



RACING ENTERTAINMENT CENTRE TERMS & CONDITIONS AND OPERATING GUIDELINES

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RACING ENTERTAINMENT CENTRE TERMS & CONDITIONS AND OPERATING GUIDELINES

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SECTION: 1. INTERPRETATION

1.1 DEFINITIONS

1.1.1 In this handbook,

- a) "AGLC" means the Alberta Gaming, Liquor and Cannabis Commission;
- b) "AML" means anti-money laundering;
- c) "Applicant" means an individual, corporation or other entity applying for a licence, registration or approval, pursuant to Section 9 of the Gaming, Liquor and Cannabis Regulation;
- 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, Liquor and Cannabis Regulation;
- e) "Banned patron" means a person who has been deemed by 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;
- f) "Board" means the Board of AGLC;
- g) "Customer Care" means 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 AGLC;
- h) "Dedicated camera" means a surveillance camera used to provide full time uninterrupted coverage for the gaming terminal or area specified;
- i) "Discrepancy report" means a report that the REC facility licensee and/or registered gaming worker must complete and submit to 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;
- j) "Electronic game" means a lottery scheme played on a gaming terminal in which, upon payment of lawful currency, a person

DATE ISSUED: February 1, 2024

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- by chance may receive credit(s) that can be redeemed for further play or money;
- k) “Fixtures” means auxiliary equipment and supplies required for the operation of the gaming terminals, including but not limited to the clerk validation terminal, i-LINKTM (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;
 - l) “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;
 - m) “Gaming service provider” means any person or corporation that supplies services deemed by 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;
 - n) “Gaming supplier” means any person who makes, sells, advertises or distributes gaming supplies;
 - o) “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;
 - p) “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;
 - q) “Horse Racing Alberta” means the corporation continued under the *Horse Racing Alberta Act*;
 - r) “Inspector” means an inspector of AGLC, any police officer as defined in the *Police Act* or someone designated by AGLC as an Inspector under the Gaming, Liquor and *Cannabis Act*;

DATE ISSUED: February 1, 2024

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- s) "Licence" means a Racing Entertainment Centre facility licence issued by AGLC which authorizes the operation of a gaming facility:
 - i) that is located in a grandstand adjoining a racetrack; 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 racetrack;
- w) "Racetrack" refers to a racetrack 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 racetrack: 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 (racetrack, site and grandstand) and racing operating requirements, identified in the Racetrack Licensing Rules under the *Horse Racing Alberta Act*, are met.
 - ii) A Class "B" track is a racetrack: 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 (racetrack, site and grandstand) and racing operating requirements, identified in the Racetrack Licensing Rules under the *Horse Racing Alberta Act*, are met.
- x) "Racing Entertainment Centre" means the areas approved within the grandstand and licensed by AGLC. This includes the gaming area, public and restricted non-gaming areas within the gaming area and other restricted areas;

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
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- y) "Racing Entertainment Centre Terms & Conditions and Operating Guidelines (RECTCOG)" means AGLC's set of policy requirements and operating guidelines which apply to the operation of a licensed REC facility;
- 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;
- 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;
- dd) "REC retailer" means the REC facility licensee holding a retailer agreement;
- ee) "Registered gaming worker" means a person registered with AGLC to perform the function(s) specified in his or her registration pursuant to the Gaming, Liquor and Cannabis Regulation;
- ff) "Retailer agreement" means the Electronic Games – REC Retailer Agreement and includes any schedules as amended from time to time;
- gg) "SDS" means Slot Data System;
- hh) "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

DATE ISSUED: February 1, 2024

AUTHORITY:

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- REC facilities in the Province of Alberta;
- ii) “Slot manager” means the registered gaming worker having the overall responsibility of overseeing the operation of gaming terminals;
 - jj) “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 AGLC;
 - kk) “Terms & conditions” means the RECTCOG;
 - ll) “TITO” means ticket in ticket out, and refers to a barcoded paper ticket issued by a slot machine;
 - mm) “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;
 - nn) “Wi-Fi” or “wireless fidelity” is a term describing certain types of wireless networks;
 - oo) “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
 - pp) “Wireless camera” means a surveillance camera used as a video recording device that transmits signals wirelessly.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 2. REGULATORY OVERSIGHT

2.1 LEGISLATION OVERVIEW

- 2.1.1 RECs are part of the Racing Industry Renewal Initiative.
- 2.1.2 REC facility licensees, registered gaming workers, registered gaming suppliers, registered gaming worker suppliers and gaming service providers must operate in accordance with the *Gaming, Liquor and Cannabis Act*, the Gaming Liquor and Cannabis Regulation and Board policies established under the legislation including these terms and conditions and all federal, provincial and municipal laws.
- 2.1.3 All references in this handbook to “terms & conditions” are considered to be references to Board policies.
- 2.1.4 Non-compliance with the legislation or Board policies contained in this handbook may result in disciplinary action up to and including suspension or cancellation of licence or registration.

SECTION: 2. REGULATORY OVERSIGHT**2.2 ALBERTA GAMING, LIQUOR AND CANNABIS COMMISSION (AGLC)**

2.2.1 The RECTCOG, the *Gaming, Liquor and Cannabis Act* and Gaming, Liquor and Cannabis Regulation are available at aglc.ca.

2.2.2 Facility licences are issued by AGLC and the administration and monitoring of licensed REC facilities is the responsibility of AGLC.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

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2.3 LICENSEE AND REGISTERED GAMING WORKER RESPONSIBILITIES

2.3.1 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 AGLC or its representatives are complete and accurate; and
- c) must ensure that all communications (written or oral) with AGLC or its representatives are accurate.

2.3.2 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, AGLC or an employee of 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.

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

2.3.4 An auditor or person employed or working on behalf of AGLC in a REC is designated by AGLC as an inspector pursuant to section 98(1) of the *Gaming, Liquor and Cannabis Act*.

DATE ISSUED: February 1, 2024

AUTHORITY: Original signed by
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2.4 OBJECTIONS – LICENCE OR REGISTRATION APPLICATION

(Amended Mar 2024)

New REC Facility or Relocation of an Existing REC Facility

- 2.4.1 A facility licence is only valid for the location for which it has been issued.
- 2.4.2 AGLC will notify existing licensees and will post a notification of Applications for new gaming facilities and relocations of existing licensed gaming facilities allowed to move forward in the approval process from the initial assessment on its website at aglc.ca.
- 2.4.3 The following information will be posted on AGLC’s 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/or proposed facilities;
 - d) estimated timeline for the facility opening;
 - e) licence(s) applied for;
 - f) the date that a written objection must be received by AGLC; and
 - g) brief description of the Application (containing information such as number of slot machines).
- 2.4.4 AGLC may not consider an objection based on community image, property values, social or moral concerns (as they are considered the responsibility of the municipality).
- 2.4.5 All objections must be submitted in writing and received by AGLC within 30 business days from the date the application is posted on AGLC’s website in order for the objection to be considered during the current licensing process.
- 2.4.6 The applicant will receive a summary in writing of all objections received.
- 2.4.7 The applicant will be given 21 business days from the date of notification to respond in writing to the objection; an extension may

DATE ISSUED: March 28, 2024

AUTHORITY: Original signed by
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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.

2.4.8 The applicant and the person(s) filing the objection will be advised in writing of the Board's decision.

2.4.9 If no objections to the issue of a licence are received within the 30 business days, AGLC will continue with the licensing process.

Registrations

2.4.10 If any written objection to an application for a registration is received by AGLC, the following policies apply:

- a) the applicant will be notified in writing of all objections received;
- b) the applicant for the registration will be given 21 business days from the date of notification to respond to the objection; an extension may be requested by the applicant; and
- c) the objection and the applicant's response, if any, will be considered by AGLC. Should an objection to the issue of a registration be received by AGLC without sufficient time to consider the objection, a new registration may be issued and the objection will be considered by AGLC at the earliest possible date.

Objections Received Past Specified Deadlines

2.4.11 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.

DATE ISSUED: March 28, 2024AUTHORITY: Original signed by
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2.5 LEGISLATIVE AND POLICY COMPLIANCE

2.5.1 No REC facility licence may be issued to an applicant unless the applicant has complied with:

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

2.5.2 A licence may be suspended or cancelled if the licensee fails to comply with relevant legislative, regulatory, policy and municipal requirements.

DATE ISSUED: February 1, 2024

AUTHORITY:

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SECTION: 2. REGULATORY OVERSIGHT**2.6 BACKGROUND CHECKS**

- 2.6.1 A thorough background check is conducted on an applicant, applicant's associates and any key employees of the applicant as defined by AGLC pursuant to section 9 and 9.1 of the Gaming, Liquor and Cannabis Regulation and Subsection 4.7.2.
- 2.6.2 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.
- 2.6.3 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:
- 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;
 - d) a person holding a position specified by AGLC as related to the business proposed by the applicant; and
 - e) any other person holding a key position as determined by AGLC.
- 2.6.4 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 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 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.

DATE ISSUED: February 1, 2024

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- 2.6.5 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 per cent 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.
- 2.6.6 A corporation is affiliated with another corporation if:
- a) one of the corporations controls the other; or
 - b) both of the corporations are controlled by the same person or group of persons.
- 2.6.7 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*).
- 2.6.8 AGLC may refuse to allow an applicant to have a REC facility licence if, in its opinion, the applicant has misled AGLC or provided inaccurate or incomplete information.
- 2.6.9 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 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.

DATE ISSUED: February 1, 2024

AUTHORITY:

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2.6.10 AGLC may refuse to issue a REC facility licence, or may terminate a REC facility licence if 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:

- 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 years prior to the submission of the application contravened:
 - i) the *Gaming, Liquor and Cannabis Act* or the Gaming, Liquor and Cannabis Regulation;
 - ii) a predecessor of the Act or the Regulation; or
 - iii) a condition imposed on a licence or registration issued or made under the *Gaming, Liquor and Cannabis Act* or a predecessor of the Act.
- e) fails to pass a records check as outlined in section 10 of the Gaming, Liquor and Cannabis Regulation; or
- f) has, within five years prior to the submission of the application:
 - i) had a licence or registration issued or made under the *Gaming, Liquor and Cannabis 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 or suspended by the issuing authority; or
 - ii) been refused a foreign licence or registration.

2.6.11 Notwithstanding Subsections 2.6.1 through 2.6.10, AGLC may refuse to allow an applicant to have a REC facility licence.

DATE ISSUED: February 1, 2024

AUTHORITY:

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2.7 CONTROL OF THE REC INDUSTRY

- 2.7.1 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 per cent of the total number of RECs operating in the province, unless otherwise directed by the Board.
- 2.7.2 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.
- 2.7.3 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.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 2. REGULATORY OVERSIGHT**2.8 ENFORCEMENT**

- 2.8.1 Where an inspector has reasonable and probable grounds for believing that a violation of the *Gaming, Liquor and Cannabis Act*, the Gaming, Liquor and Cannabis Regulation or Board policy has occurred, the inspector may ask the licensee or registrant to correct the situation.
- 2.8.2 Reports of alleged violation(s) or potential problems received from the police, fire health, other government agencies or the general public regarding a licensed facility must be investigated and may result in an Incident Report.
- 2.8.3 An inspector will prepare an Incident Report setting out the details of an alleged violation(s) and all Incident Reports must be dated when the investigation is finalized.
- 2.8.4 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 10 working days of the Incident Report being completed.
- 2.8.5 The Vice President may refer an Incident Report to the Board for review and decision where circumstances warrant.
- 2.8.6 The Board shall decide whether to hold a hearing based on the Incident Report (see AGLC's "Board Hearing Panel Rules and Procedures" at aglc.ca).
- 2.8.7 The interpretation and enforcement of these policies are the responsibility of AGLC. Failure to comply with these policies may result in sanctions by the Board. Sanctions include, but are not limited to:
- a) warnings;
 - b) the requirement that the REC facility licensee cease activities related to the violation;
 - c) the requirement that all further activities related to the violation be submitted in advance to AGLC for approval;
 - d) suspension of privileges related to the violation for specified periods; or
 - e) any other sanctions determined by the Board.

DATE ISSUED: February 1, 2024

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SECTION: 2. REGULATORY OVERSIGHT**2.9 AGLC CONTACT INFORMATION**

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

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

Alberta Gaming, Liquor and Cannabis Commission
310, 6715 - 8 Street NE
Calgary, Alberta T2E 7H7
Fax Number: 403-292-7302

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

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

Alberta Gaming, Liquor and Cannabis Commission
655 WT Hill Blvd South
Lethbridge, Alberta T1J 1Y6
Fax Number: 403-331-6506

2.9.2 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 p.m. Monday to Friday, excluding holidays.

St. Albert (Head Office):	780-447-8600
Toll Free:	1-800-272-8876
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

2.9.3 The Internet address of AGLC is aglc.ca.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 3. RESPONSIBLE SERVICE

3.1 MINORS

- 3.1.1 Minors (under the age of 18) are not permitted within a REC.
- 3.1.2 REC facility licensee staff are required to obtain valid government issued photo 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 and must not allow the person to remain within the facility.
- 3.1.3 A REC facility licensee shall not permit individuals under 18 years of age to enter or remain in the REC facility.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

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Len Rhodes

SECTION: 3. RESPONSIBLE SERVICE**3.2 ABANDONED OR UNATTENDED CHILDREN**

- 3.2.1 REC facility licensees are required to develop a policy to address the issue of unattended minors on REC property (including parking areas). A completed discrepancy report must be submitted to AGLC for any unattended minor incident involving emergency services (see Subsection 5.6.3 a)).

DATE ISSUED: February 1, 2024

AUTHORITY: _____

Original signed by
Len Rhodes

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3.3 GAMING INTEGRITY AND PLAYER INFLUENCE

- 3.3.1 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 Horse Racing Alberta (HRA) are conducted in the REC.
- 3.3.2 REC facility licensees must not compensate any individual either directly or indirectly, to influence other patrons to play or change their action(s) at any of the games.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

Original signed by
Len Rhodes

SECTION: 3. RESPONSIBLE SERVICE**3.4 EXTENDING CREDIT**

3.4.1 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 may be accepted.

3.4.2 Certified cheques, money orders or bank drafts may be cashed at either the licensed premises or the slot cashier.

- 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.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 3. RESPONSIBLE SERVICE**3.5 BANNED ENTRY (ACCESS MANAGEMENT)**

- 3.5.1 REC facility licensees must ensure all registered gaming workers, employees and agents of the REC are aware of patrons who have been banned.
- 3.5.2 REC facility licensees must have policies and procedures for registered gaming workers, employees and agents to deal with banned or self-excluded individuals attempting to enter or are found in the REC facility.
- 3.5.3 Discrepancy Reports (see Section 5.6) must be submitted to AGLC within 72 hours on all banned patrons who attempt to enter or are found in a REC facility.
- 3.5.4 A REC facility licensee shall not permit banned or self-excluded individuals to enter or remain in the REC facility.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

Original signed by
Len Rhodes

SECTION: 3. RESPONSIBLE SERVICE**3.6 SELF-EXCLUSION PROGRAM**

- 3.6.1 All REC facility licensees must have Self-Exclusion (SE) agreements available for anyone wishing to participate in the SE program. A sample form is also available on AGLC's Self-Exclusion webpage at aglc.ca/gaming/self-exclusion.
- 3.6.2 Enrolment into the SE program must be completed in accordance with the procedures outlined in AGLC's SE Program Manual.
- 3.6.3 All REC facility licensees must designate staff members as SE program administrators and ensure that a SE program administrator is available during REC facility operating hours. The SE program administrator will:
- a) be responsible for ensuring the SE program is delivered at its REC in accordance to AGLC's RECTCOG and the SE Program Manual; and
 - b) serve as the liaison between the licensee and AGLC in matters that pertain to the SE program.
- 3.6.4 The REC facility licensee must exclude the SE individual from all REC loyalty program mailings and/or receiving/participating in other promotions offered by the Licensee while the individuals an active SE program participant.
- 3.6.5 The REC facility licensee is responsible to ensure that surveillance/monitor room personnel, as well as all Deal Us In Phase Two certified staff have access to all current SE bulletins.
- 3.6.6 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.
- 3.6.7 The REC facility licensee will notify AGLC within 24 hours, of all program breaches by completing an AGLC SE Re-Entry Report as per the instructions outlined in the Detection & Enforcement section of AGLC's SE Program Manual.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 3. RESPONSIBLE SERVICE**3.7 PRIZE DISENTITLEMENT**

3.7.1 Pursuant to section 34.5 of the Gaming, Liquor and Cannabis Regulation, a person is not entitled to any prize or winnings as a result of the person's participation in gaming in a licensed facility if that person is a person referred to in section 34.01, 34.1(1), 34.2(2) or 34.3(2)(b).

3.7.2 In this section, prohibited person(s) means any person referred to in Subsection 3.7.1.

3.7.3 REC facility licensees must:

- a) conduct random daily ID checks at entrances to the licensed facility and check IDs against current lists of prohibited persons; and
- b) check IDs against current lists of prohibited persons, including but not limited to the following circumstances:
 - i) any buy-in(s) of \$10,000 or more;
 - ii) prior to awarding any outstanding prize when multiple hand pays on a gaming terminal total \$10,000 or greater;
 - iii) prior to awarding the prize for any single prize win of \$10,000 or more on a gaming terminal; and
 - iv) when an AGLC cheque is issued as payment for winnings.

3.7.4 To ensure that any prohibited person is not awarded prizes from that person's participation, REC facility licensees, registered gaming workers, employees and agents of the licensed facility must, immediately upon becoming aware:

- a) hold the funds, for any prize or payment of winnings that has been withheld, in trust, pending AGLC review and direction;
- b) provide the patron with the gaming irregularity number and advise them to contact AGLC within 72 hours; and
- c) submit a Discrepancy Report (see Section 5.6) to AGLC within 24 hours for any incident involving withholding the awarding of prizes.

DATE ISSUED: February 1, 2024

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Original signed by
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- 3.7.5 Following Subsection 3.7.4, where a person is confirmed to be a prohibited person, AGLC will direct that prizes withheld in accordance with Subsection 3.7.1 be returned to the prize pool.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

Original signed by
Len Rhodes

SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS

4.1 GENERAL

4.1.1 A licensee is responsible for ensuring that:

- a) the REC is operated and maintained in accordance with the *Gaming, Liquor and Cannabis 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 10 – Registered Gaming Worker Requirements.
- c) any conditions placed on a patron in accordance with Section 8 are adhered to.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

Original signed by
Len Rhodes

SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS**4.2 LICENCE CONDITIONS AND FEES**

- 4.2.1 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.
- 4.2.2 Requests for amendments to a licence must be submitted in writing for approval to AGLC by an authorized executive member of the licensee.
- 4.2.3 Licensees must provide:
- a) a REC facility as set out in Section 4. "REC Facility Licensee Requirements;"
 - b) registered gaming workers as described in Section 10. "Registered Gaming Worker Requirements;"
 - c) surveillance equipment as detailed in Section 5. "Security Requirements;"
 - d) insurance; and
 - e) all other equipment or services deemed necessary by AGLC.
- 4.2.4 An applicant for an REC licence is required to pay fees related to a background investigation, as set forth in the Gaming, Liquor and Cannabis Regulation.
- 4.2.5 A licensee is required to pay a licence fee, as set forth in the Gaming, Liquor and Cannabis Regulation.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS**4.3 BASIC FACILITY REQUIREMENTS**

4.3.1 Each REC facility must have the following areas with the size(s), dimensions, and location(s) deemed functional by AGLC:

- a) GameSense Information Centre, if required, (minimum size – 120 square feet). AGLC is responsible for installation, staffing and operation of these centres;
- b) AGLC technician/communications equipment room* (minimum size – 150 square feet);
- c) slot cash cage and count room*;
- d) a cashier area for video lottery terminals (VLTs,) if applicable (can be combined with the slot cash cage);
- e) AGLC server room*;
- f) security operations and equipment (in RECs with 100 or more slots under a retailer agreement, a security desk)*;
- g) monitor room* (see Section 5.4 regarding off-site monitor rooms); and
- h) in RECs with 100 or more slots under a retailer agreement, a secure CCTV viewing room to review surveillance footage, independent of the monitor room.*

*These areas are considered restricted non-gaming areas and only accessible to authorized personnel (see Section 4.8 for additional information on restricted areas and access provisions).

Note: AGLC may require the REC facility licensee to modify plans to accommodate a specific area prior to providing approval and may approve areas to have less than the listed minimum sizes where AGLC has determined the identified space can be fully functional.

4.3.2 Access to the AGLC server room, surveillance room, monitor room(s), cash cage(s) and count room(s) must be controlled at all times, including:

- a) doors must always remain shut and locked except when providing access to authorized personnel; and

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SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS

- b) the doors accessing these areas must be:
 - i) constructed with a steel frame or material of equivalent strength approved by AGLC; and
 - ii) able to be locked to prevent outside access when required (e.g., count room operations).

4.3.3 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.

4.3.4 Each REC must have floor to ceiling common and exterior walls.

4.3.5 The REC facility licensee is responsible for ensuring registered gaming workers have access to the RECTCOG.

DATE ISSUED: February 1, 2024

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Original signed by
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SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS**4.4 FACILITY OPERATING REQUIREMENTS**

4.4.1 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.

4.4.2 The REC facility licensee must provide:

- a) all required REC gaming equipment;
- b) registered gaming workers as required in Section 10;
- c) surveillance equipment as detailed in Section 5;
- d) currency counters for both the slot cash cage and count room (as required);
- e) a safe with specifications that meet minimum insurable standards;
- f) insurance;
- g) administrative services; and
- h) all other equipment or services deemed necessary by AGLC.

4.4.3 Each REC must provide for the following:

- a) lighting within the facility must, for the safety of patrons and staff, allow for proper viewing by security cameras during REC operating hours, including:
 - i) well-lit counter areas in the cash cage(s) with lighting providing clear natural colour of the subject matter under surveillance.
- b) RECs with 100 or more slots under a retailer agreement, must have, an uninterrupted power supply (UPS) for surveillance equipment, lighting in the facility, monitor room equipment, and network computer in the communications equipment room. The load requirement will vary based on the REC's size and type of equipment used.

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- 4.4.4 Licensees must comply with legislation, AGLC policy and procedures pertaining to liquor:
- a) the liquor licence may be held by the REC facility licensee or the licensee of a licensed premises that has direct access to the REC facility;
 - b) liquor licensees and REC facility licensees (where different) must comply with legislation, AGLC policy and procedures pertaining to liquor as outlined in the Liquor Licensee Handbook;
 - c) liquor licensees and REC facility licensees (where different) are jointly responsible for:
 - i) not serving intoxicated patrons;
 - ii) not permitting a person apparently intoxicated by liquor or a drug to take part in gaming activities or provincial lotteries conducted in the licensed facility; and
 - iii) ensuring no liquor possession or consumption is permitted within the slot cash cages, slot count rooms and staff rooms.
 - d) food service must be available to patrons in accordance with the liquor licence.
- 4.4.5 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.
- 4.4.6 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.
- 4.4.7 Signage requirements:
- a) the REC facility licensee must post in a prominent place in the REC the following signage:
 - i) the REC facility licence;
 - ii) REC's general house rules;
 - iii) social responsibility messaging as provided by AGLC (e.g., GameSense, self-exclusion etc.);

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- iv) no minors allowed;
- v) gaming irregularities;
- vi) surveillance messaging as provided by AGLC;
- vii) AML messaging as provided by AGLC, and
- viii) any other document or information that AGLC requires to be posted.

4.4.8 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.

Note: Security staff uniforms must be distinct from other registered gaming worker uniforms and clearly labeled security staff.

4.4.9 RECs may operate seven days per week, as follows:

- a) slot machines (including electronic table games) up to 24 hours per day; and
- b) VLTs only during the hours the location is open to the public and the Class A Minors Prohibited licence is in effect.

4.4.10 RECs must advise AGLC of any changes in their hours of operation at least two weeks in advance of the date the new hours take effect.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS

4.5 EMERGENCY PLAN

4.5.1 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.

4.5.2 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.

4.5.3 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.

4.5.4 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.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS

4.6 GENERAL LICENSING REQUIREMENTS

4.6.1 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.

4.6.2 A licensee must notify AGLC immediately if any of its officers, shareholders, directors or owners are 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 *Income Tax Act* (Canada);
- e) the *Controlled Drugs and Substances Act*, other than under section 4(1) of that Act for possession of any substance included in Schedule II to that Act;
- f) a foreign Act or regulation that is substantially similar to an offence referred to in a), b), c), d) or e) above;
- g) the *Gaming, Liquor and Cannabis Act* (Alberta); or
- h) the Gaming, Liquor and Cannabis Regulation (Alberta).

4.6.3 A licensee must notify 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 4.6.2. 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.

4.6.4 A REC facility licensee must notify 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 2.6.3.

4.6.5 In the case of agricultural societies, Subsection 4.6.2 applies to officers, senior managers and key employees.

DATE ISSUED: February 1, 2024

AUTHORITY: Original signed by
Len Rhodes

SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS

4.7 GAMING SUPPLIERS AND GAMING SERVICE PROVIDERS

4.7.1 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 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; and
- b) gaming service providers approved by AGLC to provide gaming services including but not limited to:
 - i) background checks;
 - ii) ATMs; or
 - iii) payment processing services.

4.7.2 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.

DATE ISSUED: February 1, 2024

AUTHORITY: Original signed by
Len Rhodes

SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS**4.8 REC SECURITY ACCESS PROVISIONS**

4.8.1 Access to the monitor room and AGLC server rooms in the REC facility, designated by 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.

4.8.2 In accordance with the Security Access Provisions Table (see Attachment 4.8), authorized individuals are only permitted access to restricted areas within the REC facility to perform duties necessary to meet their specific job requirements. *(Amended June 2024)*

4.8.3 Further to 4.8.2, REC facility licensees may only provide access to restricted areas subject to the following additional conditions: *(Amended June 2024)*

- a) Non-registered workers and external parties specified in the Access Provisions Table must be accompanied by a registered gaming worker authorized to access the restricted area;
- b) Access logs must be maintained to record all authorized:
 - i) individuals accessing the surveillance/monitor room; and
 - ii) non-registered workers and external parties accessing any restricted area; and
- c) All individuals accessing any restricted area must adhere to the RECTCOG in the conduct of their duties.

Note: Non-registered workers must not review surveillance footage in the monitor room.

4.8.4 The access log must: *(Amended June 2024)*

- a) be completed upon entry by security staff;
- b) include the name of the escort, the individual's name, company (if applicable), date, entry and exit times, reason for access, and the individual's signature;
- c) be retained for a minimum of two years; and
- d) be readily available to AGLC upon request.

DATE ISSUED: June 18, 2024AUTHORITY: Original signed by
Len Rhodes

SECTION: 4. REC FACILITY LICENSEE REQUIREMENTS

4.8.5 Registered gaming suppliers and gaming terminal dealers are responsible for the actions of their employees while on duty and must ensure their employees requiring access to restricted areas within the REC facility have undergone a recognized background check as a condition of employment. Failure to conduct adequate background checks when screening and training employees may result in disciplinary action and registration conditions.

DATE ISSUED: June 18, 2024

AUTHORITY: Original signed by
Len Rhodes



LICENSED REC FACILITY – ACCESS PROVISIONS TABLE

ATTACHMENT 4.8

(Amended June 2024)

	Monitor Room	AGLC Server Room
Alberta Gaming, Liquor and Cannabis Commission (AGLC)		
Board Member, CEO/Vice President	X	X
Investigators/Inspectors	X	X
Technicians	X	X
REC Facility Licensee		
Key Employees (e.g., CEO, CFO, VP, controller)	X	X
General Manager/Acting General Manager	X	X
Director/Manager Security	X	X
Security Guards	X	X
Monitor Room Personnel	X	
Slot Manager/ Slot Supervisor	X	
Anti-Money Laundering (AML) Manager or equivalent	X	
Non-Registered Workers and External Parties		
Police Officers	X	X
Other employees (e.g., cleaners, maintenance personnel)		
Registered Gaming Suppliers/Gaming Terminal Dealers	X	X
Other External Parties (e.g., auditors, contractors)	X	X
Other persons when authorized in writing by designated staff within AGLC's Regulatory Services	Access as per written approval letter.	

SECTION: 5. SECURITY REQUIREMENTS

5.1 REC PREMISES – GENERAL

5.1.1 REC facility licensees must develop and maintain an internal security and surveillance strategy that aligns with current industry best practices. The strategy must not contravene AGLC policies.

Note: AGLC may consider security/surveillance standards that exceed its operational and regulatory requirements; for which, prior AGLC approval is required.

5.1.2 Each licensed REC facility must have:

- a) a secure monitor room with restricted access that cannot be viewed by the public (see Section 5.4 regarding the optional off-site monitor room);
- b) externally monitored alarm systems and telephones in each of the following areas:
 - i) monitor room (see Section 4.6 regarding the optional offsite monitor room);
 - ii) slot cash cage (may also contain the VLT cashier area);
 - iii) slot count rooms;
 - iv) VLT cashier area (as applicable); and
 - v) in RECs with 100 or more gaming terminals under a retailer agreement, a security desk.
- c) if required, based on an assessment by AGLC:
 - i) a clearly audible robbery alarm within the monitor room; and
 - ii) all alarms with a direct feed into the monitor room.
- d) height markers installed at all exterior access ways, secure areas and high-risk areas, as determined by AGLC;
- e) all exit doors alarmed and, with the exception of the main entrance, all exit doors must be steel with steel frames;
- f) 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 surveillance system monitoring and

DATE ISSUED: February 1, 2024

AUTHORITY: Original signed by
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recording for a minimum of one hour after loss of electrical service, to the following areas of the facility:

- i) public entrance: each entrance requires emergency lighting and a dedicated Pan/Tilt/Zoom (PTZ) camera (REC facilities with less than 350 gaming terminals may use 1080p – 360 degree cameras in lieu of PTZ cameras);
- ii) slot cash cage – may also contain the VLT cashier area, requires one cashier wicket to remain fully operational with emergency lights, two dedicated cameras, one of which must be a PTZ camera (REC facilities with less than 350 gaming terminals may use 1080p – 360 degree cameras in lieu of PTZ cameras);
- 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; and
- iv) monitor room: requires emergency lighting and the surveillance system.

5.1.3 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.).

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

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5.2 PATRON CASH-OUT

5.2.1 Cash payments must be fanned when presented to the winning patron so that all bills and/or coins are captured by a surveillance camera.

5.2.2 REC facility licensees may, at its own discretion and responsibility, conduct patron cash-outs using a currency counter having the following features:

- a) counterfeit and denomination detection; and
- b) a display with a clear unobstructed view of the currency counter numbers by the patron, cashier and dedicated surveillance system camera(s).

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 5. SECURITY REQUIREMENTS**5.3 SURVEILLANCE SYSTEM CAMERA COVERAGE AND MONITORING**

5.3.1 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.

5.3.2 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.

5.3.3 The REC facility licensee must provide a surveillance system that includes, but is not limited to: (see Section 5.4 regarding the optional off-site monitor room)

- a) a floor plan of each premises describing and showing the placement of all surveillance equipment (all cameras must be linked to the surveillance room). Other links within the REC facility can only be made to a secure area with AGLC approval;
- b) all equipment must be maintained and be in proper working order. AGLC must be notified if surveillance system coverage falls below the minimum standards of the RECTCOG;
- c) all cameras must be linked to video recorders and be recorded in real time (30 images per second) with date and time generation. AGLC may approve designated cameras with a resolution of 1080P or greater be set to record at 20 images per second. Digital recording units must meet the following minimum standards:
 - i) the digital video recording device (DVRD) must record at the number of images approved for each camera 30 images per second per camera with a minimum pixel image common interchange format (CIF) recording;

DATE ISSUED: February 1, 2024

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Original signed by
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- ii) the DVRD may house a built-in security data container (SDC) or utilize external storage devices or secured cloud storage services);
 - iii) the DVRD must archive recorded data to a CD or DVD, flash drive or a secured cloud storage service (see Section 11.2) 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;
 - iv) the DVRD must have suitable UPS backup supplying 120 volts with surge suppression connected to it to provide for a minimum of one hour recording after loss of electrical service (See Subsection 5.1.2 g) i) to iv));
 - v) cameras linked to a DVRD must have a minimum of 480 lines of resolution; and
 - vi) vi) non-gaming or back of the house areas may be recorded with motion sensitive activation at a minimum of 15 images per second.
- d) surveillance system cameras must be positioned to complement each other and provide clear identification of all facets for the activity they are dedicated to monitor (e.g., patrons, staff and gaming terminal screen/displays and gaming terminal number etc.).

5.3.4 Each gaming terminal area must provide camera coverage as required by AGLC. The cameras providing such coverage will be a Pan/Tilt/Zoom (PTZ) camera (REC facilities with less than 350 gaming terminals may use 1080p – 360-degree cameras in lieu of PTZ cameras). These must be installed to provide coverage of all gaming terminals.

- 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 camera (REC facilities with less than 350 gaming terminals may use 1080p – 360 degree cameras in lieu of PTZ cameras).

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
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- 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 camera (REC facilities with less than 350 gaming terminals may use 1080p –360 degree cameras in lieu of PTZ cameras).
 - c) All other gaming terminals must be viewed by a PTZ camera (REC facilities with less than 350 gaming terminals may use 1080p – 360 degree cameras in lieu of PTZ cameras).
 - d) Cameras must be strategically placed so that there are no blind spots in the gaming terminal area.
- 5.3.5 A dedicated camera must be installed so there is complete, full-time coverage of each entry/exit (not required for “emergency only” exits).
- 5.3.6 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.)
 - b) cabling (minimum CAT 5) connected to a surveillance system, and linked to video recorders, as specified in Subsection 5.3.3 d), must be provided. AGLC will install the camera on top of each TRK.
- 5.3.7 Dedicated full-time surveillance coverage of all external doorways and any window areas that must capture clear identifiable footage of all persons entering and exiting server rooms.
- 5.3.8 Each slot cash cage must have a PTZ camera(s) installed to provide complete coverage of all areas within the slot cash cage (REC facilities with less than 350 gaming terminals may use 1080p – 360 degree cameras in lieu of PTZ cameras).
- 5.3.9 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.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 5. SECURITY REQUIREMENTS

- 5.3.10 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.
- 5.3.11 All surveillance recordings (excluding back of house) must be retained for a minimum of 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.
- 5.3.12 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.

DATE ISSUED: February 1, 2024

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SECTION: 5. SECURITY REQUIREMENTS**5.4 OFF-SITE MONITOR ROOM**

5.4.1 With the prior approval of AGLC, REC facility licensees may utilize an off-site monitor room. REC facility licensees must submit to 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 5.1.1); and
- c) a business continuity plan in the event of a disruption or failure affecting the operational ability of the off-site monitoring room.

5.4.2 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. All areas of the licensed facility which are governed by the facility licence are subject to AGLC policy.

5.4.3 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 AGLC of the proposal for the off-site monitor room.

- a) A secure surveillance 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;
 - iv) digital cameras are recorded on network video recorders (NVRs);
 - v) entrances and internal space require camera coverage connected to the surveillance system; and
 - vi) facility requirements and security standards as provided for in Sections 4 and 5 of this handbook or any other section of the RECTCOG.

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- 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 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 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 4.8;
 - vii) REC access provisions for AGLC as specified in Section 2.3 applies to the off-site monitor room; and
 - viii) facility requirements and security standards as provided for in Sections 4 and 5 of this handbook or any other section of the RECTCOG.

DATE ISSUED: February 1, 2024

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SECTION: 5. SECURITY REQUIREMENTS**5.5 ILLEGAL OR SUSPECTED ILLEGAL ACTIVITIES**

- 5.5.1 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 AGLC's Investigations Branch.
- 5.5.2 In a situation where there is clear and present danger to REC staff, property or patrons, immediately contact the law enforcement agency of jurisdiction.
- 5.5.3 REC facility licensees will facilitate the participation of all staff they employ to assist with any AGLC or police investigation. This includes:
- a) immediately reporting to AGLC Customer Care (1-800-561-4415) any and all suspicious activity, evidence of cheating at play, theft, or other suspected criminal offences;
 - b) contacting AGLC or police prior to conducting an internal investigation which may involve criminal activity; and
 - c) immediately securing any materials which could potentially be used as evidence (e.g., surveillance video) and keeping the material secure until handed over to an AGLC Inspector or police officer.
- 5.5.4 REC facility licensees are required to develop their own security plans and procedures on how to handle suspected criminal activity in accordance with these policies (e.g., counterfeit handling procedures) and must include:
- a) 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., gaming terminal, vehicle information, licence plate, transactions, associates and/or non-gaming area); and

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- iii) securely retain all video evidence of the subject(s) and incident and submit to AGLC Investigations Branch at sftp.aglc.ca and notify investigators.mailbox@aglc.ca.
- b) 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) the names of any persons witnessing the incident or having contact with the suspect(s).

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SECTION: 5. SECURITY REQUIREMENTS**5.6 DISCREPANCY REPORT**

5.6.1 For any incident described in the RECTCOG that requires a discrepancy report, a separate report must be completed and submitted to AGLC by any registered gaming worker who was a part of, or a witness to procedures inconsistent with or in violation of the RECTCOG (including criminal and suspected criminal activity).

Note: With the exception of the provisions in Section 5.5 or as identified otherwise in the RECTCOG, all discrepancy reports must be submitted within 24 hours of a registered gaming worker becoming aware of an incident or suspected incident requiring the completion of a discrepancy report.

5.6.2 Discrepancy reports can be submitted to AGLC by:

a) email to:

- inspectionsgaming@aglc.ca for procedural matters, or
- investigators.mailbox@aglc.ca for suspected illegal or illegal activities; or

b) fax to:

- (780) 447-8912 – For all facilities located in or north of Red Deer, or
- (403) 292-7302 – For all facilities located south of Red Deer.

5.6.3 Discrepancy report forms are available at aglc.ca:

- a) Discrepancy Report (form 5425) - for all non-electronic gaming discrepancies; and
- b) Gaming Discrepancy Report Electronic Devices (form 6619) - for all electronic gaming device discrepancies.

SECTION: 6. ELECTRONIC GAMING**6.1 GENERAL**

- 6.1.1 Gaming terminals, including slot machines, electronic table games 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 AGLC. The Electronic Games – REC Retailer Agreement is available at aglc.ca.
- 6.1.2 Progressive jackpot verification and payment.
- a) The REC facility licensee must:
- i) notify AGLC's Customer Care immediately at 1-800-561-4415 in the event of a wide area and local area progressive jackpot; and
 - ii) follow the instructions provided by AGLC's Customer Care for progressive jackpot verification and payment.
- 6.1.3 The facility licensee must ensure that play on a gaming terminal that appears to be malfunctioning is discontinued immediately.
- 6.1.4 The facility licensee must have required funds and trained staff available for payment of player's winnings to which players are entitled.

DATE ISSUED: February 1, 2024

AUTHORITY:

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SECTION: 6. ELECTRONIC GAMING

6.2 SLOT OPERATIONS

- 6.2.1 Game instructions and pay-out tables are available on each slot terminal and electronic table game.
- 6.2.2 REC facility licensees must complete the Alberta Progressive Jackpot Receipt Form (Form 6593) for local area and standalone progressive wins over \$25,000 and all wide area progressive jackpot wins. One copy of the form must be provided to the jackpot winner and another to AGLC.

DATE ISSUED: February 1, 2024

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SECTION: 6. ELECTRONIC GAMING**6.3 PAYMENT OF TICKET IN TICKET OUT (TITO) TICKETS**

6.3.1 TITO tickets must be immediately redeemed and paid when presented subject to the following conditions:

- 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 30 days from the date of issue (see Subsection 6.3.2);
- c) TITO tickets for slot machines or electronic table games exceeding \$2,500 must be redeemed at the slot cash cage.

6.3.2 A player presenting a TITO ticket issued more than 30 days prior must be directed to call the Gaming Irregularities Number at 1-800-742-7818.

DATE ISSUED: February 1, 2024

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SECTION: 6. ELECTRONIC GAMING**6.4 TICKET IN TICKET OUT (TITO) TICKET RETENTION AND DESTRUCTION**

6.4.1 Redeemed TITO tickets are to be retained by the REC as the REC's proof of transaction.

6.4.2 TITO tickets that have the following characteristics must be retained for a period of six years from the date of the end of the REC's annual reporting period:

- a) tickets that cannot be processed through the SDS;
- b) tickets included in an unbalanced cashier session (e.g., questionable tickets, such as ticket does not exist, invalid, or uncommitted data); and
- c) c) tickets that have any other extraordinary circumstances (e.g., involved in a patron dispute).

6.4.3 TITO tickets that have been redeemed by a cashier in a balanced cashier session, or that have been redeemed through a slot machine or ticket redemption kiosk and have been scanned through the soft count process must be retained for a period of 30 days, after which time they can be destroyed.

6.4.4 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 AGLC's inspector removing the ticket. This log must be retained for a period of six years from the date of the end of the REC's annual reporting period.

6.4.5 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 REC personnel. A form including the following information must be completed and retained for a period of six years from the date of the end of the REC's annual reporting period:
 - i) date of destruction;
 - ii) dates of tickets destroyed; and

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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 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: 6. ELECTRONIC GAMING**6.5 REMUNERATION - SLOT OPERATIONS**

6.5.1 AGLC pays remuneration related to slot machine operations as follows:

- a) 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 AGLC and is 15 per cent of total net sales.
- b) REC facility licensees are also provided a temporary investment commission of two per cent of slot machine total net sales from April 1, 2023, until March 31, 2025.
- c) Total net sales is calculated as total in, less total out, less progressive increments.

DATE ISSUED: February 1, 2024

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6.6 PAYMENT TO AGLC - SLOT OPERATIONS

- 6.6.1 Slot machine operations are invoiced daily, and the invoice amount is communicated by secured portal or other electronic means. Payment for monies due to AGLC is payable twice weekly through electronic funds transfer.
- 6.6.2 Failure to pay invoices may result in termination of the retailer agreement and removal of the supplied equipment.

DATE ISSUED: February 1, 2024

AUTHORITY:

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SECTION: 6. ELECTRONIC GAMING**6.7 PAYMENT OF VLT CASH-OUT TICKETS**

6.7.1 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 30 days from the date of issue (see Subsection 6.7.2).

6.7.2 A player presenting a cash-out ticket issued more than 30 days prior must be directed to call the Gaming Irregularities Number at 1-800-742-7818.

6.7.3 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. (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 AGLC's Customer Care to report the incident and seek further instructions.

DATE ISSUED: February 1, 2024

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Len Rhodes

SECTION: 6. ELECTRONIC GAMING**6.8 VLT CASH-OUT CROSS-VALIDATION**

- 6.8.1 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 6.7.1 a)).
- 6.8.2 Cross-validation site selection will be based on an assessment by 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.
- 6.8.3 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.

DATE ISSUED: February 1, 2024

AUTHORITY:

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SECTION: 6. ELECTRONIC GAMING**6.9 VLT CASH-OUT TICKET RETENTION AND DESTRUCTION**

6.9.1 Cash-out tickets should be retained for a period of 30 days from the date of validation, after which time they may be destroyed.

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 – 3-mm or less; or
- b) crosscut – 4-mm or less.

DATE ISSUED: February 1, 2024

AUTHORITY:

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SECTION: 6. ELECTRONIC GAMING**6.10 REMUNERATION - VLT OPERATIONS**

6.10.1 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 AGLC and is 15 per cent of net sales.
- b) Commission due to REC facility licensees is paid weekly.

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

DATE ISSUED: February 1, 2024

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SECTION: 6. ELECTRONIC GAMING**6.11 PAYMENT TO AGLC - VLT OPERATIONS**

- 6.11.1 All cash received from VLTs, less winnings paid, is the property of AGLC. 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.
- 6.11.2 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 AGLC.
- 6.11.3 Failure to pay invoices may result in termination of the retailer agreement and removal of the supplied equipment.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

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SECTION: 7. TOURNAMENTS**7.1 SLOT TOURNAMENTS**

7.1.1 Where market demand and conditions warrant, AGLC will make available slot machines on the regular REC floor which have the capability to be designated and operated as tournament slots.

7.1.2 Applications for slot tournaments must be submitted for AGLC approval using the Slot Tournament Approval Application (Form 5651). Applications must be received at least 10 business days prior to the intended event. The following information must be included in the application:

- a) sample entry form;
- b) complete rules of play;
- c) eligibility and disqualification criteria;
- d) complete prize structure;
- e) proposed advertising (see Section 9.1) or promotions (see Section 9.2);
- f) event media plan (if the event will be filmed, recorded, or broadcast); and
- g) any third-party agreements for sponsorship or for the provision of gaming services related to assisting with managing and/or promoting tournaments (see Subsection 4.7.1 b).

Note: Gaming service providers (see Section 4.7) not currently approved must successfully complete the background check outlined in Section 2.6.

7.1.3 REC facility licensees must not use, or be affiliated with, online gaming sites (free or pay) to:

- a) qualify participants for its tournaments (i.e., select tournament participants are determined through online, free or pay, slot tournaments); or
- b) supplement tournament prize money.

7.1.4 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 (see Section 9.1).

DATE ISSUED: February 1, 2024AUTHORITY: Original signed by
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- 7.1.5 Third party sponsorship is permitted with prior AGLC application approval. Examples of third-party sponsorship include hotel packages, meals at restaurants, and tickets to cultural or sporting events.
- 7.1.6 Signage displaying tournament rules of play and regulations must be prominently displayed for the duration of the tournament.
- 7.1.7 Slot tournament fees must go entirely to the cash prize pool and must not be used by the REC facility licensee to cover administrative or operational costs of the slot tournament.
- 7.1.8 Slot tournament fees must not be used to purchase prize merchandise. Additional promotional prizes, such as merchandise, must be provided at the REC facility licensee's expense.
- 7.1.9 Slot tournament fees including entry fees and re-buy fees will normally be limited to \$200 each. Tournament fees exceeding \$200 may be considered by AGLC for approval.
- 7.1.10 Satellite tournaments awarding seats into other tournament events may be permitted with prior AGLC approval.
- 7.1.11 All tournament prizes must be awarded immediately following the end of the tournament. If any prize is withheld, for any reason, the REC facility licensee must immediately notify AGLC and submit a Discrepancy Report.
- 7.1.12 Financial reports related to any tournament event, including attendance records and prize payout records, must be made available to AGLC upon request and remain available for at least two years following the tournament event.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

Original signed by
Len Rhodes

SECTION: 8. ANTI-MONEY LAUNDERING (AML)**8.1 DEFINITIONS**

8.1.1 In this handbook, the following AML definitions apply:

- a) "AML" means anti-money laundering.
- b) "AML administrators" means any individuals, authorized by AGLC to access the AML reporting system, or 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.
- 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 and/or a patron who requires enhanced monitoring.
- 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) "As soon as practicable" means when the required action can be performed. Must not exceed seven days.
- i) "Beneficiary" means the patron that benefits from a transaction. *(Added June 2024)*
- j) "Casino disbursements (CD)" means all cash outs, slot jackpot payouts and tournament prizes for a patron of an amount totalling \$10,000 CAD or more in one or more transactions occurring on the same gaming day. (Note: to ensure consistency with FINTRAC requirements, disbursements within an REC are referred to as casino disbursements.)
- k) "CAD" means Canadian dollar.

DATE ISSUED: June 18, 2024AUTHORITY: Original signed by
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- l) "CAD equivalent" means the value of any country's currency in Canadian dollars.
- m) "Conductor" means the patron that performs a buy-in transaction. *(Added June 2024)*
- n) "FINTRAC" means Financial Transactions and Reports Analysis Centre of Canada.
- o) "FOIP" means the *Freedom of Information and Protection of Privacy Act*.
- p) "Foreign Currency Exchange Ticket" means an entry in a transaction register or log maintained by the REC facility licensee.
- q) "Funds" means cash and or negotiable instruments (i.e., bank draft, certified cheque, traveler's cheque, money order) and excludes any virtual or crypto currencies.
- r) "Gaming day" means the REC daily business hours of between 5 a.m. and 4:59 a.m.
- s) "LCT (large cash transaction)" means an amount of cash received from a patron totalling \$10,000 CAD or more in one or more transactions occurring on the same gaming day which includes buy-ins and foreign currency exchanges.
- t) "PTR (Patron Transaction Report)" is the document used to record patron information and all reportable transactions. A PTR is used for a receipt of funds transaction (ROFT), foreign currency exchange (FCE), large cash transaction (LCT) and casino disbursement (CD).
- u) "PCMLTFA" means the Proceeds of Crime (Money Laundering) and *Terrorist Financing Act*.
- v) "Property" means any type of real or personal property in a REC facility licensee's possession or control.
- w) "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.

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- x) “Reasonable measures” means steps taken to achieve a desired outcome, even if they do not result in the desired outcome (e.g. asking the patron, retrieving information already available, etc.).
- y) “Requester” means the patron that requests and receives a disbursement such as a cashout, payout or prize. *(Added June 2024)*
- z) “ROFT” Receipt of funds transaction means a record that indicates the receipt of an amount of funds in a single transaction of \$3000 or more.
- aa) “SPN (Stop Play Notification)” means a notification issued by the REC facility licensee that immediately suspends all gaming activities within the facility.
- bb) “Terrorist” or a “Terrorist group” includes anyone that, as one of their purposes or activities, facilitates or carries out any terrorist activity.
- cc) “Third party” means any patron that instructs another individual to act on their behalf for a financial activity or transaction.
- dd) “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.
- ee) “UTR (Unusual Transaction Report)” is the document used to record and report unusual transactions.

DATE ISSUED: June 18, 2024

AUTHORITY:

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Len Rhodes

SECTION: 8. ANTI-MONEY LAUNDERING (AML)**8.2 AML – GENERAL**

- 8.2.1 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.
- 8.2.2 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.
- 8.2.3 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 8.
- 8.2.4 AML key positions and registered gaming workers completing PTRs, UTRs and/or supporting documents must ensure all required information is completed accurately and recorded in a legible manner.
- 8.2.5 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.
- 8.2.6 Receipts for gaming related transactions may only be issued for progressive jackpot wins using the Alberta Progressive Jackpot Win Receipt.
- 8.2.7 All gaming related transactions shall be initiated and completed by the same patron (e.g. the patron who redeems a slot ticket must also receive the payment). *(Added June 2024)*

DATE ISSUED: June 18, 2024

AUTHORITY:

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8.3 CONFIDENTIALITY AND PRIVACY

- 8.3.1 All information collected, transmitted, or stored in the AML reporting system is the property of AGLC and cannot be released without prior written approval of AGLC.
- 8.3.2 When collecting, accessing, using, disclosing, storing and disposing of personal patron information on behalf of AGLC for the purposes of Section 8, REC facility licensees must comply with the provisions of Alberta's *FOIP Act*.
- 8.3.3 Photocopying patron credit/debit cards is prohibited.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 8. ANTI-MONEY LAUNDERING (AML)**8.4 AML FACILITY LICENSEE REQUIREMENTS**

- 8.4.1 REC facility licensees are responsible for the submission of all ROFTs, 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.
- 8.4.2 REC facility licensees must appoint an AML liaison responsible for facility compliance with Section 8 and internal facility AML procedures.
- 8.4.3 REC facility licensees must appoint AML administrators responsible for data entry into AGLC's AML reporting system.
- 8.4.4 REC facility licensee's must develop and maintain internal AML facility policies and procedures. The policy and procedures must not contravene the PCMLTFA, existing AGLC policies and/or FINTRAC requirements. Internal policy and procedures must include:
- 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;
 - d) communication and procedural protocols for issuing an SPN;
 - e) a workflow plan illustrating the handling of all PTRs, UTRs and supporting documents, including safeguarding and destruction procedures; and
 - f) a communication strategy outlining the accurate and timely distribution of patron information within the REC between staff, departments and cash cages.
- 8.4.5 REC facility licensees must use the PTR to record all reportable and receipt of funds transactions.
- 8.4.6 REC facility licensees must destroy all PTRs, UTRs, patron tracking records and supporting documents 30 calendar days from the date of the transaction.

DATE ISSUED: June 18, 2024AUTHORITY: Original signed by
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- 8.4.7 REC facility licensees must obtain prior approval from AGLC for any procedure that involves the storage, collection, or retention of patron funds.
- 8.4.8 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., gift certificates or gift cards). The use of virtual or crypto currencies is prohibited.
- 8.4.9 REC facility licensees must notify the AML unit on 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.
- 8.4.10 REC facility licensees are prohibited from conducting denomination exchanges in excess of \$1,000 CAD per patron on the same gaming day.
- 8.4.11 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.
- 8.4.12 Failure to comply with internal REC facility policies and procedures may result in administrative sanctions.
- 8.4.13 REC facility licensees must actively monitor the casino Gaming Information Network (GIN) for AML bulletins and the AML reporting system for patron alerts.
- 8.4.14 REC facility licensees must adhere to all directives in AML bulletins and PSPNs in accordance with Subsection 4.1.1 c).
- 8.4.15 All patron transactions, including third party transactions (see Section 8.12), conducted by a REC employee must be:
- a) conducted by a registered gaming worker; and
 - b) recorded in a log that includes the:
 - i) patron's name;
 - ii) date and time;
 - iii) type and amount of the transaction; and

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iv) registered gaming worker's name and registration number.

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

8.4.16 The use of prepaid products in gaming areas is limited to \$500 per patron per gaming day. *(Added June 2024)*

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- 8.5.1 A REC facility licensee must ensure that all registered gaming workers working in the facility maintain a valid AGLC AML certification.
- 8.5.2 Registered gaming workers must be AGLC AML certified before working in a REC. Equivalency will not be granted for certification offered in other provinces.
- 8.5.3 AML certification is valid for a period of two years from the date of successfully completing the program.
- 8.5.4 Valid AML certification must be maintained by successfully repeating the AML training program examination before the certification expiry date.
- 8.5.5 Additional mandatory training may be required prior to the certification expiry date.

DATE ISSUED: February 1, 2024

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8.6 AML IDENTIFICATION REQUIREMENTS & IDENTITY VERIFICATION

8.6.1 For the purposes of complying with the PCMLTFA, FINTRAC requirements and this section, identity verification is the responsibility of the AML key position.

8.6.2 Valid primary identification must:

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

8.6.3 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);
- c) have a unique identifier number; and
- d) include date of birth.

8.6.4 If the primary photo identification (such as a driver's licence) is expired but accompanied with a paper temporary extension (such as a temporary interim driver's licence), it is considered current and valid for AML identity verification purposes under the following conditions:

- a) both the primary photo identification (expired) and paper temporary extension were issued in Canada by the same government authority;
- b) the name, unique identifier number and signature match on both documents;
- c) the identification will be considered valid until the expiration as indicated on the paper temporary extension;

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- d) the identification expiry date to be entered into the AML reporting system by the AML administrator will align with the expiration as indicated on the paper temporary extension; and
- e) the primary photo identification (expired) and paper temporary extension will be photocopied and attached to the PTR.

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

- a) the transaction must not be completed;
- b) a 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 Customer Care; and
- d) the AML key position must complete an UTR, following the procedures outlined in Subsection 8.11.4.

8.6.6 When verifying a patron's identity, the identification must be photocopied and attached to the PTR.

8.6.7 If patron identification has been previously verified through valid identification and has been entered into the AML reporting system 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.

8.6.8 REC facility licensees must verify and/or update patron information on the AML reporting system when alerted to do so.

DATE ISSUED: February 1, 2024

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SECTION: 8. ANTI-MONEY LAUNDERING (AML)**8.7 RECEIPT OF FUNDS TRANSACTIONS**

- 8.7.1 REC facility licensees receiving \$3,000 or more in funds (cash, cheque or negotiable instrument) from a patron in a single transaction must follow the patron identification requirements described in Section 8.6 and complete a PTR (ROFT) by an AML key position.
- 8.7.2 PTRs (ROFT) and supporting documents detailing the receipt of funds in a single transaction of \$3,000 CAD or more must be reported as a ROFT to the AML unit by the AML administrator within seven calendar days from time of the transaction.
- 8.7.3 PTRs (ROFT) must include:
- a) patron name, physical address, occupation or nature of business and date of birth;
 - b) valid ID type, place of issue, expiry date (if applicable) and unique identifier number of the identification (if produced);
 - c) time, date and location for the transaction;
 - d) the amount of funds received and the amount of any part of the funds that is received in cash; and
 - e) third party information if conducted on behalf of another patron.
- 8.7.4 If a patron refuses or is unable to provide acceptable identification as outlined in Section 8.6 or any information required to complete a PTR (ROFT):
- a) the transaction must not be completed;
 - b) a SPN must be issued by the REC facility licensee or slot manager; and
 - c) the AML key position must comply with the procedures outlined in Subsection 8.11.4.
- 8.7.5 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.

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8.8 LARGE CASH TRANSACTIONS

8.8.1 The following cash transactions require patron identification (as per Section 8.6) and the completion of a PTR (LCT) by an AML key position:

- a) a single cash transaction by a patron of \$10,000 CAD or more; and
- b) multiple cash transactions by a patron on the same gaming day totalling \$10,000 CAD or more.

8.8.2 PTRs (LCT) and supporting documents detailing an amount of cash received from a patron totalling \$10,000 CAD or more, in one or more transactions occurring on the same gaming day, must be reported as a LCT to the AML unit by the AML administrator within seven calendar days from the time of the last transaction.

8.8.3 PTRs (LCT) must include:

- a) patron name, physical address, occupation or nature of business and date of birth;
- b) valid ID type, place of issue, expiry date (if applicable) and unique identifier number of the identification (if produced); and
- c) time, date and location for each transaction.

8.8.4 If a patron refuses or is unable to provide acceptable identification as outlined in Section 8.6 or any information required to complete a PTR (LCT):

- a) the transaction must not be completed;
- b) a SPN must be issued by the REC facility licensee or slot manager; and
- c) the AML key position must comply with the procedures outlined in Subsection 8.11.4.

8.8.5 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.

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8.8.6 For PTRs (LCT) the AML key position must take reasonable measures to obtain from the patron and record the responses:

- a) source of cash;
- b) email address;
- c) telephone number;
- d) alias (if applicable); and
- e) employer's name.

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8.9 CASINO DISBURSEMENTS

8.9.1 The following transactions require patron identification (as per Section 8.6) and the completion of a PTR (CD) by an AML key position:

- a) a single payout to a patron of \$10,000 CAD or more; and
- b) multiple payouts to a patron on the same gaming day totalling \$10,000 CAD or more.

8.9.2 PTRs (CD) and supporting documents detailing all cash-outs, slot jackpot payouts and tournament prizes of \$10,000 CAD or more for a patron, in one or more transactions on the same gaming day, must be reported as a CD to the AML unit by the AML administrator within seven calendar days from the time of the last transaction.

8.9.3 PTRs (CD) must include:

- a) patron name, physical address, occupation or nature of business and date of birth;
- b) valid ID type, place of issue, expiry date (if applicable) and unique identifier number of the identification (if produced);
- 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.

8.9.4 If a patron refuses or is unable to provide acceptable identification as outlined in Section 8.6 or any information required to complete the PTR (CD):

- a) the transaction is not to be completed;
- b) a 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 8.11.4.

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8.9.5 AML key positions must track casino disbursement transactions to ensure compliance with AGLC's AML reporting requirements, including:

- a) for PTRs (CD) the AML key position must take reasonable measures to obtain from the patron and record the responses:
 - i) email address;
 - ii) telephone number;
 - iii) alias (if applicable); and
 - iv) employer's name.

8.9.6 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.

SECTION: 8. ANTI-MONEY LAUNDERING (AML)**8.10 FOREIGN CURRENCY EXCHANGE**

8.10.1 The AML key position must ensure all foreign currency exchange transactions, regardless of amount, are recorded on a Foreign Currency Exchange Ticket and contain the following:

- a) date of the transaction;
- b) amount;
- c) currency of purchase or sale;
- d) the exchange rates used and their source;
- e) the method; and
- f) the amount and currency of payment made or received.

8.10.2 A single foreign currency exchange transaction of \$3,000 CAD or more requires recording of the patron's identification and the completion of a PTR (FCE) by an AML key position. All information listed in Subsections 8.7.3 a), 8.10.1 and the PTR (FCE) must be submitted to the AML unit by the AML administrator within seven calendar days of the transaction.

8.10.3 An AML key position is responsible for ensuring all Foreign Currency Exchange Tickets are accurate and retained by the REC facility.

8.10.4 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) for the time of the transaction; or
- 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.

8.10.5 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 calendar days from the time of the last transaction. When reporting the transactions:

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

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

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

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

- a) patron requests a cheque in a third party's name; *(Amended June 2024)*
- b) acquaintances bet against each other and it appears that they are intentionally losing to one patron in the party; *(Amended June 2024)*
- 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 minimal or no game play; *(Amended June 2024)*
- 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;
- 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;
- l) patron has another patron conduct a transaction on their behalf that is unusual, demonstrates a pattern that may be deemed unusual or is inconsistent with standard patron gaming activities or is an attempt to avoid reporting; *(Amended June 2024)*
- m) patron occupation doesn't match the aggregate buy-in used for play;

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- n) funds obtained from suspected financial instrument or credit/debit card fraud, then used for gambling; or *(Added June 2024)*
 - o) patron attempts to avoid/circumvent any requirements outlined in an AML bulletin. *(Added June 2024)*
- 8.11.2 UTRs and supporting documents detailing unusual transactions must be completed and submitted to the AML unit by an AML administrator as soon as practicable.
- 8.11.3 A registered gaming worker who witnesses an actual or attempted UT must immediately notify an AML key position.
- 8.11.4 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);
 - c) obtain patron identification if possible;
 - d) not disclose to the patron(s) involved that a UTR is being submitted;
 - e) document all relevant details on a UTR; and
 - f) ensure all available third-party information related to a UT is recorded in the UTR.

DATE ISSUED: June 18, 2024

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SECTION: 8. ANTI-MONEY LAUNDERING (AML)**8.12 THIRD PARTY TRANSACTIONS**

- 8.12.1 AML key positions must take reasonable measures to determine if any individual is acting on behalf of a patron when conducting a LCT or receiving casino disbursements. 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.
- 8.12.2 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:
- a) obtain the assistance of security or surveillance to capture video surveillance photos of the patron(s) involved;
 - b) document the suspected nature of the relationship between the third party and the patron involved in the transaction; and
 - c) not complete the transaction if the identity of the third party cannot be determined.
- 8.12.3 When cashing/redeeming a negotiable instrument for a patron, it must be made out to the patron or the casino facility, and not a third party. *(Added June 2024)*

DATE ISSUED: June 18, 2024

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SECTION: 8. ANTI-MONEY LAUNDERING (AML)**8.13 CHEQUE ISSUANCE**

8.13.1 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;
- c) cannot be issued for TITO tickets; and
- d) may be issued for confirmed tournament winnings for tournaments with a minimum of 30 entrants and a minimum prize pool of \$10,000.

8.13.2 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
- c) must have “non-verified win” imprinted on the face of the cheque.

8.13.3 REC facility licensees:

- a) must issue all cheques in numerical sequence;
- b) must maintain a sequential log of cheques and transactions;
- c) must retain a duplicate copy of all cheques;
- d) must only issue cheques to patrons meeting the identification requirements outlined in Section 8.6; and
- e) are prohibited from issuing a cheque in the name of a third party or company.

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

DATE ISSUED: February 1, 2024AUTHORITY: Original signed by
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8.14 GIFT CERTIFICATES/CARDS

8.14.1 Gift certificates/cards must be sequentially numbered and a sample must be approved by AGLC in writing.

8.14.2 Individual gift certificate/card denomination must not exceed \$500 in value.

8.14.3 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.

8.14.4 Purchases by patrons of individual or multiple gift certificates/cards made in cash must not exceed \$500 CAD in a single gaming day.

8.14.5 REC facility licensees are prohibited from redeeming gift certificates/cards in excess of \$500 per patron per gaming day.

DATE ISSUED: February 1, 2024

AUTHORITY: Original signed by
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8.15 TERRORIST PROPERTY

8.15.1 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 8.11.4.

8.15.2 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;
- 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 8.11.4.

SECTION: 8. ANTI-MONEY LAUNDERING (AML)**8.16 AML REPORTING SYSTEM**

- 8.16.1 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 8.
- 8.16.2 The data and information retained in the AML reporting system and all associated hardware is the property of AGLC.
- 8.16.3 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.
- 8.16.4 AML administrators responsible for entering information into the AML reporting system must obtain individual access rights to the system from AGLC.
- 8.16.5 AML administrators having access rights to AGLC's 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 AML administrator's approved REC; and
 - d) using the system for purposes outside the scope of identified roles and responsibilities.

DATE ISSUED: February 1, 2024

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SECTION: 9. ADVERTISING, PROMOTIONS AND WINNER'S EDGE

9.1 ADVERTISING

9.1.1 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.

9.1.2 With the exception of the provisions in Subsection 9.1.3, advertising that complies with these policies and with any requirements of the Canadian Radio-Television and Telecommunications Commission and any other regulatory body having related jurisdiction of REC games or activities is permitted without prior approval of AGLC.

9.1.3 Advertising of electronic games (including electronic table games) and any proposed filming, recording or broadcasting (e.g., live streaming) of gaming activities within the REC facility must be submitted to AGLC for approval.

Basic Principles

9.1.4 AGLC reserves the right, at its discretion, to direct a REC facility licensee to amend or remove any advertising in the interest of the limits of good taste and propriety.

9.1.5 Advertising must not:

- a) encourage or promote irresponsible play;
- b) depict excessive or prolonged periods of play of electronic games;
- c) convey the impression that playing or winning will improve an individual's status or standing;
- d) be targeted at minors;

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- e) be used to disparage or discredit another company, business or product;
- f) contain misleading or false information; or
- g) be placed on any AGLC non-regulated websites or websites with a direct link to an AGLC non-regulated gaming site (free or pay) or 'fantasy sports' sites.

9.1.6 The REC facility licensee is responsible for all costs of advertising and there is no dollar limit on advertising expenses or costs.

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9.2.1 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.

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

9.2.3 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.

9.2.4 Promotions are permitted without the prior approval of AGLC if the intended promotional activity is covered by or directly referred to in these policies.

9.2.5 Basic principles:

- a) promotions must be conducted within the limits of good taste and propriety;
- b) promotions may focus on any one game or activity in the REC facility or any combination of games or activities in the REC facility authorized by 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.

9.2.6 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;

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- 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.

9.2.7 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.

9.2.8 Player reward programs:

- a) player tracking and player reward programs are allowed; however, these programs must be submitted to AGLC for 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;
 - ii) the REC facility licensee must ensure that any proposal is in compliance with the *Personal Information Protection Act*;

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- 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 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.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

Original signed by
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9.3 WINNER'S EDGE

9.3.1 In this section, the following Winner's Edge definitions apply:

- a) "information sharing" means the exchange, collection, use and/or disclosure of Winner's Edge member personal information.
- b) "personal information" means recorded information about an identifiable individual as set out in section 1(1)(n) of the *Freedom of Information and Protection of Privacy Act* (FOIP).
- c) "Personal Information Sharing Agreement" means the agreement governing the use of Winner's Edge member's personal information for the administration of the Winner's Edge program and its promotions.
- d) "points" means points awarded to Winner's Edge members for gaming terminal play or Winner's Edge program promotional offers.
- e) "Winner's Edge" (or WE) means AGLC's player rewards program offered at Alberta casinos and racing entertainment centres.
- f) "Winner's Edge data" (or WE data) means any personal information or play statistics collected from Winner's Edge members, active or inactive, in the administration of the Winner's Edge program.
- g) "Winner's Edge Playbook" (or WE Playbook) means AGLC's operating procedures used by REC staff to support the Winner's Edge program.
- h) "Winner's Edge member" (or WE member) means a patron who has registered and agreed to participate in the Winner's Edge program.
- i) "Winner's Edge partner" (or WE partner) means a REC facility licensee that has entered into an agreement with AGLC to provide the Winner's Edge program at its facility.

9.3.2 AGLC's WE program is a voluntary REC player rewards program operated in partnership with participating REC facility licensees.

DATE ISSUED: February 1, 2024

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- 9.3.3 REC facility licensees may continue offering their own player rewards program in conjunction with AGLC's WE program. WE member's personal information and play statistics collected for the purposes of administering the WE program cannot be used outside of the WE program or for use in a WE partner's own player rewards program.
- 9.3.4 WE partners must comply with the provisions set out in the RECTCOG, WE Playbook and Personal Information Sharing Agreement.
- 9.3.5 All WE member's personal information collected for the WE program will be managed in accordance with the *Freedom of Information and Protection of Privacy Act* (FOIP) and *Personal Information Privacy Act* (PIPA).
- 9.3.6 WE member's personal information and related play data collected for the WE program are:
- a) the property of AGLC;
 - b) governed by the provisions in the FOIP Act, PIPA Act and Canadian Anti-Spam Legislation (CASL) which provisions extend to participating REC facility licensees;
 - c) confidential and must be protected with all reasonable precautions, means, mechanisms, policies and processes in accordance with the FOIP and PIPA Acts; and
 - d) to be used in accordance with the stated provisions of the WE program Personal Information Sharing Agreement or with the prior written permission of AGLC.
- 9.3.7 At the discretion of AGLC, WE partners may be provided access to WE data for the purpose of administering the WE program as prescribed in the WE Playbook and Personal Information Sharing Agreement. The authorized purpose for the use of the shared WE data includes, but is not limited to:
- a) identification verification;
 - b) addressing WE member concerns, card replacement and minor account changes;
 - c) supporting WE program promotions at the licensed facility;

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- d) administering contests and offers related to the WE program;
and
- e) conducting market research and for other statistical purposes
to support the WE program at licensed facilities.

9.3.8 Access to WE data is limited to WE partner staff, authorized by the REC facility licensee or AGLC, that require this access to perform specific WE program tasks prescribed in the WE Playbook.

9.3.9 Except as prescribed in the WE Playbook, reproducing WE data is strictly prohibited (e.g., screenshots, photos etc.).

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SECTION: 10. REGISTERED GAMING WORKER REQUIREMENTS**10.1 REGISTRATION**

10.1.1 Only registered gaming workers as provided for in Subsection 10.2.2 may be employed by a REC facility licensee. The REC facility licensee is responsible for ensuring all registered gaming workers are properly trained to perform their assigned role.

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

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

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SECTION: 10. REGISTERED GAMING WORKER REQUIREMENTS**10.2 REGISTRATION REQUIREMENTS**

10.2.1 In this section, an “applicant” means an individual applying for registration as a gaming worker pursuant to the Gaming, Liquor and Cannabis Regulation.

10.2.2 Pursuant to section 25 of the Gaming, Liquor and Cannabis 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:

- a) slot worker:
 - i) slot operator;
 - ii) slot supervisor; and
 - iii) slot manager.
- b) manager of security;
- c) surveillance manager;
- d) monitor room personnel; and
- e) security guard.

Refer to Section 10.5 “Duties” in these terms & conditions regarding the minimum duties of these positions.

10.2.3 REC facility licensee personnel not registered with AGLC are prohibited from engaging in conducting financial transactions for, or on behalf of, a patron in excess of \$200 per gaming day.

10.2.4 The positions and staff that are registered gaming workers of a REC must be reported to 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.

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10.2.5 Pursuant to Section 11 of the Gaming, Liquor and Cannabis Regulation, the Board may refuse to register an applicant if the Board is satisfied that the applicant has within the past five years prior to the submission of the application contravened:

- a) the *Gaming, Liquor and Cannabis Act* or regulations under the Act;
- b) a predecessor of the *Gaming, Liquor and Cannabis 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, Liquor and Cannabis Act* or a predecessor of the Act.

10.2.6 Registration is issued at the discretion of the Board.

10.2.7 A registered REC gaming worker must notify 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 *Income Tax Act* (Canada);
- e) the *Controlled Drugs and Substances Act* (Canada), other than under section 4(1) of that Act for possession of any substance included in Schedule II to that Act;
- f) a foreign act or regulation that is substantially similar to an offence referred to in a), b), c), d) or e) above;
- g) the *Gaming, Liquor and Cannabis Act* (Alberta); or
- h) the Gaming, Liquor and Cannabis Regulation (Alberta).

10.2.8 The REC facility licensee must notify AGLC immediately upon learning about a registered gaming worker who has been charged or convicted of an offence listed in section 10 of the Gaming, Liquor and Cannabis Regulation.

10.2.9 If a registered gaming worker is convicted, as described in Subsection 10.2.7, the Board may take disciplinary action including, but not limited to, cancellation or suspension of the registration.

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- 10.2.10 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.
- 10.2.11 Applications for registration as a gaming worker in a REC (Form 5401) may be obtained on AGLC's website at aglc.ca.
- 10.2.12 The registration application will only be processed if:
- a) it is complete in all the information requested;
 - b) the information in the application is truthful; and
 - c) there is a records check included with the application. AGLC must receive the records check within three months of records check being issued.
- 10.2.13 Any changes to personal information (address or name) must be reported immediately in writing, to gaming.registrations@aglc.ca or by telephoning AGLC's registration unit at 1-800-272-8876.

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SECTION: 10. REGISTERED GAMING WORKER REQUIREMENTS**10.3 CONDUCT**

10.3.1 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.

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

10.3.3 Registered gaming workers who continue to work with an expired registration may be subject to an administrative sanction upon or after reissue of registration.

10.3.4 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.

10.3.5 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:

- 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.

10.3.6 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.
- b) Other than an agricultural society, registered gaming workers, REC directors or directors of the affiliated racetrack, REC managers and key facility employees are prohibited from playing gaming terminals where they are employed or contracted.

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10.3.7 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;
- 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: 10. REGISTERED GAMING WORKER REQUIREMENTS**10.4 DEAL US IN CASINO STAFF TRAINING**

10.4.1 A REC facility licensee must meet Deal Us In Casino Staff Training certification requirements. Equivalency will not be granted for certificates issued by other provinces.

10.4.2 Persons requiring Deal Us In certification must be certified within 30 days of the employment start date (available at smartprograms.aglc.ca).

10.4.3 Deal Us In certificates must be maintained by successfully repeating the training program(s), including passing the exam(s), before certificates expire.

10.4.4 Staff must provide proof of Deal Us In certification at the request of an AGLC inspector. Proof of certification includes:

- a) paper printed certificate; or
- b) clear digital images (e.g., a screen shot) saved on the staff member's mobile device.

10.4.5 It is the responsibility of the REC facility licensee to ensure that at least one Deal Us In Phase One and Phase Two certified staff member is on shift at all times the facility is open to the public.

10.4.6 Deal Us In Phase One certification is mandatory for all registered gaming workers working full-time or part-time in a licensed facility (see Section 10.2).

Note: Deal Us In Phase One certification is accepted in lieu of Reel Facts certification at licensed REC facilities where staff have involvement with VLT patrons.

10.4.7 Deal Us In Phase Two certification is mandatory for the following registered gaming workers working full-time or part-time in a licensed REC:

- a) REC supervisors;
- b) managers; and
- c) security staff.

Note: Deal Us In Phase One certification is a prerequisite to Deal Us In Phase Two.

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SECTION: 10. REGISTERED GAMING WORKER REQUIREMENTS**10.5 DUTIES****Registered Slot Workers**

10.5.1 The REC facility licensee must maintain employment/shift logs and identify to AGLC, upon request, who is designated to be a slot supervisor or manager at their facility for a specific day. There must always be a supervisor or manager on-duty while slot operations are active.

10.5.2 Registered slot workers are to perform their role in accordance with Section 10.5 of this handbook.

10.5.3 Any suspected unlawful behaviour must be reported to the registered gaming worker's supervisor as soon as it is possible to do so without alerting the suspect.

Note: The slot manager must contact AGLC immediately of any and all suspicions or evidence of cheating at play or other illegal activity.

10.5.4 Only employees designated as slot supervisor or slot manager per 10.5.1 can resolve any gaming irregularities related to gaming terminals based on technical recommendations and contact AGLC Customer Care to dispatch a technician where required.

10.5.5 The REC facility licensee must only use registered slot workers to conduct any gaming terminal activities/transactions (e.g., TITO paper refill, bill jam clearing, pull of cash boxes/bill acceptors, hand pays, etc.) and slot cash cage operations (e.g., TITO ticket redemption). This includes TRK related duties.

- a) The slot supervisor/manager is responsible for the security of gaming terminal keys and employee cards; and
- b) The slot supervisor/manager must perform hand pays of \$25,000 or greater.

10.5.6 Any reports required by AGLC (e.g., soft count report, XML file, etc.) must be completed by a registered slot worker and be accurate and submitted in a manner/format acceptable to AGLC.

Note: Prior to submitting any report to AGLC related to the slot count, the slot supervisor/manager must:

- a) review the document and confirm its accuracy;

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- b) complete Discrepancy Reports as required (see Section 5.6);
and
- c) ensure duties are performed in accordance with AML procedures (see Section 8).

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

Security and Surveillance

10.5.8 All security/surveillance staff, supervisors and managers must:

- a) monitor and report to their supervisor any suspected criminal activities and suspicious activities including:
 - i) surveillance staff will communicate with relevant staff members (example: slot supervisor, security personnel) any suspected criminal activities and suspicious activities;
 - ii) where required, contact local authorities; and
 - iii) the surveillance manager, manager of security or slot manager must contact AGLC immediately of any and all suspicions or evidence of cheating at play, theft or other illegal activity.
- b) be provided access by the REC facility licensee to updated banned and SE patron lists (example: CGIN);
 - i) procedures must be developed to ensure the surveillance/security team are properly notified and respond to any suspected banned or SE patrons.

Note: any physical copies or print outs of banned/SE patrons must be kept secure at all times and not be provided or be accessible to members of the public.

- c) be trained in the use and operation of surveillance system equipment and the alarm monitoring program;
- d) ensure access logs are maintained in accordance with Subsection 4.8.3);

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- e) and are made available immediately upon request by an AGLC Inspector;
- i) where a log is maintained or assigned to a specific role of security/surveillance, registered workers of security/surveillance must have knowledge of where the log is maintained.
- f) complete Discrepancy Reports as required; and
- g) ensure duties are completed in accordance with AML procedures (see Section 8).

Security Guard

10.5.9 The security guard is responsible to the manager of security for the security and physical safety of:

- a) the REC facility property;
- b) the patrons of the REC facility; and
- c) the REC workers.

10.5.10 The REC facility licensee must ensure its minimum security guard requirements are based on operational demands, including a minimum of one guard present while slot operations are active.

10.5.11 All active entrances open to the public, must have, a security guard stationed to ensure entry access and ID provisions are complied with.

Note: A registered gaming worker, employed by the REC facility licensee, may perform the duties of the security guard at public entrances to monitor entry access in the event the security guard is required to leave their station or for break coverage.

10.5.12 Security guard(s) must provide security (escort) where requested by the manager of security or slot supervisor/manager for:

- a) the pull of cash boxes (slots) or bill acceptors (slots); and
- b) matters related to gaming terminals or TRKs.

10.5.13 Upon request from the manager of security, provide an escort for approved REC staff, approved third party contractors or an AGLC contractor when accessing any restricted area.

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10.5.14 Monitor room personnel are responsible to the surveillance manager.

10.5.15 Monitor room personnel must:

- a) ensure they have experience and training from the REC facility licensee in REC gaming disciplines;
- b) maintain a high level of knowledge of:
 - i) all gaming terminal games;
 - ii) opening and closing procedures;
 - iii) count room, slot bank and cash cage procedures; and
 - iv) methods of cheating
 - staying current with trends, cheat at play methodology, suspects and other REC security concerns.
- c) ensure all surveillance equipment (e.g., cameras, alarm monitoring program and recording equipment) are in good operational condition. Maintain a numbered page log book, dating and initialing the routine checks completed;
- d) ensure that live camera monitoring is in place and a video recording of REC operations, which may impact on the security and safety of assets, personnel and patrons is kept from the time the float and inventory is turned over to the REC licensee until count room processes are finished, to include:
 - i) gaming terminals;
 - ii) cash cage and count room;
 - iii) floor security procedures;
 - iv) slot areas; and
 - v) money counting machines and changers.

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- e) secure, label, and control all REC recordings for a minimum period of 15 days, including:
 - i) maintaining a control log for all recordings secured identifying the:
 - recording by control number;
 - the event date; and
 - the surveillance operator.

Surveillance Manager

10.5.16 The REC facility may identify and assign the manager of security in lieu of a surveillance manager, where both positions are employed by the REC facility licensee, the responsibility is shared by both roles unless otherwise identified by the facility licensee.

- 10.5.17 The surveillance manager (or manager of security) is responsible for:
- a) developing and implementing policies and procedures regarding surveillance operations which are consistent with the RECTCOG;
 - b) preparing/updating a surveillance plan:
 - i) ensuring that adding, relocating, reconfiguring or removing camera coverage meets all AGLC standards as specified in Section 5.
 - c) hiring and training monitor room personnel;
 - d) ensuring the security guard duties are operated independently from the monitor room personnel duties; and
 - e) ensuring all surveillance equipment and the alarm monitoring program are in proper working order.

Manager of Security

10.5.18 The manager of security is responsible for the security and surveillance of the REC facility. A manager of security holding a valid registration may be assigned by their employer to multiple REC properties.

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10.5.19 The manager of security's responsibilities include:

- a) developing and implementing policies and procedures for security and surveillance operations that are consistent with the RECTCOG;
- b) reviewing all requests by REC staff, security or an AGLC contractor for access to any AGLC server room in accordance with Subsection 4.8;
- c) hiring and training security guards:
 - i) ensuring security guards are properly trained in respect to arrest, detention and charter requirements; and
- d) ensuring control of access cards and/or keys to secured areas of the REC facility.

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SECTION: 11. FINANCIAL AND INFORMATION TECHNOLOGY (IT) STANDARDS**11.1 FINANCIAL REPORTING****11.1.1 Audit Requirements**

- a) REC facility licensee's books and records are subject to audit and review by AGLC and must be maintained in a manner acceptable to 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 11.1.3);
 - 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, Liquor and Cannabis Regulation and to which the REC facility licensee has made gaming payments.

11.1.2 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 11.1.2.

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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 AGLC within 120 days of the REC facility licensee's fiscal year-end or as otherwise prescribed in Subsection 11.1.2.
- 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 per cent, 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 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 these special purpose statements be audited by the PAF. The

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REC facility licensee must provide the requested information within 45 days of receiving the request from AGLC.

11.1.3 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.

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SECTION: 11. FINANCIAL AND INFORMATION TECHNOLOGY (IT) STANDARDS

11.2 INFORMATION TECHNOLOGY (IT) STANDARDS

11.2.1 REC facility licensees are responsible for maintaining the confidentiality, integrity and availability of data. REC facility licensees are responsible for developing and maintaining all internal information technology (IT) controls and must take reasonable measures to ensure their IT systems (production environment) are secure and protected at all times. IT Controls include the following:

- a) entity level controls;
- b) security management controls;
- c) systems development & change management controls;
- d) system operations controls;
- e) network management controls; and
- f) third party service controls.

11.2.2 As 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.

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SECTION: 12. APPLICATION PROCESS FOR NEW LICENSED REC FACILITIES

12.1 GENERAL

12.1.1 AGLC's Board determines the number of facility licences issued based on maximizing or sustaining return to charities and government. Based on its market assessment, an Application process for a new REC facility licence within a specified market area may be initiated by AGLC.

12.1.2 Approval for a new REC facility licence will be determined by AGLC's Board through the four-step process described in Section 12.2.

12.1.3 REC facility licence Applicants must bear all costs or expenses associated with their interest in or Application for a REC facility licence.

12.1.4 AGLC will not assume any of the costs, expenses or liabilities associated with an Applicant's interest in obtaining a REC facility licence.

12.1.5 If, at any time, an Applicant decides it no longer wishes to pursue its Application for a new REC facility, it must notify AGLC in writing of its decision to withdraw its Application.

12.1.6 The Board, at its sole discretion, may choose to end the Application process for a new REC facility licence at any step in the process.

12.1.7 In this section, an Applicant must be:

- a) a person or entity who currently operates a racetrack 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 racetrack licence to the Applicant;
- b) an adult (18 years of age or older), who is a Canadian citizen or lawfully admitted to Canada for permanent residence;
- 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);
- d) a partnership, registered under the *Partnership Act* (Alberta);
or

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e) a First Nation within the meaning of the *Indian Act* (Canada).

12.1.8 An Applicant who is a:

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

12.1.9 In Section 12, 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.
- b) a Metis Settlement established under the *Metis Settlement Act* (Alberta); or
- c) an Indian reserve as determined by Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) located within the provincial boundaries of Alberta.

12.1.10 In Section 12, 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 Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) located within the provincial boundaries of Alberta.

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12.2 FOUR-STEP APPLICATION PROCESS

(Amended Mar 2024)

12.2.1 Following from Subsections 12.1.1 and 12.1.2, AGLC may initiate the Four-Step Application Process in respect of an opportunity for a new REC facility licence within a specified market area:

1. Application
2. Application Evaluation
3. Community Support and Background Check
4. Construction and Licensing

12.2.2 An Application, or the progression of an Application through the four-step process described in this section must not be considered or promoted as an endorsement by AGLC for a REC facility in a market area.

12.2.3 AGLC will advise all the councils located within the specified market area, through the council's chief administrative officer or municipal clerk or equivalent, about its interest to develop a REC facility in the specified market area.

STEP 1 – APPLICATION

12.2.4 The Application must be made in writing, submitted within the timeframe indicated in the invitation to apply and include a \$1,000 non-refundable deposit to cover AGLC costs (e.g., reviewing and evaluation of the Application).

12.2.5 Applicants must provide a detailed minimum three-year business plan which clearly articulates the concept proposal and contains all required information related to the proposed new REC facility. The required information includes, but is not limited to:

- a) a detailed description of the Applicant, including:
 - i) ownership group;
 - ii) business experience and years in business;
 - iii) experience in gaming and/or hospitality industry;
- b) 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 racetrack for

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which Horse Racing Alberta has issued a letter of intent – such details include the current or proposed number of race days etc.;

- c) a market assessment, including:
 - i) a revenue forecast, including:
 - revenue sources (e.g., slot machines, electronic table games, live horse racing and other revenue sources, such as a hotel, food and beverage services etc.);
 - cannibalization of revenue from existing gaming facilities (see Subsection 12.2.11)
 - details of the methods and assumptions used in the market assessment; and
 - a risk assessment.
 - ii) a marketing plan, including planned total marketing investment, 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).
- d) the physical design of the facility, including:
 - i) the legal address, site plans, drawings, blueprints, etc.;
 - ii) the impact on traffic and parking in the area (including any plans or requirements from municipal authorities for changes to traffic lights, signage, or municipal construction approvals including status of said approvals);
 - iii) a description of any additional amenities to the REC facility such as a hotel, food and beverage services, entertainment, etc. and an outline of any future phases of development identified in the business plan, if applicable;
 - iv) the total number of slot machines and electronic table games proposed;
 - v) a description of the facility's security features; and

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- vi) the construction costs and schedule.
- e) minimum three-year pro forma financial statements that must include:
 - i) both income and balance sheet statements;
 - ii) revenue streams broken down by slot machines, electronic table games and non-gaming revenue sources;
 - iii) operational expenses categorized and described in detail;
 - iv) a set of statements for the REC's operations and a combined set of statements for entire facility if a hotel or other amenities exist in new facility; and
 - v) cash flow projections and sensitivity analysis of projections, including the:
 - total financing costs;
 - terms of financing; and
 - total capital (construction) and operational costs.
- f) the legal structure of the organization, including:
 - i) a description of the Applicants ownership or legal structure;
 - ii) all directors or officers of the organization; and
 - iii) if financing is required, who will be the lender, and what are the terms of the credit agreement, etc.

12.2.6 The physical location of the proposed new facility must be submitted as part of the Application (including a map). It must remain unchanged throughout the process.

12.2.7 AGLC does not require municipal land use, zoning and development approval for the purposes of the Initial Assessment.

12.2.8 Upon receipt of an Application which meets all the requirements in Subsection 12.2.5, AGLC will assess and validate the information to determine whether the Application can move to Step 2 – Application Evaluation.

12.2.9 After the deadline for Application submission, Step Two: Application Evaluation may be initiated.

DATE ISSUED: March 28, 2024

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12.2.10 Following from Subsection 12.2.9, Applications for a REC facility in a specified market area are assessed on a number of factors including, but not limited to the following:

- a) facility standards and operating requirements set out in Sections 4 and 5 and elsewhere in these RECTCOG;
- b) required Application information related to the proposed new facility as required under Subsection 12.2.5;
- c) feasibility of the proposed new facility;
- d) ownership group (e.g., business history, experience in gaming and/or hospitality industry); and
- e) additional factors, including but not limited to:
 - i) new gaming revenue;
 - ii) impact on existing gaming facilities in or around the market area (i.e., casinos, RECs, video lottery retailers and bingo halls);
 - iii) review and validation of the: market assessment, gaming market considerations and priorities, cannibalization, proximity to other licensed gaming facilities, population density, economic outlook, and expansion of an area;
 - iv) capital expenditure;
 - v) employment opportunities;
 - vi) economic benefit to community; and
 - vii) ownership concentration in the province.

12.2.11 As part of the assessment, the Application will not move to Step 3 – Community Support and Background Check, if:

- a) cannibalization would be 15 per cent or more of the gaming revenues from any one existing gaming facility, as determined by AGLC; and
- b) AGLC's investment (costs) involved has a payback period of more than 18 months.

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Note: The calculation for b) is based on new incremental revenues generated less commissions paid to the casino facility licensee and charities.

- 12.2.12 The evaluation of Applicants will be conducted by a REC Facility Applicant Evaluation Committee ("Committee") internal to AGLC.
- 12.2.13 The members of the Committee will be designated by AGLC and comprise senior staff of AGLC. As AGLC deems appropriate, the Committee may obtain assistance in conducting the evaluation from external sources (e.g., consultants).
- 12.2.14 None of the members of the Committee may be or appear to be in a conflict of interest in fulfilling his or her duties as a member of the committee.
- 12.2.15 The committee will report the results of its evaluations and recommendations to the Board. The Board may initiate Step Three: Community Support and Background Check.
- 12.2.16 Where an Application is allowed to move to Step 3 – Community Support and Background Check, AGLC will also notify existing licensees of the Application (see also Subsection 2.4.2).
- 12.2.17 Where an Application is not allowed to proceed to Step 3 – Community Support and Background Check, the Applicant will be advised by AGLC in writing of its:
- a) decision and reason(s) for the decision; and
 - b) the right to request a hearing into the matter, as per section 94, *Gaming, Liquor and Cannabis Act*.

STEP 3 – COMMUNITY SUPPORT AND BACKGROUND CHECK**Community Support**

- 12.2.18 Following from Subsection 12.2.15, prior to further consideration respecting the approval of the REC facility licence, the Board may consider the views of the community including the views, if any, expressed by a council in relation to a proposed new REC facility. If the Board is of the view that the community is not in favour the Board may end the Application process.
- 12.2.19 The Board will:

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- 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 new REC facility; and
- b) consider any written response of council respecting its views on the proposed new REC facility in the community.

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

12.2.21 The Board will not consider any conditions placed on or attached to a council resolution respecting a new REC facility in the community.

12.2.22 The Applicant will be required to issue a public notice in the community and adjacent communities (at AGLC's sole discretion) advising of its proposed new REC facility.

The notice must:

- a) specify the addresses within the community affected by the new REC facility; and
- b) be approved by AGLC for its content, layout, frequency and proposed media prior to being published;

Note: social media platforms may be used in conjunction with newspaper media to issue the public notice.

Background Check

12.2.23 Pursuant to section 4 of the Gaming, Liquor and Cannabis Regulation, the Board must decide whether or not to consider any objection made respecting a new REC facility licence and advise the person who made the objection as to the Board's decision in the matter (see Section 2.4).

12.2.24 Following from Subsection 12.2.15, the Board may direct AGLC to conduct a thorough background check into one or more selected Applicants.

12.2.25 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

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licence. The background check process is described in Section 2.6 of the RECTCOG.

12.2.26 Applicants will be required to submit an initial deposit of \$10,000 or another amount specified to cover the cost of the background checks, pursuant to section 13.2 of the Gaming, Liquor and Cannabis Regulation.

12.2.27 AGLC will report the results of the background check to the Board.

12.2.28 The Board will determine whether an Applicant meets the requirements of the background check.

12.2.29 If the Board determines an Applicant has failed to meet the requirements of the background check, the Application is rejected.

12.2.30 Applicants, not meeting the background check requirements or whose Application is ended by the Board, will be advised by the Board in writing of its:

- a) decision; and
- b) the right to request a hearing into the matter, as per section 94, *Gaming, Liquor and Cannabis Act*.

Note: Unsuccessful Applicants will have the balance of their deposit returned.

12.2.31 If the Board at its sole discretion decides to continue the approval process, Step Four: Construction and Licensing may be initiated.

12.2.32 If the Board at its sole discretion decides to end the approval process for the new the REC facility in the specified market area, the process shall end.

12.2.33 The Applicant will be advised by the Board in writing of its:

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

Note: Unsuccessful Applicants will have the balance of their deposit returned.

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12.2.34 Following from Subsection 12.2.31, the Board may make a determination to issue a conditional approval and advise the Applicant in writing it can proceed with construction.

12.2.35 The Board may approve the proposed REC facility licence if the Applicant has met any conditions set by the Board with respect to the conditional approval, all of the other requirements in Section 12.2 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 new REC facility 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, Liquor and Cannabis Regulation); and
- e) produce a current racetrack licence issued by Horse Racing Alberta.

12.2.36 The Board may at its sole discretion refuse to issue a REC facility licence if:

- a) the Applicant has:
 - i) misled the Board;
 - ii) provided inaccurate or incomplete information with regards to its licence Application; 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.
- b) there is a substantial change to, or circumstance affecting the validity of, the information previously provided; or

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c) there is a substantial change to the market.

12.2.37 If the Board refuses to issue a REC facility licence under the authority of Subsection 12.2.36, the Applicant 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, Liquor and Cannabis Act*.

DATE ISSUED: March 28, 2024

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SECTION: 13. REC FACILITY EXPANSION, RELOCATION AND RENOVATIONS

13.1 EXPANSION OR RELOCATION OF A REC FACILITY – GENERAL

13.1.1 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.

13.1.2 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.

13.1.3 In Section 13, 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.
- b) a Metis settlement established under the *Metis Settlement Act* (Alberta); or
- c) an Indian reserve as determined by Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) located within the provincial boundaries of Alberta.

13.1.4 In Section 13, 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 Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) located within the provincial boundaries of Alberta.

13.1.5 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.

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13.1.6 Unless otherwise agreed to by AGLC, the REC facility licensee is responsible for any costs, expenses or liabilities associated with expanding or relocating a licensed REC facility.

DATE ISSUED: February 1, 2024

AUTHORITY: _____

Original signed by
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SECTION: 13. REC FACILITY EXPANSION, RELOCATION AND RENOVATIONS**13.2 EXPANSION OF A REC FACILITY**

13.2.1 In this section, “expansion” means the significant physical expansion of the gaming or non-gaming (public or restricted) areas in a licensed REC facility as determined by AGLC. Such expansion may include an increase in the building envelope or its outer dimensions (for facility renovations or minor structural changes see Subsection 13.4.1).

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.

13.2.2 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

13.2.3 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 AGLC in writing of its decision to withdraw the application.

STEP 1 – INITIAL ASSESSMENT

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

13.2.5 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;

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- b) a market assessment, including:
 - i) a three-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.
 - 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, blueprints, 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;
 - v) a description of the facility's security features; and
 - vi) the construction costs and schedule.
- d) a three-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

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- 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.
- ii) three-year cash flow projections and sensitivity analysis of projections, including the:
 - total financing costs;
 - terms of financing; and
 - total capital (construction) and operational costs.
- 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 2.6).

13.2.6 Upon receipt of a proposal, which meets all the requirements in Subsection 13.2.5, AGLC will assess and validate the information to determine whether the proposed expansion has merit.

13.2.7 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 General Revenue Fund and AGLC.

13.2.8 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;

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- 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 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.

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

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

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

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

- a) reason(s) for the decision; and
- b) process to appeal AGLC's decision (see Subsection 13.2.27).

STEP 2 – COMMUNITY SUPPORT

13.2.13 Following from Subsection 13.2.9, 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 AGLC is of the view that the community is not in favour AGLC may refuse to approve a proposed licensed facility expansion at any time throughout the process.

13.2.14 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.

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

13.2.16 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 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.

13.2.17 Following from Subsection 13.2.16, the applicant must submit to AGLC a copy of the complete newspaper pages containing the advertisements.

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

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

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

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

- a) the reason(s) for the decision; and
- b) the process to appeal AGLC's decision (see Subsection 13.2.27).

STEP 3 – APPROVAL

13.2.22 Following from Subsection 13.2.20, AGLC will make a determination respecting the approval of the proposed expansion of a licensed REC facility.

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13.2.23 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 13.2 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, Liquor and Cannabis Regulation); and
- e) produce a current racetrack licence issued by Horse Racing Alberta.

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

13.2.25 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 AGLC; or
 - ii) provided inaccurate or incomplete information respecting the expansion.
- b) the proposed expansion does not comply with the approved structure and amenity requirements per Subsection 13.2.23;
- 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.

DATE ISSUED: February 1, 2024

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13.2.26 If AGLC refuses to approve a proposed expansion under the authority of Subsection 13.2.25, the REC facility licensee will be advised in writing of the:

- a) reason(s) for the decision; and
- b) process to appeal AGLC's decision (see Subsection 13.2.27).

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

- a) 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: 13. REC FACILITY EXPANSION, RELOCATION AND RENOVATIONS

13.3 RELOCATION OF A REC FACILITY

(Amended Mar 2024)

13.3.1 In this section, "relocation" means the relocation of an existing licensed REC facility to a new physical address within its defined market area, as prescribed by AGLC, for the purpose of serving its existing player base or market area.

13.3.2 AGLC may refuse to consider an Application if the proposed relocation of the existing REC facility is intended to be:

- a) outside of the REC facility licensee's defined market area (for new REC facility licensing, see Section 12); or
- b) for the purpose of changing the class (e.g., casino or REC) or type (e.g., traditional casino facility or First Nation casino facility) under which the gaming facility licence was established.

13.3.3 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

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

STEP 1 – INITIAL ASSESSMENT

13.3.5 An Applicant initiates this step by providing to AGLC an Application in writing for the relocation of an existing licensed REC facility.

13.3.6 The Application must include a detailed minimum three-year business plan which clearly articulates the rationale for the proposed relocation and contains all required information related to the relocation of the REC facility, including, but not limited to:

- a) a market assessment, including:
 - i) a 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.);
- cannibalization of revenue from existing gaming facilities (see Subsection 13.3.11);
- methods and assumptions used in the market assessment; and
- a risk assessment;
- ii) a marketing plan, including planned total marketing investment, 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);
- b) the physical design of the facility, including:
 - i) the legal address, site plans, drawings, blueprints, etc.;
 - ii) the impact on traffic and parking in the area (including any plans or requirements from municipal authorities for changes to traffic lights, signage, or municipal construction approvals including status of said approvals);
 - iii) a description of any additional amenities to the REC such as a hotel, food and beverage services, entertainment, etc. and an outline of any future phases of development identified in the business plan, if applicable;
 - iv) the total number of slot machines and other gaming devices proposed;
 - v) a description of the facility's security features; and
 - vi) the construction costs and schedule;
- c) minimum three-year pro forma financial statements that must include:
 - i) both income and balance sheet statements;
 - ii) revenue streams broken down by gaming and other revenue sources;

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- iii) operational expenses categorized and described in detail; and
- iv) 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;
- v) cash flow projections and sensitivity analysis of projections, including the:
 - total financing costs;
 - terms of financing; and
 - total capital (construction) and operational costs.
- d) the legal structure of the organization, including:
 - i) a description of any changes in the licensee ownership or legal structure;
 - ii) any new directors or officers of the organization; and
 - iii) 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 2.6).

13.3.7 The physical location of the proposed new facility must be submitted as part of the Application (including a map). It must remain unchanged throughout the process.

13.3.8 AGLC does not require municipal land use, zoning and development approval for the purposes of the Initial Assessment.

13.3.9 Upon receipt of an Application, which meets all the requirements in Subsection 13.3.6, AGLC will assess and validate the information to determine whether the proposed relocation can move to Step 2-Community Support.

13.3.10 The Step 1 – Initial Assessment process will take into consideration factors such as, but not limited to, the:

- a) completeness and accuracy of information in the Application;

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- b) review and validation of the: market assessment, gaming market considerations and priorities, feasibility of the proposed new facility, projected gross gaming revenue, cannibalization, proximity to other licensed gaming facilities, population density, economic outlook, and expansion of an area;
- c) impact to existing or approved gaming facilities (i.e., RECs, casinos, video lottery retailers and bingo halls) in the proposed new location; and
- d) financial impacts to AGLC, including the:
 - i) return on investment by AGLC;
 - ii) impact to the General Revenue Fund; and
 - iii) impact to other GOA funding programs supported by gaming revenues.

13.3.11 As part of the assessment, the Application will not move to Step 2 – Community Support, if:

- a) cannibalization would be 15 per cent or more of the gaming revenues from any one existing gaming facility, as determined by AGLC; and
- b) AGLC's investment (costs) involved in the relocation process has a payback period of more than 18 months.

Note: The calculation for b) is based on new incremental revenues generated less commissions paid to the REC facility licensee.

13.3.12 At the completion of Step 1 - Initial Assessment, AGLC will determine in its sole discretion whether to allow the Application to proceed to Step 2: Community Support and notify the Applicant.

13.3.13 An Application that is allowed to move forward in the approval process shall not be considered or promoted as an endorsement by AGLC of a relocation of the licensed REC facility.

13.3.14 Where an Application is allowed to move to Step 2, AGLC will also notify existing licensees of the Application (see also Subsection 2.4.2).

DATE ISSUED: March 28, 2024

AUTHORITY: Original signed by
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13.3.15 Where an Application is not allowed to proceed to Step 2 – Community Support, the Applicant 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, Liquor and Cannabis Act*.

STEP 2 – COMMUNITY SUPPORT

13.3.16 In Step 2 – Community Support, AGLC may consider the views of the community including the views, if any, expressed by a council in relation to a proposed REC relocation.

13.3.17 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.

13.3.18 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. AGLC will follow the same process used when considering the views of the community where the proposed new REC facility would be located.

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

13.3.20 Applicants are required to issue a public notice in the community and adjacent communities (at AGLC's sole discretion) advising of the proposed REC relocation. The notice must:

- a) specify the addresses within the community affected by the REC relocation; and
- b) be approved by AGLC for its content, layout, frequency and proposed media prior to being published.

Note: social media platforms may be used in conjunction with newspaper media to issue the public notice.

DATE ISSUED: March 28, 2024

AUTHORITY: Original signed by
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- 13.3.21 Pursuant to Section 4 of the Gaming, Liquor and Cannabis 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 2.4).
- 13.3.22 Having considered the views of the community, AGLC at its sole discretion, may:
- a) continue the approval process, move the Application to Step Three: Approval and Licensing; or
 - b) refuse to approve a proposed licensed facility relocation and notify the Applicant of the same.
- 13.3.23 Where the Application is refused, the Applicant will be advised by 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, Liquor and Cannabis Act*.

STEP 3 – APPROVAL AND LICENSING

- 13.3.24 Where the Application is allowed to move to Step 3 - Approval and Licensing, the Board may issue a conditional relocation approval and advise the Applicant in writing it can proceed with construction.
- 13.3.25 The Board may approve the Application if the Applicant has met all of the requirements of the conditional approval and can:
- a) demonstrate compliance with the approved structure and amenity requirements;
 - b) demonstrate compliance with all pertinent provincial and federal legislation, regulation and policies;
 - c) demonstrate compliance with all pertinent 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, Liquor and Cannabis Regulation); and

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

13.3.26 The Board may at its sole discretion refuse to approve an Application at any step in the Application process, including if:

- a) the Applicant has:
 - i) misled the Board;
 - 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.
- b) the Applicant is determined to be a detriment to the integrity or lawful conduct of gaming activities or provincial lotteries;
- c) 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.

13.3.27 If the Board refuses to approve an Application under the authority of Subsection 13.3.26, the Applicant 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, Liquor and Cannabis Act*.

DATE ISSUED: March 28, 2024

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13.4 RENOVATION OF A REC FACILITY

13.4.1 A REC facility licensee planning to undertake renovations or structural changes must contact AGLC and present plans of the proposed renovations. Prior written approval from AGLC must be provided by AGLC before making any changes.

Note: Renovations covered by this policy are limited to changes within the existing building envelope or minor additions to the existing REC facility.

DATE ISSUED: February 1, 2024

AUTHORITY:

Original signed by
Len Rhodes

SECTION: 14. REC FACILITY LICENCE**14.1 GENERAL**

- 14.1.1 A licensee or an applicant for a licence must be an entity that operates a racetrack licensed by Horse Racing Alberta, and the racetrack must be designated by Horse Racing Alberta as either an “A” or “B” racetrack.
- 14.1.2 A licence respecting a REC will be considered automatically cancelled upon the suspension, cancellation or revocation of the licensee’s racetrack licence by Horse Racing Alberta or by any other authority with the power to suspend, cancel or revoke the licensee’s racetrack licence.
- 14.1.3 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.
- 14.1.4 The Board may issue a REC facility licence for a period of up to six years, as specified on the licence. A licence is in effect for a term specified under the Gaming, Liquor and Cannabis Regulation.
- 14.1.5 The licence fee for a REC facility licence is \$500 per year (i.e., if a six-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.
- 14.1.6 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.
- 14.1.7 An applicant will be contacted by AGLC at least 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.
- 14.1.8 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 13.2 of the Gaming, Liquor and Cannabis Regulation.

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14.1.9 The Licence/Registration Application Package consists of the following:

- a) Application for Background Check (Form 5675);
- b) Personal Applicant Disclosure (Form 5676);
- c) Corporation Partnership, LLC, Trust or Other Disclosure (Form 5677);
- d) Consent to Records Check (Form 5678); and
- e) \$10,000 deposit or another specified amount to cover the cost of the background checks pursuant to section 13.2 of the Gaming, Liquor and Cannabis Regulation.

14.1.10 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 audited financial statements. 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 AGLC on all individuals who have provided personal disclosures; and
- d) AGLC may request updated information relating to any associated entity or individual associated with the applicant.

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AUTHORITY:

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SECTION: 14. REC FACILITY LICENCE**14.2 SALE AND PURCHASE OF A REC FACILITY**

14.2.1 A REC facility licence is cancelled when a person sells, assigns or transfers the licence pursuant to section 30.1 of the Gaming, Liquor and Cannabis Regulation.

14.2.2 The REC facility licence is cancelled where:

- 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.

14.2.3 Pursuant to section 30.2(1) of the Gaming, Liquor and Cannabis Regulation, a proposed sale, assignment or transfer of a portion of a business:

- 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; and

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

14.2.4 Pursuant to section 30.2(2) of the Gaming, Liquor and Cannabis Regulation, a sale, assignment or transfer of five per cent or more of a business:

- 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 AGLC by the REC Facility licensee within 10 business days after the effective date of the sale, assignment or transfer and must be approved by the Board.

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

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Cannabis Regulation and Subsections 14.2.3 and 14.2.4 of these Terms and Conditions:

- 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.

14.2.6 Pursuant to section 30.2(4) of the Gaming, Liquor and Cannabis Regulation, where the Board refuses to approve a sale, assignment or transfer under Subsection 14.2.5 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, Liquor and Cannabis Act*.

14.2.7 Pursuant to section 30.3(1) of the Gaming, Liquor and Cannabis 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:

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

14.2.8 Pursuant to section 30.3(2) of the Gaming, Liquor and Cannabis Regulation, the Board may, in respect of a financial interest requiring its approval under this section:

- 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.

14.2.9 Pursuant to Section 30.3(3) of the Gaming, Liquor and Cannabis Regulation, where the Board refuses to approve a financial interest under Subsection 14.2.8 d) after the effective date of the financial interest, the Board may treat the REC Facility licensee as ineligible to

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continue to hold the REC facility licence and make a decision under section 92 of the *Gaming, Liquor and Cannabis Act*.)

14.2.10 For the purposes of section 37(1)(a) of the *Gaming, Liquor and Cannabis 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.

14.2.11 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.

14.2.12 The number of REC facility licences in the province is determined by AGLC.

DATE ISSUED: February 1, 2024AUTHORITY: Original signed by
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SECTION: 15. FORMS

15.1.1 The following AGLC forms can be accessed at aglc.ca/forms:

- a) Discrepancy Report
- b) Electronic Gaming Device Discrepancy Report
- c) Electronic Games – Casino Retailer Application Form
- d) Electronic Games – Casino/REC Certificate of Insurance Form
- e) Pre-Authorized Debit (PAD) Agreement for Business (Electronic Games – Casino Retailer) Form
- f) Electronic Games – REC Retailer Agreement
- g) Alberta Progressive Jackpot Receipt

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AUTHORITY: Original signed by
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