



Investigational Planning and Report

A) Files		
PRIME File Number <div>Public Interest Immunity</div>	Unit/Detachment CFSEU / Joint Illegal Gaming Investigation Team	Other Reference Numbers
B) Occurrence		
Project Name E		
Caption		
Synopsis of the Investigation / Summary Statement (include rationale for undertaking the investigation and links to National Tactical Priorities) Based on intelligence from the police, British Columbia Lottery Corporation (BCLC) and the Gaming Policy and Enforcement Branch (GPEB), illegitimate lenders are using the proceeds of crime to finance casino patrons for gambling at BC casino. <div>Public Interest Immunity</div> <div>Public Interest Immunity</div> Therefore there is need for (1) further intelligence regarding money laundering schemes and the relationship between organized crime, illegitimate lending and casinos, and (2) investigations targeting the integration of proceeds of the crime into the economy via BC casinos.		
Monitoring Officer		
Rank Insp	Surname LEE	Given Name Stephen
Project/Target Team Leader		
Rank Cpl	Surname HUSSEY	Given Name Joel
Media/Liaison		
Rank S/Sgt	Surname HOUGHTON	Given Name Lindsey
Major Case Management		
Rank S/Sgt	Surname DADWAL	Given Name Paul
Responsible for Disclosure/Court		
Rank Cst	Surname BELL	Given Name Chris
Team Commander		
Rank S/Sgt	Surname DADWAL	Given Name Paul
Primary Investigator		
Rank Cst	Surname ROBINSON	Given Name Ben
File Coordinator		
Rank Cst	Surname BELL	Given Name Chris
Affiant		
Rank	Surname	Given Name



Investigational Planning and Report

Affiant

Cst	SMALLEY	Vikki
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C) Investigation

Type (select all that apply)

- | | | | | | |
|---|--|--|---------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> Major U/C | <input type="checkbox"/> Minor U/C | <input checked="" type="checkbox"/> Intelligence Probe | <input type="checkbox"/> Part VI. C.C | <input type="checkbox"/> National | <input checked="" type="checkbox"/> Regional |
| <input type="checkbox"/> Divisional | <input type="checkbox"/> Assistance - Foreign Agencies | <input type="checkbox"/> National Security | <input type="checkbox"/> JFO | <input type="checkbox"/> IPOC | |
| <input type="checkbox"/> Other specify: | | | | | |

Priority (select all that apply)

- | | | | |
|---|---|--|---|
| <input checked="" type="checkbox"/> Organized Crime | <input checked="" type="checkbox"/> National Tactical | <input type="checkbox"/> Regional Tactical | <input checked="" type="checkbox"/> Divisional Tactical |
|---|---|--|---|

D) Other Agency Participation

<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	RCMP - "E" Division Interview Team
<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	RCMP - Richmond Detachment
<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	Financial Transactions and Reports Analysis Centre (FINTRAC)
<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	Canada Border Services Agency
<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	RCMP - Federal Serious and Organized Crime
<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	Gaming Policy and Enforcement Branch (GPEB)
<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	British Columbia Lottery Corporation (BCLC)
<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	RCMP - Asian Probe Team
<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	British Columbia Provincial Crown Counsel

E) Subject Profiles (Principal Targets)

<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	Surname	Given 1	Given 2	DOB	FPS #	PTA/NTA/NTEP/PTEP
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>					
	Address	City			Province	
						British Columbia

F) Companies/Organizations (being investigated)

<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	
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G) Responsible for Intelligence

<input checked="" type="checkbox"/> (+) <input type="checkbox"/> (-)	Rank	Surname	Given Name
	Cst	BELL	Chris

H) Background

Investigation completed to date

Based on intelligence from the police, BCLC and GPEB, illegitimate lenders are using the proceeds of crime to finance casino patrons for gambling at casinos in BC.

Casino patrons who wish to gamble, but do not have funds readily available commonly utilize the services of illegitimate lenders. Illegitimate lenders loan money to patrons at the casino site or in close proximity to the casino such as in parking lots or nearby



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H) Background

restaurants. Upon receiving the cash, the patron "buys-in" at casino cash cages by exchanging the cash for gambling chips.

Public Interest Immunity

that illegitimate lenders work in concert with criminals who seek to launder the proceeds of crime. The criminals transfer the proceeds of crime to the illegitimate lender. The illegitimate lender then loans the proceeds of crime money to the casino patron who integrates that cash into the legitimate financial stream via the casino. The terms of the loan are established between the illegitimate lender and the patron. In some cases, the patron's ability to acquire credit for the loan or fulfill the repayment of the loan is facilitated in China. This is consistent with an informal value transfer system where there is no physical transfer of money which may be indicative of trans-national money laundering. Other times, repayment can occur within Canada which can include the signing over over houses and/or vehicles. There are gaps in intelligence that need to be bridged to fully understand money laundering schemes and the relationship between organized crime, illegitimate lending and casinos.

Casinos are a cash intensive business and are historically known to attract money laundering activity. As a result, they are required to send large cash transaction reports to FINTRAC when they receive an amount of \$10,000 or more in cash in the course of a single transaction (referred to as LCTs). In addition, casinos have to report completed or attempted transactions if there are reasonable grounds to suspect that transactions are related to the commission or attempted commission of a money laundering offence or terrorist activity financing related offence. These reports are referred to as Suspicious Transaction Reports or STRs.

Based on BCLC statistics for the calendar year 2016, there were 37,600 LCTs and 1,854 STRs at the top five casinos in BC (River Rock Casino and Resort, Grand Villa, Edgewater, Starlight and Hard Rock). The River Rock Casino and Resort was the leader in both LCTs and STRs with 16,234 and 1,233, respectively. These statistics highlight the significant sums of cash flowing into BC casinos. BCLC has an anti-money laundering unit dedicated to detecting, investigating and preventing activity related to suspected money laundering at BC casinos; however, they lack the enforcement powers to conduct Criminal Code investigations. Furthermore, their operations focus on money laundering activity at BC casinos, therefore, their intelligence is limited in scope. There is a need for police, working corroboratively with GPEB, BCLC and other partners, to investigate money laundering and proceeds of crime occurrences at BC casinos.

Money laundering is an integral element of organized criminal activity and is a proven method by which organized crime groups seek to transform the proceeds from illegal activities into apparently legitimately earned funds. The laundered proceeds of crime provide financial support to criminals to foster their criminal activity and expand their criminal operations. Based on the current situation there is a need for (1) further intelligence regarding money laundering and the relationship between organized crime, illegitimate lending and casinos, and (2) investigations targeting the integration of proceeds of the crime into the economy via BC casinos.

I) Objectives

What are the expected results? (eg. disruption of criminal organization(s), socio economic impact, etc.)

The primary expected results are:

- 1) Investigations, seizures and prosecutions related to proceeds of crime activity at casinos within BC;
- 2) Reduction in suspicious cash activity at casinos within BC;
- 3) Disruption in organized crime's ability to integrate the proceeds of crime into the economy via casinos in BC;
- 4) Collection of intelligence associated to the proceeds of crime and money laundering schemes;
- 5) Increased public awareness, via media coverage, of enforcement action targeting suspicious currency transactions at BC casinos;

The secondary results are:

- 1) The collection of intelligence associated to the integrity of gaming operations at BC casinos;
- 2) Enhanced communication between CFSEU, GPEB, BCLC and the service providers operating the casinos;
- 3) Increased understanding, identification and reporting of suspicious transactions by the service providers operating the casinos.



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J) Proposed Investigation Summary

How will the objectives be achieved? (Include projected time lines)

Phase 1 - Intelligence Phase:

Collaboration with FSOC, GPEB and BCLC:

Collaboration with FSOC, GPEB, BCLC to understand the illegitimate lending, proceeds of crime, money laundering and casinos day to day operations and procedures. This includes obtaining statistics regarding LCTs, STRs, and "conditioned" patrons at BC casinos.

Proceeds of Crime Training:

Training on proceeds of crime investigations from Sgt. Dave GRAY (Sgt. GRAY) from FSOC. Sgt. GRAY is an expert in proceeds of crime and will enhance investigators' ability to identify proceeds of crime.

Casino Operations:

To minimize disruption of casino operations and to understand the environment, investigators will be familiarized with the operations at the casino that is selected for operations.

E Division Interview Team:

Consultation with the E Division interview team for the purpose of developing interview strategies and objectives related to proceeds of crime investigations. The strategies and objectives will be consistent with the law and the best evidence gathering techniques for proceeds of crime investigations.

Crown Counsel:

Consultation with Crown Counsel to ensure they have an understanding of the problem and the investigative approach.

CFSEU Media:

Collaboration with the CFSEU media liaison for the purpose of developing a media strategy.

CFSEU Analytics:

Collaboration with CFSEU analytics unit to measure the success of the operation.

Other Partners/ Stakeholders:

FINTRAC, police detachment of jurisdiction (ie: Richmond RCMP Detachment for enforcement at the River Rock Casino and Resort), RCMP Asian Probe Team

Public Interest Immunity

It is recognized that the circumstances for each proceeds of crime investigation will vary. A potential investigation may be identified and investigated as follows:

Public Interest Immunity



Investigational Planning and Report

J) Proposed Investigation Summary

Public Interest Immunity

8) As per the Criminal Code, investigators will have 90 days to continue the proceeds of crime investigation. A thorough follow up investigation will be conducted and will include: follow up interviews, video surveillance review and judicial authorizations, as necessary.

Investigators will ensure that enforcement action is based on solid grounds and that investigators are respectful to casino operations. A by-product of investigators presence in the casino environment is an enhanced understanding of casino operations, employees, patrons.

Public Interest Immunity

Phase 3 – Public Awareness Phase

CFSEU media liaison will develop a media strategy involving applicable provincial government minister(s) and BCLC representatives. The purpose of the media strategy is to inform that public of CFSEU's initiative focused on suspicious cash transactions at BC casinos.

Phase 4 –Policy Changes and Training Improvements Phase

Based on the information gleaned during the course of the operation, a need for policy changes and training improvements may be identified. This will be completed as necessary.

Phase 5 - Analysis of Impact

CFSEU analytic's will conduct a comprehensive research project to measure the impact of the operation.

Media Plan completed and reviewed?

☐ Yes

☒ No

Commencement of Project Date (yyyy-mm-dd)

2017-01-28

Anticipated Termination Date (yyyy-mm-dd)

2017-12-31



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K Public Interest Immunity

Public Interest Immunity

(+)

(-)

☐ Yes

☒ No

☐ Yes

☒ No

Additional Details

S/WP Coordinator

Rank

Surname

Given Name

Signature

Date

Cst

Signing Authority (Title)

Rank

Surname

Given Name

Signature

Date

L Public Interest Immunity

☐ Trained Operator

☐ Outside Force (Attach CV)

☐ Agent

Details of the component of the proposed operation/investigation

Public Interest Immunity Support Requirement identified?

☐ Yes

☒ No

Public Interest Immunity Coordinator Recommendations

Public Interest Immunity Coordinator

Rank

Surname

Given Name

Signature

Date

M) Covertteam

Name of Member in Charge

Rank

Surname

Given Name

Trained

☐ Yes

☐ No

Team Member's Name

Rank

Surname

Given Name

Trained

(+)

(-)

☐ Yes

☐ No

Additional Details

Public Interest Immunity Coordinator

Rank

Surname

Given Name

Signature

Date

N) Annual Expenditures

Name of Project

Cost Centre

IO No

Total Investigation
Forecast

E1227

732746



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		Annual Expenditures	Open	Sensitive	TOTAL
(+)	(-)	FY/AF	Public Interest Immunity		Public Interest Immunity
(+)	(-)	FY/AF			
(+)	(-)	FY/AF			
TOTAL			Public Interest Immunity		Public Interest Immunity

O) Financial Expenses - Sensitive

Expenses - RO 580 *Disclosure is prohibited pursuant to the Witness Protection Program Act.	Revision Date
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Total Duration of Investigation

		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
1201	Purchase of information			
1201	Award - Agent			
1201	Expenses - Agent			
1202	Accommodation costs			
1203	Meals and beverages			
1204	Exhibit purchases and storage costs			
1205	Vehicle rentals and tickets			
1206	Purchases of vehicles (plane, boat, etc)			
1207	Operating and maintenance cost (vehicles)			
1208	Telecom. expenses			
1209	Witness Relocation/Protection			
1210	Other government depart.			
1211	PWGSC lease			
1212	Misc. costs			
Total Duration of Invest. Sensitive Expense Total				

Annual Forecasted Expenditures

		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
1201	Purchase of information			



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		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
1201	Award - Agent			
1201	Expenses - Agent			
1202	Accommodation costs			
1203	Meals and beverages			
1204	Exhibit purchases and storage costs			
1205	Vehicle rentals and tickets			
1206	Purchases of vehicles (plane, boat, etc)			
1207	Operating and maintenance cost (vehicles)			
1208	Telecom. expenses			
1209	Witness Relocation/Protection			
1210	Other government depart.			
1211	PWGSC lease			
1212	Misc. costs			
Annual Forecast, Sensitive Expense Total				

P) Financial Expenses - Open

Total Duration of Investigation				
	Operational Expenses	Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
050	Investigation expenses (travel, accom, meals)			
050	Accommodation (hotel, office rental)			
258	Vehicle(s) rental(s)			
430	Vehicle(s) operation costs			
219	Professional fees			
022	Translators - Other than Special "I"			
130	Disclosure costs			
500	Stationery			



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Operational Expenses		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
540	Misc. material and supplies			
	Other Specify			
Total Duration of Invest. Operational Expense Total				
Annual Forecasted Expenditures				
Operational Expenses		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
050	Investigation expenses (travel, accom, meals)			
050	Accommodation (hotel, office rental)	Public Interest Immunity		Public Interest Immunity
258	Vehicle(s) rental(s)			
430	Vehicle(s) operation costs			
219	Professional fees			
022	Translators - Other than Special "I"			
130	Disclosure costs			
500	Stationery			
540	Misc. material and supplies			
	Other Specify			
Annual Forecast, Operational Expense Total		Public Interest Immunity		Public Interest Immunity
Total Duration of Investigation				
Overtime in Dollars (\$)		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
31	Investigators	Public Interest Immunity		Public Interest Immunity
31	Round-up			
	Other Specify			
Public Interest Immunity				
Total Duration of Invest. Overtime Total		Public Interest Immunity		Public Interest Immunity



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Annual Forecasted Expenditures				
Overtime in Dollars (\$)		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
31	Investigators			
31	Round-up			
	Other Specify			
Annual Forecast, Overtime Total				
Total Duration of Investigation				
Special "I" Section		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
1208	Sensitive Expenses			
022	Monitors			
022	Translators			
031	Overtime in Dollar (\$)			
Total Duration of Invest. Special "I" - Total Expenses				
Annual Forecasted Expenditures				
Special "I" Section		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
1208	Sensitive Expenses			
022	Monitors			
022	Translators			
031	Overtime in Dollar (\$)			
Annual Forecast, Special "I" - Total Expenses				
Total Duration of Investigation				
Special "O" Section		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
	Sensitive Expenses, Specify			
031	Overtime in Dollar (\$)			



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Special "O" Section		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
050	Investigation expenses (travel, accom, meals)			
050	Accommodation (hotel, office rental)			
Total Duration of Invest. Special "O" - Total Expenses				
Annual Forecasted Expenditures				
Special "O" Section		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
	Sensitive Expenses, Specify			
031	Overtime in Dollar (\$)			
050	Investigation expenses (travel, accom, meals)			
050	Accommodation (hotel, office rental)			
Annual forecast of Invest. Special "O" - Total Expenses				
Total Duration of Investigation				
Major Case Management Unit		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
010	Salary			
011	Overtime in dollar (\$)			
	Other Specify			
Total Duration of Invest. MCMU - Total Expenses				
Annual Forecasted Expenditures				
Major Case Management Unit		Approved Allocation (+ or -)	Approved Adjustments (+ or -)	TOTAL
010	Salary			
011	Overtime in dollar (\$)			
	Other Specify			
Annual forecast of Invest. MCMU - Total Expenses				



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Total Duration of Investigation				
Grand Total	Approved Allocation (+ or -)	Approved Adjustments (+ or -)	GRAND TOTAL	
Total duration of Invest, Total expenses of: Sensitive, Operational, Overtime, Special I, Special O and MCMU	Public Interest Immunity	Public Interest Immunity	Public Interest Immunity	
Annual Forecasted Expenditures				
Grand Total	Approved Allocation (+ or -)	Approved Adjustments (+ or -)	GRAND TOTAL	
Annual Forecasted, Total expenses of: Sensitive, Operational, Overtime, Special I, Special O and MCMU	Public Interest Immunity	Public Interest Immunity	Public Interest Immunity	
Q) Signatures for approval				
Manager Responsible for the Project				
Rank	Surname	Given Name	Signature	Date
Comments				
Manager, Support Services is aware of project forecast and will monitor the expenses.				
Rank	Surname	Given Name	Signature	Date
Comments				
Manager, IPOC is aware of project forecast and will monitor the expenses.				
Rank	Surname	Given Name	Signature	Date
Comments				
OIC Criminal Operations				
Rank	Surname	Given Name	Signature	Date
Comments				
R) Assessment				
Summarize if and how the objectives were met (include socio economic impact)				



Security Designation Protected A
Report Date (yyyy-mm-dd) 2017-01-19

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Submitted Instructions
Ensure that: <ul style="list-style-type: none">• Encrypt the Form and notify INTELEX via email INTELEX_EDIV• INTELEX handle (MINTLX) has been added to PRIME File