 2009. It was noted that several entries on the LCTR hard copies did not indicate what type of transaction (eg. chips/ ivs/ jp/ bbj/cc) was presented to the Cage prior to the disbursement. Section: 3-8.1 ss 1.2.1		Resolved
Action: The Cage Manager was spoken to about this finding and the correct information will be indicated on the LCTR.		
BCLC Casino Standards, Policies and Procedures: Section 3-9.3 Service Providers Cheques	Partially Compliant	
Issue:		Resolved

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Policy	Finding	Status
During this LCTR review compared to the electronic LCT's it was also noted that when a service provider cheque is issued for a verified win, the special notes field must include the cheque number. Section: 3-8.1 ss 8.1.5		
Action: The Cage Manager stated that the Cage staff will ensure that this information has been included as per policy.		
Issue: During a comparison of the Cage Assistant Cheque Account compared to the Vault Cheque Log the following was found: Oct 22nd, 2009 CMS Cheque Account Transaction Number 1247040 indicated a value of \$17,000 - The Vault cheque log stated \$17,950 for the same transaction. The Electronic LCT indicated a cash & cheque split of \$17,000.00 cheque and \$950.00 cash. Result the cheque log in vault was incorrect for this one entry. Section: 3-9.3 Cage		Resolved
Action: The Cage Manager has been notified about this discrepancy and the staff have been reminded to ensure the amounts that are entered on the cheque log are correct.		
Update: November 30, 2009 The Cage Manager has stated that the records have been amended to match the correct payout amount.		
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	

Outstanding Findings

There are no outstanding findings to report at this time.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Conclusion

The points that were discovered within this review have been addressed and resolved. There were no other issues identified during the course of this review.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

THIS IS **EXHIBIT "2"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

LCTR & Cheque Issuance Audit

Linked Entities: Retired - Community Gaming Centres

LCTR & Cheque Issuance Audit

Objectives:

Large Cash Transaction Records (Hard Copies)
Itrak LCT/ Fintrac Module
Itrak Subjects Module
Service Provider Cheque Copies
Service Provider Cheque Register
Electronic Game Machine Jackpot Slips
CMS Account Audit Report- Cheque
Casinolink Machine Audit Report - Handpay

Process: None

Policy 1: BCLC Community Gaming Center Standards, Policies and Procedures Section 3-8.1 Cage – Large Cash Transactions

Procedure 1: Are cash outs, and/or jackpots \$10,000 and over as well as foreign exchanges over \$3,000 CDN equivalent recorded on an LCTR?

Tests

1: Randomly select a 25% of all LCTR's(minimum of 50) created in the Itrak LCT/ Fintrac Module during the audit period, and check to ensure a hard copy has been created for each LCTR.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Check each LCTR to ensure all transactions are recorded on the form as required

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Review the Casinolink Machine Audit Report and CMS Slot Transaction - Jackpots/ Progressives Report for the audit period to ensure that all Jackpots of \$10,000.00 or more were reported in an LCTR

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Review the Itrak LCTR forms against the corresponding hard copy LCTR's to ensure the transaction totals match

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Are cashiers tracking accumulated or third party transactions within the gaming day or 24 hour period?

Tests

1: Review LCTR's and interview Service Provider to ensure the staff are aware of this requirement.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: Are the hardcopy LCTR's being retained in the proper location?

Tests

1: Ensure LCTR's are stored in a secure area of the casino.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: Are the hardcopy LCTR's filed alphabetically?

Tests

1: Ensure the files are stored alphabetically within the secure area.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: Are the LCTR's being entered into iTrak daily?

Tests

1: For each LCTR selected for inspection, ensure that the dates within the "Transaction Date" and "Date Created" fields are no more than 24 hours apart

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Service Providers are required to enter the LCTR's in Itrak each day, however many larger site wait until the end of the gaming date (07:00) to compile and enter all information.

Procedure 6: Is all staff aware of the casino industry indicators for suspicious activity?

Tests

1: Interview staff and review Itrak Incident Files under "Criminal Event/ Suspicious Financial Transaction" to ensure the staff is aware of indicators and that the appropriate action is taken

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Does staff refuse to complete transactions which appear suspicious? Are suspicious activities reported to an immediate supervisor?

Tests

1: Interview Cage Supervisor/ Manager and review Itrak Incident File Module to determine whether any such incidents have occurred. If so, interview staff and/ or review Incident Files to ensure that suspicious financial transactions are not completed

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Is an LCTR generated for suspicious activity and for refused transactions?

Tests

1: If any such incidents have occurred during the audit period, ensure that an LCTR has been created to correspond to each incident

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 9: Is all ID provided for LCTR purposes scanned into the Media tab of the patron's Subject Profile?

Tests

1: For each LCTR selected for review, check the Media tab of the patron's Subject Profile to ensure that the details on the scanned image of the ID match the information recorded within the "Details" tab of the Subject Profile.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 10: Is all ID provided for LCTR purposes issued by government and valid at the time of the transaction?

Tests

1: For each LCTR selected for review check the transaction date, and check the expiration date on the scanned image of the ID in the Subject Profile to ensure that the ID was valid at the time of the transaction

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 11: Is the patron in question advised that they are being suspected of a suspicious transaction? (Note: it is a criminal offence to do so)

Tests

1: Review applicable Itrak Incident Files and discuss with Service Provider personnel to ensure awareness of the policy

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 12: Is an Incident Report generated documenting all available information?

Tests

1: Review Itrak Incident File Module to ensure compliance

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 13: Is the BCLC Manager Security & Surveillance informed of all suspicious transactions?

Tests

1: Check Incident File to ensure that the Service Provider has notified BCLC and GPE via Section 86(2) Report of all suspicious financial transactions

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 14: Are the LCTR's being completed correctly with all required information?

Tests & Linked File

1: Review the attached list to ensure that all LCTR are being completed with all required information.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: If the patron has incurred an LCTR previous to the form under review, it is permissible for the Service Provider to write "ON FILE" through the details portion of the hard copy LCTR, as long as the patron's name and Date of Birth are still written on the form

2: LCTR Information Requirements (tmp1B.doc)

Procedure 15: If this is the first Itrak LCTR incurred by the patron, is a hard copy of the patron's ID attached to the LCTR form?

Tests

1: For each LCTR selected for review, check the LCT tab in the patron's Subject Profile to determine whether the LCTR selected is the first one incurred by the patron. If so, a hard copy of the patron's ID should be attached to the LCTR

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 16: Are there hard copy LCTR's on file that do not appear in the Itrak LCT/ Fintrac Module?

Tests

1: During inspection of selected LCTR hard copies, review other LCTR's at random and ensure a corresponding Itrak LCTR has been created

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 17: If a foreign address is given but the patron is known to be gaming at the site often enough such that patron does not appear to be a visitor, is the Service Provider obtaining a local resident address?

Tests

1: Interview the Service Provider and review Itrak LCTR's to determine whether any applicable incidents have occurred

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 2: BCLC Community Gaming Center Standards, Policies and Procedures Section 1-2.1 General Customer Service Standards and Expectations - General Operations

Procedure 1: Are cheques only issued for verified wins? Are electronic gaming device jackpot wins verified through Last Game Recall or slot jackpot verification through the slot management system?

Tests

1: Review each cheque issued during the audit period to ensure the required jackpot documentation(CMS/ Casinolink Transaction Slip) is attached to the cheque/ stub copy

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Definition of Verified Win

“Verified Win” means the casino employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game or a jackpot on an electronic gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize.

Policy 3: BCLC Community Gaming Center Standards, Policies and Procedures Section 3-7.1 Service Providers Cheques

Procedure 1: Does the Service Provider check the Itrak Subject Module prior to issuance of a cheque to ensure the patron is not currently Self-Excluded or Prohibited?

Tests

1: Interview Service Provider staff to assess compliance

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Have any cheques been issued for slot machine cancelled credits (not permitted)?

Tests

1: Determine through review of cheque copies/ stubs to ensure that the transaction slips attached to each cheque stub clearly indicate that the cheque was not issued for cancelled credits

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: Does the Slot Request form contain the jackpot combination of the verified win?

Tests

1: Review randomly selected Slot Request forms that correspond to cheques issued during the audit period to ensure that the Slot Attendants are entering the specific jackpot combination on the Slot Request form.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: Do Service Provider cheques have a duplicate copy and are the cheques issued in numbered sequence?

Tests

1: Inspect the documentation on file in the BCLC office to ensure that BCLC is being provided with all required information.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: Does the Service Provider enter iTrak reports for issuance of replacement cheques?

Tests

1: Review the CMS Account Audit - Cheque report and/ or the Service Provider Cheque Registry to determine whether any replacement cheques have been issued. If replacement cheques have been issued, review Itrak Incident Files from the corresponding date to ensure that each such incident was reported

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: Has each cheque issued to a patron been entered in CMS?

Tests

1: Obtain the Service Provider's Cheque Registry for the audit period and compare it to the CMS Account Audit - Cheque report for the same period to ensure each cheque issued was recorded in CMS

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Are all cheques that are issued as part of an LCTR recorded within the Itrak LCTR form as required?

Tests

1: Obtain the Service Provider Cheque Registry for the audit period and compare it to the Itrak LCTR's to ensure that any cheques issued as part of an LCTR were recorded as such within the "Pay-Outs" tab of the corresponding Itrak LCTR form.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Does the name on the issued cheque match the name on the Itrak Subject Profile (if applicable) and the name in the Comments field of the CMS Account Audit - Cheque report?

Tests

1: Review the CMS Account Audit - Cheque report and compare it against the Cheque Registry and (if applicable) the Itrak Subject Profile to ensure the names match

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 9: Does the Service Provider issue cheques in numerical order?

Tests

1: Obtain the site's Cheque Registry and compare it to the CMS Account Audit - Cheque report to ensure all cheques issued during the audit period are accounted for and were issued in numerical order.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Investigate any gaps in the numerical sequence of issued cheques to ensure that these were void or damaged cheques. The Cheque Registry will normally indicate this.

Procedure 10: Is the Service Provider checking the Itrak Subject Module to determine whether each cheque recipient is self-excluded or prohibited prior to issuing the cheque?

Tests

1: Interview the Service Provider Cage employees to assess compliance with this requirement

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 11: Is the Service Provider entering the transaction slip number on the cheque stub?

Tests

1: Inspect cheque stubs for all jackpots paid by cheque to assess compliance

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 12: If the cheque is issued as part of an LCTR, is the Service Provider entering the transaction slip number and/ or the name of the promotion in the Special Notes field of the hard copy LCTR?

Tests

1: Inspect LCTR forms to assess compliance

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

THIS IS **EXHIBIT "3"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Boulevard Casino

LCTR & Cheque Issuance Audit

December 31, 2010

Distribution:

Nicholas **GIRGULIS** (General Manager, Great Canadian Casinos - Boulevard)
Carl **BOLTON** (VP of Compliance, Great Canadian Casinos)
Barbara **MACDONALD** (Cage Manager, Great Canadian Casinos - Boulevard)
Paul **SILCOX** (CSOM, Boulevard Casino, BCLC)
David **PYATT** (Director, Commercial Gaming Audit, GPEB)
Kevin **SWEENEY** (Manager, Operational Gaming Audit, BCLC)
David **SLOBODIAN** (Casino Investigator, BCLC)
Cathy **ANASTASIO** (Compliance & Trend Analyst, BCLC)

Kris GADE (Archived)
BCLC Operational Gaming Compliance Officer



Objectives

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

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from August 1, 2010 to December 31, 2010.

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

Current Findings

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

Outstanding Findings

There are no outstanding findings to report at this time.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Conclusion

There were no issues noted during the course of this Review. The OGA found the BLVD Staff knowledgeable and diligent in their day-to-day procedures regarding LCTR and Cheque Issuances.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

THIS IS **EXHIBIT "4"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

LCTR & Cheque Issuance Audit

Linked Entities: Retired - Community Gaming Centres

LCTR & Cheque Issuance Audit

Objectives:

Large Cash Transaction Records (Hard Copies)
Itrak LCT/ Fintrac Module
Itrak Subjects Module
Service Provider Cheque Copies
Service Provider Cheque Register
Electronic Game Machine Jackpot Slips
CMS Account Audit Report- Cheque
Casinolink Machine Audit Report - Handpay

Process: None

Policy 1: Section: 3-8.1 Cage – Large Cash Transactions

Procedure 1: Are cash outs, and/or jackpots \$10,000 and over as well as foreign exchanges over \$3,000 CDN equivalent recorded on an LCTR?

Tests

1: Randomly select a 25% of all LCTR's(minimum of 50) created in the Itrak LCT/ Fintrac Module during the audit period, and check to ensure a hard copy has been created for each LCTR.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Check each LCTR to ensure all transactions are recorded on the form as required

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Review the Casinolink Machine Audit Report - Handpay Report for the audit period to ensure that all Jackpots of \$10,000.00 or more were reported in an LCTR

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Review the Itrak LCTR forms against the corresponding hard copy LCTR's to ensure the transaction totals match

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Are cashiers tracking accumulated or third party transactions within the gaming day or 24 hour period?

Tests

1: Review LCTR's and interview Service Provider to ensure the staff are aware of this requirement.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Date: 10/5/2020

Created by: Jeff MULLAN

2 / 7

Procedure 3: Are the hardcopy LCTR's being retained in the proper location?

Tests

1: Ensure LCTR's are stored in a secure area of the casino.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: Are the hardcopy LCTR's filed alphabetically?

Tests

1: Ensure the files are stored alphabetically within the secure area.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: Are the LCTR's being entered into iTrak daily?

Tests

1: For each LCTR selected for inspection, ensure that the dates within the "Transaction Date" and "Date Created" fields are no more than 24 hours apart

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Service Providers are required to enter the LCTR's in Itrak each day, however many larger site wait until the end of the gaming date (07:00) to compile and enter all information.

Procedure 6: Is all staff aware of the casino industry indicators for suspicious activity?

Tests

1: Interview staff and review Itrak Incident Files under "Criminal Event/ Suspicious Financial Transaction" to ensure the staff is aware of indicators and that the appropriate action is taken

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Does staff refuse to complete transactions which appear suspicious? Are suspicious activities reported to an immediate supervisor?

Tests

1: Interview Cage Supervisor/ Manager and review Itrak Incident File Module to determine whether any such incidents have occurred. If so, interview staff and/ or review Incident Files to ensure that suspicious financial

transactions are not completed

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Is an LCTR generated for suspicious activity and for refused transactions?

Tests

1: If any such incidents have occurred during the audit period, ensure that an LCTR has been created to correspond to each incident

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 9: Is all ID provided for LCTR purposes scanned into the Media tab of the patron's Subject Profile?

Tests

1: For each LCTR selected for review, check the Media tab of the patron's Subject Profile to ensure that the details on the scanned image of the ID match the information recorded within the "Details" tab of the Subject Profile.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 10: Is all ID provided for LCTR purposes issued by government and valid at the time of the transaction?

Tests

1: For each LCTR selected for review check the transaction date, and check the expiration date on the scanned image of the ID in the Subject Profile to ensure that the ID was valid at the time of the transaction

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 11: Is the patron in question advised that they are being suspected of a suspicious transaction? (Note: it is a criminal offence to do so)

Tests

1: Review applicable Itrak Incident Files and discuss with Service Provider personnel to ensure awareness of the policy

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 12: Is an Incident Report generated documenting all available information?

Tests

1: Review Itrak Incident File Module to ensure compliance

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 13: Is the BCLC Manager Security & Surveillance informed of all suspicious transactions?

Tests

1: Check Incident File to ensure that the Service Provider has notified BCLC and GPE via Section 86(2) Report of all suspicious financial transactions

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 14: Are the LCTR's being completed correctly with all required information?

Tests & Linked File

1: Review the attached list to ensure that all LCTR are being completed with all required information.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: If the patron has incurred an LCTR previous to the form under review, it is permissible for the Service Provider to write "ON FILE" through the details portion of the hard copy LCTR, as long as the patron's name and Date of Birth are still written on the form

2: LCTR Information Requirements (tmp33.doc)

Procedure 15: If this is the first Itrak LCTR incurred by the patron, is a hard copy of the patron's ID attached to the LCTR form?

Tests

1: For each LCTR selected for review, check the LCT tab in the patron's Subject Profile to determine whether the LCTR selected is the first one incurred by the patron. If so, a hard copy of the patron's ID should be attached to the LCTR

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 16: Are there hard copy LCTR's on file that do not appear in the Itrak LCT/ Fintrac Module?

Tests

1: During inspection of selected LCTR hard copies, review other LCTR's at random and ensure a corresponding Itrak LCTR has been created

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 2: Section 1-2.1 General Customer Service Standards and Expectations - General Operations

Procedure 1: Are cheques only issued for verified wins? Are electronic gaming device jackpot wins verified through Last Game Recall or slot jackpot verification through the slot management system?

Tests

1: Review each cheque issued during the audit period to ensure the required jackpot documentation(CMS/ Casinolink Transaction Slip) is attached to the cheque/ stub copy

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Definition of Verified Win

“Verified Win” means the casino employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game or a jackpot on an electronic gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize.

Policy 3: Section 3-7.1 Service Providers Cheques

Procedure 1: Have any cheques been issued for slot machine cancelled credits (not permitted)?

Tests

1: Determine through review of cheque copies/ stubs to ensure that the transaction slips attached to each cheque stub clearly indicate that the cheque was not issued for cancelled credits

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Does the Slot Request form contain the jackpot combination of the verified win?

Tests

1: Review randomly selected Slot Request forms that correspond to cheques issued during the audit period to ensure that the Slot Attendants are entering the specific jackpot combination on the Slot Request form.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: Do Service Provider cheques have a duplicate copy and are the cheques issued in numbered sequence?

Tests

1: Inspect the documentation on file in the BCLC office to ensure that BCLC is being provided with all required information.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: Does the Service Provider enter iTrak reports for issuance of replacement cheques?

Tests

1: Review the CMS Account Audit - Cheque report and/ or the Service Provider Cheque Registry to determine whether any replacement cheques have been issued. If replacement cheques have been issued, review Itrak Incident Files from the corresponding date to ensure that each such incident was reported

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: Has each cheque issued to a patron been entered in CMS?

Tests

1: Obtain the Service Provider's Cheque Registry for the audit period and compare it to the CMS Account Audit - Cheque report for the same period to ensure each cheque issued was recorded in CMS

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: Are all cheques that are issued as part of an LCTR recorded within the Itrak LCTR form as required?

Tests

1: Obtain the Service Provider Cheque Registry for the audit period and compare it to the Itrak LCTR's to ensure that any cheques issued as part of an LCTR were recorded as such within the "Pay-Outs" tab of the corresponding Itrak LCTR form.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Does the name on the issued cheque match the name on the Itrak Subject Profile (if applicable) and the name in the Comments field of the CMS Account Audit - Cheque report?

Tests

1: Review the CMS Account Audit - Cheque report and compare it against the Cheque Registry and (if applicable) the Itrak Subject Profile to ensure the names match

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Does the Service Provider issue cheques in numerical order?

Tests

1: Obtain the site's Cheque Registry and compare it to the CMS Account Audit - Cheque report to ensure all cheques issued during the audit period are accounted for and were issued in numerical order.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Investigate any gaps in the numerical sequence of issued cheques to ensure that these were void or damaged cheques. The Cheque Registry will normally indicate this.

THIS IS **EXHIBIT "5"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Starlight Casino

LCTR & Cheque Issuance Audit

July 4, 2011

Distribution:

David PYATT, Director, Commercial Gaming Audit - GPEB
Glen ATCHISON, Manager of Compliance, Gateway Casinos
Larry HO, Executive General Manager, Starlight Casino
Laurie STEWART, Regional Manager, BCLC
Cassandra MCGARVIE, Casino Site Operations Manager, BCLC
Cathy ANASTASIO, Compliance and Trend Analyst, BCLC
Daryl TOTTENHAM, Investigator, BCLC
Mike HILLER, Investigator, BCLC
Kevin SWEENEY, Operational Gaming Audit Manager, BCLC

Rick TSANG (Archived)
BCLC Operational Gaming Compliance Officer



Objectives

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

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from April 12, 2011 to July 4, 2011.

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

Current Findings

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 1-4.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Partially Compliant	
Issue: A review of fifty LCTRs for the audited period was conducted, and found the following discrepancies: - three "1st transaction time" between LCTR and Fintrac discrepancies - Fintrac disbursement method entry account # discrepancy. CSPP 3-8.1		Resolved
Action: The Cage Manager was informed on the LCTR discrepancies found.		
Update: September 06, 2011 Discrepancies corrected by Cage Manager and BCLC Investigators informed.		
BCLC Casino Standards, Policies and Procedures: Section 3-9.3 Service Providers Cheques	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 3-8.3 Cage - Patron Gaming Funds Accounts (Draft v.5)	Partially Compliant	
Issue: The PGF open accounts were compared to the iTrak Subjects, and found PGF account #13 patron was not closed. The patron is a VSE individual as of May 10, 2011. CSPP 3-8.3 ss 10		Resolved
Action: The Cage Manager was informed that the PGF account are to be closed for VSE or provincially barred patrons. The PGF account #13 was closed on July 11, 2011 by the Cage Manager.		

Outstanding Findings

There are no outstanding findings to report at this time.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Conclusion

The Cage Manager was informed on the following exceptions noted during this audit.

- transaction time discrepancies on LCTRs
- PGF account number discrepancy on patrons LCT
- PGF account was active for a VSE individual.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

THIS IS **EXHIBIT "6"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

LCTR & Cheque Issuance Audit

Linked Entities: Retired - Community Gaming Centres

LCTR & Cheque Issuance Audit

Objectives:

Large Cash Transaction Records (Hard Copies)
Itrak LCT/ Fintrac Module
Itrak Subjects Module
Service Provider Cheque Copies
Service Provider Cheque Register
Electronic Game Machine Jackpot Slips
CMS Account Audit Report- Cheque
Casinolink Machine Audit Report - Handpay

Process: None

Policy 1: Section: 3-8.1 Cage – Large Cash Transactions

Procedure 1: Are cash outs, and/or jackpots \$10,000 and over as well as foreign exchanges over \$3,000 CDN equivalent recorded on an LCTR?

Tests

1: Randomly select a 25% of all LCTR's(minimum of 50) created in the Itrak LCT/ Fintrac Module during the audit period, and check to ensure a hard copy has been created for each LCTR.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Check each LCTR to ensure all transactions are recorded on the form as required

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Review the Casinolink Machine Audit Report - Handpay Report for the audit period to ensure that all Jackpots of \$10,000.00 or more were reported in an LCTR

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Review the Itrak LCTR forms against the corresponding hard copy LCTR's to ensure the transaction totals match

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Are cashiers tracking accumulated or third party transactions within the gaming day or 24 hour period?

Tests

1: Review LCTR's and interview Service Provider to ensure the staff are aware of this requirement.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Date: 10/5/2020

Created by: Jeff MULLAN

2 / 7

Procedure 3: Are the hardcopy LCTR's being retained in the proper location?

Tests

1: Ensure LCTR's are stored in a secure area of the casino.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: Are the hardcopy LCTR's filed alphabetically?

Tests

1: Ensure the files are stored alphabetically within the secure area.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: Are the LCTR's being entered into iTrak daily?

Tests

1: For each LCTR selected for inspection, ensure that the dates within the "Transaction Date" and "Date Created" fields are no more than 24 hours apart

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Service Providers are required to enter the LCTR's in Itrak each day, however many larger site wait until the end of the gaming date (07:00) to compile and enter all information.

Procedure 6: Is all staff aware of the casino industry indicators for suspicious activity?

Tests

1: Interview staff and review Itrak Incident Files under "Criminal Event/ Suspicious Financial Transaction" to ensure the staff is aware of indicators and that the appropriate action is taken

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Does staff refuse to complete transactions which appear suspicious? Are suspicious activities reported to an immediate supervisor?

Tests

1: Interview Cage Supervisor/ Manager and review Itrak Incident File Module to determine whether any such incidents have occurred. If so, interview staff and/ or review Incident Files to ensure that suspicious financial

transactions are not completed

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Is an LCTR generated for suspicious activity and for refused transactions?

Tests

1: If any such incidents have occurred during the audit period, ensure that an LCTR has been created to correspond to each incident

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 9: Is all ID provided for LCTR purposes scanned into the Media tab of the patron's Subject Profile?

Tests

1: For each LCTR selected for review, check the Media tab of the patron's Subject Profile to ensure that the details on the scanned image of the ID match the information recorded within the "Details" tab of the Subject Profile.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 10: Is all ID provided for LCTR purposes issued by government and valid at the time of the transaction?

Tests

1: For each LCTR selected for review check the transaction date, and check the expiration date on the scanned image of the ID in the Subject Profile to ensure that the ID was valid at the time of the transaction

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 11: Is the patron in question advised that they are being suspected of a suspicious transaction? (Note: it is a criminal offence to do so)

Tests

1: Review applicable Itrak Incident Files and discuss with Service Provider personnel to ensure awareness of the policy

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 12: Is an Incident Report generated documenting all available information?

Tests

1: Review Itrak Incident File Module to ensure compliance

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 13: Is the BCLC Manager Security & Surveillance informed of all suspicious transactions?

Tests

1: Check Incident File to ensure that the Service Provider has notified BCLC and GPE via Section 86(2) Report of all suspicious financial transactions

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 14: Are the LCTR's being completed correctly with all required information?

Tests & Linked File

1: Review the attached list to ensure that all LCTR are being completed with all required information.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: If the patron has incurred an LCTR previous to the form under review, it is permissible for the Service Provider to write "ON FILE" through the details portion of the hard copy LCTR, as long as the patron's name and Date of Birth are still written on the form

2: LCTR Information Requirements (tmp33.doc)

Procedure 15: If this is the first Itrak LCTR incurred by the patron, is a hard copy of the patron's ID attached to the LCTR form?

Tests

1: For each LCTR selected for review, check the LCT tab in the patron's Subject Profile to determine whether the LCTR selected is the first one incurred by the patron. If so, a hard copy of the patron's ID should be attached to the LCTR

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 16: Are there hard copy LCTR's on file that do not appear in the Itrak LCT/ Fintrac Module?

Tests

1: During inspection of selected LCTR hard copies, review other LCTR's at random and ensure a corresponding Itrak LCTR has been created

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 2: Section 1-2.1 General Customer Service Standards and Expectations - General Operations

Procedure 1: Are cheques only issued for verified wins? Are electronic gaming device jackpot wins verified through Last Game Recall or slot jackpot verification through the slot management system?

Tests

1: Review each cheque issued during the audit period to ensure the required jackpot documentation(CMS/ Casinolink Transaction Slip) is attached to the cheque/ stub copy

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Definition of Verified Win

“Verified Win” means the casino employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game or a jackpot on an electronic gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize.

Policy 3: Section 3-7.1 Service Providers Cheques

Procedure 1: Have any cheques been issued for slot machine cancelled credits (not permitted)?

Tests

1: Determine through review of cheque copies/ stubs to ensure that the transaction slips attached to each cheque stub clearly indicate that the cheque was not issued for cancelled credits

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Does the Slot Request form contain the jackpot combination of the verified win?

Tests

1: Review randomly selected Slot Request forms that correspond to cheques issued during the audit period to ensure that the Slot Attendants are entering the specific jackpot combination on the Slot Request form.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: Do Service Provider cheques have a duplicate copy and are the cheques issued in numbered sequence?

Tests

1: Inspect the documentation on file in the BCLC office to ensure that BCLC is being provided with all required information.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: Does the Service Provider enter iTrak reports for issuance of replacement cheques?

Tests

1: Review the CMS Account Audit - Cheque report and/ or the Service Provider Cheque Registry to determine whether any replacement cheques have been issued. If replacement cheques have been issued, review Itrak Incident Files from the corresponding date to ensure that each such incident was reported

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: Has each cheque issued to a patron been entered in CMS?

Tests

1: Obtain the Service Provider's Cheque Registry for the audit period and compare it to the CMS Account Audit - Cheque report for the same period to ensure each cheque issued was recorded in CMS

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: Are all cheques that are issued as part of an LCTR recorded within the Itrak LCTR form as required?

Tests

1: Obtain the Service Provider Cheque Registry for the audit period and compare it to the Itrak LCTR's to ensure that any cheques issued as part of an LCTR were recorded as such within the "Pay-Outs" tab of the corresponding Itrak LCTR form.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Does the name on the issued cheque match the name on the Itrak Subject Profile (if applicable) and the name in the Comments field of the CMS Account Audit - Cheque report?

Tests

1: Review the CMS Account Audit - Cheque report and compare it against the Cheque Registry and (if applicable) the Itrak Subject Profile to ensure the names match

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Does the Service Provider issue cheques in numerical order?

Tests

1: Obtain the site's Cheque Registry and compare it to the CMS Account Audit - Cheque report to ensure all cheques issued during the audit period are accounted for and were issued in numerical order.

Answer List: Fully Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Investigate any gaps in the numerical sequence of issued cheques to ensure that these were void or damaged cheques. The Cheque Registry will normally indicate this.

THIS IS **EXHIBIT "7"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Cascades Langley

Casino AML Compliance Review

April 26, 2012

Distribution:

James **PARK** - Executive Casino Manager, Cascades Casino
Doedy **REISLER** - Executive General Manager, Cascades Casino
Glen **ATCHISON** - Compliance Manager, Gateway Casinos Inc
Donnie **MACLEOD** - BCLC Casino Site Operations Manager, Cascades Casino
Brian **STEPHENS** - BCLC Casino Investigator
Laurie **STEWART** - BCLC Regional Manager, Casino & Community Gaming
Cathy **ANASTASIO** - BCLC Compliance & Trend Analyst
Kevin **SWEENEY** - BCLC Manager, Operational Gaming Audit
GPEB Commercial Gaming Audit Division

Kris GADE (Archived)
BCLC Operational Gaming Compliance Officer



Objectives

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

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from February 23, 2012 to April 26, 2012.

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

Current Findings

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 1-1.1 General	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 1-4.1 General Customer Service Standards and Expectations	Compliant	
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions	Partially Compliant	
<p>Issue: The OGA reviewed fifty (50) of the 379 LCTR's processed at Cascades Casino during the period covered by this Review (February 23, 2012 to April 25, 2012). Of these fifty (50), five (5) were noted to have been entered into the CRS iTrak FinTrac Module more than 24 hours after the final transaction had been completed.</p> <p>All FinTrac entries in the CRS iTrak FinTrac Module on CRS shall be completed each day for each LCTR. BCLC CGC SPP Sec: 3-8.1, 14.2</p> <p>LCTR Issues Noted:</p> <p>LCT20120011830 - SUB ID 16824 - April 8, 2012 LCT20120011744 - SUB ID 15952 - April 8, 2012 LCT20120012172 - SUB ID 50560 - April 12, 2012 LCT20120010138 - SUB ID 16824 - March 25, 2012 LCT20120009957 - SUB ID 16824 - March 23, 2012</p>		Resolved
<p>Action: The OGA discussed this item with the Cascades Cage Manager on April 25, 2012. The site is aware of the correct procedures, and the Cage Manager stated that she would assure to remind all staff involved of the LCTR time frame reporting requirements. Item considered resolved.</p>		

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Policy	Finding	Status
BCLC Casino Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training	Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-9.3 Service Providers Cheques	Partially Compliant	
<p>Issue: The OGA reviewed the CMS Account Audit Report and the CRS iTrak Report Module for February 23, 2012 to April 23, 2012 in regard to Return of Funds Cheques. There was one (1) such cheque issued during this period (IN20120016744). The following issues were noted:</p> <p>1/ The cheque issued was not distinctly different and distinguishable from the cheques issued for 'verified wins'. The cheque used was the same as what was being used for verified wins. BCLC CSPP Sec: 3-9.3, 3.1.1.a</p> <p>2/ The fact that the cheque was issued for Return of Funds - Not Gaming Winnings was not "prominently endorsed" on the face. It is simply written in the special notes section on the cheque. BCLC CSPP Sec: 3-9.3, 3.1.1.b</p>		Resolved
<p>Action: The OGA discussed these items with both the Cascades Executive General Manager and the Cascades Cage Manager. The following was determined:</p> <p>1/ This item was a one time occurrence. The site is aware of the need to have distinctly different and distinguishable cheques for these purposes. The site does have the appropriate cheques on hand and will use them going forward. This item is considered resolved.</p> <p>2/ The site has been shown an example of what is considered "prominently endorsed" and is in the process of working with their corporate head office to assure the appropriate changes are made. The OGA will continue to follow-up accordingly.</p>		
<p>Update: May 03, 2012 April 30, 2012 - The Gateway Head Office made the appropriate corrections to their Chequ Template. Item considered resolved.</p>		
BCLC Casino Standards, Policies and Procedures: Section 3-9.4 Cage – Certified Cheques	Not Applicable	
BCLC Casino Standards, Policies and Procedures: Section 3-9.5 Cage – Hold Cheque Option	Non-Compliant	
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets	Not Applicable	

Outstanding Findings

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

There are no outstanding findings to report at this time.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Conclusion

The OGA noted seven (7) items listed under two (2) separate Compliance Issues. All items were discussed with the appropriate Cascades Department Managers and the BCLC Casino Security Investigator. All but one (1) issue is considered resolved, and this item will be followed up accordingly.

Issues Noted:

BCLC SPP Exceptions: 2

PCMLTFA Exceptions: 0

Unresolved Exceptions: 1

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

THIS IS **EXHIBIT "8"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

Casino AML Compliance Review

Linked Entities: Casinos

Casino AML Compliance Review

Notes:

This audit is to be conducted quarterly.

Process: None

Policy 1: BCLC Casino Standards, Policies and Procedures: Section 1-1.1 General

Procedure 1: Casino Service Providers shall be responsible for maintaining vigilance of the BCLC Standards, Policies and Procedures section on www.bclc.biz (Extranet) and for the implementing of all posted BCLC Standards, Policies and Procedures additions, deletions or amendments by the stated implementation date.

Tests & Linked File

1: Ask the Cash Cage Shift Manager/ Supervisor, Table Games Shift Manager/ Floor Manager, and Slot Shift Manager/ Supervisor to produce the most current BCLC Casino Standards, Policies and Procedures relevant to Large Cash Transactions and Cheque Issuance.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: The BCLC Standards, Policies and Procedures may be incorporated into a Service Provider's Company Policies and Procedures

2: ENHANCED AML PROCEDURES - BCLC OPERATIONAL GAMING AUDIT - AUGUST 2011 (Anti-Money Laundering Procedures - 08 August 2011.docx)

Policy 2: BCLC Casino Standards, Policies and Procedures: Section 1-4.1 General Customer Service Standards and Expectations

Procedure 1: Are cheques only issued for verified wins? Are electronic gaming device jackpot wins verified through Last Game Recall or slot jackpot verification through the slot management system?

Tests

1: Review each cheque issued during the audit period to ensure the required jackpot documentation(CMS/ Casinolink Transaction Slip, Table Tracking Sheet) is attached to the cheque/ stub copy

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Definition of Verified Win

“Verified Win” means the casino employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game or a jackpot on an electronic

gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize.

Except for Table Game Jackpots, a Table Game verified win is defined as the cash out minus the buy-in

Policy 3: BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions

Procedure 1: Are buy-ins, cash outs, and/or jackpots \$10,000 and over as well as foreign exchanges over \$3,000 CDN equivalent recorded on an LCTR?

Tests

1: Select 25% of all LCTR's created in the Itrak LCT/ Fintrac Module during the audit period (to a maximum of 50), and check to ensure a hard copy has been created for each LCTR.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Check each LCTR to ensure all transactions are recorded on the form as required

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Review the Itrak LCTR forms against the corresponding hard copy LCTR's to ensure the transaction totals match

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Are patrons asked to produce acceptable identification upon reaching \$9000.00 in total buy-ins or cash outs, or if an additional request for buy-in would reach or exceed the reportable threshold of \$10,000.00?

Tests

1: Discuss with Service Provider staff to determine whether this is happening.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Personal information of the patron must be obtained before the patron reaches the LCTR reporting threshold.

If the patron refuses to provide the identification when asked, further transactions shall not be completed

An Incident Report in CRS shall be completed detailing the particulars of the patron's refusal.

Procedure 3: Is the Service Provider tracking accumulated or third party transactions within the current gaming date (at facilities with closing hours) or static 24-hour period (in 24-hour facilities)?

Tests

1: Review LCTR's and interview Service Provider to ensure the staff are aware of this requirement.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: For clarity, a 'static period' begins with the patron's first transaction, and

- In a continuously running site, ends 24 consecutive hours after the first transaction;
- In a non-continuously running site, ends at the close of operational hours.

Procedure 4: Are the hardcopy LCTR's being retained in the proper location?

Tests

1: Ensure LCTR's are stored in a secure area of the casino.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 5: Are the hardcopy LCTR's filed either alphabetically or numerically?

Tests

1: Ensure the files are stored in either alphabetical or numerical order within the secure area.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: Are the LCTR's being entered into iTrak daily?

Tests

1: For each LCTR selected for inspection, ensure that the dates within the "Transaction Date" and "Date Created" fields are no more than 24 hours apart

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Service Providers are required to enter the LCTR's in Itrak each day, however many larger site wait until the end of the gaming date (07:00) to compile and enter all information. This is permissible

Procedure 7: Is all required documentation attached to each LCTR?

Tests

1: Inspect hard copy LCTR's to ensure that the patron tracking card or a photocopy of the patron tracking card used in

the process of tracking buy-ins and cash-outs is stapled to the LCTR

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Where a cheque has been issued to the patron for a table game win, ensure the pit tracking sheet (or copy thereof) is attached and that all transactions on the tracking sheet match those listed on the LCTR

Procedure 8: Is all ID provided for LCTR purposes scanned into the Media tab of the patron's Subject Profile?

Tests

1: For each LCTR selected for review, check the Media tab of the patron's Subject Profile to ensure that the details on the scanned image of the ID match the information recorded within the "Details" tab of the Subject Profile.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: The Service Provider shall ensure that the identification scanned into the Media field of the Subject Profile in CRS is valid, and that it is updated at least every 2 years or as required.

Procedure 9: Is all ID provided for LCTR purposes issued by government and valid at the time of the transaction?

Tests

1: For each LCTR selected for review check the transaction date, and check the expiration date on the scanned image of the ID in the Subject Profile to ensure that the ID was valid at the time of the transaction

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 10: If a foreign address is given but the patron is known to be gaming at the site often enough such that patron does not appear to be a visitor, a local resident address shall also be obtained.

Tests

1: Interview Service Provider and review Itrak LCTR's to determine whether any applicable incidents have occurred

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 11: Are the LCTR's being completed correctly with all required information?

Tests & Linked File

1: Review the attached list to ensure that all LCTR are being completed with all required information.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: If the patron has incurred an LCTR previous to the form under review, it is permissible for the Service Provider to write "ON FILE" through the details portion of the hard copy LCTR, as long as the patron's name and any casino LCT, CRS subject profile reference number, or VIP reference number is written on page 1 of the LCTR

2: LCTR Information Requirements (tmp80.doc)

Procedure 12: If this is the first Itrak LCTR incurred by the patron, is a hard copy of the patron's ID attached to the LCTR form?

Tests

1: For each LCTR selected for review, check the LCT tab in the patron's Subject Profile to determine whether the LCTR selected is the first one incurred by the patron. If so, a hard copy of the patron's ID should be attached to the LCTR

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 13: Are there hard copy LCTR's on file that do not appear in the Itrak LCT/ Fintrac Module?

Tests

1: During inspection of selected LCTR hard copies, review other LCTR's at random and ensure a corresponding Itrak LCTR has been created

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 14: For LCTR's created in relation to major merchandise prizes (i.e. Race to Win Vehicle Prize), are the following steps completed?

Tests

1: In the Disbursement Method Entry form in the Itrak FINTRAC file, does the "Other" disbursement method" field contain specification that this is a merchandise prize?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: NOTE: It is not necessary for the Service Provider to seek out the exact MSRP price of the vehicle.

Procedure 15: LCTR - Suspicious Financial Transactions

Tests

1: Through review of CRS Incident Files and discussion with the Service Provider, determine whether any Suspicious Financial Transactions have occurred during the period under review. If there has been one or more incidents, mark

this test as "Fully Compliant" and complete the remaining tests. If there has not been any such incidents, mark this test as "Not Applicable", interview casino personnel to assess their knowledge of the key indicators and required procedures for these type of incidents, and then score the remaining tests based on the response(s) you receive.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Does staff refuse to complete transactions which appear suspicious? Are suspicious activities reported to an immediate supervisor?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Is an LCTR generated for suspicious activity?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: *NOTE* As per John KARLOVCEC, only those suspicious transactions that meet or exceed the current LCTR reporting thresholds require an LCTR. Any suspicious financial transactions that involve dollar amounts below the reporting thresholds do not require the creation of an LCTR (in fact, the CRS system will not permit the creation of an LCTR in this circumstance). An Incident File and Section 86(2) Report are all that the Service Provider is required to create in these circumstances.

4: Is the patron in question advised that they are being suspected of a suspicious transaction? (Note: it is a criminal offence to do so)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Is an Incident Report generated documenting all available information?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Is the BCLC Manager Security & Surveillance informed of all suspicious transactions?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Check Incident File to ensure that the Service Provider has notified BCLC and GPE via Section 86(2) Report of all suspicious financial transactions

Review Itrak IN File 20090030267 to ensure that all suspicious financial transactions investigated at the site during the audit period have been reviewed by the Auditor

Policy 4: BCLC Casino Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training

Procedure 1: Anti-Money Laundering (AML) training is mandatory for all Service Provider staff with the exception of janitorial or food and beverage staff.

Tests , Text Field & Linked File

1: Review the attached checklist to assess compliance with the requirements. Record any confirmed discrepancies in the text field below

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: List All Discrepancies & Report to BCLC Compliance & Trend Analyst

3: AML Training Requirements (Casino LCTR & Cheque Issuance P1 - AML Training.doc)

Policy 5: BCLC Casino Standards, Policies and Procedures: Section 3-9.3 Service Providers Cheques

Procedure 1: For cheques issued to patrons in relation to Service Provider or BCLC promotions, is the marketing promotion transaction slip from Casinolink or CMS attached to the cheque stub or photocopy of the cheque?

Tests

1: Inspect the cheque copies/ stubs to ensure that appropriate documentation is present for any applicable cheques

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Have any cheques been issued for slot machine cancelled credits (not permitted)?

Tests

1: Determine through review of cheque copies/ stubs to ensure that the transaction slips attached to each cheque stub clearly indicate that the cheque was not issued for cancelled credits

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: Do Service Provider cheques have a duplicate copy and are the cheques issued in numbered sequence?

Tests

1: Inspect the documentation on file in the BCLC office to ensure that BCLC is being provided with all required information.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: Does the Service Provider enter iTrak reports for issuance of replacement cheques?

Tests

1: Review the CMS Account Audit - Cheque report to determine whether any replacement cheques have been issued. If replacement cheques have been issued, review Itrak Incident Files from the corresponding date to ensure that each such incident was reported

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 5: Has each cheque issued to a patron been entered in CMS?

Tests

1: Obtain the Service Provider's Cheque Registry for the audit period and compare it to the CMS Account Audit - Cheque report for the same period to ensure each cheque issued was recorded in CMS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: Are all cheques that are issued as part of an LCTR recorded within the Itrak LCTR form as required?

Tests

1: Obtain the Service Provider Cheque Registry for the audit period and compare it to the Itrak LCTR's to ensure that any cheques issued as part of an LCTR were recorded as such within the "Pay-Outs" tab of the corresponding Itrak LCTR form.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 7: Does the name on the issued cheque match the name on the Itrak Subject Profile (if applicable) and the site's cheque register?

Tests

1: Review the CMS Account Audit - Cheque report and compare it against the Cheque Register and (if applicable) the Itrak Subject Profile to ensure all documents correlate to the same transaction

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 8: Does the Service Provider issue cheques in numerical order?

Tests

1: Obtain the site's Cheque Registry and compare it to the CMS Account Audit - Cheque report to ensure all cheques issued during the audit period are accounted for and were issued in numerical order.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Investigate any gaps in the numerical sequence of issued cheques to ensure that these were void or damaged cheques. The Cheque Registry will normally indicate this.

Procedure 9: Does the Service Provider check the Itrak Subject Module to ensure each cheque recipient is neither barred nor self-excluded prior to issuing a cheque for a verified win?

Tests

1: Interview the Service Provider to assess compliance with this requirement

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 10: If the site has cashed Service Provider cheques that were issued by a Canadian casino, interview the Cage personnel to ensure that the following steps were completed:

Tests

1: The issuing site is telephoned and asked to verify the cheque number, date of issuance, patron's name, dollar value, signatory, and ID details presented at the time of issuance

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: The patron is required to produce the same identification that was presented at the time the cheque was issued

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 11: For cheques issued as "Return of Funds - Not Gaming Winnings"

Tests & Linked File

1: Review a sample of issued "Return of Funds" cheques and compare with the attached criteria

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the Service Provider has established and authenticated the identity of the Customer by verifying and confirming the patron's name, DOB, home address, place of residence while in Canada, phone number, occupation and photocopied ID (passport if non-resident)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review iTrak to ensure that an Incident File has been created for any issuance of a Return of Funds cheque

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Review issued Return of Funds cheques to ensure that only one cheque per patron per week has been issued and that none of the cheques are for more than \$5,000 (not applicable to PGF return of funds)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Return of Funds Cheque Criteria (Return of Funds Cheque Criteria.docx)

Policy 6: BCLC Casino Standards, Policies and Procedures: Section 3-9.4 Cage – Certified Cheques

Procedure 1: Interview Service Provider staff to ensure the following:

Tests

1: Review the attached checklist to assess compliance with the cheque cashing procedures

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Cashiers may accept certified cheques issued in Canadian currency only.

Personal cheques or third party cheques shall not be accepted or cashed at a casino.

A patron who has received a service provider cheque may cash it at the same casino.

Money orders shall not be accepted or cashed at a casino.

A certified cheque that has been endorsed by a third party shall not be accepted.

2: Review the attached checklist to assess the Staffs' awareness of certified cheque discrepancy indicators

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Policy 7: BCLC Casino Standards, Policies and Procedures: Section 3-9.5 Cage – Hold Cheque Option

Procedure 1: 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).

Tests

1: Review CMS for any use of the Hold Cheque Option - if there are instances please continue with the following Procedures and Tests

Answer List: *Completed (0); Not Completed (0)*

Procedure 2: Initial agreements must include a number of steps

Tests

1: Was the Patron's credit rating confirmed via credit checks through Equifax, Central Credit and the bank holding the account on which the cheque was written

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the agreement time did not exceed 14 days

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure that the CSP is only issuing one agreement at a time per patron using this option

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Ensure that cheques held are only drawn for an account that is in a single individual's name through a Canadian Schedule I or Schedule II bank, credit union, or caisse populaire.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Ensure that cheques are dated for the same date of the agreement (not post-dated)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Ensure that cheques are for \$10,000 or more

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: Ensure that an LCTR is created at the time of acceptance of the cheque and for each subsequent disbursement to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

8: Ensure that cheques being held for the Cheque Hold Option are being secured in the Vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 3: A Hold Cheque Option Ledger must be maintained at the Cash Cage and must document specific information

Tests & Linked File

1: Review the attached document and compare with entries in the Hold Cheque Option Ledger

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: An Incident Report in CRS shall be created noting the customer profile and cheque amount and must be updated on each occurrence of the hold cheque option.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Know Your Customer - Hold Cheque Ledger (Know Your Customer - Hold Cheque Ledger.docx)

Procedure 4: The Casino Service Provider Finance department shall notify Surveillance if any cheque appears to be not valid, dishonoured, fraudulent or suspicious.

Tests

1: Review iTrak for any instances of irregularities with cheques that are being held.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: For any instances of irregularities with cheques held, ensure that an 86 report was created and submitted.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: For withdrawals at the Cage ensure that the Cage staff conduct the following procedures

Tests

1: If patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: If patron will be playing electronic table games or slot machines, provide the patron with promotional IVS tickets for the amount requested

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure the patron signs the 'Withdraw Funds' CMS slip

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Present one copy of the 'Withdraw Funds' CMS slip to the patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: Photocopy the remaining copy of the 'Withdraw Funds' CMS slip to include with the Hold Cheque Option ledger

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: Retain the original 'Withdraw Funds' and both copies of the 'Purchase Tickets' CMS slips for inclusion with the daily paperwork

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: For withdrawals for patrons at a table ensure that the Cage staff conduct the following procedures

Tests

1: At the time of the request the Dealer Supervisor contacts the cage to ensure the funds are available and contacts the Table Games Manager to attend at the gaming table

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: The Table Games Manager shall ascertain the amount the patron is requesting and proceed to the Cash Cage with the patron's request and the gaming table number at which the patron is playing.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: The Cage Supervisor shall contact a Security Officer to attend the cage to oversee the process and escort the Table Games Manager

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: The Cage Supervisor shall complete the Hold Cheque Option ledger for the amount requested, keeping a running total of the remainder of the funds available and if any disbursement is \$10,000 or more, a Large Cash Transaction, Foreign Exchange, and Disbursement Record shall be completed

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: The Cashier, under the direction of the Cage Supervisor, shall: 1. Prepare the monetary amount requested by patron 2. Follow Cage – Large Table Buy-ins procedure so the buy-in is attributed to the correct table for inclusion in net win/loss calculations 3. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in CMS for the withdrawals, with the patron's name included in the comments area 4. Count the cash out in the presence of the Table Games Manager and Security 5. Complete and sign the cash transfer slip as per Cage – Large Table Buy-ins procedure and have the Cage Supervisor and the Table Games Manager sign the slip 6. Secure the cash and one copy of the cash transfer slip in a sealed bag in cashier's drawer until transfer to vault

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: The Table Games Manager shall: 1. Transport the remaining copy of the cash transfer slip and both copies of the CMS slip to the gaming table 2. Ensure the patron signs the CMS slip and witness the signing 3. Present one copy of the CMS slip to the patron; 4. Present the cash transfer slip to the Dealer Supervisor for the chip buy-in process as per Cage – Large Table Buy-ins procedure; 5. Transport the remaining copy of the signed CMS slip to the Cage

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

7: The Cage Supervisor shall: 1. Photocopy the remaining copy of the CMS slip to include with the Hold Cheque Option ledger; and 2. Retain the original CMS slip for inclusion with the daily paperwork.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Payment of Hold Cheque

Tests

1: Review cheques held or interview staff to ensure that cheques are either redeemed at the end of the contract or a new contract has been created for the remainder of the amount owing

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: If the cheque is to be cashed ensure that the Cashier 1. Processes a 'Deposit Funds' transaction for the whole amount of the cheque in the account in CMS, noting patron name and 'final payment' in the comments area 2. Transfer the cheque to the main vault for inclusion in the bank deposit if the cheque has been held in a sub-vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: If the cheque is to be partially paid off with chips from patron's gaming proceeds and the rest paid with a new cheque ensure that the Cashier 1. Accepts and counts the chips from the patron 2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in CMS, noting patron name and 'payment' or 'final payment' in the comments area 3. Has the patron sign the CMS slip 4. Presents one copy of the CMS slip to the patron 5. Photocopies the remaining copy of the CMS slip to include with the Hold Cheque Option ledger 6. Retain the original CMS slip for inclusion with the daily paperwork 7. Accept the new cheque for the remainder of the outstanding balance of the original cheque from the patron, process a 'Deposit Funds' transaction for the new cheque total in the Hold Cheque Option account in CMS, noting 'final payment' in the comments area 8. Follow the procedures for transferring the new cheque to the vault and the bank deposit 9. Return the original cheque to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: If the cheque is to be paid off with chips from patron's gaming proceeds ensure that the Cashier 1. Accepts and counts the chips from the patron, ensuring the total amount of the original cheque is received 2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in CMS, noting patron name and 'final payment' in the comments area 3. Has the patron sign the CMS slip 4. Presents one copy of the CMS slip to the patron 5. Photocopies the remaining copy of the CMS slip to include with the Hold Cheque Option ledger 6. Retains the original CMS slip for inclusion with the daily paperwork 7. Returns the original cheque to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: In all cases ensure that the Cage Supervisor 1. Completes a Large Cash Transaction, Foreign Exchange, and Disbursement Record for the final deposit, if applicable 2. Updates the Hold Cheque Option ledger, and notifies the Service Provider's authorization personnel the cheque is being deposited (if applicable) or has been returned to the patron and the ledger completed. 3. Updates the Incident report in CRS indicating the agreement is concluded and the amount of any disbursement

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Policy 8: BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets

Procedure 1: Has the Service Provider issued any cheques for mailed-in IVS tickets?

Tests & Linked File

1: Review Itrak for applicable incident files and interview the Service Provider to determine whether any such cheques have been issued

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If any cheques have been issued for mailed-in IVS tickets, has the Service Provider completed all steps required in

the attached document?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Casino Mail-In Electronic Gaming Machine Ticket Redemption Procedures (Casino Mail-In Electronic Gaming Machine Ticket Redemption Procedures.doc)

THIS IS **EXHIBIT "9"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Casino of the Rockies

AML Compliance Review

July 2015

Distribution:

Max DRESSLER, CEO, SEM Resort/Casino of the Rockies
Sandra VAN STEIJN, General Manager, Casino of the Rockies
Wendy PRINZ, Senior Technician, BCLC
Cassandra McGARVIE, Manager of Business Operations, BCLC
Tom MARYSCHAK, Regional Operations Manager, BCLC
Laird ROBINSON, Manager, Operational Gaming Compliance, BCLC
GPEB Commercial Gaming Audit Division

Jeff MULLAN
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

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

Scope

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

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

The Gaming Compliance Officer reviewed the relevant material from April 01, 2015 to July 02, 2015.

Current Findings

Policy	Finding	Status
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Partially Compliant	
Issue: The Gaming Compliance Officer (GCO) reviewed copies of all cheques and their supporting documentation that were issued between gaming dates April 01, 2015 to July 02, 2015 inclusive, and noted that THREE (3) cheque stubs had the customer ID number recorded in full where there was no legitimate purpose to do so.		
BCLC CCGCSPP Section 1-2.1, 4 refers		Resolved
Action: The GCO spoke with the Cage Manager on July 7, 2015 who advised that all relevant staff will be reminded to truncate ID numbers where there is no requirement to have the full identification details recorded.		
Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Compliant	

BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant
BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training Assessment of this section by the GCO may include, but is not limited to, reconciliations of staff lists, reviews of BCLC generated reports	Compliant
BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff	Compliant
BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Compliant
BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS	Partially Compliant
Issue: The Gaming Compliance Officer (GCO) Reviewed ONE (1) instance of a mailed in IVS ticket that occurred between April 01, 2015 @ 7 am and July 03, 2015 @ 7 am and noted that the issued cheque was not marked with an indication that it was not a verified win.	
BCLC CCGCSPP Section 3-12.2, 2.1.3 refers	Resolved
Action: The GCO spoke with the Cage Manager on July 7, 2015 who advised that all relevant staff have been reminded of the requirement to add "Not Verified Win" marking to cheques issued for mailed in IVS tickets.	

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

This Q2 AML Review conducted at Casino of the Rockies noted TWO (2) issues that were discussed with the Cage Supervisor and are considered resolved. Thank you to everyone who assisted during this review.

BCLC SPP Exceptions: 2

PCMLTFA Exceptions: 0

Unresolved Exceptions: 0

THIS IS **EXHIBIT "10"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

AML Compliance Review

Linked Entities: Casinos
Community Gaming Centres

AML Compliance Review

Notes:

This review is to be conducted quarterly.

Process: None

Policy 1: Itrak Version 5.4 - 24 July 2012

Procedure 1: Itrak Version 5.4 (rolled out on 24 July 2012) includes numerous features and functionality which negate or supercede current LCTR policies and procedures. BCLC Casino and Community Gaming Centre Standards Policies and Procedures will be updated accordingly in the Fall of 2012. The attached file describes the updated procedures, which must be adhered to in accordance with the v. 5.4 rollout.

Linked File

1: Final Amendments to Policy for Electronic Fintrac Upgrade (Final Amendments to Policy for Electronic Fintrac Upgrade.docx)

2: Memo to Service Partners re: Itrak v. 5.4 (Memo iTrak 5.4 Upgrade Electronic Fintrac Cage Reporting Proposed Amendments.docx)

Policy 2: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General

Procedure 1: Casino Service Providers shall be responsible for maintaining vigilance of the BCLC Standards, Policies and Procedures section on www.bclc.biz (Extranet) and for the implementing of all posted BCLC Standards, Policies and Procedures additions, deletions or amendments by the stated implementation date.

Tests & Linked File

1: Ask the Cash Cage Shift Manager/ Supervisor, Table Games Shift Manager/ Floor Manager, and Slot Shift Manager/ Supervisor to produce the most current BCLC Casino Standards, Policies and Procedures relevant to Large Cash Transactions and Cheque Issuance.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: The BCLC Standards, Policies and Procedures may be incorporated into a Service Provider's Company Policies and Procedures

2: ENHANCED AML PROCEDURES - BCLC OPERATIONAL GAMING AUDIT - AUGUST 2011 (Anti-Money Laundering Procedures - 08 August 2011.docx)

Policy 3: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General -

Date: 10/6/2020

Created by: Jeff MULLAN

2 / 15

BCLC0016479.02

Privacy and Protection of Personal Information

Procedure 1: BCLC and Service Providers must collect, use, retain, disclose, safeguard and dispose of Personal Information of players in accordance with applicable laws.

Tests

1: Review the Service Provider's procedures for instances in which patrons' personal information is collected when reaching the \$9,000 threshold, and where those patrons ultimately do not reach the \$10,000 threshold within 24 hours of the first transaction, or in non-24 sites, by the end of the operating day. Ensure that information is not collected and stored unnecessarily.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Patron identification/ details must be collected upon reaching the \$9,000 transaction threshold, however it cannot be kept if the patron has not reached \$10,000 in transactions within 24 hours of the first transaction (or the end of the operating day in non-24 hours sites). Service Providers should be storing the patron's ID in a secure area until it is known whether an LCTR will be created. If the \$10,000 threshold is not reached within the allotted time frame, the patron's information should be disposed of securely (i.e. deleted and/ or shredded)

In order to avoid unauthorized collection of private information, CRS Subject Profiles should not be created by the Service Provider until such time that the \$10,000 threshold has been reached.

Policy 4: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations

Procedure 1: Are cheques only issued for verified wins, return of gaming funds up to \$5,000, or return of PGF Funds? Are electronic gaming device jackpot wins verified through Last Game Recall or slot jackpot verification through the slot management system?

Tests

1: Review each cheque issued during the audit period to ensure the required jackpot documentation(CMS/ Casinolink Transaction Slip, Table Tracking Sheet) is attached to the cheque/ stub copy

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Definition of Verified Win

"Verified Win" means the casino employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game or a jackpot on an electronic gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize.

Except for Table Game Jackpots, a Table Game verified win is defined as the cash out minus the buy-in

Policy 5: BCLC Casino Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions

Procedure 1: Are buy-ins, cash outs, and/or jackpots \$10,000 and over as well as foreign exchanges over \$3,000 CDN equivalent recorded on an LCTR?

Tests

1: Review LCTR's (to a maximum of 50) created in the Itrak LCT/ Fintrac Module during the period under review, and check to ensure a hard copy has been created for each LCTR that was incurred prior to 24 July 2012

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Check each LCTR to ensure all transactions are recorded on the form as required

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: For files created prior to 24 July 2012, review the Itrak LCTR forms against the corresponding hard copy LCTR's to ensure the transaction totals match

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 2: Are patrons asked to produce acceptable identification upon reaching \$9000.00 in total buy-ins or cash outs, or if an additional request for buy-in would reach or exceed the reportable threshold of \$10,000.00?

Tests

1: Discuss with Service Provider staff to determine whether this is happening.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Personal information of the patron must be obtained before the patron reaches the LCTR reporting threshold.

If the patron refuses to provide the identification when asked, further transactions shall not be completed

An Incident Report in CRS shall be completed detailing the particulars of the patron's refusal.

Procedure 3: Is the Service Provider tracking accumulated or third party transactions within the current gaming date (at facilities with closing hours) or static 24-hour period (in 24-hour facilities)?

Tests

1: Review LCTR's and interview Service Provider to ensure the staff are aware of this requirement.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: For clarity, a 'static period' begins with the patron's first transaction, and

- In a continuously running site, ends 24 consecutive hours after the first transaction;
- In a non-continuously running site, ends at the close of operational hours.

Procedure 4: Are the hardcopy LCTR's created prior to 24 July 2012 being retained in the proper location and stored alphabetically or numerically?

Tests

1: Ensure LCTR's are stored in a secure area of the casino.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 5: Are the LCTR's being entered into iTrak daily?

Tests

1: For each LCTR selected for inspection, ensure that the dates within the "Transaction Date" and "Date Created" fields are no more than 24 hours apart

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Service Providers are required to enter the LCTR's in Itrak each day, however many larger site wait until the end of the gaming date (07:00) to compile and enter all information. This is permissible

Procedure 6: Is all required documentation attached to each LCTR?

Tests

1: Inspect electronic LCTR's to ensure that the patron tracking card used in the process of tracking buy-ins and cash-outs is scanned into the Media tab of the electronic fintrac entry record

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Where a cheque has been issued to the patron for a table game win, ensure the pit tracking sheet (or copy thereof) is attached and that all transactions on the tracking sheet match those listed on the LCTR

Procedure 7: Is all ID provided for LCTR purposes scanned into the Media tab of the patron's Subject Profile?

Tests

1: For each LCTR selected for review, check the Media tab of the patron's Subject Profile to ensure that the details on the scanned image of the ID match the information recorded within the "Details" tab of the Subject Profile.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: The Service Provider shall ensure that the identification scanned into the Media field of the Subject Profile in CRS is valid, and that it is updated at least every 2 years or as required.

Procedure 8: Is all ID provided for LCTR purposes issued by government and valid at the time of the transaction?

Tests

1: For each LCTR selected for review check the transaction date, and check the expiration date on the scanned image of the ID in the Subject Profile to ensure that the ID was valid at the time of the transaction

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 9: If a foreign address is given but the patron is known to be gaming at the site often enough such that patron does not appear to be a visitor, a local resident address shall also be obtained.

Tests

1: Interview Service Provider and review Itrak LCTR's to determine whether any applicable incidents have occurred

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 10: Are the LCTR's being completed correctly with all required information?

Tests & Linked File

1: Review the attached list to ensure that all LCTR are being completed with all required information.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: If the patron has incurred an LCTR previous to the form under review, it is permissible for the Service Provider to write "ON FILE" through the details portion of the hard copy LCTR, as long as the patron's name and any casino LCT, CRS subject profile reference number, or VIP reference number is written on page 1 of the LCTR

2: LCTR Information Requirements (tmp80.doc)

Procedure 11: For LCTR's created in relation to major merchandise prizes (i.e. Race to Win Vehicle Prize), are the following steps completed?

Tests

1: In the Disbursement Method Entry form in the Itrak FINTRAC file, does the "Other" disbursement method" field contain specification that this is a merchandise prize?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: NOTE: It is not necessary for the Service Provider to seek out the exact MSRP price of the vehicle.

Procedure 12: LCTR - Suspicious Financial Transactions

Tests

1: Through review of CRS Incident Files and discussion with the Service Provider, determine whether any Suspicious Financial Transactions have occurred during the period under review. If there has been one or more incidents, mark this test as "Fully Compliant" and complete the remaining tests. If there has not been any such incidents, mark this test as "Not Applicable", interview casino personnel to assess their knowledge of the key indicators and required procedures for these type of incidents, and then score the remaining tests based on the response(s) you receive.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Does staff refuse to complete transactions which appear suspicious? Are suspicious activities reported to an immediate supervisor?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Is an LCTR generated for suspicious activity?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: *NOTE* As per John KARLOVCEC, only those suspicious transactions that meet or exceed the current LCTR reporting thresholds require an LCTR. Any suspicious financial transactions that involve dollar amounts below the reporting thresholds do not require the creation of an LCTR (in fact, the CRS system will not permit the creation of an LCTR in this circumstance). An Incident File and Section 86(2) Report are all that the Service Provider is required to create in these circumstances.

4: Is the patron in question advised that they are being suspected of a suspicious transaction? (Note: it is a criminal offence to do so)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Is an Incident Report generated documenting all available information?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Is the BCLC Manager Security & Surveillance informed of all suspicious transactions?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Check Incident File to ensure that the Service Provider has notified BCLC and GPE via Section 86(2) Report of all suspicious financial transactions

Review Itrak IN File 20090030267 to ensure that all suspicious financial transactions investigated at the site during the audit period have been reviewed by the Auditor

Policy 6: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.1 Cage - Part 15 - Anti-Money Laundering (AML) Training

Procedure 1: Anti-Money Laundering (AML) training is mandatory as part of the on-boarding process for all Service Provider staff with the exception of janitorial or food and beverage staff.

Tests , Text Field & Linked File

1: Review the attached checklist to assess compliance with the requirements. Record any confirmed discrepancies in the text field below

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: List All Discrepancies & Report to BCLC Compliance & Trend Analyst

3: AML Training Requirements (Casino LCTR & Cheque Issuance P1 - AML Training.doc)

Policy 7: BCLC Casino Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques

Procedure 1: Interview Service Provider staff to ensure the following:

Tests & Linked File

1: Review the attached checklist to assess compliance with the cheque cashing procedures

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Cashiers may accept certified cheques issued in Canadian currency only.

Personal cheques or third party cheques shall not be accepted or cashed at a casino.

A patron who has received a service provider cheque may cash it at the same casino.

Money orders shall not be accepted or cashed at a casino.

A certified cheque that has been endorsed by a third party shall not be accepted.

2: Review the attached checklist to assess the Staffs' awareness of certified cheque discrepancy indicators

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Certified Cheque Procedures (Casino Cage P1 - Certified Cheque Procedures.doc)

4: Certified Cheque Discrepancy Indicators (Casino Cage P1 - Certified Cheque Discrepancy Indicators.doc)

Policy 8: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques

Procedure 1: For cheques issued to patrons in relation to Service Provider or BCLC promotions, is the marketing promotion transaction slip from Casinolink or CMS attached to the cheque stub or photocopy of the cheque?

Tests

1: Inspect the cheque copies/ stubs to ensure that appropriate documentation is present for any applicable cheques

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Have any cheques been issued for slot machine cancelled credits (not permitted)?

Tests

1: Determine through review of cheque copies/ stubs to ensure that the transaction slips attached to each cheque stub clearly indicate that the cheque was not issued for cancelled credits

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: Do Service Provider cheques have a duplicate copy and are the cheques issued in numbered sequence?

Tests

1: Inspect the documentation on file in the BCLC office to ensure that BCLC is being provided with all required information.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: Does the Service Provider enter iTrak reports for issuance of replacement cheques?

Tests

1: Review the CMS Account Audit - Cheque report or comparable GMS report to determine whether any replacement cheques have been issued. If replacement cheques have been issued, review Itrak Incident Files from the corresponding date to ensure that each such incident was reported

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: Has each cheque issued to a patron been entered in CMS/ GMS?

Tests

1: Obtain the Service Provider's Cheque Registry for the audit period and compare it to the CMS Account Audit - Cheque report or comparable GMS report for the same period to ensure each cheque issued was recorded in CMS/ GMS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: Are all cheques that are issued as part of an LCTR recorded within the Itrak LCTR form as required?

Tests

1: Obtain the Service Provider Cheque Registry for the audit period and compare it to the Itrak LCTR's to ensure that any cheques issued as part of an LCTR were recorded as such within the "Pay-Outs" tab of the corresponding Itrak LCTR form.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Does the name on the issued cheque match the name on the Itrak Subject Profile (if applicable) and the site's cheque register?

Tests

1: Review the CMS Account Audit - Cheque report or comparable GMS report and compare it against the Cheque Register and (if applicable) the Itrak Subject Profile to ensure all documents correlate to the same transaction

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Does the Service Provider issue cheques in numerical order?

Tests

1: Obtain the site's Cheque Registry and compare it to the CMS Account Audit - Cheque report or comparable GMS report to ensure all cheques issued during the audit period are accounted for and were issued in numerical order.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Investigate any gaps in the numerical sequence of issued cheques to ensure that these were void or damaged cheques. The Cheque Registry will normally indicate this.

Procedure 9: Does the Service Provider check the Itrak Subject Module to ensure each cheque recipient is neither barred nor self-excluded prior to issuing a cheque for a verified win?

Tests

1: Interview the Service Provider to assess compliance with this requirement

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 10: If the site has cashed Service Provider cheques that were issued by a Canadian casino, interview the Cage personnel to ensure that the following steps were completed:

Tests

1: The issuing site is telephoned and asked to verify the cheque number, date of issuance, patron's name, dollar value, signatory, and ID details presented at the time of issuance

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: The patron is required to produce the same identification that was presented at the time the cheque was issued

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 11: For cheques issued as "Return of Funds - Not Gaming Winnings"

Tests & Linked File

1: Review a sample of issued "Return of Funds" cheques and compare with the attached criteria

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the Service Provider has established and authenticated the identity of the Customer by verifying and confirming the patron's name, DOB, home address, place of residence while in Canada, phone number, occupation and photocopied ID (passport if non-resident)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review iTrak to ensure that an Incident File has been created for any issuance of a Return of Funds cheque

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Review issued Return of Funds cheques to ensure that only one cheque per patron per week has been issued and that none of the cheques are for more than \$5,000 (not applicable to PGF return of funds)

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: Return of Funds Cheque Criteria (Return of Funds Cheque Criteria.docx)

Policy 9: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option

Procedure 1: 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).

Tests

1: Review CMS/ GMS for any use of the Hold Cheque Option - if there are instances please continue with the following Procedures and Tests

Answer List: Completed (0); Not Completed (0)

Procedure 2: Initial agreements must include a number of steps

Tests

1: Was the Patron's credit rating confirmed via credit checks through Equifax, Central Credit and the bank holding the account on which the cheque was written

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that the agreement time did not exceed 14 days

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that the CSP is only issuing one agreement at a time per patron using this option

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Ensure that cheques held are only drawn for an account that is in a single individual's name through a Canadian Schedule I or Schedule II bank, credit union, or caisse populaire.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: Ensure that cheques are dated for the same date of the agreement (not post-dated)

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: Ensure that cheques are for \$10,000 or more

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

7: Ensure that an LCTR is created at the time of acceptance of the cheque and for each subsequent disbursement to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

8: Ensure that cheques being held for the Cheque Hold Option are being secured in the Vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 3: A Hold Cheque Option Ledger must be maintained at the Cash Cage and must document specific information

Tests & Linked File

1: Review the attached document and compare with entries in the Hold Cheque Option Ledger

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: An Incident Report in CRS shall be created noting the customer profile and cheque amount and must be updated on each occurrence of the hold cheque option.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Know Your Customer - Hold Cheque Ledger (Know Your Customer - Hold Cheque Ledger.docx)

Procedure 4: The Service Provider Finance department shall notify Surveillance if any cheque appears to be not valid, dishonoured, fraudulent or suspicious.

Tests

1: Review iTrak for any instances of irregularities with cheques that are being held.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: For any instances of irregularities with cheques held, ensure that an 86 report was created and submitted.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 5: For withdrawals at the Cage ensure that the Cage staff conduct the following procedures

Tests

1: If patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If patron will be playing electronic table games or slot machines, provide the patron with promotional IVS tickets for the amount requested

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure the patron signs the 'Withdraw Funds' CMS slip

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Present one copy of the 'Withdraw Funds' CMS slip to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Photocopy the remaining copy of the 'Withdraw Funds' CMS slip to include with the Hold Cheque Option ledger

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Retain the original 'Withdraw Funds' and both copies of the 'Purchase Tickets' CMS slips for inclusion with the daily paperwork

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: For withdrawals for patrons at a table ensure that the Cage staff conduct the following procedures

Tests

1: At the time of the request the Dealer Supervisor contacts the cage to ensure the funds are available and contacts the Table Games Manager to attend at the gaming table

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: The Table Games Manager shall ascertain the amount the patron is requesting and proceed to the Cash Cage with the patron's request and the gaming table number at which the patron is playing.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: The Cage Supervisor shall contact a Security Officer to attend the cage to oversee the process and escort the Table Games Manager

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: The Cage Supervisor shall complete the Hold Cheque Option ledger for the amount requested, keeping a running total of the remainder of the funds available and if any disbursement is \$10,000 or more, a Large Cash Transaction, Foreign Exchange, and Disbursement Record shall be completed

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: The Cashier, under the direction of the Cage Supervisor, shall: 1. Prepare the monetary amount requested by patron 2. Follow Cage – Large Table Buy-ins procedure so the buy-in is attributed to the correct table for inclusion in net win/loss calculations 3. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in CMS/ GMS

for the withdrawals, with the patron's name included in the comments area 4. Count the cash out in the presence of the Table Games Manager and Security 5. Complete and sign the cash transfer slip as per Cage – Large Table Buy-ins procedure and have the Cage Supervisor and the Table Games Manager sign the slip 6. Secure the cash and one copy of the cash transfer slip in a sealed bag in cashier's drawer until transfer to vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: The Table Games Manager shall: 1. Transport the remaining copy of the cash transfer slip and both copies of the CMS/ GMS slip to the gaming table 2. Ensure the patron signs the CMS slip and witness the signing 3. Present one copy of the CMS/ GMS slip to the patron; 4. Present the cash transfer slip to the Dealer Supervisor for the chip buy-in process as per Cage – Large Table Buy-ins procedure; 5. Transport the remaining copy of the signed CMS/ GMS slip to the Cage

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: The Cage Supervisor shall: 1. Photocopy the remaining copy of the CMS/ GMS slip to include with the Hold Cheque Option ledger; and 2. Retain the original CMS/ GMS slip for inclusion with the daily paperwork.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 7: Payment of Hold Cheque

Tests

1: Review cheques held or interview staff to ensure that cheques are either redeemed at the end of the contract or a new contract has been created for the remainder of the amount owing

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If the cheque is to be cashed ensure that the Cashier 1. Processes a 'Deposit Funds' transaction for the whole amount of the cheque in the account in CMS/ GMS, noting patron name and 'final payment' in the comments area 2. Transfer the cheque to the main vault for inclusion in the bank deposit if the cheque has been held in a sub-vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: If the cheque is to be partially paid off with chips from patron's gaming proceeds and the rest paid with a new cheque ensure that the Cashier 1. Accepts and counts the chips from the patron 2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in CMS/ GMS, noting patron name and 'payment' or 'final payment' in the comments area 3. Has the patron sign the CMS/ GMS slip 4. Presents one copy of the CMS/ GMS slip to the patron 5. Photocopies the remaining copy of the CMS/ GMS slip to include with the Hold Cheque Option ledger 6. Retain the original CMS/ GMS slip for inclusion with the daily paperwork 7. Accept the new cheque for the remainder of the outstanding balance of the original cheque from the patron, process a 'Deposit Funds' transaction for the new cheque total in the Hold Cheque Option account in CMS/ GMS, noting 'final payment' in the comments area 8. Follow the procedures for transferring the new cheque to the vault and the bank deposit 9. Return the original cheque to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: If the cheque is to be paid off with chips from patron's gaming proceeds ensure that the Cashier 1. Accepts and

counts the chips from the patron, ensuring the total amount of the original cheque is received 2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in CMS/ GMS, noting patron name and 'final payment' in the comments area 3. Has the patron sign the CMS/ GMS slip 4. Presents one copy of the CMS/ GMS slip to the patron 5. Photocopies the remaining copy of the CMS/ GMS slip to include with the Hold Cheque Option ledger 6. Retains the original CMS/ GMS slip for inclusion with the daily paperwork 7. Returns the original cheque to the patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: In all cases ensure that the Cage Supervisor 1. Completes a Large Cash Transaction, Foreign Exchange, and Disbursement Record for the final deposit, if applicable 2. Updates the Hold Cheque Option ledger, and notifies the Service Provider's authorization personnel the cheque is being deposited (if applicable) or has been returned to the patron and the ledger completed. 3. Updates the Incident report in CRS indicating the agreement is concluded and the amount of any disbursement

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 10: BCLC Casino Standards, Policies and Procedures: Section 3-12.2 Cage – Mail In Electronic Gaming Tickets

Procedure 1: Has the Service Provider issued any cheques for mailed-in IVS tickets?

Tests & Linked File

1: Review Itrak for applicable incident files and interview the Service Provider to determine whether any such cheques have been issued

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: If any cheques have been issued for mailed-in IVS tickets, has the Service Provider completed all steps required in the attached document?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Mail-In Electronic Gaming Machine Ticket Redemption Procedures (Casino Mail-In Electronic Gaming Machine Ticket Redemption Procedures.doc)

THIS IS **EXHIBIT "11"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Parq

BCLC OGC AML Assessment

June 2018

Distribution:

Director of Audit and Compliance, GPEB
Joe BRUNINI, President, Parq Vancouver
Angela SWAN, Compliance Officer, Parq
Chad BOYNAK, Chief Financial Officer, Parq
Phuong WALDER, Director of Cage, Parq
Frank CORLIS, Director of Surveillance, Parq
Laird ROBINSON, Manager, Corporate Security & Compliance, BCLC
Daryl TOTTENHAM, Manager, AML Programs, BCLC
Bal BAMRA, Manager, AML Intelligence, BCLC
Cathy CUGLIETTA, AML Business Intelligence Analyst, BCLC
Ken BACH, Regional Operations Manager, BCLC
Ray PALUMBO, Manager, Business Operations, BCLC

Rick TSANG (Archived)
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of this assessment is to verify that the Service Provider is operating in compliance with BCLC Standards, and to identify matters which affect the integrity and/or security of the gaming operation and to document an appropriate resolution.

Scope

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

Interviews with gaming employees may have been conducted to obtain their comments and to determine their understanding of, and ability to apply, relevant BCLC Standards.

The Gaming Compliance Officer reviewed all, or samples of, relevant material from the period of April 1, 2018 to June 30, 2018.

Current Findings

Policy	Finding	Status
BCLC Standards: Article 1-1.2 Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Standards: Article 1-1.3 FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Compliant	
BCLC Standards: Article 1-1.4 Large Cash Transactions, Foreign Exchange and Disbursement Reporting Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff Exception: A review of fifty (50) Large Cash Transactions (LCT) processed during the assessment period was conducted and identified two (2) files with discrepancies. One FINTRAC file did not record a \$7000.00 buy-in and the other file listed three (3) disbursements methods as 'Paid out in cash' but GMS confirmed that cheques were issued.	Partially Compliant	
<i>BCLC Standards Article 1-1.4, 11</i>		Resolved

Action:

On September 12, 2018, the Director of Cage Operations informed that the files will be reviewed and the LCT team will correct the applicable errors.

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document
This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

A review of the LCTs confirmed that the files were corrected on September 13 and 14, 2018.

Exception:

The BCLC LCT Date Comparison Summary report for the review period found six (6) Large Cash Transactions (LCT) were not completed in the CRS FINTRAC module within 72 hours of the first transaction for each LCT. One of the six LCTs was not submitted to FINTRAC within 15 calendar days requirement.

BCLC Standards Article: 1-1.4, 14.1

Resolved

Action:

On September 12, 2018, the Director of Cage Operations confirmed the late LCTs filed and noted that CRS incident reports were created for the files to state the reason.

Exception:

A review of seventy-five (75) Reasonable Measures (RM) / Source of Funds (SOF) forms was conducted and found nineteen (19) forms were not completed in its entirety.

January 10, 2018, BCLC Directive Source of Funds and BCLC Standards Article 1-1.4, 3.2

Resolved

Action:

On September 12, 2018, the Director of Cage Operations informed the GCO that all Cage Associates will be instructed to complete the forms as required and that further training will be provided when applicable.

BCLC Standards: Article 2-1.16 Table Games – General Rules and Regulations	Compliant
--	-----------

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

BCLC Standards: Article 4-1.1 General	Compliant
---------------------------------------	-----------

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site

BCLC Standards: Article 4-1.2 General - Customer Service Standards and Expectations	Compliant
---	-----------

Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports

BCLC Standards: Article 6-1.19 Cage - Service Providers Cheques	Partially Compliant
---	---------------------

Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff

Exception:

A review of Convenience Cheques issued during the review period was conducted and identified that a CRS Subject Identification (SID) and / or LCT file was not consistently created for each convenience cheque issued.

Resolved

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document
 This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

BCLC Standards Article 6-1.19, 3.2

Action:

On August 28, 2018, the Director of Cage Operations informed the GCO that the Cage team has been instructed to create an SID and / or LCT when a convenience cheque is issued. In addition, the Cage Managers will review the previous incidents where convenience cheques were issued and correct the files accordingly.

BCLC Standards: Article 6-1.21 Cage - Certified Cheques Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, interviews of site staff	Compliant
---	-----------

BCLC Standards: Article 6-1.22 Cage - Patron Gaming Funds Accounts Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS as well as interviews of site staff	Partially Compliant
--	---------------------

Exception:

A review of the forty-seven (47) CRS Patron Gaming Fund (PGF) Account openings during the assessment period was conducted and eleven (11) accounts were missing the following information: Declaration Source of Funds; account opening documentation review checklist; account Operating Agreement; and / or patron's place of residence while visiting Canada.

BCLC Standards 6-1.22, 2.9.2.a (4) and 3

Resolved

Action:

On September 13, 2018, the Director of Cage Operations confirmed that Cage Associates have been instructed to scan the required documents into the CRS incident report for PGF account openings. In addition, all PGF account openings will be monitored by the Director of Cage Operations.

BCLC Standards: Article 6-1.24 Cage - Hold Cheque Option Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS, inspections of documentation and interviews with site staff	Compliant
---	-----------

BCLC Standards: Article 6-1.25 Cage – Ticket In, Ticket Out (TITO) Ticket Purchase Assessment of this section by the GCO may include, but is not limited to, interviews of site staff and reviews of Cage tracking logs and GMS reports	Compliant
--	-----------

BCLC Standards: Article 6-1.27 Cage – Mail In Electronic Gaming Machine Ticket or Gaming Chip Redemption Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and GMS	Partially Compliant
--	---------------------

Exception:

A review of the April 3, 2018, Mail-In Electronic Gaming Machine Ticket Redemption file in CRS was conducted and the Subject Profile for the patron was not created and the redemption amount was greater than one hundred dollars (\$100).

Resolved

BCLC Standards Article: 6-1.27, 1.4 and 3.1.2

Action:

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document
This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

On August 28, 2018, the Director of Cage Operations informed the patron's identification was requested and a CRS Subject ID and FINTRAC file will be created when received. Moving forward, the procedures for Mail-In Electronic Gaming Machine Ticket Redemptions will be reviewed and performed as required.

The BCLC Manager of Business Operations approved the dollar amount for this file.

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

An Anti-Money Laundering Assessment was conducted at the Parq Vancouver Casino and there were six (6) exceptions identified. The Director of Cage Operations has reviewed and resolved the six exceptions.

THIS IS **EXHIBIT "12"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

BCLC OGC AML Assessment

Linked Entities: AML Compliance Assessment



BCLC OGC AML Assessment

Objectives:

Please delete any Policies, Procedures or Tests that are not applicable to the site being reviewed and list the policy here as well as a statement of your rationale for deletion. If you are unsure as to how to delete a section please refer to the "MKI 9.0 How Tos" document in the "OpGamAuditors/MKInsight/MKI 9.0/HOW TOs" folder.

Process: None

Policy 1: BCLC Standards: Article 4-1.1 General

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site

Procedure 1: Casino Service Providers shall be responsible for maintaining vigilance of the BCLC Standards on www.bclc.biz (Extranet) and for the implementing of all posted BCLC Standards additions, deletions or amendments by the stated implementation date.

Tests & Linked File

1: +++ Ask the Cash Cage Shift Manager/ Supervisor, Table Games Shift Manager/ Floor Manager, and Slot Shift Manager/ Supervisor to produce the most current BCLC Standards relevant to Large Cash Transactions and Cheque Issuance.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: The BCLC Standards may be incorporated into a Service Provider's Company Policies and Procedures

2: Enhanced AML Procedures (Enhanced AML Procedures - AML.docx)

Policy 2: BCLC Standards: Article 1-1.2 Privacy and Protection of Personal Information

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies

Procedure 1: BCLC and Service Providers must collect, use, retain, disclose, safeguard and dispose of Personal Information of players in accordance with applicable laws.

Tests

1: +++Review the Service Provider's procedures for instances in which patrons' personal information is collected when reaching the \$9,000 threshold, and where those patrons ultimately do not reach the \$10,000 threshold within 24 hours of the first transaction, or in non-24 sites, by the end of the operating day. Ensure that information is not

collected and stored unnecessarily.\

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Patron identification/ details must be collected upon reaching the \$9,000 transaction threshold, however it cannot be kept if the patron has not reached \$10,000 in transactions within 24 hours of the first transaction (or the end of the operating day in non-24 hours sites). Service Providers should be storing the patron's ID in a secure area until it is known whether an LCTR will be created. If the \$10,000 threshold is not reached within the allotted time frame, the patron's information should be disposed of securely (i.e. deleted and/ or shredded)

In order to avoid unauthorized collection of private information, CRS Subject Profiles should not be created by the Service Provider until such time that the \$10,000 threshold has been reached.

Policy 3: BCLC Standards: Article 1-1.3 FINTRAC and Anti-Money Laundering Compliance

Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff

Procedure 1: LCTR - Suspicious & Unusual Financial Transactions

Tests

1: Through review of CRS Incident Files and discussion with the Service Provider, determine whether any Unusual or Suspicious Financial Transactions have occurred during the period under review. If there has been one or more incidents, mark this test as "Compliant" and complete the remaining tests. If there has not been any such incidents, mark this test as "Not Assessed", interview casino personnel to assess their knowledge of the key indicators and required procedures for these type of incidents, and then score the remaining tests based on the response(s) you receive.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Does staff refuse to complete transactions which appear suspicious? Are suspicious activities reported to an immediate supervisor?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Is an LCTR/ CDR generated for suspicious activity (where applicable)?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: *NOTE* Only those suspicious transactions that meet or exceed the current LCTR reporting thresholds require an LCTR. Any suspicious financial transactions that involve dollar amounts below the reporting thresholds do not require the creation of an LCTR (in fact, the CRS system will not permit the creation of an LCTR in this circumstance). An Incident File and Section 86(2) Report are all that the Service Provider is required to create in these circumstances.

4: Is the patron in question advised that they are being suspected of a suspicious transaction? (Note: it is a criminal offence to do so)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Is an Incident Report generated documenting all available information?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Are the following personnel informed of all suspicious transactions: BCLC Director, AML & Operational Analysis and BCLC Manager, Investigations

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Check Incident File to ensure that the Service Provider has notified BCLC and GPEB via Section 86(2) Report of all suspicious financial transactions

Review Itrak IN File 20160002591 to ensure that all suspicious financial transactions investigated at the site during the audit period have been reviewed by the GCO

7: If the UFT involved cashing out after minimal play, ensure that the patron was paid out in the same denominations that they bought in with or with a Convenience Cheque

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 2: Unusual financial transactions may or may not be reportable as suspicious financial transactions in relation to money laundering. These transactions are subject to an Incident Report in CRS.

Tests , Text Field & Linked File

1: Gaming Compliance Officers are required to review Large Table Buy-In Transactions (which are CPV in GMS) to ensure that those transactions that meet the indicators (see attachments below) are reported as Unusual Financial Transactions in the CRS.

100% of all such transactions, that have not already been reported in the CRS, up to a maximum of 50 per quarter are to be reviewed. Included in this review is PGF Transactions comparing redeposits for verified wins to the Trust Account (10%).

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: This review is to be done on a monthly basis with any discrepancies being reported immediately to the BCLC Investigator and all results detailed in the quarterly AML Review. Please use the attached Excel spreadsheet to document which transactions have been reviewed.

2: All Suspicious Financial Transactions must be reported to FINTRAC within 30 days of identifying them

3: UFT Review Tracking Spreadsheet (UFT Review Tracking Spreadsheet.xlsx)

4: Suspicious Transaction Indicators (Suspicious Transaction Indicators.docx)

5: Risk Indicators Chart - AML (Risk Indicators Chart.pdf)

Procedure 3: Anti-Money Laundering (AML) training is mandatory as part of the on-boarding process for all Service Provider staff who have contact with clients, who see client transaction activity, who handle cash or funds in any way or who are responsible for implementing or overseeing the compliance regime with the exception of janitorial or food and beverage staff.

Tests , Text Field & Linked File

1: Review the attached checklist to assess compliance with the requirements. Record any confirmed discrepancies in the text field below

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: *** Assess understanding of staff knowledge by asking a sample of Supervisory and non-supervisory frontline staff (including Surveillance) what their understanding is of the following:

What a LCT is and what the thresholds are
What an UFT is and what the thresholds are
What a CDR is and what the thresholds are
What the Reasonable Measures form is and when is it completed

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: *** Assess understanding of staff knowledge by asking a sample of Supervisory and non-supervisory frontline staff (including Surveillance) to give you five indicators of possible suspicious financial activities/transactions (refer to attached file below).

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Non-supervisory casino personnel may work under the direct (1:1) supervision of a GPEB-registered management representative or training supervisor who has completed the current BCLC Anti-Money Laundering (AML) training, for a period not to exceed one (1) operating day, during the employee's initial job training period.

5: List All Discrepancies & Report to BCLC Compliance & Trend Analyst

6: List the full names and titles of staff assessed here:

7: List the full names and titles of staff assessed here:

8: Suspicious Transaction Indicators (Suspicious Transaction Indicators.docx)

Policy 4: BCLC Standards: Article 4-1.2 General - Customer Service Standards and Expectations

Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports

Procedure 1: Are cheques only issued for verified wins, return of gaming funds up to \$10,000, or return of PGF Funds? Are electronic gaming device jackpot wins verified through Last Game Recall or slot jackpot verification through the slot management system?

Tests

1: +++Review each cheque issued during the audit period to ensure the required jackpot documentation(GMS Transaction Slip, Table Tracking Sheet) is attached to the cheque/stub copy

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Definition of Verified Win

“Verified Win” means the casino employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game or a jackpot on an electronic gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize.

Except for Table Game Jackpots, a Table Game verified win is defined as the cash out minus the buy-in

Procedure 2: Are cheques issued for Verified Wins on Table Games supported and documented correctly? Do table tracking cards support the win?

Tests

1: +++Review each cheque of \$25K or more issued for a Verified Table Win during the review period. Ensure that there is a corresponding LCT, table tracking cards are attached to the LCT and that the tracking cards justify the issuance of the Verified Win Cheque. Note: Verified Win Cheques should be reconciled against the VerfWin account in GMS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Ensure that tracking cards contain legible signatures/name as well as GPEB numbers

Policy 5: BCLC Standards: Article 1-4.1 Large Cash Transactions, Foreign Exchange and Disbursement Reporting

Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff

Procedure 1: Are buy-ins, cash outs, and/or jackpots \$10,000 and over as well as foreign exchanges over \$3,000 CDN equivalent recorded on an LCTR/CDR?

Tests & Text Field

1: Review all LCTR's/CDR's (to a maximum of 50) created in the Itrak LCT/Fintrac Module during the period under review. Additional LCTR/CDR may be reviewed as deemed necessary and relevant by the GCO.

Answer List: Completed (10); Not Completed (0)

2: +++Check each LCTR/CDR to ensure all transactions are recorded on the form as required

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: NOTE: Please ensure that no non-cash transactions are recorded on LCTs. Transfers of chips to and from PGF accounts are not to be included on LCT records as well as transactions involving bank drafts.

4: NOTE: all tests in the following Procedures, regarding the completion of LCT and CDR, are to be based on the sample reviewed in this Procedure

Procedure 2: Reasonable measures shall be undertaken to determine and document ownership of funds

Tests , Text Field & Linked File

1: Interview staff to ensure that they understand the "Reasonable Measures" requirements

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review completed Reasonable Measures Templates to ensure compliance as detailed in the attached document.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: As per the Jan 10-18 SOF Directive, ensure that receipts for any buy-ins of \$10K or more scanned into the media portion of the LCT module and that they contain all required information

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: List names and titles of staff interviewed here:

5: Reasonable Measures Requirements (Reasonable Measures Requirements - AML.docx)

6: SOF DIRECTIVE - FINAL 2018-01-10 (SOF DIRECTIVE - FINAL 2018-01-10.pdf)

Procedure 3: Are patrons asked to produce acceptable identification upon reaching \$9000.00 in total buy-ins or if an additional request for buy-in would reach or exceed the reportable threshold of \$10,000.00?

NOTE: Patron can continue to play and buy-in until such time as the requested buy-in would cause the reporting threshold to be reached, at which time the buy-in shall be refused until identification is produced

Tests

1: Discuss with Service Provider staff to determine whether this is happening.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Personal information of the patron must be obtained before the patron reaches the LCTR reporting threshold.

If the patron refuses to provide the identification when asked, further transactions shall not be completed

An Incident Report in CRS shall be completed detailing the particulars of the patron's refusal.

Procedure 4: Is the Service Provider tracking accumulated or third party transactions within the current gaming date (at facilities with closing hours) or static 24-hour period (in 24-hour facilities)?

Tests

1: Review LCTR's/CDR's and interview Service Provider to ensure the staff are aware of this requirement.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: For clarity, a 'static period' begins with the patron's first transaction, and

- In a continuously running site, ends 24 consecutive hours after the first transaction;
- In a non-continuously running site, ends at the close of operational hours.

Procedure 5: Are the LCTR's/CDR's being entered into iTrak within the required time frame?

Tests

1: +++For each LCTR selected for inspection, ensure that the dates within the "Transaction Date" and "Date Created" fields are no more than 72 hours apart

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: Is all required documentation attached to each LCTR/CDR?

Tests & Text Field

1: Inspect electronic LCTR's to ensure that the patron tracking card used in the process of tracking buy-ins and cash-

outs is scanned into the Media tab of the electronic fintrac entry record

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Where a cheque has been issued to the patron for a table game win, ensure the pit tracking sheet (or copy thereof) is attached and that all transactions on the tracking sheet match those listed on the LCTR

2: NOTE TO GCO: if the required tracking documents are missing and cannot be readily found, please escalate this to the AML Investigator for further review

Procedure 7: Is all ID provided for LCTR/CDR purposes scanned into the Media tab of the patron's Subject Profile?

Tests

1: For each LCTR/CDR selected for review, check the Media tab of the patron's Subject Profile to ensure that the details on the scanned image of the ID match the information recorded within the "Details" tab of the Subject Profile.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: For patrons with multiple LCTs, has ID been updated and documented as such in the Subject Profile comments (updated every 2 years for repeat patrons and every 18 months for High Risk Patrons)?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 8: Is all ID provided for LCTR/CDR purposes issued by government and valid at the time of the transaction?

Tests

1: For each LCTR/CDR selected for review check the transaction date, and check the expiration date on the scanned image of the ID in the Subject Profile to ensure that the ID was valid at the time of the transaction

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 9: If a foreign address is given but the patron is known to be gaming at the site often enough such that patron does not appear to be a visitor, a local resident address shall also be obtained.

Tests

1: Interview Service Provider and review Itrak LCTR's/CDR's to determine whether any applicable incidents have occurred

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 10: Are the LCTR's/CDR's being completed correctly with all required information?

Tests & Linked File

1: +++Review the attached list to ensure that all LCTR's/CDR's are being completed with all required information.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: If the patron has incurred an LCTR previous to the form under review, it is permissible for the Service Provider to write "ON FILE" through the details portion of the hard copy LCTR, as long as the patron's name and any casino LCT, CRS subject profile reference number, or VIP reference number is written on page 1 of the LCTR

2: Information Required on LCTR's (Information Required on LCTR's - AML.docx)

Procedure 11: For LCTR's/CDR's created in relation to major merchandise prizes (i.e. Race to Win Vehicle Prize), are the following steps completed?

Tests

1: +++In the Disbursement Method Entry form in the iTrak FINTRAC file, does the "'Other' disbursement method" field contain specification that this is a merchandise prize?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: NOTE: It is not necessary for the Service Provider to seek out the exact MSRP price of the vehicle.

Procedure 12: Issues identified by the BCLC Investigator are to be tracked via MKInsight

Tests & Text Field

1: Confirm with the BCLC Investigator that the monthly review of randomly selected PGF Accounts has been completed and any issues have been documented in their review of LCT records.

Answer List: *Completed (10); Not Completed (0)*

2: If issues were identified by the BCLC Investigator, create an Orphan Issue and document that you have done so in the test above. Please include the unique issue number in your comments.

Policy 6: BCLC Standards: Article 6-1.22 Cage - Patron Gaming Funds Accounts

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

Procedure 1: Determine whether any EFTs have been processed by the Cage

Tests & Text Field

1: Speak to Cage Staff

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the EFT was only accepted as part of a PGF deposit

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review iTrak Incident files

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Ensure that the transaction is documented correctly on the associated LCTR

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: All EFT transfers must be to a PGF account holder, if the site is not approved to offer PGF accounts and there has been no EFT accepted contrary to policy; mark all tests as not applicable

Procedure 2: Service Provider Operating Procedures

Tests

1: Interview staff to assess knowledge of the following notification levels for authorized deposits, negotiable instruments or authorized withdrawals:

Casino Shift Manager - notified when cashing any negotiable instrument or authorized deposit up to \$50,000

Casino Manager or designate - notified when cashing any negotiable instrument or authorized deposit up to \$100,000

Service Provider designated Site or Head Office staff - notified when cashing any negotiable instrument or authorized deposit over \$100,000

Cage Supervisor - notified of any EFTs, wire transfers or internet banking transfers received in or sent from the PGF Bank Account

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that tri-part receipts are available for PGF patron transactions and reconcile a sample against actual transactions

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 3: Some Patron Gaming Fund procedures directly impact AML considerations

Tests

1: Compare 10% (to a maximum of 30 transactions) of the \$10,000+ transactions recorded in the patron's Trust

Account during the period under review to ensure that all such transactions were recorded in the CRS FINTRAC Module

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that table tracking cards are retained to substantiate play of withdrawn PGF funds

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Patrons who have withdrawn funds for gaming from PGF Accounts may re-deposit up to the exact amount withdrawn after any period of continuous play after the withdrawal. If play cannot be substantiated, re-deposit shall not be accepted.

3: Review all PGF Accounts opened during the period under review to ensure that initial deposits were completed with an acceptable Negotiable Instrument

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Patron Gaming Funds Accounts procedures.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Review paperwork from any Internet Banking Transfers to ensure that they are from an account owned by the patron and that they are not joint accounts and that the site followed due diligence as per their IBT policies

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Review any transactions of monies transferred by patrons from a U.S. financial institution are first transferred to a Service Provider corporate trust account until clearance for use by the receiving Canadian bank is received

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Policy 7: BCLC Standards: Article 6-1.21 Cage - Certified Cheques

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

Procedure 1: Interview Service Provider staff to ensure the following:

Tests & Linked File

1: +++Review the Bank Draft/Certified Cheque Verification Checklist and attached document to assess compliance with the cheque cashing procedures

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Cashiers may accept certified cheques issued in Canadian currency only.

Personal cheques or third party cheques shall not be accepted or cashed at a casino.

A patron who has received a service provider cheque may cash it at the same casino.

Money orders shall not be accepted or cashed at a casino.

A certified cheque that has been endorsed by a third party shall not be accepted.

2: +++Review the attached checklist to assess the Staffs' awareness of certified cheque discrepancy indicators

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Certified Cheque Cashing Procedures - AML (Certified Cheque Cashing Procedures - AML.docx)

4: Certified Cheque Discrepancy Indicators (Certified Cheque Discrepancy Indicators - AML.docx)

Policy 8: BCLC Standards: Article 6-1.19 Cage - Service Providers Cheques

Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff

Procedure 1: The GCO shall review 100% of all cheques issued during the review period up to a maximum of 100

Tests & Text Field

1: For Verified Win cheques, confirm that a photocopy of the table tracking card or the slot machine/electronic gaming device the jackpot printout from the slot management system or the marketing promotion

transaction slip from GMS has been attached to the cheque stub or the photocopy of the cheque as evidence of the verification of the win

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: NOTE TO GCO: if the required tracking documents are missing and cannot be readily found, please escalate this to the AML Investigator for further review

3: REQUIRED: GCO's are required to either attach a document listing in detail what cheques they have reviewed or add the following information in the Findings section of this test: Starting number of cheques reviewed, Ending number of cheques reviewed and details that would allow an independent reviewer to re-create the review.

Procedure 2: Prior to the issuance of any type of cheque the patron must present acceptable identification unless the patron has a fully documented Subject Profile including scanned copies of current government issued ID, if the site is not asking for ID for established patrons test for compliance otherwise mark as not applicable

Tests

1: Ensure that Cage staff are reviewing iTrak to confirm the identity and status of the patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review cheques issued for existing patrons and confirm that SID numbers are being detailed on the GMS Cheque Issuance slip

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: For cheques issued to patrons in relation to Service Provider or BCLC promotions, is the marketing promotion transaction slip from GMS attached to the cheque stub or photocopy of the cheque?

Tests

1: +++Inspect the cheque copies/ stubs to ensure that appropriate documentation is present for any applicable cheques

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: +++Have any cheques been issued for slot machine cancelled credits (not permitted)?

Tests

1: Determine through review of cheque copies/stubs to ensure that the transaction slips attached to each cheque stub clearly indicate that the cheque was not issued for cancelled credits

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: +++Do Service Provider cheques have a duplicate copy and are the cheques issued in numbered sequence?

Tests

1: Inspect the documentation on file with the Service Provider.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: Does the Service Provider enter iTrak reports for issuance of replacement cheques?

Tests

1: Review the applicable GMS report to determine whether any replacement cheques have been issued. If replacement cheques have been issued, review iTrak Incident Files from the corresponding date to ensure that each such incident was reported

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Has each cheque issued to a patron been entered in GMS?

Tests

1: +++Obtain the Service Provider's Cheque Registry for the audit period and compare it to the applicable GMS report for the same period to ensure each cheque issued was recorded in GMS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Are all cheques that are issued as part of an LCTR recorded within the iTrak LCTR form as required?

Tests

1: +++Obtain the Service Provider Cheque Registry for the audit period and compare it to the iTrak LCTR's to ensure that any cheques issued as part of an LCTR were recorded as such within the "Pay-Outs" tab of the corresponding iTrak LCTR form.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 9: Does the name on the issued cheque match the name on the iTrak Subject Profile (if applicable) and the site's cheque register?

Tests

1: Review the applicable GMS report and compare it against the Cheque Register and (if applicable) the iTrak Subject Profile to ensure all documents correlate to the same transaction

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 10: Does the Service Provider issue cheques in numerical order?

Tests

1: Obtain the site's GMS report to ensure all cheques issued during the audit period are accounted for and were issued in numerical order.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Investigate any gaps in the numerical sequence of issued cheques to ensure that these were void or damaged cheques. The Cheque Registry will normally indicate this.

Procedure 11: Does the Service Provider check the iTrak Subject Module to ensure each cheque recipient is neither barred nor self-excluded prior to issuing a cheque for a verified win?

Tests

1: Interview the Service Provider to assess compliance with this requirement

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 12: If the site has cashed Service Provider cheques that were issued by a Canadian casino, interview the Cage personnel to ensure that the following steps were completed:

Tests

1: The issuing site is telephoned and asked to verify the cheque number, date of issuance, patron's name, dollar value, signatory, and ID details presented at the time of issuance

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: The patron is required to produce the same identification that was presented at the time the cheque was issued

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review cheques to ensure that if not already noted on the cheque by the issuing casino (other jurisdictions), whether the cheque is for a verified win or a return of funds;

If a return of funds cheque, whether the source of cash was identified and if so, note the source.
If the cash was not sourced, the cheque cannot be accepted or cashed.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 13: For cheques issued as "Return of Funds - Not Gaming Winnings"

Tests & Linked File

1: +++Review a sample of issued "Return of Funds" cheques and compare with the attached criteria

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the Service Provider has established and authenticated the identity of the Customer by verifying and confirming the patron's name, DOB, home address, place of residence while in Canada, phone number, occupation and ID (passport if non-resident)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review issued Return of Funds cheques to ensure that only one cheque per patron per week has been issued and that none of the cheques are for more than \$10,000 (not applicable to PGF return of funds)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Return of Funds Cheque Criteria (Return of Funds Cheque Criteria - AML.docx)

Policy 9: BCLC Standards: Article 6-1.24 Cage - Hold Cheque Option

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

Procedure 1: 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).

Tests

1: +++Review GMS for any use of the Hold Cheque Option - if there are instances please continue with the following Procedures and Tests

Answer List: Completed (0); Not Completed (0)

Procedure 2: Initial agreements must include a number of steps

Tests

1: Was the Patron's credit rating confirmed via credit checks through Equifax, Central Credit and the bank holding the account on which the cheque was written

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that the agreement time did not exceed 14 days

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that the CSP is only issuing one agreement at a time per patron using this option

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Ensure that cheques held are only drawn from an account that is in a single individual's name through a Canadian Schedule I or Schedule II bank, credit union, or caisse populaire or a United States financial institution which is listed in the Top 50 Holding Companies list on the National Information Center website

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: Ensure that cheques are dated for the same date of the agreement (not post-dated)

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: Ensure that cheques are for \$10,000 or more

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

7: Ensure that an CDR is created at the time of settlement of the cheque

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

8: Ensure that all other transactions, i.e. table buy ins, slot machine ticket purchases are noted in an Incident Report in CRS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

9: Ensure that cheques being held for the Cheque Hold Option are being secured in the Vault

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

10: Ensure the patron is not currently voluntarily self-excluded or barred

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: A Hold Cheque Option Ledger must be maintained at the Cash Cage and must document specific CDD/KYC information

Tests & Linked File

1: Review the attached document and compare with entries in the Hold Cheque Option Ledger

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: An Incident Report in CRS shall be created noting the customer profile, cheque amount and whether the cheque is drawn on a Canadian or U.S. financial institution, and must be updated on each occurrence of the hold cheque option and that all transactions, i.e. table game buy-ins, slot machine ticket purchases, payments pertaining to the hold cheque have been noted in the Incident Report

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that the Service Provider has conducted a search of the anti-terrorist financing lists on the Office of the Superintendent of Financial Institutions (OSFI) website to ensure the individual is not present on the lists before offering the cheque hold option and that, if the patron has been found on the list, that the Hold Cheque Option has not been offered

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Hold Cheque Ledger (Know Your Customer) (Hold Cheque Ledger (Know Your Customer) - AML.docx)

Procedure 4: For initial deposits of cheques ensure that the Cage is following procedure

Tests

1: The Cage Supervisor must:

1. Ascertain the monetary amount available to the patron (the cheque must be for a monetary amount of at least \$10,000 or hold cheque option will not be offered)
2. Contact the person responsible for authorizing the amount (authorization name and signature shall be required on the Hold Cheque Option ledger)
3. Request acceptable identification, and make sure all CDD/KYC documentation is completed on the Hold Cheque Option ledger

The person(s) authorizing the hold cheque option must:

1. If not on site and readily available, authorize the acceptance of the hold cheque verbally and approve a designated Management or Supervisory position to complete the following or
2. Complete the agreement form with the patron, setting the terms for the time period the cheque will be held
3. Ensure the patron has understood and signed the agreement
4. Advise the Cage Supervisor the agreement is in place and authorize that the patron may draw up to the amount of the cheque for gaming play in the site (no withdrawals for play may occur until the authorization has been received by the Cage Supervisor)

The Cage Supervisor shall:

1. Complete a receipt of acknowledgement in duplicate for the entire amount of the cheque with one copy of the receipt given to the patron and one copy kept with the Hold Cheque Option ledger
2. Secure the cheque in the vault or sub-vault
3. Update the Incident Report in CRS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: The Service Provider Finance department shall notify Surveillance if any cheque appears to be not valid, dishonoured, fraudulent or suspicious and an Incident Report must be created

Tests

1: Review iTrak for any instances of irregularities with cheques that are being held.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: For any instances of irregularities with cheques held, ensure that an 86 report was created and submitted and that the BCLC Investigator was notified

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: For withdrawals at the Cage ensure that the Cage staff conduct the following procedures

Tests

1: If patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: If patron will be playing electronic table games or slot machines, provide the patron with promotional IVS tickets

for the amount requested

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure the patron signs the 'Withdraw Funds' GMS slip

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Present one copy of the 'Withdraw Funds' GMS slip to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Photocopy the remaining copy of the 'Withdraw Funds' GMS slip to include with the Hold Cheque Option ledger

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Retain the original 'Withdraw Funds' and both copies of the 'Purchase Tickets' GMS slips for inclusion with the daily paperwork

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: For Subsequent withdrawals:

The Cashier, under the direction of the Cage Supervisor, shall:

1. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in GMS for the withdrawals, with the patron's name included in the comments area (a corresponding 'Deposit Funds' transaction in the Hold Cheque Option account shall be processed when the cheque is settled or the cheque is deposited after the contracted period of time elapses)
2. If the patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process and follow Cage – Large Table Buy-in Procedures
3. If the patron will be playing electronic table games or slot machines, provide the patron with TITO tickets for the amount requested
 - Using the 'Issue TITO Ticket' in the GMS Cage application, print ticket(s) for the buy-in
 - Tickets shall not be printed for more than \$1000
 - Patron may purchase multiple tickets of \$1000 each
4. Ensure the patron signs the 'Withdraw Funds' GMS slip
5. Present one copy of the 'Withdraw Funds' GMS slip to the patron
6. Photocopy the remaining copy of the 'Withdraw Funds' GMS slip to include with the Hold Cheque Option ledger
7. Retain the original 'Withdraw Funds' slip for inclusion with the daily paperwork
8. Update the Incident Report in CRS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 7: For withdrawals for patrons at a table ensure that the Cage staff conduct the following procedures

Tests

1: At the time of the request the Dealer Supervisor contacts the cage to ensure the funds are available and contacts the Table Games Manager to attend at the gaming table

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: The Table Games Manager shall ascertain the amount the patron is requesting and proceed to the Cash Cage with the patron's request and the gaming table number at which the patron is playing.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: The Cage Supervisor shall contact a Security Officer to attend the cage to oversee the process and escort the Table Games Manager

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: The Cage Supervisor shall complete the Hold Cheque Option ledger for the amount requested, keeping a running total of the remainder of the funds available

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: The Cashier, under the direction of the Cage Supervisor, shall:

1. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in GMS for the withdrawals, with the patron's name included in the comments area
2. Follow Cage – Large Table Buy-ins procedure so the buy-in is attributed to the correct table for inclusion in net win/loss calculations (Exception – Dealer Supervisor's tracking sheet information shall be used to update the Incident Report in CRS instead of creating a FINTRAC Entry until final settlement of the cheque is completed)
3. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in CMS GMS for the withdrawals, with the patron's name included in the comments area
4. If cash is required, count the cash out in the presence of the Table Games Manager and Security Cage Supervisor
5. Complete the cash transfer slip as per Cage – Large Table Buy-ins procedure, and the following shall sign: Cage Supervisor, Cashier and Table Games Manager
6. If the patron is not an Encore Rewards member (i.e. CPV cannot be used), the cash and one copy of the cash transfer slip will be secured in a sealed bag in cashier's drawer until transfer to vault and documentation on the Cashier Drop Buy-In Tracking Sheet shall be completed as per Cage – Large Table Buy-in procedures

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: The Table Games Manager shall:

1. Transport the remaining copy of the cash transfer slip (if applicable) and both copies of the GMS slip to the gaming table
2. Ensure the patron signs the GMS slip and witness the signing
3. Present one copy of the GMS slip to the patron;
4. Present the cash transfer slip or CPV slip to the Dealer Supervisor for the chip buy-in process as per Cage – Large Table Buy-ins procedure;
5. Transport the remaining copy of the signed GMS slip to the Cage

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: The Cage Supervisor shall:

1. Photocopy the GMS slip to include with the Hold Cheque Option ledger; and
2. Retain the original GMS slip for inclusion with the daily paperwork.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 8: Payment of Hold Cheque

Tests

1: Review cheques held or interview staff to ensure that cheques are either redeemed at the end of the contract or a new contract has been created for the remainder of the amount owing

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If the cheque is to be cashed ensure that the Cashier

1. Processes a 'Deposit Funds' transaction for the whole amount of the cheque in the account in GMS, noting patron name and 'final payment' in the comments area
2. Transfer the cheque to the main vault for inclusion in the bank deposit if the cheque has been held in a sub-vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: If the cheque is to be partially paid off with chips from patron's gaming proceeds and the rest paid with a new cheque ensure that the Cashier

1. Accepts and counts the chips from the patron
2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in GMS, noting patron name and 'payment' or 'final payment' in the comments area
3. Has the patron sign the GMS slip
4. Presents one copy of the GMS slip to the patron
5. Photocopies the remaining copy of the GMS slip to include with the Hold Cheque Option ledger
6. Retain the original GMS slip for inclusion with the daily paperwork
7. Accept the new cheque for the remainder of the outstanding balance of the original cheque from the patron, process a 'Deposit Funds' transaction for the new cheque total in the Hold Cheque Option account in GMS, noting 'final payment' in the comments area
8. Follow the procedures for transferring the new cheque to the vault and the bank deposit
9. Return the original cheque to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: If the cheque is to be paid off with chips from patron's gaming proceeds ensure that the Cashier

1. Accepts and counts the chips from the patron, ensuring the total amount of the original cheque is received
2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in GMS, noting patron name and 'final payment' in the comments area
3. Has the patron sign the GMS slip

4. Presents one copy of the GMS slip to the patron
5. Photocopies the remaining copy of the GMS slip to include with the Hold Cheque Option ledger
6. Retains the original GMS slip for inclusion with the daily paperwork
7. Returns the original cheque to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: In all cases ensure that the Cage Supervisor

1. Completes a Casino Disbursement Record for the final settlement in the FINTRAC Entry screen in CRS
2. Updates the Hold Cheque Option ledger, and notifies the Service Provider's authorization personnel the cheque is being deposited (if applicable) or has been returned to the patron and the ledger completed.
3. Updates the Incident report in CRS indicating the agreement is concluded and the amount of any disbursement

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Policy 10: BCLC Standards: Article 6-1.25 Cage – Ticket In, Ticket Out (TITO) Ticket Purchase

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

Procedure 1: The Service Provider must track sales of TITO tickets to ensure compliance to AML regulations

Tests

1: Interview staff to determine if sales of these types of tickets are being tracked and ask to see the tracking method that is being used

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review GMS to ensure that tickets are not being generated for more than \$2,500 each

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Policy 11: BCLC Standards: Article 6-1.27 Cage – Mail In Electronic Gaming Machine Ticket or Gaming Chip Redemption

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

Procedure 1: Has the Service Provider issued any cheques for mailed-in IVS tickets?

Tests & Linked File

1: +++Review iTrak for applicable incident files and interview the Service Provider to determine whether any such cheques have been issued

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If any cheques have been issued for mailed-in IVS tickets or chips, has the Service Provider completed all steps required in the attached document?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Mail-In Electronic Gaming Machine Ticket & Gaming Chip Redemption Procedures - AML (Mail-In Electronic Gaming Machine Ticket & Gaming Chip Redemption Procedures - AML.docx)

Policy 12: BCLC Standards: Article 2-1.16 Table Games – General Rules and Regulations

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

Procedure 1: The method to be used to track \$5,000 chips must be approved by BCLC prior to being implemented

Tests

1: Contact the AML team (Bal Bamra or Darryl Tottenham) and verify that the method they are using to track \$5,000 chips has been approved.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 2: Review Player Tracking Cards and interview staff to ensure that \$5,000 chips are being tracked

Tests

1: Player Tracking Cards must note the following:

1. Individual tracking by patron
2. Subject ID (SID) or, if the patron has no SID, name of patron
3. Date of session
4. Time the patron arrives and begins playing and time the patron ends play and departs
5. Number of \$5000 chips patron introduces for play at table upon arrival
6. Number of \$5000 chips the patron has in their possession at time of leaving i.e. not cashed out
7. Additional comments
8. A summary of all \$5000 chips held by each patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: When players leave a high limit table are the Dealer Supervisors noting on the player tracking card the total dollar value of high value chips the player has in their possession?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Is there a process in place to ensure that the dollar amount of high value chips that the player cashes out at the Cash Cage is forwarded to the Dealer Supervisor for inclusion on the player tracking card?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

THIS IS **EXHIBIT "13"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

River Rock

Patron Gaming Funds Review

July 31, 2012

Distribution:

Carl BOLTON, VP of Compliance, Great Canadian Casinos
Jim WALL, Acting General Manager, River Rock Casino
Rita KROCHMALNEK-KAYE, Manager, Regulatory Compliance, Great Canadian Casinos
Don CHOW, BCLC Casino Site Operations Manager
Bal BAMRA, BCLC Casino Regional Manager
Kevin SWEENEY, BCLC Manager, Gaming Compliance
Karen KRAAN, Acting Director, Gaming Audit, GPEB

Bill BOYD
BCLC Operational Gaming Compliance Officer



Objectives

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

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from May 23, 2012 to July 31, 2012.

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

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts	Partially Compliant	
Issue: I reconciled all active PGF accounts with iTrak and, while doing so, I noted that there was one recent Self-Exclusion applicant who still had an active PGF account. This is contrary to Section 3-8.3, 10 of policy.		Resolved
Action: An email was sent to the Cage Manager and the Security Manager identifying the Self-Excluded patron with the active PGF account and it will be closed. In addition, the Security Manager will remind his staff of the need to ensure new Self-Exclusion applicants do not have active PGF accounts.		
Update: August 20, 2012 On August 17, 2012, I received an email from the Cage Manager informing me that this account had been closed.		
Issue: While reviewing PGF application forms I noted that there were two files that contained Declaration of Source of Funds that had been pre-signed by patrons. While not a specific breach of policy these forms could be misused and, as such, constitute a risk.		Resolved
Action: This issue was brought to the attention of the Cage Manager and she will ensure that "pre-signed" Declaration of Source of Funds forms are not being created and kept on file and the two that I had found will be destroyed.		
Update: September 11, 2012 Confirmed with Cage Manager that this practice has been stopped.		
Issue: While reviewing PGF application forms I noted that the site was still completing an "Account Closure Request" form at the time of PGF application. This form, essentially, sets out a dormancy period that is contrary to Section 3-8.3, subsection 7 of policy.		Resolved

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Policy	Finding	Status
Action: The Cage Manager will ensure that these forms are no longer being completed.		
Update: September 11, 2012 Confirmed with Cage Manager that these forms are no longer being filled out.		
Issue: I reviewed all the activity of active accounts and noted that there were 36 active accounts that have had no activity for more than a year (Section: 3-8.3, 7.2).		Resolved
Action: The list of accounts without activity for a year has been sent to the Cage Manager. She will take appropriate action and close those accounts as required by policy.		
Update: September 11, 2012 I received an email from the Cage Manager on September 6, 2012 confirming that the noted accounts have been closed.		
Issue: I spoke to the BCLC CSOM and was told that, as of July 31, 2012, he had not received any or the required PGF bank statements as required in Section 3-8.3, subsection 2.8.4.a of policy.		Resolved
Action: The BCLC CSOM is now getting weekly bank statements.		
Issue: The BCLC Investigators have not been conducting reviews of new PGF applicants as required in Section 3-8.3, 2.10.10.		Resolved
Action: The BCLC Casino Investigators are now conducting reviews as per policy.		

Outstanding Findings

There are no outstanding findings to report at this time.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Conclusion

All issues identified in this report have either been resolved or are in the process of being resolved.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

THIS IS **EXHIBIT "14"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

Patron Gaming Funds Review

Linked Entities: Casinos

Date: 10/6/2020

Created by: Jeff MULLAN

BCLC0016482

Patron Gaming Funds Review

Process: None

Policy 1: BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts

Procedure 1: BCLC Operational Gaming Auditor Quarterly Review - iTrak Review

Tests & Linked File

1: Review subject profile within CRS.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review iTrak to ensure that an incident file has been created to document the opening of the account.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Compare 10% of the \$10,000+ transactions recorded in the patron's Trust Account during the period under review to ensure that all such transactions were recorded in the CRS FINTRAC Module

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Electronic Fund Transfers (EFT) or Wire Transfers are not required to be recorded in CMS

4: Review iTrak to ensure that a copy of the patron's ID is included in the media tab.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: BCLC Operational Gaming Auditor shall, at least quarterly, conduct a review of Patron Gaming Funds Accounts, comparing list of account holders to Voluntary Self Exclusion module and provincially barred patrons in CRS to ensure all voluntary self excluded patron's accounts have been closed.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Obtain the PGF Trust Entry Paperwork to obtain the Patrons Name.

7: Update - PGF Participant Site Info Chart. (continue from your last review, ensure it is updated) and attach chart as an attachment.

Answer List: Completed (0); Not Completed (0)

Notes to Auditor: Player First SID # iTrak Subject File Created Media in Itrak (ID) PGF Account iTrak STATUS Buy-ins Account Info/value Account Status Account Activity

8: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Cage – Patron Gaming Funds Accounts procedures.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Review CRS during audit period.

9: Review iTrak to ensure that duplicate subject profiles do not exist.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

10: iTrak Participant File & ID Check (iTrak Participant File & ID Check.xlsx)

Procedure 2: BCLC Operational Gaming Auditor Quarterly Review - Documentation

Tests & Linked File

1: Ensure that Signature cards have been created, attached, maintained on file for "each" account holder.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review the PGF Account files (Original PGF Account Application and Account Operating Agreements) to ensure that a copy of the patrons acceptable identification is present.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Notations on the patron profile card of appropriate 'know your client' details. Ensure that the patron profile card is complete.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Declaration of Source of Funds

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Ensure that tri-part receipts are available for PGF patron transactions and reconcile a sample against actual transactions

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: Required Records - New PGF Accounts (Patron Gaming Fund P1 - Account Opening Records.docx)

Procedure 3: BCLC Operational Gaming Auditor Quarterly Review - Account Review

Tests & Text Field

1: Only individuals can open PGF Accounts. PGF Accounts are not available in joint names or for corporations.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review all PGF Accounts opened during the period under review to ensure that initial deposits were completed as per approved BCLC policy

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: OBTAIN TRUST ACCOUNT PAPERWORK FROM CAGE

NEGOTIABLE INSTRUMENTS ELIGIBLE FOR SUBSEQUENT DEPOSIT

The definition of a table game 'verified win' is defined as the cash out minus the buy in.

A slot machine cancelled credit is not a slot jackpot.

A slot machine ticket or an accumulation of a number of slot machine tickets does not constitute a 'verified win'.

Acceptable negotiable instruments (EFTs, wire transfers, bank drafts or certified cheques) shall only be drawn in Canadian funds issued from a registered Canadian financial institution;

No third party negotiable instruments may be accepted except in the case of a 'verified win' cheque from a BC Casino owned and operated by the same Service Provider.

3: Credit is not be extended to patrons with PGF accounts; to ensure that this is not being done review Trust Account documentation to ensure that all PGF accounts maintain a positive balance at all times

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Compare the cash transactions recorded in CMS with the Trust Account during the period under review to ensure that all such transactions were recorded in the CMS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Electronic Fund Transfers (EFT) or Wire Transfers are not required to be recorded in CMS

5: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: Review all PGF Account Activity for the period under review to ensure that all withdrawals were conducted as per BCLC Standards, Policies and Procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

7: Review all PGF Account Activity for the period under review to ensure that all re-deposits were conducted as per BCLC Standards, Policies and Procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

8: If an account is inactive for one (1) year and no direction has been received from the patron, Service Provider shall contact the patron to ascertain patron's wishes. If no direction is received from the patron, or patron cannot be contacted the account shall be closed.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

9: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Cage – Patron Gaming Funds Accounts procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Review CRS during audit period.

10: Initial deposit for opening of account must be either by bank draft, certified cheque, cheque from a Canadian casino, wire transfer, electronic funds transfer (EFT), debit card transaction, or internet banking transfer from an authorized personal bank account or with cash or chips from a 'verified win' issued at the same casino opening the account. Conditions as per NEGOTIABLE INSTRUMENTS ELIGIBLE FOR SUBSEQUENT DEPOSIT apply.

Procedure 4: As part of the PGF Account criteria, Service Providers shall follow Notification Levels established by BCLC as may be amended from time to time. Notification levels when accepting negotiable instruments or withdrawals shall be as follows:

Tests

1: Casino Shift Manager shall be notified when cashing any negotiable instrument up to \$50,000

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Casino Manager or designate shall be notified when cashing any negotiable instrument up to \$100,000

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Service Provider designated Site or Head Office staff shall be notified when cashing any negotiable instrument over \$100,000

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Cage Supervisor shall be notified of any EFTs or wire transfers received in or sent from the PGF Bank Account

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: BCLC Casino Site Operations Manager Daily Duties

Tests

1: Ensure that the CSOM is getting the results of the daily PGF balancing in a 'Daily PGF Balancing Report' that has been reviewed, and signed off by the site staff and that if there has been no PGF activity during the applicable gaming day, this shall be noted on the report before submission to the BCLC CSOM.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the CSOM is getting weekly bank statements and that they are being reconciled against CMS entries

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure that on a weekly basis the CSOM is getting a table or spreadsheet showing each transaction into and out of the account broken down by PGF account holder with applicable dates and monetary amounts.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: Is the Cage performing a daily review of all Patron Gaming Fund activity.

Tests

1: Inquire with the Cage to see if staff are conducting a review to ensure that financial records are accurate, reliable and prepared on a timely basis.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 7: BCLC Casino Investigator Daily Duties

Tests & Linked File

1: BCLC Security Investigator shall conduct a review, on a daily basis, of all Patron Gaming Funds Account activity and the Daily PGF Balancing Report to ensure accordance with reporting requirements for suspicious financial transactions/money laundering. See Cage – Large Cash Transactions.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that on a weekly basis the Investigators are getting a table or spreadsheet showing each transaction into and out of the account broken down by PGF account holder with applicable dates and monetary amounts.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure that the BCLC Investigator is completing and signing the Casino Investigator PGF Account Opening

Checksheet (attached) each time a PGF Account is opened

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Effective 03 August 2012, the BCLC Casino Investigators have been directed to retroactively review all current PGF accounts with this checklist to ensure compliance. All new accounts opened from this date forward will be reviewed in the same manner.

4: PGF Account Opening Process Checklist - August 2012 (PGF Account Opening Process Review - August 2012.docx)

THIS IS **EXHIBIT "15"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Grand Villa

Patron Gaming Funds Review

May 16, 2014

Distribution:

David PYATT, Director Commercial Gaming Audit and Compliance, GPEB
Glen ATCHISON, Manager of Compliance, Gateway Casinos
Randy SEARS, Executive General Manager, Grand Villa Casino
Tom MARYSCHAK, Regional Operations Manager, BCLC
Ray PALUMBO, Manager Business Operations , BCLC
Brian PAY, Senior Technician, BCLC
Cathy ANASTASIO, Compliance & Trend Analyst, BCLC
David SLOBODIAN, BCLC Investigator
Murray ROSS, BCLC Investigator
Laird ROBINSON, Manager Operational Gaming Compliance, BCLC

Rick TSANG (Archived)
BCLC Operational Gaming Compliance Officer



BCLC0016483

Objectives

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

Scope

For the purposes of data collection, log and incident reviews, and financial analysis (if applicable) this review encompasses the time period from January 26, 2014 to May 16, 2014.

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

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts • Review of Casino Reporting System (CRS) reports and subject profiles related to PGF accounts. • Review of Service Provider trust accounts and comparison entries within GMS. • Review of PGF reporting between the Service Provider, BCLC Investigator and the BCLC Manager Business Operations. • Review of reporting and documentation required by the BCLC Investigator. • Review duties and documentation required by Cage personnel.	Partially Compliant	
Issue: A review of LCT20140005107 found that the withdrawal of funds from the Patron's Gaming Fund (PGF) account was not recorded in the disbursement transaction. CCGCSP 3-8.1 ss 3		Resolved
Action: On May 22, 2014, the BCLC Investigator corrected LCT20140005107. The Cage Manager was advised of the irregularity and noted that the LCT Auditors will be reminded to ensure to record all transactions correctly.		
Issue: A review of the new PGF accounts for the review period was conducted and found numerous discrepancies with the signature cards, application & operating agreements, patron profile cards, receipts, and declaration source of funds forms. Some example of the discrepancies found were: - employee's GPEB number, full name, and/or signature were not present - patron's transaction receipt was filed in another patron's file		Resolved

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Policy	Finding	Status
- mandatory information, as per form, was not consistently recorded on the form <i>CCGCSP 3-8.3 ss 2</i>		
<p>Action: On May 23, 2014, the Cashier Supervisor corrected the discrepancies noted by the GCO.</p> <p>The Cage Manager was informed of the discrepancies found and noted that the Tables and Cage personnel will be reminded to complete the required fields on the forms.</p>		

Outstanding Findings

There are no outstanding findings to report at this time.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Conclusion

A Patron Gaming Funds (PGF) Review was conducted at the Grand Villa Casino and the following exceptions were identified:

- one (1) FINTRAC Large Cash Transaction discrepancy
- PGF forms were not completed consistently in its entirety.

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Operational Gaming Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

THIS IS **EXHIBIT "16"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

Patron Gaming Funds Review

Linked Entities: Casinos

Patron Gaming Funds Review

Process: None

Policy 1: BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts

Procedure 1: BCLC Operational Gaming Auditor Quarterly Review - iTrak Review

Tests & Linked File

1: Review subject profile within CRS.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review iTrak to ensure that an incident file has been created to document the opening of the account.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Compare 10% of the \$10,000+ transactions recorded in the patron's Trust Account during the period under review to ensure that all such transactions were recorded in the CRS FINTRAC Module

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Electronic Fund Transfers (EFT) or Wire Transfers are not required to be recorded in CMS

4: Review iTrak to ensure that a copy of the patron's ID is included in the media tab.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: BCLC Operational Gaming Auditor shall, at least quarterly, conduct a review of Patron Gaming Funds Accounts, comparing list of account holders to Voluntary Self Exclusion module and provincially barred patrons in CRS to ensure all voluntary self excluded patron's accounts have been closed.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Obtain the PGF Trust Entry Paperwork to obtain the Patrons Name.

7: Update - PGF Participant Site Info Chart. (continue from your last review, ensure it is updated) and attach chart as an attachment.

Answer List: *Completed (0); Not Completed (0)*

Notes to Auditor: Player First SID # iTrak Subject File Created Media in Itrak (ID) PGF Account iTrak STATUS Buy-ins Account Info/value Account Status Account Activity

8: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Cage – Patron Gaming Funds Accounts procedures.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Review CRS during audit period.

9: Review iTrak to ensure that duplicate subject profiles do not exist.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

10: iTrak Participant File & ID Check (iTrak Participant File & ID Check.xlsx)

Procedure 2: BCLC Operational Gaming Auditor Quarterly Review - Documentation

Tests & Linked File

1: Ensure that Signature cards have been created, attached, maintained on file for "each" account holder.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review the PGF Account files (Original PGF Account Application and Account Operating Agreements) to ensure that a copy of the patrons acceptable identification is present.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Notations on the patron profile card of appropriate 'know your client' details. Ensure that the patron profile card is complete.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Declaration of Source of Funds

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Ensure that tri-part receipts are available for PGF patron transactions and reconcile a sample against actual transactions

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: Required Records - New PGF Accounts (Patron Gaming Fund P1 - Account Opening Records.docx)

Procedure 3: BCLC Operational Gaming Auditor Quarterly Review - Account Review

Tests & Text Field

1: Only individuals can open PGF Accounts. PGF Accounts are not available in joint names or for corporations.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review all PGF Accounts opened during the period under review to ensure that initial deposits were completed as per approved BCLC policy

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: **OBTAIN TRUST ACCOUNT PAPERWORK FROM CAGE**

NEGOTIABLE INSTRUMENTS ELIGIBLE FOR SUBSEQUENT DEPOSIT

The definition of a table game 'verified win' is defined as the cash out minus the buy in.

A slot machine cancelled credit is not a slot jackpot.

A slot machine ticket or an accumulation of a number of slot machine tickets does not constitute a 'verified win'.

Acceptable negotiable instruments (EFTs, wire transfers, bank drafts or certified cheques) shall only be drawn in Canadian funds issued from a registered Canadian financial institution;

No third party negotiable instruments may be accepted except in the case of a 'verified win' cheque from a BC Casino owned and operated by the same Service Provider.

3: Credit is not be extended to patrons with PGF accounts; to ensure that this is not bing done review Trust Account documentation to ensure that all PGF accounts maintain a positive balance at all times

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Compare the cash transactions recorded in CMS with the Trust Account during the period under review to ensure that all such transactions were recorded in the CMS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Electronic Fund Transfers (EFT) or Wire Transfers are not required to be recorded in CMS

5: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Review all PGF Account Activity for the period under review to ensure that all withdrawals were conducted as per BCLC Standards, Policies and Procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

7: Review all PGF Account Activity for the period under review to ensure that all re-deposits were conducted as per BCLC Standards, Policies and Procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

8: If an account is inactive for one (1) year and no direction has been received from the patron, Service Provider shall contact the patron to ascertain patron's wishes. If no direction is received from the patron, or patron cannot be contacted the account shall be closed.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

9: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Cage – Patron Gaming Funds Accounts procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Review CRS during audit period.

10: Initial deposit for opening of account must be either by bank draft, certified cheque, cheque from a Canadian casino, wire transfer, electronic funds transfer (EFT), debit card transaction, or internet banking transfer from an authorized personal bank account or with cash or chips from a 'verified win' issued at the same casino opening the account. Conditions as per NEGOTIABLE INSTRUMENTS ELIGIBLE FOR SUBSEQUENT DEPOSIT apply.

Procedure 4: As part of the PGF Account criteria, Service Providers shall follow Notification Levels established by BCLC as may be amended from time to time. Notification levels when accepting negotiable instruments or withdrawals shall be as follows:

Tests

1: Casino Shift Manager shall be notified when cashing any negotiable instrument up to \$50,000

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Casino Manager or designate shall be notified when cashing any negotiable instrument up to \$100,000

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Service Provider designated Site or Head Office staff shall be notified when cashing any negotiable instrument over \$100,000

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Cage Supervisor shall be notified of any EFTs or wire transfers received in or sent from the PGF Bank Account

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: BCLC Casino Site Operations Manager Daily Duties

Tests

1: Ensure that the CSOM is getting the results of the daily PGF balancing in a 'Daily PGF Balancing Report' that has been reviewed, and signed off by the site staff and that if there has been no PGF activity during the applicable gaming day, this shall be noted on the report before submission to the BCLC CSOM.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that the CSOM is getting weekly bank statements and that they are being reconciled against CMS entries

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that on a weekly basis the CSOM is getting a table or spreadsheet showing each transaction into and out of the account broken down by PGF account holder with applicable dates and monetary amounts.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: Is the Cage performing a daily review of all Patron Gaming Fund activity.

Tests

1: Inquire with the Cage to see if staff are conducting a review to ensure that financial records are accurate, reliable and prepared on a timely basis.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: BCLC Casino Investigator Daily Duties

Tests & Linked File

1: BCLC Security Investigator shall conduct a review, on a daily basis, of all Patron Gaming Funds Account activity and the Daily PGF Balancing Report to ensure accordance with reporting requirements for suspicious financial transactions/money laundering. See Cage – Large Cash Transactions.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that on a weekly basis the Investigators are getting a table or spreadsheet showing each transaction into and out of the account broken down by PGF account holder with applicable dates and monetary amounts.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that the BCLC Investigator is completing and signing the Casino Investigator PGF Account Opening

Checksheet (attached) each time a PGF Account is opened

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Effective 03 August 2012, the BCLC Casino Investigators have been directed to retroactively review all current PGF accounts with this checklist to ensure compliance. All new accounts opened from this date forward will be reviewed in the same manner.

4: PGF Account Opening Process Checklist - August 2012 (PGF Account Opening Process Review - August 2012.docx)

THIS IS **EXHIBIT "17"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Elements Casino

Patron Gaming Funds Review

January 2017

Distribution:

Pat ENNIS, Director, Executive Director, Corporate Security and Compliance, Great Canadian Gaming Corporation
Shauna GILLESPIE, Manager of Compliance, Great Canadian Gaming Corporation
Michael KIM, Director of Operations, Elements Casino
Rita MORENCY, Cash Cage Manager, Elements Casino
Ji-SOO LEE, Table Games Manager, Elements Casino
Laurie STEWART, BCLC Regional Operations Manager
Gurpreet BASRA, BCLC Business Operations Manager
Laird ROBINSON, BCLC Manager, Corporate Security & Compliance
Bal BAMRA, BCLC Manager, AML Intelligence
Ross ALDERSON, BCLC Director, AML & Investigations
Anna FITZGERALD, Director of Audit and Compliance, GPEB

Ali COX (Archived)
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

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

Scope

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

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

The Gaming Compliance Officer reviewed the relevant material from October 12, 2016 to January 31, 2017.

Current Findings

Policy	Finding	Status
BCLC Casinos Standards, Policies and Procedures: Section 3-8.3 Patron Gaming Funds Accounts Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, GMS, Service Provider trust accounts and associated paperwork, opening account paperwork and transactional paperwork and interviews with site staff and BCLC personnel	Partially Compliant	
Issue: Through discussion with the BCLC Manager of Business Operations (MBO) on January 30, 2017, it was noted that the Daily PGF Balancing Report is not sent to the MBO on a daily basis. The report is sent only when there is PGF account activity.		
BCLC CCGCSPP Section: 3-8.3, SS 2.8.4, SS 2.8.4.b (1) refers		
		Resolved
Action: The GCO spoke with the Cash Cage Manager on February 6, 2017, and discussed the requirement to send the Daily PGF Balancing Report to the MBO on a daily basis. Moving forward the report will be sent daily, as required. The Cash Cage manager will be implementing a training refresh for PGF policies for all Cash Cage Supervisors and managers, training to be completed by February 13, 2017.		
Issue: There was one (1) new PGF account opened during the period under review, October 12, 2016 to January 31, 2017. The GCO reviewed the CRS incident file and noted that the three (3) of the four (4) required documents were not scanned into the media: Completed account opening documentation review checklist Completed Account Operating Agreement		
		Resolved

Acceptable Identification produced (front and back)

BCLC CCGCSPP Section: 3-8.3, SS 3.1.1 refers

Action:

The GCO spoke with the Cash Cage Manager who will ensure the required documents are scanned into the CRS media file by February 2, 2017. Confirmed to be scanned as required.

Issue:

The GCO reviewed 100% of all PGF transactions recorded in the Patron TAS Client Ledger and reconciled to FINTRAC entries. It was noted that the table tracking card was not scanned into the LCT media file to substantiate play of withdrawn PGF funds in one (1) of five (5) LCTs.

BCLC CCGC SPP Section: 3-8.3, SS 3.16, 3.16.1.b refers

BCLC CCGC SPP Section: 3-8.1, SS 8.2.4, 10.7 refers

Action:

The GCO spoke with the Cash Cage Manager who was unable to obtain the tracking card from the tables department. The GCO emailed the Table games Manager requesting clarification by February 13, 2017. When a PGF account holder is gaming, the Shift manager will be notified to ensure that all required documents are obtained from the tables department and transferred to the cage as required. This was an isolated incident and staff will be informed of the required procedures to follow during the PGF training refresh course to be completed by all Cash Cage Supervisors and Casino Shift managers by February 13, 2017.

Resolved

Update:

February 08, 2017

The Table Games Manager advised that the staff have been reminded not to misplace tracking sheets and to make sure to transfer to the cage to be scanned into the LCT media as required.

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

This PGF Q4 BCLC Compliance Review was conducted at the Elements Casino. There were three (3) issues identified during the course of this review, all of which were brought to the attention of the Cash Cage Manager and are in the process of resolution. Thank-you to management and staff for your assistance, everyone was very helpful.

THIS IS **EXHIBIT "18"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

Patron Gaming Funds Review

Linked Entities: Casinos

Patron Gaming Funds Review

Process: None

Policy 1: BCLC Casinos Standards, Policies and Procedures Section 3-8.3 - Patron Gaming Funds Accounts

Procedure 1: BCLC Operational Gaming Auditor Quarterly Review - iTrak Review

Tests & Linked File

1: Review subject profile within CRS.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review iTrak to ensure that an incident file has been created to document the opening of the account.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Compare 10% of the \$10,000+ transactions recorded in the patron's Trust Account during the period under review to ensure that all such transactions were recorded in the CRS FINTRAC Module

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Electronic Fund Transfers (EFT) or Wire Transfers are not required to be recorded in CMS

4: Review iTrak to ensure that a copy of the patron's ID is included in the media tab.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: BCLC Operational Gaming Auditor shall, at least quarterly, conduct a review of Patron Gaming Funds Accounts, comparing list of account holders to Voluntary Self Exclusion module and provincially barred patrons in CRS to ensure all voluntary self excluded patron's accounts have been closed.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Obtain the PGF Trust Entry Paperwork to obtain the Patrons Name.

7: Update - PGF Participant Site Info Chart. (continue from your last review, ensure it is updated) and attach chart as an attachment.

Answer List: Completed (0); Not Completed (0)

Notes to Auditor: Player First SID # iTrak Subject File Created Media in Itrak (ID) PGF Account iTrak STATUS Buy-ins Account Info/value Account Status Account Activity

8: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Cage – Patron Gaming Funds Accounts procedures.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Review CRS during audit period.

9: Review iTrak to ensure that duplicate subject profiles do not exist.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

10: iTrak Participant File & ID Check (iTrak Participant File & ID Check.xlsx)

Procedure 2: BCLC Operational Gaming Auditor Quarterly Review - Documentation

Tests & Linked File

1: Ensure that Signature cards have been created, attached, maintained on file for "each" account holder.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review the PGF Account files (Original PGF Account Application and Account Operating Agreements) to ensure that a copy of the patrons acceptable identification is present.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Notations on the patron profile card of appropriate 'know your client' details. Ensure that the patron profile card is complete.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Declaration of Source of Funds

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Ensure that tri-part receipts are available for PGF patron transactions and reconcile a sample against actual transactions

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: Required Records - New PGF Accounts (Patron Gaming Fund P1 - Account Opening Records.docx)

Procedure 3: BCLC Operational Gaming Auditor Quarterly Review - Account Review

Tests & Text Field

1: Only individuals can open PGF Accounts. PGF Accounts are not available in joint names or for corporations.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review all PGF Accounts opened during the period under review to ensure that initial deposits were completed as per approved BCLC policy

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: **OBTAIN TRUST ACCOUNT PAPERWORK FROM CAGE**

NEGOTIABLE INSTRUMENTS ELIGIBLE FOR SUBSEQUENT DEPOSIT

The definition of a table game 'verified win' is defined as the cash out minus the buy in.

A slot machine cancelled credit is not a slot jackpot.

A slot machine ticket or an accumulation of a number of slot machine tickets does not constitute a 'verified win'.

Acceptable negotiable instruments (EFTs, wire transfers, bank drafts or certified cheques) shall only be drawn in Canadian funds issued from a registered Canadian financial institution;

No third party negotiable instruments may be accepted except in the case of a 'verified win' cheque from a BC Casino owned and operated by the same Service Provider.

3: Credit is not be extended to patrons with PGF accounts; to ensure that this is not being done review Trust Account documentation to ensure that all PGF accounts maintain a positive balance at all times

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Compare the cash transactions recorded in CMS with the Trust Account during the period under review to ensure that all such transactions were recorded in the CMS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Electronic Fund Transfers (EFT) or Wire Transfers are not required to be recorded in CMS

5: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Review all PGF Account Activity for the period under review to ensure that all withdrawals were conducted as per BCLC Standards, Policies and Procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

7: Review all PGF Account Activity for the period under review to ensure that all re-deposits were conducted as per BCLC Standards, Policies and Procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

8: If an account is inactive for one (1) year and no direction has been received from the patron, Service Provider shall contact the patron to ascertain patron's wishes. If no direction is received from the patron, or patron cannot be contacted the account shall be closed.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

9: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Cage – Patron Gaming Funds Accounts procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Review CRS during audit period.

10: Initial deposit for opening of account must be either by bank draft, certified cheque, cheque from a Canadian casino, wire transfer, electronic funds transfer (EFT), debit card transaction, or internet banking transfer from an authorized personal bank account or with cash or chips from a 'verified win' issued at the same casino opening the account. Conditions as per NEGOTIABLE INSTRUMENTS ELIGIBLE FOR SUBSEQUENT DEPOSIT apply.

Procedure 4: As part of the PGF Account criteria, Service Providers shall follow Notification Levels established by BCLC as may be amended from time to time. Notification levels when accepting negotiable instruments or withdrawals shall be as follows:

Tests

1: Casino Shift Manager shall be notified when cashing any negotiable instrument up to \$50,000

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Casino Manager or designate shall be notified when cashing any negotiable instrument up to \$100,000

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Service Provider designated Site or Head Office staff shall be notified when cashing any negotiable instrument over \$100,000

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Cage Supervisor shall be notified of any EFTs or wire transfers received in or sent from the PGF Bank Account

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: BCLC Casino Site Operations Manager Daily Duties

Tests

1: Ensure that the CSOM is getting the results of the daily PGF balancing in a 'Daily PGF Balancing Report' that has been reviewed, and signed off by the site staff and that if there has been no PGF activity during the applicable gaming day, this shall be noted on the report before submission to the BCLC CSOM.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the CSOM is getting weekly bank statements and that they are being reconciled against CMS entries

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure that on a weekly basis the CSOM is getting a table or spreadsheet showing each transaction into and out of the account broken down by PGF account holder with applicable dates and monetary amounts.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: If a discrepancy is noted are the BCLC Casino Investigators notified.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: Is the Cage performing a daily review of all Patron Gaming Fund activity.

Tests

1: Inquire with the Cage to see if staff are conducting a review to ensure that financial records are accurate, reliable and prepared on a timely basis.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 7: BCLC Casino Investigator Daily Duties

Tests & Linked File

1: BCLC Security Investigator shall conduct a review, on a daily basis, of all Patron Gaming Funds Account activity and the Daily PGF Balancing Report to ensure accordance with reporting requirements for suspicious financial transactions/money laundering. See Cage – Large Cash Transactions.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that on a weekly basis the Investigators are getting a table or spreadsheet showing each transaction into and out of the account broken down by PGF account holder with applicable dates and monetary amounts.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure that the BCLC Investigator is completing and signing the Casino Investigator PGF Account Opening

Checksheet (attached) each time a PGF Account is opened

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Effective 03 August 2012, the BCLC Casino Investigators have been directed to retroactively review all current PGF accounts with this checklist to ensure compliance. All new accounts opened from this date forward will be reviewed in the same manner.

4: PGF Account Opening Process Checklist - August 2012 (PGF Account Opening Process Review - August 2012.docx)

THIS IS **EXHIBIT "19"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Chances Fort St. John

BCLC OGC AML Compliance Review

June 2018

Distribution:

Jason MORRIS (General Manger, Chances Fort St. John)
Bruno BOURASSA (Director of Operations, Chances Fort St John)
Paul BYSTROWSKI (Manager Business Operations - Casino and Community Gaming, BCLC)
Amit KARWAL (Senior Tech - Chances Fort St. John, BCLC)
Laurie STEWART (Regional Manager - Casino and Community Gaming, BCLC)
Laird ROBINSON (Manager, Corporate Security and Compliance, BCLC)
Cathy CUGLIETTA, (Compliance and Trend Analyst, BCLC)
Daryl TOTTENHAM (Manager, AML Programs, BCLC)
Bal BAMRA (Manager, AML Intelligence, BCLC)
Anna FITZGERALD, (Director, Compliance, GPFB)

Rick HUNTER
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

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

Scope

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

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

The Gaming Compliance Officer reviewed the relevant material from March 1, 2018 to June 11, 2018.

Current Findings

Policy	Finding	Status
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General</p> <p>Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site</p> <p>Issue:</p> <p>A site specific shared drive, accessible for some Service Provider Staff and Supervisors that was reported to be the source of research for any queries of the BCLC CCGCSPP's, including AML related queries, was found to hold outdated BCLC CCGCSPP's. As such, this is not in full alignment with the requirements of the BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1.4 General (RESPONSIBILITIES OF SERVICE PROVIDERS)</p>	Partially Compliant	Resolved
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information</p> <p>Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies</p>	Compliant	

Action:

The Director of Operations was informed of this finding, to whom has updated this shared drive with the current BCLC CCGCSPPs. The General Manager was subsequently informed and asked to ensure that this shared drive is updated in a timely manner when BCLC NTI's become into effect to ensure that staff have access to the current BCLC CCGCSPP's.

<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance</p> <p>Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff</p>	Compliant
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations</p> <p>Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports</p>	Compliant
<p>BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports</p> <p>Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff</p>	Partially Compliant
<p>Issue:</p> <p>A sample review of 50 of the 163 LCTs created at this site during this review period noted discrepancies between what was entered into the CRS FINTRAC Module vs. the Disbursement Page that was scanned into that LCT in relation to: Times, Occupation and a missing Attestation Signature on a Disbursement Page. As well, Special Notes completion for Service Provider Cheque issuance in relation to a sample of LCTs reviewed were not being consistently completed or not fully completed. As such, this is not in full alignment with the requirements of the BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section: 3-8.1 Cage - Large Cash Transactions/ Casino Disbursement Reports.</p>	
<p>Action:</p> <p>This finding was discussed with the Director of Operations and the General Manager on June 14 & 15, 2018 to whom will follow up with Cage Staff involved in LCT creation and Disbursement page completion to ensure that these findings are known, noted and corrected going forward. The BCLC Investigator was also advised of this finding.</p>	
Resolved	
<p>Update:</p> <p>July 31, 2018</p> <p>A sample review of 5 LCTs created between July 18 - 23, 2018 to assess follow up to this finding noted no further findings in relation to this matter, therefore this issue will be deemed as "Resolved" and will be again reviewed in the next scheduled related AML Review.</p>	
<p>July 17, 2018</p> <p>A sample of 10 (ten) recent LCTs created at this site from July 5-17, 2018 were reviewed to assess this finding noting 1 (one) LCT had what appeared to be incorrect time format recorded on a Disbursement Page for transactions occurring after midnight. A message has been left for a Casino Manager to update. The BCLC Investigator was also updated.</p>	
July 04, 2018	

A review of 6 (six) LCTs created at this site from June 16, 2018 to June 30, 2018 were sample reviewed which noted that this finding has not yet been fully resolved (times/date and Special Notes completion findings were noted). This update was discussed with a Casino Manager on July 4, 2018 for his follow up with Cage Staff. Ongoing monitoring will continue to the resolution of this matter. The BCLC Gaming Compliance Officer will add another "Update Note" to this finding on/before July 19, 2018 to report on progress made.

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

Issue:

Service Provider issued Cheques associated to a corresponding LCT created were checked finding no reference was noted to a cheque having been issued in the electronic FINTRAC Disbursements Notes field, however the Disbursements Method field did show the payment as being a Cheque. This does not appear to be in full alignment with the requirements of the BCLC CCGCSP's Section: 3-8.1.9.1.3 Cage - Large Cash Transaction, Foreign Exchange and Disbursement Reporting (DISBURSEMENTS)

Action:

The Director of Operations and the General Manager were informed of this finding on June 13 & 15, 2018 to whom will follow up with Cage Staff responsible for entering LCT's into the electronic FINTRAC Module to ensure that this step is not overlooked for future LCTs that incorporate Service Provider Verified Win cheques as part of the Disbursements. The BCLC Investigator was informed and this finding will be followed up by the BCLC Gaming Compliance Officer on/before July 5, 2018.

Update:

July 31, 2018

The GMS; Cage; Cheques Account was checked for cheque entries made from July 7-30, 2018 noting no entries, which indicated that no Service Provider cheques had been issued during this time period. As it appears that the Service Provider doesn't issue many Cheques, and considering the follow up previously done in relation to this finding, this Issue will be deemed as "Resolved" for now to avoid keeping it open for a lengthy period of time AND this will be again reviewed in the next scheduled related AML Compliance Review and assessed accordingly at that time.

Resolved

July 19, 2018

Two (2) Cheques issued by the Service Provider between July 2-6, 2018 noted that 1 (one) of those Cheques was entered correctly into the related LCT, however the other was not fully recorded into the corresponding LCT, as required and related to this initial finding. A Casino Manager was reminded of the related requirements. The BCLC Gaming Compliance Officer will continue to follow up on this finding and will add another "Update Note" to this finding on/before August 1, 2018 to assess progress made.

July 04, 2018

A review of 7 (seven) Verified Win Cheques issued at this site from June 12, 2018 to June 30, 2018 were reconciled to any associated LCT created, which noted that this finding has not yet been fully resolved. This update was discussed with a Casino

Manager on July 4, 2018 for his follow up with Cage Staff. Ongoing monitoring will continue to the resolution of this matter. The BCLC Gaming Compliance Officer will add another "Update Note" to this finding on/before July 19, 2018 to report on progress made.

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

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

Issue:

From information currently available, it appears that the Cage does not have a process in place to track TITO tickets purchased and printed from the Cash Cage, which is not in full alignment with the requirements noted in the BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.1.1.2.2 Cage - Ticket In, Ticket Out (TITO) Ticket Purchases (GENERAL),

Action:

This finding was discussed with the Director of Operations on June 14, 2018 as well as with the General Manager on June 15, 2018 to whom will ensure that an effective tracking method is in place to support this section of Policy in support of FINTRAC regulations. The BCLC Investigator was also informed. The BCLC Gaming Compliance Officer will follow up on this finding on/before July 5, 2018.

Resolved

Update:

July 04, 2018

On June 27, 2018 the General Manager provided a copy of a Cage Memo (dated June 20, 2018) along with a copy of the Debit Transaction tracking log used to track the purchase of TITO Tickets purchased at the Cash Cage. Based on this information and action taken, this finding is deemed "Resolved" at this time. Ongoing follow up will continue during the next site visit.

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

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

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

This FY18/19 Term 1 AML Compliance Review conducted at Chances Fort St. John was based on staff interviews and record reviews which appeared to indicate that the Service Provider was working closely to the requirements of the applicable Policies & Procedures assessed within this review, with the noted Compliance Issues created. All findings were reviewed with Service Provider Management and the BCLC Investigator. The BCLC Gaming Compliance Officer will follow up on the Out Standing Issues to resolution.

BCLC SPP Exceptions: 2
PCMLTFA Exceptions: 2
Unresolved Exceptions: 3

THIS IS **EXHIBIT "20"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

BCLC OGC AML Compliance Review

Linked Entities: Casinos
Community Gaming Centres

BCLC OGC AML Compliance Review

Objectives:

Please delete any Policies, Procedures or Tests that are not applicable to the site being reviewed and list the policy here as well as a statement of your rationale for deletion. If you are unsure as to how to delete a section please refer to the "MKI 9.0 How Tos" document in the "OpGamAuditors/MKInsight/MKI 9.0/HOW TOs" folder.

Notes:

This review is to be conducted quarterly.

Process: None

Policy 1: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-1.1 General

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site

Procedure 1: Casino Service Providers shall be responsible for maintaining vigilance of the BCLC Standards, Policies and Procedures section on www.bclc.biz (Extranet) and for the implementing of all posted BCLC Standards, Policies and Procedures additions, deletions or amendments by the stated implementation date.

Tests & Linked File

1: +++ Ask the Cash Cage Shift Manager/ Supervisor, Table Games Shift Manager/ Floor Manager, and Slot Shift Manager/ Supervisor to produce the most current BCLC Casino Standards, Policies and Procedures relevant to Large Cash Transactions and Cheque Issuance.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: The BCLC Standards, Policies and Procedures may be incorporated into a Service Provider's Company Policies and Procedures

2: Enhanced AML Procedures (Enhanced AML Procedures - AML.docx)

Policy 2: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.1 General - Privacy and Protection of Personal Information

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies

Procedure 1: BCLC and Service Providers must collect, use, retain, disclose, safeguard and dispose of Personal Information of players in accordance with applicable laws.

Tests

Date: 10/6/2020

Created by: Jeff MULLAN

2 / 23

1: +++Review the Service Provider's procedures for instances in which patrons' personal information is collected when reaching the \$9,000 threshold, and where those patrons ultimately do not reach the \$10,000 threshold within 24 hours of the first transaction, or in non-24 sites, by the end of the operating day. Ensure that information is not collected and stored unnecessarily.\\

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Patron identification/ details must be collected upon reaching the \$9,000 transaction threshold, however it cannot be kept if the patron has not reached \$10,000 in transactions within 24 hours of the first transaction (or the end of the operating day in non-24 hours sites). Service Providers should be storing the patron's ID in a secure area until it is known whether an LCTR will be created. If the \$10,000 threshold is not reached within the allotted time frame, the patron's information should be disposed of securely (i.e. deleted and/ or shredded)

In order to avoid unauthorized collection of private information, CRS Subject Profiles should not be created by the Service Provider until such time that the \$10,000 threshold has been reached.

Policy 3: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-2.3 General - FINTRAC and Anti-Money Laundering Compliance

Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff

Procedure 1: LCTR - Suspicious & Unusual Financial Transactions

Tests

1: Through review of CRS Incident Files and discussion with the Service Provider, determine whether any Unusual or Suspicious Financial Transactions have occurred during the period under review. If there has been one or more incidents, mark this test as "Compliant" and complete the remaining tests. If there has not been any such incidents, mark this test as "Not Assessed", interview casino personnel to assess their knowledge of the key indicators and required procedures for these type of incidents, and then score the remaining tests based on the response(s) you receive.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Does staff refuse to complete transactions which appear suspicious? Are suspicious activities reported to an immediate supervisor?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Is an LCTR/ CDR generated for suspicious activity (where applicable)?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: *NOTE* Only those suspicious transactions that meet or exceed the current LCTR reporting

thresholds require an LCTR. Any suspicious financial transactions that involve dollar amounts below the reporting thresholds do not require the creation of an LCTR (in fact, the CRS system will not permit the creation of an LCTR in this circumstance). An Incident File and Section 86(2) Report are all that the Service Provider is required to create in these circumstances.

4: Is the patron in question advised that they are being suspected of a suspicious transaction? (Note: it is a criminal offence to do so)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Is an Incident Report generated documenting all available information?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Are the following personnel informed of all suspicious transactions: BCLC Director, AML & Operational Analysis and BCLC Manager, Investigations

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Check Incident File to ensure that the Service Provider has notified BCLC and GPEB via Section 86(2) Report of all suspicious financial transactions

Review Itrak IN File 20160002591 to ensure that all suspicious financial transactions investigated at the site during the audit period have been reviewed by the GCO

7: If the UFT involved cashing out after minimal play, ensure that the patron was paid out in the same denominations that they bought in with or with a Convenience Cheque

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 2: Unusual financial transactions may or may not be reportable as suspicious financial transactions in relation to money laundering. These transactions are subject to an Incident Report in CRS.

Tests , Text Field & Linked File

1: Gaming Compliance Officers are required to review Large Table Buy-In Transactions (which are CPV in GMS) to ensure that those transactions that meet the indicators (see attachments below) are reported as Unusual Financial Transactions in the CRS.

100% of all such transactions, that have not already been reported in the CRS, up to a maximum of 50 per quarter are to be reviewed. Included in this review is PGF Transactions comparing redeposits for verified wins to the Trust Account (10%).

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: This review is to be done on a monthly basis with any discrepancies being reported immediately to the BCLC Investigator and all results detailed in the quarterly AML Review. Please use the attached Excel spreadsheet to document which transactions have been

reviewed.

- 2: All Suspicious Financial Transactions must be reported to FINTRAC within 30 days of identifying them
- 3: UFT Review Tracking Spreadsheet (UFT Review Tracking Spreadsheet.xlsx)
- 4: Suspicious Transaction Indicators (Suspicious Transaction Indicators.docx)
- 5: Risk Indicators Chart - AML (Risk Indicators Chart.pdf)

Procedure 3: Anti-Money Laundering (AML) training is mandatory as part of the on-boarding process for all Service Provider staff who have contact with clients, who see client transaction activity, who handle cash or funds in any way or who are responsible for implementing or overseeing the compliance regime with the exception of janitorial or food and beverage staff.

Tests , Text Field & Linked File

1: Review the attached checklist to assess compliance with the requirements. Record any confirmed discrepancies in the text field below

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: ***Assess understanding of staff knowledge by asking a sample of Supervisory and non-supervisory frontline staff (including Surveillance) what their understanding is of the following:

What a LCT is and what the thresholds are
What an UFT is and what the thresholds are
What a CDR is and what the thresholds are
What the Reasonable Measures form is and when is it completed

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: ***Assess understanding of staff knowledge by asking a sample of Supervisory and non-supervisory frontline staff (including Surveillance) to give you five indicators of possible suspicious financial activities/transactions (refer to attached file below).

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Non-supervisory casino personnel may work under the direct (1:1) supervision of a GPEB-registered management representative or training supervisor who has completed the current BCLC Anti-Money Laundering (AML) training, for a period not to exceed one (1) operating day, during the employee's initial job training period.

5: List All Discrepancies & Report to BCLC Compliance & Trend Analyst

6: List the full names and titles of staff assessed here:

7: List the full names and titles of staff assessed here:

8: Suspicious Transaction Indicators (Suspicious Transaction Indicators.docx)

Policy 4: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 1-5.1 General Customer Service Standards and Expectations

Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports

Procedure 1: Are cheques only issued for verified wins, return of gaming funds up to \$10,000, or return of PGF Funds? Are electronic gaming device jackpot wins verified through Last Game Recall or slot jackpot verification through the slot management system?

Tests

1: +++Review each cheque issued during the audit period to ensure the required jackpot documentation(GMS Transaction Slip, Table Tracking Sheet) is attached to the cheque/stub copy

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Definition of Verified Win

“Verified Win” means the casino employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game or a jackpot on an electronic gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize.

Except for Table Game Jackpots, a Table Game verified win is defined as the cash out minus the buy-in

Procedure 2: Are cheques issued for Verified Wins on Table Games supported and documented correctly? Do table tracking cards support the win?

Tests

1: +++Review each cheque of \$25K or more issued for a Verified Table Win during the review period. Ensure that there is a corresponding LCT, table tracking cards are attached to the LCT and that the tracking cards justify the issuance of the Verified Win Cheque. Note: Verified Win Cheques should be reconciled against the VerfWin account in GMS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Ensure that tracking cards contain legible signatures/name as well as GPEB numbers

Policy 5: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section: 3-8.1 Cage – Large Cash Transactions/ Casino Disbursement Reports

Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff

Procedure 1: Are buy-ins, cash outs, and/or jackpots \$10,000 and over as well as foreign exchanges over \$3,000 CDN equivalent recorded on an LCTR/CDR?

Tests & Text Field

1: Review all LCTR's/CDR's (to a maximum of 50) created in the Itrak LCT/Fintrac Module during the period under review. Additional LCTR/CDR may be reviewed as deemed necessary and relevant by the GCO.

Answer List: Completed (10); Not Completed (0)

2: +++Check each LCTR/CDR to ensure all transactions are recorded on the form as required

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: NOTE: Please ensure that no non-cash transactions are recorded on LCTs. Transfers of chips to and from PGF accounts are not to be included on LCT records as well as transactions involving bank drafts.

4: NOTE: all tests in the following Procedures, regarding the completion of LCT and CDR, are to be based on the sample reviewed in this Procedure

Procedure 2: Reasonable measures shall be undertaken to determine and document ownership of funds

Tests , Text Field & Linked File

1: Interview staff to ensure that they understand the "Reasonable Measures" requirements

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review completed Reasonable Measures Templates to ensure compliance as detailed in the attached document.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: As per the Jan 10-18 SOF Directive, ensure that receipts for any buy-ins of \$10K or more scanned into the media portion of the LCT module and that they contain all required information

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: List names and titles of staff interviewed here:

5: Reasonable Measures Requirements (Reasonable Measures Requirements - AML.docx)

6: SOF DIRECTIVE - FINAL 2018-01-10 (SOF DIRECTIVE - FINAL 2018-01-10.pdf)

Procedure 3: Are patrons asked to produce acceptable identification upon reaching \$9000.00 in total buy-ins or if an additional request for buy-in would reach or exceed the reportable threshold of \$10,000.00?

NOTE: Patron can continue to play and buy-in until such time as the requested buy-in would cause the reporting threshold to be reached, at which time the buy-in shall be refused until identification is produced

Tests

1: Discuss with Service Provider staff to determine whether this is happening.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Personal information of the patron must be obtained before the patron reaches the LCTR reporting threshold.

If the patron refuses to provide the identification when asked, further transactions shall not be completed

An Incident Report in CRS shall be completed detailing the particulars of the patron's refusal.

Procedure 4: Is the Service Provider tracking accumulated or third party transactions within the current gaming date (at facilities with closing hours) or static 24-hour period (in 24-hour facilities)?

Tests

1: Review LCTR's/CDR's and interview Service Provider to ensure the staff are aware of this requirement.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: For clarity, a 'static period' begins with the patron's first transaction, and

- In a continuously running site, ends 24 consecutive hours after the first transaction;
- In a non-continuously running site, ends at the close of operational hours.

Procedure 5: Are the LCTR's/CDR's being entered into iTrak within the required time frame?

Tests

1: +++For each LCTR selected for inspection, ensure that the dates within the "Transaction Date" and "Date Created" fields are no more than 72 hours apart

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: Is all required documentation attached to each LCTR/CDR?

Tests & Text Field

1: Inspect electronic LCTR's to ensure that the patron tracking card used in the process of tracking buy-ins and cash-outs is scanned into the Media tab of the electronic fintrac entry record

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Where a cheque has been issued to the patron for a table game win, ensure the pit tracking sheet (or copy thereof) is attached and that all transactions on the tracking sheet match those listed on the LCTR

2: NOTE TO GCO: if the required tracking documents are missing and cannot be readily found, please escalate this to the AML Investigator for further review

Procedure 7: Is all ID provided for LCTR/CDR purposes scanned into the Media tab of the patron's Subject Profile?

Tests

1: For each LCTR/CDR selected for review, check the Media tab of the patron's Subject Profile to ensure that the details on the scanned image of the ID match the information recorded within the "Details" tab of the Subject Profile.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: For patrons with multiple LCTs, has ID been updated and documented as such in the Subject Profile comments (updated every 2 years for repeat patrons and every 18 months for High Risk Patrons)?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 8: Is all ID provided for LCTR/CDR purposes issued by government and valid at the time of the transaction?

Tests

1: For each LCTR/CDR selected for review check the transaction date, and check the expiration date on the scanned image of the ID in the Subject Profile to ensure that the ID was valid at the time of the transaction

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 9: If a foreign address is given but the patron is known to be gaming at the site often enough such that patron does not appear to be a visitor, a local resident address shall also be obtained.

Tests

1: Interview Service Provider and review Itrak LCTR's/CDR's to determine whether any applicable incidents have occurred

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 10: Are the LCTR's/CDR's being completed correctly with all required information?

Tests & Linked File

1: +++Review the attached list to ensure that all LCTR's/CDR's are being completed with all required information.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: If the patron has incurred an LCTR previous to the form under review, it is permissible for the Service Provider to write "ON FILE" through the details portion of the hard copy LCTR, as long as the patron's name and any casino LCT, CRS subject profile reference number, or VIP reference number is written on page 1 of the LCTR

2: Information Required on LCTR's (Information Required on LCTR's - AML.docx)

Procedure 11: For LCTR's/CDR's created in relation to major merchandise prizes (i.e. Race to Win Vehicle Prize), are the following steps completed?

Tests

1: +++In the Disbursement Method Entry form in the iTrak FINTRAC file, does the "'Other' disbursement method" field contain specification that this is a merchandise prize?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: NOTE: It is not necessary for the Service Provider to seek out the exact MSRP price of the vehicle.

Procedure 12: Issues identified by the BCLC Investigator are to be tracked via MKInsight

Tests & Text Field

1: Confirm with the BCLC Investigator that the monthly review of randomly selected PGF Accounts has been completed and any issues have been documented in their review of LCT records.

Answer List: *Completed (10); Not Completed (0)*

2: If issues were identified by the BCLC Investigator, create an Orphan Issue and document that you have done so in the test above. Please include the unique issue number in your comments.

Policy 6: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-8.3 Cage – Patron Gaming Funds Accounts

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

Procedure 1: Determine whether any EFTs have been processed by the Cage

Tests & Text Field

1: Speak to Cage Staff

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that the EFT was only accepted as part of a PGF deposit

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Review iTrak Incident files

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Ensure that the transaction is documented correctly on the associated LCTR

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: All EFT transfers must be to a PGF account holder, if the site is not approved to offer PGF accounts and there has been no EFT accepted contrary to policy; mark all tests as not applicable

Procedure 2: Service Provider Operating Procedures

Tests

1: Interview staff to assess knowledge of the following notification levels for authorized deposits, negotiable instruments or authorized withdrawals:

Casino Shift Manager - notified when cashing any negotiable instrument or authorized deposit up to \$50,000

Casino Manager or designate - notified when cashing any negotiable instrument or authorized deposit up to \$100,000

Service Provider designated Site or Head Office staff - notified when cashing any negotiable instrument or authorized deposit over \$100,000

Cage Supervisor - notified of any EFTs, wire transfers or internet banking transfers received in or sent from the PGF Bank Account

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that tri-part receipts are available for PGF patron transactions and reconcile a sample against actual transactions

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: Some Patron Gaming Fund procedures directly impact AML considerations

Tests

1: Compare 10% (to a maximum of 30 transactions) of the \$10,000+ transactions recorded in the patron's Trust Account during the period under review to ensure that all such transactions were recorded in the CRS FINTRAC Module

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that table tracking cards are retained to substantiate play of withdrawn PGF funds

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Patrons who have withdrawn funds for gaming from PGF Accounts may re-deposit up to the exact amount withdrawn after any period of continuous play after the withdrawal. If play cannot be substantiated, re-deposit shall not be accepted.

3: Review all PGF Accounts opened during the period under review to ensure that initial deposits were completed with an acceptable Negotiable Instrument

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Patron Gaming Funds Accounts procedures.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: Review paperwork from any Internet Banking Transfers to ensure that they are from an account owned by the patron and that they are not joint accounts and that the site followed due diligence as per their IBT policies

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: Review any transactions of monies transferred by patrons from a U.S. financial institution are first transferred to a Service Provider corporate trust account until clearance for use by the receiving Canadian bank is received

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 7: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.2 Cage – Certified Cheques

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

site staff

Procedure 1: Interview Service Provider staff to ensure the following:

Tests & Linked File

1: +++Review the Bank Draft/Certified Cheque Verification Checklist and attached document to assess compliance with the cheque cashing procedures

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Cashiers may accept certified cheques issued in Canadian currency only.
Personal cheques or third party cheques shall not be accepted or cashed at a casino.
A patron who has received a service provider cheque may cash it at the same casino.
Money orders shall not be accepted or cashed at a casino.
A certified cheque that has been endorsed by a third party shall not be accepted.

2: +++Review the attached checklist to assess the Staffs' awareness of certified cheque discrepancy indicators

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Certified Cheque Cashing Procedures - AML (Certified Cheque Cashing Procedures - AML.docx)

4: Certified Cheque Discrepancy Indicators (Certified Cheque Discrepancy Indicators - AML.docx)

Policy 8: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.4 Service Providers Cheques

Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff

Procedure 1: The GCO shall review 100% of all cheques issued during the review period up to a maximum of 100

Tests & Text Field

1: For Verified Win cheques, confirm that a photocopy of the table tracking card or the slot machine/electronic gaming device the jackpot printout from the slot management system or the marketing promotion

transaction slip from GMS has been attached to the cheque stub or the photocopy of the cheque as evidence of the verification of the win

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: NOTE TO GCO: if the required tracking documents are missing and cannot be readily found, please escalate this to the AML Investigator for further review

3: REQUIRED: GCO's are required to either attach a document listing in detail what cheques they have reviewed or add the following information in the Findings section of this test: Starting number of cheques reviewed, Ending number of cheques reviewed and details that would allow an independent reviewer to re-create the review.

Procedure 2: Prior to the issuance of any type of cheque the patron must present acceptable identification unless the patron has a fully documented Subject Profile including scanned copies of current government issued ID, if the site is not asking for ID for established patrons test for compliance otherwise mark as not applicable

Tests

1: Ensure that Cage staff are reviewing iTrak to confirm the identity and status of the patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review cheques issued for existing patrons and confirm that SID numbers are being detailed on the GMS Cheque Issuance slip

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: For cheques issued to patrons in relation to Service Provider or BCLC promotions, is the marketing promotion transaction slip from GMS attached to the cheque stub or photocopy of the cheque?

Tests

1: +++Inspect the cheque copies/ stubs to ensure that appropriate documentation is present for any applicable cheques

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: +++Have any cheques been issued for slot machine cancelled credits (not permitted)?

Tests

1: Determine through review of cheque copies/stubs to ensure that the transaction slips attached to each cheque stub clearly indicate that the cheque was not issued for cancelled credits

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: +++Do Service Provider cheques have a duplicate copy and are the cheques issued in numbered sequence?

Tests

1: Inspect the documentation on file with the Service Provider.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: Does the Service Provider enter iTrak reports for issuance of replacement cheques?

Tests

1: Review the applicable GMS report to determine whether any replacement cheques have been issued. If replacement cheques have been issued, review iTrak Incident Files from the corresponding date to ensure that each such incident was reported

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Has each cheque issued to a patron been entered in GMS?

Tests

1: +++Obtain the Service Provider's Cheque Registry for the audit period and compare it to the applicable GMS report for the same period to ensure each cheque issued was recorded in GMS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Are all cheques that are issued as part of an LCTR recorded within the iTrak LCTR form as required?

Tests

1: +++Obtain the Service Provider Cheque Registry for the audit period and compare it to the iTrak LCTR's to ensure that any cheques issued as part of an LCTR were recorded as such within the "Pay-Outs" tab of the corresponding iTrak LCTR form.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 9: Does the name on the issued cheque match the name on the iTrak Subject Profile (if applicable) and the site's cheque register?

Tests

1: Review the applicable GMS report and compare it against the Cheque Register and (if applicable) the Itrak Subject Profile to ensure all documents correlate to the same transaction

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 10: Does the Service Provider issue cheques in numerical order?

Tests

1: Obtain the site's GMS report to ensure all cheques issued during the audit period are accounted for and were issued in numerical order.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Investigate any gaps in the numerical sequence of issued cheques to ensure that these were void or damaged cheques. The Cheque Registry will normally indicate this.

Procedure 11: Does the Service Provider check the iTrak Subject Module to ensure each cheque recipient is neither barred nor self-excluded prior to issuing a cheque for a verified win?

Tests

1: Interview the Service Provider to assess compliance with this requirement

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 12: If the site has cashed Service Provider cheques that were issued by a Canadian casino, interview the Cage personnel to ensure that the following steps were completed:

Tests

1: The issuing site is telephoned and asked to verify the cheque number, date of issuance, patron's name, dollar value, signatory, and ID details presented at the time of issuance

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: The patron is required to produce the same identification that was presented at the time the cheque was issued

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review cheques to ensure that if not already noted on the cheque by the issuing casino (other jurisdictions), whether the cheque is for a verified win or a return of funds;

If a return of funds cheque, whether the source of cash was identified and if so, note the source.
If the cash was not sourced, the cheque cannot be accepted or cashed.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 13: For cheques issued as "Return of Funds - Not Gaming Winnings"

Tests & Linked File

1: +++Review a sample of issued "Return of Funds" cheques and compare with the attached criteria

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that the Service Provider has established and authenticated the identity of the Customer by verifying and confirming the patron's name, DOB, home address, place of residence while in Canada, phone number, occupation and ID (passport if non-resident)

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Review issued Return of Funds cheques to ensure that only one cheque per patron per week has been issued and that none of the cheques are for more than \$10,000 (not applicable to PGF return of funds)

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Return of Funds Cheque Criteria (Return of Funds Cheque Criteria - AML.docx)

Policy 9: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-9.6 Cage – Hold Cheque Option

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

Procedure 1: 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).

Tests

1: +++Review GMS for any use of the Hold Cheque Option - if there are instances please continue with the following Procedures and Tests

Answer List: Completed (0); Not Completed (0)

Procedure 2: Initial agreements must include a number of steps

Tests

1: Was the Patron's credit rating confirmed via credit checks through Equifax, Central Credit and the bank holding the account on which the cheque was written

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that the agreement time did not exceed 14 days

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that the CSP is only issuing one agreement at a time per patron using this option

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Ensure that cheques held are only drawn from an account that is in a single individual's name through a Canadian Schedule I or Schedule II bank, credit union, or caisse populaire or a United States financial institution which is listed in the Top 50 Holding Companies list on the National Information Center website

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Ensure that cheques are dated for the same date of the agreement (not post-dated)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Ensure that cheques are for \$10,000 or more

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: Ensure that an CDR is created at the time of settlement of the cheque

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

8: Ensure that all other transactions, i.e. table buy ins, slot machine ticket purchases are noted in an Incident Report in CRS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

9: Ensure that cheques being held for the Cheque Hold Option are being secured in the Vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

10: Ensure the patron is not currently voluntarily self-excluded or barred

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 3: A Hold Cheque Option Ledger must be maintained at the Cash Cage and must document specific CDD/KYC information

Tests & Linked File

1: Review the attached document and compare with entries in the Hold Cheque Option Ledger

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: An Incident Report in CRS shall be created noting the customer profile, cheque amount and whether the cheque is drawn on a Canadian or U.S. financial institution, and must be updated on each occurrence of the hold cheque option and that all transactions, i.e. table game buy-ins, slot machine ticket purchases, payments pertaining to the hold cheque have been noted in the Incident Report

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure that the Service Provider has conducted a search of the anti-terrorist financing lists on the Office of the Superintendent of Financial Institutions (OSFI) website to ensure the individual is not present on the lists before offering the cheque hold option and that, if the patron has been found on the list, that the Hold Cheque Option has not been offered

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Hold Cheque Ledger (Know Your Customer) (Hold Cheque Ledger (Know Your Customer) - AML.docx)

Procedure 4: For initial deposits of cheques ensure that the Cage is following procedure

Tests

1: The Cage Supervisor must:

1. Ascertain the monetary amount available to the patron (the cheque must be for a monetary amount of at least \$10,000 or hold cheque option will not be offered)
2. Contact the person responsible for authorizing the amount (authorization name and signature shall be required on the Hold Cheque Option ledger)
3. Request acceptable identification, and make sure all CDD/KYC documentation is completed on the Hold Cheque Option ledger

The person(s) authorizing the hold cheque option must:

1. If not on site and readily available, authorize the acceptance of the hold cheque verbally and approve a designated Management or Supervisory position to complete the following or
2. Complete the agreement form with the patron, setting the terms for the time period the cheque will be held
3. Ensure the patron has understood and signed the agreement
4. Advise the Cage Supervisor the agreement is in place and authorize that the patron may draw up to the amount of the cheque for gaming play in the site (no withdrawals for play may occur until the authorization has been received by the Cage Supervisor)

The Cage Supervisor shall:

1. Complete a receipt of acknowledgement in duplicate for the entire amount of the cheque with one copy of the receipt given to the patron and one copy kept with the Hold Cheque Option ledger
2. Secure the cheque in the vault or sub-vault
3. Update the Incident Report in CRS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 5: The Service Provider Finance department shall notify Surveillance if any cheque appears to be not valid, dishonoured, fraudulent or suspicious and an Incident Report must be created

Tests

1: Review iTrak for any instances of irregularities with cheques that are being held.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: For any instances of irregularities with cheques held, ensure that an 86 report was created and submitted and that the BCLC Investigator was notified

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: For withdrawals at the Cage ensure that the Cage staff conduct the following procedures

Tests

1: If patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If patron will be playing electronic table games or slot machines, provide the patron with promotional IVS tickets for the amount requested

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure the patron signs the 'Withdraw Funds' GMS slip

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Present one copy of the 'Withdraw Funds' GMS slip to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Photocopy the remaining copy of the 'Withdraw Funds' GMS slip to include with the Hold Cheque Option ledger

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Retain the original 'Withdraw Funds' and both copies of the 'Purchase Tickets' GMS slips for inclusion with the daily paperwork

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: For Subsequent withdrawals:

The Cashier, under the direction of the Cage Supervisor, shall:

1. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in GMS for the withdrawals, with the patron's name included in the comments area (a corresponding 'Deposit Funds' transaction in the Hold Cheque Option account shall be processed when the cheque is settled or the cheque is deposited after the contracted period of time elapses)
2. If the patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process and follow Cage – Large Table Buy-in Procedures
3. If the patron will be playing electronic table games or slot machines, provide the patron with TITO tickets for the

amount requested

- Using the 'Issue TITO Ticket' in the GMS Cage application, print ticket(s) for the buy-in
- Tickets shall not be printed for more than \$1000
- Patron may purchase multiple tickets of \$1000 each
- 4. Ensure the patron signs the 'Withdraw Funds' GMS slip
- 5. Present one copy of the 'Withdraw Funds' GMS slip to the patron
- 6. Photocopy the remaining copy of the 'Withdraw Funds' GMS slip to include with the Hold Cheque Option ledger
- 7. Retain the original 'Withdraw Funds' slip for inclusion with the daily paperwork
- 8. Update the Incident Report in CRS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 7: For withdrawals for patrons at a table ensure that the Cage staff conduct the following procedures

Tests

1: At the time of the request the Dealer Supervisor contacts the cage to ensure the funds are available and contacts the Table Games Manager to attend at the gaming table

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: The Table Games Manager shall ascertain the amount the patron is requesting and proceed to the Cash Cage with the patron's request and the gaming table number at which the patron is playing.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: The Cage Supervisor shall contact a Security Officer to attend the cage to oversee the process and escort the Table Games Manager

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: The Cage Supervisor shall complete the Hold Cheque Option ledger for the amount requested, keeping a running total of the remainder of the funds available

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: The Cashier, under the direction of the Cage Supervisor, shall:

1. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in GMS for the withdrawals, with the patron's name included in the comments area
2. Follow Cage – Large Table Buy-ins procedure so the buy-in is attributed to the correct table for inclusion in net win/loss calculations (Exception – Dealer Supervisor's tracking sheet information shall be used to update the Incident Report in CRS instead of creating a FINTRAC Entry until final settlement of the cheque is completed)
3. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in CMS GMS for the withdrawals, with the patron's name included in the comments area
4. If cash is required, count the cash out in the presence of the Table Games Manager and Security Cage Supervisor
5. Complete the cash transfer slip as per Cage – Large Table Buy-ins procedure, and the following shall sign: Cage Supervisor, Cashier and Table Games Manager
6. If the patron is not an Encore Rewards member (i.e. CPV cannot be used), the cash and one copy of the cash

transfer slip will be secured in a sealed bag in cashier's drawer until transfer to vault and documentation on the Cashier Drop Buy-In Tracking Sheet shall be completed as per Cage – Large Table Buy-in procedures

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: The Table Games Manager shall:

1. Transport the remaining copy of the cash transfer slip (if applicable) and both copies of the GMS slip to the gaming table
2. Ensure the patron signs the GMS slip and witness the signing
3. Present one copy of the GMS slip to the patron;
4. Present the cash transfer slip or CPV slip to the Dealer Supervisor for the chip buy-in process as per Cage – Large Table Buy-ins procedure;
5. Transport the remaining copy of the signed GMS slip to the Cage

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: The Cage Supervisor shall:

1. Photocopy the GMS slip to include with the Hold Cheque Option ledger; and
2. Retain the original GMS slip for inclusion with the daily paperwork.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 8: Payment of Hold Cheque

Tests

1: Review cheques held or interview staff to ensure that cheques are either redeemed at the end of the contract or a new contract has been created for the remainder of the amount owing

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If the cheque is to be cashed ensure that the Cashier

1. Processes a 'Deposit Funds' transaction for the whole amount of the cheque in the account in GMS, noting patron name and 'final payment' in the comments area
2. Transfer the cheque to the main vault for inclusion in the bank deposit if the cheque has been held in a sub-vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: If the cheque is to be partially paid off with chips from patron's gaming proceeds and the rest paid with a new cheque ensure that the Cashier

1. Accepts and counts the chips from the patron
2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in GMS, noting patron name and 'payment' or 'final payment' in the comments area
3. Has the patron sign the GMS slip
4. Presents one copy of the GMS slip to the patron

5. Photocopies the remaining copy of the GMS slip to include with the Hold Cheque Option ledger
6. Retain the original GMS slip for inclusion with the daily paperwork
7. Accept the new cheque for the remainder of the outstanding balance of the original cheque from the patron, process a 'Deposit Funds' transaction for the new cheque total in the Hold Cheque Option account in GMS, noting 'final payment' in the comments area
8. Follow the procedures for transferring the new cheque to the vault and the bank deposit
9. Return the original cheque to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: If the cheque is to be paid off with chips from patron's gaming proceeds ensure that the Cashier

1. Accepts and counts the chips from the patron, ensuring the total amount of the original cheque is received
2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in GMS, noting patron name and 'final payment' in the comments area
3. Has the patron sign the GMS slip
4. Presents one copy of the GMS slip to the patron
5. Photocopies the remaining copy of the GMS slip to include with the Hold Cheque Option ledger
6. Retains the original GMS slip for inclusion with the daily paperwork
7. Returns the original cheque to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: In all cases ensure that the Cage Supervisor

1. Completes a Casino Disbursement Record for the final settlement in the FINTRAC Entry screen in CRS
2. Updates the Hold Cheque Option ledger, and notifies the Service Provider's authorization personnel the cheque is being deposited (if applicable) or has been returned to the patron and the ledger completed.
3. Updates the Incident report in CRS indicating the agreement is concluded and the amount of any disbursement

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Policy 10: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.1 Cage – Ticket In, Ticket Out (TITO) Ticket Purchases

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

Procedure 1: The Service Provider must track sales of TITO tickets to ensure compliance to AML regulations

Tests

1: Interview staff to determine if sales of these types of tickets are being tracked and ask to see the tracking method that is being used

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review GMS to ensure that tickets are not being generated for more than \$2,500 each

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 11: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 3-12.3 Cage – Mail In Electronic Gaming Ticket Redemptions

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

Procedure 1: Has the Service Provider issued any cheques for mailed-in IVS tickets?

Tests & Linked File

1: +++Review iTrak for applicable incident files and interview the Service Provider to determine whether any such cheques have been issued

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: If any cheques have been issued for mailed-in IVS tickets or chips, has the Service Provider completed all steps required in the attached document?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Mail-In Electronic Gaming Machine Ticket & Gaming Chip Redemption Procedures - AML (Mail-In Electronic Gaming Machine Ticket & Gaming Chip Redemption Procedures - AML.docx)

Policy 12: BCLC Casino and Community Gaming Centre Standards, Policies and Procedures: Section 5-1.1 Table Games – General Rules and Regulations

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

Procedure 1: The method to be used to track \$5,000 chips must be approved by BCLC prior to being implemented

Tests

1: Contact the AML team (Bal Bamra or Darryl Tottenham) and verify that the method they are using to track \$5,000 chips has been approved.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Review Player Tracking Cards and interview staff to ensure that \$5,000 chips are being tracked

Tests

1: Player Tracking Cards must note the following:

1. Individual tracking by patron
2. Subject ID (SID) or, if the patron has no SID, name of patron
3. Date of session
4. Time the patron arrives and begins playing and time the patron ends play and departs
5. Number of \$5000 chips patron introduces for play at table upon arrival
6. Number of \$5000 chips the patron has in their possession at time of leaving i.e. not cashed out
7. Additional comments
8. A summary of all \$5000 chips held by each patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: When players leave a high limit table are the Dealer Supervisors noting on the player tracking card the total dollar value of high value chips the player has in their possession?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Is there a process in place to ensure that the dollar amount of high value chips that the player cashes out at the Cash Cage it forwarded to the Dealer Supervisor for inclusion on the player tracking card?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

THIS IS **EXHIBIT "21"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Cascades Kamloops

BCLC OGC AML Assessment

September 2018

Distribution:

GPEB Commercial Gaming Audit Division
Robert CASE, General Manager, Gateway Casinos Inc.
Glenn ATCHISON, Manager Compliance, Gateway Casinos Inc.
Chris MASTERS, Director of Compliance & AML, Gateway Casinos Inc.
Dallia PEROVIC, National Director, Responsible Gaming and Casino Operations Training, Gateway Casinos Inc.
Gary PHILLIPS, Surveillance Manager, Gateway Casinos Inc.
Mark DICKENSON, BCLC Casino Investigator
Massimo CANONICO - BCLC Senior Technician
Brett LAWRENCE- BCLC Regional Operations Manager
Laird ROBINSON - BCLC Manager Corporate Security & Compliance
Cathy CUGLIETTA, AML Business Intelligence Analyst, BCLC
Daryl TOTTENHAM, Manager, AML Programs, BCLC
Bal BAMRA, Manager, AML Intelligence, BCLC

Tonya PETERS (Archived)
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of this assessment is to verify that the Service Provider is operating in compliance with BCLC Standards, and to identify matters which affect the integrity and/or security of the gaming operation and to document an appropriate resolution.

Scope

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

Interviews with gaming employees may have been conducted to obtain their comments and to determine their understanding of, and ability to apply, relevant BCLC Standards.

The Gaming Compliance Officer reviewed all, or samples of, relevant material from the period of July 1, 2018 to September 9, 2018.

Current Findings

Policy	Finding	Status
BCLC Standards: Article 1-1.2 Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Standards: Article 1-1.3 FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Partially Compliant	
Exception: On September 18, 2018 the Gaming Compliance Officer (GCO) reviewed the only Suspicious and Unusual Financial Transactions CRS incident file for the assessment period of July 1, 2018 to September 9, 2018 and found that the attached supplemental reports authored by the Security Manager and the General Manager respectively noted that they had verbally informed the patron that he was suspected of conducting suspicious transactions.		
The Service Provider is prohibited from informing a patron of this information.		No Longer Required
BCLC Standards Article: 1-1.3 (3.4) (3.41), refers.		

Action:

On September 20, 2018 the GCO contacted the Director of Compliance (DC) for Gateway Casinos and Entertainment Limited and informed her of the noted exception. The DC acknowledged the issue and indicated that she would review the related incident file and develop an action plan accordingly. The GCO agreed to summarize

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

the noted exception and related information into an email.

On September 24, 2018 the GCO sent an email to the DC outlining the noted exception with a request to provide a detailed action plan that includes how this particular exception will be resolved, and what measures will be put into place to avoid this from occurring moving ahead.

The BCLC Manager of AML programs was also notified of this exception.

On October 2, 2018 the GCO emailed the DC for an update and she immediately responded that the appropriate staff had been consulted and an action plan is forthcoming. The DC advised that she would update the GCO as soon as possible.

The GCO will follow-up with the DC no later than October 9, 2018.

Update:

November 20, 2018

On November 14, 2018 the GCO was informed through the Interim Assistant Manager, Operational Gaming Compliance that after further examination of the Proceeds of Crime and Anti-Money Laundering Act (Act) and FINTRAC guidelines by the BCLC AML team, BCLC concluded that the site's actions outlined in this exception did not constitute a violation of the 'Act'.

While it was found that the site informed the patron that he was suspected of conducting suspicious financial transactions contrary to the current wording outlined in BCLC Standards Article: 1-1.3 FINTRAC and Anti-Money Laundering Compliance', the staff did not alert the patron that his behavior or transactions within the Casino would be reported to FINTRAC. Although the 'reporting' element was not fully outlined in BCLC Standards, the 'Act' specifies that alerting a patron of 'FINTRAC reporting' forms part of the essential elements in determining if a violation has occurred.

The Interim Assistant Manager for Operational Gaming Compliance will follow-up with the BCLC Policy department to alert them of this finding.

On November 14, 2018 the GCO contacted Gateway's AML Director and informed him of BCLC's conclusion and intention to conclude this exception as 'no longer required'.

The GCO suggested that any further questions or inquiries pertaining to this particular incident or any other AML specific issues be addressed directly with the BCLC AML Manager.

November 13, 2018

On November 13, 2018 the GCO confirmed that the issue is still awaiting follow up from BCLC AML.

The GCO will update the issue by November 23, 2018.

October 25, 2018

On October 4, 2018 the GCO spoke with the Director of AML and Compliance for Gateway Properties Inc. about this noted exception.

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document
This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

After some lengthy discussion about the interpretation and application of this referenced policy and legislation, the GCO suggested that the Director consult with the AML Manager for BCLC prior to establishing an action plan. The Director committed to doing so and emailing the GCO with an update.

On October 22, 2018 the GCO received an email from the Director which stated, in part:

"In short, we drafted a couple different versions of the bulletin we intended to issue to all of our BC properties and sought verbal confirmation and eventually email confirmation that what was proposed was appropriate. As you can see, despite the bulletins being drafted based on verbal BCLC consultation, we have been advised by BCLC AML (Daryl, John and Bal) to NOT send the bulletin until a discussion can be had on this subject between BCLC and all Service Providers. As indicated to BCLC AML, I would therefore like to propose that this incident be revisited after the discussion between BCLC AML and SPs. This is the only way Gateway will be able to be certain of providing direction to our teams that we are confident meets BCLC's requirements"

On October 22, 2018 the GCO consulted with the Interim Assistant Manager for Operational Gaming Compliance for further direction.

October 03, 2018

On October 2, 2018 the GCO received a voice mail from the new Director of Compliance, Gateway Casinos & Entertainment Limited to discuss this identified issue. The GCO will follow-up this date.

BCLC Standards: Article 1-1.4 Large Cash Transactions, Foreign Exchange and Disbursement Reporting	Partially Compliant
Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	

Exception:

On September 18, 2018 the Gaming Compliance Officer (GCO) concluded a review of fifty (50) Large Cash Transaction Reports during the assessment period of July 1, 2018 to September 9, 2018 and found that four (4) of the respective transactions were reported into the iTrak LCT FINTRAC module outside of the seventy-two (72) hour requirement with no reasonable explanation being documented or found.

BCLC Standards Article 1-1.4 (14.1), refers.

Resolved

Action:

On September 18, 2018 the GCO spoke with the Cage Manager (CM) about the identified exception. The CM informed the GCO that she was already aware of the noted LCT's and had addressed the matter with the applicable Cage staff as soon she became aware of the reporting delay in early July.

The CM or on duty Cage Supervisory regularly reviews LCT's to ensure iTrak FINTRAC reporting requirements are met. The CM explained that these particular LCT's were largely related to the transition of new staff into the Cage at the onset of the strike action and it was immediately addressed through training and CM oversight.

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

The GCO confirmed that there were no other FINTRAC reporting delays outside of July 7 to July 9, 2018. The GCO is satisfied that the CM's initial response to the issue adequately resolved the identified exception and that all staff are aware of the reporting requirements.

This exception has been successfully resolved.

Exception:

On September 18, 2018 the Gaming Compliance Officer (GCO) conducted a review of fifty (50) Reasonable Measure Forms (RMF's) completed during the assessment period of July 1, 2018 to September 9, 2018 and compared them against their respective patron jackpot tracking record scanned into the iTrak FINTRAC LCT module.

The GCO found that six (6) RMF's contained errors that included: not clearly documenting the patron's answer, omitting the time that the reasonable measure (RM) question was asked, and asking the RM question too late and/or at incorrect thresholds. The GCO also found one (1) Large Cash Transaction report where the associated RMF was not completed.

BCLC Standards, Article 1-1.3 (2.5), refers
BCLC Standards, Article 1-1.4 (2.2) (2.2.1), refers

Action:

On September 18, 2018 the GCO discussed the noted exception with the Cage Manager and reviewed some examples of the discrepancies that were found. The Cage Manager advised that she would immediately communicate this information to all Cage staff and ensure that they are aware of the Reasonable Measure requirements and proper documentation of same.

Resolved

The GCO agreed to follow-up with the Cage Manager as soon as possible to ascertain the finalized action plan and result.

Update:

October 03, 2018

On October 2, 2018 the CM confirmed via email that all Cage staff reviewed the Reasonable Measures policy requirements and signed off acknowledging their understanding of how Reasonable Measures are to be undertaken and documented.

The CM further advised that moving forward they will review the Reasonable Measure Forms as part of their verification process to ensure that errors are corrected and addressed immediately.

This exception has been successfully resolved.

October 02, 2018

On October 2, 2018 the GCO emailed the Cage Manager for an update.

Exception:

On September 18, 2018 the Gaming Compliance Officer (GCO) concluded a review

Resolved

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

of fifty (50) Large Cash Transactions (LCT's) during the assessment period of July 1, 2018 to September 19, 2018 and found four (4) LCT's where the patron's subject identification required validation and no comments were added to the subject profile comments to show that the identification was validated by the site.

BCLC Standards, Article 1-1.4 (12.2)(12.2.1 (b)(c)), refers.

Action:

On September 25, 2018 the GCO met with the Cage Manager, Cage Cashier and Casino Shift Manager to discuss this noted exception. The GCO learned that Cage staff were using the SID validation button as a means of recording subject identification (ID) validation and/or ID verification and were not aware that there was a policy requirement to also add comments under the subject profile to for instances where subject ID validation was required (18months, 24 months).

The staff confirmed that for each LCT they are verifying the patron's identification by physically holding the ID, and always ensure that the subject profile contains all of the required information and that the subject ID is valid and not expired at the time of the transaction or cheque issuance.

The CM will immediately address this issue by speaking directly with all Cage staff and reviewing the policy requirement to add subject profile comments anytime they are validating ID.

This exception has been successfully resolved.

BCLC Standards: Article 2-1.16 Table Games – General Rules and Regulations Assessment of this section by the GCO may include, but is not limited to, reviews of CRS and Surveillance footage, inspections of Table forms and interviews of site staff	Compliant
BCLC Standards: Article 4-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant
BCLC Standards: Article 4-1.2 General - Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant
BCLC Standards: Article 6-1.19 Cage - Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Compliant
BCLC Standards: Article 6-1.25 Cage – Ticket In, Ticket Out (TITO) Ticket Purchase Assessment of this section by the GCO may include, but is not limited to, interviews of site staff and reviews of Cage tracking logs and GMS reports	Compliant

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

BCLC Standards: Article 6-1.27 Cage – Mail In Electronic Gaming Compliant
Machine Ticket or Gaming Chip Redemption
Assessment of this section by the GCO may include, but is not limited
to, reviews of CRS and GMS

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

This second quarter (2018) AML compliance assessment for Kamloops Cascades Casino found (4) four exceptions. Three (3) of the noted exceptions were immediately resolved by the Cage Manager and the remaining exception is being addressed by the Director of Compliance and AML for Gateway Casinos and Entertainment Limited. The Gaming Compliance Officer will follow-up on, or before, October 5, 2018.

Thank-you to everyone who assisted with this assessment and your prompt attention to resolving the identified issues.

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

6

THIS IS **EXHIBIT "22"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2



Working Paper Template

BCLC OGC AML Assessment

Linked Entities: AML Compliance Assessment



BCLC OGC AML Assessment

Objectives:

Please delete any Policies, Procedures or Tests that are not applicable to the site being reviewed and list the policy here as well as a statement of your rationale for deletion. If you are unsure as to how to delete a section please refer to the "MKI 9.0 How Tos" document in the "OpGamAuditors/MKInsight/MKI 9.0/HOW TOs" folder.

Process: None

Policy 1: BCLC Standards: Article 1-1.2 Privacy and Protection of Personal Information

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies

Procedure 1: BCLC and Service Providers must collect, use, retain, disclose, safeguard and dispose of Personal Information of players in accordance with applicable laws.

Tests

1: +++Review the Service Provider's procedures for instances in which patrons' personal information is collected when reaching the \$9,000 threshold, and where those patrons ultimately do not reach the \$10,000 threshold within 24 hours of the first transaction, or in non-24 sites, by the end of the operating day. Ensure that information is not collected and stored unnecessarily.\\

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Patron identification/ details must be collected upon reaching the \$9,000 transaction threshold, however it cannot be kept if the patron has not reached \$10,000 in transactions within 24 hours of the first transaction (or the end of the operating day in non-24 hours sites). Service Providers should be storing the patron's ID in a secure area until it is known whether an LCTR will be created. If the \$10,000 threshold is not reached within the allotted time frame, the patron's information should be disposed of securely (i.e. deleted and/ or shredded)

In order to avoid unauthorized collection of private information, CRS Subject Profiles should not be created by the Service Provider until such time that the \$10,000 threshold has been reached.

Policy 2: BCLC Standards: Article 1-1.3 FINTRAC and Anti-Money Laundering Compliance

Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff

Procedure 1: LCTR - Suspicious & Unusual Financial Transactions

Tests

1: Through review of CRS Incident Files and discussion with the Service Provider, determine whether any Unusual or Suspicious Financial Transactions have occurred during the period under review. If there has been one or more incidents, mark this test as "Compliant" and complete the remaining tests. If there has not been any such incidents, mark this test as "Not Assessed", interview casino personnel to assess their knowledge of the key indicators and required procedures for these type of incidents, and then score the remaining tests based on the response(s) you receive.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Are staff refusing to complete transactions, which are deemed suspicious?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Are unusual or suspicious activities reported to an immediate supervisor?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Is an LCTR/ CDR generated for suspicious activity (where applicable)?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: *NOTE* Only those suspicious transactions that meet or exceed the current LCTR reporting thresholds require an LCTR. Any suspicious financial transactions that involve dollar amounts below the reporting thresholds do not require the creation of an LCTR (in fact, the CRS system will not permit the creation of an LCTR in this circumstance). An Incident File and Section 86(2) Report are all that the Service Provider is required to create in these circumstances.

5: Have staff disclosed to the patron that they have made, are making or will make an Unusual Financial Transaction Report or Suspicious Financial Transaction Report, or disclosed the contents of such a report? (Note: it is a criminal offence to do so)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Is an Incident Report generated documenting all available information?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: Are the following personnel informed of all suspicious transactions: BCLC Director, AML & Operational Analysis and BCLC Manager, Investigations

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Check Incident File to ensure that the Service Provider has notified BCLC and GPEB via Section 86(2) Report of all suspicious financial transactions

Review Itrak IN File 20160002591 to ensure that all suspicious financial transactions investigated at the site during the audit period have been reviewed by the GCO

8: If the UFT involved cashing out after minimal play, ensure that the patron was paid out in the same denominations that they bought in with or with a Convenience Cheque

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 2: Unusual financial transactions may or may not be reportable as suspicious financial transactions in relation to money laundering. These transactions are subject to an Incident Report in CRS.

Tests , Text Field & Linked File

1: Gaming Compliance Officers are required to review Large Table Buy-In Transactions (which are CPV in GMS) to ensure that those transactions that meet the indicators (see attachments below) are reported as Unusual Financial Transactions in the CRS.

100% of all such transactions, that have not already been reported in the CRS, up to a maximum of 50 per quarter are to be reviewed. Included in this review is PGF Transactions comparing redeposits for verified wins to the Trust Account (10%).

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: This review is to be done on a monthly basis with any discrepancies being reported immediately to the BCLC Investigator and all results detailed in the quarterly AML Review. Please use the attached Excel spreadsheet to document which transactions have been reviewed.

2: All Suspicious Financial Transactions must be reported to FINTRAC within 30 days of identifying them

3: UFT Review Tracking Spreadsheet (UFT Review Tracking Spreadsheet.xlsx)

4: Suspicious Transaction Indicators (Suspicious Transaction Indicators.docx)

5: Risk Indicators Chart - AML (Risk Indicators Chart.pdf)

Procedure 3: Anti-Money Laundering (AML) training is mandatory as part of the on-boarding process for all Service Provider staff who have contact with clients, who see client transaction activity, who handle cash or funds in any way or who are responsible for implementing or overseeing the compliance regime with the exception of janitorial or food and beverage staff.

Tests , Text Field & Linked File

1: Reconcile the Service Provider's employee list with a recently generated list of AML training. Record any confirmed discrepancies in the text field below.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Be cognizant of sample sizes. During your review, if you encounter a large % of error, after only a fraction of the lists have been reconciled, it may warrant documenting only the sampled size and error rate and returning the information to the process holder for them to perform their own audit and corrections.

2: *** Assess understanding of staff knowledge by asking a sample of Supervisory and non-supervisory frontline staff (including Surveillance) what their understanding is of the following:

- What a LCT is and what the thresholds are
- What an UFT is and what the thresholds are
- What a CDR is and what the thresholds are
- What the Reasonable Measures form is and when is it completed

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: *** Assess understanding of staff knowledge by asking a sample of Supervisory and non-supervisory frontline staff (including Surveillance) to give you five indicators of possible suspicious financial activities/transactions (refer to attached file below).

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Non-supervisory casino personnel may work under the direct (1:1) supervision of a GPEB-registered management representative or training supervisor who has completed the current BCLC Anti-Money Laundering (AML) training, for a period not to exceed one (1) operating day, during the employee's initial job training period.

5: List All Discrepancies & Report to BCLC Compliance & Trend Analyst

6: List the full names and titles of staff assessed here:

7: List the full names and titles of staff assessed here:

8: Suspicious Transaction Indicators (Suspicious Transaction Indicators.docx)

Policy 3: BCLC Standards: Article 1-1.4 Large Cash Transactions, Foreign Exchange and Disbursement Reporting

Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff

Procedure 1: Are buy-ins, cash outs, and/or jackpots \$10,000 and over as well as foreign exchanges over \$3,000 CDN equivalent recorded on an LCTR/CDR?

Tests & Text Field

1: Review all LCTR's/CDR's (to a maximum of 50) created in the Itrak LCT/Fintrac Module during the period under

review. Additional LCTR/CDR may be reviewed as deemed necessary and relevant by the GCO. All other tests within this policy section may be assessed against the same sample size of LCTR's/CDR's.

Answer List: Completed (10); Not Completed (0)

2: +++Check each LCTR/CDR to ensure all transactions are recorded on the form as required

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: NOTE: Please ensure that no non-cash transactions are recorded on LCTs. Transfers of chips to and from PGF accounts are not to be included on LCT records as well as transactions involving bank drafts.

4: NOTE: all tests in the following Procedures, regarding the completion of LCT and CDR, are to be based on the sample reviewed in this Procedure

Procedure 2: Reasonable measures shall be undertaken to determine and document ownership of funds

Tests , Text Field & Linked File

1: Interview staff to ensure that they understand the "Reasonable Measures" requirements

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review completed Reasonable Measures Templates to ensure compliance as detailed in the attached document.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that receipts for any buy-ins of \$10K or more scanned into the media portion of the LCT module and that they contain all required information as per the information contained in the linked file below.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: List names and titles of staff interviewed here:

5: Reasonable Measures Requirements (Reasonable Measures Requirements - AML.docx)

6: Source of Funds Requirements (Source of Funds Requirements - AML.docx)

Procedure 3: Are patrons asked to produce acceptable identification upon reaching \$9000.00 in total buy-ins or if an additional request for buy-in would reach or exceed the reportable threshold of \$10,000.00?

NOTE: Patron can continue to play and buy-in until such time as the requested buy-in would cause the reporting threshold to be reached, at which time the buy-in shall be refused until identification is produced

Tests

1: Discuss with Service Provider staff to determine whether this is happening.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Personal information of the patron must be obtained before the patron reaches the LCTR reporting threshold.

If the patron refuses to provide the identification when asked, further transactions shall not be completed

An Incident Report in CRS shall be completed detailing the particulars of the patron's refusal.

Procedure 4: Is the Service Provider tracking accumulated or third party transactions within the current gaming date (at facilities with closing hours) or static 24-hour period (in 24-hour facilities)?

Tests

1: Review LCTR's/CDR's and interview Service Provider to ensure the staff are aware of this requirement.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: For clarity, a 'static period' begins with the patron's first transaction, and

- In a continuously running site, ends 24 consecutive hours after the first transaction;
- In a non-continuously running site, ends at the close of operational hours.

Procedure 5: Are the LCTR's/CDR's being entered into iTrak within the required time frame?

Tests

1: +++For each LCTR selected for inspection, ensure that the dates within the "Transaction Date" and "Date Created" fields are no more than 72 hours apart

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: Is all required documentation attached to each LCTR/CDR?

Tests & Text Field

1: Inspect electronic LCTR's to ensure that the patron tracking card used in the process of tracking buy-ins and cash-outs is scanned into the Media tab of the electronic fintrac entry record

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Where a cheque has been issued to the patron for a table game win, ensure the pit tracking sheet (or copy thereof) is attached and that all transactions on the tracking sheet match those

listed on the LCTR

2: NOTE TO GCO: if the required tracking documents are missing and cannot be readily found, please escalate this to the AML Investigator for further review

Procedure 7: Is all ID provided for LCTR/CDR purposes scanned into the Media tab of the patron's Subject Profile?

Tests

1: For each LCTR/CDR selected for review, check the Media tab of the patron's Subject Profile to ensure that the details on the scanned image of the ID match the information recorded within the "Details" tab of the Subject Profile.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: For patrons with multiple LCTs, has ID been updated and documented as such in the Subject Profile comments (updated every 2 years for repeat patrons and every 18 months for High Risk Patrons)?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 8: Is all ID provided for LCTR/CDR purposes issued by government and valid at the time of the transaction?

Tests

1: For each LCTR/CDR selected for review check the transaction date, and check the expiration date on the scanned image of the ID in the Subject Profile to ensure that the ID was valid at the time of the transaction

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 9: If a foreign address is given but the patron is known to be gaming at the site often enough such that patron does not appear to be a visitor, a local resident address shall also be obtained.

Tests

1: Interview Service Provider and review Itrak LCTR's/CDR's to determine whether any applicable incidents have occurred

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 10: Are the LCTR's/CDR's being completed correctly with all required information?

Tests & Linked File

1: +++Review the attached list to ensure that all LCTR's/CDR's are being completed with all required information.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: If the patron has incurred an LCTR previous to the form under review, it is permissible for the Service Provider to write "ON FILE" through the details portion of the hard copy LCTR, as long as the patron's name and any casino LCT, CRS subject profile reference number, or VIP reference number is written on page 1 of the LCTR

2: Information Required on LCTR's (Information Required on LCTR's - AML.docx)

Procedure 11: For LCTR's/CDR's created in relation to major merchandise prizes (i.e. Race to Win Vehicle Prize), are the following steps completed?

Tests

1: +++In the Disbursement Method Entry form in the iTrak FINTRAC file, does the "'Other' disbursement method" field contain specification that this is a merchandise prize?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: NOTE: It is not necessary for the Service Provider to seek out the exact MSRP price of the vehicle.

Procedure 12: Issues identified by the BCLC Investigator are to be tracked via MKInsight

Tests & Text Field

1: Confirm with the BCLC Investigator that the monthly review of randomly selected PGF Accounts has been completed and any issues have been documented in their review of LCT records.

Answer List: *Completed (10); Not Completed (0)*

2: If issues were identified by the BCLC Investigator, create an Orphan Issue and document that you have done so in the test above. Please include the unique issue number in your comments.

Policy 4: BCLC Standards: Article 2-1.16 Table Games – General Rules and Regulations

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

Procedure 1: The method to be used to track \$5,000 chips must be approved by BCLC prior to being implemented

Tests

1: Contact the AML team (Bal Bamra or Darryl Tottenham) and verify that the method they are using to track \$5,000 chips has been approved.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 2: Review Player Tracking Cards and interview staff to ensure that \$5,000 chips are being tracked

Tests

1: Player Tracking Cards must note the following:

1. Individual tracking by patron
2. Subject ID (SID) or, if the patron has no SID, name of patron
3. Date of session
4. Time the patron arrives and begins playing and time the patron ends play and departs
5. Number of \$5000 chips patron introduces for play at table upon arrival
6. Number of \$5000 chips the patron has in their possession at time of leaving i.e. not cashed out
7. Additional comments
8. A summary of all \$5000 chips held by each patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: When players leave a high limit table are the Dealer Supervisors noting on the player tracking card the total dollar value of high value chips the player has in their possession?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Is there a process in place to ensure that the dollar amount of high value chips that the player cashes out at the Cash Cage it forwarded to the Dealer Supervisor for inclusion on the player tracking card?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 5: BCLC Standards: Article 4-1.1 General

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site

Procedure 1: Casino Service Providers shall be responsible for maintaining vigilance of the BCLC Standards on www.bclc.biz (Extranet) and for the implementing of all posted BCLC Standards additions, deletions or amendments by the stated implementation date.

Tests & Linked File

1: +++ Ask the Cash Cage Shift Manager/ Supervisor, Table Games Shift Manager/ Floor Manager, and Slot Shift Manager/ Supervisor to produce the most current BCLC Standards relevant to Large Cash Transactions and Cheque Issuance.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: The BCLC Standards may be incorporated into a Service Provider's Company Policies and Procedures

2: Enhanced AML Procedures (Enhanced AML Procedures - AML.docx)

Policy 6: BCLC Standards: Article 4-1.2 General - Customer Service Standards and Expectations

Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports

Procedure 1: Are cheques only issued for verified wins, return of gaming funds up to \$10,000, or return of PGF Funds? Are electronic gaming device jackpot wins verified through Last Game Recall or slot jackpot verification through the slot management system?

Tests

1: +++Review each cheque issued during the audit period to ensure the required jackpot documentation(GMS Transaction Slip, Table Tracking Sheet) is attached to the cheque/stub copy

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Definition of Verified Win

“Verified Win” means the casino employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game or a jackpot on an electronic gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize.

Except for Table Game Jackpots, a Table Game verified win is defined as the cash out minus the buy-in

Procedure 2: Are cheques issued for Verified Wins on Table Games supported and documented correctly? Do table tracking cards support the win?

Tests

1: +++Review each cheque of \$25K or more issued for a Verified Table Win during the review period. Ensure that there is a corresponding LCT, table tracking cards are attached to the LCT and that the tracking cards justify the issuance of the Verified Win Cheque. Note: Verified Win Cheques should be reconciled against the VerfWin account in GMS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Ensure that tracking cards contain legible signatures/name as well as GPEB numbers

Policy 7: BCLC Standards: Article 6-1.19 Cage - Service Providers Cheques

Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff

Procedure 1: The GCO shall review 100% of all cheques issued during the review period up to a maximum of 100 (All other tests in this policy section may be assessed against this sample size)

Tests & Text Field

1: For Verified Win cheques, confirm that a photocopy of the table tracking card or the slot machine/electronic gaming device the jackpot printout from the slot management system or the marketing promotion transaction slip from GMS has been attached to the cheque stub or the photocopy of the cheque as evidence of the verification of the win

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: NOTE TO GCO: if the required tracking documents are missing and cannot be readily found, please escalate this to the AML Investigator for further review

3: REQUIRED: GCO's are required to either attach a document listing in detail what cheques they have reviewed or add the following information in the Findings section of this test: Starting number of cheques reviewed, Ending number of cheques reviewed and details that would allow an independent reviewer to re-create the review.

Procedure 2: Prior to the issuance of any type of cheque the patron must present acceptable identification unless the patron has a fully documented Subject Profile including scanned copies of current government issued ID, if the site is not asking for ID for established patrons test for compliance otherwise mark as not applicable

Tests

1: Ensure that Cage staff are reviewing iTrak to confirm the identity and status of the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review cheques issued for existing patrons and confirm that SID numbers are being detailed on the GMS Cheque Issuance slip

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 3: For cheques issued to patrons in relation to Service Provider or BCLC promotions, is the marketing promotion transaction slip from GMS attached to the cheque stub or photocopy of the cheque?

Tests

1: +++Inspect the cheque copies/ stubs to ensure that appropriate documentation is present for any applicable cheques

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 4: +++Have any cheques been issued for slot machine cancelled credits (not permitted)?

Tests

1: Determine through review of cheque copies/stubs to ensure that the transaction slips attached to each cheque stub clearly indicate that the cheque was not issued for cancelled credits

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 5: +++Does the Service Provider have a physical or electronic copy stored for review by the Compliance Officer

Tests

1: Inspect the documentation on file with the Service Provider.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: Does the Service Provider enter iTrak reports for issuance of replacement cheques?

Tests

1: Review the applicable GMS report to determine whether any replacement cheques have been issued. If replacement cheques have been issued, review iTrak Incident Files from the corresponding date to ensure that each such incident was reported

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 7: Has each cheque issued to a patron been entered in GMS?

Tests

1: +++Obtain the Service Provider's Cheque Registry for the audit period and compare it to the applicable GMS report for the same period to ensure each cheque issued was recorded in GMS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 8: Are all cheques that are issued as part of an LCTR recorded within the iTrak LCTR form as required?

Tests

1: +++Obtain the Service Provider Cheque Registry for the audit period and compare it to the iTrak LCTR's to ensure that any cheques issued as part of an LCTR were recorded as such within the "Pay-Outs" tab of the corresponding iTrak LCTR form.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 9: Does the name on the issued cheque match the name on the iTrak Subject Profile (if applicable) and the site's cheque register?

Tests

1: Review the applicable GMS report and compare it against the Cheque Register and (if applicable) the Itrak Subject Profile to ensure all documents correlate to the same transaction

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 10: Does the Service Provider issue cheques in numerical order?

Tests

1: Obtain the site's GMS report to ensure all cheques issued during the audit period are accounted for and were issued in numerical order.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Investigate any gaps in the numerical sequence of issued cheques to ensure that these were void or damaged cheques. The Cheque Registry will normally indicate this.

Procedure 11: Does the Service Provider check the iTrak Subject Module to ensure each cheque recipient is neither barred nor self-excluded prior to issuing a cheque for a verified win?

Tests

1: Interview the Service Provider to assess compliance with this requirement

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 12: If the site has cashed Service Provider cheques that were issued by a Canadian casino, interview the Cage personnel to ensure that the following steps were completed:

Tests

1: The issuing site is telephoned and asked to verify the cheque number, date of issuance, patron's name, dollar value, signatory, and ID details presented at the time of issuance

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: The patron is required to produce the same identification that was presented at the time the cheque was issued

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Review cheques to ensure that if not already noted on the cheque by the issuing casino (other jurisdictions), whether the cheque is for a verified win or a return of funds;

If a return of funds cheque, whether the source of cash was identified and if so, note the source.
If the cash was not sourced, the cheque cannot be accepted or cashed.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 13: For cheques issued as "Return of Funds - Not Gaming Winnings"

Tests & Linked File

1: +++Review a sample of issued "Return of Funds" cheques and compare with the attached criteria

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Ensure that the Service Provider has established and authenticated the identity of the Customer by verifying and confirming the patron's name, DOB, home address, place of residence while in Canada, phone number, occupation and ID (passport if non-resident)

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Review issued Return of Funds cheques to ensure that only one cheque per patron per week has been issued and that none of the cheques are for more than \$10,000 (not applicable to PGF return of funds)

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Return of Funds Cheque Criteria (Return of Funds Cheque Criteria - AML.docx)

Policy 8: BCLC Standards: Article 6-1.21 Cage - Certified Cheques

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

Procedure 1: Interview Service Provider staff to ensure the following:

Tests & Linked File

1: +++Review the Bank Draft/Certified Cheque Verification Checklist and attached document to assess compliance with the cheque cashing procedures

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Cashiers may accept certified cheques issued in Canadian currency only.

Personal cheques or third party cheques shall not be accepted or cashed at a casino.

A patron who has received a service provider cheque may cash it at the same casino.

Money orders shall not be accepted or cashed at a casino.

A certified cheque that has been endorsed by a third party shall not be accepted.

2: +++Review the attached checklist to assess the Staffs' awareness of certified cheque discrepancy indicators

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Certified Cheque Cashing Procedures (Certified Cheque Cashing Procedures - AML.docx)

4: Certified Cheque Discrepancy Indicators (Certified Cheque Discrepancy Indicators - AML.docx)

Policy 9: BCLC Standards: Article 6-1.22 Cage - Patron Gaming Funds Accounts

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

Procedure 1: Determine whether any EFTs have been processed by the Cage

Tests & Text Field

1: Speak to Cage Staff

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the EFT was only accepted as part of a PGF deposit

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review iTrak Incident files

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Ensure that the transaction is documented correctly on the associated LCTR

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: All EFT transfers must be to a PGF account holder, if the site is not approved to offer PGF accounts and there has been no EFT accepted contrary to policy; mark all tests as not applicable

Procedure 2: Service Provider Operating Procedures

Tests

1: Interview staff to assess knowledge of the following notification levels for authorized deposits, negotiable instruments or authorized withdrawals:

Casino Shift Manager - notified when cashing any negotiable instrument or authorized deposit up to \$50,000

Casino Manager or designate - notified when cashing any negotiable instrument or authorized deposit up to \$100,000

Service Provider designated Site or Head Office staff - notified when cashing any negotiable instrument or authorized deposit over \$100,000

Cage Supervisor - notified of any EFTs, wire transfers or internet banking transfers received in or sent from the PGF Bank Account

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that tri-part receipts are available for PGF patron transactions and reconcile a sample against actual transactions

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 3: Some Patron Gaming Fund procedures directly impact AML considerations

Tests

1: Compare 10% (to a maximum of 30 transactions) of the \$10,000+ transactions recorded in the patron's Trust Account during the period under review to ensure that all such transactions were recorded in the CRS FINTRAC Module

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that table tracking cards are retained to substantiate play of withdrawn PGF funds

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Patrons who have withdrawn funds for gaming from PGF Accounts may re-deposit up to the exact amount withdrawn after any period of continuous play after the withdrawal. If play cannot be substantiated, re-deposit shall not be accepted.

3: Review all PGF Accounts opened during the period under review to ensure that initial deposits were completed with an acceptable Negotiable Instrument

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Patron Gaming Funds Accounts procedures.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Review paperwork from any Internet Banking Transfers to ensure that they are from an account owned by the

patron and that they are not joint accounts and that the site followed due diligence as per their IBT policies

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Review any transactions of monies transferred by patrons from a U.S. financial institution are first transferred to a Service Provider corporate trust account until clearance for use by the receiving Canadian bank is received

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Policy 10: BCLC Standards: Article 6-1.24 Cage - Hold Cheque Option

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

Procedure 1: 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).

Tests

1: +++Review GMS for any use of the Hold Cheque Option - if there are instances please continue with the following Procedures and Tests

Answer List: *Completed (0); Not Completed (0)*

Procedure 2: Initial agreements must include a number of steps

Tests

1: Was the Patron's credit rating confirmed via credit checks through Equifax, Central Credit and the bank holding the account on which the cheque was written

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the agreement time did not exceed 14 days

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure that the CSP is only issuing one agreement at a time per patron using this option

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Ensure that cheques held are only drawn from an account that is in a single individual's name through a Canadian Schedule I or Schedule II bank, credit union, or caisse populaire or a United States financial institution which is listed in the Top 50 Holding Companies list on the National Information Center website

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Ensure that cheques are dated for the same date of the agreement (not post-dated)

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: Ensure that cheques are for \$10,000 or more

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

7: Ensure that an CDR is created at the time of settlement of the cheque

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

8: Ensure that all other transactions, i.e. table buy ins, slot machine ticket purchases are noted in an Incident Report in CRS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

9: Ensure that cheques being held for the Cheque Hold Option are being secured in the Vault

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

10: Ensure the patron is not currently voluntarily self-excluded or barred

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: A Hold Cheque Option Ledger must be maintained at the Cash Cage and must document specific CDD/KYC information

Tests & Linked File

1: Review the attached document and compare with entries in the Hold Cheque Option Ledger

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: An Incident Report in CRS shall be created noting the customer profile, cheque amount and whether the cheque is drawn on a Canadian or U.S. financial institution, and must be updated on each occurrence of the hold cheque option and that all transactions, i.e. table game buy-ins, slot machine ticket purchases, payments pertaining to the hold cheque have been noted in the Incident Report

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that the Service Provider has conducted a search of the anti-terrorist financing lists on the Office of the Superintendent of Financial Institutions (OSFI) website to ensure the individual is not present on the lists before offering the cheque hold option and that, if the patron has been found on the list, that the Hold Cheque Option has not been offered

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Hold Cheque Ledger (Know Your Customer) (Hold Cheque Ledger (Know Your Customer) - AML.docx)

Procedure 4: For initial deposits of cheques ensure that the Cage is following procedure

Tests

1: The Cage Supervisor must:

1. Ascertain the monetary amount available to the patron (the cheque must be for a monetary amount of at least \$10,000 or hold cheque option will not be offered)
2. Contact the person responsible for authorizing the amount (authorization name and signature shall be required on the Hold Cheque Option ledger)
3. Request acceptable identification, and make sure all CDD/KYC documentation is completed on the Hold Cheque Option ledger

The person(s) authorizing the hold cheque option must:

1. If not on site and readily available, authorize the acceptance of the hold cheque verbally and approve a designated Management or Supervisory position to complete the following or
2. Complete the agreement form with the patron, setting the terms for the time period the cheque will be held
3. Ensure the patron has understood and signed the agreement
4. Advise the Cage Supervisor the agreement is in place and authorize that the patron may draw up to the amount of the cheque for gaming play in the site (no withdrawals for play may occur until the authorization has been received by the Cage Supervisor)

The Cage Supervisor shall:

1. Complete a receipt of acknowledgement in duplicate for the entire amount of the cheque with one copy of the receipt given to the patron and one copy kept with the Hold Cheque Option ledger
2. Secure the cheque in the vault or sub-vault
3. Update the Incident Report in CRS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: The Service Provider Finance department shall notify Surveillance if any cheque appears to be not valid, dishonoured, fraudulent or suspicious and an Incident Report must be created

Tests

1: Review iTrak for any instances of irregularities with cheques that are being held.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: For any instances of irregularities with cheques held, ensure that an 86 report was created and submitted and that the BCLC Investigator was notified

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: For withdrawals at the Cage ensure that the Cage staff conduct the following procedures

Tests

1: If patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If patron will be playing electronic table games or slot machines, provide the patron with promotional IVS tickets for the amount requested

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure the patron signs the 'Withdraw Funds' GMS slip

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Present one copy of the 'Withdraw Funds' GMS slip to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Photocopy the remaining copy of the 'Withdraw Funds' GMS slip to include with the Hold Cheque Option ledger

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Retain the original 'Withdraw Funds' and both copies of the 'Purchase Tickets' GMS slips for inclusion with the daily paperwork

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: For Subsequent withdrawals:

The Cashier, under the direction of the Cage Supervisor, shall:

1. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in GMS for the withdrawals, with the patron's name included in the comments area (a corresponding 'Deposit Funds' transaction in the Hold Cheque Option account shall be processed when the cheque is settled or the cheque is deposited after the contracted period of time elapses)

2. If the patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process and follow Cage – Large Table Buy-in Procedures

3. If the patron will be playing electronic table games or slot machines, provide the patron with TITO tickets for the amount requested

- Using the 'Issue TITO Ticket' in the GMS Cage application, print ticket(s) for the buy-in

- Tickets shall not be printed for more than \$1000

- Patron may purchase multiple tickets of \$1000 each

4. Ensure the patron signs the 'Withdraw Funds' GMS slip

5. Present one copy of the 'Withdraw Funds' GMS slip to the patron

6. Photocopy the remaining copy of the 'Withdraw Funds' GMS slip to include with the Hold Cheque Option ledger

7. Retain the original 'Withdraw Funds' slip for inclusion with the daily paperwork

8. Update the Incident Report in CRS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 7: For withdrawals for patrons at a table ensure that the Cage staff conduct the following procedures

Tests

1: At the time of the request the Dealer Supervisor contacts the cage to ensure the funds are available and contacts the Table Games Manager to attend at the gaming table

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: The Table Games Manager shall ascertain the amount the patron is requesting and proceed to the Cash Cage with the patron's request and the gaming table number at which the patron is playing.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: The Cage Supervisor shall contact a Security Officer to attend the cage to oversee the process and escort the Table Games Manager

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: The Cage Supervisor shall complete the Hold Cheque Option ledger for the amount requested, keeping a running total of the remainder of the funds available

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: The Cashier, under the direction of the Cage Supervisor, shall:

1. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in GMS for the withdrawals, with the patron's name included in the comments area
2. Follow Cage – Large Table Buy-ins procedure so the buy-in is attributed to the correct table for inclusion in net win/loss calculations (Exception – Dealer Supervisor's tracking sheet information shall be used to update the Incident Report in CRS instead of creating a FINTRAC Entry until final settlement of the cheque is completed)
3. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in CMS GMS for the withdrawals, with the patron's name included in the comments area
4. If cash is required, count the cash out in the presence of the Table Games Manager and Security Cage Supervisor
5. Complete the cash transfer slip as per Cage – Large Table Buy-ins procedure, and the following shall sign: Cage Supervisor, Cashier and Table Games Manager
6. If the patron is not an Encore Rewards member (i.e. CPV cannot be used), the cash and one copy of the cash transfer slip will be secured in a sealed bag in cashier's drawer until transfer to vault and documentation on the Cashier Drop Buy-In Tracking Sheet shall be completed as per Cage – Large Table Buy-in procedures

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

6: The Table Games Manager shall:

1. Transport the remaining copy of the cash transfer slip (if applicable) and both copies of the GMS slip to the gaming table
2. Ensure the patron signs the GMS slip and witness the signing
3. Present one copy of the GMS slip to the patron;

4. Present the cash transfer slip or CPV slip to the Dealer Supervisor for the chip buy-in process as per Cage – Large Table Buy-ins procedure;

5. Transport the remaining copy of the signed GMS slip to the Cage

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: The Cage Supervisor shall:

1. Photocopy the GMS slip to include with the Hold Cheque Option ledger; and

2. Retain the original GMS slip for inclusion with the daily paperwork.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 8: Payment of Hold Cheque

Tests

1: Review cheques held or interview staff to ensure that cheques are either redeemed at the end of the contract or a new contract has been created for the remainder of the amount owing

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If the cheque is to be cashed ensure that the Cashier

1. Processes a 'Deposit Funds' transaction for the whole amount of the cheque in the account in GMS, noting patron name and 'final payment' in the comments area

2. Transfer the cheque to the main vault for inclusion in the bank deposit if the cheque has been held in a sub-vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: If the cheque is to be partially paid off with chips from patron's gaming proceeds and the rest paid with a new cheque ensure that the Cashier

1. Accepts and counts the chips from the patron

2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in GMS, noting patron name and 'payment' or 'final payment' in the comments area

3. Has the patron sign the GMS slip

4. Presents one copy of the GMS slip to the patron

5. Photocopies the remaining copy of the GMS slip to include with the Hold Cheque Option ledger

6. Retain the original GMS slip for inclusion with the daily paperwork

7. Accept the new cheque for the remainder of the outstanding balance of the original cheque from the patron, process a 'Deposit Funds' transaction for the new cheque total in the Hold Cheque Option account in GMS, noting 'final payment' in the comments area

8. Follow the procedures for transferring the new cheque to the vault and the bank deposit

9. Return the original cheque to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: If the cheque is to be paid off with chips from patron's gaming proceeds ensure that the Cashier

1. Accepts and counts the chips from the patron, ensuring the total amount of the original cheque is received
2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in GMS, noting patron name and 'final payment' in the comments area
3. Has the patron sign the GMS slip
4. Presents one copy of the GMS slip to the patron
5. Photocopies the remaining copy of the GMS slip to include with the Hold Cheque Option ledger
6. Retains the original GMS slip for inclusion with the daily paperwork
7. Returns the original cheque to the patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: In all cases ensure that the Cage Supervisor

1. Completes a Casino Disbursement Record for the final settlement in the FINTRAC Entry screen in CRS
2. Updates the Hold Cheque Option ledger, and notifies the Service Provider's authorization personnel the cheque is being deposited (if applicable) or has been returned to the patron and the ledger completed.
3. Updates the Incident report in CRS indicating the agreement is concluded and the amount of any disbursement

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 11: BCLC Standards: Article 6-1.25 Cage – Ticket In, Ticket Out (TITO) Ticket Purchase

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

Procedure 1: The Service Provider must track sales of TITO tickets to ensure compliance to AML regulations

Tests

1: Interview staff to determine if sales of these types of tickets are being tracked and ask to see the tracking method that is being used

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review GMS to ensure that tickets are not being generated for more than \$2,500 each

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 12: BCLC Standards: Article 6-1.27 Cage – Mail In Electronic Gaming Machine Ticket or Gaming Chip Redemption

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

Procedure 1: Has the Service Provider issued any cheques for mailed-in IVS tickets?

Tests & Linked File

1: +++Review iTrak for applicable incident files and interview the Service Provider to determine whether any such cheques have been issued

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If any cheques have been issued for mailed-in IVS tickets or chips, has the Service Provider completed all steps required in the attached document?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Mail-In Electronic Gaming Machine Ticket & Gaming Chip Redemption Procedures - AML (Mail-In Electronic Gaming Machine Ticket & Gaming Chip Redemption Procedures - AML.docx)

THIS IS **EXHIBIT "23"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC V2C 1E2

Chances Dawson Creek

BCLC OGC AML Assessment

October 2018

Distribution:

Shauna GILLESPIE, Director, Compliance, Great Canadian Gaming Corporation
Patrick ENNIS, Vice President, Corporate Security and Compliance, Great Canadian Gaming Corporation
Krissy WONG, GCGC Sr. Gaming Compliance Officer, Great Canadian Gaming Corporation
Shawn DUNCAN, Interim Regional General Manager, Great Canadian Gaming Corporation
Sarah KARDASHINSKI, Gaming Manager, Chances Dawson Creek
Raj MUTTI, Vice President, Operations West, Great Canadian Gaming Corporation
Laurie STEWART, Regional Operations Manager, BCLC
Paul BYSTROWSKI, Manager, Business Operations, BCLC
Laird ROBINSON, Manager, Corporate Security & Compliance, BCLC
Cathy CUGLIETTA, Compliance & Trend Analyst, BCLC
Daryl Tottenham, Manager, AML Programs, BCLC
Bal Bamra, Manager, AML Intelligence, BCLC
GPEB Commercial Gaming Audit Division

Jeff MULLAN
BCLC Operational Gaming Compliance Officer (GCO)

Objectives

The objective of this assessment is to verify that the Service Provider is operating in compliance with BCLC Standards, and to identify matters which affect the integrity and/or security of the gaming operation and to document an appropriate resolution.

Scope

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

Interviews with gaming employees may have been conducted to obtain their comments and to determine their understanding of, and ability to apply, relevant BCLC Standards.

The Gaming Compliance Officer reviewed all, or samples of, relevant material from the period of March 16, 2018 to October 16, 2018.

Current Findings

Policy	Finding	Status
BCLC Standards: Article 1-1.2 Privacy and Protection of Personal Information Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies	Compliant	
BCLC Standards: Article 1-1.3 FINTRAC and Anti-Money Laundering Compliance Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff	Compliant	
BCLC Standards: Article 1-1.4 Large Cash Transactions, Foreign Exchange and Disbursement Reporting Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff	Compliant	
BCLC Standards: Article 4-1.1 General Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site	Compliant	
BCLC Standards: Article 4-1.2 General - Customer Service Standards and Expectations Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports	Compliant	
BCLC Standards: Article 6-1.19 Cage - Service Providers Cheques Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff	Partially Compliant	

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document

This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

Exception:

The Gaming Compliance Officer (GCO) reviewed duplicate verified win cheques for the review period #1562 through #1594 and noted that there are six (6) cheque numbers in the numerical sequence during the review period that are not accounted for: # 1580, 1581, 1582, 1583, 1584 and #1585.

BCLC Standards: Article 6-1.19- Service Provider Cheques is referenced**Action:**

The GCO met with Casino Management on October 28, 2018 to discuss the issue. The Gaming Manager acknowledged the issue and has been directed to obtain copies of the the verified win cheques and the Slot and GMS paperwork that would be required. If there was an issue with the cheque issuance during that time then the site will provide the GCO with a detailed and documented report. The GCO will follow-up by November 18, 2018 to ensure completion of this issue.

Resolved

Update:

November 20, 2018

On November 20, 2018, the GCO spoke, via telephone, with the Gaming Manager for Chances Dawson Creek. The GCO was advised that the site had been experiencing some technical issues with the cheque issuance machine at the time of the gap in the numerical series of cheques noted by this GCO. The Technical issue has been resolved according to the Gaming Manager.

According to the Gaming Manager, the cheque printing machine failed to print cheques #1580, 1581, 1582, 1584 and 1585. A further review of GMS/Report Account Audit/ Cheques, notes only one cheque in the missing sequence printed off. Cheque number 1583 is recorded in GMS.

The Cheque Printer machine at Chances Dawson Creek is now working correctly and going forward all paperwork and copies of verified cheques are in order for review by the GCO.

The issue is resolved.

Exception:

A review of cheques and Service Provider paperwork issued during the review period, confirmed that patron's SID number are not entered on the GMS slips as required.

BCLC Standards Article: 6-1.19 ; 1;1.4; 1.4.1.b Cage- Service Providers Cheques is referenced

Resolved

Action:

On October 28, 2018, the Gaming Compliance Officer (GCO) discussed this finding with the Gaming Manager, the Shift Manager and Security and Surveillance Manager. Effective November 15, 2018, all cage staff will be instructed to ensure that SID numbers are being entered on all GMS slips. The issue is now resolved.

BCLC Standards: Article 6-1.25 Cage – Ticket In, Ticket Out (TITO) Compliant
Ticket Purchase

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

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document
This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

BCLC Standards: Article 6-1.27 Cage – Mail In Electronic Gaming Compliant
Machine Ticket or Gaming Chip Redemption
Assessment of this section by the GCO may include, but is not limited
to, reviews of CRS and GMS

Outstanding Findings

There are no outstanding findings to report at this time.

Conclusion

The level of compliance was determined through interviews with department staff, review of relevant documents, demonstration of business processes and the availability of the relevant sections of the BCLC Standards.

This Q3 2018 AML Assessment conducted at Chances Dawson Creek noted two (2) issue which was discussed with the Gaming Manager. One issue is now resolved while one will remain outstanding. Thank you to everyone at Chances Dawson Creek who assisted during this assessment.

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

There may be compliance findings noted by the BCLC Operational Gaming Compliance department within this document. It is expected that the Service Provider is aware that findings may be classified as a compliance breach and/or material breach, as defined within the Operating Service Agreement. Additional follow up action may be undertaken by BCLC in regard to findings noted within this document
This document is the property of British Columbia Lottery Corporation (BCLC). Strictly confidential. Not intended for use or distribution without permission of the BCLC Manager, Corporate Security & Compliance. BCLC complies with laws governing retention and disclosure, including the Freedom of Information and Protection of Privacy Act (BC).

3

THIS IS **EXHIBIT "24"**
TO THE AFFIDAVIT OF
KEVIN SWEENEY
SWORN BEFORE ME AT KAMLOOPS, BC
THIS 26 DAY OF OCTOBER 2020



A Commissioner/Notary Public
for British Columbia

Robert P. Madill
Barrister & Solicitor
British Columbia Lottery Corporation
74 W. Seymour Street, Kamloops, BC **V2C 1E2**



Working Paper Template

BCLC OGC AML Assessment

Linked Entities: AML Compliance Assessment



BCLC OGC AML Assessment

Objectives:

Please delete any Policies, Procedures or Tests that are not applicable to the site being reviewed and list the policy here as well as a statement of your rationale for deletion. If you are unsure as to how to delete a section please refer to the "MKI 9.0 How Tos" document in the "OpGamAuditors/MKInsight/MKI 9.0/HOW TOs" folder.

Process: None

Policy 1: BCLC Standards: Article 1-1.2 Privacy and Protection of Personal Information

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, assessment of \$9,000 information retention policies

Procedure 1: BCLC and Service Providers must collect, use, retain, disclose, safeguard and dispose of Personal Information of players in accordance with applicable laws.

Tests

1: +++Review the Service Provider's procedures for instances in which patrons' personal information is collected when reaching the \$9,000 threshold, and where those patrons ultimately do not reach the \$10,000 threshold within 24 hours of the first transaction, or in non-24 sites, by the end of the operating day. Ensure that information is not collected and stored unnecessarily.\

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Patron identification/ details must be collected upon reaching the \$9,000 transaction threshold, however it cannot be kept if the patron has not reached \$10,000 in transactions within 24 hours of the first transaction (or the end of the operating day in non-24 hours sites). Service Providers should be storing the patron's ID in a secure area until it is known whether an LCTR will be created. If the \$10,000 threshold is not reached within the allotted time frame, the patron's information should be disposed of securely (i.e. deleted and/ or shredded)

In order to avoid unauthorized collection of private information, CRS Subject Profiles should not be created by the Service Provider until such time that the \$10,000 threshold has been reached.

Policy 2: BCLC Standards: Article 1-1.3 FINTRAC and Anti-Money Laundering Compliance

Assessment of this section by the GCO may include, but is not limited to, assessment of Suspicious Transaction procedures followed by staff

Procedure 1: LCTR - Suspicious & Unusual Financial Transactions

Tests

1: Through review of CRS Incident Files and discussion with the Service Provider, determine whether any Unusual or Suspicious Financial Transactions have occurred during the period under review. If there has been one or more incidents, mark this test as "Compliant" and complete the remaining tests. If there has not been any such incidents, mark this test as "Not Assessed", interview casino personnel to assess their knowledge of the key indicators and required procedures for these type of incidents, and then score the remaining tests based on the response(s) you receive.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Are staff refusing to complete transactions, which are deemed suspicious?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Are unusual or suspicious activities reported to an immediate supervisor?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Is an LCTR/ CDR generated for suspicious activity (where applicable)?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: *NOTE* Only those suspicious transactions that meet or exceed the current LCTR reporting thresholds require an LCTR. Any suspicious financial transactions that involve dollar amounts below the reporting thresholds do not require the creation of an LCTR (in fact, the CRS system will not permit the creation of an LCTR in this circumstance). An Incident File and Section 86(2) Report are all that the Service Provider is required to create in these circumstances.

5: Have staff disclosed to the patron that they have made, are making or will make an Unusual Financial Transaction Report or Suspicious Financial Transaction Report, or disclosed the contents of such a report? (Note: it is a criminal offence to do so)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Is an Incident Report generated documenting all available information?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: Are the following personnel informed of all suspicious transactions: BCLC Director, AML & Operational Analysis and BCLC Manager, Investigations

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Check Incident File to ensure that the Service Provider has notified BCLC and GPEB via Section 86(2) Report of all suspicious financial transactions

Review Itrak IN File 20160002591 to ensure that all suspicious financial transactions investigated at the site during the audit period have been reviewed by the GCO

8: If the UFT involved cashing out after minimal play, ensure that the patron was paid out in the same denominations that they bought in with or with a Convenience Cheque

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 2: Unusual financial transactions may or may not be reportable as suspicious financial transactions in relation to money laundering. These transactions are subject to an Incident Report in CRS.

Tests , Text Field & Linked File

1: Gaming Compliance Officers are required to review Large Table Buy-In Transactions (which are CPV in GMS) to ensure that those transactions that meet the indicators (see attachments below) are reported as Unusual Financial Transactions in the CRS.

100% of all such transactions, that have not already been reported in the CRS, up to a maximum of 50 per quarter are to be reviewed. Included in this review is PGF Transactions comparing redeposits for verified wins to the Trust Account (10%).

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: This review is to be done on a monthly basis with any discrepancies being reported immediately to the BCLC Investigator and all results detailed in the quarterly AML Review. Please use the attached Excel spreadsheet to document which transactions have been reviewed.

2: All Suspicious Financial Transactions must be reported to FINTRAC within 30 days of identifying them

3: UFT Review Tracking Spreadsheet (UFT Review Tracking Spreadsheet.xlsx)

4: Suspicious Transaction Indicators (Suspicious Transaction Indicators.docx)

5: Risk Indicators Chart - AML (Risk Indicators Chart.pdf)

Procedure 3: Anti-Money Laundering (AML) training is mandatory as part of the on-boarding process for all Service Provider staff who have contact with clients, who see client transaction activity, who handle cash or funds in any way or who are responsible for implementing or overseeing the compliance regime with the exception of janitorial or food and beverage staff.

Tests , Text Field & Linked File

1: Reconcile the Service Provider's employee list with a recently generated list of AML training. Record any confirmed discrepancies in the text field below.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Be cognizant of sample sizes. During your review, if you encounter a large % of error, after only a fraction of the lists have been reconciled, it may warrant documenting only the sampled size and error rate and returning the information to the process holder for them to perform their own audit and corrections.

2: ***Assess understanding of staff knowledge by asking a sample of Supervisory and non-supervisory frontline staff (including Surveillance) what their understanding is of the following:

- What a LCT is and what the thresholds are
- What an UFT is and what the thresholds are
- What a CDR is and what the thresholds are
- What the Reasonable Measures form is and when is it completed

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: ***Assess understanding of staff knowledge by asking a sample of Supervisory and non-supervisory frontline staff (including Surveillance) to give you five indicators of possible suspicious financial activities/transactions (refer to attached file below).

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Non-supervisory casino personnel may work under the direct (1:1) supervision of a GPEB-registered management representative or training supervisor who has completed the current BCLC Anti-Money Laundering (AML) training, for a period not to exceed one (1) operating day, during the employee's initial job training period.

5: List All Discrepancies & Report to BCLC Compliance & Trend Analyst

6: List the full names and titles of staff assessed here:

7: List the full names and titles of staff assessed here:

8: Suspicious Transaction Indicators (Suspicious Transaction Indicators.docx)

Policy 3: BCLC Standards: Article 1-1.4 Large Cash Transactions, Foreign Exchange and Disbursement Reporting

Assessment of this section by the GCO may include, but is not limited to, reviews of CRS, Large Cash Transaction entries, interviews with site staff

Procedure 1: Are buy-ins, cash outs, and/or jackpots \$10,000 and over as well as foreign exchanges over \$3,000 CDN equivalent recorded on an LCTR/CDR?

Tests & Text Field

1: Review all LCTR's/CDR's (to a maximum of 50) created in the Itrak LCT/Fintrac Module during the period under

review. Additional LCTR/CDR may be reviewed as deemed necessary and relevant by the GCO. All other tests within this policy section may be assessed against the same sample size of LCTR's/CDR's.

Answer List: Completed (10); Not Completed (0)

2: +++Check each LCTR/CDR to ensure all transactions are recorded on the form as required

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: NOTE: Please ensure that no non-cash transactions are recorded on LCTs. Transfers of chips to and from PGF accounts are not to be included on LCT records as well as transactions involving bank drafts.

4: NOTE: all tests in the following Procedures, regarding the completion of LCT and CDR, are to be based on the sample reviewed in this Procedure

Procedure 2: Reasonable measures shall be undertaken to determine and document ownership of funds

Tests , Text Field & Linked File

1: Interview staff to ensure that they understand the "Reasonable Measures" requirements

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review completed Reasonable Measures Templates to ensure compliance as detailed in the attached document.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that receipts for all cash buy-ins of \$10K or more (or separate buy-ins that have accumulated to \$10k or more in a 24-hour period) are scanned into the media portion of the LCT module and that they contain all required information as per the information contained in the linked file below.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: List names and titles of staff interviewed here:

5: Reasonable Measures Requirements (Reasonable Measures Requirements - AML.docx)

6: Source of Funds Requirements (Source of Funds Requirements - AML.docx)

Procedure 3: Are patrons asked to produce acceptable identification upon reaching \$9000.00 in total buy-ins or if an additional request for buy-in would reach or exceed the reportable threshold of \$10,000.00?

NOTE: Patron can continue to play and buy-in until such time as the requested buy-in would cause the reporting threshold to be reached, at which time the buy-in shall be refused until identification is produced

Tests

1: Discuss with Service Provider staff to determine whether this is happening.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Personal information of the patron must be obtained before the patron reaches the LCTR reporting threshold.

If the patron refuses to provide the identification when asked, further transactions shall not be completed

An Incident Report in CRS shall be completed detailing the particulars of the patron's refusal.

Procedure 4: Is the Service Provider tracking accumulated or third party transactions within the current gaming date (at facilities with closing hours) or static 24-hour period (in 24-hour facilities)?

Tests

1: Review LCTR's/CDR's and interview Service Provider to ensure the staff are aware of this requirement.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: For clarity, a 'static period' begins with the patron's first transaction, and

- In a continuously running site, ends 24 consecutive hours after the first transaction;
- In a non-continuously running site, ends at the close of operational hours.

Procedure 5: Are the LCTR's/CDR's being entered into iTrak within the required time frame?

Tests

1: +++For each LCTR selected for inspection, ensure that the dates within the "Transaction Date" and "Date Created" fields are no more than 72 hours apart

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: Is all required documentation attached to each LCTR/CDR?

Tests & Text Field

1: Inspect electronic LCTR's to ensure that the patron tracking card used in the process of tracking buy-ins and cash-outs is scanned into the Media tab of the electronic fintrac entry record

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Where a cheque has been issued to the patron for a table game win, ensure the pit tracking

sheet (or copy thereof) is attached and that all transactions on the tracking sheet match those listed on the LCTR

2: NOTE TO GCO: if the required tracking documents are missing and cannot be readily found, please escalate this to the AML Investigator for further review

Procedure 7: Is all ID provided for LCTR/CDR purposes scanned into the Media tab of the patron's Subject Profile?

Tests

1: For each LCTR/CDR selected for review, check the Media tab of the patron's Subject Profile to ensure that the details on the scanned image of the ID match the information recorded within the "Details" tab of the Subject Profile.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: For patrons with multiple LCTs, has ID been updated and documented as such in the Subject Profile comments (updated every 2 years for repeat patrons and every 18 months for High Risk Patrons)?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Is all ID provided for LCTR/CDR purposes issued by government and valid at the time of the transaction?

Tests

1: For each LCTR/CDR selected for review check the transaction date, and check the expiration date on the scanned image of the ID in the Subject Profile to ensure that the ID was valid at the time of the transaction

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 9: If a foreign address is given but the patron is known to be gaming at the site often enough such that patron does not appear to be a visitor, a local resident address shall also be obtained.

Tests

1: Interview Service Provider and review Itrak LCTR's/CDR's to determine whether any applicable incidents have occurred

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 10: Are the LCTR's/CDR's being completed correctly with all required information?

Tests & Linked File

1: +++Review the attached list to ensure that all LCTR's/CDR's are being completed with all required information.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: If the patron has incurred an LCTR previous to the form under review, it is permissible for the Service Provider to write "ON FILE" through the details portion of the hard copy LCTR, as long as the patron's name and any casino LCT, CRS subject profile reference number, or VIP reference number is written on page 1 of the LCTR

2: Information Required on LCTR's (Information Required on LCTR's - AML.docx)

Procedure 11: For LCTR's/CDR's created in relation to major merchandise prizes (i.e. Race to Win Vehicle Prize), are the following steps completed?

Tests

1: +++In the Disbursement Method Entry form in the iTrak FINTRAC file, does the "'Other' disbursement method" field contain specification that this is a merchandise prize?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: NOTE: It is not necessary for the Service Provider to seek out the exact MSRP price of the vehicle.

Procedure 12: Issues identified by the BCLC Investigator are to be tracked via MKInsight

Tests & Text Field

1: Confirm with the BCLC Investigator that the monthly review of randomly selected PGF Accounts has been completed and any issues have been documented in their review of LCT records.

Answer List: *Completed (10); Not Completed (0)*

2: If issues were identified by the BCLC Investigator, create an Orphan Issue and document that you have done so in the test above. Please include the unique issue number in your comments.

Policy 4: BCLC Standards: Article 2-1.16 Table Games – General Rules and Regulations

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

Procedure 1: The method to be used to track \$5,000 chips must be approved by BCLC prior to being implemented

Tests

1: Contact the AML team (Bal Bamra or Darryl Tottenham) and verify that the method they are using to track \$5,000 chips has been approved.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 2: Review Player Tracking Cards and interview staff to ensure that \$5,000 chips are being tracked

Tests

1: Player Tracking Cards must note the following:

1. Individual tracking by patron
2. Subject ID (SID) or, if the patron has no SID, name of patron
3. Date of session
4. Time the patron arrives and begins playing and time the patron ends play and departs
5. Number of \$5000 chips patron introduces for play at table upon arrival
6. Number of \$5000 chips the patron has in their possession at time of leaving i.e. not cashed out
7. Additional comments
8. A summary of all \$5000 chips held by each patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: When players leave a high limit table are the Dealer Supervisors noting on the player tracking card the total dollar value of high value chips the player has in their possession?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Is there a process in place to ensure that the dollar amount of high value chips that the player cashes out at the Cash Cage it forwarded to the Dealer Supervisor for inclusion on the player tracking card?

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 5: BCLC Standards: Article 4-1.1 General

Assessment of this section by the GCO may include, but is not limited to, interviews of site staff, inspections of BCLC policies held on site

Procedure 1: Casino Service Providers shall be responsible for maintaining vigilance of the BCLC Standards on www.bclc.biz (Extranet) and for the implementing of all posted BCLC Standards additions, deletions or amendments by the stated implementation date.

Tests & Linked File

1: +++ Ask the Cash Cage Shift Manager/ Supervisor, Table Games Shift Manager/ Floor Manager, and Slot Shift Manager/ Supervisor to produce the most current BCLC Standards relevant to Large Cash Transactions and Cheque Issuance.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: The BCLC Standards may be incorporated into a Service Provider's Company Policies and

Procedures

2: Enhanced AML Procedures (Enhanced AML Procedures - AML.docx)

Policy 6: BCLC Standards: Article 4-1.2 General - Customer Service Standards and Expectations

Assessment of this section by the GCO may include, but is not limited to, reviews/inspections of cheque issuances and documentation and reviews of CRS reports

Procedure 1: Are cheques only issued for verified wins, return of gaming funds up to \$10,000, or return of PGF Funds? Are electronic gaming device jackpot wins verified through Last Game Recall or slot jackpot verification through the slot management system?

Tests & Text Field

1: +++Review 100% of all cheques issued during the review period, up to a maximum of 100, to ensure the required jackpot documentation (GMS Transaction Slip, Table Tracking Sheet) is attached to the cheque/stub copy (This sample size can be based on the same sample from Service Provider Cheques)

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Definition of Verified Win

“Verified Win” means the casino employee has determined the gaming chips or gaming tickets were acquired as a result of a documented win on a table game or a jackpot on an electronic gaming device, or a cash amount verified as a Service Provider or BCLC marketing promotion prize.

Except for Table Game Jackpots, a Table Game verified win is defined as the cash out minus the buy-in

2: REQUIRED: GCO's are required to either attach a document listing in detail what cheques they have reviewed or add the following information in the Findings section of this test: Starting number of cheques reviewed, Ending number of cheques reviewed and details that would allow an independent reviewer to re-create the review.

Procedure 2: Are cheques issued for Verified Wins on Table Games supported and documented correctly? Do table tracking cards support the win?

Tests & Text Field

1: +++Review each cheque of \$25K or more issued for a Verified Table Win during the review period. Ensure that there is a corresponding LCT, table tracking cards are attached to the LCT and that the tracking cards justify the issuance of the Verified Win Cheque. Note: Verified Win Cheques should be reconciled against the VerfWin account in GMS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Ensure that tracking cards contain legible signatures/name as well as GPEB numbers

2: REQUIRED: GCO's are required to either attach a document listing in detail what cheques they have reviewed or add the following information in the Findings section of this test: Starting number of cheques reviewed, Ending number of cheques reviewed and details that would allow an independent reviewer to re-create the review.

Policy 7: BCLC Standards: Article 6-1.19 Cage - Service Providers Cheques

Assessment of this section by the GCO may include, but is not limited to, inspections of issued cheque documentation, reviews of CRS and GMS and interviews with site staff

Procedure 1: The GCO shall review 100% of all cheques issued during the review period up to a maximum of 100 (All other tests in this policy section may be assessed against this sample size)

Tests & Text Field

1: For Verified Win cheques, confirm that a photocopy of the table tracking card or the slot machine/electronic gaming device the jackpot printout from the slot management system or the marketing promotion transaction slip from GMS has been attached to the cheque stub or the photocopy of the cheque as evidence of the verification of the win

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: NOTE TO GCO: if the required tracking documents are missing and cannot be readily found, please escalate this to the AML Investigator for further review

3: REQUIRED: GCO's are required to either attach a document listing in detail what cheques they have reviewed or add the following information in the Findings section of this test: Starting number of cheques reviewed, Ending number of cheques reviewed and details that would allow an independent reviewer to re-create the review.

Procedure 2: Prior to the issuance of any type of cheque the patron must present acceptable identification unless the patron has a fully documented Subject Profile including scanned copies of current government issued ID, if the site is not asking for ID for established patrons test for compliance otherwise mark as not applicable

Tests

1: Ensure that Cage staff are reviewing iTrak to confirm the identity and status of the patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: Review cheques issued for existing patrons and confirm that SID numbers are being detailed on the GMS Cheque Issuance slip

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 3: For cheques issued to patrons in relation to Service Provider or BCLC promotions, is the marketing promotion transaction slip from GMS attached to the cheque stub or photocopy of the cheque?

Tests

1: +++Inspect the cheque copies/ stubs to ensure that appropriate documentation is present for any applicable cheques

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 4: +++Have any cheques been issued for slot machine cancelled credits (not permitted)?

Tests

1: Determine through review of cheque copies/stubs to ensure that the transaction slips attached to each cheque stub clearly indicate that the cheque was not issued for cancelled credits

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: +++Does the Service Provider have a physical or electronic copy stored for review by the Compliance Officer

Tests

1: Inspect the documentation on file with the Service Provider.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 6: Does the Service Provider enter iTrak reports for issuance of replacement cheques?

Tests

1: Review the applicable GMS report to determine whether any replacement cheques have been issued. If replacement cheques have been issued, review iTrak Incident Files from the corresponding date to ensure that each such incident was reported

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: Has each cheque issued to a patron been entered in GMS?

Tests

1: +++Obtain the Service Provider's Cheque Registry for the audit period and compare it to the applicable GMS report

for the same period to ensure each cheque issued was recorded in GMS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 8: Are all cheques that are issued as part of an LCTR recorded within the iTrak LCTR form as required?

Tests

1: +++Obtain the Service Provider Cheque Registry for the audit period and compare it to the iTrak LCTR's to ensure that any cheques issued as part of an LCTR were recorded as such within the "Pay-Outs" tab of the corresponding iTrak LCTR form.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 9: Does the name on the issued cheque match the name on the iTrak Subject Profile (if applicable) and the site's cheque register?

Tests

1: Review the applicable GMS report and compare it against the Cheque Register and (if applicable) the Itrak Subject Profile to ensure all documents correlate to the same transaction

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 10: Does the Service Provider issue cheques in numerical order?

Tests

1: Obtain the site's GMS report to ensure all cheques issued during the audit period are accounted for and were issued in numerical order.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Notes to Auditor: Investigate any gaps in the numerical sequence of issued cheques to ensure that these were void or damaged cheques. The Cheque Registry will normally indicate this.

Procedure 11: Does the Service Provider check the iTrak Subject Module to ensure each cheque recipient is neither barred nor self-excluded prior to issuing a cheque for a verified win?

Tests

1: Interview the Service Provider to assess compliance with this requirement

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 12: If the site has cashed Service Provider cheques that were issued by a Canadian casino, interview the

Cage personnel to ensure that the following steps were completed:

Tests

1: The issuing site is telephoned and asked to verify the cheque number, date of issuance, patron's name, dollar value, signatory, and ID details presented at the time of issuance

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: The patron is required to produce the same identification that was presented at the time the cheque was issued

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review cheques to ensure that if not already noted on the cheque by the issuing casino (other jurisdictions), whether the cheque is for a verified win or a return of funds;

If a return of funds cheque, whether the source of cash was identified and if so, note the source.
If the cash was not sourced, the cheque cannot be accepted or cashed.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 13: For cheques issued as "Return of Funds - Not Gaming Winnings"

Tests & Linked File

1: +++Review a sample of issued "Return of Funds" cheques and compare with the attached criteria

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the Service Provider has established and authenticated the identity of the Customer by verifying and confirming the patron's name, DOB, home address, place of residence while in Canada, phone number, occupation and ID (passport if non-resident)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review issued Return of Funds cheques to ensure that only one cheque per patron per week has been issued and that none of the cheques are for more than \$10,000 (not applicable to PGF return of funds)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Return of Funds Cheque Criteria (Return of Funds Cheque Criteria - AML.docx)

Policy 8: BCLC Standards: Article 6-1.21 Cage - Certified Cheques

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

Procedure 1: Interview Service Provider staff to ensure the following:

Tests & Linked File

1: +++Review the Bank Draft/Certified Cheque Verification Checklist and attached document to assess compliance with the cheque cashing procedures

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor:

- Cashiers may accept certified cheques issued in Canadian currency only.
- Personal cheques or third party cheques shall not be accepted or cashed at a casino.
- A patron who has received a service provider cheque may cash it at the same casino.
- Money orders shall not be accepted or cashed at a casino.
- A certified cheque that has been endorsed by a third party shall not be accepted.

2: +++Review the attached checklist to assess the Staffs' awareness of certified cheque discrepancy indicators

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Certified Cheque Cashing Procedures (Certified Cheque Cashing Procedures - AML.docx)

4: Certified Cheque Discrepancy Indicators (Certified Cheque Discrepancy Indicators - AML.docx)

Policy 9: BCLC Standards: Article 6-1.22 Cage - Patron Gaming Funds Accounts

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

Procedure 1: Determine whether any EFTs have been processed by the Cage

Tests & Text Field

1: Speak to Cage Staff

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the EFT was only accepted as part of a PGF deposit

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Review iTrak Incident files

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Ensure that the transaction is documented correctly on the associated LCTR

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: All EFT transfers must be to a PGF account holder, if the site is not approved to offer PGF accounts and there has been no EFT accepted contrary to policy; mark all tests as not applicable

Procedure 2: Service Provider Operating Procedures

Tests

1: Interview staff to assess knowledge of the following notification levels for authorized deposits, negotiable instruments or authorized withdrawals:

Casino Shift Manager - notified when cashing any negotiable instrument or authorized deposit up to \$50,000
Casino Manager or designate - notified when cashing any negotiable instrument or authorized deposit up to \$100,000

Service Provider designated Site or Head Office staff - notified when cashing any negotiable instrument or authorized deposit over \$100,000

Cage Supervisor - notified of any EFTs, wire transfers or internet banking transfers received in or sent from the PGF Bank Account

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that tri-part receipts are available for PGF patron transactions and reconcile a sample against actual transactions

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 3: Some Patron Gaming Fund procedures directly impact AML considerations

Tests & Linked File

1: Compare 10% (to a maximum of 30 transactions) of the \$10,000+ transactions recorded in the patron's Trust Account during the period under review to ensure that all such transactions were recorded in the CRS FINTRAC Module

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: +++Reconcile the above 10% sample transactions against the attached to ensure that withdrawals, deposits and re-deposits were conducted as per BCLC Standards

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure that table tracking cards are retained to substantiate play of withdrawn PGF funds

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Notes to Auditor: Patrons who have withdrawn funds for gaming from PGF Accounts may re-deposit up to the exact amount withdrawn after any period of continuous play after the withdrawal. If play cannot be substantiated, re-deposit shall not be accepted.

4: Review all PGF Accounts opened during the period under review to ensure that initial deposits were completed with an acceptable Negotiable Instrument

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Is an Incident Report in CRS generated for any discrepancies or irregularities to the Patron Gaming Funds Accounts procedures.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Review paperwork from any Internet Banking Transfers to ensure that they are from an account owned by the patron and that they are not joint accounts and that the site followed due diligence as per their IBT policies

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: Review any transactions of monies transferred by patrons from a U.S. financial institution are first transferred to a Service Provider corporate trust account until clearance for use by the receiving Canadian bank is received

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

8: Authorized Deposits and Withdrawals from-to PGF accounts (Authorized Deposits and Withdrawals from-to PGF accounts.docx)

Policy 10: BCLC Standards: Article 6-1.24 Cage - Hold Cheque Option

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

Procedure 1: 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).

Tests

1: +++Review GMS for any use of the Hold Cheque Option - if there are instances please continue with the following Procedures and Tests

Answer List: *Completed (0); Not Completed (0)*

Procedure 2: Initial agreements must include a number of steps

Tests

1: Was the Patron's credit rating confirmed via credit checks through Equifax, Central Credit and the bank holding the account on which the cheque was written

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Ensure that the agreement time did not exceed 14 days

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure that the CSP is only issuing one agreement at a time per patron using this option

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Ensure that cheques held are only drawn from an account that is in a single individual's name through a Canadian Schedule I or Schedule II bank, credit union, or caisse populaire or a United States financial institution which is listed in the Top 50 Holding Companies list on the National Information Center website

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Ensure that cheques are dated for the same date of the agreement (not post-dated)

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Ensure that cheques are for \$10,000 or more

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: Ensure that an CDR is created at the time of settlement of the cheque

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

8: Ensure that all other transactions, i.e. table buy ins, slot machine ticket purchases are noted in an Incident Report in CRS

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

9: Ensure that cheques being held for the Cheque Hold Option are being secured in the Vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

10: Ensure the patron is not currently voluntarily self-excluded or barred

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 3: A Hold Cheque Option Ledger must be maintained at the Cash Cage and must document specific CDD/KYC information

Tests & Linked File

1: Review the attached document and compare with entries in the Hold Cheque Option Ledger

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: An Incident Report in CRS shall be created noting the customer profile, cheque amount and whether the cheque is drawn on a Canadian or U.S. financial institution, and must be updated on each occurrence of the hold cheque option and that all transactions, i.e. table game buy-ins, slot machine ticket purchases, payments pertaining to the hold cheque have been noted in the Incident Report

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: Ensure that the Service Provider has conducted a search of the anti-terrorist financing lists on the Office of the Superintendent of Financial Institutions (OSFI) website to ensure the individual is not present on the lists before offering the cheque hold option and that, if the patron has been found on the list, that the Hold Cheque Option has not been offered

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: Hold Cheque Ledger (Know Your Customer) (Hold Cheque Ledger (Know Your Customer) - AML.docx)

Procedure 4: For initial deposits of cheques ensure that the Cage is following procedure

Tests

1: The Cage Supervisor must:

1. Ascertain the monetary amount available to the patron (the cheque must be for a monetary amount of at least \$10,000 or hold cheque option will not be offered)
2. Contact the person responsible for authorizing the amount (authorization name and signature shall be required on the Hold Cheque Option ledger)
3. Request acceptable identification, and make sure all CDD/KYC documentation is completed on the Hold Cheque Option ledger

The person(s) authorizing the hold cheque option must:

1. If not on site and readily available, authorize the acceptance of the hold cheque verbally and approve a designated Management or Supervisory position to complete the following or
2. Complete the agreement form with the patron, setting the terms for the time period the cheque will be held
3. Ensure the patron has understood and signed the agreement
4. Advise the Cage Supervisor the agreement is in place and authorize that the patron may draw up to the amount of the cheque for gaming play in the site (no withdrawals for play may occur until the authorization has been received by the Cage Supervisor)

The Cage Supervisor shall:

1. Complete a receipt of acknowledgement in duplicate for the entire amount of the cheque with one copy of the receipt given to the patron and one copy kept with the Hold Cheque Option ledger
2. Secure the cheque in the vault or sub-vault
3. Update the Incident Report in CRS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 5: The Service Provider Finance department shall notify Surveillance if any cheque appears to be not valid, dishonoured, fraudulent or suspicious and an Incident Report must be created

Tests

1: Review iTrak for any instances of irregularities with cheques that are being held.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: For any instances of irregularities with cheques held, ensure that an 86 report was created and submitted and that the BCLC Investigator was notified

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 6: For withdrawals at the Cage ensure that the Cage staff conduct the following procedures

Tests

1: If patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If patron will be playing electronic table games or slot machines, provide the patron with promotional IVS tickets for the amount requested

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Ensure the patron signs the 'Withdraw Funds' GMS slip

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

4: Present one copy of the 'Withdraw Funds' GMS slip to the patron

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

5: Photocopy the remaining copy of the 'Withdraw Funds' GMS slip to include with the Hold Cheque Option ledger

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: Retain the original 'Withdraw Funds' and both copies of the 'Purchase Tickets' GMS slips for inclusion with the daily paperwork

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: For Subsequent withdrawals:

The Cashier, under the direction of the Cage Supervisor, shall:

1. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in GMS for the withdrawals, with the patron's name included in the comments area (a corresponding 'Deposit Funds' transaction in the Hold Cheque Option account shall be processed when the cheque is settled or the cheque is deposited after the contracted period of time elapses)
2. If the patron will be playing table games, after table is selected, notify Table Games Floor Manager or designated representative to attend Cage to facilitate Large Table Buy-in process and follow Cage – Large Table Buy-in Procedures
3. If the patron will be playing electronic table games or slot machines, provide the patron with TITO tickets for the amount requested
 - Using the 'Issue TITO Ticket' in the GMS Cage application, print ticket(s) for the buy-in
 - Tickets shall not be printed for more than \$1000
 - Patron may purchase multiple tickets of \$1000 each
4. Ensure the patron signs the 'Withdraw Funds' GMS slip
5. Present one copy of the 'Withdraw Funds' GMS slip to the patron
6. Photocopy the remaining copy of the 'Withdraw Funds' GMS slip to include with the Hold Cheque Option ledger
7. Retain the original 'Withdraw Funds' slip for inclusion with the daily paperwork
8. Update the Incident Report in CRS

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Procedure 7: For withdrawals for patrons at a table ensure that the Cage staff conduct the following procedures

Tests

1: At the time of the request the Dealer Supervisor contacts the cage to ensure the funds are available and contacts the Table Games Manager to attend at the gaming table

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

2: The Table Games Manager shall ascertain the amount the patron is requesting and proceed to the Cash Cage with the patron's request and the gaming table number at which the patron is playing.

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

3: The Cage Supervisor shall contact a Security Officer to attend the cage to oversee the process and escort the Table Games Manager

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: The Cage Supervisor shall complete the Hold Cheque Option ledger for the amount requested, keeping a running total of the remainder of the funds available

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: The Cashier, under the direction of the Cage Supervisor, shall:

1. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in GMS for the withdrawals, with the patron's name included in the comments area

2. Follow Cage – Large Table Buy-ins procedure so the buy-in is attributed to the correct table for inclusion in net win/loss calculations (Exception – Dealer Supervisor's tracking sheet information shall be used to update the Incident Report in CRS instead of creating a FINTRAC Entry until final settlement of the cheque is completed)
3. Process a 'Withdraw Funds' transaction in the Hold Cheque Option account in CMS GMS for the withdrawals, with the patron's name included in the comments area
4. If cash is required, count the cash out in the presence of the Table Games Manager and Security Cage Supervisor
5. Complete the cash transfer slip as per Cage – Large Table Buy-ins procedure, and the following shall sign: Cage Supervisor, Cashier and Table Games Manager
6. If the patron is not an Encore Rewards member (i.e. CPV cannot be used), the cash and one copy of the cash transfer slip will be secured in a sealed bag in cashier's drawer until transfer to vault and documentation on the Cashier Drop Buy-In Tracking Sheet shall be completed as per Cage – Large Table Buy-in procedures

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

6: The Table Games Manager shall:

1. Transport the remaining copy of the cash transfer slip (if applicable) and both copies of the GMS slip to the gaming table
2. Ensure the patron signs the GMS slip and witness the signing
3. Present one copy of the GMS slip to the patron;
4. Present the cash transfer slip or CPV slip to the Dealer Supervisor for the chip buy-in process as per Cage – Large Table Buy-ins procedure;
5. Transport the remaining copy of the signed GMS slip to the Cage

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

7: The Cage Supervisor shall:

1. Photocopy the GMS slip to include with the Hold Cheque Option ledger; and
2. Retain the original GMS slip for inclusion with the daily paperwork.

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Procedure 8: Payment of Hold Cheque

Tests

- 1:** Review cheques held or interview staff to ensure that cheques are either redeemed at the end of the contract or a new contract has been created for the remainder of the amount owing

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If the cheque is to be cashed ensure that the Cashier

1. Processes a 'Deposit Funds' transaction for the whole amount of the cheque in the account in GMS, noting patron name and 'final payment' in the comments area
2. Transfer the cheque to the main vault for inclusion in the bank deposit if the cheque has been held in a sub-vault

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: If the cheque is to be partially paid off with chips from patron's gaming proceeds and the rest paid with a new cheque ensure that the Cashier

1. Accepts and counts the chips from the patron
2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in GMS, noting patron name and 'payment' or 'final payment' in the comments area
3. Has the patron sign the GMS slip
4. Presents one copy of the GMS slip to the patron
5. Photocopies the remaining copy of the GMS slip to include with the Hold Cheque Option ledger
6. Retain the original GMS slip for inclusion with the daily paperwork
7. Accept the new cheque for the remainder of the outstanding balance of the original cheque from the patron, process a 'Deposit Funds' transaction for the new cheque total in the Hold Cheque Option account in GMS, noting 'final payment' in the comments area
8. Follow the procedures for transferring the new cheque to the vault and the bank deposit
9. Return the original cheque to the patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

4: If the cheque is to be paid off with chips from patron's gaming proceeds ensure that the Cashier

1. Accepts and counts the chips from the patron, ensuring the total amount of the original cheque is received
2. Processes a 'Deposit Funds' transaction for the chip total in the Hold Cheque Option account in GMS, noting patron name and 'final payment' in the comments area
3. Has the patron sign the GMS slip
4. Presents one copy of the GMS slip to the patron
5. Photocopies the remaining copy of the GMS slip to include with the Hold Cheque Option ledger
6. Retains the original GMS slip for inclusion with the daily paperwork
7. Returns the original cheque to the patron

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

5: In all cases ensure that the Cage Supervisor

1. Completes a Casino Disbursement Record for the final settlement in the FINTRAC Entry screen in CRS
2. Updates the Hold Cheque Option ledger, and notifies the Service Provider's authorization personnel the cheque is being deposited (if applicable) or has been returned to the patron and the ledger completed.
3. Updates the Incident report in CRS indicating the agreement is concluded and the amount of any disbursement

Answer List: Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)

Policy 11: BCLC Standards: Article 6-1.25 Cage – Ticket In, Ticket Out (TITO) Ticket Purchase

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

Procedure 1: The Service Provider must track sales of TITO tickets to ensure compliance to AML regulations

Tests

1: Interview staff to determine if sales of these types of tickets are being tracked and ask to see the tracking method that is being used

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: Review GMS to ensure that tickets are not being generated for more than \$2,500 each

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

Policy 12: BCLC Standards: Article 6-1.27 Cage – Mail In Electronic Gaming Machine Ticket or Gaming Chip Redemption

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

Procedure 1: Has the Service Provider issued any cheques for mailed-in IVS tickets?

Tests & Linked File

1: +++Review iTrak for applicable incident files and interview the Service Provider to determine whether any such cheques have been issued

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

2: If any cheques have been issued for mailed-in IVS tickets or chips, has the Service Provider completed all steps required in the attached document?

Answer List: *Compliant (10); Substantially Compliant (8); Partially Compliant (4); Non Compliant (0)*

3: Mail-In Electronic Gaming Machine Ticket & Gaming Chip Redemption Procedures - AML (Mail-In Electronic Gaming Machine Ticket & Gaming Chip Redemption Procedures - AML.docx)