

# Racing Entertainment Centre Terms & Conditions and Operating Guidelines



[aglc.ca](http://aglc.ca)

**RACING ENTERTAINMENT CENTRE**  
**TERMS & CONDITIONS and OPERATING GUIDELINES**

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**SECTION: 1. GENERAL INFORMATION****1.1 DEFINITIONS****1.1.1** In this handbook,

- a) “AGLC” means the Alberta Gaming and Liquor Commission;
- b) “AML” means Anti-Money Laundering; *(Added Apr 2018)*
- c) “Applicant” means an individual, corporation or other entity applying for a licence, registration or approval, pursuant to Section 9 of the Gaming and Liquor Regulation. *(Added May 2017)*
- d) “Applicant’s Associates” means an individual, corporation or other entity that has a financial interest in the applicant, in the applicant’s business or in the facility or premises to which the application relates, pursuant to Section 9 of the Gaming and Liquor Regulation. *(Added May 2017)*
- e) “Banned Patron” means a person who has been deemed by the AGLC as a detriment to the integrity of or lawful conduct of gaming activities and has been issued a ban from access to REC facilities in Alberta. *(Added Aug 2017)*
- f) “Board” means the Board of the AGLC;
- g) “Dedicated camera” means a surveillance camera used to provide full time uninterrupted coverage for the gaming terminal or area specified; *(Amended Mar 2016)*
- h) “Discrepancy report” means a report that the REC facility licensee and/or registered gaming worker must complete and submit to the AGLC when there has been a breach of the REC Terms & Conditions and Operating Guidelines, a gaming terminal discrepancy, a security breach or any other illegal activity; *(Amended Mar 2016)*
- i) “Electronic Game” means a lottery scheme played on a gaming terminal in which, upon payment of lawful currency, a person by chance may receive credit(s) that can be redeemed for further play or money; *(Added Mar 2016)*
- j) “Fixtures” means auxiliary equipment and supplies required for the operation of the gaming terminals, including but not limited to the clerk validation terminal, i-LINK™ (video lottery site controller) if applicable, Ticket Redemption Kiosks,

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validation PCs, audit PCs, security PCs, additional system hardware (ticketing, digital signage and gaming terminal support), stools, money handling equipment, printer, communications equipment and cabling; *(Added Mar 2016)*

- k) “Flash drive” or “thumb drive” is a small portable external storage device that reads and writes to flash memory, a solid-state storage medium which is universally compatible;
- l) “Gaming Service Provider” means any person or corporation that supplies services deemed by the AGLC to enable, facilitate, promote or assist a gaming licensee in the conduct and management or delivery of a gaming activity or a facility licensee in the operation of a licensed facility; *(Added Mar 2016)*
- m) “Gaming Supplier” means any person who makes, sells, advertises or distributes gaming supplies; *(Added Mar 2016)*
- n) “Gaming Supplies” means supplies, equipment and devices designed to be used in a gaming activity, but does not include normal office supplies or things specified in the regulations; *(Added Mar 2016)*
- o) “Gaming Terminal” means a computer, video device or machine that is used, or could be used, to play a lottery scheme as defined in the *Criminal Code* (Canada) where, on insertion of money or a token or on payment of any consideration a person may receive or be entitled to receive money, either directly from the computer, video device or machine or in another manner; *(Amended Mar 2016)*
- p) “Horse Racing Alberta” means the corporation continued under the *Horse Racing Alberta Act*;
- q) “Hotline” means the AGLC’s telephone line that may be accessed by Licensees to report any issues or irregularities, or to request technical slot machine service or other support from the AGLC;
- r) “Inspector” means an inspector of the AGLC, any police officer as defined in the Police Act or someone designated by the AGLC as an Inspector under the *Gaming and Liquor Act*; *(Amended Mar 2016)*

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- s) "Licence" means a Racing Entertainment Centre facility licence issued by the AGLC which authorizes the operation of a gaming facility:
- i) that is located in a grandstand adjoining a race track; and
  - ii) in which a provincial lottery may be conducted.
- t) "Licensee" means the person or entity holding a REC Licence;
- u) "Minor" means a person under the age of 18 years;
- v) "Race day" means a day that live horse racing is occurring or scheduled to occur at a race track;
- w) "Race track" refers to a race track licensed by Horse Racing Alberta for the primary purpose of live horse racing and which may be classified as an "A" track or "B" track as follows:
- i) A Class "A" track is a race track: on which live horse racing is conducted for a minimum of 100 days in a calendar year, the total number of days and actual dates are applied for and determined by Horse Racing Alberta on an annual basis; and in respect of which certain basic/minimum infrastructure (race track, site and grandstand) and racing operating requirements, identified in the Race Track Licensing Rules under the Horse Racing Alberta Act, are met.
  - ii) A Class "B" track is a race track: on which live racing is conducted to a maximum of 60 days and minimum of 15 days in a calendar year, the total number of days and the actual number of the actual dates are applied for and determined by Horse Racing Alberta on an annual basis; and in respect of which certain basic/minimum infrastructure (race track, site and grandstand) and racing operating requirements, identified in the Race Track Licensing Rules under the Horse Racing Alberta Act, are met.
- x) "Racing Entertainment Centre" means the areas approved within the grandstand and licensed by the AGLC. This includes the gaming area, public and restricted non-gaming areas within the gaming area and other restricted areas;

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- y) "Racing Entertainment Centre Terms & Conditions and Operating Guidelines (RECTCOG)" means the AGLC's set of policy requirements and operating guidelines which apply to the operation of a licensed REC facility; *(Added Mar 2016)*
- z) "Racing Industry Renewal Initiative" means an initiative of the government and horse racing industry aimed at enabling the horse racing industry to maintain and enhance live horse racing in the province to encourage breeding of horses and other agricultural development in the province;
- aa) "REC" means a Racing Entertainment Centre;
- bb) "RECTCOG" means the Racing Entertainment Centre Terms & Conditions and Operating Guidelines; *(Added Mar 2016)*
- cc) "REC Facility Licensee" (Facility Licensee) means the individual, partnership or corporation holding a REC licence which authorizes the operation of a facility in which provincial lotteries may be conducted and is the business entity named as the REC Retailer in the Retailer Agreement respecting Electronic Games; *(Amended Mar 2016)*
- dd) "REC Retailer" means the REC facility licensee holding a Retailer Agreement *(Amended Mar 2016)*;
- ee) "Registered Gaming Worker" means a person registered with the AGLC to perform the function(s) specified in his or her registration pursuant to the *Gaming and Liquor Regulation*;
- ff) *(Deleted Oct 2015)*
- gg) "Retailer Agreement" means the Electronic Games – REC Retailer Agreement and includes any schedules as amended from time to time; *(Amended Mar 2016)*
- hh) "SDS" means Slot Data System; *(Added Apr 2018)*
- ii) "Self-Exclusion" (SE) means when an individual agrees to be excluded from all licensed casino/REC facilities in the Province of Alberta. (Forms are to be made available at all licensed facilities). The "Self-Exclusion Program" is designed for people who feel it is in their best interest not to participate in casino/REC gambling. By participating in this program, an individual is agreeing to be banned from all licensed casino and

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- REC facilities in the Province of Alberta; *(Amended Oct 2017; Amended Mar 2016)*
- jj) “Slot manager” means the registered gaming worker having the overall responsibility of overseeing the operation of gaming terminals *(Amended Mar 2016)*;
- kk) “Supplied Equipment” means the gaming terminals, signs (includes video signage as well as terminal and non-terminal signage) and fixtures which may be provided by the AGLC *(Added Mar 2016)*;
- ll) “Terms & Conditions” means the RECTCOG;
- mm) “TITO” means ticket in ticket out, and refers to a barcoded paper ticket issued by a slot machine; *(Added Apr 2018)*
- nn) “TRK” means a ticket redemption kiosk where patrons can exchange their slot machine TITO tickets for cash or exchange large denomination bills for smaller denominations; *(Added Mar 2016)*
- oo) “Wi-Fi” or “wireless fidelity” is a term describing certain types of wireless networks;
- pp) “Wireless” means telecommunications in which electromagnetic waves (rather than some form of wire) carry the signal over part or the entire communication path. The distances involved may vary in length; and
- qq) “Wireless Camera” means a surveillance camera used as a video recording device that transmits signals wirelessly.

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### 1.2 LEGISLATION AND BOARD POLICIES

- 1.2.1 RECs are part of the Racing Industry Renewal Initiative.
- 1.2.2 RECs must be operated in accordance with the *Gaming and Liquor Act*, the *Gaming and Liquor Regulation* and Board policies established under the legislation including these Terms & Conditions.  
*(Amended Mar 2016)*
- 1.2.3 The Terms & Conditions in this handbook contain the policies and operating procedures established by the Board pursuant to s. 38(1) of the *Gaming and Liquor Act* which states:
- “The board’s policies respecting the activities authorized by a gaming or facility licence are conditions of the Licence, including policies made after the Licence is issued.”*
- 1.2.4 All references in this handbook to “Terms & Conditions” are considered to be references to Board policies.
- 1.2.5 REC facility licensees and registered gaming workers must comply with all: *(Amended Mar 2016)*
- a) federal, provincial and municipal laws; and
  - b) Board policies.
- 1.2.6 Registered gaming suppliers (see Subsection 1.13.4) and registered gaming worker suppliers, while providing gaming supplies or gaming workers (as authorized in their registration), must ensure that they and the supplies or gaming workers they provide comply with the *Gaming and Liquor Act*, the *Gaming and Liquor Regulation* and Board policies. *(Amended Jan 2018, Added Mar 2016)*
- 1.2.7 Approved gaming service providers (see Subsection 1.13.4), while providing gaming services, must ensure that the services provided are delivered in a manner consistent with Board policy and legislative requirements governing facility and gaming licensees. *(Added Mar 2016)*
- 1.2.8 Non-compliance with the legislation or Board policies contained in this handbook may result in disciplinary action as outlined in Section 9, “Enforcement of Legislation.”

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### 1.3 LICENSING AND REGISTRATION

1.3.1 The REC Facility Licence issued pursuant to section 22(c) of the Gaming and Liquor Regulation authorizes the operation of a REC facility. Applicants for a REC facility Licence will be subject to background checks pursuant to Section 9 of the Gaming and Liquor Regulation (see also Sections 3.8 and 3.9). *(Amended Mar 2016)*

1.3.2 A Licensee or an applicant for a Licence must be an entity that operates a race track licensed by Horse Racing Alberta, and the race track must be designated by Horse Racing Alberta as either an "A" or "B" race track.

1.3.3 A Licence respecting a REC will be considered automatically cancelled upon the suspension, cancellation or revocation of the Licensee's race track licence by Horse Racing Alberta or by any other authority with the power to suspend, cancel or revoke the Licensee's race track licence.

1.3.4 A REC must be operated by the Licensee. Pursuant to section 14(1) of the *Gaming and Liquor Regulation*, "no facility licence or liquor licence may be issued unless the Board is satisfied that the applicant has the right to occupy and control the facility or premises in respect of which the application is made."

1.3.5 A REC Facility Licensee must, if required by the Board during the term of the Licence, satisfy the Board that the Licensee continues to have the right to occupy and control the facility or premises in respect of which the Licence is issued.

1.3.6 *(Deleted Mar 2016)*

1.3.7 *(Deleted Mar 2016)*

1.3.8 Pursuant to the Gaming and Liquor Act, a "gaming worker" means a person, other than a person specified in the regulations who is paid to assist:

- a) a gaming Licensee in the conduct or management of a gaming activity; or
- b) a facility Licensee in the operation of a licensed facility.

1.3.9 A registration for a REC facility worker (a class of gaming worker) issued pursuant to section 25(c) of the Gaming and Liquor Regulation

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authorizes a person to perform at a REC a function as specified in the person's registration.

1.3.10 To be eligible to be registered as a gaming worker, an individual must:

- a) have the experience specified by the Board for the function;
- b) if the Board establishes an exam for the function, achieve at least the minimum exam score specified by the Board.

1.3.11 Only Registered Gaming Workers as designated in Subsection 5.1.3 may be employed by a REC Facility Licensee. *(Added Mar 2016)*

1.3.12 A REC must not be used for any gaming activity other than those approved by the AGLC.

1.3.13 A licence is in effect for a term pursuant to the *Gaming and Liquor Regulation*.

### OBJECTIONS

*(Added Nov 2017)*

#### New REC Facility or Relocation of an Existing REC Facility

1.3.14 The AGLC will post all applications for the following types of facility licences on its website at aglc.ca:

- a) a new facility; and
- b) the relocation of an existing licensed facility.

1.3.15 The following information will be posted on the AGLC website:

- a) name of the applicant;
- b) name of the existing and proposed (if different from the existing facility name) facility;
- c) legal and municipal addresses of the existing and proposed facilities;
- d) licence(s) applied for; and
- e) the date that a written objection must be received by the AGLC.

1.3.16 All objections must be submitted in writing and received by the AGLC within 21 calendar days from the date the application is posted on

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the AGLC website in order for the objection to be considered during the current licensing process.

- 1.3.17 The applicant will be notified in writing of all objections received.
- 1.3.18 The applicant will be given 14 days from the date of notification to respond in writing to the objection; an extension may be requested by the applicant. No licence(s) will be issued until the objection and the applicant's response, if any, have been considered by the Board.
- 1.3.19 The applicant and the person(s) filing the objection will be advised in writing of the Board's decision.
- 1.3.20 If no objections to the issue of a licence are received within the 21 calendar days the AGLC will continue with the licensing process.

### Other Gaming Licence(s)/Registrations

- 1.3.21 If any written objection to an application for a gaming licence or registration is received by the AGLC, the following policies apply:
- a) The applicant will be notified in writing of all objections received.
  - b) The applicant for the licence/registration will be given 14 days from the date of notification to respond to the objection; an extension may be requested by the applicant;
  - c) The objection and the applicant's response, if any, will be submitted to the Chief Executive Officer (CEO) of the AGLC for consideration. Should an objection to the issue of a licence/registration be received by the AGLC without sufficient time to consider the objection, a new licence/registration may be issued and the objection will be considered by the CEO at the earliest possible date.

### Objections Received Past Specified Deadlines

- 1.3.22 Any objection to an application for a licence/registration received after the specified time frames noted above will not be taken into consideration. The objector(s) will be advised accordingly.

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**1.4 ALBERTA GAMING AND LIQUOR COMMISSION (AGLC)**

*(Added Mar 2016)*

- 1.4.1 The AGLC is the province's gaming authority, responsible for conducting and managing provincial lotteries (as defined in section 1(1) (x) of the *Gaming and Liquor Act*) and for licensing and regulating licensed facilities such as a REC.
- 1.4.2 Facility licences are issued by the AGLC and the administration and monitoring of licensed REC facilities is the responsibility of the AGLC.
- 1.4.3 A copy of the *Gaming and Liquor Act* and *Gaming and Liquor Regulation* are provided to each REC Facility Licensee.
- 1.4.4 A current version of the RECTCOG is available, at no cost, on the AGLC website at aglc.ca.
- 1.4.5 The REC Facility Licensee is responsible for:
- a) ensuring the RECTCOG is available throughout the REC facility to Registered Gaming Workers; and
  - b) keeping all staff of the REC informed about the Terms & Conditions as they are relevant to the duties and responsibilities of the staff.
- 1.4.6 The REC Facility Licensee is responsible to keep the RECTCOG updated when notifications of amendments are received.
- 1.4.7 Additional or replacement copies of the legislation may be obtained from the Queen's Printer Publication Services in Edmonton at 780-427-4952 and in Calgary at 403-297-6251 or may be accessed at no charge on the AGLC's website at aglc.ca.
- 1.4.8 REC Facility Licensees and Registered Gaming Workers:
- a) are responsible for knowing the legislation and the policies referred to or contained in the terms and conditions;
  - b) must ensure that all records, reports and financial control forms as required by the AGLC or its representatives are complete and accurate; and
  - c) must ensure that all communications (written or oral) with the AGLC or its representatives are accurate.

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**1.5 CONTACTING THE AGLC**

1.5.1 Written communication may be addressed to any of the following:

Alberta Gaming and Liquor Commission  
50 Corriveau Avenue  
St. Albert, Alberta T8N 3T5  
Fax Number: 780-447-8912

Alberta Gaming and Liquor Commission  
110 Deerfoot Atrium  
6715 - 8 Street NE  
Calgary, Alberta T2E 7H7  
Fax Number: 403-292-7302

Alberta Gaming and Liquor Commission  
3, 7965 - 49 Avenue  
Red Deer, Alberta T4P 2V5  
Fax Number: 403-314-2660

Alberta Gaming and Liquor Commission  
100 - 11039 - 78 Avenue  
Grande Prairie, Alberta T8W 2J7  
Fax Number: 780-832-3006

Alberta Gaming and Liquor Commission  
3103 – 12 Avenue North  
Lethbridge, Alberta T1H 5P7  
Fax Number: 403-331-6506

1.5.2 The following is a list of AGLC office telephone numbers. Telephones will be answered by machine when staff is not available or calls are outside normal office hours. Normal office hours are 8:15 a.m. to 4:00 p.m. Monday to Friday, excluding holidays. *(Added Mar 2016)*

St. Albert (Head Office):	780-447-8600
Calgary:	403-292-7300
Red Deer:	403-314-2656
Grande Prairie:	780-832-3000
Lethbridge:	403-331-6500
Gaming Irregularities Only:	1-800-742-7818

1.5.3 The Internet address of the AGLC is [aglc.ca](http://aglc.ca). *(Added Mar 2016)*

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**1.6 HOURS OF OPERATION**

- 1.6.1 RECs are allowed to operate for a maximum of 17 consecutive hours, commencing no earlier than 10:00 a.m. and ending no later than 3:00 a.m. up to seven (7) days per week, unless otherwise designated by the Board.
- 1.6.2 RECs must remain closed on Christmas Day.
- 1.6.3 The AGLC may restrict the hours of operation of a REC.

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**1.7 MINORS**

- 1.7.1 Minors (under the age of 18) are not permitted within a REC.
- 1.7.2 REC Facility Licensee staff are required to obtain valid identification and verify proof of age whenever a person who appears to be under 25 years of age attempts to enter an REC facility. If unsatisfied a person is at least 18 years of age, licensee staff must refuse entry or ask the person to leave. *(Amended October, 2015)*
- 1.7.3 For the purposes of Subsection 1.10.4, valid primary identification must:
- a) have a photo;
  - b) have a name;
  - c) have a signature;
  - d) be Government issued;
  - e) include date of birth;
  - f) not be expired;
  - g) have a unique identifier number; and
  - h) be an original (not a copy). *(Amended October, 2015)*
- 1.7.4 If the identification appears not to be genuine, licensee staff must request a second piece of identification. Valid secondary identification must:
- a) have a name;
  - b) be Government issued;
  - c) have a unique identifier number;
  - d) include date of birth. *(Amended October, 2015)*
- 1.7.5 Identification requirements and identity verification for the Anti-Money Laundering program are listed under Section 12.6. *(Added October, 2015)*
- 1.7.6 Careful examination of identification under adequate lighting must take place to ensure that:
- a) the photograph is genuine and has not been substituted;
  - b) the plastic laminate has not been tampered with;

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- c) the lettering that provides information on name and date of birth has not been altered; and
- d) the document is genuine.

1.7.7 Where there is any doubt that identification is genuine, have the individual provide a sample signature and compare the signature to the signature on the photograph identification. Also, ask for a second piece of signature identification.

1.7.8 Caution should be exercised to check for identification each and every time a person of questionable age attempts to enter a REC. On a previous occasion, false identification may have been produced by the person and accepted.

1.7.9 If a person of questionable age fails to satisfy staff that the person is of legal age, the employee will refuse entry and ask the person to leave.

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**1.8 DRESS**

- 1.8.1 Each facility licensee must develop and enforce its own dress code for registered gaming workers to allow for easy recognition by patrons of the REC and to reduce the possibility of criminal activity taking place.
- 1.8.2 Patrons of the REC are not permitted to wear costumes in the REC which conceal their identity (e.g., face or eye masks) on any occasion during the operating hours of the REC.

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**1.9 EXTENDING CREDIT**

1.9.1 The REC Facility Licensee office staff or Registered Gaming Workers or any other REC or facility staff are prohibited from cashing personal cheques of patrons or extending credit in any form to patrons.

**Exception:** Cash Call cheques as per Section 1.18 may be accepted.  
*(Amended Mar 2016)*

1.9.2 Certified cheques, money orders or bank drafts may be cashed at either the licensed premises or the slot cashier. *(Added Mar 2016)*

- a) The decision to cash the above bank instruments is at the discretion of the REC Facility Licensee.
- b) The REC Facility Licensee assumes full responsibility for any losses which may incur from this practice.

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**1.10 AUDIT**

1.10.1 The REC Facility Licensee's books and records are subject to review/and or audit by the AGLC and must be maintained in a manner acceptable to the AGLC. *(Amended Mar 2016)*

1.10.2 The articles/instruments normally subject to audit will include, but are not limited to: *(Amended Mar 2016)*

- a) books of original entry (including computerized records);
- b) invoices and all other supporting documents;
- c) bank statements and cancelled cheques;
- d) internal controls;
- e) contracts, agreements or similar documents;
- f) payroll records;
- g) income Tax and Goods and Services Tax Returns;
- h) minutes of Annual General, General Membership, Board, and Executive meetings;
- i) interim (unaudited) financial statements;
- j) annual (audited) financial statements;
- k) ownership structure; and
- l) any other information or records required by the AGLC.

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**1.11 EQUIPMENT IN RECS**

- 1.11.1 A REC Facility Licensee must not allow computers in any area of a REC facility unless prior approval has been received from the AGLC.
- 1.11.2 Only equipment and/or gaming apparatus approved in writing by the AGLC may be utilized in a REC facility.
- 1.11.3 All gaming related equipment is subject to inspection by the AGLC. REC Facility Licensees may be required to replace or repair worn or used equipment.

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**1.12 REC ACCESS**

1.12.1 REC Facility Licensees and Registered Gaming Workers are required to cooperate fully with AGLC Inspectors and police officers attending at a REC. The Licensee or registrant on the request of an Inspector, the AGLC or an employee of the AGLC must:

- a) assist the Inspector in carrying out an inspection; and
- b) provide the Inspector with records, documents, books of account and receipts and provide a place where they may be inspected, audited, examined or copied.

1.12.2 Every police officer as defined in the Police Act is an Inspector for the purposes of the *Gaming and Liquor Act*.

1.12.3 To ensure compliance with the *Gaming and Liquor Act*, the *Gaming and Liquor Regulation*, and Board policies, a AGLC Inspector:

- a) must be given full and unrestricted access to all areas of the REC facility;
- b) take reasonable samples of gaming supplies from the Licensee or any person in the licensed facility;
- c) may inspect, audit, examine and make copies of records, documents, books of account and receipts relating to a gaming activity, a provincial lottery, a gaming or facility licence, or gaming supplies or may temporarily remove any of them for those purposes;
- d) interview the Licensee or agents of the Licensee with regard to any of the records, documents, books of account and receipts;
- e) may interview and request identification from any person who appears to be a minor who is found in the licensed facility, or a person who appears to be a minor who is found outside the licensed facility if the Inspector has reasonable grounds to believe that the person is contravening or has contravened this Act; and
- f) seize identification from any person interviewed in accordance with this section if the Inspector has reasonable grounds to believe that the identification is false or has been altered.

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- 1.12.4 A field technician employed by or working on behalf of the AGLC in a REC and who is installing, servicing or removing electronic gaming or gaming related equipment is designated by the AGLC as an Inspector pursuant to section 98(1) of the *Gaming and Liquor Act*.
- 1.12.5 An auditor or person employed or working on behalf of the AGLC in a REC is designated by the AGLC as an Inspector pursuant to section 98(1) of the *Gaming and Liquor Act*.

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## SECTION: 1. GENERAL INFORMATION

### 1.13 RELATIONSHIP WITH GAMING SUPPLIERS AND GAMING SERVICE PROVIDERS

1.13.1 A licensee or employee of a REC or a consultant to or a person under contract to a REC is not permitted to be an agent, representative or owner of a company that deals in Gaming Terminals, regardless whether the company is registered in Alberta or elsewhere. *(Amended Mar 2016)*

1.13.2 The Board may approve, in writing, a licensee or any other person noted in Subsection 1.13.1 to deal in gaming supplies, whether or not they are registered in Alberta.

1.13.3 Any person providing Gaming Supplies in Alberta must be registered as a Gaming Supplier pursuant to section 40(1)(a) of the *Gaming and Liquor Act*. *(Amended Mar 2016)*

1.13.4 To ensure integrity in gaming activities occurring in the operation of a licensed facility under a facility licence, facility licensees must only utilize:

- a) gaming suppliers registered by the AGLC to provide gaming supplies used to monitor and protect the integrity of electronic gaming activities (e.g. surveillance equipment) occurring within a REC facility under a facility licence. *(Added Jan 2018)*
- b) gaming service providers approved by the AGLC to provide gaming services including but not limited to: *(Added Mar 2016)*
  - i) *(deleted Jan 2018)*
  - ii) background checks;
  - iii) ATMs; or
  - iv) payment processing services.

1.13.5 The AGLC, at its discretion, may conduct any background checks that it considers necessary or appropriate with respect to the registration of Gaming Suppliers or the approval of Gaming Service Providers. *(Added Mar 2016)*

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**1.14 DEAL US IN REC STAFF TRAINING**

*(Amended Apr 2016)*

- 1.14.1 For the purposes of this section, “Deal Us In” means a social responsibility training program designed to educate REC Facility Licensees and their staff on how to recognize the differences between responsible and problem gambling behaviour and appropriately respond to someone who may have a problem with their gambling.
- 1.14.2 A REC Facility Licensee must meet Deal Us In REC Staff Training certification requirements. Equivalency will not be granted for certification offered in other provinces.
- 1.14.3 Persons requiring Deal Us In certification(s) must be certified within 30 days of the employment start date for all new hires to positions identified in Subsections 1.14.9 and 1.14.11.
- 1.14.4 Deal Us In certification(s) are valid for a period of five (5) years from the date of successfully completing the program(s).
- 1.14.5 Deal Us In certification(s) must be maintained by successfully repeating the Deal Us In Phase One and/or Phase Two certification program(s) (including passing the exam[s]) before the certification expiration date.
- 1.14.6 REC Facility Licensee staff must provide proof of Deal Us In certification(s) at the request of an AGLC Inspector. Failure to present proof of certification may result in disciplinary action. Proof of Deal Us In certification includes: *(Amended Oct 2016)*
- a) paper printed versions that have a QR code;
  - b) the personal information page printed from the staff member’s SMART account;
  - c) a plastic card (that does not have a QR code);
  - d) clear images of any of the above (i.e. image, photograph or screen shot) saved on the staff member’s mobile device/phone.
- 1.14.7 It is the responsibility of the REC Facility Licensee to ensure:

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- a) all staff in their premises who are required to have Deal Us In certification(s) (see Subsections 1.14.9 and 1.14.11) are certified in accordance with the requirements identified in Section 1.14; and
- b) at least one (1) Deal Us In Phase One and Phase Two certified staff member is on shift at all times.

1.14.8 REC Facility Licensees must keep a log of employees who are Deal Us In certified, including the following information:

- a) which phase(s) of certification the employee has completed;
- b) employee name as it appears on the certification card;
- c) SMART Training registration number; and
- d) expiry date.

Note: Logs are subject to review by the AGLC.

**Deal Us In Phase One Certification**

1.14.9 Deal Us In Phase One certification is mandatory for all full-time and part-time Registered Gaming Workers. This includes:

- a) REC managers;
- b) directors of security, managers of security, security guards, and monitor room personnel; and
- c) slot managers, slot supervisors and slot operators (slot attendants, slot cashiers and slot change attendants).

Note: Deal Us In Phase One certification is acceptable in lieu of Reel Facts certification at RECs where staff may have involvement with VLT patrons.

1.14.10 A minimum score of 80% on an AGLC administered examination is required for Deal Us In Phase One certification.

**Deal Us In Phase Two Certification**

1.14.11 Deal Us In Phase Two certification is mandatory for individuals working full-time or part-time as a Registered Gaming Worker in the following positions:

- a) REC supervisors;

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- b) managers; and
  - c) security staff.
- 1.14.12 Deal Us In Phase One certification is a prerequisite for Deal Us In Phase Two certification.
- 1.14.13 A minimum score of 80% on an AGLC administered examination is required for Deal Us in Phase Two certification.
- 1.14.14 Deal Us In certification is not required for staff working full-time or part-time as:
- a) kitchen staff;
  - b) bus persons; or
  - c) cleaning staff.

**GUIDELINES**

- 1.14.15 Deal Us In certification options are found on the SMART Training website. For more information on Deal Us In, contact:

SMART Training Programs  
Alberta Gaming and Liquor Commission  
50 Corriveau Avenue  
St. Albert, Alberta  
T8N 3T5  
Toll Free: 1-877-436-6336  
Fax: 780-651-7626  
Website: [smartprograms.aglc.ca](http://smartprograms.aglc.ca)

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**1.15 SELF-EXCLUSION PROGRAM**

*(Amended Oct 2017)*

- 1.15.1 All REC facility licensees must have application forms (Form 5474) available for anyone wishing to participate in the Self-Exclusion (SE) program. A sample form is also available on the AGLC's GameSense website at [gamesenseab.ca](http://gamesenseab.ca). *(Amended April 2016)*
- 1.15.2 Enrolment into the SE program must be completed in accordance with the procedures outlined in the AGLC's Casino and Racing Entertainment Centre Self-Exclusion Program Manual. *(Amended April 2016)*
- 1.15.3 *(Deleted April 2016)*
- 1.15.3.1 The REC facility licensee is responsible for ensuring employees with Deal Us In Phase Two certification assist patrons in signing up for the SE program. *(Added April 2016)*
- 1.15.4 REC facility licensees must display all required signage, brochures, and other print material pertaining to the SE program in a prominent location. *(Amended April 2016)*
- 1.15.5 The SE Program Manual, signage, brochures and other print materials are available from the Licensees' designated GameSense Advisor or the AGLC's St. Albert Office. *(Amended Oct 2015)*
- 1.15.6 All REC facility licensees must designate a senior staff member as their SE Program Administrator. The SE Program Administrator will:
- a) be responsible for ensuring the SE program is delivered at its REC in accordance to the AGLC's RECTCOG and the SE Program Manual; and
  - b) serve as the liaison between the Licensee and the AGLC in matters that pertain to the SE program. *(Amended April 2016)*
- 1.15.7 The REC facility licensee must exclude the SE applicant from all REC loyalty program mailings and/or receiving/participating in other promotions offered by the Licensee while the applicant is an active SE program participant.
- 1.15.8 Once the completed SE is received at the AGLC, and has been correctly entered into the Gaming Information Network (GIN) System, an Exclusion bulletin will be sent to all licensed casinos and RECs in Alberta. *(Amended April 2016)*

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- 1.15.8.1 It is the responsibility of the REC facility licensee to ensure that an up to date list of SE participants is maintained and available to surveillance and monitor room personnel, as well as all Deal Us In Phase Two certified staff by means of either:
- a) A computer with access to GIN; or
  - b) A printed binder. It is the responsibility of the SE Program Administrator to update the binder every two weeks, inserting all new SE bulletins and removing any expired bulletins. *(Amended April 2016)*
- 1.15.9 In the event of a re-enrolment, the enrolment process must be repeated in order to keep the file and photograph up to date.
- 1.15.10 REC facility licensees, employees and agents must prohibit all persons enrolled in the SE program from entering or remaining in a licensed REC facility. Failure to do so may result in the REC facility licensees being charged under Section 34.2 of the Gaming and Liquor Regulation.
- 1.15.11 SE participants are allowed to enter any REC to perform specific work related duties only. Upon completion of these work related duties, the person is required to depart the facility immediately or be considered in violation of their SE agreement.
- 1.15.12 If a patron identified on a current SE Bulletin enters a licensed REC, it is the responsibility of employees to verify the patron's identity and then ask the patron to leave the premises immediately and follow the procedures specified in Subsection 1.15.14.
- 1.15.13 If a patron identified on a current SE Bulletin refuses to provide the employee with a suitable form of picture identification to verify the person's identity, the employee will ask the patron to leave the premises immediately and follow the procedures specified in Subsection 1.15.15.
- 1.15.14 The REC facility licensee will notify the AGLC of all program breaches by completing an AGLC SE Re-Entry Report as per the instructions outlined in the AGLC Facility SE Re-Entry Procedures section of the AGLC's Casino and REC Self-Exclusion Program Manual.
- 1.15.15 In the event a patron refuses to leave the facility, employees should inform the patron that the police will be called and then take no further action with the patron until the police arrive. Staff should

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immediately phone the local police agency and seek their assistance in the removal of the person from the premises.

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### 1.16 ADVERTISING

*(Added Mar 2016)*

1.16.1 Advertising refers to the use of media to externally communicate a message to a wider audience, Including but not limited to:

- a) newspapers;
- b) magazines;
- c) e-mail;
- d) social media;
- e) radio;
- f) television;
- g) internet; and
- h) signage.

1.16.2 The purpose of these policies is to provide parameters under which advertising activities may take place in accordance with the *Gaming and Liquor Act, Gaming and Liquor Regulation* and Board policies.

1.16.3 These policies are conditions of the Licence applying to REC Facility Licensees, and are conditions of the Electronic Games – REC Retailer Agreement. REC Facility Licensees are responsible for ensuring their advertising is, at all times, in compliance with these policies.

1.16.4 Advertising for all Electronic Games must be submitted to the AGLC for approval. (For further information on Electronic Games, see Section 6.) The proposal must not include advertising on:

- a) any online Gaming Service Provider or promoter's site including, but not limited to, a play-for-free site or a play-for-money site;
- b) a site with a direct link to an online gaming site (free or pay); or
- c) a "fantasy sports" site or a site with a direct link to a "fantasy sports" site.

#### Basic Principles:

1.16.5 Advertising must:

- a) be within the limits of good taste and propriety;

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- b) be accurate and verifiable; and
- c) within the parameters of the RECTCOG, comply with any requirements of the Canadian Radio-Television and Telecommunications Commission and any other regulatory body having related jurisdiction.

1.16.6 Advertising must not:

- a) encourage or promote irresponsible play;
- b) depict excessive or prolonged periods of play of Electronic Games; or
- c) convey the impression that playing or winning will improve an individual's status or standing.
- d) be targeted at minors; or
- e) be used to disparage or discredit another company, business or product;

Elements of Advertising:

1.16.7 Gambling Scenes:

- a) the activities shown in any advertising using a REC setting must be within the normal bounds of those which are permitted in the province;
- b) a legal setting must be presented, and only approved Electronic Games and activities may be shown;
- c) with prior AGLC approval, gaming activities within a REC facility may be filmed or recorded to develop media clips for advertising purposes; and *(Added Oct 2017)*
- d) media clips, photographs or other representation of real life players is not permitted without their prior consent. *(Amended Oct 2017)*

1.16.8 Minors:

- a) advertising must not appeal specifically to minors or be placed in any medium that is targeted specifically to minors;
- b) minors or persons who may be reasonably mistaken for minors may not be depicted in REC advertisements;

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- c) the use or imitation of children’s fairy tales, jingles, nursery rhymes, songs, musical themes or fictional characters is not permitted; and
- d) advertising may not be placed at venues (such as sports arenas) which are used primarily by minors.

1.16.9 Personal Endorsements:

- a) REC endorsement by a well-known personality or look-alike should not imply that playing electronic games has contributed to the individual’s success;
- b) no well-known personality (e.g., an athlete or a youth-oriented musical group) or look-alike with strong appeal to minors may be used in REC advertising; and
- c) the age of personalities and their current standing in the public eye should be taken into account when assessing appeal to minors.

1.16.10 The REC Facility Licensee is responsible for all costs of advertising and there is no dollar limit on advertising expenses or costs.

1.16.11 The interpretation and enforcement of these policies are the responsibility of the AGLC:

- a) the REC Facility Licensee is responsible for ensuring advertisements meet the requirements of these policies; and
- b) failure to comply with the spirit and intent of these policies will result in sanctions by the Board. Sanctions include, but are not limited to:
  - i) warnings;
  - ii) the requirement that the REC Facility Licensee remove advertising;
  - iii) the requirement that all further advertising covered by these policies be submitted in advance to the AGLC for approval;
  - iv) suspension of advertising privileges for specified periods; or

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- v) any other sanctions determined by the Board consistent with the *Gaming and Liquor Act*.

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### 1.17 PROMOTIONS

*(Added Mar 2016)*

- 1.17.1 Promotion refers to any activity within a REC facility designed to attract players or to maintain player levels other than through advertising. Such an activity may include, but is not limited to, a contest, draw, prize, giveaway, etc., or similar promotion.
- 1.17.2 The purpose of these policies is to provide parameters under which promotional activities may take place in accordance with the authority of the *Gaming and Liquor Act*, the *Gaming and Liquor Regulation* and Board policies.
- 1.17.3 These policies are conditions of the REC Facility Licence and conditions of the Electronic Games - REC Retailer Agreement. REC facility licensees are responsible for ensuring their promotions are at all times in compliance with these policies.
- 1.17.4 Promotions are permitted without the prior approval of the AGLC if the intended promotional activity is covered by or directly referred to in these policies.
- 1.17.5 Basic Principles:
- a) Promotions must be conducted within the limits of good taste and propriety;
  - b) Promotions may focus on any one (1) game or activity in the REC facility or any combination of games or activities in the REC facility authorized by the AGLC;
  - c) REC facility licensees must not provide by themselves or through any third party, any promotional activity which:
    - i) alters the elements of chance of any electronic game;
    - ii) provides increased payouts to reward frequent play;
    - iii) is game-altering in any way; or
    - iv) is illegal.

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1.17.6 Bonus Play:

- a) Coupons or similar items presented at a REC facility in exchange for a certain value of play on gaming terminals provided either specifically from the REC facility licensee or a third party, such as a hotel, are permitted;
- b) Coupons or similar items must be redeemed within the actual REC facility (i.e. redemption booth);
- c) Rewards for frequent play are permitted (excluding increased payouts);
- d) Coupons must be printed for each separate promotion. Mechanical or electronic reproductions of coupons or similar items must not be accepted by the REC facility licensee operating the given promotion; and
- e) Coupons or similar items for play on gaming terminals may only be redeemed from a slot cashier.

1.17.7 Promotions in the REC facility:

- a) Free draws, contests, giveaways or similar promotions are allowed provided that a person is not required to play electronic games, or to remain in the facility to receive a prize as a condition of participating in or entering the draw, or other promotion. A REC facility licensee may require a person to be present at time of draw to receive a prize, however, the time, date and place of the draw must be prominently posted within the REC facility; and
- b) REC facility licensees may provide free refreshments or food to players as a means of "customer service". The menu price for the free food, refreshments, or the advertised discounted price, must be included in the total cost of promotions.

1.17.8 Player Reward Programs

- a) Player tracking and player reward programs are allowed, however, these programs must be submitted to the AGLC for

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approval prior to their implementation. The program submissions must include the following conditions:

- i) the REC facility licensee must maintain a current record of patrons who are participants in the Self-Exclusion (SE) program and exclude any SE participants from all REC marketing; *(Amended Oct 2017)*
  - ii) the REC facility licensee must ensure that any proposal is in compliance with the Personal Information Protection Act; *(Amended Oct 2017)*
  - iii) the REC facility licensee must provide access to an annual win/loss statement and include a statement that indicates the annual win/loss statement for patrons involved in the player reward program is available to the AGLC upon request; and
  - iv) the REC facility licensee must include a statement indicating that a patron may be removed from the player reward mailing list at the player's request.
- b) REC facility licensees may provide incentives to players under the player reward system. Incentives may include meals, concert tickets, accommodations, etc. The price of the incentives, or the advertised discounted price, must be included in the total cost of promotions for the REC facility licensee.

**1.17.9 Interpretation and Enforcement:**

- a) The interpretation and enforcement of these policies are the responsibility of the AGLC;
- b) Failure to comply with these policies will result in sanctions by the Board. Sanctions include, but are not limited to:
  - i) warnings;
  - ii) the requirement that the REC facility licensee cease the promotion;
  - iii) the requirement that all further promotions covered by these policies be submitted in advance to the AGLC for approval;

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- iv) suspension of promotional privileges for specified periods; or
- v) any other sanctions determined by the Board.

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**1.18 CASH CALL MACHINES**

*(Added Mar 2016)*

- 1.18.1 REC Facility Licensees may provide Cash Call Machines in the REC facility subject to the following:
- a) The REC Facility Licensee must obtain approval from the AGLC prior to installing any type of a cash call machine;
  - b) The REC Facility Licensee assumes all costs and risks associated with providing this service;
  - c) Cash Call Machines are not to be promoted or advertised in any way; and
  - d) Cash Call cheques may only be cashed at the slot cash cage for cash.

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## SECTION: 1. GENERAL INFORMATION

### 1.19 BANNED ENTRY (ACCESS MANAGEMENT)

*(Added Aug 2017)*

1.19.1 Pursuant to Section 34.3 of the Gaming and Liquor Regulation, no person is permitted to enter or remain in a licensed REC facility in Alberta that:

- a) is enrolled in a Self-Exclusion program referred to in Section 34.2 of the Gaming and Liquor Regulation;
- b) has been charged with, or convicted of or believed on reasonable grounds to be involved in an offence under Section 209 of the *Criminal Code (Canada)*; or is a person referred to in Section 34.1(1)(c) of the Gaming and Liquor Regulation;
- c) has been charged with, or convicted of or believed on reasonable grounds to be involved in an offence under Section 462.31 of the *Criminal Code (Canada)*;
- d) is charged with, convicted of or believed on reasonable grounds to be involved in a terrorist activity as defined in the *Criminal Code (Canada)*; or
- e) has engaged in an activity, observed by the facility licensee, by an employee or agent of the facility licensee or by the Commission, which the licensee, employee, agent or Commission consider to be a detriment to the integrity of or lawful conduct of gaming activities at a licensed facility.

1.19.2 Following from 1.26.1 e) a person deemed by the AGLC to be a detriment to the integrity of or lawful conduct of gaming activities, is one that participates in activities at a REC that includes, but is not limited to:

- a) threatening the safety of the public or REC staff; or
- b) believed on reasonable grounds, to be criminal in nature.

1.19.3 REC facility licensees, registered gaming workers, employees and agents must prohibit a patron that falls under the criteria in Subsection 1.26.1 from entering or remaining in a licensed REC facility.

1.19.4 REC facility licensees, registered gaming workers, employees and agents witnessing a patron participating in any activity described in

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Subsection 1.26.3 must follow the procedures outlined in Subsection 4.8.1.

1.19.5 Patron(s) being identified as a detriment to the integrity of or the lawful conduct of gaming activities will be banned by the AGLC from all licensed REC facilities.

1.19.6 Patrons banned by the AGLC will be notified in writing as to the reason for the ban and the duration of the ban.

1.19.7 The AGLC will maintain a database on the casino Gaming Information Network (GIN) that identifies all banned patrons.

1.19.8 It is the responsibility of the REC facility licensee to ensure registered gaming workers, employees and agents of the REC are aware of patrons who have been banned.

1.19.9 REC facility licensees, registered gaming workers, employees and agents identifying a banned patron in the REC facility must inform the slot manager/supervisor who then must follow the procedures outlined in Subsection 4.8.2 a).

1.19.10 Banned patrons found in a licensed REC facility are contravening Section 34.3 of the Gaming and Liquor Regulation and must be asked to leave the premises immediately.

1.19.11 In the event a banned patron refuses to leave the REC, the facility licensee must notify local law enforcement to attend the REC and remove the patron.

1.19.12 Discrepancy Reports (see Section 4.9) must be submitted to the AGLC within 72 hours on all banned patrons who attempt to enter or are found in a REC facility.

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**SECTION: 2. CONDITIONS OF LICENCE**

**2.1 LICENCE CONDITIONS**

2.1.1 The Licensee must operate the REC facility according to:

- a) the Licence which includes information pertaining to the location, dates and hours of operation;
- b) the Terms & Conditions;
- c) any special conditions required by the Board; and
- d) municipal, provincial and federal laws.

2.1.2 Requests for amendments to a Licence must be submitted in writing for approval to the AGLC by an authorized executive member of the Licensee. *(Amended Mar 2016)*

2.1.3 Licensees must provide:

- a) a REC facility as set out in Section 3. "Facility Requirements;"
- b) Registered Gaming Workers as described in Section 5. "Registered Gaming Workers;"
- c) surveillance equipment as detailed in Section 4. "Security Standards;"
- d) insurance; and
- e) all other equipment or services deemed necessary by the AGLC. *(Amended Mar 2016)*

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**SECTION: 2. CONDITIONS OF LICENCE**

**2.2 REC LICENCE FEES**

2.2.1 An applicant for an REC Licence is required to pay fees related to a background investigation, as set forth in the *Gaming and Liquor Regulation*.

2.2.2 A Licensee is required to pay a Licence fee, as set forth in the *Gaming and Liquor Regulation*.

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**SECTION: 3. FACILITY REQUIREMENTS****3.1 PHYSICAL REQUIREMENTS**

3.1.1 The following designated areas comprise a REC:

- a) Gaming Area – the gaming floor space dedicated to the operation of provincial lotteries. This does not preclude other horse racing related activities approved by Horse Racing Alberta;
- b) Public Non-Gaming Areas – additional floor space, designated as public non-gaming space, located within the gaming area. Public non-gaming space must be equivalent to at least 20% of the gaming area and must include: *(Amended Mar 2016)*
  - i) main entrance foyer/lobby clearly set apart from the gaming area in the REC;
  - ii) bar/lounge, excluding floor space allocated for the operation of Gaming Terminals, with full menu table service. The full menu must be available until 11:00 p.m., and afterwards providing a menu under the food service requirements of a Class A Minors Prohibited licence as set forth in the AGLC's Licensee Handbook. *(Amended Mar 2016)*
- c) Restricted Non-Gaming Areas – additional floor space, restricted to authorized personnel, located within the gaming area. Restricted non-gaming space must include: *(Amended Mar 2016)*
  - i) slot cash cage/hard count room;
  - ii) a cashier area for VLTs, if applicable (can be combined with the slot cash cage); *(Added Mar 2016)*
  - iii) in RECs with 100 or more slots under a Retailer Agreement, a security desk; *(Amended Mar 2016)*
  - iv) vault/safe
  - v) communications equipment room/technician room;
- d) Other Restricted Areas – the floor space located within the Gaming area, or the grandstand. This additional designated space must include:
  - i) monitor room (see Section 4.6 regarding the optional off-site monitor room); *(Amended Mar 2016)*

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- ii) slot soft count room; *(Added Mar 2016)*
- iii) staff lounge;
- iv) administration office(s);
- v) room for security staff and equipment;
- vi) in RECs with 100 or more slots under a Retailer Agreement, a secure CCTV viewing room independent of the monitor room; and *(Amended Mar 2016)*
- vii) AGLC server room(s), which must include: *(Added Jan 2017)*
  - steel clad (or equivalent) entry doors with viewer and tamper resistant hinges (if hinges are exposed outside of server room);
  - deadbolt locking mechanisms with minimum 1 inch deadbolt;
  - secured, non-transparent windows (if applicable);
  - dedicated fulltime CCTV camera coverage of all external doorways and any window areas that must capture clear identifiable footage of all persons entering and exiting server rooms;
  - an uninterrupted power supply (UPS);
  - a fire suppression system, fire alarms and proper rated fire extinguishers;
  - water detection sensors;
  - a card lock system or a key lock system, having all keys stamped "DO NOT DUPLICATE" or be the "ABLOY" type; and
  - a heating, ventilation, and air conditioning (HVAC) system(s) with adjustable thermostat to maintain the ambient server room environment within a range of 20 to 24 degrees Celsius and 45 to 55 per cent relative humidity. *(Added Apr 2018)*

3.1.2 In RECs with 100 or more slots under a Retailer Agreement, a full menu restaurant with table service and fully equipped kitchen located within the gaming area or grandstand. *(Amended Mar 2016)*

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**SECTION: 3. FACILITY REQUIREMENTS**

- 3.1.3 Each REC must have a ceiling height of at least 14 feet in gaming areas. Feature ceilings or areas aimed at creating atmosphere and transition areas must have a ceiling height of at least 10 feet. The ceiling heights of Racing Entertainment Centres under agreement with the AGLC that were operating on October 22, 2001, are grand fathered, and must comply with this term and condition if the existing facility undergoes major renovations or is relocated. *(Amended Mar 2016)*
- 3.1.4 Each REC:
- a) must have adequate lighting within the facility for the safety of patrons and staff, and to allow for proper viewing by security cameras during REC operating hours;
  - b) with 100 or more slots under a Retailer Agreement, must have, in the case of power interruption, the continuation of power for surveillance equipment, lighting in the facility, monitor room equipment, and network computer in the communications equipment room through the use of an uninterrupted power supply (UPS). The load requirement will vary based on the REC's size and type of equipment used *(Amended Mar 2016)*;
  - c) must have steel doors and steel frames for all surveillance and monitoring rooms, cash cages, and count rooms; and
  - d) must have floor to ceiling common and exterior walls that are normally constructed of solid material.
- 3.1.5 REC facility licensees planning to undertake structural changes must contact the AGLC and present plans of the proposed change and obtain the AGLC's approval before making any changes. *(Amended Mar 2016)*

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**SECTION: 3. FACILITY REQUIREMENTS**

**3.2 MINIMUM SIZES**

3.2.1 The following minimum floor square footage apply;

- a) slot machine – 25 square feet per slot;
- b) VLT – 25 square feet per VLT; *(Added Mar 2016)*
- c) slot cash cage/hard count room in a REC with:
  - i) fewer than 100 slots under a Retailer Agreement – 200 square feet, *(Amended Mar 2016)*
  - ii) 100 or more slots under a Retailer Agreement – 250 square feet; *(Amended Mar 2016)*
- d) slot soft count room in a REC with:
  - i) fewer than 100 slots under a Retailer Agreement – 175 square feet; *(Amended Mar 2016)*
  - ii) 100 or more slots under a Retailer Agreement – 250 square feet; *(Amended Mar 2016)*
- e) as an option to c) and d), a combined slot cash cage/hard count room and slot soft count room as follows:
  - i) in a REC with fewer than 100 slots under a Retailer Agreement – 350 square feet; *(Amended Mar 2016)*
  - ii) in a REC with 100 or more slots under a Retailer Agreement – 500 square feet. *(Amended Mar 2016)*
- f) communications equipment room/technician room – 150 square feet.

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**SECTION: 3. FACILITY REQUIREMENTS**

**3.3 COMMUNITY STANDARDS**

3.3.1 Each REC must:

- a) reflect the concerns of the community in which it is located;
- b) not have a significant impact on existing charitable gaming facilities resulting in serious financial risk to the continued operation of the charitable gaming facilities and to the charities that conduct licensed gaming in the facilities; and
- c) not be located in the same building as another licensed gaming facility.

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## SECTION: 3. FACILITY REQUIREMENTS

### 3.4 LEGISLATIVE AND POLICY COMPLIANCE

3.4.1 A Licence may be issued to an applicant only if the applicant has complied with:

- a) all federal, provincial and municipal legislation and obtained all necessary permits, licences and authorizations; and
- b) Board policies.

3.4.2 A Licence may be suspended or cancelled if the Licensee fails to comply with relevant legislative, regulatory, policy and municipal requirements.

3.4.3 A Licensee is responsible for ensuring that:

- a) the REC is operated and maintained in accordance with the *Gaming and Liquor Act*, Gaming and Liquor Regulation and all Board policies including those detailed in this handbook;
- b) that registered gaming workers meet the requirements of their position as defined in Section 5 – Registered Gaming Workers.
- c) any conditions placed on a patron in accordance with Section 12 are adhered to. *(Added Aug 2017)*

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Gael MacLeod

**SECTION: 3. FACILITY REQUIREMENTS****3.5 CONDITIONS OF LIQUOR SERVICE IN AN REC**

3.5.1 Liquor licensees must comply with the *Gaming and Liquor Act*, Gaming and Liquor Regulation and all Board policy and procedures pertaining to liquor: *(Amended Mar 2016)*

- a) the liquor licence may be held by the REC facility licensee or the licensee of a licensed premises (liquor) that has direct access to the REC facility;
- b) REC facility licensees will not permit a person apparently intoxicated by liquor or a drug to take part in a gaming activity or provincial lottery that is conducted in the REC.
- c) REC facility licensees and liquor licensees are jointly responsible for not serving intoxicated patrons - incident reports for overservice will be submitted on the liquor licensee;
- d) hired employees are not allowed to consume liquor during their scheduled shift;
- e) no liquor possession or consumption is permitted in cash cages, count rooms, and staff rooms;
- f) liquor service is authorized only when gaming terminals are operating in the facility;
- g) REC facility licensees are encouraged to provide a seating area for non-playing patrons who wish to consume liquor products; and
- h) food service must be available to patrons in accordance with the liquor licence.

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## SECTION: 3. FACILITY REQUIREMENTS

### 3.6 SIGNAGE REQUIREMENTS

3.6.1 The REC facility licensee must post in a prominent place in the REC the following information, documents or signage:

- a) Licence;
- b) REC general "House Rules" poster;
- c) "Your games. Your choice." (VLT Rules of Play and Gaming Irregularities poster); *(Amended Apr 2016)*
- d) "If you gamble, use your GameSense" (Responsible Gambling poster); *(Amended Apr 2016)*
- e) "GameSense Self-Exclusion" poster; *(Amended Oct 2017; Amended Apr 2016)*
- f) "Video Surveillance Notice" poster (public and staff must be made aware that they may be subject to video surveillance);
- g) "No Minors Allowed" sign (on the exterior of each entrance);
- h) "The Collection of Your Personal Information" (Anti-Money Laundering (AML) poster); *(Added Apr 2016)* and
- i) any other information, documents or signage the AGLC may request the licensee to post from time to time.

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**SECTION: 3. FACILITY REQUIREMENTS**

**3.7 GAMING INTEGRITY**

- 3.7.1 A REC Facility Licensee must maintain the integrity of gaming and ensure that only lawful provincial lotteries, pari-mutuel wagering, off-track betting or other horse racing related activities approved by HRA are conducted in the REC.
- 3.7.2 REC Facility Licensees must not compensate any individual either directly or indirectly, for playing any of the games on their premises in order to encourage other patrons to play or to increase the action at any of the games or for any other reason.

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**3.8 REC FACILITY LICENCE**

*(Amended Mar 2016)*

- 3.8.1 The Board may issue a REC facility Licence for a period of up to six (6) years, as specified on the Licence. A licence is in effect for a term specified under the *Gaming and Liquor Regulation*.
- 3.8.2 The Licence fee for a REC facility Licence is \$500 per year (i.e. if a 6 year Licence is issued the fee would be \$3,000). This fee shall be submitted prior to a new facility Licence being issued. If the Licence period is other than an entire year(s) the fee will be prorated accordingly.
- 3.8.3 An “Applicant” referred to in this section includes a new applicant for a REC facility Licence and a REC Facility Licensee that is applying for a new REC facility Licence for the existing licensed facility.
- 3.8.4 An Applicant will be contacted by the AGLC at least one hundred and eighty (180) days prior to the expiration of an existing REC facility Licence. Such Applicants must submit the Licence/Registration Application Package by the indicated deadline.
- 3.8.5 Applications are subject to review and approval by the Board. The Applicant is responsible to pay for the actual cost of the background checks pursuant to section 28 of the *Gaming and Liquor Regulation*.
- 3.8.6 The Licence/Registration Application Package consists of the following:
- a) Applicant Disclosure (form 5553);
  - b) Associated Applicant Disclosure (form 5554);
  - c) Personal Applicant Disclosure (form 5561); and
  - d) \$10,000 deposit or another specified amount to cover the cost of the background checks pursuant to section 28 of the *Gaming and Liquor Regulation*.
- 3.8.7 The AGLC will open a background check maintenance file after the issuance of a REC facility Licence. This will include, but is not limited to:
- a) ensuring that the background check file information is current and to obtain updated financial information, including annual

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audited financial statements. The AGLC may also request additional information as deemed necessary;

- b) monitoring financial covenants including Debt to Equity Ratio of not greater than 2.5; and the Minimum Continuing Net Working Capital Position (MCNWCP). MCNWCP is defined to be, at minimum, the sum of necessary REC cash floats and one month's interest expense, direct costs, operating expenses payable to third parties, and trust or restricted funds less contra accounts or have sufficient credit facilities in place to cover any shortfalls that may occur;
- c) annual indices updates as deemed necessary by the AGLC on all individuals who have provided personal disclosures; and
- d) the AGLC may request updated information relating to any associated entity or individual associated with the Applicant.

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### 3.9 BACKGROUND CHECKS

*(Added Mar 2016)*

3.9.1 A thorough background check is conducted on an applicant, applicant's associates and any key employees of the applicant as defined by the AGLC pursuant to section 9 and 9.1 of the Gaming and Liquor Regulation and Subsection 1.13.5. *(Amended May 2017)*

3.9.2 The background check is to ensure criminal interests, or those who otherwise would be a detriment to the integrity or lawful conduct of gaming in the province, are prevented from operating, having a financial interest in or having an association with a REC facility Licence.

3.9.3 An Applicant's key employees include individuals that exercise influence or control over day to day operations or decision-making and individuals who have the authority to hire or terminate the employment of Registered Gaming Workers, and includes but is not limited to: *(Amended May 2017)*

- a) individuals employed in senior management positions such as CEO, CFO, controller and senior compliance officers;
- b) the manager of the facility;
- c) security management staff; and
- d) a person holding a position specified by the AGLC as related to the business proposed by the applicant; and
- e) any other person holding a key position as determined by the AGLC.

3.9.4 An applicant's associates include:

- a) any person that has a financial interest in the applicant, in the applicant's business, or in the facility or premises to which the application relates and the spouse of the person or a person with whom the person is living in a relationship of interdependence;
- b) if the applicant is an individual or partnership in which one (1) or more of the partners is an individual, this also includes:
  - i) the spouse of the individual or a person with whom the individual is living in a relationship of interdependence;

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- ii) any relative of the individual and of the spouse or person referred to in subclause i) if the relative resides with the individual, spouse or person;
  - iii) any corporation controlled by the individual;
  - iv) an officer or director of, and any person with a financial interest in, a corporation controlled by the individual, and the spouse of the officer, director or person or a person with whom the officer, director or person is living in a relationship of interdependence; and
  - v) any corporation that is affiliated with the corporation referred to in subclause iv), the affiliated corporation's officers and directors, and any person having a financial interest in the affiliated corporation, and the spouse of the officer, director or person or a person with whom the officer, director or person is living in a relationship of interdependence;
- c) if the applicant is a corporation or a partnership in which one (1) or more of the partners is a corporation,
- i) an officer or director of the corporation;
  - ii) the spouse of the officer or director of the corporation or a person with whom the officer or director is living in a relationship of interdependence;
  - iii) any relative of the officer or director referred to in subclause i) and any relative of the spouse or of a person referred to in subclause ii), if the relative resides with the officer, director, spouse or person;
  - iv) any corporation affiliated with the Applicant;
  - v) an officer or director of an affiliated corporation and the spouse of the officer or director of an affiliated corporation or a person with whom the officer or director is living in a relationship of interdependence; and
  - vi) any person who has a financial interest in the affiliated corporation and the spouse of the person or a person with whom the person is living in a relationship of interdependence.

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- 3.9.5 A corporation is controlled by a person if he or she has indirect influence over the corporation or if:
- a) securities of the corporation to which are attached more than 50% of the votes that may be cast to elect directors of the corporation are controlled, other than by way of security only, directly or indirectly by the person or entity; and the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the corporation; or
  - b) the person has in relation to the corporation any direct or indirect influence which, if exercised, would result in control in fact of the corporation.
- 3.9.6 A corporation is affiliated with another corporation if:
- a) one (1) of the corporations controls the other; or
  - b) both of the corporations are controlled by the same person or group of persons.
- 3.9.7 A relative of a person means any other person who is connected to that person:
- a) by blood relationship;
  - b) by adoption;
  - c) by marriage; or
  - d) by virtue of an adult relationship of interdependence (as defined in the *Adult Interdependent Relationships Act*).
- 3.9.8 The AGLC may refuse to allow an Applicant to have a REC facility Licence if, in its opinion, the Applicant has misled the AGLC or provided inaccurate or incomplete information.
- 3.9.9 The Applicant shall ensure that it, and all other parties to the application for a REC facility Licence submit all documents or provide information as requested by the AGLC and deemed necessary to complete the background check within the time frame specified in the document or information request. Failure to submit the documents or information within the time frame specified may result in sanctions as determined by the Board up to and including the termination of the REC facility Licence.

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3.9.10 The AGLC may refuse to issue a REC facility Licence, or may terminate a REC facility Licence if the AGLC is satisfied the Applicant, any of the Applicant's key employees or associates, or any person or entity connected to or associated with the Applicant: *(Amended May 2017)*

- a) is a person who has not acted or may not act in accordance with the law, with honesty and integrity or in the public interest, having regard to the past conduct of the person;
- b) would be a detriment to the integrity or lawful conduct of gaming activities or provincial lotteries;
- c) is a person whose background, reputation and associations may result in adverse publicity for the gaming industry in Alberta;
- d) has, within the five (5) years prior to being notified by the AGLC of their eligibility for a REC facility Licence:
  - i) contravened the Act or the Regulation;
  - ii) contravened a predecessor of the Act or the Regulation;
  - iii) contravened a condition imposed on a Licence or registration issued or made under the Act or a predecessor of the Act; or
  - iv) fails to pass a records check as outlined in section 10 of the *Gaming and Liquor Regulation*; or
- e) If within five (5) years prior to being notified by the AGLC of eligibility for a REC facility Licence, a licence or registration issued or made under the Act or predecessor of the Act or a foreign licence or registration of the Applicant, any of the Applicant's key employees or any of the Applicant's associates has been cancelled by the issuing authority. *(Amended May 2017)*

3.9.11 Notwithstanding Subsections 3.9.1 through 3.9.10, the AGLC may refuse to allow an Applicant to have a REC facility Licence.

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**SECTION: 3. FACILITY REQUIREMENTS**

**3.10 SALE/PURCHASE OF REC FACILITIES**

3.10.1 A REC facility licence is cancelled when a person sells, assigns or transfers the licence pursuant to section 30.1 of the *Gaming and Liquor Regulation*. (Amended Mar 2016)

3.10.2 The REC facility Licence is cancelled where: (Added XXX 2015)

- a) there is a sale, assignment or transfer of a portion of the business under which the activities authorized by a REC facility Licence are carried out; and
- b) the sale, assignment or transfer results in a change in control of the business.

3.10.3 Pursuant to section 30.2(1) of the *Gaming and Liquor Regulation*, a proposed sale, assignment or transfer of a portion of a business: (Amended Mar 2016)

- a) that is a sole proprietorship, a partnership or a corporation that is not a distributing corporation as defined in the *Business Corporations Act*; and
- b) under which the activities authorized by a facility Licence are carried out;

must be reported to the AGLC by the REC Facility Licensee and must be approved by the Board prior to the effective date of the sale, assignment or transfer.

3.10.4 Pursuant to section 30.2(2) of the *Gaming and Liquor Regulation*, a sale, assignment or transfer of 5% or more of a business: (Amended Mar 2016)

- a) that is a distributing corporation as defined in the *Business Corporations Act*; and
- b) under which the activities authorized by a facility Licence are carried out;

must be reported to the AGLC by the REC Facility Licensee within ten (10) business days after the effective date of the sale, assignment or transfer and must be approved by the Board.

3.10.5 The Board may, in respect of a sale, assignment or transfer requiring its approval pursuant to section 30.2(3) of the *Gaming and Liquor*

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*Regulation* and Subsections 3.10.3 and 3.10.4 of these Terms and Conditions: *(Amended Mar 2016)*

- a) approve it without conditions;
- b) approve it subject to conditions;
- c) approve it subject to the variation or rescission of existing conditions; or
- d) refuse to approve it.

3.10.6 Pursuant to section 30.2(4) of the *Gaming and Liquor Regulation*, where the Board refuses to approve a sale, assignment or transfer under Subsection 3.10.5.d) after the effective date of the sale, assignment or transfer, the Board may treat the Licensee as ineligible to hold a Licence and make a decision under section 92 of the *Gaming and Liquor Act*. *(Amended Mar 2016)*

3.10.7 Pursuant to section 30.3(1) of the *Gaming and Liquor Regulation*, where after a facility Licence is issued, the Licensee intends that a person acquire a financial interest in the facility to which the Licence relates, in a manner other than by way of a sale, assignment or transfer, *(Amended XXX 2015)*

- a) the Licensee must report the financial interest to the Commission; and
- b) the Board must approve the financial interest prior to the date on which the financial interest takes effect.

3.10.8 Pursuant to section 30.3(2) of the *Gaming and Liquor Regulation*, the Board may, in respect of a financial interest requiring its approval under this section: *(Amended Mar 2016)*

- a) approve it with conditions,
- b) approve it subject to conditions,
- c) approve it subject to the variation or rescission of existing conditions, or
- d) refuse to approve it.

3.10.9 Pursuant to Section 30.3(3) of the *Gaming and Liquor Regulation*, where the Board refuses to approve a financial interest under Subsection 3.10.8.d) after the effective date of the financial interest,

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the Board may treat the REC Facility Licensee as ineligible to continue to hold the REC facility Licence and make a decision under section 92 of the *Gaming and Liquor Act*. (Amended Mar 2016)

3.10.10 For the purposes of section 37(1)(a) of the *Gaming and Liquor Act*, the Board may consider it appropriate to issue a REC Licence if the Applicant;

- a) is a person who has acted in accordance with the law, with honesty and integrity, and in the public interest;
- b) would not be a detriment to the integrity or lawful conduct of gaming activities or provincial lotteries;
- c) is a person whose background, reputation and associations will not result in adverse publicity for the gaming industry in Alberta;
- d) has adequate business competence and experience for the roles or position for which application is made;
- e) has satisfied the Board that the proposed funding for the operation of the REC must be adequate for the nature of the proposed operation, and from a suitable source;
- f) has adequate financing available, from a suitable source, to pay all current obligations and, in addition, to provide adequate working capital to finance opening of the REC and ongoing operations or future financial obligations of the REC; and
- g) already holds a gaming or facility licence and the Board feels that the Applicant holding multiple licences is not contrary to the best interests of the gaming industry or the public. (Amended Mar 2016)

3.10.11 In all cases in which the premises are wholly or partly owned by the Applicant, the Applicant must furnish to the Board complete information pertaining to the interest held by any person other than the Applicant. This includes interest held under any mortgage, deed of trust, bonds or debentures, pledge of corporate stock, voting trust agreement, or other device whatever, together with such other information as the Board may require.

3.10.12 The number of REC facility Licences in the Province is determined by the AGLC.

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## SECTION: 3. FACILITY REQUIREMENTS

### 3.11 GENERAL LICENSING REQUIREMENTS

- 3.11.1 A Licensee must ensure that, during the term of the Licence, the REC meets the requirements for a Licence as established under the Terms & Conditions in this handbook.
- 3.11.2 A Licensee must notify the AGLC immediately if any of its officers, shareholders, directors or owners are charged with or convicted of an offence under: *(Amended Mar 2016)*
- a) the *Criminal Code* (Canada);
  - b) the *Excise Act* (Canada);
  - c) the *Food and Drugs Act* (Canada);
  - d) the *Controlled Drugs and Substances Act*;
  - e) a foreign Act or regulation that is substantially similar to an offence referred to in a), b), c), d) above;
  - f) the *Gaming and Liquor Act* (Alberta); or
  - g) the Gaming and Liquor Regulation (Alberta).
- 3.11.3 In the case of Agricultural Societies, Subsection 3.11.2 applies to Officers, Senior Managers and Key Employees.
- 3.11.4 A Licensee must notify the AGLC immediately upon becoming aware of an employee who is a registered Gaming Worker and is charged or convicted of an offence detailed in Subsection 3.11.2. The Board may take disciplinary action against the employee including, but not limited to, suspension or cancellation of the registration or require a person to dispose of an interest in the REC.
- 3.11.5 A REC Facility Licensee must notify the AGLC immediately if there is a change amongst any of the Licensee's executive or key employees at the licensed REC facility as defined in Subsection 3.9.3. *(Amended May 2017)*

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## SECTION: 3. FACILITY REQUIREMENTS

### 3.12 CONTROL OF THE REC INDUSTRY

*(Amended Mar 2016)*

- 3.12.1 No person, affiliated group of persons or a company will be permitted to control REC gaming in the province. This requirement is made in the interest of maintaining viable and effective REC gaming. In this case, the control of REC gaming means owning or controlling more than 25% of the total number of RECs operating in the province, unless otherwise directed by the Board.
- 3.12.2 In every instance in which a person, entity, or persons involved in an entity, holding a gaming licence in the Province of Alberta, makes application for an additional Licence, the Board must consider whether such multiple licensing is in the best interests of the Province of Alberta.
- 3.12.3 If a Licensee, through bankruptcy or operation of law, becomes dispossessed of the business under which the activities authorized by the Licence are carried out, the REC Licence is cancelled. The Board may issue a REC Licence to a person to carry on the activities authorized by the cancelled Licence, subject to any conditions included in the Licence.

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## SECTION: 3. FACILITY REQUIREMENTS

### 3.13 REC SECURITY ACCESS PROVISIONS

*(Amended Mar 2016)*

3.13.1 Access to the monitor room and AGLC server rooms in the REC facility, designated by the AGLC to be restricted areas, must be in accordance with these policies and the Licensed REC Facility – Access Provisions table shown at the end of this section. *(Amended Oct 2017; Amended Jan 2017)*

3.13.2 REC facility licensee registered gaming workers, employees, or external parties are only permitted access to the monitor room or AGLC server rooms to perform duties necessary to meet their specific job requirements (see Licensed REC Facility – Access Provisions table). *(Amended Oct 2017; Amended Jan 2017)*

3.13.3 Entry logs must be maintained to record all registered gaming workers, employees, or external parties accessing the monitor room or AGLC server rooms. The entry log must include the individual's name, AGLC registration number (if applicable), date, entry and exit times, reason for access, and the individual's signature.

Note: Monitor room and AGLC server rooms entry logs must be retained until destruction is authorized by the AGLC. *(Added Oct 2017)*

3.13.4 Access approval for REC facility licensee non-registered gaming workers (e.g. maintenance personnel) to the monitor room and AGLC server rooms is subject to the following: *(Amended Oct 2017; Added Jan 2017)*

a) The REC Manager must submit a written request to the AGLC's Regulatory Services Division with the following information: *(Amended Oct 2017)*

- i) name of REC;
- ii) name of employee;
- iii) access period (must not exceed 12 months);
- iv) areas to be accessed;
- v) reason for access; and
- vi) a completed Consent to Records Check form prepared by the the individual applying for access approval.

Note: Access approval requires a minimum of three (3) weeks from receipt of the completed Consent to Records Check form.

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3.13.5 Registered gaming suppliers and gaming terminal dealers must ensure their employees requiring access to restricted areas within the REC facility have undergone a recognized security screening as a condition of employment. *(Added Oct 2017)*

3.13.6 Access approval for other external parties(e.g. auditors, contractors) contracted by the REC facility licensee or the AGLC to provide services that require entry to the monitor room and AGLC server rooms is subject to the following: *(Amended Oct 2017; Amended Jan 2017)*

- a) The REC Manager must submit a written request to the AGLC's Regulatory Services Division with the following information:
- i) name of REC;
  - ii) name of external party;
  - iii) date(s) access requested;
  - iv) areas to be accessed;
  - v) reason for access;
  - vi) a completed Consent to Records Check form prepared by the external party; and
  - vii) if applicable, Non-Canadian external parties to provide a current criminal records check from their jurisdiction of residence.

Note: Access approval requires a minimum of three (3) weeks from receipt of the completed Consent to Records Check form.

3.13.7 Requests for time sensitive access approval for external parties to enter the monitor room and AGLC server rooms must be made to the AGLC's Regulatory Services Division prior to entry (AGLC phone number: 1-800-561-4415). *(Amended Oct 2017; Amended Jan 2017)*

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**3.14 RENOVATIONS**

- 3.14.1 Licensees planning to undertake structural changes to the REC must contact the AGLC and present plans of the proposed change and obtain approval before making any changes.
- 3.14.2 Renovations to the REC will be allowed subject to the following requirements:
- a) the REC must meet all the REC facility and other requirements set out in these Terms & Conditions;
  - b) the renovations must be within the existing building envelope or its outer dimensions, that is, the outer perimeter of the building in which an existing REC is located and includes space rented, leased, subleased, sold or otherwise provided to others in the same building. A building's outer dimensions refers to the building height as well as its envelope;
  - c) The maximum increase of the gaming floor in the REC will not exceed 25% of the existing gaming floor;
  - d) *(Deleted Mar 2016)*
  - e) All renovation requests that include a request for additional Gaming Terminals will be reviewed based upon consumer demand and in consideration of regional market conditions (see Subsection 6.1.12 a) i) regarding allocations of additional Gaming Terminals. *(Amended Mar 2016)*

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**3.15 EMERGENCY PLAN**

3.15.1 In accordance with the Occupational Health and Safety Code, REC facilities must have an Emergency Response Plan that, at a minimum, includes:

- a) identification of potential emergencies;
- b) procedures for dealing with the identified emergencies;
- c) identification of, location of and operational procedures for emergency equipment;
- d) emergency response training requirements;
- e) location and use of emergency facilities;
- f) fire protection requirements;
- g) alarm and emergency communication requirements;
- h) first aid services required;
- i) procedures for rescue and evacuation; and
- j) designated rescue and evacuation workers.

3.15.2 The emergency plan must be formulated in collaboration with affected workers and must identify the designated workers who will provide rescue services and supervise evacuation procedures in an emergency.

3.15.3 The REC facility must ensure that the designated rescue and emergency workers are trained in emergency response appropriate to the work site and the potential emergencies identified in the Emergency Response Plan.

3.15.4 Exercises relevant to the work site that simulate the potential emergencies identified in the Emergency Response Plan must be repeated at appropriate intervals to ensure designated rescue and evacuation workers are current and competent.

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**LICENSED REC FACILITY – ACCESS PROVISIONS TABLE**

**ATTACHMENT 3.13**

Amended Oct 2017

	<b>Monitor Room</b>	<b>AGLC Server Room</b>
<b>Alberta Gaming and Liquor Commission (AGLC)</b>		
Board Member, CEO/Vice President	X	X
Investigators/Inspectors	X	X
Technicians	X	X
<b>REC Facility Licensee</b>		
Key Employees (e.g. CEO, CFO, VP, controller)	X <sub>A</sub>	X <sub>A</sub>
General Manager/Acting General Manager	X	X
Director/Manager Security	X	X
Security Guards	X <sub>B</sub>	X <sub>B</sub>
Monitor Room Personnel	X	
Slot Manager/ Slot Supervisor	X <sub>B</sub>	
Anti-Money Laundering (AML) Manager or equivalent	X <sub>B</sub>	
Non-Registered Gaming Workers (e.g. maintenance personnel)	X <sub>B,C</sub>	X <sub>B,C</sub>
<b>External Parties</b>		
Police Officers	X <sub>B</sub>	X <sub>B</sub>
Registered Gaming Suppliers/Gaming Terminal Dealers	X <sub>B,D,G</sub>	X <sub>B,D,G</sub>
Other External Parties (e.g. auditors, contractors)	X <sub>B,E,G</sub>	X <sub>B,E,G</sub>
Cleaners	X <sub>B,G</sub>	X <sub>B,G</sub>
Other persons when authorized in writing by designated staff within AGLC's Regulatory Services	X <sub>B,F,G</sub>	X <sub>B,F,G</sub>

- A. Must have successfully undergone an AGLC background check (see Subsection 3.9.1).
- B. Access authorized to perform specific job related duties only (see Subsection 3.13.2).
- C. As per access approval policy for Non-Registered Gaming Workers (see Subsection 3.13.4)
- D. As per access approval policy for Registered Gaming Suppliers/Gaming Terminal Dealers (see Subsection 3.13.5)
- E. As per access approval policy for Other External Parties (see Subsection 3.13.6)
- F. As per time sensitive access approval policy (see Subsection 3.13.7).
- G. Must be accompanied, at all times, by a REC facility licensee key employee, general manager/acting general manager or registered gaming worker(s) whose access to the secure area is authorized in the above table.

**SECTION: 4. SECURITY STANDARDS**

**4.1 REC PREMISES - GENERAL**

4.1.1 A REC must comply with the security standards set out in these Terms & Conditions.

4.1.2 Each licensed REC facility must have: *(Amended Mar 2016)*

- a) a secure CCTV monitor room (see Section 4.6 regarding the optional off-site monitor room):
  - i) with restricted access – either a key lock or card locking system;
  - ii) *(Deleted Aug 2018)*
  - iii) that cannot be viewed by the public.
- b) a Class 4, ULC labelled TRTL 30 x 6 safe, normally with an inside time-delay-locking compartment for cash. A safe that has received the written approval of the REC facility licensee's insurance company is acceptable. The AGLC must be supplied with a copy of the letter from the insurance company.
- c) externally monitored alarm systems and telephones in each of the following areas: *(Amended Mar 2016)*
  - i) monitor room (see Section 4.6 regarding the optional off-site monitor room);
  - ii) slot cash cage (may also contain the VLT cashier area);
  - iii) slot count rooms;
  - iv) iv) VLT cashier area (as applicable); and *(Added Mar 2016)*
  - v) in RECs with 100 or more gaming terminals under a Retailer Agreement, a security desk.
- d) if required, based on an assessment by AGLC:
  - i) have a clearly audible robbery alarm within the monitor room; and
  - ii) have all alarms with a direct feed into the monitor room.

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- e) height markers installed:
  - i) at all entrances and exits including the entrance to the slot cash cage and count rooms; and
  - ii) on the inside of the slot cash cage windows.
- f) all exit doors alarmed and, with the exception of the main entrance, all exit doors must be steel with steel frames;
- g) in RECs with 100 or more gaming terminals under a retailer agreement, an uninterrupted power supply (UPS), that provides adequate lighting to enable basic customer service to continue and allow for specific closed circuit television (CCTV) monitoring and recording for a minimum of one (1) hour after loss of electrical service, to the following areas of the facility:  
*(Amended Mar 2016)*
  - i) public entrance: each entrance requires emergency lighting and a dedicated PTZ (Pan/Tilt/Zoom) camera that must provide clear identification of persons entering or exiting the REC; *(Amended Jan 2017)*
  - ii) slot cash cage – may also contain the VLT cashier area: requires one cashier wicket to remain fully operational with emergency lights, two (2) dedicated cameras, one of which must be a PTZ (Pan/Tilt/Zoom) camera. The dedicated cameras must provide clear identification of patrons and cash values; *(Amended Jan 2017; Amended Mar 2016)*
  - iii) VLT cashier area (if applicable): a dedicated camera is required overhead of the VLT cashier's area and supplemented by one or more secondary cameras to capture an unobstructed view that must provide clear identification of the patrons; *(Amended Jan 2017; Added Mar 2016)* and
  - iv) monitor room: requires emergency lighting, CCTV matrix and keyboard, time/date generator, dedicated video recorders for each of the cameras required pursuant to Subsection 4.1.2 e) i) – iii) and four (4) monitors. Fixed cameras may be linked to the monitors via a quad processor for split screen monitoring.

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- 4.1.3 Licensees may decorate their RECs for special occasions (e.g., Halloween, Christmas, Stampede, Klondike Days, etc.) provided the decorations do not prevent or restrict CCTV camera coverage or surveillance.
- 4.1.4 The use of a Wi-Fi network in the REC must be approved by AGLC. This network must be for non-gaming purposes such as in the administrative and/or corporate offices (e.g. office staff use of a wireless network for laptops, printers, scanners etc.).

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**4.2 SURVEILLANCE PLAN**

*(Added Mar 2016)*

4.2.1 REC Facility Licensees must have a surveillance plan containing the following information:

- a) a description of the REC Facility Licensee's policies and procedures with respect to surveillance, including the areas of the premises under surveillance, the types of activities that are recorded and the periods of time for which recordings of activities are kept;
- b) floor plan of each premises showing the placement of all surveillance equipment; and
- c) a description of the surveillance equipment and its capabilities for each REC facility location.

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**4.3 SLOT CASH CAGE**

- 4.3.1 Cash payments must be fanned when presented to the winning patron so that all bills and/or coins are captured by surveillance camera (see Section 4.4 regarding bill counter patron cash-outs).  
*(Amended Mar 2016)*

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**4.4 BILL COUNTER PATRON CASH-OUTS**

*(Added Mar 2016)*

4.4.1 Cash payouts made directly to the patron from a bill counter may be done for large cash-outs of more than 50 bills under the following conditions:

- a) the decision to provide bill counter patron cash-outs is at the discretion of the REC Facility Licensee;
- b) the bill counter(s) must be provided by the REC facility Licensee and approved by the AGLC; and;
- c) the required security and surveillance measures is the responsibility of the REC Facility Licensee.

4.4.2 The bill counter(s) used for patron cash-outs must have the following features:

- a) counterfeit detection;
- b) denomination detection;
- c) display(s) are visible by the patron, cashier and dedicated CCTV camera(s);
- d) the bill counter(s) shall be located in a permanent position on the slot cash cage counter, or in a location approved by the AGLC, with the display(s) visible by patrons, the cashier and CCTV camera;
- e) one (1) dedicated CCTV camera meeting the requirements of Section 4.5 must be positioned to provide a clear unobstructed view of the numbers on the bill counter(s) display and the ability to identify bill denominations for each bill counter;
- f) the REC Facility Licensee is responsible for the routine maintenance and repair of the bill counters they provide for patron cash-outs;
- g) in the event of a patron cash-out bill counter malfunction, the bill counter shall be removed from the slot cash cage and shall not be returned for use in the cash cage until it has been repaired and tested.

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**SECTION: 4. SECURITY STANDARDS****4.5 CCTV CAMERA COVERAGE AND MONITORING**

4.5.1 In this part:

- a) "live recording" means the video and audio recording of specified activities;
- b) "live monitoring" means the monitoring of live recording by an experienced registered monitor staff member in the monitor room.

4.5.2 RECs must have live camera surveillance of gaming terminals at all times when there are gaming terminals in operation. In RECs with 350 or more gaming terminals the surveillance must be conducted by live monitoring to include, but not be limited to, money pulls and the count of gaming terminal monies. *(Amended Mar 2016)*

4.5.3 The REC facility licensee must provide a colour CCTV (closed circuit television) system that has (see Section 4.6 regarding the optional off-site monitor room):

- a) A closed circuit colour TV camera system with all cameras linked to the surveillance room. Other links within the REC facility can only be made to a secure area and only with AGLC approval.
- b) Each video camera must be installed in a manner that will prevent the power source from being tampered with or disabled.
- c) All of the cameras on the gaming floor must be enclosed in ceiling domes with the exception of stationary cameras dedicated to individual gaming terminal machines. *(Amended Mar 2016)*
- d) All cameras must be linked to video recorders direct or via quad or matrix switchers and be recorded in real time (30 images per second) with date and time generation. Non-gaming or back of the house areas (e.g. bars, common areas and parking lots) may be recorded in time lapse. Digital recording units must meet the following minimum standards:
  - i) the digital video recording device (DVRD) must record at 30 images per second per camera with a minimum pixel image common interchange format (CIF) recording;

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- ii) *(Deleted Aug 2018);*
- iii) the DVRD may house a built-in security data container (SDC) or utilize external storage devices such as a network attached storage (NAS) device or RAID attached storage;
- iv) the DVRD must archive recorded data to a CD or DVD or flash drive in compressed, authenticable format. A viewing or playback tool must also be available to review this video, as well as a method for ensuring the authenticity of the video excerpt; *(Amended Jan 2017)*
- v) the DVRD must have suitable UPS backup supplying 120 volts with surge suppression connected to it to provide for a minimum of one (1) hour recording after loss of electrical service (See Subsection 4.1.2 e) i) to iv)); *(Amended Aug 2018)*
- vi) cameras linked to a DVRD must have a minimum of 480 lines of resolution; and
- vii) non-gaming or back of the house areas may be recorded with motion sensitive activation at a minimum of 15 images per second.
- e) All PTZ (Pan/Tilt/Zoom) cameras must provide clear identification of players, staff and gaming terminal number. *(Amended Jan 2017; Amended Mar 2016)*
- f) Cameras dedicated to the gaming terminal area, cash cages and count rooms must be viewed full screen on a 19-inch or larger color monitor. Each facility must have a sufficient number of monitors online to allow for viewing. Some 14-inch color monitors may be used in the monitor room where console space dictates and must receive prior approval from AGLC. *(Amended Jan 2017; Amended Mar 2016)*
- g) Non-gaming areas, gaming terminal areas, and entry and exit doors may be monitored on split screen but must have the capability of being viewed full screen on a separate monitor. *(Amended Mar 2016)*
- h) The monitoring system must have a picture generator which will generate precise, easily identifiable colour pictures.

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4.5.4 Each gaming terminal area must provide camera coverage as required by AGLC. The cameras providing such coverage will be a PTZ (Pan/Tilt/Zoom) camera. These must be installed to provide coverage of all gaming terminals. The REC Facility Licensee must provide the actual number and placement of the cameras as required by AGLC. Cameras must provide clear identification of players and must be positioned to complement each other. *(Amended Jan 2017; Amended Mar 2016)*

- a) All wide area progressive gaming terminals must be viewed by a dedicated camera that must capture all patrons and employees at the gaming terminal, supplemented by a PTZ (Pan/Tilt/Zoom) camera that must provide clear identification of the patron and gaming terminal screen. *(Amended Jan 2017; Amended Mar 2016)*
- b) Electronic table games, where the cash in limit exceeds \$1,000, must be viewed by a dedicated camera that must capture all patrons and employees at the electronic table game, supplemented by a PTZ (Pan/Tilt/Zoom) camera that must provide clear identification of the patron and electronic table game display. *(Amended Jan 2017; Added Mar 2016)*
- c) All other gaming terminals must be viewed by a PTZ (Pan/Tilt/Zoom) camera that must provide clear identification of the player and gaming terminal screen. *(Amended Jan 2017; Amended Mar 2016)*
- d) Cameras must be strategically placed so that there are no blind spots in the gaming terminal area and the cameras must provide clear identification of all staff, players and patrons. *(Amended Mar 2016)*

4.5.5 A dedicated camera must be installed so there is complete, full-time coverage of each entry/exit (not required for “emergency only” exits) that must provide clear identification of all individuals entering or leaving the premises. *(Amended Jan 2017)*

4.5.6 Camera requirements for ticket redemption kiosks (TRK) are as follows:

- a) a dedicated camera(s) is required for each TRK that must provide a clear image of the TRK screen and clearly identify all patrons and employees accessing the TRK to confirm the transactions conducted at the kiosk. *(Amended Aug 2018; Amended Jan 2017)*

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- b) cabling (minimum CAT 5) connected to a surveillance system, and linked to video recorders, as specified in Subsection 4.5.3 d), must be provided. The AGLC will install the camera on top of each TRK.
- 4.5.7 A dedicated camera is required overhead of each slot cashier's position and must provide clear identification of the bill or coin denominations. The overhead camera must be supplemented by one or more secondary cameras to capture an unobstructed view that must provide clear identification of the patron. *(Amended Aug 2018)*
- 4.5.8 Each slot cash cage must have a PTZ (Pan/Tilt/Zoom) camera(s) installed to provide complete coverage of all areas within the slot cash cage. *(Amended Aug 2018; Amended Jan 2017)*
- 4.5.9 In RECs with 100 or more gaming terminals, the surveillance monitoring system must have a picture generator that must generate precise, easily identifiable color pictures of the subject from any camera. *(Amended Jan 2017; Amended Mar 2016)*
- 4.5.10 Where live monitoring is required, monitor room personnel must be in the monitor room at all times during operational hours of the REC. A senior security officer, trained in the use of camera surveillance, may be used to relieve monitor room personnel during breaks.
- 4.5.11 All CCTV systems' recordings must be retained for a minimum of fifteen (15) days and must be made available for review upon request by any AGLC Inspector. The video recording of an event must be provided to an AGLC Inspector in a format removable from the REC upon request. *(Amended Aug 2018)*
- 4.5.12 The monitor room is to be treated as a high security area, and access is permitted to authorized personnel only, as detailed in Section 3.13 REC Security Access Provisions.
- 4.5.13 All equipment must be maintained and be in proper working order. The AGLC must be notified if CCTV coverage falls below minimum standards of the Terms & Conditions.
- 4.5.14 All surveillance room staff must use a daily activity log. The log must include the times of arrival and departure, names of person(s) entering and the reason for entry. *(Amended Mar 2016)*

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4.5.15 Any use of a wireless camera must be approved by AGLC. Wireless cameras must not be utilized for the monitoring of gaming or gaming related activities.

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**4.6 OFF-SITE MONITOR ROOM**

*(Added July 2015)*

4.6.1 With the prior approval of the AGLC, REC Facility Licensees may utilize an off-site monitor room. REC Facility Licensees must submit to the AGLC:

- a) a proposal for an off-site monitor room that meets the facility and security requirements in this handbook;
- b) a surveillance plan (see also Section 4.2); and
- c) a Business Continuity Plan in the event of a disruption or failure affecting the operational ability of the off-site monitoring room.

4.6.2 The approved off-site monitor room operates under the REC Facility Licence and comprises part of the restricted non-gaming area of the REC facility.

- a) The REC Facility Licensee must demonstrate proof of the right to occupy and control the premises for the approved off-site monitor room, including full access to the premise during REC operating hours and compliance with the requirements under Subsection 7.6.13; and
- b) All areas of the licensed facility which are governed by the facility Licence are subject to AGLC policy.

4.6.3 The minimum requirements for the provision of an off-site monitor room include, but are not limited to:

Note: Additional requirements may be necessary based on an assessment by the AGLC of the proposal for the off-site monitor room.

- a) A secure CCTV viewing room at the primary REC location:
  - i) capable of acting as a backup monitor room;
  - ii) two workstations with monitoring equipment;
  - iii) monitoring equipment must be able to provide adequate viewing of the activity on the gaming floor and other areas of the licensed facility as provided for in this handbook;

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- iv) digital cameras are recorded on Network Video Recorders (NVRs);
  - v) entrances and internal space require camera coverage connected to the CCTV system; and
  - vi) facility requirements and security standards as provided for in Sections 3 and 4 of this handbook or any other section of the RECTCOG.
- b) The surveillance servers and NVRs must be located at the primary REC location along with all storage of surveillance video; and
- c) Off-site monitor room:
- i) the location of the off-site monitor room requires prior approval of the AGLC;
  - ii) seamless digital surveillance video in real time must be streamed direct from the REC facility to the off-site monitoring room using a dedicated closed (private) fiber optic connection. No other links are authorized unless approved by the AGLC;
  - iii) the monitoring equipment must be able to provide adequate viewing of the activity on the gaming floor and other areas of the licensed facility as provided for in this handbook;
  - iv) seamless real time communications with the REC facility's security personnel must include:
    - digital radio voice communications streamed using the dedicated closed (private) fibre optic connection; and
    - an internal telephone system.
  - v) minimum staffing levels, registration of staff and staff duties at the off-site monitor room, per facility, are the same as for an on-site monitor room;
  - vi) REC security access provisions to the off-site monitor room are as provided for in Section 3.13;

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- vii) REC access provisions for the AGLC as specified in Section 1.12 applies to the off-site monitor room;
- viii) entrances require camera coverage connected to the CCTV system; and
- ix) facility requirements and security standards as provided for in Sections 3 and 4 of this handbook or any other section of the RECTCOG.

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**4.7 COUNTERFEIT MONEY PROCEDURES**

- 4.7.1 The following procedures must be implemented by facility staff when suspect counterfeit money is identified:
- a) limit the handling of the suspect bill, place it in an envelope and complete a Discrepancy Report (see Section 4.9);
  - b) give the envelope containing the suspect bill and the Discrepancy Report to Security;
  - c) Security contacts the local enforcement agency and follow the enforcement agency's directions;
  - d) Security submits the Discrepancy Report(s) and the Counterfeit Checklist to the AGLC's Investigations Branch, within 24 hours, via fax to St. Albert at 780-447-8914 or email at [investigators.mailbox@aglc.ca](mailto:investigators.mailbox@aglc.ca).
- 4.7.2 If the person passing the suspect counterfeit money is still on site, the slot supervisor/slot attendant must advise the monitor room and security personnel, who will attempt to identify the suspect.
- 4.7.3 Suspect counterfeit money must not be circulated back into circulation under any circumstances.

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### 4.8 ILLEGAL ACTIVITIES

*(Amended Dec 2017)*

4.8.1 If an illegal activity occurs or is suspected to have occurred (e.g. theft, cheating at play, money laundering) at a licensed REC facility, the following procedures must be implemented:

a) REC facility licensee staff witnessing an illegal or suspected illegal activity must:

- i) notify their immediate supervisor at the first opportunity in such a manner, where appropriate, not to alert the suspect(s);
- ii) continue to perform duties in a normal manner so that the suspect(s) is not alerted;
- iii) document the details of the incident, including, but not limited to the:
  - type of illegal activity and the time it occurred;
  - description of the suspect(s);
  - gaming terminal number;
- iv) collect statements from witnesses, including their contact information, if available; and
- v) complete a Discrepancy Report (see Section 4.9).

b) the supervisor notified of an illegal or suspected illegal activity must:

- i) immediately notify the slot manager and/or the director/manager of security and instruct monitor room staff to retain evidence of the illegal activity and suspect(s) (see Subsection 4.8.1 d));
- ii) continue to perform duties in a normal manner so that the suspect(s) is not alerted;
- iii) make notes pertaining to the incident, providing as many details as possible, including any personal observations; and

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- iv) complete a Discrepancy Report as soon as possible (see Section 4.9).
- c) the slot manager and/or director/manager of security must:
  - i) alert security staff of the illegal or suspected illegal activity, providing them with a description of the suspect(s) (see Subsection 4.8.1 e));
  - ii) attend the monitor room to view suspect(s) activities, and to confirm the illegal or suspected illegal activity, if possible;
  - iii) if satisfied the video recording captured the illegal activity contact: the AGLC at (780) 447-8885 (days) or 1-800-561-4415 (after hours) in St. Albert; or (403) 292-7300 (days), or 1-800-561-4415 (after hours) in Calgary, and request the attendance of an Investigator. If an Investigator is not able to attend, contact the local law enforcement agency and follow their directions;
  - iv) if the video recording is of a single cheat at play or a suspected illegal activity and it is not clear that an offence has been committed, instruct security to identify the suspect(s) prior to he/she leaving the REC and report the matter to the AGLC Hotline immediately; and
  - v) prepare a Discrepancy Report (see Section 4.9), collect other Discrepancy Reports written by staff pertaining to the incident and immediately submit them all to the AGLC's Investigations Branch at:  
[investigators.mailbox@aglc.ca](mailto:investigators.mailbox@aglc.ca).
- d) monitor room staff, upon becoming aware of an illegal or suspected illegal activity, must:
  - i) ensure continuous surveillance of the suspect(s) is being maintained, document the suspect(s) activities, and make notes of the occurrence;
  - ii) ensure that the suspect(s) is being recorded by more than one camera to provide clear identification of the suspect(s) and other elements associated with the incident (e.g. money, gaming terminal, vehicle

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information, licence plate, transactions, associates and/or non-gaming area); and

- iii) securely retain all video evidence of the subject(s) and incident and submit to the AGLC's Investigations Branch at [sftp.aglc.ca](http://sftp.aglc.ca) and notify [investigators.mailbox@aglc.ca](mailto:investigators.mailbox@aglc.ca).
- e) security guards investigating an illegal or suspected illegal activity must make detailed notes of the incident, including but not limited to:
  - i) personal observations;
  - ii) date and time of incident;
  - iii) particulars of any conversation with suspect(s);
  - iv) vehicle information and licence plate number (where applicable); and
  - v) names of any persons witnessing the incident or having contact with the suspect(s).

4.8.2 In a situation where there is clear and present danger to REC staff, property or patrons, immediately contact the law enforcement agency of jurisdiction.

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### 4.9 DISCREPANCY REPORTS

*(Amended Dec 2017)*

- 4.9.1 It is a condition of both the registration and licensing that REC Facility Licensees, registered gaming workers, and other REC employees immediately report illegal or suspected illegal activities (e.g. cheat at play, theft, money laundering, etc.) to the AGLC Investigations Branch (see Section 4.8).
- 4.9.2 Suspicion or evidence of procedures inconsistent with or in violation of the RECTCOG require immediate investigation and corrective action by the REC facility licensee, slot manager/slot supervisor, director/manager of security, and/or the general manager. A Discrepancy Report that provides details of the occurrence must be submitted to the AGLC.
- 4.9.3 The following Discrepancy Report forms (see Section 13) must be completed for the purposes specified:
- a) Discrepancy Report – Form 5425 (2013 Sep) must be used for all non-electronic gaming discrepancies;
  - b) Gaming Discrepancy Report Electronic Devices – Form 6619 (2014 Jun) must be used for all electronic gaming device (gaming terminal) discrepancies. *(Added Mar 2016)*

For RECs in Red Deer and areas south of Red Deer, all Discrepancy Reports must be sent directly to:

The Alberta Gaming and Liquor Commission  
Suite 110, Deerfoot Atrium Building  
6715 - 8 Street N.E.  
Calgary, Alberta T2E 7H7  
Fax: (403) 292-7302  
Email: [inspectionsgaming@aglc.ca](mailto:inspectionsgaming@aglc.ca)

Note: For Discrepancy Reports pertaining to illegal activities (see Section 4.8) use [investigators.mailbox@aglc.ca](mailto:investigators.mailbox@aglc.ca).

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For RECs in areas north of Red Deer, all Discrepancy Reports must be sent directly to:

The Alberta Gaming and Liquor Commission  
50 Corriveau Avenue  
St. Albert, Alberta T8N 3T5  
Fax: (780) 447-8912  
Email: [inspectionsgaming@aglc.ca](mailto:inspectionsgaming@aglc.ca)

Note: For Discrepancy Reports pertaining to illegal activities (see Section 4.8) use [investigators.mailbox@aglc.ca](mailto:investigators.mailbox@aglc.ca).

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### 4.10 AGLC SERVER ROOMS

*(Added Jan 2017)*

- 4.10.1 AGLC server rooms include all primary server rooms and secondary network closets within a REC facility.
- 4.10.2 AGLC server rooms must be secure and dedicated for that purpose only and meet all requirements set out in Subsection 3.1.1 d).
- 4.10.3 Server room entrance door(s) must always be closed and secured.
- 4.10.4 The General Manager and/or Director/Manager of Security are responsible for the security of AGLC server rooms.
- 4.10.5 AGLC server rooms are high security areas and as such, access to AGLC server rooms is restricted to authorized personnel only (see Section 3.13).
- 4.10.6 The REC Facility Licensee must:
  - a) maintain a server room key/access card log, accounting for all keys/access cards, recording staff names, registration numbers (if applicable), dates of issuance and dates of collection of keys/access cards;
  - b) maintain server room entry logs, recording staff name/registration number (if applicable), name of authorized individual date/time of entry and reason for entry;
  - c) retain key/access card logs and server room entry logs until destruction is authorized by the AGLC;
  - d) immediately report misplaced, lost or stolen server room keys/access cards to AGLC Investigations Branch; and
  - e) immediately replace the server room keys and lock mechanisms upon request of the AGLC.

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## SECTION: 5. REGISTERED GAMING WORKERS

### 5.1 REGISTRATION

5.1.1 It is the responsibility of the Licensee to hire the staff required for the operation of the REC according to the Terms & Conditions. The Licensee is also responsible to determine the number of staff positions and staff functions in a REC while ensuring the minimum position requirements in these Terms & Conditions are met. Considerations in this regard would include, for example, ensuring the integrity of gaming in the facility, the size of the facility, player demand, etc. *(Amended Mar 2016)*

5.1.2 In this section, an “Applicant” means an individual applying for registration as a gaming worker pursuant to the *Gaming and Liquor Regulation*. *(Amended May 2017; Added Mar 2016)*

5.1.3 Pursuant to section 25 of the *Gaming and Liquor Regulation*, a facility worker class of gaming worker registration is established which authorizes a person to perform at a licensed facility a function specified in the person’s registration. Gaming facility workers in the following positions must be registered to perform the function specified in the registration at a REC: *(Added Mar 2016)*

- a) slot manager/slot supervisor;
- b) slot operator *(Amended Mar 2016)*:
  - i) slot cashier;
  - ii) slot attendant; and
  - iii) slot count room attendant;
- c) director of security;
- d) manager of security; *(Added Mar 2016)*
- e) surveillance manager; *(Added Mar 2016)*
- f) monitor room personnel; *(Added Mar 2016)* and
- g) security guard.

Refer to Section 5.3 “Duties” in these Terms & Conditions regarding the minimum duties of these positions.

5.1.4 Only individuals are eligible to be registered as gaming workers. Businesses or companies may not be registered as gaming workers. *(Added Mar 2016)*

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5.1.4.1 REC facility licensee personnel not registered with the AGLC are prohibited from engaging in the following:

- a) making decisions relating to dispute resolution of gaming irregularities;
- b) conducting financial transactions for, or on behalf of, a patron in excess of \$200 per gaming day; and
- c) performing any duty for which there is already an identified work function associated with a Registered Gaming Worker position. *(Added, July 2015)*

5.1.5 The positions and staff that are Registered Gaming Workers of a REC must be reported to the AGLC. This must include the position titles, roles or responsibilities of the respective positions, the names of the persons holding the staff positions, and an organizational chart of the REC identifying the reporting relationships of all staff in the REC. *(Amended Mar 2016)*

5.1.6 Applications for registration as a gaming worker in a REC facility may be obtained from the AGLC (see Subsection 5.1.17).

5.1.7 Pursuant to section 9 of the Gaming and Liquor Regulation, key employees of the REC facility as listed under Subsection 3.9.3 are subject to background checks as specified in Section 3.9. *(Amended May 2017; Added Mar 2016)*

5.1.8 To be registered as a gaming worker in an REC, the Applicant must be: *(Amended Mar 2016)*

- a) at least 18 years of age; and
- b) a Canadian citizen or lawfully admitted to Canada for permanent residence.

The appropriate documents from federal authorities must be provided as part of the registration process.

5.1.9 Pursuant to section 10(1) of the *Gaming and Liquor Regulation*, the Board may refuse to register an Applicant as a REC gaming worker if the Applicant or any of the Applicant's associates fails to pass a records check. *(Amended Mar 2016)*

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5.1.10 Pursuant to section 10(1) of the *Gaming and Liquor Regulation*, a person does not pass a records check if the person: *(Amended Mar 2016)*

a) has within the 5 years prior to the submission of the application been charged with or convicted of:

- i) an offence under the *Criminal Code* (Canada), the *Excise Act* (Canada), the *Food and Drugs Act* (Canada), the *Controlled Drugs and Substances Act* (Canada); or
- ii) an offence under a foreign Act or regulation that, in the Board's opinion, is substantially similar to an offence referred to in subclause i).

b) has at any time been charged with or convicted of:

- i) an offence under the *Criminal Code* (Canada), the *Excise Act* (Canada), the *Food and Drugs Act* (Canada), the *Controlled Drugs and Substances Act* (Canada); or
- ii) an offence under a foreign Act or regulation that, in the Board's opinion, is substantially similar to an offence referred to in subclause i);

if in the Board's opinion the offence is sufficiently serious that it may detract from the integrity with which provincial lotteries are to be conducted in Alberta; or

c) has within the five (5) years prior to the submission of the application been serving a term of imprisonment of three (3) years or more.

5.1.11 Pursuant to section 11 of the *Gaming and Liquor Regulation*, the Board may refuse to register an Applicant if the Board is satisfied that the Applicant has within the past five (5) years prior to the submission of the application contravened: *(Amended Mar 2016)*

- a) the *Gaming and Liquor Act* or regulations under the Act;
- b) a predecessor of the *Gaming and Liquor Act* or regulations under a predecessor of the Act; or
- c) a condition imposed on a licence or registration issued or made under the *Gaming and Liquor Act* or a predecessor of the Act.

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## SECTION: 5. REGISTERED GAMING WORKERS

- 5.1.12 Pursuant to section 13 of the *Gaming and Liquor Regulation*, the Board may refuse to issue a licence to an Applicant or to register an Applicant if the Board is satisfied that the Applicant, any of the Applicant's employees or associates or any other person with connections to the Applicant: *(Amended Mar 2016)*
- a) is a person who has not acted or may not act in accordance with the law, with honesty and integrity or in the public interest, having regard to the past conduct of the person;
  - b) would be a detriment to the integrity or lawful conduct of provincial lotteries;
  - c) is a person whose background, reputation and associations may result in adverse publicity for the gaming industry in Alberta; or
  - d) would be a detriment to the lawful manufacture, import, purchase, sale, provision, transport, possession, storage, use or consumption of liquor. *(Added Mar 2016)*
- 5.1.13 Notwithstanding Subsections 5.1.9 to 5.1.12 above, the Board may refuse to register an Applicant. *(Added Mar 2016)*
- 5.1.14 A registered REC gaming worker must notify the AGLC and the Licensee immediately when charged with or convicted of an offence under:
- a) the *Criminal Code* (Canada);
  - b) the *Excise Act* (Canada);
  - c) the *Food and Drugs Act* (Canada);
  - d) the *Controlled Drugs and Substances Act* (Canada);
  - e) a foreign Act or regulation that is substantially similar to an offence referred to in a), b), c) or d) above;
  - f) the *Gaming and Liquor Act* (Alberta); or
  - g) the *Gaming and Liquor Regulation* (Alberta).
- 5.1.15 The REC Facility Licensee must notify the AGLC immediately upon learning about a Registered Gaming Worker who has been charged or convicted of an offence as described in Subsection 5.1.14.

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- 5.1.16 If a Registered Gaming Worker is convicted, as described in Subsection 5.1.14, the Board may take disciplinary action including, but not limited to, cancellation or suspension of the registration.
- 5.1.17 If a Registered Gaming Worker has misled the Board, failed to provide information or provided inaccurate information, the Board may take disciplinary action including, but not limited to, cancellation or suspension of the registration.
- 5.1.18 Applications for registration as a gaming worker in a REC (Form REG/GAM 5401) may be obtained from the AGLC by email at [gaming.registrations@aglc.ca](mailto:gaming.registrations@aglc.ca). A copy of the application may also be accessed on the AGLC website at [aglc.ca](http://aglc.ca).
- 5.1.19 Any changes to personal information (for example, address or surname) provided to the AGLC must be reported immediately in writing, by email to [gaming.registrations@aglc.ca](mailto:gaming.registrations@aglc.ca), by fax to 780-447-8912 or by telephoning the AGLC Registration Unit at 1-800-272-8876.

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**SECTION: 5. REGISTERED GAMING WORKERS****5.2 CONDUCT**

5.2.1 A registered gaming worker must comply with all provisions in these terms & conditions. Failure to do so may result in disciplinary action up to and including the suspension or cancellation of registration.

*(Amended Mar 2016)*

5.2.2 A registered gaming worker must maintain the integrity of gaming and ensure that only lawful activities are conducted in a REC.

5.2.3 Gaming workers must ensure their registration is current with AGLC pursuant to section 39(1) of the *Gaming and Liquor Act*.

5.2.4 The REC facility licensee must ensure the registration is current or up to date for all those staff who are required to be registered with AGLC.

5.2.5 Registered gaming workers may work only in the position for which they are registered.

5.2.6 Registered gaming workers must not use or be under the influence of liquor, cannabis or illegal drugs while on duty. Any use of prescription (including cannabis for medical purposes) or off-the-shelf medications while on duty must not interfere with the ability of workers to perform their work duties: *(Amended Oct 2018; Amended Jan 2018)*

a) workers using prescription (including cannabis for medical purposes) or off-the-shelf medications must follow the REC facility licensee's policies and procedures regarding their use while at work.

5.2.7 Where the REC Facility Licensee is:

a) An Agricultural Society, registered gaming workers, officers, REC managers and key employees are prohibited from playing gaming terminals where they are employed or contracted.

*(Amended Mar 2016)*

b) Other than an Agricultural Society, registered gaming workers, REC directors or directors of the affiliated race track, REC managers and key facility employees are prohibited from playing gaming terminals where they are employed or contracted. *(Amended Mar 2016)*

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5.2.8 A name badge must be worn by all registered gaming workers while on duty and must be visible at all times:

- a) The REC facility licensee must supply registered gaming workers and security guards with a laminated colour photo identification card as follows:

Card front:

- i) REC name or logo;
- ii) Current colour photo, similar in size to a driver's licence photo;
- iii) Registration number, print size must be clearly visible with block style printing only; *(Amended Mar 2016)*
- iv) Employee first name only, minimum print size 5 mm in height, block style printing only; and
- v) Registration expiry date.

Card back (optional):

- vi) Full name;
- vii) Authorizing REC signature;
- viii) REC data - that is, employee number; and
- ix) REC conditions of employment.

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**SECTION: 5. REGISTERED GAMING WORKERS****5.3 DUTIES****SLOT MANAGER/SLOT SUPERVISOR**

5.3.1 The slot manager/slot supervisor or designate is responsible for supervising the gaming terminal operation. A slot manager, or slot supervisor, must be present from the opening of the gaming terminals until closing of the gaming terminals and all related duties are completed. *(Amended Mar 2016)*

5.3.2 General duties in the REC would include the following:

- a) supervising the gaming area in the REC;
- b) ensuring the gaming area is operated in accordance with the licence and the Retailer Agreement; *(Amended Mar 2016)*

5.3.3 Specific duties of the slot manager/slot supervisor are as follows: *(Amended Mar 2016)*

- a) works to ensure a professional REC operation and for the integrity of gaming in the REC;
- b) be responsible for all areas of the gaming terminal operation, including staff operations and financial controls;
- c) ensures that the registration of all REC workers is current;
- d) maintain and record work schedules for gaming terminal personnel;
- e) ensure that gaming terminal personnel perform prescribed duties;
- f) settles patron disputes based on technical recommendations;
- g) ensure hand pays are made to jackpot winners;
- h) ensure soft count is conducted and provide soft count figure to AGLC systems personnel; *(Amended Apr 2018)*
- i) conducts inquiries into patron claims or complaints and calls in a technician when required;
- j) ensures security of games;
- k) ensures that:
  - i) any error or procedural irregularities in games operations is reported, including any breach of public order while

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the REC is in operation, and providing a Discrepancy Report (see Section 4.9) with details to the AGLC as required;

- ii) he or she remains on the gaming floor a minimum of 45 minutes per hour;
- l) in RECs with less than 100 gaming terminals, is responsible for performing the duties of the security guard as set out in Subsections 5.3.8 and 5.3.9, unless otherwise provided or contracted by a third party;
- m) contact the AGLC immediately of any suspected theft, cheating at play, or other illegal activity (see Section 4.8);
- n) ensure security of the following, as prescribed in Section 6.2:  
*(Added Apr 2018)*
  - i) gaming terminal keys; and
  - ii) ASA cards in RECs operating on CasinoLink; or
  - iii) employee cards in RECs converted to SDS;
- o) process and pay TITO tickets over a value of \$5,000; *(Added Apr 2018)*
- p) perform the duties of the slot cashier as required; and *(Added Apr 2018)*
- q) ensure duties are performed in accordance with AML procedures (see Section 12). *(Added Apr 2018)*

**SLOT OPERATOR (SLOT CASHIER)**

5.3.4 The slot operator (slot cashier) works in the slot cash cage and is responsible to the slot manager/slot supervisor. The duties are to:  
*(Amended Mar 2016)*

- a) provide change to patrons and redeem coins for cash;
- b) maintain and balance a float;
- c) validate and pay TITO tickets in accordance with Section 10.5 and, if applicable, VLT cash-out tickets in accordance with Section 11.5; and
- d) record all hand pays and keep hand pay form for balancing float.

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- e) validate and pay any offline tickets presented at the cash cage;  
*(Added Apr 2018)*
- f) complete Discrepancy Reports as required (see Section 4.9);  
and *(Added Apr 2018)*
- g) ensure duties are performed in accordance with AML  
procedures (see Section 12). *(Added Apr 2018)*

**SLOT OPERATOR (SLOT ATTENDANT)**

5.3.5 The slot operator (slot attendant) is responsible to the slot manager/slot supervisor. Duties are to: *(Amended Mar 2016)*

- a) be familiar with basic operation of each game and provide assistance and information to patrons regarding game rules, etc.;
- b) perform TITO paper (slot) and ticket stock (VLT) refills, clear paper jams, clean gaming terminal screens and button panels and report malfunctions or maintenance requirements of gaming terminals to the slot manager;
- c) call in the slot manager or slot supervisor to handle any patron disputes;
- d) make hand pays to jackpot winners;
- e) complete Discrepancy Reports as required (see Section 4.9);  
and *(Added Apr 2018)*
- f) ensure duties are performed in accordance with AML  
procedures (see Section 12). *(Added Apr 2018)*

**SLOT OPERATOR (SLOT COUNT ROOM ATTENDANT)** *(Added Mar 2016)*

5.3.6 The slot operator (slot count room attendant) works in the slot count room and is responsible to the slot manager/slot supervisor. In accordance with approved count room procedures, duties are to:

- a) For RECs operating on CasinoLink:
  - i) ensure all cash boxes/bill acceptors are in the count room prior to processing;
  - ii) empty all contents from cash boxes/bill acceptors into sorter;
  - iii) fill TRK cassettes in secure count room; *(Amended Apr 2018)*

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- iv) open soft count batches for appropriate gaming day;
  - v) run soft count verification reports;
  - vi) verify all redeemed tickets are batched;
  - vii) close all soft count batches and freeze batches;
  - viii) export files to AGLC head office;
  - ix) complete required reports and documentation related to the duties of the count room;
  - x) complete Discrepancy Reports as required (see Section 4.9); and
  - xi) ensure duties are performed in accordance with AML procedures (see Section 12). *(Added Apr 2018)*
- b) For RECs converted to SDS: *(Added Apr 2018)*
- i) ensure all cash boxes/bill acceptors are in the count room prior to processing;
  - ii) empty all contents from cash boxes/bill acceptors into sorter;
  - iii) fill TRK cassettes in secure count room;
  - iv) open soft count rooms in SDS for appropriate gaming day;
  - v) run soft count verification reports;
  - vi) verify all redeemed tickets are counted in SDS;
  - vii) close, sign off, and approve daily count rooms in SDS;
  - viii) complete required reports and documentation related to the duties of the count room;
  - ix) complete Discrepancy Reports as required (see Section 4.9); and
  - x) ensure duties are performed in accordance with AML procedures (see Section 12).

**DIRECTOR OF SECURITY** *(Added Mar 2016)*

5.3.7 The director of security is responsible for the security and surveillance of the REC facility. Specific responsibilities include:

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- a) developing and implementing policies and procedures for security and surveillance operations which are consistent with the RECTCOG;
- b) preparing a surveillance plan;
- c) hiring and training security guards and monitor room personnel;
- d) ensuring the security guard duties are operated independently from the monitor room personnel duties;
- e) ensuring security guards are properly trained in respect to arrest, detention and charter requirements;
- f) ensuring all security and surveillance equipment is in proper working order;
- g) ensuring control of access cards and/or keys to secured areas of the REC facility;
- h) ensuring, in the event of adding, relocating or reconfiguring games, the camera coverage meets all AGLC standards as specified in Section 4.5;
- i) reviewing all requests by REC staff, security or an AGLC contractor for access to any AGLC server room in accordance with Section 3.13; *(Amended Jan 2017)*
- j) contacting the AGLC immediately of any suspected theft, cheating at play or other illegal activity (see Section 4.8);
- k) complete Discrepancy Reports as required (see Section 4.9);  
and *(Added Apr 2018)*
- l) ensure duties are performed in accordance with AML procedures (see Section 12). *(Added Apr 2018)*

**MANAGER OF SECURITY** *(Added Mar 2016)*

5.3.8 If the director of security position is utilized, then the manager of security reports to the director of security. If approved by the AGLC, the duties of the surveillance manager may be combined with this position. The manager of security is responsible for the security and surveillance of the REC facility. Specific responsibilities include:

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- a) developing and implementing policies and procedures for security and surveillance operations which are consistent with the RECTCOG;
- b) preparing a surveillance plan;
- c) hiring and training security guards and monitor room personnel;
- d) ensuring the security guard duties are operated independently from the monitor room personnel duties;
- e) ensuring security guards are properly trained in respect to arrest, detention and charter requirements;
- f) ensuring all security and surveillance equipment is in proper working order;
- g) ensuring control of access cards and/or keys to secured areas of the REC facility;
- h) ensuring, in the event of adding, relocating or reconfiguring games, the camera coverage meets all AGLC standards as specified in Section 4.5;
- i) reviewing all requests by REC staff, security or an AGLC contractor for access to any AGLC server room in accordance with Section 3.1.3; *(Amended Jan 2017)*
- j) contacting the AGLC immediately of any suspected theft, cheating at play or other illegal activity (see Section 4.8);
- k) complete Discrepancy Reports as required (see Section 4.9);  
and *(Added Apr 2018)*
- l) ensure duties are performed in accordance with AML procedures (see Section 12). *(Added Apr 2018)*

**SURVEILLANCE MANAGER** *(Added Mar 2016)*

5.3.9 The surveillance manager should report independently of the director of security or the manager of security. If approved by the AGLC, the duties of this position may be combined with the director or manager of security position duties. The surveillance manager is responsible for the surveillance of the REC facility. Specific responsibilities include:

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- a) developing and implementing policies and procedures regarding surveillance operations which are consistent with the RECTCOG;
- b) preparing a surveillance plan;
- c) hiring and training monitor room personnel;
- d) ensuring the security guard duties are operated independently from the monitor room personnel duties;
- e) ensuring all surveillance equipment and the alarm monitoring program are in proper working order; *(Amended Apr 2018)*
- f) ensuring, in the event of adding, relocating or reconfiguring games, the camera coverage meets all AGLC standards as specified in Section 5.4;
- g) contacting the AGLC immediately of any suspected theft, cheating at play or other illegal activity (see Section 4.8);
- h) complete Discrepancy Reports as required (see Section 4.9); and *(Added Apr 2018)*
- i) ensure duties are performed in accordance with AML procedures (see Section 12). *(Added Apr 2018)*

**MONITOR ROOM PERSONNEL** *(Added Mar 2016)*

5.3.10 Monitor room personnel must be registered with the AGLC. The following are the requirements for this position:

- a) be registered with the AGLC;
- b) have experience and training from the facility licensee in REC gaming disciplines, including CCTV equipment and the alarm monitoring program;
- c) maintain a high level of knowledge of all gaming terminal games, count room and cash cage procedures and methods of cheating at play;
- d) ensure the REC camera surveillance, alarm monitoring program, and recording equipment are in good operational condition. Maintain a numbered page log book, dating and initialling the routine checks completed; *(Amended Apr 2018)*

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- e) ensure that live camera monitoring is in place and a recording of REC operations is kept, which may impact on the security and safety of assets, personnel and patrons, including:
  - i) gaming terminals;
  - ii) cash cage and count room;
  - iii) floor security procedures; and
  - iv) bill counters and changers.
- f) enforce access provisions to the monitor room;
- g) communicate with the slot manager to identify and monitor suspected criminal activities and suspicious activities;
- h) monitor and respond to gaming terminal alarms using the alarm monitoring program; *(Amended Apr 2018)*
- i) notify and assist as required the AGLC and/or the local police authority, as soon as practicable, of all potential or observed criminal activity and be prepared to provide evidence in a court of law;
- j) notify the security guard and/or slot manager when detecting persons in the REC who are prohibited from entering or remaining in the REC;
- k) secure, label, and control all REC recordings for a minimum period of seven (7) days;
- l) maintain a control log for all recordings secured identifying the recording by control number, the event date and the employee operating the camera equipment;
- m) liaise with AGLC personnel to stay abreast of trends in cheat-at-play methodology, suspects, and other REC security concerns;
- n) maintain a log of suspects and their activity in the format prescribed by the AGLC;
- o) perform administrative and clerical duties related to the above duties;
- p) complete Discrepancy Reports as required (see Section 4.9); and *(Added Apr 2018)*

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- q) ensure duties are performed in accordance with AML procedures (see Section 12). *(Added Apr 2018)*

**SECURITY GUARD**

- 5.3.11 The security guard is responsible to the slot manager/slot supervisor or other designated management position, with the approval of the AGLC, for the overall security of games workers and the REC. A minimum of one security guard is required to be on duty at all times in a REC with more than 100 gaming terminals. *(Amended Mar 2016)*
- 5.3.12 Hired security guards must be registered with the AGLC. Registered REC security guards may hold a dual registration only with a casino security guard position.
- 5.3.13 To become registered with the AGLC, a security guard will be required to provide the following:
- a) Registration Application for Gaming Worker - Casino;
  - b) Current photograph; and
  - c) Police Security Clearance.
- 5.3.14 Specific duties of a security guard are to:
- a) enforce age limit and liquor provisions;
  - b) provide security in the immediate area of the slot cage during all counts;
  - c) provide security when cash boxes and bill acceptors are pulled from gaming terminals and taken to the count room, including during emergency pulls of cash boxes and bill acceptors; *(Amended Apr 2018; Added Mar 2016)*
  - d) provide security related to gaming terminals and TRKs as requested by the slot manager or slot supervisor; *(Amended Apr 2018; Added Mar 2016)*
  - e) upon request from the director or manager of security (see Section 3.13), provide an escort for approved REC staff, security or an AGLC contractor to access any AGLC server or room; *(Amended Jan 2017, Added Mar 2016)*
  - f) maintain security at the main entrance when gaming activity is permitted;

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- g) assume crowd control duties (e.g., ensure fire regulations are obeyed) when gaming activity is occurring;
- h) be trained in the use and operation of CCTV equipment and the alarm monitoring program; *(Amended Apr 2018)*
- i) complete Discrepancy Reports as required (see Section 4.9);
- j) follow procedures set out on counterfeit money and cheating at play (see Sections 4.7 and 4.8);
- k) remain on duty, and be alert, until all monies are secured and all REC staff have exited the REC; and
- l) ensure duties are performed in accordance with AML procedures (see Section 12). *(Added Apr 2018)*

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**SECTION: 6. ELECTRONIC GAMING**

**6.1 GENERAL**

6.1.1 The authority to conduct and manage provincial lotteries, which includes electronic games on gaming terminals, is contained in the *Criminal Code* (Canada) and the *Gaming and Liquor Act* (Alberta).  
*(Amended Mar 2016)*

6.1.2 Gaming terminals, including slot machines and VLTs, are installed in a licensed REC facility subject to the terms and conditions of the Electronic Games – REC Retailer Agreement between the REC facility licensee (REC retailer) and the AGLC. A sample of the Electronic Games – REC Retailer Agreement is located in Section 13. *(Amended Mar 2016)*

6.1.3 The AGLC installs the following types of gaming terminals within a licensed REC for the purpose of conducting and managing electronic games: *(Added Mar 2016)*

- a) Slot machines, including electronic table games (see Section 10); and
- b) Video Lottery Terminals (VLTs) (see Section 11).

6.1.4 Space and services provided for the operation of gaming terminals is the sole responsibility of the licensee under a Retailer Agreement. The slot manager/slot supervisor is responsible for supervision of the gaming terminal operations in a licensed REC facility as set out in Subsection 5.3.3. *(Amended Mar 2016)*

6.1.5 The AGLC is authorized to conduct security inspections and enforcement activities. Violations of the Racing Entertainment Centre Terms & Conditions and Operating Guidelines may result in: *(Amended Mar 2016)*

- a) penalties as set out in Section 9.5. Administrative Sanctions, *(Amended Mar 2016)* and
- b) any of the following as provided for in the Retailer Agreement: *(Amended Mar 2016)*
  - i) termination of the Retailer Agreement by the AGLC with cause;
  - ii) election to remove one or more gaming terminals; or
  - iii) suspension of the REC retailer's ability to operate the supplied equipment.

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- 6.1.6 Only electronic gaming devices authorized by the AGLC are permitted in a licensed REC facility. *(Added Mar 2016)*
- 6.1.7 No person is allowed to tamper with gaming terminals or other supplied equipment. *(Added Mar 2016)*
- 6.1.8 The following persons are prohibited from playing gaming terminals: *(Added Mar 2016)*
- a) minors (anyone under the age of 18 years);
  - b) anyone who appears to be intoxicated by liquor or a drug; and
  - c) REC facility staff – see Subsection 5.2.7.
- 6.1.9 REC facility licensees must complete and submit the following prior to the installation of gaming terminals: *(Added Mar 2016)*
- a) Electronic Games – Casino Retailer Application Form;
  - b) Electronic Games – Casino Certificate of Insurance Form (updated annually);
  - c) Pre-Authorized Debit (PAD) Agreement for Business (Electronic Games – Casino Retailer) Form, void cheque or equivalent and an Account Verification Letter from the financial institution; and
  - d) Signed Electronic Games – REC Retailer Agreement.
- Note: Samples of all forms are located in Section 13.
- 6.1.10 Advertising and promotions for gaming terminals: *(Added Mar 2016)*
- a) advertising and promotions conducted by REC facility licensees must be in accordance with Sections 1.16 and 1.17 of this handbook; and
  - b) at its sole discretion, the AGLC may conduct or participate in advertising and promotions related to electronic gaming activities.
- 6.1.11 Progressive Jackpot Verification and Payment
- a) The REC facility licensee must:
    - i) Notify Hotline immediately at 1-800-561-4415 in the event of a wide area and local area progressive jackpot; and

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- ii) Follow the instructions provided by Hotline for progressive jackpot verification and payment

**6.1.12 Equipment** *(Amended Mar 2016)*

- a) The AGLC will provide the following equipment upon installation of gaming terminals in a licensed REC facility:
  - i) a number and mix of gaming terminals as determined by the AGLC pursuant to the terminal allocation policies in Section 10, Slot Machines and Section 11, Video Lottery Terminals;
  - ii) ticket redemption kiosks (TRKs) related to slot machine operations (see Section 10, Slot Machines); and
  - iii) Fixtures including auxiliary equipment and supplies deemed necessary for the operation of the gaming terminals.
- b) The REC facility licensee must: *(Amended Mar 2016)*
  - i) provide electrical service 24 hours per day. For specifications, see Section 10, Slot Machines and Section 11, Video Lottery Terminals;
  - ii) provide Comprehensive or Commercial General Liability and Property insurance per terms of the Retailer Agreement;
  - iii) ensure a telephone is available in such proximity to the location of the supplied equipment so that an individual who is operating or repairing the supplied equipment may simultaneously carry on a telephone conversation and receive instruction regarding equipment operation or maintenance;
  - iv) ensure paper supplies for supplied equipment are handled and stored in accordance with AGLC procedures;
  - v) report any gaming terminal malfunctions, suspected cheating, counterfeit money, game manipulation or other anomalies to Hotline immediately at 1-800-561-4415 and follow the procedures set out in Section 4.8 – Theft and Cheating at Play Procedures;

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- vi) report an unusually high number of TITO ticket paper fills to Hotline immediately at 1-800-561-4415 and verify the operational integrity of the slot machine as instructed by Hotline or through operational bulletins;
- vii) provide any patron who is involved in any gaming terminal dispute with the gaming irregularities number, 1-800-742-7818. The AGLC investigates all complaints;
- viii) ensure that play on a gaming terminal that appears to be malfunctioning is discontinued immediately; and
- ix) ensure staff awareness that any gaming terminal malfunction voids all plays and pays (see Subsections 10.3.5 and 11.3.9).

**6.1.13 Hours of operation for gaming terminals:**

- a) are between 10:00 a.m. and 3:00 a.m. daily and only during the hours the REC facility is open to the public (see also Section 1.6); and
- b) the REC facility licensee must fax a schedule of the hours of operation for gaming terminals to the AGLC Hotline two (2) weeks in advance of any proposed changes.

**6.1.14 Ensure all staff responsible for operating gaming terminals receive training in the:** *(Added Mar 2016)*

- a) operation of the supplied equipment including the validation of tickets from gaming terminals;
- b) general maintenance of gaming terminals; and
- c) Deal Us In Casino Staff Training program(s) (see Section 1.14).  
*(Amended Apr 2016)*

**6.1.15 Financial obligations:**

- a) all monies received from gaming terminals less winnings paid and commissions are the property of the AGLC;
- b) the REC facility licensee is a bare trustee for the AGLC;

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- c) the REC facility licensee will be responsible for the following costs:
  - i) all utility charges in connection with the operation of the supplied equipment, including the provision of the telephone (see Subsection 6.1.12 b) (iii));
  - ii) replacement of any supplied equipment, destroyed, lost or stolen while on the premises and in the care of the REC facility licensee;
  - iii) damaged, lost or stolen keys, including the costs of key replacement and new locks;
  - iv) any lost, stolen or missing monies relating to the operation of the gaming terminals; and
  - v) any repairs to the supplied equipment due to damage or physical abuse (repairs not necessitated by normal wear and tear or by defect in the manufacturing or by defective maintenance service by the AGLC or its employees, agents or contractors);
- d) payment for monies due to the AGLC is payable through electronic funds transfer;
- e) failure to pay invoices may result in termination of the Retailer Agreement and removal of the supplied equipment; and
- f) the REC facility licensee must have required funds and trained staff available for payment of player's winnings to which players are entitled.

6.1.16 The relocation or temporary relocation of supplied equipment requires prior AGLC authorization: *(Added Mar 2016)*

- a) REC facility licencees planning to undertake renovations or structural changes must also see Section 3.14;
- b) all relocations and temporary relocations of any supplied equipment must be completed by AGLC employees or authorized agents;
- c) the AGLC will arrange for the installation of all internal data lines to accommodate the relocation and operation of the supplied equipment; and

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- d) the REC facility licensee is responsible for any damage to Supplied Equipment during an unauthorized relocation and must pay all repair or replacement costs (see Subsection 6.1.15 c) v)).

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**SECTION: 6. ELECTRONIC GAMING****6.2 SECURITY OF AGLC TERMINAL KEYS AND EMPLOYEE CARDS**

6.2.1 For RECs operating on CasinoLink: *(Amended Apr 2018)*

- a) The REC facility licensee must acknowledge in writing the receipt of all terminal keys supplied by the AGLC.
- b) AGLC supplied terminal keys and/or ASA cards must remain on the REC property at all times.
- c) AGLC supplied terminal keys must be securely stored within the REC facility with controlled access.
- d) The REC facility licensee must ensure that a log is maintained of all activities involving the AGLC supplied terminal keys. The log will include the date and time the key(s) was signed out, the name and job title of the person using the key(s) and the date and time the key(s) was returned. The log must be retained for 2 years from the date of the last entry in the log.
- e) The REC facility licensee must ensure that AGLC Hotline is immediately notified when a terminal key is lost, unaccounted for or not turned in at the end of day.
- f) The REC facility licensee is fully responsible for all costs related to replacing terminal keys and locks due to lost or unaccounted for keys.

6.2.2 For RECs converted to SDS: *(Added Apr 2018)*

- a) The REC facility licensee must:
  - i) acknowledge in writing the receipt of all terminal keys supplied by the AGLC; and
  - ii) create employee cards for registered gaming workers who require a card to perform gaming terminal duties.
- b) AGLC supplied gaming terminal keys and/or employee cards must remain on the REC property at all times.
- c) AGLC supplied terminal keys and employee cards must be securely stored within the REC facility with controlled access. Access to gaming terminal keys and employee cards must be immediately revoked for registered gaming workers who no longer require a key/card to perform duties (e.g., employment

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termination, suspension, reassignment, resignation, leave of absence, etc.).

- d) The REC facility licensee must ensure that separate logs are maintained for:
- i) AGLC supplied terminal keys; and
  - ii) employee cards.

The logs must include the date and time the key(s)/card(s) was signed out, the name and job title of the person using the key(s)/card(s) and the date and time the key(s)/card(s) was returned. The logs must be retained for two years from the date of the last entry in the log.

- e) The REC facility licensee must ensure that AGLC Hotline is immediately notified when a terminal key is lost, unaccounted for or not turned in at the end of day.
- f) The REC facility licensee is fully responsible for all costs related to replacing terminal keys and locks due to lost or unaccounted for keys.
- g) The casino facility licensee must ensure that employee cards are not shared or signed out to any staff, other than the person whose name is on the card.

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**6.3 ACCESS TO AGLC SERVER OR TITO ROOMS**

*(Deleted Jan 2017; Added Mar 2016)*

For policy regarding AGLC server room access and security see Sections 3.13 and 4.10.

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**6.4 CONTACTING THE AGLC**

*(Amended Mar 2016)*

**6.4.1 Key Phone/Fax Numbers**

Hotline: 1-800-561-4415

Hotline Fax: 780-740-7014

Alberta Health Services

Addiction Helpline: 1-800-332-2322

Gaming Irregularities: 1-800-742-7818

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**SECTION: 7. APPLICATION PROCESS FOR A NEW REC**

**7.1 FIVE MAJOR STEPS**

7.1.1 An REC facility Licence for a proposed new REC in a community may only be issued after the requirements in a series of steps have been met, in the following order:

1. Inquiry
2. Community Support
3. Application
4. Background Check
5. Licensing

7.1.2 The series of steps in 7.1.1 is initiated by an applicant for a Licence respecting a proposed new REC in a community within a specified market area.

7.1.3 In this section, an applicant must be:

- a) a person or entity who currently operates a race track in the province of Alberta that is licensed by Horse Racing Alberta as a "A" or "B" track, or, in absence of such a licence, a copy of the letter of intent from Horse Racing Alberta to issue a race track licence to the applicant; and
- b) an adult (18 years of age or older), who is a Canadian citizen or lawfully admitted to Canada for permanent residence; or
- c) a corporation, incorporated or continued by or under the *Business Corporations Act* (Alberta), *Companies Act* (Alberta) or *Societies Act* (Alberta) or any other enactment or registered under Part 21 of the *Business Corporations Act* (Alberta) or Part 9 of the *Companies Act* (Alberta); or
- d) partnership, registered under the *Partnership Act* (Alberta); or
- e) a First Nation, otherwise defined as an Indian Band within the meaning of the *Indian Act* (Canada).

7.1.4 An applicant who is a:

- a) partnership, includes each partner;
- b) corporation, includes the officers and directors of the corporation.

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- 7.1.5 In this section, a community refers to:
- a) a municipality as defined under the *Municipal Government Act* (Alberta), meaning:
    - i) a city, town, village, summer village, municipal district or specialized municipality;
    - ii) a town under the *Parks Towns Act* (Alberta); or
    - iii) a municipality formed by special Act; or
  - b) Metis Settlement established under the *Metis Settlement Act* (Alberta); or
  - c) an Indian reserve as determined by the Department of Indian Affairs (Canada) located within the provincial boundaries of Alberta.
- 7.1.6 Licence applicants must bear all costs or expenses associated with their interest in an application for a REC Licence.
- 7.1.7 The AGLC will not assume any of the costs, expenses or liabilities associated with an applicant's interest in obtaining a REC Licence.
- 7.1.8 The Board must consider objections to a proposed REC application and may refuse to issue a Licence at any time throughout the process if the Board is of the view that the residents of the community do not support the issuance of a REC facility Licence in their community.
- 7.1.9 Following from 7.1.8, if the Board at its discretion decides to conclude the application process the applicant who provided a valid Expression of Interest:
- a) will be advised by the AGLC in writing as to the reason(s) for the process concluding; and
  - b) will have the balance of their deposit returned.
- 7.1.10 The AGLC will not consider applications for a REC Licence in a community where a REC Licence has been rejected by the Board because of lack of community support, for two years after the notice of rejection was sent to the applicant.

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**7.2 STEP ONE: INQUIRY**

7.2.1 An eligible applicant initiates the application process for a new REC Licence by informing the AGLC of its interest to operate a proposed new REC in a community in the province.

7.2.2 The AGLC will request a signed letter from the applicant which must contain information including but not limited to the following:

- a) name of the applicant;
- b) a copy of the race track licence issued to the applicant by Horse Racing Alberta or, in the absence of such a licence, a copy of the letter of intent from Horse Racing Alberta to issue a race track licence to the applicant;
- c) details respecting the live horse racing under the applicant's licence issued by Horse Racing Alberta or, in the absence of such licence, the proposed live horse racing at a race track for which Horse Racing Alberta has issued a letter of intent – such details include the current or proposed number of race days etc.;
- d) nature of the applicant's current business(es);
- e) specific location of the applicant's current business operation;
- f) the specific location within a community for the proposed new facility;
- g) services and equipment the applicant proposes to supply;
- h) \$50 cheque for a copy of the REC Licensing Information Package, to cover printing costs.

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**7.3 STEP TWO: COMMUNITY SUPPORT**

- 7.3.1 The Board may consider the views of the community including the views, if any, expressed by a council in relation to a proposed REC application and may refuse to issue a Licence at anytime throughout the process if the Board is of the view that the community is not in favour.
- 7.3.2 The AGLC will not consider applications for a REC facility Licence in a community where a REC facility Licence has been rejected by the Board because of lack of community support for a period of two years from the date of the Board decision to conclude the application process or the conclusion of the hearing process, unless otherwise directed by the Board.
- 7.3.3 The Board will consider community support, or lack thereof, as expressed by the council for the concept of a new REC in the community.
- 7.3.4 The AGLC will formally notify the council, through the council's chief administrative officer or municipal clerk or equivalent, that it has deemed the concept of a new REC in the community to have merit. The AGLC will advise the council of:
- a) the name of the applicant(s); and
  - b) the location(s) of the proposed REC facility (ies).
- 7.3.5 The council's expressed support, or its lack of expressed support, for the concept of a new REC in its community will be considered by the Board. Expressed support means a resolution of council in support of, or not opposed to, the concept of a new REC in its community.
- 7.3.6 Lack of expressed support means a council resolution withholding expressed support or rejecting the concept of a new REC.
- 7.3.7 The Board will not consider any conditions placed on or attached to a council resolution respecting the concept of a new REC in the community.
- 7.3.8 If the council is silent and there is no significant demonstrated opposition respecting the concept of a new REC in the community, the Board at its discretion may decide to continue the application process.

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- 7.3.9 Following from 7.3.5, if the Board at its discretion decides to continue the application process, Step Four: Investigation may be initiated.
- 7.3.10 Following from 7.3.5, if the Board at its discretion decides to conclude the application process, the process to consider a REC facility Licence in the specified market area must conclude and no further consideration will be given to a proposed new facility in the community for a period of two years from the date of the Board decision to conclude the application process or the conclusion of the hearing process, unless otherwise directed by the Board.
- 7.3.11 The applicants who submitted valid applications will:
- a) be advised in writing of the Board's decision and its reason(s) for the process concluding;
  - b) have the balance of their deposit returned; and *(Amended Mar 2016)*
  - c) be advised of the right to request a hearing into the matter, as per section 94 GLA.

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## SECTION: 7. APPLICATION PROCESS FOR A NEW REC

### 7.4 STEP THREE: APPLICATION

7.4.1 Upon receiving the requested information and payment from the applicant, the AGLC will provide to the applicant a REC Licence Information Package (“information package”).

7.4.2 The information package must contain information related to the application process and requirements respecting a REC Licence.

7.4.3 If after reviewing the information package the applicant wishes to pursue a REC Licence, the applicant must submit in writing to the AGLC a valid application including, but not limited to:

- a) Information related to the proposed new REC, including but not limited to:
  - i) a business plan;
  - ii) a marketing plan;
  - iii) a vision statement;
  - iv) anticipated benefits of the proposed new REC to the racing industry in the areas of live horse racing, purses, horse breeding, employment, and estimated financial returns;
  - v) projected operation costs;
  - vi) market demand for the proposed new facility in the community and specified market area based on:
    - the market area and population base served;
    - market studies, revenue forecasting methodology and assumptions;
    - revenue projections for electronic games and non-gaming revenue;
  - vii) feasibility of the proposed new facility, including:
    - fixed costs, such as debt service and depreciation;
    - operational costs, such as salaries and benefits, leases, utilities, supplies, equipment, maintenance, advertising, and taxes;
    - cash flow and profit projections;

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- risk assessment;
- viii) proposed gaming activities to be conducted in the proposed new facility including the number of slot machines etc.;
- ix) pro forma financial statements;
- x) the legal structure of the applicant or business entity, names of the owners and proposed officers, directors, shareholders, and other key persons associated with the applicant and proposed new facility;
- xi) proof of the applicant's right or option to own, occupy or otherwise control the land where the proposed new facility is to be situated (does not apply to proposed First Nation REC facilities);
- xii) proposed physical attributes, location and site plan, blueprints, description and theme, dimensions and general site standards, layout, occupancy limit, constructions costs and schedule;
- xiii) proposed security features, including surveillance equipment and coverage in the facility, intrusion and hold-up alarms, secured rooms and storage, emergency provisions;
- xiv) business entity equity and debt position, and source of funds to finance the proposed new facility;
- xv) a preliminary disclosure of personal and business information to be provided on a form supplied by the AGLC;
- xvi) financial controls and systems, including organization structure;
- xvii) a security clearance;
- xviii) understanding of and compliance with the relevant federal and provincial legislation, regulation, policies and local bylaws including zoning and development requirements; and

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- xix) related experience, training and credentials experience of the applicant and applicant's associates.
- b) The applicant must demonstrate its proposal takes into consideration factors which may impact the community and the adjacent communities, including but not limited to the following:
  - i) anticipated impact upon other existing or approved gaming activities in the community;
  - ii) proximity to public or community facilities, including schools, churches, etc.;
  - iii) an explanation of the measures to be taken to address problem gambling, for example, how REC gaming activities will be delivered in a socially responsible manner;
  - iv) estimated economic impact on the community, for example, number of new jobs created, impact on other businesses in the community, etc.;
  - v) a proposal to acquire police/peace officer resources to address the impact on policing and traffic flow. Applicants must contact the Police Planning and Contract Coordinator, Public Security Division, Solicitor General and Public Security (SGPS) regarding police peace officer resources and include the information received from SGPS in the proposal; and
  - vi) impact on parking and traffic flow.
- c) A certified cheque in the amount of \$10,000, or another amount specified, pursuant to section 28 of the *Gaming and Liquor Regulation* as an initial deposit payable to the Alberta Gaming and Liquor Commission. These funds, or any additional funds requested by the AGLC as provided for in Subsection 3.9.1 will be used as required to cover the cost of conducting background checks. *(Amended Mar 2016)*

7.4.4 The AGLC does not require municipal land use, zoning and development approval for an application to be deemed valid.

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Applicants should defer seeking appropriate municipal approvals until advised in writing by the AGLC as provided for in 7.6.2.

7.4.5 An applicant who has submitted a valid application will be advised as to whether their submission is determined to have merit by the AGLC, based on an assessment by the AGLC of:

- a) completeness and accuracy of information in the submission;
- b) the intent of the applicant;
- c) on the face of it (prima facie) the feasibility of the proposed new facility;
- d) the eligibility of the applicant to hold a REC Licence;
- e) benefits to live horse racing;
- f) market demand;
- g) whether or not a significant proportion of the expected gross gaming revenue to be generated by the proposed new facility will be new gaming revenue, and will not draw from other gaming facilities;
- h) whether or not the profitability and viability of existing RECs or approved RECs in the same community or specified market area are significantly compromised (i.e., an approved REC refers to an application approved for a REC facility Licence subject to meeting the outstanding requirements, as provided for in 7.6.3); and
- i) whether the proposed new facility would meet or exceed the AGLC's REC facility standards and operating guidelines pursuant to the Terms & Conditions.

7.4.6 No person or affiliated groups of persons or a company will be permitted to control more than 25% of the total number of RECs operating in the province unless otherwise directed by the Board (see Section 3.12.1).

7.4.7 An application deemed to have merit by the AGLC is not based on a definitive analysis of the feasibility of a REC in the community, nor does it assure the level of success or support of a proposed new facility in the community. Moreover, an application deemed to have

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merit must not be considered or promoted as an endorsement by the AGLC of a REC.

7.4.8 If an applicant indicates he or she no longer wishes to pursue a REC Licence during Step Three, the application process must conclude.

7.4.9 If the submitted application is deemed by the AGLC not to have merit, it will be rejected and the application process must conclude.

7.4.10 The applicant who submitted an application that has been withdrawn by the applicant or deemed not to have merit by the AGLC:

- a) will be advised in writing of the AGLC's decision and reason(s);
- b) will have the surplus deposit refunded; and
- c) will not be considered by the AGLC as an applicant for a REC Licence in the community for a period of at least two years unless otherwise directed by the Board.

7.4.11 If the AGLC deems the concept of a proposed new facility in the specified market area to have merit Step Four: Investigation may be initiated.

7.4.12 If the AGLC deems the concept of a proposed new facility in the specified market area does not have merit, the AGLC will recommend to the Board that the process conclude and no further consideration be given to a new facility in the community for a period of two years. Unless otherwise directed by the Board, the AGLC will:

- a) notify the applicant who submitted an application of its decision and reason(s);
- b) return the balance of the deposit to the applicant; and
- c) the right to request a hearing into the matter.

7.4.13 If the applicant does not meet the requirements the application process must conclude and no further consideration will be given to a proposed new REC in the community for a period of two years unless otherwise directed by the Board.

7.4.14 Following from 7.4.11, if the Board at its discretion decides to continue the application process, Step Four: Investigation may be initiated, in which an applicant and those associated with the

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applicant will be subject to a process of background checks. *(Amended Mar 2016)*

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### 7.5 STEP FOUR: BACKGROUND CHECK

7.5.1 Following Step Three: Application, a thorough background check is conducted into one or more applicants. *(Amended May 2017; Amended Mar 2016)*

7.5.2 The background check is to ensure criminal interests, or those who otherwise would be a detriment to the integrity or lawful conduct of gaming in the province, are prevented from obtaining a REC Facility Licence. *(Amended Mar 2016)*

7.5.3 The background check process is described in Section 3.9 of the RECTCOG. *(Added Mar 2016)*

7.5.4 The AGLC will report the results of the background check to the Board. *(Added Mar 2016)*

7.5.5 The Board will determine whether an applicant meets the requirements of the background check. *(Added Mar 2016)*

7.5.6 If the Board determines an applicant meets the requirements of the investigation, the Board may initiate Step Five: Licensing. *(Amended Mar 2016)*

7.5.7 If the Board determines an applicant fails to meet the requirements of the investigation, the application is rejected. The process must conclude and no further consideration will be given to a proposed new facility in the community for a period of two years unless otherwise directed by the Board. *(Amended Mar 2016)*

7.5.8 The applicant who had its application rejected in 7.5.9 will: *(Amended Mar 2016)*

- a) be advised of the AGLC's decision and reason(s);
- b) have the balance of their deposit returned; and
- c) be advised of the right to a hearing into the matter as per section 94 of the *Gaming and Liquor Act*.

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**7.6 STEP FIVE: LICENSING**

7.6.1 Following from 7.5.9, the AGLC will make a recommendation to the Board respecting the issuing of a REC Licence to an applicant.

7.6.2 If the Board approves a recommendation to proceed with the issuing of a REC Licence, the AGLC will advise the successful applicant in writing that they will be issued a REC Licence subject to meeting all the outstanding requirements.

7.6.3 If all the requirements for a REC Licence (legislative, regulatory, policy and municipal or local, including municipal or local zoning and development requirements) are met by the applicant then the AGLC's Board may issue a REC Licence to the successful applicant.

7.6.4 The Board may refuse to issue a REC Licence to an applicant if in its opinion the applicant has misled the Board, or has provided inaccurate or incomplete information to the Board.

7.6.5 The Board may refuse to register an applicant if the Board is satisfied that the applicant, any of the applicants associates or any other person with connections to the applicant:

- a) is a person who has not acted or may not act in accordance with the law, with honesty and integrity or in the public interest, having regard to the past conduct of the person;
- b) would be a detriment to the integrity or lawful conduct of gaming activities or provincial lotteries; or
- c) is a person whose background, reputation and associations may result in adverse publicity for the gaming industry in Alberta.

7.6.6 The Board may refuse to issue a REC Licence to an applicant if the Board is satisfied the applicant, any of the applicant's employees or any of the applicant's associates has within the five years prior to the submission of the application contravened:

- a) the *Gaming and Liquor Act* or Regulations;
- b) a predecessor of the Act or the Regulations; or
- c) a condition imposed on a licence or registration issued or made under the Act or a predecessor of the Act.

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- 7.6.7 The Board may refuse to issue a Licence to an applicant if, within five years prior to the submission of the application a licence or registration issued or made under the *Gaming and Liquor Act* or predecessor of the Act or a foreign licence or registration of the applicant, any of the applicant's employees or any of the applicant's associates has been cancelled or suspended by the issuing authority.
- 7.6.8 The Board may refuse to issue a Licence to an applicant if, within five years prior to the submission of an application the applicant, any of the applicant's employees or any of the applicant's associates has been refused a foreign licence.
- 7.6.9 The Board may refuse to issue a Licence to an applicant if in the Board's opinion the community in which the Licence has effect does not support the issuance of a new Licence.
- 7.6.10 Notwithstanding Terms & Conditions Subsections 7.6.4 through 7.6.9, the Board may refuse to issue a Licence.
- 7.6.11 Pursuant to section 14 of the *Gaming and Liquor Regulation (Alberta)*, a Licence may not be issued unless the Board is satisfied the applicant has the right to occupy and control the facility for which the application is made.
- 7.6.12 The Board must consider any objection made respecting a Licence application, and advise the person who made the objection as to the Board's decision in the matter.
- 7.6.13 Prior to a Licence being issued, the applicant must:
- a) demonstrate compliance with all relevant provincial and federal legislation, regulation, and policies, and with municipal requirements, and produce any permits, licences or authorizations necessary to operate;
  - b) produce a copy of an executed lease, rental agreement or certificate of title or other acceptable proof of right to occupy and control the premises; in the case of a sale of existing licensed premises, a completed agreement of sale document relative to the premises to be licensed; and
  - c) produce a current race track licence issued by Horse Racing Alberta.

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7.6.14 If an application is rejected, the applicant will be advised by the AGLC in writing as to the reason(s) and the balance of their deposit will be returned to them.

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**SECTION: 8. EXPANSION OR RELOCATION OF A REC FACILITY**

**8.1 GENERAL**

*(Added Nov 2017)*

- 8.1.1 Approval of an expansion or licensing of a relocation of an existing licensed REC facility in a specified community may only be issued after all the respective requirements in this section have been met.
- 8.1.2 An application for the expansion or relocation of an existing licensed REC facility in a community within a market area is initiated by a REC facility licensee.
- 8.1.3 In Section 8, a community refers to:
- a) a municipality as defined under the *Municipal Government Act* (Alberta), meaning:
    - i) a city, town, village, summer village, municipal district or specialized municipality;
    - ii) a town under the *Parks Towns Act* (Alberta); or
    - iii) a municipality formed by special Act; or
  - b) a Metis Settlement established under the *Metis Settlement Act* (Alberta); or
  - c) an Indian reserve as determined by Indigenous and Northern Affairs Canada (INAC) located within the provincial boundaries of Alberta.
- 8.1.4 In Section 8, a council refers to the council of:
- a) a city, town, village, summer village, municipal district or specialized municipality;
  - b) a town under the *Parks Towns Act* (Alberta);
  - c) a municipality formed by special Act;
  - d) a Metis Settlement established under the *Metis Settlement Act* (Alberta); or
  - e) an Indian reserve as determined by Indigenous and Northern Affairs Canada (INAC) located within the provincial boundaries of Alberta.

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- 8.1.5 The AGLC will not assume any of the costs, expenses or liabilities associated with a licensee's application to expand or relocate a licensed REC facility.
- 8.1.6 Unless otherwise agreed to by the AGLC, the REC facility licensee is responsible for any costs, expenses or liabilities associated with expanding or relocating a licensed REC facility.

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## SECTION: 8. EXPANSION OR RELOCATION OF A REC FACILITY

### 8.2 EXPANSION OF A REC FACILITY

*(Added Nov 2017)*

8.2.1 In this section, “expansion” means the significant physical expansion of the gaming or non-gaming (public or restricted) areas (see Subsection 3.1.1) in a licensed REC facility as determined by the AGLC. Such expansion may include an increase in the building envelope or its outer dimensions (for facility renovations or minor structural changes see Section 3.14).

Note: A building envelope refers to the outer perimeter of the building in which an existing licensed REC facility is located and includes space rented, leased, subleased, sold or otherwise provided to others in the same building. A building's outer dimensions refer to the building height as well as its envelope.

8.2.2 Approval for the expansion of an existing licensed REC facility may only be issued after the requirements in the following steps are completed in order:

1. Initial Assessment
2. Community Support
3. Approval

8.2.3 If at any time the REC facility licensee decides it no longer wishes to pursue the application for the expansion of its REC facility, it must notify the AGLC in writing of its decision to withdraw the application.

#### STEP 1 – INITIAL ASSESSMENT

8.2.4 A REC facility licensee initiates this step by providing to the AGLC a proposal in writing for the expansion of an existing licensed REC facility.

8.2.5 The proposal must contain all required information related to the expansion of the REC facility, including, but not limited to:

- a) a detailed description of the proposed expansion, including all gaming and non-gaming (public or restricted) areas that will be affected;
- b) a market assessment, including:
  - i) a three (3) year revenue forecast, including:

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- revenue sources (e.g. gaming and other revenue sources, such as a hotel, food and beverage services etc.);
- methods and assumptions used in the market assessment; and
- a risk assessment;
- ii) a marketing plan describing how both the financial and non-financial goals will be achieved; and
- iii) the estimated economic impact to the community (e.g. jobs, tax revenue);
- c) the physical design of the facility, including:
  - i) the legal address, site plans, drawings, blue prints, etc.;
  - ii) the impact on traffic and parking in the area;
  - iii) a description of any additional amenities to the REC such as a hotel, food and beverage services, entertainment, etc.;
  - iv) the total number of slot machines and other gaming devices envisioned (see Section 10.2 Slot Machine Allocation);
  - v) a description of the facility's security features; and
  - vi) the construction costs and schedule;
- d) a three (3) year business plan, including:
  - i) pro forma financial statements, including:
    - both income and balance sheet statements;
    - revenue streams broken down by gaming and other revenue sources;
    - operational expenses categorized and described in detail; and
    - a set of statements for the REC's operations and a combined set of statements for entire facility if hotel or other amenities exist in the existing facility;

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- ii) three (3) year cash flow projections and sensitivity analysis of projections, including the:
  - total financing costs;
  - terms of financing; and
  - total capital (construction) and operational costs; and
- iii) the legal structure of the organization, including:
  - a description of any changes in the licensee ownership or legal structure;
  - any new directors or officers of the organization; and
  - if financing is required, who will be the lender, and what are the terms of the credit agreement, etc.

Note: any change to the legal structure or financial interests of the licensee will be subject to AGLC background checks (see Section 3.9).

8.2.6 Upon receipt of a proposal, which meets all the requirements in Subsection 8.2.5, the AGLC will assess and validate the information to determine whether the proposed expansion has merit.

8.2.7 The assessment process will take into consideration factors such as, but not limited to, the:

- a) cannibalization of gaming revenues in the market area and surrounding areas resulting from the proposed REC expansion;
- b) impact to existing or approved gaming facilities (i.e. RECs, casinos, video lottery retailers and bingo halls) in the existing market area; and
- c) financial impacts to the local charities, the Alberta Lottery Fund and the AGLC.

8.2.8 The REC facility licensee will be advised if its submission is determined to have merit based on AGLC's assessment of the:

- a) completeness and accuracy of information in the submission;
- b) feasibility of the proposed expansion of the facility;
- c) projected gross gaming revenue. A significant proportion of the projected gross gaming revenue is expected to be new gaming

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revenue and not be drawn from other existing or approved gaming facilities; and

d) impact on the viability of existing or approved gaming facilities.

An initial assessment that deems the expansion of an existing licensed REC facility to have merit does not assure the level of success or support of the REC expansion.

8.2.9 If the AGLC deems the expansion to have merit, Step Two: Community Support may be initiated.

8.2.10 A proposal deemed to have merit shall not be considered or promoted as an endorsement by the AGLC of an expansion of the licensed REC facility.

8.2.11 If the AGLC deems the proposed expansion not to have merit, the approval process concludes and the expansion will be rejected.

8.2.12 The REC facility licensee who submitted a proposal that has been rejected by the AGLC will be advised in writing of the:

a) reason(s) for the decision; and

b) process to appeal the AGLC's decision (see Subsection 8.2.27).

**STEP 2 – COMMUNITY SUPPORT**

8.2.13 Following from Subsection 8.2.9, the AGLC may consider the views of the community including the views, if any, expressed by a council in relation to a proposed REC expansion. If the AGLC is of the view that the community is not in favour the AGLC may refuse to approve a proposed licensed facility expansion at any time throughout the process.

8.2.14 The AGLC will:

a) notify the council, through the council's chief administrative officer or municipal clerk or equivalent of the name of the applicant and details of the proposed expansion; and

b) consider any written response of council respecting its views on the proposed expansion of the licensed REC facility in the community.

8.2.15 The AGLC will not consider any conditions placed on or attached to a council resolution respecting a REC expansion in the community.

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8.2.16 Applicants are required to issue a public notice in the community advising the community of the proposed REC expansion in the community. The advertisement must:

- a) specify the addresses within the community affected by the REC expansion;
- b) be approved by the AGLC for its content and layout prior to being published; and
- c) be published in at least three issues within two consecutive weeks, where possible, in a newspaper(s) published and circulated in the community where the licensed REC facility is located.

8.2.17 Following from Subsection 8.2.16, the applicant must submit to the AGLC a copy of the complete newspaper pages containing the advertisements.

8.2.18 If the council is silent and there is no significant demonstrated opposition respecting the REC expansion in the community, the AGLC at its discretion may decide to continue the application process.

8.2.19 If the AGLC at its discretion decides to continue the application process, Step Three: Approval may be initiated.

8.2.20 If the AGLC at its discretion decides to conclude the application process for the expansion of the REC facility in the community, the process shall conclude.

8.2.21 The REC facility licensee who made application for the expansion of the REC facility will be advised by the AGLC in writing of the:

- a) the reason(s) for the decision; and
- b) the process to appeal the AGLC's decision (see Subsection 8.2.27).

**STEP 3 – APPROVAL**

8.2.22 Following from Subsection 8.2.20, the AGLC will make a determination respecting the approval of the proposed expansion of a licensed REC facility.

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8.2.23 The AGLC may approve the proposed expansion of a licensed REC facility if the REC facility licensee has met all of the other requirements in Section 8.2 and can:

- a) demonstrate compliance with the approved structure and amenity requirements as outlined in the application package;
- b) demonstrate compliance with all provincial and federal legislation, regulation and policies;
- c) demonstrate compliance with all municipal requirements, including local zoning or development requirements respecting the expansion and produce any permits, licences or authorizations necessary to operate;
- d) produce a copy of an executed lease, rental agreement or certificate of title or other acceptable proof of right to occupy and control the premises (pursuant to Section 14 of the *Gaming and Liquor Regulation*); and
- e) produce a current race track licence issued by Horse Racing Alberta.

8.2.24 If the AGLC decides to approve the expansion of the REC facility, the AGLC will advise the licensee in writing it can proceed with construction.

8.2.25 The AGLC may at its discretion refuse to approve a proposed expansion of a licensed REC facility if:

- a) the REC facility licensee has:
  - i) misled the AGLC; or
  - ii) provided inaccurate or incomplete information respecting the expansion; or
- b) the proposed expansion does not comply with the approved structure and amenity requirements per Subsection 8.2.23; or
- c) if there is a substantial change to, or circumstance affecting the validity of, the information previously provided; or
- d) there is a substantial change to the market.

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8.2.26 If the AGLC refuses to approve a proposed expansion under the authority of Subsection 8.2.26, the REC facility licensee will be advised in writing of the:

- a) reason(s) for the decision; and
- b) process to appeal the AGLC's decision (see Subsection 8.2.27).

8.2.27 If the licensee disagrees with the decision of the AGLC, it may appeal the decision in writing as follows:

- a) The AGLC's Vice President of Regulatory Services will consider the letter of appeal from the licensee. If the appeal is rejected, the licensee will receive a letter outlining the reason for the decision.
- b) If the licensee disagrees with the decision of the Vice President of Regulatory Services, it may further appeal the decision in writing to AGLC's Chief Executive Officer.
- c) The Chief Executive Officer will consider the letter of appeal from the licensee. If the appeal is rejected, the licensee will receive a letter outlining the reason for the decision.

## SECTION: 8. EXPANSION OR RELOCATION OF A REC FACILITY

### 8.3 RELOCATION OF A REC FACILITY

*(Added Nov 2017)*

8.3.1 In this section, "relocation" means the relocation of an existing licensed REC facility for the purpose of serving its existing player base or market area; or capturing a new or different player base or market area as determined by the AGLC.

8.3.2 Approval for the relocation of an existing licensed REC facility may only be issued after the requirements in the following steps are completed in order:

1. Initial Assessment
2. Community Support
3. Approval and Licensing

8.3.3 If at any time the REC facility licensee decides it no longer wishes to pursue the application for the relocation of the REC facility, it must notify the AGLC in writing of its decision to withdraw the application.

#### STEP 1 – INITIAL ASSESSMENT

8.3.4 A REC facility licensee initiates this step by providing to the AGLC a proposal in writing for the relocation of an existing licensed REC facility.

8.3.5 The proposal must contain all required information related to the relocation of the REC facility, including, but not limited to:

- a) a market assessment, including:
  - i) a description of the proposed market area (including a map);
  - ii) a three (3) year revenue forecast, including:
    - revenue sources (e.g. gaming and other revenue sources, such as a hotel, food and beverage services etc.);
    - methods and assumptions used in the market assessment; and
    - a risk assessment;

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- iii) a marketing plan describing how both the financial and non-financial goals will be achieved; and
    - iv) the estimated economic impact to the community (e.g. jobs, tax revenue);
  - b) the physical design of the facility, including:
    - i) the legal address, site plans, drawings, blue prints, etc.;
    - ii) the impact on traffic and parking in the area;
    - iii) a description of any additional amenities to the REC such as a hotel, food and beverage services, entertainment, etc.;
    - iv) the total number of slot machines and other gaming devices envisioned (see Section 10.2 Slot Machine Allocation);
    - v) a description of the facility's security features; and
    - vi) the construction costs and schedule;
  - c) a three (3) year business plan, including:
    - i) pro forma financial statements, including:
      - both income and balance sheet statements;
      - revenue streams broken down by gaming and other revenue sources;
      - operational expenses categorized and described in detail; and
      - a set of statements for the REC's operations and a combined set of statements for entire facility if hotel or other amenities exist in the new facility;
    - ii) three (3) year cash flow projections and sensitivity analysis of projections, including the:
      - total financing costs;
      - terms of financing; and
      - total capital (construction) and operational costs; and
    - iii) the legal structure of the organization, including:

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- a description of any changes in the licensee ownership or legal structure;
  - any new directors or officers of the organization; and
  - if financing is required, who will be the lender, and what are the terms of the credit agreement, etc.
- Note: any change to the legal structure or financial interests of the licensee will be subject to AGLC background checks (see Section 3.9).
- 8.3.6 The physical location of the proposed new facility is submitted as part of the application. It must remain unchanged throughout the process.
- 8.3.7 The AGLC does not require municipal land use, zoning and development approval for the purposes of the Initial Assessment. Applicants should defer seeking appropriate municipal approvals until advised in writing by the Board as provided for in Subsection 8.3.29.
- 8.3.8 Upon receipt of a proposal, which meets all the requirements in Subsection 8.3.5, the AGLC will assess and validate the information to determine whether the proposed relocation has merit.
- 8.3.9 The assessment process will take into consideration factors such as, but not limited to, the:
- a) cannibalization of gaming revenues in the proposed new market area and surrounding areas;
  - b) impact to existing or approved gaming facilities (i.e. RECs, casinos, video lottery retailers and bingo halls) in the proposed new market area; and
  - c) financial impacts to the local charities, the Alberta Lottery Fund and the AGLC.
- 8.3.10 The REC facility licensee will be advised if its submission is determined to have merit based on AGLC’s assessment of the:
- a) completeness and accuracy of information in the submission;
  - b) feasibility of the proposed new facility;
  - c) projected gross gaming revenue. A significant proportion of the projected gross gaming revenue is expected to be new gaming

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revenue and not be drawn from other existing or approved gaming facilities; and

- d) impact on the viability of existing or approved gaming facilities.

An initial assessment that deems the relocation of an existing licensed REC facility to have merit does not assure the level of success or support of the REC relocation.

8.3.11 If the AGLC deems the relocation to have merit, Step Two: Community Support may be initiated.

8.3.12 A proposal deemed to have merit shall not be considered or promoted as an endorsement by the AGLC of a relocation of the licensed REC facility.

8.3.13 If the AGLC deems the proposed relocation not to have merit, the approval process concludes and the relocation will be rejected.

8.3.14 The REC facility licensee who submitted a proposal that has been rejected by the AGLC will be advised in writing of the:

- a) reason(s) for the decision; and
- b) right to request a hearing into the matter, as per Section 94, *Gaming and Liquor Act*.

**STEP 2 – COMMUNITY SUPPORT**

8.3.15 Following from Subsection 8.3.11, the AGLC may consider the views of the community including the views, if any, expressed by a council in relation to a proposed REC relocation. If the AGLC is of the view that the community is not in favour the AGLC may refuse to approve a proposed licensed facility relocation at any time throughout the process.

8.3.16 The AGLC will:

- a) notify the council, through the council's chief administrative officer or municipal clerk or equivalent of the name of the applicant and details of the proposed relocation; and
- b) consider any written response of council respecting its views on the proposed relocation of the licensed REC facility in the community.

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8.3.17 The AGLC may also choose to consider the views of adjacent communities in the specified market area that may be directly affected by the proposed REC relocation. The AGLC will follow the same process used when considering the views of the community where the proposed new REC facility would be located.

8.3.18 The AGLC will not consider any conditions placed on or attached to a council resolution respecting a REC relocation in the community.

8.3.19 Applicants are required to issue a public notice in the community advising the community of the proposed REC relocation in the community. The advertisement must:

- a) specify the addresses within the community affected by the REC relocation;
- b) be approved by the AGLC for its content and layout prior to being published; and
- c) be published:
  - i) in at least three issues within two consecutive weeks, where possible, in a newspaper(s) published and circulated in the community where the proposed licensed REC facility will be located; and
  - ii) in at least three issues within two consecutive weeks, where possible, in a newspaper(s) circulated in adjacent communities (communities consulted with as provided for in Subsection 8.3.17).

8.3.20 Following from Subsection 8.3.19, the applicant must submit to the AGLC a copy of the complete newspaper pages containing the advertisements.

8.3.21 At the discretion of the AGLC, if the relocation of a licensed REC facility is essentially for the purpose of attracting the same player base or serving the same market area the requirements outlined in Subsection 8.3.19, regarding issuance of a public notice in the community, may be waived.

Note: All applications regarding the relocation of an existing REC facility will be posted on the AGLC website (see Subsection 1.3.14).

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- 8.3.22 If the council is silent and there is no significant demonstrated opposition respecting the REC relocation in the community, the AGLC at its discretion may decide to continue the approval process.
- 8.3.23 If the AGLC at its discretion decides to continue the approval process, Step Three: Approval and Licensing may be initiated.
- 8.3.24 If the AGLC at its discretion decides to conclude the approval process for the relocation of the REC facility in the community, the process shall conclude.
- 8.3.25 The REC facility licensee who made application for the relocation of the REC facility will be advised by the AGLC in writing of the:
- a) reason(s) for the decision; and
  - b) right to request a hearing into the matter, as per Section 94, *Gaming and Liquor Act*.

**STEP 3 – APPROVAL AND LICENSING**

- 8.3.26 Following from Subsection 8.3.23, the Board will make a determination respecting the approval of the proposed relocation of a licensed REC facility.
- 8.3.27 The Board may approve the proposed relocation of a licensed REC facility if the REC facility licensee has met all of the other requirements in Section 8.3 and can:
- a) demonstrate compliance with the approved structure and amenity requirements as outlined in the application package;
  - b) demonstrate compliance with all provincial and federal legislation, regulation and policies;
  - c) demonstrate compliance with all municipal requirements, including local zoning or development requirements respecting the relocation and produce any permits, licences or authorizations necessary to operate;
  - d) produce a copy of an executed lease, rental agreement or certificate of title or other acceptable proof of right to occupy and control the premises (pursuant to Section 14 of the Gaming and Liquor Regulation); and

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e) produce a current race track licence issued by Horse Racing Alberta.

8.3.28 Pursuant to Section 4 of the Gaming and Liquor Regulation, the Board must decide whether or not to consider any objection made respecting a relocation of a licensed REC facility, and advise the person who made the objection as to the Board's decision in the matter (see Section 1.3).

8.3.29 If the Board decides to approve the relocation of the REC facility, the Board will advise the licensee in writing it can proceed with construction.

8.3.30 The Board may at its discretion refuse to approve a proposed relocation of a licensed REC facility if:

- a) the REC facility licensee has:
  - i) misled the Board; or
  - ii) provided inaccurate or incomplete information respecting the relocation; or
  - iii) not constructed the REC facility in compliance with the approved structure and amenity requirements or within the timeframe as outlined in the application package; or
- b) there is a substantial change to, or circumstance affecting the validity of, the information previously provided; or
- c) there is a substantial change to the market.

8.3.31 If the Board refuses to approve a proposed relocation under the authority of Subsection 8.3.30, the REC facility licensee will be advised in writing of the:

- a) reason(s) for the decision; and
- b) right to request a hearing into the matter, as per Section 94, *Gaming and Liquor Act*.

## SECTION: 9. ENFORCEMENT OF LEGISLATION

### 9.1 INCIDENT REPORTS AND HEARINGS

- 9.1.1 Where an Inspector has reasonable and probable grounds for believing that a violation of the *Gaming and Liquor Act*, the *Gaming and Liquor Regulation* or Board policy has occurred, the Inspector may ask the licensee or registrant to correct the situation.
- 9.1.2 An incident report setting out the circumstances of an alleged violation will be submitted to the Vice President, Regulatory Services Division. A copy must be given to the licensee or registrant within ten (10) working days of the incident report being completed. *(Amended Mar 2016)*
- 9.1.3 The Vice President may refer an incident report to the Board for review and decision where circumstances warrant. *(Amended Mar 2016)*
- 9.1.4 The Board will consider the alleged violation referred to in Subsection 9.1.1 and may, with or without a hearing, impose sanctions in accordance with the *Gaming and Liquor Act* and *Gaming and Liquor Regulation*.
- 9.1.5 The hearing file will be available for review by the licensee or registrant prior to the hearing. A copy of the hearing file will be forwarded to the licensee or registrant by the Board secretary prior to the hearing date.

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AUTHORITY: Original signed by Susan Green

**SECTION: 9. ENFORCEMENT OF LEGISLATION**

**9.2 DISCIPLINE WITHOUT A HEARING**

9.2.1 The chair of the Board may select a panel to make any decision that the Board may make with respect to Licences or registration.

9.2.2 Where a licensee or registrant applies to the Board for a hearing in accordance with the *Gaming and Liquor Act*, the Board must conduct the hearing within 60 days of receiving the application.

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Susan Green



**SECTION: 9. ENFORCEMENT OF LEGISLATION**

**9.3 WAIVER OF BOARD HEARING WITNESSES**

- 9.3.1 Where there is no dispute as to the contents of the Incident Report and the licensee or registrant signs the Waiver of Board Hearing Witnesses, the licensee or registrant is agreeing to the facts in the incident report, and witnesses will not be called to the Board hearing.
- 9.3.2 Where the licensee or registrant does not dispute the contents of the Incident Report and agrees with the facts detailed in the Incident Report, the licensee or registrant will be contacted prior to the Board hearing to determine if the licensee wishes to be present and make representations at the Board hearing or if the licensee or registrant will submit a written presentation to the Board and not personally attend the hearing.
- 9.3.3 Witnesses may be called to deal with matters not covered in the Incident Report, regardless of the waiver decision.

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Susan Green

**SECTION: 9. ENFORCEMENT OF LEGISLATION**

**9.4 CONSENT TO PROPOSED BOARD DECISION**

9.4.1 A licensee or registrant may accept a proposed decision respecting disciplinary action, when the licensee or registrant does not dispute the circumstances in the Incident Report and is prepared to accept the proposed disciplinary action.

9.4.2 When a proposed disciplinary action is offered the licensee must be provided the following documentation:

- a) Notice of Proposed Decision;
- b) Consent to Proposed Decision;
- c) Incident Report;
- d) Penalty Guidelines; and
- e) Waiver of Board Hearing Witnesses.

9.4.3 Upon receipt of the Notice of Proposed Board Decision the licensee or registrant must review the material and complete the Consent to Proposed Board Decision (Form LIC/5198), electing to:

- a) admit to the violation(s) contained in the incident report, accept the penalty on the Notice of Proposed Decision; or
- b) admit to the violation(s) contained in the incident report but proceed with a Board hearing as directed by the Board; or
- c) not admit to the violation(s) contained in the incident report and proceed with a Board hearing as directed by the Board with witnesses to be available.

9.4.4 The Consent to Proposed Decision must be completed and returned to the Board Office, within seven (7) calendar days from the date the notice was received by the licensee or registrant.

9.4.5 When a penalty decision involves a suspension the dates for the suspension must be included in the Notice of Proposed Decision.

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AUTHORITY: Original signed by Susan Green

**SECTION: 9. ENFORCEMENT OF LEGISLATION**

**9.5 ADMINISTRATIVE SANCTIONS**

9.5.1 The Board has established [administrative sanctions](#) for specific violations of the *Gaming and Liquor Act*, *Gaming and Liquor Regulation* and Board policy. Penalties may vary from the listed sanctions at the discretion of the Board, depending on the circumstances of the violation. The Sanction Guideline Summary is available on the AGLC website at [www.aglc.ca](http://www.aglc.ca). (Amended Mar 2016)

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**SECTION: 10. SLOT MACHINES**

**10.1 GENERAL**

10.1.1 In accordance with the Gaming and Liquor Act, slot machines are installed in an REC, a licensed gaming facility, as part of the casino network. *(Added Mar 2016)*

10.1.2 *(Deleted Apr 2018)*

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## SECTION: 10. SLOT MACHINES

### 10.2 SLOT MACHINE ALLOCATION

10.2.1 Slot machine allocation will be done in a manner that achieves the primary objective of network optimization. Network optimization is achieved by allocating slot machines to an eligible REC facility considering the consumer demand in the regional market area served by the REC facility as assessed by the AGLC (see Subsection 10.2.4). *(Added Mar. 2016)*

10.2.2 In this section, regional market area refers to the census based Regional Market Zones. The Regional Market Zones include: *(Added Mar 2016)*

- a) Calgary and surrounding 40 kilometres from city centre;
- b) Edmonton and surrounding 40 kilometres from city centre;
- c) Fort McMurray and surrounding 40 kilometres from city centre;
- d) Grande Prairie and surrounding 40 kilometres from city centre;
- e) Lethbridge and surrounding 40 kilometres from city centre;
- f) Medicine Hat and surrounding 40 kilometres from city centre;
- g) Red Deer and surrounding 40 kilometres from city centre; and
- h) Rural will consist of a 100 kilometre radius surrounding a site.

10.2.3 The AGLC determines the number and type of slot machines provided to eligible REC facilities. *(Amended Jan. 2018, Added Mar. 2016)*

10.2.4 To achieve network optimization the AGLC may, from time to time, adjust the number and type of slot machines installed in an eligible REC facility considering, but not limited to, the following: *(Added Mar. 2016)*

- a) The provincial Net Sales Per Terminal Hour (NSPTH), Cash Played Per Terminal Hour (CPPTH) and Games Played Per Terminal Hour (GPPTH) values based on slot machine sales trends within Alberta;
- b) A review of the Regional Market Zones (see Subsection 10.2.2) to determine if consumer demand for the region indicates a need for additional slot machines;

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- c) For the regions that indicate a positive consumer demand, each facility in the region will be assessed to determine which facility(s) (if any) qualify for additional terminals (Note: for the rural market zones, the individual facility assessment will include any urban site(s) whose location is within the 100 kilometre radius). The review will include, but not be limited to:
- i) average facility NSPTH, CPPTH, and GPPTH excluding terminals located in designated smoking areas;
  - ii) slot capacity during peak hours;
  - iii) available current floor space or pre-approved renovation floor space (Note: A maximum increase in additional slot machine allocations following renovations will not exceed 25% of the number of existing slot machines or a maximum of 75 slot machines, whichever number is lower);
  - iv) facility requirements (see Section 3.1); and
  - v) other gaming market considerations.
- d) In order to optimize the performance of high limit slot machines, the AGLC will allocate high limit slots considering facility eligibility and may adjust a facility's high limit slot machine allocation considering the details in Section 10.2.

10.2.5 The AGLC may remove slot machines from a REC facility and not replace them. *(Amended Mar. 2016)*

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**SECTION: 10. SLOT MACHINES**
**10.3 SLOT/ELECTRONIC TABLE GAME STRUCTURE**
*(Amended Sept. 2015)*

- 10.3.1 Game instructions and pay-out tables are available on each slot terminal and electronic table game.
- 10.3.2 The minimum and maximum bet may vary by game and denomination.
- 10.3.3 The AGLC will assign the REC Facility Licensee to a maximum credit balance/hand pay limit tier which best fits the REC facility. The assigned tier determines the maximum credit balances and hand pay limits for slot machines (not including electronic table games) by denomination as follows:

TIER 1			TIER 2		
Denomination	Max Credit Balance	Hand Pay Limit	Denomination	Max Credit Balance	Hand Pay Limit
\$0.01	\$1000	\$500	\$0.01	\$1000	\$250
\$0.02	\$1000	\$500	\$0.02	\$1000	\$250
\$0.05	\$1000	\$1000	\$0.05	\$1000	\$250
\$0.25	\$1000	\$1000	\$0.25	\$1000	\$1000
\$1.00	\$2500	\$2500	\$1.00	\$2500	\$2500
\$5.00	\$5000	\$5000	\$5.00	\$5000	\$5000

The REC Facility Licensee must adhere to the assigned tier and may request the AGLC to consider a change of their tier assignment once per year.

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- 10.3.4 Maximum Terminal Credit Balance:
- a) When an individual prize amount results in a slot or electronic table game terminal balance equal to or greater than the maximum terminal credit balance, one of the following outcomes will result as dictated by the game rules:
    - i) a Ticket In Ticket Out (TITO) ticket is produced for the amount of the last win or the amount exceeding the maximum terminal credit balance; or
    - ii) a hand pay for the amount of the last win.
- 10.3.5 An individual prize amount over the hand pay limit for the slot or electronic table game will result in a hand pay.
- 10.3.6 For both 10.3.4 and 10.3.5 above, any remaining credits are left on the slot or electronic table game until either played or cashed-out.
- 10.3.7 A slot machine or electronic table game malfunction voids all plays and all pay-outs.

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**SECTION: 10. SLOT MACHINES**

**10.4 SLOT OPERATIONS**

*(Added Mar 2016)*

10.4.1 The REC facility licensee must:

- a) provide electrical 115 volt, 60 cycle single phase, dedicated circuit(s) with 3-wire grounded outlet(s) on a separate 15 amp or 20 amp breaker(s) (dedicated line from the fuse box) that is designed to provide electrical service 24 hours per day; and
- b) at all times, ensure power capacity for the power consumption of all gaming terminals. *(Added Apr 2018)*

10.4.2 REC facility licensees must provide a slot cash cage (see Section 3.2 for further details.)

10.4.3 Upon installation of slot machines, the AGLC will provide ticket redemption kiosks (TRKs) where patrons can exchange their slot machine TITO tickets for cash or exchange large denomination bills for smaller denominations. The AGLC, at its discretion, will: *(Amended Apr 2018)*

- a) assess the initial need for TRKs in a REC and will normally install one (1) TRK for every increment of 150 slot machines; and
- b) review the ongoing TRK usage within an individual REC and assess the need to adjust the number of TRKs. The AGLC may install an additional TRK(s) or remove a TRK(s) based on the assessment.

10.4.4 The float and financial controls for the slot operation must be maintained separate from all other REC/race track financial transactions and controls.

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**SECTION: 10. SLOT MACHINES**

**10.5 PAYMENT OF TITO TICKETS**

10.5.1 TITO tickets must be immediately validated and paid when presented subject to the following conditions: *(Amended Jan 2015)*

- a) A TITO ticket must be redeemed at the location where it was issued;
- b) a TITO ticket may be redeemed by the player for up to thirty (30) days from the date of issue (also see Subsection 10.5.2);
- c) TITO tickets may be redeemed at the slot cash cage or at ticket redemption kiosks (TRKs);
- d) TRKs may redeem up to five TITO tickets totaling a maximum of \$2,500 in a single transaction; and
- e) TITO tickets for slot machines or electronic table games exceeding \$2,500 must be redeemed at the slot cash cage.

10.5.2 A player presenting a TITO ticket issued more than thirty (30) days prior must be directed to call the Gaming Irregularities Number at 1-800-742-7818. *(Added Mar 2016)*

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**SECTION: 10. SLOT MACHINES****10.6 TICKET IN TICKET OUT (TITO) TICKET RETENTION AND DESTRUCTION**

- 10.6.1 Validated TITO tickets are to be retained by the REC as the REC's proof of transaction.
- 10.6.2 TITO tickets that have the following characteristics must be retained for a period of six (6) years from the date of the end of the REC's annual reporting period:
- a) For RECs operating on CasinoLink: *(Amended Apr 2018)*
    - i) tickets that cannot be processed through the IVS system;
    - ii) tickets for which an override is required for validation;
    - iii) tickets included in an unbalanced cashier session; and
    - iv) tickets that have any other extraordinary circumstances (e.g., involved in a patron dispute).
  - b) For RECs converted to SDS: *(Added Apr 2018)*
    - i) tickets that cannot be processed through the SDS;
    - ii) tickets included in an unbalanced cashier session (e.g., tickets that cannot be found or offline tickets); and
    - iii) tickets that have any other extraordinary circumstances (e.g., involved in a patron dispute).
- 10.6.3 TITO tickets that have been validated by a cashier in a balanced cashier session, or that have been validated through a slot machine or ticket redemption kiosk and have been scanned through the soft count process must be retained for a period of 60 days, after which time they can be destroyed.
- 10.6.4 If a TITO ticket is required to be removed by an AGLC inspector, the REC must keep a log of the ticket removed including the ticket validation number, ticket date, date the ticket was removed, and the individual who removed the ticket. The log must also be signed by the REC personnel providing the ticket and the AGLC inspector removing the ticket. This log must be retained for a period of six (6) years from the date of the end of the REC's annual reporting period.

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**SECTION: 10. SLOT MACHINES**

10.6.5 All TITO tickets must be destroyed using a cross cut shredding device that shreds to a minimum of 4mm or less as follows:

**Internally**

- a) Internal TITO ticket destruction must be completed by a minimum of two (2) REC personnel. A form including the following information must be completed and retained for a period of six (6) years from the date of the end of the REC's annual reporting period:
- i) date of destruction;
  - ii) dates of tickets destroyed; and
  - iii) signatures of REC personnel carrying out the destruction.

**Externally**

- b) An external party may be contracted to complete the destruction of TITO tickets. A certificate or record of destruction must be retained from the destruction company and a form including the following must be completed and retained for a period of six (6) years from the date of the end of the REC's annual reporting period:
- i) date of destruction;
  - ii) dates of tickets destroyed; and
  - iii) signatures of REC personnel and the destruction company.

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**SECTION: 10. SLOT MACHINES****10.7 REMUNERATION**

10.7.1 The AGLC pays remuneration related to slot machine operations as follows:

- a) For RECs operating on CasinoLink: *(Amended Apr 2018)*
  - i) REC facility licensees are provided a commission based on a percentage of slot machine net sales per week. The commission rate is set by the AGLC and is 15 per cent of net sales.
  - ii) Net sales is calculated as cash played less cash won less hand pays less progressive increments.
- b) For RECs converted to SDS: *(Added Apr 2018)*
  - i) REC facility licensees are provided a commission based on a percentage of slot machine total net sales per week. The commission rate is set by the AGLC and is 15 per cent of total net sales.
  - ii) Total net sales is calculated as total in less total out less progressive increments.

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**SECTION: 10. SLOT MACHINES****10.8 PAYMENT TO THE AGLC**

10.8.1 The AGLC invoices slot machine operations as follows: *(Amended Apr 2018)*

- a) RECs operating on CasinoLink are invoiced twice weekly and the invoice amount is communicated by fax, local printer or other electronic means. Payment for monies due to the AGLC is payable twice weekly through electronic funds transfer. *(Amended Mar 2016)*
- b) RECs converted to SDS are invoiced daily and the invoice amount is communicated by secured portal or other electronic means. Payment for monies due to the AGLC is payable twice weekly through electronic funds transfer. *(Added Apr 2018)*

10.8.2 Failure to pay invoices may result in termination of the Retailer Agreement and removal of the supplied equipment. *(Amended Mar 2016)*

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**SECTION: 10. SLOT MACHINES**

**10.9 SLOT TOURNAMENTS**

*(Amended Mar 2016)*

- 10.9.1 Where market demand and conditions warrant, the AGLC will make available slot machines on the regular REC floor which have the capability to be designated and operated as tournament slots.
- 10.9.2 The following conditions apply for all slot tournaments:
- a) there will be no entry fees;
  - b) cash or merchandise prizes may be awarded;
  - c) slot tournaments may be advertised in any medium, but the content is limited to date, time and prize value. Advertisements must be informational in nature and not promote play;
  - d) third party sponsorship is permitted to help offset a portion of the operator's costs. Examples of third party participants include hotel packages, meals at restaurants and tickets to cultural and sporting events;
  - e) all commercial advertising and third party sponsorship agreements must be submitted to the AGLC for approval;
  - f) the AGLC must have a minimum 5 days notice regarding the proposed tournament and be provided with a written proposal, including the tournament rules and regulations; and
  - g) tournament rules and regulations must be posted prominently within the REC facility during the tournament.

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**SECTION: 11. VIDEO LOTTERY TERMINALS (VLTs)**

**11.1 GENERAL**

*(Added Mar 2016)*

11.1.1 In accordance with the *Gaming and Liquor Act*, Video Lottery Terminals (VLTs) are installed in an REC, a licensed gaming facility, as part of the casino network.

11.1.2 In this section:

- a) "Single Game" means a single spin by the player producing an outcome where the player's wager on the spin results in a win with a prize being transferred to the player's credit meter, or where the player's wager is lost. In the case of a win, game mechanics may result in the game prize being accumulated (i.e. bonus or free spin(s)) with the final outcome of the single game prize being transferred to the player's credit meter; and
- b) "i-LINK" means the i-LINK™ site controller.

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**SECTION: 11. VIDEO LOTTERY TERMINALS (VLTs)**

**11.2 VLT ALLOCATION**

*(Added Mar 2016)*

- 11.2.1 VLT allocation will be done in a manner that achieves the primary objective of network optimization. Network optimization is achieved by allocating VLTs to an eligible REC facility considering consumer demand as assessed by the AGLC (see Subsection 11.2.3).
- 11.2.2 The AGLC determines the number and type of VLTs provided to eligible REC facilities.
- 11.2.3 To achieve network optimization the AGLC may, from time to time, adjust the number and type of VLTs installed in an eligible REC facility considering, but not limited to, the following:
- a) the availability of VLTs;
  - b) the consumer demand in the regional market area (see Subsection 10.2.2) served by the REC facility as assessed by the AGLC;
  - c) the consumer demand at the REC facility as assessed by the AGLC, including:
    - i) average facility sales;
    - ii) VLT usage during peak hours;
    - iii) available current floor space or pre-approved renovation floor space;
    - iv) facility standards; and
    - v) other gaming market considerations.
- 11.2.4 The AGLC may remove VLTs from a REC facility and not replace them.

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**SECTION: 11. VIDEO LOTTERY TERMINALS (VLTs)**

**11.3 VLT GAME STRUCTURE**

*(Added Mar 2016)*

- 11.3.1 A variety of games are offered on VLTs. Game instructions and pay-out tables are available on each terminal.
- 11.3.2 The pay-out may vary by game and the network will average approximately 92%.
- 11.3.3 The minimum and maximum bet may vary by game.
- 11.3.4 The maximum prize that can be won in a Single Game may vary by game and will not exceed \$10,000.
- 11.3.5 When a series of individual prize awards of \$1,250 or less result in a terminal balance of \$1,250 or more, the VLT automatically produces a cash-out ticket of \$1,250.
- 11.3.6 For individual prize awards over \$1,250, the VLT automatically produces a cash-out ticket of a value equal to the individual prize award.
- 11.3.7 For both Subsections 11.3.5 and 11.3.6, players will receive one (1) cash-out ticket leaving the remaining balance on the terminal until either played or cashed-out.
- 11.3.8 All game hardware and software are tested by an approved independent gaming laboratory prior to installation in the VLTs to verify the pay-out percentage conforms to the approved range.
- 11.3.9 A VLT malfunction voids all plays and all pay-outs.

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**SECTION: 11. VIDEO LOTTERY TERMINALS (VLTs)**

**11.4 VLT OPERATIONS**

*(Added Mar 2016)*

11.4.1 The i-LINK must be situated at a location acceptable to the AGLC.

11.4.2 The REC Facility Licensee must provide:

- a) One (1) dedicated electrical circuit (115 volt 15 amp. receptacle) at each of the following areas within the premises:
  - i) the location for the i-LINK; and
  - ii) the demarcation point (telephone/utility room), where the telephone line enters the building (within 1.2 metres of the router rack).
- b) At the VLT(s):
  - i) one (1) 15 amp/115 volt dedicated electrical outlet for every two (2) VLTs; or
  - ii) one (1) 20 amp/115 volt dedicated electrical outlet for every three (3) VLTs).

11.4.3 No person is allowed to tamper with the VLTs and/or the i-LINK.

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**SECTION: 11. VIDEO LOTTERY TERMINALS (VLTs)**

**11.5 PAYMENT OF VLT CASH-OUT TICKETS**

*(Added Mar 2016)*

- 11.5.1 VLT cash-out tickets must be immediately validated and paid, when presented at the location where the i-LINK is situated, subject to the following conditions:
- a) REC Facility Licensees must have the required funds for payment of all VLT cash-out tickets issued at their location; and
  - b) A cash-out ticket may be redeemed by the player for up to thirty (30) days from the date of issue (also see Subsection 11.5.2).
- 11.5.2 A player presenting a cash-out ticket issued more than thirty (30) days prior must be directed to call the Gaming Irregularities Number at 1-800-742-7818.
- 11.5.3 To assist in ensuring prizes are paid to the person who is named on the back of the cash-out ticket, REC Facility Licensees will, for cash-out tickets originating at their site and in excess of \$1,250 that are not paid out the same day issued:
- a) Check the back of the ticket to see if the claimant name has been printed on the space provided;
  - b) If a name has been printed on the back of the ticket, ask the claimant for an acceptable form of I.D. (see Subsection 1.7.2 a) – d)) and confirm that the name on the back of the cash-out ticket is the same name that appears on the I.D.; and
  - c) Where a discrepancy exists, the REC Facility Licensee should not pay the prize and contact the AGLC Hotline (see Section 6.4) to report the incident and seek further instructions.

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**SECTION: 11. VIDEO LOTTERY TERMINALS (VLTs)**

**11.6 ADDITIONAL CROSS-VALIDATION AND VLT CASH-OUT TICKET REDEMPTION INFORMATION**

*(Added Mar 2016)*

- 11.6.1 The AGLC will select and approve a number of cross-validation sites throughout the Province for the purpose of validating and paying out VLT cash-out tickets of a value exceeding \$1,250 that could not be paid at the originating retail site (other than a licensed facility, see Subsection 11.5.1 a)).
- 11.6.2 Cross-validation site selection will be based on an assessment by the AGLC including, but not limited to:
- a) Market coverage to meet player needs; and
  - b) The Retailer's ability to provide the services of a cross-validation site.
- 11.6.3 VLT cash-out tickets issued at retailer locations other than a licensed facility are also subject to the following conditions for redemption:
- a) A cash-out ticket with a face value less than or equal to \$1,250 must be redeemed at the location where it was issued; and
  - b) A cash-out ticket with a face value in excess of \$1,250 may be redeemed at the location where it was issued or at an AGLC approved cross-validation site.

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**SECTION: 11. VIDEO LOTTERY TERMINALS (VLTS)**

**11.7 VLT CASH-OUT TICKET RETENTION AND DESTRUCTION**

*(Added Mar 2016)*

- 11.7.1 Cash-out tickets should be retained for a period of 30 days from the date of validation, after which time they may be destroyed.
- 11.7.2 After the 30 day retention period has lapsed, the validated cash-out tickets should be destroyed. Shredding is the recommended method of destruction subject to the following standards:
- a) Straight cut – 3mm or less; or
  - b) Cross cut – 4mm or less.

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**SECTION: 11. VIDEO LOTTERY TERMINALS (VLTS)**

**11.8 REMUNERATION**

*(Added Mar 2016)*

11.8.1 The AGLC pays remuneration related to VLT operations as follows:

- a) REC Facility Licensees are provided a commission based on a percentage of VLT net sales (cash-in less cash-out) per week. The commission rate is set by the AGLC and is 15% of net sales.
- b) Commission due to REC Facility Licensees is paid weekly.

11.8.2 No additional remuneration or funding is paid in respect of VLT operations.

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**SECTION: 11. VIDEO LOTTERY TERMINALS (VLTs)**

**11.9 PAYMENT TO THE AGLC**

*(Added Mar 2016)*

- 11.9.1 All cash received from VLTs, less winnings paid, is the property of the AGLC. The AGLC will provide each REC Facility Licensee with an invoice via the i-LINK every Monday indicating the exact amount payable. If Monday is a statutory holiday, the invoice will be provided the next business day.
- 11.9.2 The exact amount payable from the invoice must be:
- a) deposited in the REC Facility Licensee's designated bank account the day the invoice is received, during business banking hours; and
  - b) available for processing to the AGLC.
- 11.9.3 Failure to pay invoices may result in termination of the Retailer Agreement and removal of the Supplied Equipment.

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**SECTION: 12. ANTI-MONEY LAUNDERING (AML)**

**12.1 AML DEFINITIONS**

12.1.1 In this handbook, the following AML definitions apply:

- a) "AML" means Anti-Money Laundering.
- b) "AML Administrators" means Registered Gaming Workers designated by the REC Facility Licensee to enter the required report data into the AML reporting system and/or search patron information. *(Amended Aug 2016)*
- c) "AML Key Positions" means slot manager and slot supervisor.
- d) "AML Liaison" means the Registered Gaming Worker designated by the REC Facility Licensee as the main contact between the facility and AGLC's AML Unit, representing the facility on AML matters.
- e) "AML Person of Interest" means any person deemed by AGLC's AML Unit as being a risk to the administration of the AML program. *(Added Aug 2017)*
- f) "AML Reporting System" means the application system used by AGLC to receive, collect, review and submit AML financial transaction reports.
- g) "AML Unit" means AGLC's unit responsible for the compliance and regulatory enforcement of the AML program, which includes a designated compliance investigator assigned to the REC Facility Licensee.
- h) "Casino Disbursements (CD)" means a single or multiple payout(s), totaling \$10,000 CAD or more in a 24 hour period. (Note: to ensure consistency with FINTRAC requirements, disbursements within an REC are referred to as Casino Disbursements.)
- i) "CAD" means Canadian dollar.
- j) "CAD Equivalent" means the value of any country's currency in Canadian dollars.
- k) "FINTRAC" means Financial Transactions and Reports Analysis Centre of Canada.
- l) "FOIP" means the *Freedom of Information and Privacy Act*.

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**SECTION: 12. ANTI-MONEY LAUNDERING (AML)**

- m) "Foreign Currency Exchange Ticket" means an entry in a transaction register or log maintained by the REC Facility Licensee.
- n) "Gaming Day" means the REC daily business hours of between 10:00 am and 3:00 am.
- o) "LCT (Large Cash Transaction)" means a single or multiple cash transactions received from a patron totaling \$10,000 CAD or more in a 24 hour period which includes buy-ins and foreign currency exchanges.
- p) "PTR (Patron Transaction Report)" is the document used to record patron information and all reportable transactions. A PTR is used for three types of reportable transactions: Foreign Currency Exchange (FCE), Large Cash Transaction (LCT), and Casino Disbursement (CD). *(Amended Aug 2016)*
- q) "PCMLTFA" means the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.
- r) "Property" means any type of real or personal property in a REC Facility Licensee's possession or control.
- s) "PSPN (Provincial Stop Play Notification)" means a notification issued by AGLC to immediately suspend an individual's gaming activities at all casino and REC facilities until further notified by AGLC. *(Added Nov 2018)*
- t) "SPN (Stop Play Notification)" means a notification issued by the REC Facility Licensee that immediately suspends all gaming activities within the facility.
- u) "Terrorist" or a "Terrorist Group" includes anyone that, as one of their purposes or activities, facilitates or carries out any terrorist activity.
- v) "Third Party" means the individual who is the beneficial owner of the currency and/or TITO ticket. *(Added Aug 2016)*
- w) "UT (Unusual Transaction)" means a financial transaction of any monetary value where a person suspects that the transaction or attempted transaction is related to the commission or attempted commission of a money laundering offence or terrorist financing activity offence.

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**SECTION: 12. ANTI-MONEY LAUNDERING (AML)**

- x) "UTR (Unusual Transaction Report)" is the document used to record and report Unusual Transactions. *(Added Aug 2016)*

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## SECTION: 12. ANTI-MONEY LAUNDERING (AML)

### 12.2 AML - GENERAL

- 12.2.1 The AGLC, as a reporting entity under the PCMLTFA, has statutory reporting, record keeping and filing obligations to FINTRAC for all traditional casino facilities, RECs as well as electronic gaming and dice games in Host First Nations Casinos within Alberta.
- 12.2.2 REC Facility Licensees, AML Liaisons, AML Key Positions and AML Administrators must respond to all requests for information by the AML Unit within the specified time frame provided.
- 12.2.3 AGLC Inspectors and FINTRAC officials may at any time inspect, audit, examine, make copies or temporarily remove any PTR, supporting documents or records that were created for the purposes of complying with Section 12.
- 12.2.4 AML Key Positions and Registered Gaming Workers completing PTRs, UTRs, and/or supporting documents must ensure all information is recorded in a legible manner. *(Amended Aug 2016)*
- 12.2.5 AML Key Positions must ensure all PTRs are completed by the end of their shift or transferred to another AML Key Position when PTR is still active and/or being tracked. *(Amended Aug 2016)*
- 12.2.6 Receipts for gaming related transactions may only be issued for progressive jackpot wins using the Alberta Progressive Jackpot Win Receipt. *(Added Aug 2016)*

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**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.3 CONFIDENTIALITY AND PRIVACY**

- 12.3.1 All information collected, transmitted, or stored in the AML reporting system is the property of the AGLC and cannot be released without prior written approval of the AGLC.
- 12.3.2 When collecting, accessing, using, disclosing, storing and disposing of personal patron information on behalf of the AGLC for the purposes of Section 12, REC Facility Licensees must comply with the provisions of Alberta's FOIP Act.
- 12.3.3 Photocopying patron credit/debit cards is prohibited.

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**SECTION: 12. ANTI-MONEY LAUNDERING (AML)**

**12.4 FACILITY REQUIREMENTS**

- 12.4.1 REC facility licensees are responsible for the submission of all LCTs, CDs, UTs (completed or attempted) and reporting all incidents related to property owned or controlled by, or on behalf of, a terrorist or terrorist group to the AML Unit. *(Amended Aug 2016)*
- 12.4.2 REC facility licensees must appoint an AML liaison responsible for facility compliance with Section 12 and internal facility AML procedures.
- 12.4.3 REC facility licensees must appoint AML administrators responsible for data entry into AGLC's AML reporting system. *(Amended Aug 2016)*
- 12.4.4 All internal facility policy and procedures relating to AML must be submitted to AGLC prior to implementation; including subsequent amendments. The policy and procedures must not contravene the PCMLTFA, existing AGLC policies, and/or FINTRAC requirements. Internal policy and procedures must include: *(Amended Aug 2016)*
- a) name of the designated AML Liaison;
  - b) names of designated AML administrators;
  - c) name designated AML key positions responsible for reviewing the accuracy and content of all UTRs prior to submission to AGLC; *(Amended Aug 2016)*
  - d) communication and procedural protocols for issuing an SPN;
  - e) a work flow plan illustrating the handling of all PTRs, UTRs, and supporting documents, including safeguarding and destruction procedures; and *(Amended Aug 2016)*
  - f) a communication strategy outlining the accurate and timely distribution of patron information within the REC between staff, departments, and cash cages.
  - g) *(Deleted Aug 2016)*
- 12.4.5 REC facility licensees must use the PTR to record all reportable transactions. *(Amended Aug 2016)*
- 12.4.6 REC facility licensees must destroy all PTRs, UTRs, patron tracking records, and supporting documents thirty (30) calendar days from the date of the transaction. *(Amended Aug 2016)*

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**SECTION: 12. ANTI-MONEY LAUNDERING (AML)**

- 12.4.7 For all AML reportable incidents involving more than one registered gaming worker, a discrepancy report must be completed by each individual as an attachment to the UTR. *(Amended Aug 2016)*
- 12.4.8 REC facility licensees must obtain prior approval from AGLC for any procedure that involves the storage, collection, or retention of patron funds.
- 12.4.9 REC facility licensees must obtain prior written approval from AGLC for any program or procedure that is used to deliver funds to patrons through non-traditional financial instruments (i.e. cheque, gift certificates, or gift cards).
- 12.4.10 REC facility licensees must notify the AML Unit within the same gaming day of any change of employment status of AML administrators and/or AML key positions that have access to the AML reporting system. *(Amended Aug 2016)*
- 12.4.11 *(Deleted Aug 2016)*
- 12.4.12 REC facility licensees are prohibited from conducting denomination exchanges in excess of \$1,000 CAD per patron on the same gaming day.
- 12.4.13 REC facility licensees must maintain a log of staff training records relating to AML; up to and including subsequent training provided by AGLC; policy addendums requiring review; and/or any internal training programs related to AML. *(Added Aug 2016)*
- 12.4.14 Failure to comply with internal procedures receiving AGLC approval may result in administrative sanctions. *(Added Aug 2016)*
- 12.4.15 REC facility licensees are required to actively monitor the casino Gaming Information Network (GIN) for AML bulletins that identify persons of interest. *(Added Aug 2017)*
- 12.4.16 REC facility licensees must adhere to all directives in AML bulletins and PSPNs in accordance with Subsection 3.4.4 c). *(Amended Nov 2018; Added Aug 2017)*
- 12.4.17 All patron transactions, including third party transactions (see Section 12.12), conducted by a REC employee must be: *(Added Nov 2018)*
- a) conducted by a registered gaming worker; and
  - b) recorded in a log that includes the:

DATE ISSUED: November 16, 2018

AUTHORITY:

Original signed by  
Gael MacLeod

**SECTION: 12. ANTI-MONEY LAUNDERING (AML)**

- i) patron's name;
- ii) date and time;
- iii) type and amount of the transaction; and
- iv) registered gaming worker's name and registration number.

Note: Patron transaction logs must be retained until destruction is authorized by AGLC.



**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.5 AML TRAINING & CERTIFICATION**

- 12.5.1 A REC Facility Licensee must ensure that all Registered Gaming Workers working in the facility maintain a valid AGLC AML certification.
- 12.5.2 Registered gaming workers must be AGLC AML certified before working in a REC. Equivalency will not be granted for certification offered in other provinces.
- 12.5.3 A minimum score on the AGLC AML training program examination is required for certification.
- 12.5.4 AML certification is valid for a period of two (2) years from the date of successfully completing the program.
- 12.5.5 Valid AML certification must be maintained by successfully repeating the AML training program examination before the certification expiry date.
- 12.5.6 Additional mandatory training may be required prior to the certification expiry date.

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Susan Green

**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.6 IDENTIFICATION REQUIREMENTS & IDENTITY VERIFICATION**

12.6.1 For the purposes of complying with the PCMLTFA, FINTRAC requirements, and this section, identity verification is the responsibility of the AML Key Position.

12.6.2 Valid primary identification must:

- a) have a photo;
- b) have a name;
- c) have a signature;
- d) be Government issued (excluding provincial health care cards);  
*(Amended Aug 2016)*
- e) include date of birth;
- f) not be expired;
- g) have a unique identifier number; and
- h) be an original (not a copy).

12.6.3 If the identification appears not to be genuine, the AML Key Position must request a second piece of identification. Valid secondary identification must:

- a) have a name;
- b) be Government issued (excluding provincial health care cards);  
*(Amended Aug 2016)*
- c) have a unique identifier number; and
- d) include date of birth.

12.6.4 If the primary and secondary identification appear not to be genuine:

- a) the transaction must not be completed;
- b) an SPN will be issued by the REC Facility Licensee's AML Key Position;
- c) the incident must be immediately reported to local law enforcement and AGLC Hotline; and
- d) the AML Key Position must complete an UTR, following the procedures outlined in Subsection 12.11.4. *(Amended Aug 2016)*

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**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

- 12.6.5 When verifying a patron's identity, the identification must be photocopied and attached to the PTR.
- 12.6.6 If patron identification has been previously verified through valid identification and has been entered into the AML Reporting System within the existing calendar year and confirmed by an AML Key Position, the patron is not required to produce identification. An AML Key position must verify the patron's identity on the PTR.  
*(Amended Aug 2016)*
- 12.6.7 REC Facility Licensees must verify and/or update patron information on the AML Reporting System when alerted to do so. *(Amended Aug 2016)*
- 12.6.8 *(Deleted Aug 2016)*
- 12.6.9 *(Deleted Aug 2016)*

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Susan Green

**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.7 CASH TRANSACTIONS**

*(Deleted Nov 2018)*

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Gael MacLeod

**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.8 LARGE CASH TRANSACTIONS**

12.8.1 PTRs (LCT) and supporting documents detailing single or multiple LCTs by a patron of \$10,000 CAD or more occurring within the same gaming day must be reported as an LCT to the AML unit by the AML administrator within seven (7) calendar days. *(Amended Aug 2016)*

12.8.2 PTRs (LCT) must include:

- a) patron name, physical address, occupation, and date of birth;
- b) type, place of issue, expiry date and unique identifier number of the identification (if produced); and
- c) time and date, game type, table number position for each transaction.

12.8.3 If a patron refuses to provide any information required to complete a PTR (LCT):

- a) the transaction must not be completed;
- b) an SPN must be issued by the REC slot manager; and
- c) the AML key position must comply with the procedures outlined in Subsection 12.11.4.

12.8.4 AML key positions must ensure all PTRs are completed by the end of their shift or transferred to another AML key position when PTR is still active and/or being tracked. *(Added Nov 2018)*

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Gael MacLeod

**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.9 CASINO DISBURSEMENTS**

12.9.1 PTRs and supporting documents detailing all cash-outs, slot jackpot payouts and tournament prizes of \$10,000 CAD or more, in one or more transactions within the same gaming day, must be reported to the AML unit by the AML administrator within seven (7) calendar days. *(Amended Aug 2016)*

12.9.2 PTRs (CD) must include:

- a) patron name, physical address, occupation and date of birth;
- b) the type, place of issue, expiry date and unique identifier number of the identification produced to verify the name;
- c) game location (if known), date, time, transaction type and amount of each transaction; and
- d) any additional information as requested on the PTR.

Note: Completion of patron physical description section on the PTR is not required if identity has been verified.

12.9.3 If a patron refuses to provide acceptable identification as outlined in Section 12.6 or any information required to complete the PTR (CD):

- a) the transaction is not to be completed;
- b) an SPN will be issued by the REC facility licensee or slot manager; and
- c) the AML key position will follow the procedures outlined in Subsection 12.11.4.

12.9.4 AML key positions must begin tracking of patron payouts at a minimum of \$3,000 CAD. *(Amended Aug 2016)*

12.9.5 AML key positions must ensure all PTRs are completed by the end of their shift or transferred to another AML key position when PTR is still active and/or being tracked. *(Added Nov 2018)*

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Gael MacLeod

**SECTION: 12. ANTI-MONEY LAUNDERING (AML)**

**12.10 FOREIGN CURRENCY EXCHANGE**

12.10.1 The AML Key Position must ensure all foreign currency exchange transactions totalling less than \$3,000 CAD are recorded on a Foreign Currency Exchange Ticket and contain the following:

- a) date;
- b) amount;
- c) currency of purchase or sale;
- d) the method; and
- e) the amount and currency of payment made or received.

12.10.2 Single or multiple transactions of foreign currency exchanges totaling \$3,000 CAD or more require recording of the patron's identification and the completion of a PTR (FE) by an AML Key Position. All information listed in Subsection 12.10.1 and the PTR (FE) must be submitted to the AML Unit by the AML Administrator within seven (7) calendar days. *(Amended Aug 2016)*

12.10.3 The AML Administrator is responsible for ensuring all Foreign Currency Exchange Tickets are accurate and retained by the REC facility.

12.10.4 To determine whether a LCT in foreign currency is reportable (the equivalent of \$10,000 CAD or more) use:

- a) the nominal exchange rate provided by the Bank of Canada website (available at [www.bankofCanada.ca](http://www.bankofCanada.ca)) for the time of the transaction; or *(Amended Mar 2017)*
- b) the actual exchange rate applied when the transaction was processed if no Bank of Canada rate was published for the currency of the transaction. *(Amended Mar 2017)*

12.10.5 Single or multiple foreign currency exchange transactions equivalent to \$10,000 CAD or more in a 24 hour period must be reported to the AML Unit by the AML Administrator within seven (7) calendar days. When reporting the transactions: *(Amended Aug 2016)*

- a) a separate entry for each type of foreign currency exchanged in a 24 hour period must be submitted; and

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**SECTION: 12. ANTI-MONEY LAUNDERING (AML)**

b) the CAD value at the nominal exchange rate value (not the cash exchange rate value) must be recorded.

12.10.6 Foreign currency exchange transactions must be refused should a patron fail to provide the required information.

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Susan Green



**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.11 UNUSUAL TRANSACTIONS**

12.11.1 The following are examples (not a complete list) of unusual transactions whether attempted or completed:

- a) patron requests a winning cheque in a Third Party's name;
- b) acquaintances bet against each other in even-money electronic games and it appears that they are intentionally losing to one patron in the party;
- c) patron attempts to avoid the filing of a PTR by breaking up transactions into smaller transactions;
- d) patron attends facility in possession of cash and requests a REC cheque with no game play;
- e) patron puts money into slot machines and claims accumulated credits as a jackpot win after minimal play;
- f) patron attempts to exchange large quantity of small denomination bank notes for large denomination bank notes;
- g) patron uses multiple names;
- h) patron takes the full amount of a verified win in large denomination bills, leaves the REC and then returns to the REC shortly thereafter in possession of smaller denomination bills;
- i) patron conducts one or more cash transactions of \$3,000 or more with small denomination bills (\$5, \$10 and/or \$20) of unknown origin; *(Amended Aug 2016)*
- j) patron refuses to provide any information required to complete a PTR;
- k) cash passing between patrons that is unusual, demonstrates a pattern that may be deemed unusual, or is inconsistent with standard patron gaming activities; *(Amended Aug 2016)*
- l) patron has another patron conduct a transaction on their behalf; or *(Amended Aug 2016)*
- m) patron occupation doesn't match the aggregate buy-in used for play. *(Amended Aug 2016)*

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**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

- 12.11.2 UTRs and supporting documents detailing unusual transactions must be completed and submitted to the AML Unit by an AML Administrator within seven (7) calendar days of the incident. *(Amended Aug 2016)*
- 12.11.3 A Registered Gaming Worker who witnesses an actual or attempted UT must immediately notify an AML Key Position.
- 12.11.4 The AML Key Position witnessing or receiving a report of a UT must:
- a) obtain the assistance of security or surveillance to capture video surveillance of the patron(s) involved;
  - b) attempt to obtain and document all available information on the patron(s) involved (i.e. name, address, date of birth, occupation, description, vehicle licence plate number); *(Amended Mar 2017)*
  - c) obtain patron identification if possible;
  - d) not disclose to the patron(s) involved that a UTR is being submitted; *(Amended Aug 2016)*
  - e) document all relevant details on a UTR; and *(Amended Aug 2016)*
  - f) ensure all gaming workers and staff involved or having witnessed the transaction complete and submit a Discrepancy Report in conjunction with the incident. *(Added Aug 2016)*

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**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.12 THIRD PARTY TRANSACTIONS**

12.12.1 AML key positions must take reasonable measures to determine if any individual is acting on behalf of a third party when conducting a LCT or receiving casino disbursements or opening of a patron account. If it is determined there is a third party involved, the AML key position must obtain and record the required information on the third party and the patron. *(Amended Aug 2016)*

- a) *(Deleted Aug 2016)*
- b) *(Deleted Aug 2016)*
- c) *(Deleted Aug 2016)*
- d) *(Deleted Aug 2016)*

12.12.2 If an AML key position is unable to determine that there is a third party involved and has reasonable grounds to suspect that there is a third party involved, a UTR must be completed following these procedures: *(Amended Aug 2016)*

- a) obtain the assistance of security or surveillance to capture video surveillance photos of the patron(s) involved; *(Added Aug 2016)*
- b) document the suspected nature of the relationship between the third party and the patron involved in the transaction; and *(Added Aug 2016)*
- c) not complete the transaction if the identity of the third party cannot be determined. *(Added Aug 2016)*

12.12.3 *(Deleted Nov 2018)*

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Original signed by  
Gael MacLeod

**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.13 CHEQUE ISSUANCE**

12.13.1 REC facility licensees may issue cheques to patrons for confirmed jackpots. Cheques for confirmed winnings:

- a) can only be issued to a patron whose play has been fully tracked on a PTR and the win confirmed by an AML key position;
- b) must have “verified win” imprinted on the face of the cheque; and
- c) cannot be issued for TITO tickets.

12.13.2 REC facility licensees may issue cheques for patron convenience and/or security purposes. Cheques being issued to patrons for non-confirmed winnings:

- a) can be issued for cashed bank drafts, money orders, certified cheques and/or cash calls;
- b) must not be issued for cash from unverified financial sources (including debit card withdrawals) in excess of \$5,000 CAD per gaming day; and *(Amended Nov 2018)*
- c) must have “non-verified win” imprinted on the face of the cheque.

12.13.3 REC facility licensees:

- a) must issue all cheques in numerical sequence;
- b) must maintain a sequential log of cheques and transactions;  
*(Added Aug 2016)*
- c) must retain a duplicate copy of all cheques;
- d) must only issue cheques to patrons meeting the identification requirements outlined in Section 12.6; and
- e) are prohibited from issuing a cheque in the name of a third party or company.

12.13.4 REC facility licensees are prohibited from issuing cheques in exchange for cash.

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Gael MacLeod

**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.14 GIFT CERTIFICATES/CARDS**

- 12.14.1 Gift certificates/cards, must be sequentially numbered and a sample must be approved by the AGLC in writing.
- 12.14.2 Individual gift certificate/card denomination must not exceed \$500 in value.
- 12.14.3 REC Facility Licensees must maintain a record of all gift certificate/card purchases documenting:
- a) purchaser name;
  - b) amount of gift certificate(s)/card(s) purchased;
  - c) date of purchase;
  - d) gift certificate/card number(s); and
  - e) method of payment.
- 12.14.4 Purchases by patrons of individual or multiple gift certificates/cards made in cash must not exceed \$500 CAD in a single Gaming Day.
- 12.14.5 REC Facility Licensees are prohibited from redeeming gift certificates/cards in excess of \$500 per patron per Gaming Day.

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AUTHORITY: Original signed by  
Susan Green

**SECTION: 12 ANTI-MONEY LAUNDERING (AML)**

**12.15 TERRORIST PROPERTY**

12.15.1 Where any patron on a Gaming Information Network (GIN) terrorist bulletin is found to be in a REC the REC facility licensee must:

- a) immediately notify local law enforcement;
- b) immediately notify the AML unit; and
- c) the AML key position must complete a PTR (UT), following the procedures outlined in Subsection 12.11.4.

12.15.2 If there is property in the REC's possession or control that is owned or controlled by or on behalf of a terrorist or a terrorist group, or a listed person, the REC employee and/or the AML key position must:

- a) immediately notify local law enforcement; *(Added Aug 2016)*
- b) immediately notify the AML unit; and
- c) the AML key position must issue an SPN and complete a UTR, following the procedures outlined in Subsection 12.11.4.  
*(Amended Nov 2018)*

## SECTION: 12 ANTI-MONEY LAUNDERING (AML)

### 12.16 AML REPORTING SYSTEM

12.16.1 The AML reporting system is the platform by which REC Facility Licensees will submit PTRs and supporting documents of all reportable transactions outlined in Section 12.

12.16.2 The data and information retained in the AML reporting system and all associated hardware is the property of the AGLC.

12.16.3 AML Administrators must not use an additional system, backup system or database to collect or store duplicate records or copies of records of the information entered into the AML reporting system.

12.16.4 AML Administrators responsible for entering information into the AML reporting system must obtain individual access rights to the system from the AGLC.

12.16.5 AML Administrators having access rights to the AGLC AML reporting system are prohibited from:

- a) allowing any other person access to the system;
- b) allowing any other person use of their AML system account;
- c) accessing the system from any location outside the REC; and
- d) using the system for purposes outside the scope of identified roles and responsibilities. *(Added Aug 2016)*

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AUTHORITY: Original signed by  
Susan Green

**SECTION: 13. SAMPLE FORMS**

**13.1 SAMPLE FORMS**

*(Added Mar 2016)*

- 13.1.1 Discrepancy Report
- 13.1.2 Electronic Gaming Device Discrepancy Report
- 13.1.3 Electronic Games – Casino Retailer Application Form
- 13.1.4 Electronic Games – Casino Certificate of Insurance Form (updated annually)
- 13.1.5 Pre-Authorized Debit (PAD) Agreement for Business (Electronic Games – Casino Retailer) Form
- 13.1.6 Electronic Games – REC Retailer Agreement
- 13.1.7 Alberta Progressive Jackpot Receipt

DATE ISSUED: March 1, 2016

AUTHORITY: Original signed by  
Susan Green





# DISCREPANCY REPORT

Website: aglc.ca

CHECK ONE:  BINGO  CASINO

NAME OF ORGANIZATION	LICENCE NO.
FACILITY WHERE EVENT HELD	DATE

TIME \_\_\_\_\_

\_\_\_\_\_

DETAILS

\_\_\_\_\_

\_\_\_\_\_

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ACTION

(if any)

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\_\_\_\_\_

\_\_\_\_\_

(USE ADDITIONAL PAGES IF NECESSARY)

NORTH OF RED DEER TO: Alberta Gaming and Liquor Commission  
 Compliance and Social Responsibility  
 50 Corriveau Avenue  
 St. Albert, Alberta T8N 3T5  
 Telephone: 780-447-8600  
 Fax: 780-447-8912

\_\_\_\_\_  
NAME AND TITLE OF PERSON REPORTING (PLEASE PRINT)

RED DEER AND SOUTH TO: Alberta Gaming and Liquor Commission  
 Compliance and Social Responsibility  
 #110, 6715 - 8<sup>th</sup> Street NE  
 Calgary, Alberta T2E 7H7  
 Telephone: 403-292-7300  
 Fax: 403-292-7302

\_\_\_\_\_  
SIGNATURE OF PERSON REPORTING

WHITE - AGLC      CANARY - LICENSEE (IF APPLICABLE)      PINK (PERSON REPORTING)



# ELECTRONIC GAMING DEVICE DISCREPANCY REPORT

CHECK ONE:       CASINO/REC       VLT       BINGO       OTHER

DATE:	TIME:	FACILITY NAME:
RETAILER/LICENCE #:		TERMINAL/UNIT #:
GAME DESCRIPTION:		DENOMINATION:

<p>1. Credit/Dollar Amount in the terminal at the time of the incident: \$</p> <p>2. Was the amount witnessed by facility staff?      <input type="checkbox"/> YES If YES, attach their statement(s)      <input type="checkbox"/> NO</p> <p>3. Amount wagered at the time of the incident:      \$</p> <p>4. Credit/Dollar Amount cashed out (if applicable):      \$</p> <p>5. Has the customer received a payout?      <input type="checkbox"/> YES \$    <input type="checkbox"/> NO</p>	<p>6. Has the terminal been disabled or powered off? <input type="checkbox"/> DISABLED      <input type="checkbox"/> POWERED OFF</p> <p>7. AGLC Hotline Ticket number:</p> <p>8. Time Hotline contacted:                                      <input type="checkbox"/> AM    <input type="checkbox"/> PM</p> <p>9. Camera coverage of the terminal incident?      <input type="checkbox"/> YES If YES, retain for AGLC. If NO, why?      <input type="checkbox"/> NO</p>
--	--

CUSTOMER NAME:	PHONE NUMBER:	ADDRESS:
COMPLAINT:		
*Use additional pages if necessary		

ACTION TAKEN (IF ANY):
*Use additional pages if necessary

<p><b>NORTH OF RED DEER TO:</b>          Alberta Gaming and Liquor Commission          Compliance and Social Responsibility          50 Corriveau Avenue          St. Albert, AB T8N 3T5          Telephone: 780-447-8600          Fax: 780-447-8912</p>	<p><b>RED DEER AND SOUTH TO:</b>          Alberta Gaming and Liquor Commission          Compliance and Social Responsibility          110, 6715 – 8 Street NE          Calgary, AB T2E 7H7          Telephone: 403-292-7300          Fax: 403-292-7302</p>	<p>_____          NAME AND POSITION OF PERSON REPORTING          (PLEASE PRINT)</p> <p>_____          SIGNATURE OF PERSON REPORTING</p>
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**ELECTRONIC GAMES - CASINO RETAILER APPLICATION**
 **NEW INSTALLATION**
 **CHANGE OF OPERATOR**
**I. PREMISES**

LOCATION NAME: \_\_\_\_\_

STREET ADDRESS OF LOCATION: \_\_\_\_\_

MAILING ADDRESS (IF DIFFERENT): \_\_\_\_\_

IF RURAL LOCATION PLEASE SUPPLY LEGAL DESCRIPTION: \_\_\_\_\_

CITY: \_\_\_\_\_ PROVINCE: \_\_\_\_\_ POSTAL CODE: \_\_\_\_\_

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

**II. BUSINESS ENTITY OPERATING THE PREMISES**
 SOLE PROPRIETORSHIP

 PARTNERSHIP

 CORPORATION

 PUBLICLY TRADED CORPORATION

 NON-PROFIT/OTHER (SPECIFY): \_\_\_\_\_

BUSINESS ENTITY NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

MAILING ADDRESS (IF DIFFERENT): \_\_\_\_\_

CITY: \_\_\_\_\_ PROVINCE: \_\_\_\_\_ POSTAL CODE: \_\_\_\_\_

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

**III. DIRECTORS/SHAREHOLDERS/SIGNING AUTHORITIES**

LIST DIRECTORS/SHAREHOLDERS WHO HAVE A DIRECT OR INDIRECT INTEREST AND INDICATE THEIR % OF OWNERSHIP. IF THE BUSINESS ENTITY IS PUBLICLY TRADED, ONLY LIST DIRECTORS/SHAREHOLDERS WHO OWN 15% OR MORE OF THE COMPANY SHARES. SPECIFY WHO MUST SIGN WHEN TWO OR MORE SIGNATURES ARE REQUIRED.

NAME	HOME #	CELL #	SIGN AUTH Y/N
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____

\*If space is insufficient, please continue on a separate page.

**IV. ON SITE CONTACTS (Day/Night Managers)**

NAME	TITLE
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____

\*If space is insufficient, please continue on a separate page.

**PLEASE COMPLETE INFORMATION ON REVERSE SIDE**

The applicant authorizes the Alberta Gaming and Liquor Commission to obtain credit or general information reports about the applicant or any partner, officer or shareholder of the applicant which may assist the Alberta Gaming and Liquor Commission. Misrepresentation or failure to reveal information may be deemed cause for refusal or revocation of an agreement and/or possible criminal prosecution. The application and issuing of a retailer agreement is subject to Alberta Gaming and Liquor Commission approval. Non-approval voids the application.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

The information you are providing on this application form is collected under the authority of the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, and the *Freedom of Information and Protection of Privacy (FOIP) Act*, section 33(c). This information is strictly for the use of the Alberta Gaming and Liquor Commission in assessing your eligibility. Your personal information is protected by Alberta's FOIP Act and can be reviewed upon request. If you have any questions about the collection or use of the information, please contact:

Alberta Gaming and Liquor Commission  
50 Corriveau Avenue  
St. Albert, Alberta  
T8N 3T5  
Telephone: 780-447-8600 or Toll-free: 1-800-272-8876

**For Office Use Only**

Retailer Number: \_\_\_\_\_



**ELECTRONIC GAMES - CASINO/REC CERTIFICATE OF INSURANCE**

*(Only this Certificate will be accepted)*

NAME AND ADDRESS OF INSURED: \_\_\_\_\_  
\_\_\_\_\_

NAME AND ADDRESS OF PREMISES  
TO BE INSURED: \_\_\_\_\_  
\_\_\_\_\_

NAME AND ADDRESS OF  
AGENT/BROKER: \_\_\_\_\_  
\_\_\_\_\_

SCHEDULE OF COVERAGE	INSURANCE COMPANY	POLICY NUMBER	EFFECTIVE DATE MM/DD/YY	EXPIRY DATE MM/DD/YY
A. General Liability	_____	_____	_____	_____
B. Property Insurance	_____	_____	_____	_____

**PARTICULARS OF COVERAGE – COMPLETE EACH CATEGORY AS COVERAGE APPLIES (details on back page)**

**A. GENERAL LIABILITY -** The following coverage features are **mandatory** for Electronic Games - Casino Retailers and Racing Entertainment Retailers.

**Please check to confirm coverage:**

Employees as Additional Insureds       Personal Injury      Limits of Liability \$ \_\_\_\_\_ Inclusive Limits

**B. PROPERTY INSURANCE -** The following coverage features are **mandatory** for all Retailers.

Limit of insurance exclusive for AGLC Supplied Equipment and Fixtures: \$ \_\_\_\_\_

**Please check to confirm coverage:**

All Risk/Broad Form Coverage       Replacement Cost

Alberta Gaming and Liquor Commission is Loss Payable on all Supplied Equipment and Fixtures provided by the AGLC.

Alberta Gaming and Liquor Commission is Additional Named Insured on all Supplied Equipment and Fixtures provided by the AGLC.

The undersigned hereby represents to Alberta Gaming and Liquor Commission that the above policies are accurately described and have been issued to the Named Insured. The undersigned further represents that these policies are endorsed to provide thirty (30) days advance written notice of cancellation or material change restricting coverage to:

Alberta Gaming and Liquor Commission, 50 Corriveau Avenue, St. Albert AB T8N 3T5

This certificate is executed and signed by the insurer, or authorized Agent/Broker:

\_\_\_\_\_  
SIGNATURE OF AUTHORIZED REPRESENTATIVE

\_\_\_\_\_  
PRINTED NAME OF AUTHORIZED REPRESENTATIVE

\_\_\_\_\_  
INSURANCE COMPANY OR AGENT/BROKER

\_\_\_\_\_  
TELEPHONE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
FAX

**AGLC as Loss Payable and Additional Named Insured**

The insurance policy must identify the Alberta Gaming and Liquor Commission (AGLC) as a Loss Payable and Additional Named Insured with respect to all Supplied Equipment and Fixtures.

**REQUIREMENTS FOR ALL**

**General Liability**

- ◆ Commercial General Liability – not less than \$2,000,000 inclusive per occurrence against bodily injury and property damage including loss of use thereof. Such insurance shall include employees as additional insureds and personal injury.

**Property Insurance**

- ◆ Property Insurance is required for all Video Lottery Terminals (VLTs), Lottery Ticket Terminals, Slots, Event Management Systems (EMS), Electronic Bingo equipment, and signs and fixtures provided by the AGLC. Coverage shall be on an All Risk/Broad Form and Replacement Cost basis, and the AGLC shall be added as a Loss Payable and Additional Named Insured.

**NOTE:** Terminal insurance does not include any cash in the terminals. The retailer is responsible for all cash in the terminals under their Retailer Agreement.

Thirty (30) days advanced written notice of cancellation or material change restricting coverage to your insurance policy must be given to AGLC.

**VIDEO LOTTERY REQUIREMENTS**

Breakdown of Property:

- ◆ \$25,000 per vlt
- ◆ \$2,500 i-LINK™
- ◆ AGLC Communication Hardware
  - \$1,200 (1 – 6 vlts)
  - \$2,400 (7 – 10 vlts)
  - \$3,600 (15 – 18 vlts)
  - \$4,800 (19 – 24 vlts)
  - \$6,000 (25 – 30 vlts)
- ◆ \$2,000 Telus Communication Equipment
- ◆ \$800 Cabling

**ELECTRONIC BINGO REQUIREMENTS**

- ◆ \$3,950 per SQL Server (server, monitor, keyboard and UPS)
- ◆ \$1,255 per Client (POS or Caller) Station (CPU workstation, touchscreen monitor and UPS)
- ◆ \$500 per thermal printer
- ◆ \$1,048 per laser printer
- ◆ \$10,000 network cabling cabinet
- ◆ \$9,000 - \$20,000 LAN wiring
- ◆ \$200 per data switch
- ◆ \$400 Gecko network switch
- ◆ \$1,575 per fixed base unit (Gecko)

**LOTTERY TICKET REQUIREMENTS**

- ◆ \$10,000 for ticket terminal and related equipment

**KENO REQUIREMENTS**

- ◆ \$10,000 for ticket terminal and related equipment
- ◆ \$900 per TV
- ◆ \$395 for TVCU (controller)  
(Note: If a ticket terminal already exists, \$395 plus \$900 per TV additional insurance is required for KENO)

**Use of Information**

The information you provide on this form is collected under the authority of the Gaming and Liquor Act, Gaming and Liquor Regulation, and the Freedom of Information and Protection of Privacy (FOIP) Act, section 33(c). The information is strictly for the use of the Alberta Gaming and Liquor Commission in assessing eligibility. Your personal information is protected by Alberta's FOIP Act and can be reviewed upon request. If you have any questions about the collection or use of the information, please contact:

Alberta Gaming and Liquor Commission  
50 Corriveau Avenue  
St. Albert, AB T8N 3T5  
Telephone: 780-447-8600 Toll-free: 1-800-272-8876  
Fax: 780-447-8910

**PRE-AUTHORIZED DEBIT (PAD) AGREEMENT FOR BUSINESS  
(ELECTRONIC GAMES - CASINO RETAILER)**

**1. Retailer Information**

Retailer's Corporate Name	Retailer Doing Business As				
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**2. Retailer Bank Account Information\***

Financial Institution Name (the "Bank")	Branch Name
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Branch Address	City, Province, Postal Code
----------------	-----------------------------

*\*This information can be obtained from your bank branch.*

Bank Number	Transit Number	Account Number																											
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Attach a sample cheque for this account marked "Void".

**3. Pre-Authorized Debit (PAD) Agreement**

In consideration for Alberta Gaming & Liquor Commission (AGLC) entering into a retailer agreement with the Retailer, the Retailer hereby authorizes AGLC to debit the account identified above for the **invoiced variable amount** owed to AGLC by the Retailer under such retailer agreement. Each debit by the Bank shall be the same as if the undersigned had personally issued a cheque (or order) in favor of AGLC. Any delivery of this Authorization to the Bank constitutes delivery by the Retailer. The Retailer agrees to give advance written notice to AGLC of any change with respect to the account against which Pre-Authorized Payments are to be drawn.

This agreement and the Authorization shall remain in full effect until it is revoked or until such time as there is no retailer agreement in force with AGLC or until AGLC no longer employs this arrangement, for whatever reason, for receipt of payments from the Retailer. This agreement applies only to the method of payment between the Retailer and AGLC. This agreement does not affect the retailer agreement or any other contract respecting goods or services between the Retailer and AGLC. The Retailer may revoke its authorization at any time for this payment method, subject to providing notice of 30 days to AGLC.

The Retailer has certain recourse rights if any debit does not comply with this Agreement. For example, the Retailer has the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information on recourse rights, a sample cancellation form, or further information on right to cancel a PAD Agreement, contact any financial institution or visit [www.cdnipay.ca](http://www.cdnipay.ca).

**The undersigned Retailer hereby agrees to waive the 10 day pre-notification requirement as set out in the Canadian Payment Association - Rule H1. This authority is to remain in full effect until such time as the Electronic Games - Casino Retailer Agreement is terminated by the AGLC, or the Retailer requests termination in writing of the Electronic Games - Casino Retailer Agreement, or until the AGLC no longer employs this arrangement, for whatever reason, for receipt of payments from the Retailer.**

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_                      Effective date: \_\_\_\_\_

Retailer: \_\_\_\_\_

Per: \_\_\_\_\_ Name/Title: \_\_\_\_\_  
Sign Name    Print Name and Title

Per: \_\_\_\_\_ Name/Title: \_\_\_\_\_  
Sign Name    Print Name and Title

**Bank verification of Bank Account Signatory/ies is required**

## ELECTRONIC GAMES - REC RETAILER AGREEMENT

### PARTIES TO THE AGREEMENT:

ALBERTA GAMING, LIQUOR AND CANNABIS COMMISSION, (the “AGLC”)

and

\_\_\_\_\_ (the “REC Retailer”)

### Preamble:

- Pursuant to Section 207 of the *Criminal Code* R.S.C. 1985, c.C-46, it is lawful for the Province of Alberta to conduct and manage lottery schemes;
- Pursuant to the provisions of the *Gaming, Liquor and Cannabis Act* (Alberta), the AGLC has been authorized to conduct and manage provincial lotteries, which includes Electronic Games on Gaming Terminals, in the Province of Alberta; and
- The AGLC intends to install Gaming Terminals and conduct and manage Electronic Games within the REC Retailer’s Premises.

### THE PARTIES agree as follows:

1. **Distribution:** Subject to the terms and conditions contained in this Agreement, the AGLC has agreed to install one or more Gaming Terminals, together with certain related Fixtures and signs within or about the REC Retailer’s business Premises described in the REC Retailer Information Schedule A.
2. **Schedules:** The following schedules, as they may be amended from time to time, form part of and are incorporated as integral parts of this Agreement and any obligations or rights set out in such schedules form part of the Agreement as if they were fully set out in the main body of this Agreement:

<i>Label</i>	<i>Schedule:</i>	<i>Version of Schedule Applicable at Signing*</i>
A	REC Retailer Information	A01
B	REC Retailer Obligations	B01
C	General Terms	C01
D	Termination & Liability	D01

*\*Note: Copies of the current applicable version of each of these schedules can be obtained by contacting the AGLC.*

3. **REC Retailer Obligations:** The REC Retailer agrees to perform the promises and covenants set out in the REC Retailer Obligations, Schedule B.
4. **The AGLC’s Obligations:** In consideration of all the services to be performed by the REC Retailer under this Agreement, the AGLC agrees that it will:
  - (a) provide Gaming Terminals for installation in the Premises. The number and type of Gaming Terminals provided by the AGLC will be in accordance with policies established by the AGLC from time to time. In the event of changes in policy regarding the allocation or placement of Gaming Terminals, the AGLC may adjust the number or type of Gaming Terminals provided to the Premises;
  - (b) pay for the initial installation of internal data lines and Gaming Terminals;
  - (c) pay for rental charges of data communications services required for the operation of the Gaming Terminals;
  - (d) provide and install Supplied Equipment and provide point of sale material and such other promotional materials as the AGLC may from time to time determine to be appropriate; and
  - (e) provide supplies which the AGLC deems necessary for the REC Retailer’s performance of this Agreement.
5. **Ownership of Supplied Equipment:** The REC Retailer agrees that the Supplied Equipment and anything provided by the AGLC is the sole property of the AGLC and may be suspended or removed by the AGLC at any time. The REC Retailer is a bailee only of the Supplied Equipment and has no property interest in it.
6. **Prevailing Facts and Records:** In the event of any inconsistency between any records generated by the REC Retailer, by the Gaming Terminals or by the Central Computer System, the final record will in each case be determined by the information and records generated by the Central Computer System and the REC Retailer will be bound thereby and account to the AGLC on the basis of information generated by the Central Computer System.
7. **Amendment of Agreement by the AGLC:** The parties agree that the AGLC has the right, in its discretion and at any time, to unilaterally amend, revise or supplement the terms of this Agreement (including but not limited to replacement of any Schedule to this Agreement) provided that:
  - (a) no such amendment, revision or supplementation will take effect under the Agreement as against the REC Retailer until the latter of:
    - (i) seven (7) days after notice of such amendment, revision or supplementation has been given to the REC Retailer; or
    - (ii) the date specified in such notice on which the amendment will take effect.
  - (b) for greater certainty, if the REC Retailer has not served notice of termination of the Agreement, any use by the REC Retailer of the Supplied Equipment at any time after the latter date determined under Section 7(a) shall conclusively be deemed to be agreement to and acceptance of the said amendment, revision or supplementation by the REC Retailer.



**NOTWITHSTANDING THE DATE OF EXECUTION, the parties have made this Agreement effective \_\_\_\_\_**  
Date

**ALBERTA GAMING, LIQUOR AND CANNABIS COMMISSION**

Per: \_\_\_\_\_

Name: \_\_\_\_\_  
Insert Name  
Insert Title

**REC RETAILER**

\_\_\_\_\_  
REC RETAILER

\_\_\_\_\_  
Witness Signature

Per: \_\_\_\_\_  
REC Retailer Signature

Print Name: \_\_\_\_\_

Name: \_\_\_\_\_

\_\_\_\_\_  
Head Office Address of REC Retailer

SAMPLE

**Electronic Games - REC Retailer Agreement  
REC Retailer Information Schedule "A" (Version Number: A01)**

Effective Date of Schedule: **(Date)**

This schedule sets out the particulars of the REC Retailer's Premises for the Agreement and is incorporated by reference into the Electronic Games - REC Retailer Agreement with <insert retailer name>. This schedule may be amended from time to time in accordance with the terms of the Agreement. A copy of the current applicable version of this schedule can be obtained by contacting the AGLC.

**REC RETAILER INFORMATION:**

Address for Service of REC Retailer under Agreement:

Mailing Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Facsimile Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Signatory: \_\_\_\_\_

*Note: Information for the REC Retailer or the Premises may be changed by giving notice of the change to AGLC under section C9.*

<b>Retailer Number:</b>		<b>Civic Address:</b>	
<b>Premises Name:</b>			

SAMPLE

**Electronic Games - REC Retailer Agreement**  
**REC Retailer Obligations Schedule "B" (Version Number: B01)**

Effective Date of Schedule: **(Date)**

This schedule sets out particular REC Retailer obligations for the Agreement and may be amended from time to time in accordance with the terms of the Agreement. A copy of the current applicable version of this schedule can be obtained by contacting the AGLC.

**The REC Retailer promises and agrees:**

- B1. **Access to Premises:** to allow the AGLC and any person, firm or corporation acting on its behalf, access to the Premises for the purposes of installing or repairing Supplied Equipment, the purposes of investigating any public complaints, criminal or otherwise, and for the purposes of ensuring compliance of the REC Retailer with this Agreement and the terms and conditions, rules and regulations, policies, instructions, directives, operating manuals, standards and guidelines as Prescribed by the AGLC.
- B2. **Advertising & Notices:** to install, post and display prominently at such location(s) within or about the Premises signs or promotional material as may be required by the AGLC such as rules of play, point of sale, redemption and other promotional material relating to Gaming Terminals as may from time to time be designated or provided by the AGLC, and to use no signs or promotional material relating to Gaming Terminals which are not provided or approved by the AGLC.
- B3. **Availability:** to have trained staff available for payment of winnings to Players during all hours and days of licenced gaming.
- B4. **Banking & Proceeds:** to make deposits of all monies received from Electronic Games less winnings paid and remuneration as Prescribed in a bank account designated by the AGLC at the times designated by the AGLC. The AGLC reserves the right to request payment by certified cheque, payable to the AGLC, of any amount due from the REC Retailer to the AGLC. The REC Retailer acknowledges that all monies received from Electronic Games less winnings paid and remunerations as Prescribed are the property of the AGLC and that the REC Retailer receives, holds and deals with the same as bare trustee for the AGLC.
- B5. **Compliance:** to provide the services in this Agreement in accordance with terms and conditions, rules and regulations, policies, instructions, directives, operating manuals, standards and guidelines as Prescribed by the AGLC.
- B6. **Consent:** to undergo and permit a complete security screening, including financial reliability, by the AGLC, or any other person, firm or agency performing a security screening service at the request of the AGLC.
- B7. **Employee Training:** to attend or to appoint one or more employees acceptable to the AGLC who will attend such training sessions as the AGLC will from time to time require in order to ensure that the REC Retailer and their employees are properly trained in the operation of the Gaming Terminals and for the performance of such other services as the REC Retailer is required to perform.
- B8. **Exclusiveness:** to not, without the prior written consent of the AGLC, in any way promote any other gaming activity or engage in any activities in competition with the Electronic Games conducted and managed by the AGLC.
- B9. **Facility Standards:** to meet the facility standards requirements as Prescribed in the terms and conditions, rules and regulations, policies, instructions, directives, operating manuals, standards and guidelines provided by the AGLC.
- B10. **Financial Security:** to obtain, if required by the AGLC and at the REC Retailer's expense, financial security on such terms and in such amount as may be required by the AGLC, to cover the obligations of the REC Retailer to the AGLC.
- B11. **General Compliance:** to comply with the terms and conditions, rules and regulations, policies, instructions, directives, operating manuals, standards and guidelines of the AGLC respecting Electronic Games, Gaming Terminals, REC facility licences, liquor licenses and the provisions of this Agreement.
- B12. **Granting Credit:** not to offer loans, grant credit or provide advances on credit cards to enable a person to play Electronic Games.
- B13. **Hold Harmless:** to hold harmless the AGLC from any and all third party claims, demands, or actions for which the REC Retailer is legally responsible, including those arising out of negligence, wilful harm, or crimes by the REC Retailer or the REC Retailer's employees or agents. This hold harmless will survive this Agreement.
- B14. **Hours of Operation:** to not change the hours during which the Premises are open for business without giving prior notice to the AGLC.
- B15. **Indemnity:** to indemnify the AGLC from any and all costs as a result of a breach by the REC Retailer of any provisions of this Agreement or of the terms and conditions, rules and regulations, policies, instructions, directives, operating manuals, standards and guidelines of the AGLC.
- B16. **Insurance:** that the REC Retailer will, without limiting the obligations or liabilities under this Agreement and at the REC Retailer's own expense, provide and maintain the following insurance in forms and amounts acceptable to the AGLC:
- (a) commercial general liability in an amount not less than \$2,000,000 inclusive per occurrence against bodily injury and property damage including loss of use thereof. Such insurance shall include blanket contractual liability, personal injury, and employees as additional insured;
  - (b) property insurance on all Supplied Equipment provided by the AGLC. Coverage will be on an All Risk/Broad Form and Replacement Cost basis;
  - (c) the AGLC will be added as loss payable and additional named insured with respect to all Supplied Equipment provided by the AGLC;
  - (d) all required insurance will be endorsed to provide the AGLC with 30 days advance written notice of cancellation or material change; and
  - (e) the REC Retailer will provide the AGLC with evidence of all required insurance in the form of a completed AGLC Certificate of Insurance.
- B17. **Location:** to provide at the Premises, the location(s) approved by the AGLC for installation of any Supplied Equipment.
- B18. **Maintenance:** to refill ticket stock, clear bill and ticket jams, clean screens and button panels as instructed by the AGLC in the day to day maintenance of the Gaming Terminal and to perform no other mechanical or electrical maintenance thereon unless directed to do so by the AGLC.
- B19. **Manual Maintenance:** to maintain and make available to its employees, a copy of any Prescribed manuals as applicable.
- B20. **Minors:** to not permit a person under the age of 18 years to play an Electronic Game and to maintain an age controlled (18+) environment for Gaming Terminals.
- B21. **Movement of Supplied Equipment:** to not move the Supplied Equipment without the approval of the AGLC.
- B22. **On-Site Security:** that the REC Retailer will:
- (a) be responsible for the on-site security of any Supplied Equipment or other property of the AGLC on the Premises and, without limiting the generality of the foregoing, the REC Retailer will not and will not permit a person to:
    - (i) remove a Gaming Terminal from the Premises or place a Gaming Terminal in the Premises without the prior written consent of the AGLC; or
    - (ii) manipulate or attempt to manipulate a Gaming Terminal in an effort to influence the outcome or payout of an Electronic Game; or
    - (iii) activate or attempt to activate a Gaming Terminal by fraudulent means.
  - (b) immediately notify the AGLC of any suspicious activity or any activity which may be deemed to have a wrongful intent.
- B23. **Payment of Winnings:** to ensure Players receive payment of winnings in accordance with policy and guidelines as Prescribed by the AGLC.
- B24. **Physical Responsibility:** to be responsible for the physical security of and to exercise due diligence in the operation and care of the Supplied Equipment and to immediately notify the AGLC of any malfunction, loss, or damage to the Supplied Equipment.
- B25. **Play of Gaming Terminals:** to permit play of Gaming Terminals only during the days/hours as Prescribed by the AGLC.
- B26. **Promotional Events:** to not use any Gaming Terminal to conduct promotional events without the prior written approval of the AGLC.

- B27. **Provision of Outside Cabling:** to provide, at the REC Retailer's expense and in the area of the REC Retailer's Premises selected by the AGLC, outside cabling to bring the required services from the street to the Premise's utility room as Prescribed by the AGLC. Except as otherwise provided herein, the AGLC will not be responsible for any costs whatsoever incurred by the REC Retailer in connection with the installation and removal of outside cabling.
- B28. **Provision of Electrical Services:** to provide, at the REC Retailer's expense and in the area of the REC Retailer's Premises selected by the AGLC, the dedicated electrical circuit(s) as Prescribed by the AGLC. Except as otherwise provided, the AGLC will not be responsible for any costs whatsoever incurred by the REC Retailer in connection with the installation and removal of electrical wiring and outlets.
- B29. **Records:** to maintain current and accurate records of all amounts of monies paid into any Gaming Terminal by Players, of all Credits paid to Players from any Gaming Terminal and of all withdrawals of monies removed from any Gaming Terminal in conformity with the terms and conditions, rules and regulations, policies, instructions, directives, operating manuals, standards and guidelines of the AGLC. Such records shall be available and may be removed upon request from the Premises as so required by the AGLC for inspection and/or audit.
- B30. **Reasonable Courtesy:** to provide reasonable courtesy to Players and at such standards as may be reasonably expected of a prudent business person.
- B31. **Repairs & Losses:** to be responsible to the AGLC for the cost of repairing any Fixtures or signs destroyed, damaged, defaced, lost or stolen while on the Premises and in the care of the REC Retailer and for the cost of any repair to the Gaming Terminals other than repair necessitated by normal wear and tear or by defect in the manufacturing or by defective maintenance service provided by the AGLC or by the AGLC's employees, agents or contractors.
- B32. **Risk of Loss:** to bear the risk of loss and be responsible for lost, stolen and missing monies relating to the operations of the Gaming Terminals.
- B33. **Safety:** to be responsible for and to ensure the personal safety of all representatives of the AGLC while they are located on the REC Retailer's business Premises.
- B34. **Sales Volume:** to maintain the projected or anticipated volume of sales and comply with the profitability guidelines and consumer demand criteria as Prescribed by the AGLC.
- B35. **Staff:** as Prescribed by the AGLC, to prohibit REC personnel from playing Gaming Terminals where employed.
- B36. **Status:** to acknowledge that the REC Retailer is not an employee, agent, representative, joint venture or partner of the AGLC and will not represent or hold himself out to be other than an independent contractor pursuant to this Agreement.
- B37. **Utilities:** to be responsible for the payment of all utility charges in connection with the operation of Supplied Equipment.

SAMPLE

**Electronic Games - REC Retailer Agreement**  
**General Terms Schedule “C” (Version Number: C01)**

**Effective Date of Schedule: (Date)**

This schedule sets out general terms for the Agreement and may be amended from time to time in accordance with the terms of the Agreement. A copy of the current applicable version of this schedule can be obtained by contacting the AGLC.

- C1. **Assignment:** this Agreement may be assigned by the AGLC. Any assignment or attempted assignment by the REC Retailer of this Agreement without the prior written consent of the AGLC renders this Agreement null and void.
- C2. **Definitions:** In the Agreement:
- (a) **“Agreement”** Means this Electronic Games - REC Retailer Agreement and includes any schedules as amended from time to time.
  - (b) **“Central Computer System”** Means the computer(s) to which all AGLC Gaming Terminals are connected and which records all data relating to the operation of each of the Gaming Terminals so connected.
  - (c) **“Credits”** Means the amount of money determined by a Gaming Terminal to be payable to a Player as a result of the Player’s operation of the Gaming Terminal.
  - (d) **“Electronic Game”** Means a lottery scheme played on a Gaming Terminal in which, upon payment of lawful currency, a person by chance may receive credit(s) that can be redeemed for further play or money.
  - (e) **“Fixtures”** Means auxiliary equipment and supplies required for the operation of the Gaming Terminals, including but not limited to the clerk validation terminal, i-LINK™ (Video Lottery site controller) if applicable, Ticket Redemption Kiosks, Validation PCs, Audit PCs, Security PCs, additional system hardware (ticketing, digital signage and gaming terminal support), stools, money handling equipment, printer, communications equipment and cabling.
  - (f) **“Gaming Terminal”** Means a computer, video device or machine that is used, or could be used, to play a lottery scheme as defined in the Criminal Code (Canada) where, on insertion of money or a token or on payment of any consideration a person may receive or be entitled to receive money, either directly from the computer, video device or machine or in another manner.
  - (g) **“Last Known Address”** Means the last postal address, the last facsimile number or the last email address provided by the REC Retailer to the AGLC in Schedule A or by subsequent notice under section C9.
  - (h) **“Player”** Means a person 18 years or older who has paid lawful currency in exchange for the privilege to play a Gaming Terminal;
  - (i) **“Premises”** Means the REC Retailer’s Premises described in Schedule A for operation of the Supplied Equipment.
  - (j) **“Prescribed”** Means as adopted in writing from time to time by the AGLC;
  - (k) **“REC”** Means a Racing Entertainment Centre;
  - (l) **“Supplied Equipment”** Means the Gaming Terminals, signs (includes video signage as well as terminal and non-terminal signage) and Fixtures which may be provided by the AGLC.
- C3. **Entire Agreement:** this Agreement constitutes the entire Agreement between the REC Retailer and the AGLC and supersedes all prior Agreements, oral or written, among the parties and can only be modified or amended as set out in paragraph 7 of this Agreement; saving and excepting that terms and conditions, rules and regulations, policies, instructions, directives, operating manuals, standards and guidelines of the AGLC as Prescribed by the AGLC to the REC Retailer will be binding upon the REC Retailer to the same extent as if incorporated into and forming part of this Agreement.
- C4. **Gender/Number:** the masculine gender where used will include the feminine or neuter or vice versa and the singular will include the plural where the context requires.
- C5. **Intellectual Property:** the REC Retailer agrees that the AGLC and its respective licensors, if any, own all intellectual property rights including all patents, trademarks, copyrights and industrial designs in all of the Supplied Equipment.
- C6. **Interruption of Postal Service:** except during periods of a postal strike or of a general interruption of postal services any notice given by registered mail will be deemed to have been received on the second business day following posting of the same. In the case of service by facsimile transmission a notice will be deemed to have been received on the next business day following the day of sending. In the case of service by email a notice will be deemed to have been received on the next business day following the day of sending.
- C7. **Law:** this Agreement will be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Alberta.
- C8. **Remuneration:** The REC Retailer is not entitled to other remuneration with respect to services supplied pursuant to this Agreement except such amounts by way of commission based on a percentage from time to time established by the AGLC.
- C9. **Service of Notice on the AGLC:** any notice permitted or required to be given by the REC Retailer to the AGLC in relation to this Agreement may be provided by any reasonable means, such as courier, fax, registered mail, ordinary mail, e-mail as prescribed or personal delivery to the head office of the AGLC located at 50 Corriveau Ave, St. Albert, Alberta, T8N 3T5, Fax: 780-447-8910.
- C10. **Service of Notice on REC Retailer:** Any notice permitted or required to be given by the AGLC to the REC Retailer in relation to this Agreement may be given to the REC Retailer at its Last Known Address and may be provided by any reasonable means, such as courier, fax, registered mail, ordinary mail, e-mail or personal delivery to the REC Retailer at the Premises.
- C11. **Severance:** if any covenant or term or the application to any person, or to any circumstances, to any extent is held invalid or unenforceable, the remainder of this Agreement or the application of the term, covenant or condition to any person or circumstances, other than those as to which it is held invalid or enforceable, will not be affected and each term, covenant and condition hereof will be valid and enforceable to the full extent permitted by law.
- C12. **Waiver:** no waiver by the AGLC of the covenants, agreements or obligations of the REC Retailer will be deemed to be a waiver of any subsequent breach of such, or any other, covenant, agreement or obligation under this Agreement, nor will any single or partial exercise of any right, power, or privilege hereunder preclude any other right, power or privilege.

**Electronic Games - REC Retailer Agreement  
Termination & Liability Schedule "D" (Version Number: D01)**

**Effective Date of Schedule: (Date)**

This schedule sets out the provisions addressing termination of and liability under the Agreement and may be amended from time to time in accordance with the terms of the Agreement. A copy of the current applicable version of this schedule can be obtained by contacting the AGLC.

- D1. **Duration of Agreement:** The Agreement continues until terminated in accordance with these provisions.
- D2. **Termination by REC Retailer:** The REC Retailer may terminate the Agreement on seven (7) days' written notice to the AGLC.
- D3. **Termination by the AGLC Without Cause:** The AGLC may terminate this Agreement without cause or reason on seven (7) days written notice to the REC Retailer.
- D4. **Termination by the AGLC with Cause:** The AGLC may terminate this Agreement without notice upon the happening of any of the following events:
- (a) failure of the REC Retailer to comply with the terms and conditions, rules and regulations, policies, instructions, directives, operating manuals, standards and guidelines of the AGLC respecting Electronic Games, Gaming Terminals, REC facility licences, liquor licences, or the provisions of this Agreement;
  - (b) failure of the REC Retailer to pay monies due to the AGLC pursuant to the terms of this Agreement;
  - (c) the REC Retailer sells, reorganizes, fails to remain actively involved in, or changes the nature of the business conducted by the REC Retailer or a significant portion thereof or interest therein;
  - (d) the REC Retailer is a body corporate, other than a corporation the shares of which are publicly traded, if the principals of the corporation at the time of the signature of this Agreement fail to remain actively involved in the business or if voting control of the REC Retailer changes;
  - (e) the REC Retailer or any of its principals or senior employees are charged or convicted of a criminal or federal offence;
  - (f) the bankruptcy or insolvency of the REC Retailer or if a receiver or liquidator is appointed over some or all of the assets of the REC Retailer or in the event any of the assets of the REC Retailer are seized or distrained upon;
  - (g) the REC Retailer is no longer entitled to occupy the Premises in which the Supplied Equipment is located;
  - (h) the discovery by the AGLC of any misrepresentations made by the REC Retailer on the application form or any other documents required to be submitted to the AGLC;
  - (i) the REC Retailer or any employees or agents engaging in or permitting any activity in the Premises that is contrary to any municipal bylaw or any Act or regulation of Alberta or Canada or engaging in any activity that detracts from the integrity with which gaming activities are to be conducted in Alberta;
  - (j) the REC Retailer or any employees or agents hindering, obstructing or impeding an AGLC Inspector in the performance of the Inspector's duties.
- D5. **Election to Remove:** Upon the happening of any of the events under D4 above, the AGLC may, instead of terminating this Agreement, elect to remove one or more Gaming Terminals from the Premises.
- D6. **Suspension:** The AGLC may, without terminating this Agreement, immediately suspend the REC Retailer's ability to operate the Supplied Equipment where there has been a breach of this Agreement by the REC Retailer, or where the AGLC anticipates there will be a breach of this Agreement by the REC Retailer or for any reason.
- D7. **Continuing Obligations of REC Retailer:** Notwithstanding the termination of this Agreement for any reason, the REC Retailer will be obligated to account to the AGLC and pay and deliver to the AGLC all monies and property of the AGLC. The provisions of this paragraph shall survive the termination of this Agreement and will remain enforceable until complied with by the REC Retailer.
- D8. **Limitation of Liability on the AGLC:** The REC Retailer acknowledges that the AGLC shall not be liable to the REC Retailer for any loss or injury resulting from:
- (a) fire or other occurrence resulting from the installation, use or removal of the Supplied Equipment or any internal data lines or other facilities installed for the operation of the Supplied Equipment;
  - (b) failure or malfunction of the Supplied Equipment or any internal data lines or other facilities installed for the operation of the Supplied Equipment;
  - (c) reasonable defacement of the Premises necessarily associated with installation, repair or removal of the Supplied Equipment or any internal data lines or other facilities installed for the operation of the Supplied Equipment;
  - (d) interruptions or cessations of the operation of any Supplied Equipment on the Premises and any resulting loss of business to the REC Retailer whether from any Gaming Terminal or otherwise, whether or not such loss or injury is as a result of the negligence or deliberate act of the AGLC, its servants or agents.

Alberta Progressive  
**Jackpot**  
**RECEIPT**

**PLAYER Information**

\_\_\_\_\_  
Player's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Player's Name (Print)

\_\_\_\_\_  
Player's Identification

**CASINO/REC Information**

\_\_\_\_\_  
Casino/REC Name (Print)

\_\_\_\_\_  
Casino/REC Phone Number

\_\_\_\_\_  
JA Number

\_\_\_\_\_  
Machine Number

\_\_\_\_\_  
Casino/REC Staff Signature

\_\_\_\_\_  
Casino/REC Slot Supervisor Signature

\_\_\_\_\_  
Casino/REC Staff Name (Print)

\_\_\_\_\_  
Casino/REC Slot Supervisor Name (Print)

**PAYOUT Information**

Please clearly indicate method of payment.

**Cash**

Amount \$ \_\_\_\_\_

**Cheque**

Amount \$ \_\_\_\_\_

Cheque # \_\_\_\_\_

**Balance Paid  
by AGLC Cheque**

Amount \$ \_\_\_\_\_

Cheque # \_\_\_\_\_



## SECTION: 14. FINANCIAL AND INFORMATION TECHNOLOGY (IT) STANDARDS

### 14.1 FINANCIAL REPORTING

#### 14.1.1 Audit Requirements

- a) REC facility licensee's books and records are subject to audit and review by the AGLC and must be maintained in a manner acceptable to the AGLC.
- b) The articles/instruments normally subject to audit, include, but are not limited to:
  - i) books of original entry (including computerized records);
  - ii) invoices;
  - iii) bank statements and cancelled cheques or cheque images;
  - iv) event control and summary sheets;
  - v) inventory control forms;
  - vi) contracts, agreements, or similar documents;
  - vii) payroll records;
  - viii) Income Tax and Goods and Service Tax (GST) returns;
  - ix) internal financial controls (see Subsection 14.1.3);
  - x) annual audited financial statements;
  - xi) external accountants working paper files;
  - xii) ownership structure;
  - xiii) meeting minutes (e.g. board, shareholder); and
  - xiv) the financial records of any affiliated entity as defined by the Gaming and Liquor Regulation and to which the REC facility licensee has made gaming payments.

#### 14.1.2 Audited Financial Statements

- a) Each REC facility licensee must appoint a Professional Accounting Firm (PAF), in good standing, to audit its financial statements annually or as otherwise prescribed in Subsection 14.1.2.

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- b) The audit of these statements must be conducted in accordance with the Canadian Generally Accepted Auditing Standards.
- c) Audited Financial Statements and Management Letter must be submitted to the AGLC within 120 days of the REC facility licensee's fiscal year-end or as otherwise prescribed in Subsection 14.1.2.
- d) If the REC facility licensee or related person(s) owns or operates other REC amenities (e.g. hotel, food, and beverage services) which are contained within the building envelope of the licensed facility, the financial statements must cover those operations in addition to the gaming operations.
- e) In the event of a licence termination, change in the business entity, or a change in the percentage of ownership of more than 20 percent, the AGLC may require the licensee or former licensee to provide financial statements covering the period since the period covered by the previous standard financial statements.
- f) The financial statements must be presented on a comparative basis. Consolidated financial statements may be filed by commonly owned or operated REC facilities; however, separate unaudited financial statements and fixed asset schedules must also be included for each facility.
- g) The PAF must express an opinion on the consolidated financial statements as a whole.
- h) If a REC facility licensee changes its business year, it must prepare and submit to the AGLC audited financial statements covering the stub (interim) period within 120 days of the end of the stub period. If the new fiscal year end falls within the 120 day period, the financial results for the stub period must be incorporated into the new business year.
- i) AGLC has the authority to request special purpose statements prepared by the REC facility licensee at any time during the term of its current licences. These statements may cover a wide spectrum of revenue and expenses, and other performance indicators. AGLC reserves the right to request that

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these special purpose statements be audited by the PAF. The REC facility licensee must provide the requested information within 45 days of receiving the request from AGLC.

### 14.1.3 Internal Financial Controls

- a) Each REC facility licensee must have effective financial internal controls. The controls must be designed to ensure that:
  - i) REC facility licensee and AGLC assets are safeguarded;
  - ii) financial records are accurate and reliable;
  - iii) transactions are performed only in accordance with management's general or specific authorization;
  - iv) transactions are recorded in a manner to ensure appropriate reporting of gaming revenue, fees, and taxes, and to maintain accountability for assets;
  - v) access to assets is permitted only in accordance with the REC facility licensee and AGLC's specific authorization;
  - vi) recorded accountability for assets is compared with actual assets at reasonable intervals and appropriate action is taken with respect to any discrepancies; and
  - vii) functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel.

### 14.1.4 Information Technology (IT) Security Standards Audit

- a) REC facility licensees must submit an annual IT security standards audit report on its compliance with the AGLC's Information Technology (IT) Standards (see Section 14.2).
- b) The REC facility licensee's IT security standards audit report must be completed in accordance with Section 5815 of the CPA Canada Handbook - Assurance and the AGLC Information Technology System Audit Program.
- c) Service Organization Control Reports (Type I or Type II) may be provided as audit evidence, if applicable, for systems under a separate audit regime.

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- d) The REC facility licensee's IT security standards audit report must be submitted to the AGLC within 120 days of the REC facility licensee's fiscal year-end.

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## SECTION: 14. FINANCIAL AND INFORMATION TECHNOLOGY (IT) STANDARDS

### 14.2 INFORMATION TECHNOLOGY (IT) STANDARDS

14.2.1 REC facility licensees are responsible for maintaining the confidentiality, integrity and availability of data and must ensure their information technology systems (production environment) are secure and protected at all times. At a minimum this protection must address the policies and specifications contained in Section 14.2. These policies and specifications are not intended to guarantee protection against breaches of data, however, they provide minimum standards that must be met.

14.2.2 As information technology systems ("IT systems") evolve, REC facility licensees must ensure their own internal systems and processes are updated to remain current and encompass new technologies and advancements in the protection and security of data.

14.2.3 Information technology systems ("IT systems") in-scope for this section includes any hardware and software (e.g., application) used by a REC facility licensee to conduct its day-to-day operations. The software or hardware can physically reside within the REC (in-house) or be handled by an external entity.

- a) Examples of in-scope information technology systems include, but are not limited to:
- i) any software used to capture REC facility licensee employee or patron information, including software handled by an external entity;
  - ii) hardware and software used for the monitoring and protection of the REC operations;
  - iii) REC payroll systems provided by an external entity;
  - iv) applications within the REC envelope accessing the REC facility licensee's servers;
  - v) IT operating systems;
  - vi) customer/patron relationship management system;
  - vii) databases;
  - viii) server room - primary and secondary (extra rooms used for network, server equipment, vendor equipment affecting REC infrastructure);

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- ix) wiring closet (sometimes an add-on to server rooms);
  - x) vendor IT-related equipment locations e.g., phones using voice over internet protocol (VOIP); or
  - xi) desktop and laptop computers, printers and monitors used in the operations of the REC facility.
- b) Examples of out-of-scope information technology systems include:
- i) financial applications operated by an external entity;
  - ii) hotel management system;
  - iii) any Enterprise Resource Planning (ERP) system residing outside of the REC facility not capturing any REC facility licensee's employees or patrons personal information; or
  - iv) stand-alone systems residing within the REC envelope but do not access the REC servers e.g., Point of Sales in a restaurant.
- 14.2.4 The REC facility licensee must have written policies and procedures in place which, at a minimum, address the following IT system security control standards:
- a) entity level controls;
  - b) security management controls, which include but are not limited to:
    - i) logical access controls;
    - ii) physical access controls; and
    - iii) environmental controls;
  - c) system development and change management controls;
  - d) system operations controls;
  - e) network management controls; and
  - f) third party service management controls.

## SECTION: 14. FINANCIAL AND INFORMATION TECHNOLOGY (IT) STANDARDS

### Entity Level Controls

14.2.5 Entity level controls impact all IT systems operations throughout the entire REC facility. These controls must include, but are not limited to:

- a) a formal process for developing and reviewing IT system security policies and procedures;
- b) providing IT system User and Information Security training to all REC facility licensee executives, employees, and contractors on a regular basis (e.g. yearly or bi-yearly);
- c) a three year plan for conducting IT system risk assessments, vulnerability assessments, and penetration testing (at a minimum, one assessment/test must be completed annually);
- d) a process for monitoring IT controls and security events (e.g. access logs, changes to production environment etc.); and
- e) protocols for critical security incidents and major system failures.

### Security Management Controls

14.2.6 Security Management Controls ensure the confidentiality, integrity, and availability of the REC facility licensee's information, data, and IT systems. These controls must include, but are not limited to:

- a) Logical Access Controls ensure that only authorized users have access to the REC facility licensee's IT systems, they include, but are not limited to:
  - i) access to REC facility licensee's IT systems and system accounts must only be granted to users authorized by the licensee, this includes, but is not limited to:
    - default accounts;
    - service accounts;
    - administrator accounts;
    - end user accounts;
    - remote system access;
    - vendor system access; and

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- server room access.

Note: Credentials for all vendor supplied accounts (default accounts) must be changed immediately after first use;

- ii) user accounts and access privileges must only be granted based on specific job requirements;
- iii) all system accounts must be unique, identifiable, and approved by the system owner;
- iv) any additions, deletions, or modifications of system accounts or access privileges to an IT system account must be approved by the system owner;
- v) upon transfer of an employee or contractor within the REC facility access privileges pertaining to the position previously held which are no longer required for the new position must be revoked within 30 days;
- vi) upon termination of an employee or contractor the network access accounts (active directory, domain controller or equivalent) must be disabled immediately and the access to specific systems, applications and infrastructure must be deleted/removed within 30 business days;
- vii) employee or contractor user accounts that have been, or are expected to be, idle longer than 90 days must be disabled;
- viii) an inventory of all in-scope application accounts (see Subsection 14.2.2) and access privileges must be documented and reviewed semi-annually. Unnecessary accounts or excessive privileges found during the review must be deleted/removed;
- ix) a log of all user account access must be kept (for at least one year) and maintained by the REC facility licensee;

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- x) all IT systems user accounts must be password protected. Passwords must be set according to a defined password standard. The password standard must include, but is not limited to:
- the sharing of user names and passwords is strictly prohibited;
  - passwords must be a minimum of 12 characters and must include at least three of the following:
    - uppercase characters;
    - lowercase characters;
    - digits (0-9); or
    - special characters (e.g. !, #, \$);
  - passwords stored electronically must be stored in an encrypted file, protected with a strong password;
  - passwords (except service accounts) will automatically expire every 90 days and the same password cannot be reused for at least 6 renewals;
  - entering an incorrect password 10 times shall cause the User ID to be locked out; and
  - users forgetting their password or who have been locked out of the IT system must positively identify themselves to the IT system administrator when requesting a password reset.
- b) Physical Access Controls protects the REC facility licensee's IT Assets from damage by unauthorized physical access, they include, but are not limited to:
- i) access to critical IT infrastructure (e.g. server room) must be controlled and monitored;
  - ii) server room entrance doors must remain secured with automatic door closer and dedicated full-time CCTV camera coverage of all external doorways; and

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- iii) access logs must be maintained to record all registered gaming workers, employees, or external parties accessing the server room and preserved for at least one year.
- c) Environmental Controls protect the REC facility licensee's IT infrastructure (e.g. server room) from damage by environmental conditions, they include, but are not limited to:
  - i) uninterrupted power supply (UPS);
  - ii) air conditioning;
  - iii) humidity control; and
  - iv) fire detection and control equipment.

### System Development and Change Management Controls

14.2.7 System Development and Change Management Controls ensure that only changes authorized by the IT system owner are made to the IT production environment. These controls must include, but are not limited to:

- a) a process to ensure any changes and modification made to the IT production environment are approved by the IT system owner; and
- b) ensure any changes and modifications made to the IT production environment are logged and preserved.

### System Operations Controls

14.2.8 System Operations Controls maintain effective and efficient delivery of agreed IT services and minimize the impact of service outages on the day-to-day business activities of the REC facility. These controls must include, but are not limited to:

- a) logs of important activities (e.g. user log-in, changes to software, and databases) conducted in the IT production environment must be maintained and preserved for at least one year;
- b) production server hardware and software must be maintained regularly (e.g. applying patches) and their performance, and capacity monitored in real time; and

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- c) developing procedures for performing, restoring, and testing of IT system backups.

### Network Management Controls

14.2.9 Network Management Controls ensure wired and wireless networks are secured. These controls must include, but are not limited to:

- a) networks and firewalls are appropriately configured, based on best practices and vendor specifications, to ensure security; and
- b) all IT systems have business antivirus software installed and activated. The antivirus software must be patched as required and its definitions must be kept up-to-date.

### Third Party Service Management Controls

14.2.10 Third Party Service Management Controls ensure all IT system contractors follow the minimum IT system security standards of the REC facility licensee. These controls must include, but are not limited to:

- a) establishing vendor evaluation criteria based on the REC facility licensee's IT system work requirements;
- b) evaluating contractors proposals in accordance with the established vendor evaluation criteria (see 14.2.9 a));
- c) ensuring the approved contractor understands and agrees to comply with all REC facility licensees IT system security standards; and
- d) having oversight of vendor activity to ensure adherence to the management controls.

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