Standards and Requirements for Internet Gaming

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STANDARDS & REQUIREMENTS FOR INTERNET GAMING

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SECTION: 1. GENERAL INFORMATION

1.1 DEFINITIONS

1.1.1 In this handbook,

a) "Accredited Testing Facility" (or ATF) means a test facility or laboratory registered and approved by AGLC for the purpose of gaming supply testing and certification.

b) "Advertising" refers to the use of media (e.g., newspapers, magazines, radio, television, signage, and internet including email messaging and social media) to communicate a message to a wider audience.

c) "AGLC" means the Alberta Gaming, Liquor and Cannabis Commission;

d) "AiGC" means the Alberta iGaming Corporation.

e) "Background Check" means a background investigation intended to determine the eligibility of an applicant, licensee, or registrant to ensure integrity and the lawful conduct of gaming.

f) "Bet" means an amount of money at risk in a wager.

g) "Board" means Board of AGLC.

h) "Bot" is a software application that runs automated tasks over the internet.

i) "CAM" means Control Activity Matrix.

j) "Controls or Control Activities" means the individual policies, procedures, business processes, monitoring systems, structures, accountabilities, tools and instruments that comprise the control environment management establishes to address the regulatory risks identified by AGLC and achieve the regulatory objectives reflected in the Standards and Requirements.

k) "Control Matrix" means control activities included in the individual policies, procedures, business processes, monitoring systems, structures, accountabilities, tools and instruments that comprise the control environment management established to address the regulatory risks identified by AGLC and achieve the regulatory objectives reflected in the Standards and Requirements.

l) "Deactivated Account" means a player account which has been made no longer available to the player for log on and use.

m) "Direct Marketing" (and advertising) includes but is not limited to direct messaging via social media, emails, texts and phone calls.

n) "Discrepancy Report" means a report prepared by an iGaming Operator or Goods or Services Supplier regarding a security breach or any illegal activity.

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o) "Dormant Account" means a player account which has been temporarily frozen due to inactivity and made unavailable for player log on and use.

p) "Eligible Individuals" means those persons who are not prohibited from accessing gaming sites or player lottery schemes under Standard 4.4.2.

q) "eSport" means multiplayer video games played competitively for spectators; eSports are considered a sport for the purpose of these Standards and Requirements.

r) "Fantasy Sports" means any pay-to-play sport betting product (fantasy sports contests are considered a type of sport betting for the purpose of these Standards and Requirements) provided by an Operator wherein consumers can assemble a virtual team composed of real players in a given sport and compete against other virtual teams on the performance of those players in real matches.

s) "FINTRAC" means the Financial Transactions and Reports Analysis Centre of Canada.

t) "Free-to-play games" means those offered for promotional purposes, that provide players the option to play without paying or betting, including those offered for promotional purposes.

u) "Game outcome" means the result of a wager.

v) "Game session" means the playing of any of the applicable lottery schemes and begins when a player starts playing a game for real money. A gaming session ends when a player exits a game.

w) "Gaming site" means an electronic channel maintained for the purpose of playing or operating a lottery scheme.

x) "Gaming supplies" means hardware, software, applications and all associated components of gaming supplies and the technology environment.

y) "Gaming system" includes hardware, software, applications and all associated components of gaming Suppliers and the technology environment.

z) "iGaming" means lottery schemes conducted and managed by AiGC or AGLC that are played or operated through the internet.

aa) "iGaming site" means an electronic channel maintained for the purpose of playing or operating a lottery scheme.

bb) “Goods or Services Supplier” means an iGaming Supplier, other than an Operator, registered to provide Goods or Services which require registration.

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cc) "Independent Integrity Monitor" means any Supplier registered by AGLC to perform the Independent Integrity Monitor role which provides services to, among others, regulators, or Operators to receive, assess and distribute unusual/suspicious betting alerts and has the expertise to analyze and evaluate the accuracy and severity of received unusual/suspicious betting alerts.

dd) "Lottery scheme" has the same meaning as in subsection 207(4) of the Criminal Code (Canada).

ee) "Manual controls" are human-performed control activities.

ff) "Minor" means a person under the age of 18 years.

gg) "Notification Matrix" means the policy document that lists the obligations of Operators and gaming-related Suppliers to notify AGLC in specifically delineated circumstances.

hh) "Novelty Bets" means any bet placed on a non-sporting event where real-world factual occurrences are the contingency on which an outcome is determined and in accordance with Standard 4.6.6.

ii) "Operator" means an iGaming Supplier registered to host an online gaming site in Alberta.

jj) "Peer-to-peer games" means the type of lottery schemes where players gamble against each other rather than against the house.

kk) “Player” means an individual who has an account with an iGaming site operated by an iGaming Operator.

ll) "Prize" means cash, merchandise or another item of value awarded.

mm) "Randomness or Chance" means unpredictability and absence of a pattern in a set of events that have definite probabilities of occurrence.

nn) "Self-excluded persons" means individuals who participate in a process to exclude themselves voluntarily from gaming sites.

oo) "Sensitive data" means player information and data relevant to determining game outcomes.

pp) "Session play" means a defined period of continuous play, from the first wagering to cashing out or stopping play.

qq) "Sports and Event Betting" means any bet on occurrences related to sports, competitions, matches and other types of activities which meet the criteria articulated in Standard 4.6.5, and which excludes games or events where the outcome is

determined or controlled by a random number generator, Peer-to-Peer play, or an Operator. Sport and Event Betting include bets on Fantasy Sports, eSports and Novelty Events, but does not include bets on Virtual Sports. Sport and event bets include, but are not limited to, single-game bets, teaser bets, parlays, over-under, moneyline, pools, exchange betting, in-game betting, proposition bets and straight bets.

rr) "Sport/Event Authority" means an organization that prescribes final rules and enforces codes of conduct (including prohibitions on betting by insiders on events overseen by the sport governing body) for a sporting event and the participants in the event.

ss) "Standards" or "Standards and Requirements" means AGLC's Standards and Requirements for Internet Gaming.

tt) "Supplier" means an iGaming Supplier registered to operate an iGaming site or to provide Goods or Services in support of online gaming in Alberta.

uu) "Suspicious betting activity" means unusual betting activity that cannot be explained and is indicative of match fixing, the manipulation of an event, misuse of inside information, or other illicit activity.

vv) "Suspicious 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.

ww) "Suspicious Transaction Report (STR)" means a legislative requirement under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) that mandates reporting entities to submit reports where there are reasonable grounds to suspect that money laundering, terrorist financing activity or sanctions evasion has occurred or been attempted.

xx) "System Accounts" means all accounts that are used to manage the system.

yy) "Unusual betting activity" means a betting pattern that deviates, including statistically, from the activity otherwise exhibited by players and reasonably expected by an Operator or Independent Integrity Monitor, which may indicate potential suspicious activity in the netting or the underlying sport or other event. Unusual betting activity may include the size of a player's wager or increased wagering volume on a particular event or wager type.

zz) "Virtual Games" means a computer-generated presentation of a random number draw that provides visual presentation for entertainment purposes only. The outcome of the "event" is determined by a random number generator, rather than real-world sport or

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novelty events or players. Note: Virtual sports are not considered a type of Sport and Event Betting.

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2.1 LEGISLATION AND COMPLIANCE

2.1.1 The Standards and Requirements for Internet Gaming, the *iGaming Alberta Act, Gaming, Liquor and Cannabis Act* and the Gaming, Liquor and Cannabis Regulation are available at aglc.ca.

2.1.2 The iGaming Corporation, registered iGaming Suppliers and employees or other persons retained by the iGaming corporation or a registrant, must comply with all relevant legislation and Board policies, including the:

a) *Gaming, Liquor and Cannabis Act*;

b) *iGaming Alberta Act*;

c) Gaming Liquor and Cannabis Regulation;

d) Standards and Requirements for internet gaming; and

e) all federal, provincial and municipal laws.

2.1.3 All references in this handbook to "Standards and Requirements" are considered to be references to Board policies in this handbook.

2.1.4 Non-compliance with the legislation or Board policies contained in this handbook may result in administrative sanctions and/or disciplinary action up to and including suspension or cancellation of registration.

2.1.5 The *Gaming, Liquor and Cannabis Act* authorizes AGLC to:

a) conduct and manage provincial lotteries for the Government of Alberta, except provincial lotteries conducted and managed by the Minister;

b) regulate online provincial lotteries and iGaming Suppliers in a manner that maintains a clear commitment to social responsibility; and

c) establish Standards and Requirements for the:

i) conduct and management of an online provincial lottery,

ii) operation of an iGaming site operated by an iGaming Supplier or a business related to an iGaming site operated by an iGaming Supplier or related to an online provincial lottery; and

iii) provision of Goods or Services related to the conduct and management of an online provincial lottery or the operation of an iGaming site operated by an iGaming Supplier.

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2.1.6 Board policies are a condition of the registration.

2.1.7 Anything not specifically permitted within these policies is prohibited.

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2.2 REGISTRATION

2.2.1 iGaming Supplier registrations are issued by AGLC in the following sub-classes of registration:

a) Operators; and

b) Goods or Services Suppliers.

The administration and monitoring of registrants is the responsibility of AGLC.

2.2.2 Only registered Operators may provide or operate an iGaming site that is named on their registration on behalf of, or under a contract with, the iGaming corporation or the Commission.

2.2.3 Only registered Goods or Services Suppliers may provide goods or services to the iGaming corporation, the Commission or an Operator.

2.2.4 Goods or Services Suppliers must hold a registration to perform a function listed below:

a) making or supplying equipment or services to operate or support the operation of an iGaming site;

b) providing testing or maintenance services for equipment used to operate or to support the operation of an iGaming site;

c) providing management or consulting services for operating or supporting the operation of an iGaming site; or

d) providing goods or services prescribed in the Gaming, Liquor and Cannabis Regulation.

2.2.5 The supply of goods or services which require registration include, but are not limited to:

a) platform provider;

b) suppliers that manufacture, develop, provide/run games and game systems;

c) customer e-wallet providers;

d) oddsmakers;

e) Independent Integrity Monitors (IIM); and

f) Accredited Testing Facilities (ATF).

2.2.6 The following are registration requirements for ATFs:

a) Prior to issuing certifications, ATFs must provide AGLC with independent confirmation (internal audit is acceptable) that their testing methodologies have been updated and validated against AGLC's Standards and Requirements for Internet Gaming.

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b) Following any relevant revisions to AGLC's Standards and Requirements for Internet Gaming, ATFs must ensure that their test methods are revised and validated as necessary prior to issuing any certifications to the new version.

c) AGLC's Standards and Requirements for Internet Gaming must be added to the ATF's scope of ISO accreditation within one year of being registered as an iGaming Goods or Services Supplier in Alberta (within the next accreditation audit schedule).

d) ATFs must identify any real or potential conflicts of interest and manage them appropriately to ensure independence and impartiality. AGLC may request records related to identified conflicts of interest and actions taken to manage them.

e) Upon identification of any issues in certified games or game systems that materially impact the certification, ATFs must suspend any issued certifications and notify the affected registered iGaming Supplier.

2.2.7 No iGaming Supplier registration may be issued to an applicant unless the applicant has:

a) complied with all federal, provincial and municipal legislation and obtained all necessary permits, licences and authorizations;

b) complied with Board policies;

c) paid the non-refundable application fee, if applicable; and

d) paid the applicable non-refundable annual registration fee.

Note: see also Subsections 2.2.10 and 2.2.11.

2.2.8 An applicant may be registered by the Board if:

a) the Board considers it appropriate to do so;

b) the applicant is eligible to be registered; and

c) the requirements under the GLCA for issuing the registration have been met.

2.2.9 An iGaming Supplier registration is cancelled when a person sells, assigns or transfers the registration pursuant to section 30(2) of the Gaming, Liquor and Cannabis Regulation.

2.2.10 A separate application must be made for each distinct iGaming site and a non-refundable application fee must be paid for each application (see the Internet Gaming Operator Application Guide at aglc.ca for additional information).

2.2.11 An applicant, registered Operator or registered Goods or Services Supplier must pay a non-refundable registration fee as applicable to their registration. Registered Operators must pay a separate non-refundable annual registration fee for each distinct iGaming Site (see the

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Internet Gaming Operator Application Guide at aglc.ca for additional information). Registration fees are set forth in the AGLC Fee Schedule (available at aglc.ca).

2.2.12 An applicant, registered Operator, or registered Goods or Services Supplier must undergo a background check (see Subsection 2.4).

2.2.13 The Application Guide for registration as an iGaming Supplier may be obtained on AGLC's website at aglc.ca.

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2.3 GENERAL RESPONSIBILITIES OF REGISTRANTS

2.3.1 Registered Operators must enter into a commercial agreement with Alberta's iGaming Corporation (AiGC) or the Commission in order to provide or operate an iGaming site named on their registration.

2.3.2 Registered Operators and registered Goods or Services Suppliers:

a) are responsible for knowing the legislation and policies referred to, or contained in, the Standards and Requirements;

b) must ensure that all records, reports and financial control forms are complete and accurate;

c) must ensure that all communications (written or oral) with AGLC or its representatives are accurate.

2.3.3 Registered Operators and registered Goods or Services Suppliers must cease all unregulated gaming activities in Alberta's iGaming market if, to carry out those activities in Alberta's regulated online lottery scheme, those activities would otherwise require registration under the *iGaming Alberta Act or Gaming, Liquor and Cannabis Act*.

2.3.4 Registered Operators and registered Goods or Services Suppliers must notify AGLC immediately if any of its officers, shareholders, directors or owners are charged with or convicted of an offense under:

a) the Criminal Code (Canada);

b) the *Excise Act* (Canada);

c) the *Food and Drug 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) the *Proceeds of Crime and Terrorist Financing Act* (Canada);

g) a foreign Act or regulation that is substantially similar to an offence referred to in a), b), c), d), e), or f) above;

h) the *Gaming, Liquor and Cannabis Act* (Alberta); or

i) the Gaming, Liquor and Cannabis Regulation (Alberta).

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2.3.5 A personnel security screening process must be in place for any director or officer, and any employee, agent or consultant, at a level that is appropriate for the individual's role in the organization.

2.3.6 Registered Operators and registered Goods or Services Suppliers must not enter into any agreements or arrangements with any unregistered person who is providing any goods or services that would otherwise require registration in Alberta.

2.3.7 Registered Operators, registered Goods or Services Suppliers and their employees are required to cooperate fully with AGLC inspectors and police officers. Registrants, at the request of an inspector, AGLC or an employee of AGLC must:

a) assist the inspector in carrying out an inspection;

b) provide the inspector with access to systems and system information records, documents, books of account and receipts and provide a place where they may be inspected, audited, examined or copied;

c) interview the iGaming Supplier or an agent of the iGaming Supplier with regard to any of the records, documents, books of account and receipts; and

d) conduct such tests as are reasonably necessary for the inspection.

2.3.8 Registered Operators must ensure police or AGLC inspectors are able to monitor and participate in games.

2.3.9 Registered Operators must maintain a valid registration as an Operator for the duration of their commercial agreement (see Subsection 2.3.1) including any renewal periods.

2.3.10 Registered Operators and registered Goods or Services Suppliers must comply with all conditions placed on the iGaming registration.

2.3.11 In order to maintain or enhance the integrity and public confidence in gaming, AGLC, at its sole discretion, may direct a registered Operator or registered Goods or Services Supplier to comply with any additional Standards and Requirements as considered necessary.

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2.4 BACKGROUND CHECKS

2.4.1 A 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.

2.4.2 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 registered iGaming Supplier.

2.4.3 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.

2.4.4 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 employees, and includes, but is not limited, to:

a) individuals employed in senior management positions such as Chief Executive Officer, Chief Financial Officer, controller and senior compliance officers;

b) Chief Information Officer; and

c) any other person holding a key position as determined by AGLC.

2.4.5 An applicant's associates include:

a) any person that has a financial interest in the applicant, in the applicant's business 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 of more of the partners is an individual, this also includes:

i) the spouse of the individual or person with whom the individual is living in a relationship of interdependence;

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 living in a relationship of interdependence; and

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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.

2.4.6 A corporation is controlled by a person if he or she has indirect influence over the corporation or its:

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 the fact of the corporation.

2.4.7 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.

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2.4.8 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*).

2.4.9 AGLC may refuse to allow an applicant to have an iGaming Supplier registration if, in its opinion, the applicant has misled AGLC or provided inaccurate or incomplete information.

2.4.10 The applicant must ensure that it, and all other parties to the application for an iGaming Supplier registration, submit all documents or provide information as requested by AGLC and deemed necessary to complete the background check within the timeframe specified in the document or information request. Failure to submit the documents or information within the timeframe specified may result in sanctions as determined by the Board up to and including termination of the registration.

2.4.11 AGLC may refuse to issue a registration, or may terminate a registration 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 either Act or Regulation; or

iii) a condition imposed on a 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(2) of the Gaming, Liquor and Cannabis Regulation; or

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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.

2.4.12 Notwithstanding Subsection 2.4.1 through 2.4.11, AGLC may refuse to allow an applicant to have an iGaming Supplier registration.

2.4.13 The iGaming Supplier must notify AGLC immediately if there is a change amongst any of the key employees as outlined in Subsection 2.4.4.

2.4.14 AGLC, at its sole discretion, may consider an applicant's registration in another jurisdiction acceptable to AGLC where the applicant is operating in the same role or function.

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2.5 OBJECTIONS - REGISTRATION APPLICATION

2.5.1 AGLC may not consider an objection based on social or moral concerns, competence or suitability of the applicant.

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2.6 ENFORCEMENT

2.6.1 An inspector includes a person employed or working on behalf of AGLC that has been designated by AGLC as an inspector pursuant to section 98(1) of the *Gaming, Liquor and Cannabis Act*.

2.6.2 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 has the authority to ask the registrant to correct the situation.

2.6.3 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.

2.6.4 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 registrant within 10 working days of the Incident Report being completed.

2.6.5 The Vice President may refer an Incident to the Board for review and decision where circumstances warrant.

2.6.6 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).

2.6.7 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 registrant 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.

2.6.8 A registration may be suspended or cancelled if the registrant fails to comply with the relevant legislative, regulatory, policy and municipal requirements.

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2.7 ALBERTA GAMING, LIQUOR AND CANNABIS

2.7.1 AGLC can be contacted at:

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

b) Customer Care Centre Toll Free:
1-825-480-4755

c) Normal office hours are 8:15 a.m. to 4 p.m. Monday to Friday, excluding holidays; and

d) The internet address of AGLC is aglc.ca.

SECTION: 3. SOCIAL RESPONSIBILITY

3.1 MINORS

3.1.1 Minors must not enter or remain on an iGaming site.

3.1.2 Minors must not be facilitated to engage in an iGaming activity.

3.1.3 Registered Operators of an iGaming site must have a program in place to identify and exclude minors from entering or remaining on an iGaming site.

3.1.4 AGLC may direct a registered Operator to make changes or enhancements to their program for identifying and excluding minors from entering or remaining on their iGaming site.

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3.2 EXTENDING CREDIT

3.2.1 The registered Operator or their employees are prohibited from extending credit in any form, or lending money to players, or referring players to credit providers, or inferring that a player should seek additional credit to play games.

3.2.2 The prohibition at 3.2.1 does not prohibit a player from using a credit card issued in their name by a financial institution as a form of payment.

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3.3 RESPONSIBLE GAMBLING

3.3.1 Registered Operators must have responsible gambling policies and procedures in place which reflect industry best practices to prevent harm and to minimize the risk of harm from internet gaming. These policies and procedures must be reviewed and evaluated regularly for effectiveness to ensure that they follow industry best practices and that the stated objectives of the policies and procedures are achieved.

3.3.2 In the interest of harm prevention, and to ensure responsible gambling practices are adequately employed, AGLC may direct a registered Operator to make changes or enhancements to their program for responsible gambling.

3.3.3 Registered Operators must ensure management and staff receive mandatory training on responsible gambling policy and procedures. Training must be provided at the start of employment and repeated at a minimum of every 24 months throughout the employment.

3.3.4 Responsible gambling training must (see also Attachment 3.3):

a) provide employees with a variety of help resources that may be provided to players or affected others; and

b) include:

i) contact information for resources dedicated to treating and assisting people experiencing harm from internet gaming;

ii) how to identify and respond appropriately to players who may be showing signs of problem gambling and to assist players who may be experiencing harm from internet gaming; and

iii) training on responsible gambling controls available to players;

c) identify the harms associated with internet gaming as well as essential prevention and mitigation concepts; and

d) communicate the organization's commitment to responsible gambling and how it is integrated throughout the organization's operations.

3.3.5 Responsible gambling information must be readily available, visible and accessible to all players. At a minimum, responsible gambling information must include, but is not limited to:

a) how games work and common misconceptions;

b) lower risk gambling behaviors, including how responsible gambling tools work;

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c) gambling harms;

d) support services available to players, including specialized tools (e.g., self-assessment and responsible gambling tools);

e) information about financial and time-based gambling limits;

f) provision of financial activity statements; and

g) information about the self-exclusion (SE) program.

3.3.6 Advertising and marketing materials must contain a responsible gambling message.

3.3.7 Responsible gambling information and materials must be periodically reviewed and updated to ensure minimum requirements are met and that industry best practices are reflected.

3.3.8 Players must be provided with responsible gambling controls that are system enforced, including:

a) the ability to set time limits at registration or any time after registration:

i) time limits means the amount of time spent in areas of the site where games may be played and is restricted by increments of one hour at a minimum.

b) the ability to set loss and deposit limits at registration or at any time after registration:

i) deposit limits means the amount a player deposits into their account is limited over a period of time chosen by the player; and

ii) loss limits means the amount lost (winnings less the amount spent) is restricted.

c) the period or duration of the financial or time-based limits offered must include: 24 hours, 7 days and one month. Where a player sets simultaneous periods (e.g., a deposit limit for a day and for a week), the lowest limit must apply.

d) financial and time limit functions must be easy to find and initiate, as well as easy to change at any time after the player has registered and opened an account.

3.3.9 Registered Operators must make available the option for players to take a short-term break in play, in addition to the option of AGLC's self-exclusion program. Break in play requirements at a minimum must include:

a) Players must have the option to initiate a short-term break in their play.

b) Registered Operators must provide the option for players to take a one day, one week, one month, two month, or three month break.

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c) Once a player initiates a break, they must be unable to place further wagers during the time period of the break.

d) During a short-term break, players may still be able to access their account balance, profile and responsible gambling features.

3.3.10 Players must receive periodic reminders to review their ability to set limits using the responsible gambling controls and to also review their account activity. At a minimum, reminders must be provided:

a) quarterly for time and finance-based limits; and

b) monthly for reminders to review financial activity.

3.3.11 Where an internet gaming limit has been previously established by a player, a request to relax or eliminate that limit must:

a) only be made by the player; and

b) only be implemented after a cooling-off period of at least 24 hours.

3.3.12 Registered Operators must have policies and a program in place to assess and monitor player risk profiles in order to:

a) support the identification of players at moderate or high risk (see also Subsection 3.3.13); and

b) provide appropriate assistance to players who may be experiencing harm from online gaming (see also Subsection 3.3.14).

3.3.13 Registered Operators must have in place an effective mechanism for monitoring player behaviour in a way that proactively identifies those who may be at risk of harm, enabling timely support once signs of risk emerge. The mechanism should address the different ways in which gambling-related harm can occur and draw on all available data sources to assess risk on a player-by-player basis. Identifying players who exhibit signs of at-risk behaviour is a key part of an Operator's responsibility to minimize gambling-related harms. See also Additional Requirements For Identifying and Supporting Players At Risk Of Harm (Attachment 3.3).

3.3.14 Based on players' risk profiles, Operators are required to intervene in a manner that is timely, commensurate with the level of risk, and believed to have the desired effect of reducing that player's risk of harm. Further, Operators are expected to build processes to evaluate the impact of the intervention to support ongoing improvement. See also Additional Requirements For Identifying and Supporting Players At Risk Of Harm (Attachment 3.3).

ADDITIONAL REQUIREMENTS FOR IDENTIFYING & SUPPORTING PLAYERS AT RISK OF HARM - ATTACHMENT 3.3

	REQUIREMENTS
Identifying Individuals Who May Be Experiencing Harm	AGLC Standards and Requirements for identifying individuals who may be experiencing harm include, but are not limited to: 1. Use both automated and manual tools to monitor players' behavior in a manner that enables timely and effective provision of support. 2. Monitor indicators either continuously or at a rate that reflects the dynamic nature of player behavior to ensure detection of where and when potential harm may occur. 3. Use available information from various sources to effectively identify indicators of situations where players may be experiencing harm by monitoring risk profiles and behaviors for all players. It is expected that Operators are, at a minimum, incorporating the following sources into a comprehensive approach to player risk profiling: a) Player behavior indicators, including: chasing losses, playing multiple products, choosing higher-risk products, erratic betting patterns. b) Player spend indicators, including: amounts wagered and lost. c) Time indicators, including: "binge" gambling, changes in session duration patterns, late-night gambling, shifts in time of play patterns. d) Account indicators, including: failed deposits, cancelled withdrawals, higher-risk forms of payment, multiple payment methods. e) Customer service contact indicators, including: expressions of financial or emotional distress, use of keywords associated with harm, indicators of vulnerability such as bereavement or job loss. f) Gambling management tool indicators, including: refusal to use tools after Operator intervention, frequent increases or removals of bet limits, repeated use of play break tools, previous use of self-exclusion. g) Player background information, including: player age, player occupation. 4. Regular assessment of the effectiveness of risk monitoring methods to ensure that players at risk of experiencing harm are accurately identified, and when players at risk of harm are not identified, acting promptly to correct and improve methods.
Assisting Individuals Who May Be Experiencing Harm	AGLC Standards and Requirements for assisting individuals who may be experiencing harm include, but are not limited to: 1. Provide assistance immediately upon the identification of potential player harm. 2. Intervene according to the severity of the situation when players may be experiencing harm. 3. Intervene and provide supports for all players who may be at risk of experiencing harm, not just those already identified as high-risk. 4. Use technology to scale the delivery of tailored interventions to more players, rather than relying solely on individual interactions for only highest-risk players. 5. Some examples of current practices for tailored and escalating interventions (i.e., adapting interventions to the changing severity of the situation) include: a) Player interaction to gather additional information to inform the player's risk profile.

	b) Player self-assessment surveys (e.g., asking players questions to help them better understand their play). c) Reminder emails highlighting resources, support services and responsible gambling (RG) tools available to players. d) Personalized emails that communicate potential RG concerns identified by the Operator, with effective communication channels for RG (e.g., dedicated inbox on gaming site). e) Personalized interactions (e.g., phone call from an appropriately trained individual, e-mail alerts or interactive nudges and pop-ups). f) Requiring active acknowledgement or response from the player. g) Providing players with information about their play (e.g., the time spent in an active session and the corresponding losses). h) Game play restrictions (e.g., Operator-imposed breaks and limit-setting). i) Account suspension or closure. 6. Following the execution of each intervention, take necessary steps to assess the impact of the intervention on a player's behavior and whether evidence of potential harm persists that necessitates further action. While Operators may use different approaches for assessing the impact of various interventions, changes in player risk following interventions should be continuously assessed and responded to as appropriate. 7. Proactively and carefully monitor new players to identify early signs of concerning behavior and provide immediate assistance, rather than relying on a graduated 'delay and observe' approach.
Employee Training, Documentation, and Continuous Assessment	In addition to the Standards and Requirements in Subsection3.3.11, the following key practices support overall effectiveness in meeting these and other regulatory requirements. • **Ongoing RG Training**: RG policies and procedures are only as effective as the understanding and buy-in of employees. Training on RG is required as part of initial onboarding for all employees and must be refreshed at a frequency that is appropriate for each position. • **Training Program Evaluation**: Operators should regularly evaluate the training content to include best practices and to ensure it reflects employee feedback. • **Employee Understanding of Operator RG Commitment**: Operators must ensure their employees understand the Operator's commitment to RG and how it is integrated throughout operations. • **Employee Understanding of Gambling Harms**: Operators must ensure their employees understand the harms associated with gambling, along with essential prevention and mitigation concepts. • **Employees Who Interact with Players**: Operators must ensure their employees who interact with players can identify and assist players who may be experiencing harm from gambling and can respond appropriately to players who may be showing signs of problem gambling. Certain roles and employees have a direct influence on player wellbeing, and these employees carry a significant responsibility in ensuring the Operator's RG policies and procedures are effectively carried out (e.g., VIP hosts, customer support representatives, game presenters). Operators should focus attention on such

	employees to ensure their training is effective to identify and assist players who may be experiencing harm. • **RG Training Assessments**: Operators are to regularly assess individual employees' understanding of the policies and procedures and the impact of their job functions on player protection, and any identified gaps must be promptly addressed. • **Regular Assessments:** Regularly assessing assistance and interventions to ensure they are effective in reducing harm, and when interventions are found to not be effective, acting promptly to correct and improve their methods. • **Effective Record-keeping**: ○ Helps demonstrate how and when Operator intervention has occurred and enables Operators to assess the effectiveness of these interventions. ○ Operators are responsible for creating and maintaining complete records for all customer interactions. ○ Records should also be maintained for situations where a decision was made not to intervene, along with any resulting follow-up actions. ○ Records should be available to staff to use them to support effective customer interactions. ○ The records related to risk profiling and interventions, including manual adjustments to player risk scores, also help demonstrate compliance with the Standards and Requirements.

SECTION: 3. SOCIAL RESPONSIBILITY

3.4 ACCESS MANAGEMENT – PROHIBITED PERSONS

3.4.1 AGLC will maintain a centralized list of prohibited persons who are convicted or legally excluded (as per section 34.1 and 34.3 GLCR) or have otherwise been determined to be inadmissible for entry to an iGaming site (see also Subsection 3.5.1 and 5.8.4).

3.4.2 All registered Operators must:

a) have effective application programming interfaces (API) connection (also see Subsection 5.1.6 for security requirements) to AGLC's centralized information system on persons who are prohibited from entry to an iGaming site. The iGaming site must have effective controls in place to prevent any individual not cleared by AGLC's centralized system from registering an account or from logging into an existing account.

3.4.3 Discrepancy reports (see Section 5.7.4) must be submitted to AGLC within 72 hours on all prohibited persons who attempt to enter or remain on an iGaming site.

3.4.4 As AGLC updates the centralized list of banned and/or self-excluded individuals, all registered player information must be re-verified to ensure that all registered players are still eligible to play, and if they are not eligible, they are prohibited from gaming.

SECTION: 3. SOCIAL RESPONSIBILITY

3.5 CENTRALIZED SELF-EXCLUSION

3.5.1 Pursuant to section 34.2 of the Gaming, Liquor and Cannabis Regulation, registered Operators must not permit a person who is enrolled in AGLC's self-exclusion program to enter or remain in their iGaming site.

3.5.2 Registered Operators must:

a) have effective application programming interfaces (API) connection (also see Subsection 5.1.6 for security requirements) to AGLC's centralized information system on persons who are self-excluded. The iGaming site must have effective controls in place to prevent any individual not cleared by AGLC's centralized system from registering an account or from logging into an existing account.

3.5.3 All registered Operators must:

a) promote AGLC's self-exclusion program and responsible gambling materials;

b) allow players to easily access AGLC's centralized self-exclusion tool through the iGaming site;

c) have controls to prevent self-excluded players from accessing their iGaming account or from engaging in gaming activities;

d) exclude any self-excluded players from all marketing efforts once the Operator has been notified; and

e) provide a mechanism to facilitate the return of the balance of unused funds, when requested, to a player who has self-excluded.

3.5.4 Once a player self-excludes, the wager is brought to an end.

a) Operators must refund a player's wager if the player enrolls in a self-exclusion program prior to the commencement of an event or series of events on which the outcome of the wager is determined.

b) Operators are not required to refund a player's wager if the player enrolls in a self-exclusion program after the commencement of an event or series of events on which the outcome of the wager is determined.

SECTION: 4. GENERAL STANDARDS AND REQUIREMENTS FOR REGISTERED IGAMING SUPPLIERS

4.1 ADVERTISING AND PROMOTIONS

4.1.1 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.

4.1.2 Advertising and marketing materials (including algorithmic based ads) that communicate gambling inducements, bonuses and credits are prohibited, except on an Operator's gaming site and through direct marketing and advertising, after receiving express player consent.

a) Direct marketing and advertising includes but is not limited to, direct messaging via social media, emails, texts, and phone calls.

4.1.3 Gaming must be provided in a way that seeks to minimize potential harm and promote a responsible gambling environment, and must not include:

a) advertising practices that target minors;

b) advertising of false or misleadingly deceptive information with intent to attract the public; or

c) advertising deemed to promote excessive play.

4.1.4 Advertising, marketing materials and communications must not:

a) be based on themes, or use language, intended to appeal to minors;

b) appear on billboards or other outdoor displays that are directly adjacent to schools or other primarily youth-oriented locations;

c) use or contain cartoons, symbols, role models, social media influencers, celebrities or entertainers who would likely be expected to appeal to minors;

d) use active or retired athletes, who have an agreement or arrangement made directly or indirectly between an athlete and a registered Operator or a registered Goods or Services Supplier, in advertising and marketing except for the exclusive purpose of advocating for responsible gambling practices;

e) use individuals who are, or appear to be, minors to promote gaming;

f) appear in media and venues, including on websites, and in digital or online media, directed primarily to minors, or where most of the audience is reasonably expected to be minors;

g) exploit the susceptibilities, aspirations, credulity, inexperience or lack of knowledge of all potentially high-risk persons, or otherwise extoll the virtues of gaming; and

h) entice or attract potentially high-risk players. Instead, measures must be in place to limit marketing communications to all known high-risk players.

4.1.5 Marketing, including advertising and promotions, must be truthful, and must not mislead players or misrepresent products. Minimum integrity requirements include that advertising, marketing materials and communications must not:

a) imply that playing a lottery scheme is required in order to fulfill family or social obligations or solve personal problems;

b) promote playing lottery schemes as an alternative to employment, as a financial investment, or as a requirement for financial security;

c) contain endorsements by public figures that suggest that playing lottery schemes have contributed to their success;

d) encourage play as a means of recovering past gaming or other financial losses;

e) be designed so as to make false promises or present winning as the probable outcome;

f) imply that chances of winning increase:

i) the longer one plays;

ii) the more one spends;

iii) suggest that skill can influence the outcome (for games where skill is not a factor);

g) portray, suggest, condone or encourage gaming behavior that is socially irresponsible or could lead to financial, social or emotional harm;

h) suggest that gaming can provide an escape from personal or professional problems;

i) portray gaming as indispensable or as taking priority in life; for example, over family, friends or professional or educational commitments;

j) suggest that gaming can enhance personal qualities, for example, that it can improve self-image or self-esteem, or is a way to gain control, superiority, recognition or admiration;

k) suggest peer pressure to gamble not disparage abstention;

l) link gaming to seduction, sexual success or enhanced attractiveness;

m) portray gaming in a context of toughness or link it to resilience or irresponsible play;

n) suggest gaming is a rite of passage; or

o) offer a product or promotion that is not reasonably attainable without incurring substantial losses.

4.1.6 Once notified, registered Operators must not send advertising, marketing materials and communications, including any incentives or promotions, to any self-excluded individual for the duration of the self-exclusion period.

4.1.7 Permitted advertising and marketing materials that communicate gambling inducements, bonuses and credits must, at a minimum:

a) disclose all material conditions and limitations of the offer at its first presentation on the gaming site, with all other conditions and limitations no more than one click away;

b) not be described as free unless the inducement, bonus or credit is free. If the player has to risk or lose their own money or if there are conditions attached to their own money, the offer must disclose those terms and must not be described as free; and

c) not be described as risk-free if the player needs to incur any loss or risk their own money to use or withdraw winnings from the risk-free bet.

4.1.8 Players must be provided an opt-in process whereby they actively consent to receive any direct advertising and marketing of inducements, bonuses and credits, and must be provided a method, which is easily found, to withdraw their consent at any time, where such marketing and advertising materials are available.

4.1.9 AGLC reserves the right, at its discretion, to direct registrants to amend or remove any advertising in the interest of ensuring integrity and social responsibility in marketing, advertising and communications.

SECTION: 4. GENERAL STANDARDS AND REQUIREMENTS FOR REGISTERED IGAMING SUPPLIERS

PROMOTIONS

4.1.10 Promotion refers to any activity 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.

4.1.11 Basic principles:

a) promotions must not:

i) require an additional licence to operate;

ii) contain a progressive element funded by players;

iii) alter a game's odds, payout or chance of winning;

iv) require a wager greater than the game minimum; and

v) be illegal.

b) promotions may:

i) focus on any one game, activity or any combination of games or activities;

ii) require a participant to be a member of the Operator's player reward program provided membership is free;

iii) provide rewards for frequent play; and

iv) provide additional ballots for play.

4.1.12 As part of promotional partnerships, registered Operators must not, directly or indirectly (e.g., through any other entity or business) provide gaming devices or gaming equipment to players to access an iGaming site at physical premises.

4.1.13 AGLC, at its discretion, may require an Operator to amend or terminate a promotional offering for reasons including, but not limited to, upholding social responsibility or the integrity of gaming.

4.1.14 Registered Operators must ensure that no independent third parties that engage in direct-to-consumer marketing, direct-to-consumer promotion, or player referral services under contract for the Operator, in exchange for commissions, or for any other form of compensation also undertake such activities related to online gaming sites that facilitate or accept wagers from players in Alberta without an AGLC registration.

SECTION: 4. **GENERAL STANDARDS AND REQUIREMENTS FOR REGISTERED IGAMING SUPPLIERS**

4.2 LOCATION REQUIREMENTS

4.2.1 Registered Operators must ensure games are provided only within Alberta unless they are conducted in conjunction with the government of another province. At a minimum, the gaming system must:

a) ensure only players physically located in Alberta can participate and block play when location cannot be verified;

b) implement controls to detect and block location-evasion methods (including known VPNs/proxies, remote desktop or virtualization); and

c) perform periodic re-verification of player location and log each verification in a time-stamped, tamper-evident manner for audit per 4.16.1.

SECTION: 4. **GENERAL STANDARDS AND REQUIREMENTS FOR REGISTERED IGAMING SUPPLIERS**

4.3 GAMING INTEGRITY AND PLAYER INFLUENCE

4.3.1 All gaming activities and financial transactions must be conducted fairly and honestly and be independently verifiable, including, but not limited to, the following minimum requirements:

a) Continuous independent monitoring and recording of lottery schemes and cash (and cash equivalent) handling must be in place to support the verification of:

i) adherence to required game rules by players and employees or, in Sport and Event Betting, the processing and redemption, if any, of the bet fairly, honestly and in accordance with the terms of the bet placed by the player, including applicable betting rules;

ii) confirmation of outcomes of lottery schemes;

iii) prize payment to the proper person;

iv) accuracy of financial transactions.

b) Continuous logs must be maintained for critical gaming systems including the tracking of financial accounting and game state history;

c) Logs must be protected against alteration (e.g., WORM/immutability or cryptographic signing with SHA-256), transmitted and stored over TLS 1.2+;

d) Access to logs must be role-based, with segregation of duties between operations and monitoring;

e) Logs must be retained per 4.16.1 and made available to AGLC on request; and

f) Implementation of a monitoring function (e.g., SIEM) to correlate and alert on integrity events, with remediation tracked to closure.

4.3.2 Accurate and complete records of transaction and game state and play information must be kept as prescribed in Subsection 4.16.1 and made available for the purposes of:

a) ensuring timely investigations can be performed by AGLC;

b) capturing information needed to continue a partially complete game within a reasonably defined time;

c) resolving disputes in a fair and timely manner;

d) ensuring player complaints can be resolved;

e) tracking all relevant player information (including funds information);

f) tracking all relevant individual gaming sessions and game play information;

g) tracking all relevant information related to events (including significant events); and

h) tracking of game enabling, disabling and configuration changes.

4.3.3 There must be a mechanism in place to ensure that if logging is interrupted, compensating manual controls are used, where reasonable.

4.3.4 The gaming system must be capable of providing custom and on-demand reports to AGLC.

4.3.5 Game specifications must be documented to clearly indicate:

a) the objective of the game;

b) the wagers that may be made;

c) how the game is operated and played;

d) odds of winning for each prize available to players;

e) the advantage of the Operator registered in relation to each wager.

4.3.6 Prior to placing a bet or wager, the player must be provided with sufficient game information to make informed decisions about betting or wagering based on chances of winning, the way the game is played, and how prizes and payouts are made. Required gaming information includes, but is not limited to, the following requirements:

a) Comprehensive and accurate information that explains the applicable terms governing play must be easily available to the player prior to placing of a bet or wager through such supports as "game rules", "help" or "how to play" pages placed prominently to allow players to easily locate them. All reasonable steps must be taken to ensure that content is understandable;

b) The explanatory content must:

i) indicate the methods of how players may participate in the game and provide instructions and any terms for each of these methods;

ii) provide clear instructions on how to interact with the game;

iii) provide clear descriptions of what constitutes a winning outcome;

iv) indicate any restrictions on play or betting (e.g., play duration limits, maximum wins);

v) contain comprehensive, accurate and understandable information on the odds of winning, payout odds or returns to players;

vi) indicate prize value units (e.g., currency or credits);

vii) provide any other information on elements that will affect play (e.g., the number of decks or frequency of shuffles in virtual card games, the method of in-game betting) or results (e.g., how progressive jackpots work, number and kind of tokens to be collected to enter a bonus round, the rules and behaviour in a bonus round, how the results of pool betting in Sport and Event Betting work, the procedures for confirming the results); and

viii) contain the same information and be consistent across all languages it is provided in.

c) If certain outcomes, prizes or features are only available under limited circumstances, the explanatory content must clearly indicate what these circumstances are;

d) Where speed of interaction has an effect on the player's chances of winning, players must be informed that the speed of connection or processor may have an effect on the game;

e) Where player skill and/or strategy has an impact on the player's chances of winning, players must be informed that their skill and/or strategy will have an impact on their chances of winning;

f) For all peer-to-peer games, players must be informed of possible communication loss and the impact to the player in such an event;

g) The denomination of each credit must be clearly displayed;

h) The units of displayed prizes and payouts (e.g., denominational units, currency) must be clear;

i) Cash out options and how to redeem winning bets in Sport and Event Betting; and

j) Players must be provided with information that indicates circumstances in which a game can be declared void.

4.3.7 Information provided to players prior to and during game play must not mislead or misrepresent games. At a minimum, game play information must not:

a) describe any outcomes, prizes, or features that are not achievable;

b) encourage play as a means of recovering past gambling or other financial losses;

c) be designed so as to make false promises or present winning as the probable outcome;

d) imply that chances of winning increase:

i) the longer one plays;

ii) the more one spends; or

iii) suggest that skills can influence the outcome (for games where skill is not a factor);

e) use language that suggests the probability of a particular outcome is more likely to occur than its actual probability. Examples include the use of the terms, "due", "overdue", "ready", and "ready to hit";

f) mischaracterize the nature of the game by giving it a commonly accepted name, such as "European Roulette", if the game does not operate as a player would reasonably expect.

4.3.8 All iGaming games, random number generators and components of iGaming systems that accept, process, determine outcome of, display, and log details about player bets, including any subsequent modifications, must be tested in accordance with Section 4.12 prior to being provided for any game or game site.

4.3.9 Gaming systems and gaming supplies must be provided, installed, configured, maintained, repaired, stored and operated in a way that ensures the integrity, safety and security of the gaming supplies and systems.

4.3.10 Registered Operators must ensure registered Goods or Services Suppliers, and the Goods or Services being supplied, comply with these Standards and Requirements.

4.3.11 To ensure the integrity, safety and security of the gaming supplies and systems, Operators must ensure the following requirements are met:

a) Only games certified by an Accredited Testing Facility registered in Alberta must be used on the gaming site;

b) AGLC must be immediately notified where there is any problem with the integrity or security of the gaming system or gaming supplies;

c) Monitoring and testing must be performed throughout the life of the gaming system and supplies to ensure they are operating as approved;

d) In the event any suspected integrity or security problem with a gaming system or gaming supply, logs of the current state of the gaming system and gaming supply, and any supportive evidence must be preserved (see Subsection 4.16.1);

SECTION: 4. GENERAL STANDARDS AND REQUIREMENTS FOR REGISTERED IGAMING SUPPLIERS

e) Monitor the playback of live games to detect any behavior that may indicate faulty performance;

f) Operators must take immediate action, conduct timely investigations, and make any necessary corrections when there is a problem with the integrity or security of gaming systems.

4.3.12 Where there are suspected game or system faults that may impact game integrity or fairness including the integrity or fairness of Sport and Event Betting (e.g., influencing a player's chances of winning or the return to player), Operators must make the game unavailable to players until the issue has been resolved. In the case of Sport and Event Betting, making a game unavailable may include the suspension of betting, the withholding of funds, and the refund of any bet until a gaming system fault has been resolved. Operator decisions must be fair, reasonable and made in good faith.

4.3.13 Production, testing and development systems must be logically separated.

4.3.14 Game outcomes and Sport and Event Betting transactions must be recoverable, where technically possible, so that player bets can be settled appropriately.

4.3.15 In any case where there is a game or system fault, including where game outcomes or Sport and Event Betting transactions are not recoverable, the Operator must have clearly defined policies and processes in respect of treating the player fairly when resolving the player's transactions. These policies and processes must be made available to the player.

4.3.16 Mechanisms must be in place to allow a game to be recreated up to and including the last communicated state to the player, including:

a) selected electronic game elements and game outcomes must be logged before they are displayed to the player;

b) information must be captured that is needed to continue a partially complete game as soon as practicable.

4.3.17 A player's bet and the outcome of the game must be clearly displayed, easy to understand, and available for a sufficient length of time for the player to review.

4.3.18 Games must pay out accurately and completely within a reasonable time of winning, subject to checks and verification.

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Collusion and Cheating

4.3.19 Operators must have policies, procedures and mechanisms in place to appropriately deter, prevent and detect collusion and cheating.

4.3.20 All relevant activities performed by a registered Operator relating to the detection and response of collusion and cheating must be logged.

4.3.21 Players must be provided with clear information on the process to report activities related to collusion and cheating, including the suspected use of bots. The process must be simple to use and accessible to a player seeking to make a report. Operators must meet the following requirements:

a) Complaints by players about unfair treatment, cheating and collusion must be investigated;

b) Information about the Operator's policies and procedures to deter, prevent and detect unfair behavior, cheating and collusion, including the suspension or disabling accounts and any recovery of funds, must be made available to the public on request;

c) Where an investigation, whether initiated by an Operator or as a result of a player complaint, results in the suspension or disabling of a player account, records of the investigation identifying the activities, the reason for the investigation (including whether it was initiated as the result of a player complaint) and any relevant evidence should be retained in accordance with Subsection 4.16.1.

d) AGLC must be informed, in accordance with the Notification Matrix, of any incident that an Operator reasonably believes constitutes an incident of cheating while playing a lottery scheme.

SECTION: 4. **GENERAL STANDARDS AND REQUIREMENTS FOR REGISTERED IGAMING SUPPLIERS**

4.4 PLAYER ACCOUNTS

4.4.1 The registration page and pages within the player account must prominently display a responsible gambling statement, the online link, as well as the number for GameSense, and provide a link to a page that provides responsible gambling materials, information, resources and support for people experiencing problems with gambling.

4.4.2 Only eligible individuals are permitted to create a player account, and only individuals who hold a valid player account are permitted to log on to their account and play games.

The following individuals are not eligible to play games on a gaming site:

a) an individual under 18 years of age;

b) any individual that is participating in a self-exclusion process that applies to the site;

c) an individual who is known by the Operator to have been restricted from accessing the gaming site or playing a lottery scheme as a condition of a court order;

d) prohibited persons who are legally excluded, self-excluded or who have otherwise been determined to be inadmissible for entry to an iGaming site (see Subsection 3.4.1 and Subsection 3.5.1).

e) officers, members of the board of directors or partners of the Operator that is providing or operating the gaming site; and

f) employees of registered iGaming Suppliers.

4.4.3 Individuals described as not eligible to play games in Subsection 4.4.2 are not eligible for prizes.

4.4.4 Relevant player information must be collected and saved upon registration and must be demonstrated to be complete, accurate and validated before a player account is created for the player. At a minimum, the following required information must be gathered upon registration:

a) full name as it appears exactly on FINTRAC compliant government issued identification;

Note: Provincial healthcare cards are not an acceptable form of identification.

b) date of birth matched to FINTRAC compliant government issued identification;

c) FINTRAC compliant physical address;

Note: only physical address or legal land description is acceptable.

d) method of identification for subsequent log on, such as unique username;

e) player contact information, including valid email address and phone number;

f) all information and results of reasonable measures taken that are required by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) and associated regulations.

4.4.5 Before a player account is created, players must affirm that all player information provided upon registration is complete and accurate.

4.4.6 Player information must be kept complete and accurate.

4.4.7 Prior to participating in game play, players must affirm that they are fit for play.

4.4.8 All player accounts must be uniquely identifiable.

4.4.9 Players may have only one player account per gaming site.

4.4.10 There must be an auditable trail of events that is logged and available relating to account creation and activation, account deactivation and account changes. Information required includes, but is not limited, to:

a) information relating to player identification and verification;

b) information regarding or related to contracts with the player.

4.4.11 Players must acknowledge and accept the terms of the contract governing the player's account and game player prior to account creation and must acknowledge and accept any subsequent material changes to the terms of the contract when logging in. At all times, the terms of the contract and the operation of the contract must comply with the Standards and Requirements and applicable Alberta laws.

4.4.12 All players must be authenticated prior to accessing their player account and being permitted to gamble. Third parties are not permitted to access a player's account.

a) Players must be given the option to use multi-factor authentication when logging in.

4.4.13 All player account transactions must be recorded and logged in an accurate and complete manner.

4.4.14 Player account information must be made readily available to the player.

4.4.15 Information about player account transactions must be made readily available and clear to the player. The gaming system must give the player access to the following information:

a) deposit and withdrawal history, and current balance;

b) method and source of funds used for transactions;

c) date and time of previous login;

d) gaming event and transaction history (game session and game transaction) including, Sports and Event Betting, the date and time of past and current bets, and the date and time at which past bets were settled, and information about current bets;

e) total monies wagered for session and/or period of time;

f) total monies won or lost for session and/or period of time; and

g) account balance at start and end of session.

4.4.16 All player account transactions must be uniquely identifiable and traceable to a unique individual player account.

4.4.17 Reasonable efforts must be made to inform players of player funds remaining in dormant accounts.

4.4.18 Players may elect to deactivate their player account at any time and, once the selection is made, the account is deactivated.

4.4.19 Where necessary, a player account may be deactivated by the Operator.

4.4.20 A player account must be deactivated if requested by AGLC or AiGC.

4.4.21 If player information is removed, it must be retained in accordance with Subsection 4.16.1 or other records retention requirements that may apply.

4.4.22 Where an account becomes dormant or is deactivated by a player or another authorized individual, the player must be able to recover the balance of their account owing to them.

Deposits and Withdrawals

4.4.23 Players may be permitted to deposit funds into or withdraw funds from their player accounts only after:

a) deposits made have been authorized by a financial services provider and verified.

b) withdrawals have been verified and authorized to ensure the following, before a withdrawal is permitted:

i) the withdrawal is being made by a holder of the account; and

ii) the withdrawal is being transferred to an account of which the player is a legal holder.

Note: Cryptocurrency is not legal tender and must not be accepted.

4.4.24 Registered Operators must ensure that players receive their funds related to a withdrawal in a reasonable and timely manner. Players are permitted to withdraw funds from their player account in an accurate and complete fashion and as soon as is practicable, subject to appropriate authorization and verification.

Funds Maintenance and Transactions

4.4.25 No player's account is permitted to have a negative funds balance. No bet will be accepted that could result in a negative funds balance.

4.4.26 Players must be provided with a clear and accurate representation of their funds account balance that is easily accessible and readily available at all times.

a) The player balance must be displayed in Canadian dollars.

4.4.27 Players must be provided with unambiguous information about all player account fees prior to making a withdrawal or deposit.

4.4.28 Players must be informed clearly and specifically of all rules and restrictions regarding deposits and withdrawals and access to funds in connection with deposits and withdrawals.

4.4.29 Funds must not be transferred between player accounts.

4.4.30 Adjustments to player accounts must be made accurately and only by authorized individuals.

4.4.31 Adjustments to player accounts must be recorded and logged in an accurate and complete manner.

4.4.32 Players must be provided with accurate, clear and specific reasons for any adjustments made to their accounts.

4.4.33 Players must receive notification when changes are made to their player account in accordance with the following minimum requirements:

a) For changes to contact details, credentials, authentication factors, payout/banking information, or security settings, the notification must be sent to the last known verified contact point(s) on file (for example, the previous email address and/or phone number). Do not rely solely on the newly provided contact point;

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b) Where feasible, send notifications via more than one channel (for example, email and SMS/push);

c) Notification content must avoid clickable links and instruct the player to sign in directly to the site or app to review changes;

d) Include the date/time of the change and, where permitted, masked device/IP information; and

e) All notifications and follow up actions must be logged and retained in accordance with 4.16.1.

Funds Management

4.4.34 Player funds must be clearly and appropriately managed.

4.4.35 All player funds deposited in respect of iGaming lottery schemes conducted and managed by the AGLC must be held in an AGLC designated account. AiGC must take steps to ensure that all player funds deposited in respect of iGaming lottery schemes conducted and managed by AiGC are subject to oversight by AiGC and available to players.

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4.5 LIVE DEALER

4.5.1 Access to live dealer gaming supplies must be restricted to authorized individuals with a business need, subject to the following requirements:

a) Access privileges are granted, modified, and revoked based on employment status and job requirements and all activities associated with these actions logged.

b) Access privileges are independently reviewed and confirmed on a periodic basis.

4.5.2 Registered Operators are responsible for protecting the integrity of live dealer games by ensuring:

a) adequate table game supervision is provided at all times; and

b) employees conducting or supervising live table games are appropriately trained and have the skills required to perform their assigned duties.

4.5.3 Registered Operators must have controls in place to ensure live dealer game presenters do not compromise the integrity of a game.

4.5.4 Table games run by live dealers must comply with the requirements for rules of play as prescribed in AGLC's Casino Terms & Conditions and Operating Guidelines Section 6.1.

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4.6 SPORTS AND EVENT BETTING

4.6.1 Registered Operators must not knowingly permit an individual to engage in any of the following prohibited activities and must take steps to actively monitor and prevent such prohibited activity from occurring:

a) An individual with access to non-public information related to an event or an individual who may impact the outcome of an event or bet type is prohibited from betting on any event overseen by the relevant sport/event governing body.

b) Athletes, athletic trainers, coaches, managers, owners, referees and anyone with sufficient authority to influence the outcome of an event are prohibited from betting on events overseen by the relevant sport or event governing body.

c) Owners (any person who is direct or indirect legal or beneficial owner of 10 per cent or greater) of a sport governing body or any event in which a member team of that sport event governing body participates are prohibited from betting.

d) Those involved in a sport or event may not be involved in compiling betting odds for the competition in which they are involved.

4.6.2 At a minimum:

a) registered Operators must make reasonable efforts to inform any entity with which they have an information sharing relationship, including Independent Integrity Monitors, Sport and Event Betting Operators, the appropriate governing authority for the sport or event and any other organizations or individuals identified by AGLC if an individual is found to have engaged in prohibited activity under Subsection 4.6.1.

b) Individuals found to have engaged in prohibited activity in Subsection 4.6.1 must not be eligible for prizes.

4.6.3 Operators that provide Sports and Event Betting must have risk management measures in place to mitigate the betting integrity risk associated with Sport and Event Betting, including insider betting and event manipulation. Requirements include, but are not limited to:

a) Registered Operators must establish controls to identify unusual or suspicious betting activity and report such activity to an Independent Integrity Monitor.

b) Independent Integrity Monitors must not have any perceived or real conflicts of interest in performing the Independent Integrity Monitor role, including acting as a registered Operator or registered Goods or Services Supplier (e.g., an oddsmaker);

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c) Independent Integrity Monitors must promptly disseminate reports of unusual betting activity to all member Sport and Event Betting Operators;

d) All Sport and Event Betting Operators must review such reports and notify their Independent Integrity Monitor of whether they have experienced similar activity;

e) If an Independent Integrity Monitor finds that previously reported unusual betting activity rises to the level of suspicious activity, they must immediately notify any entity with which they have an information sharing relationship, including Independent Integrity Monitors, sport betting Suppliers, the appropriate governing authority for the sport or event, and any other organization or individuals identified by AGLC;

f) All Independent Integrity Monitors receiving such a report must share such report with their member sport betting Suppliers;

g) Independent Integrity Monitors must facilitate collaboration and information sharing to enable the investigation of and response to prohibited activity associated with the suspicious betting activity as directed by AGLC;

h) Independent Integrity Monitors must provide, in accordance with the Notification Matrix, AGLC with:

i) All reports of unusual betting activity;

ii) If the activity was determined to be suspicious; and

iii) The actions taken by the Independent Integrity Monitor.

Note: AGLC will publish a list of registered Independent Integrity Monitors.

4.6.4 An Operator receiving a report of suspicious activity as described in Section 4.6 may suspend or cancel Sport and Event Betting on events related to the report or withhold associated customer funds provided the Operator has reserved itself the authority to suspend betting, void bets, and withhold associated customer funds. The decision to suspend or cancel Sport and Event Betting, or withhold associated customer funds, on events related to the report must be fair, reasonable and made in good faith.

4.6.5 Sport and Event Betting Operators must ensure that all bets offered meet the following criteria:

a) the outcome of the event being bet on can be documented and verified;

b) the outcome of the event being bet on can be generated by a reliable and independent process;

c) the outcome of the event being bet on is not affected by any bet placed;

d) the majority of participants in the event or league are 18 years of age or older; event must be broadly defined as assessing total participants in the event/league, rather than in a particular heat, game, match or final contest in the overall sporting event;

e) for sporting events being bet on, the event must be effectively supervised by a sport governing body which must, at a minimum, prescribe final rules and enforces codes of conduct that include prohibitions on betting by insiders (not applicable to novelty bets);

f) there are integrity safeguards in place which are sufficient to mitigate the risk of match-fixing, cheat-at-play, and other illicit activity that might influence the outcome of bet upon events;

g) the bet is not on a past event for which the outcome is publicly known;

h) the bet is not reasonably objectionable;

i) the event being bet on does not involve animal fighting or cruelty;

j) bets on assets and financial markets (e.g., stocks, bonds, currencies, real property) are prohibited;

k) bets which expose players to losses greater than the amount wagered are prohibited;

l) bets which mimic the structure of financial instruments, products or markets are prohibited;

m) bets on synthetic lottery products and bets on lottery outcomes are prohibited;

n) the event being bet on is conducted in conformity with all applicable laws;

o) bets on minor league sports in Canada, including the Canadian Hockey League (CHL), are prohibited.

p) bets on political events (e.g., elections, by-elections, leadership contests) are prohibited.

Notes:

- For the purpose of 4.6.5 h), reasonably objectional bets include bets on events which are unethical, allow entertainment to be derived from human suffering or death or involve non-consensual violence or injury.
- 4.6.5 l) applies to contracts for difference including spread betting.

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4.6.6 Game outcomes and Sport and Event Betting transactions must be recoverable, where technically possible, so that player bets can be settled appropriately.

4.6.7 Odds in Sports and Event Betting sometimes change prior to or during an event. Changes in odds must be updated and publicly available to all players. This is not intended to entitle a player who has previously placed a bet to receive new odds on that bet.

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4.7 DETERMINATION OF GAME OUTCOMES

4.7.1 Games must operate according to their game specifications, and the outcomes must be determined in accordance with the terms governing play and prevailing payouts as they are described to the player. Sports and Event Betting must be conducted fairly, honestly and in accordance with the terms of the bet placed by the player. At a minimum:

a) All possible game outcomes (winning and losing outcomes) must be available in each play, unless clearly explained to the player.

b) The probability of game outcomes in virtual games must be the same as in the associated live (e.g., cards) unless the differences are set out in the terms of governing play and communicated to players.

c) The probability of achieving a specific game outcome must be constant and independent of game history, player or any other factor, unless clearly explained in the terms governing play. Where the game outcome is intended to be random (e.g., dice games or slot games), the outcome must not be dependent or based upon any history or other factors.

d) Sport and event bets must be accepted, processed and settled in accordance with the terms of the bet placed by the player, including any applicable betting rules.

4.7.2 Bets must be committed before the determination of game outcomes. Any wager received after the determination of game outcomes associated with the wager must be voided and returned to the player.

4.7.3 In Sports and Event Betting, bets must be settled fairly and in accordance with the terms of the bet placed by the player and any applicable betting rules that were available to the player when the bet was placed. Where raised, the reasons for the settlement must be clearly and promptly provided to the player.

4.7.4 The results of bets on sporting or other events must be provided to players making bets on the events. Any change of results must be made available. Account balances will be updated as the results of wagers are confirmed.

4.7.5 Operators that provide Sports and Event Betting must have controls in place to ensure the accuracy and timeliness of sport and event results data.

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Randomness of Game Outcomes

4.7.6 A mechanism must be in place to randomly select game elements used to determine game outcomes. This Standard does not apply to Sports and Event Betting products. At a minimum:

a) Initial values and conditions must be selected and used to seed the random selection process in a way that ensures the randomness of the resulting game outcomes and avoids any correlation of selected game elements with elements selected by any other instances of the mechanism.

b) The selected game elements and their associated game outcomes must not be influenced, affected or controlled by the amount wagered, or by the style or method of play unless the conditions are changed and are disclosed clearly to the player.

c) The mechanism used to select game elements and their associated game outcomes must be impervious to outside influences (such as electro-magnetic interference, devices within or external to the gaming system; the characteristics of the communication channel between the system and the end player device, the player or the Operator and its components must not be subject to deterioration that impacts, before any scheduled replacement lifecycle, the randomness of selection.

d) The selected game elements and their associated game outcomes must not be altered, discarded or otherwise manipulated through a secondary decision by the game program and must not be impacted by load on the gaming system.

e) Any failure by the mechanism to randomly select game elements, including an interruption in the selection process, must be identified and responded to quickly and appropriately to minimize the effect on players.

4.7.7 Mechanisms used to select game elements and their associated game outcome must be capable of being monitored and inspected to ensure the integrity of the mechanisms and its component devices and the randomness of the generated outcomes. This requirement does not apply to Sports and Event Betting products.

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4.8 GAME MANAGEMENT

4.8.1 Terms governing play must not be changed during a game session unless the player is made aware of the change before the player places any wagers in the game. At a minimum, the following requirements must be met:

a) Where applicable, game interface changes made by the player must be appropriately limited by the gaming system to ensure that information and representation of the game remains fair and accurate and in accordance with the terms governing play.

b) Information on the current state of multi-state games must be clearly displayed.

c) Displays of jackpot amounts that change over time should be updated as frequently as practicable and particularly after the amount has been reset after a win.

4.8.2 Game sessions must be appropriately secured and checked for authenticity.

4.8.3 There must be a player activity time-out that automatically logs the player out or ends the player's session after a specified period of inactivity.

Downloadable Game Content

4.8.4 All critical functions, including the generation of the outcome of any game, must be generated by the gaming system, independent of the end player device.

4.8.5 Where speed of interaction has an effect on the player's chances of winning, the Operator must take reasonable steps to ensure the player is not unfairly disadvantaged due to gaming system related performance issues.

4.8.6 Service interruptions must be responded to and dealt with in a way that does not disadvantage players. At a minimum, the gaming system must:

a) inform players that the speed of connection or processor may have, or appear to have, an effect on the game;

b) recover from failures that cause interruptions to the game in a timely fashion;

c) where appropriate, void bets;

d) retain sufficient information to be able to restore events to their pre-failure state, if possible;

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e) pay players the amount won up to that point, or return bets to players where a game cannot be continued after a service interruption, whichever is the better outcome for the player.

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4.9 PEER-TO-PEER GAMES

4.9.1 In peer-to-peer games, registered Operators must implement measures intended to deter, prevent and detect the use by players of software programs to automatically participate in game play (referred to as bot) or to provide the player with an unfair advantage over other players. At a minimum:

a) Operators must clearly provide notice to players of peer-to-peer games that the use of such software is not permitted and, if a player is found to have used such software, it will be considered cheating and the player may be sanctioned by the registered gaming Supplier accordingly.

4.9.2 Games must be conducted in a manner that ensures players are treated fairly and not unfairly disadvantaged by other players. At a minimum:

a) measures intended to deter, prevent, and detect unfair behavior, collusion and cheating, including the suspected use of bots, must be implemented;

b) information regarding specific game elements (such as a player's hand or cards) must not be accessible to give advantage to any player during games, unless by the player themselves;

c) a mechanism must be in place to ensure that a player cannot play against themselves or occupy more than one seat at an individual table;

d) gaming systems must retain a record of relevant activities to facilitate investigation and be capable of suspending or disabling player accounts and player sessions;

e) Operators must monitor the effectiveness of their policies and procedures;

f) as a minimum deterrent, players must be informed that accounts may be closed if the player has cheated, colluded or acted unfairly towards another player.

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4.10 GAME DESIGN

4.10.1 Game designs and features must be clear and must not mislead the player. This Standard does not apply to Sport and Event Betting products. At a minimum:

a) Game design must not give the player the perception that speed of play or skill affects the outcome of the game when it does not.

b) After the selection of game outcome, the game must not make a variable secondary decision which affects the result shown to the player. If the outcome is chosen that the game will lose, then the game must not substitute a particular type of loss to show to the player (i.e. near miss).

c) Where the game requires a pre-determined pattern (for example, hidden prizes on a map), the locations of the winning spots must not change during play, except as provided for in the terms governing play.

d) Games must not display amounts or symbols that are unachievable.

e) Free-to-play games available through the gaming site or related websites must not misrepresent or mislead players as to the likelihood of winning or prize distribution of similar games and must have the same odds of winning as games played for money.

f) The denomination of each credit must be clearly displayed on game screens.

4.10.2 The method of making bets in Sport and Event Betting must be straightforward and understandable. Information must be made available so that the player is clearly informed of the details on the bet prior to making the bet. All selections in a bet must be displayed to the player. At a minimum:

a) Bets on multiple events (parlays) must be identified as parlays.

b) The player must be informed that a bet selected by the player has or has not been accepted.

c) Where the player has placed a bet and the odds, payout odds, or prices of the bet change prior to the bet being confirmed by the Operator, the player must have the option of confirming or withdrawing the bet (with refund of the bet). This requirement may not apply to an option for automatic acceptance of changes in bets described in d) below.

d) Where Operators offer an option of automatic acceptance of changes in bets offered, the player must manually opt in to activate this functionality and must be able to opt

out at any time. The details of this auto-accept function and any options for the function must be clearly explained to the player prior to their consent to the application of the function.

e) The player must be informed of the period in which bets can be made on an event or series of events and bets cannot be placed after the close of the betting period.

f) Free-to-play Sport and Event Betting games must not mislead players about the odds, payouts or any element of a bet for value available in Sport and Event Betting.

g) All bets and payouts must be expressed in Canadian currency.

Note: This Standard is not intended to prohibit or preclude in-play betting.

4.10.3 Players must be able to access information regarding available sport and event bets without having to place a bet. This information includes at a minimum:

a) Information on the bets available;

b) Odds, payouts and prices for available bets;

c) In a dynamic betting environment, including those where individuals' wagers are gathered into pools:

i) The most up-to-date odds and payouts;

ii) The up-to-date total value of the pool for market pools and pool bets that are offered.

4.10.4 Reputable and legitimate data source(s) must be used to determine the outcome of a bet. These data source(s) must be made available to the player upon request.

4.10.5 Game designs and features must help to prevent extended, continuous and impulsive play and facilitate low risk play behaviors. At a minimum:

a) Games must not encourage players to chase their losses, or increase the amount they have decided to gamble, or continue to gamble after they have indicated that they want to stop.

b) Games must not provide auto-play features for slots.

c) Game play must be initiated only after the player has placed a wager and activated play. No player shall be forced into game play by selecting the game for review or reviewing information about how the game is played or how bets are made.

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d) A player must commit to each game individually, releasing and then depressing the 'start button' or taking equivalent action. Continued contact with a button, key or screen must not initiate a new game.

4.10.6 The gaming system must not offer functionality which facilitates playing multiple slots games at the same time. This includes, but is not limited to, split screen or multi-screen functionality.

4.10.7 Combining multiple slots titles in a way which facilitates simultaneous play is not permitted.

4.10.8 It must be a minimum of 2.5 seconds from the time a game is started until the next game cycle can be commenced. It must always be necessary to release and then depress the 'start button' or take equivalent action to commence a game cycle. A player should commit to each game cycle individually, continued contact with a button, key or screen should not initiate a new game cycle.

Note: A game cycle starts when a player depresses the 'start button' or takes equivalent action to initiate the game and ends when all money or money's worth staked or won during the game has been either lost or delivered to, or made available for collection by the player and the start button or equivalent becomes available to initiate the next game.

4.10.9 For slots games, the gaming system must not permit a customer to reduce the time until the result is presented. At a minimum:

a) Features such as turbo, quick spin and slam stop are not permitted. This is not intended to be an exhaustive list but to illustrate the types of features the requirement is referring to.

Note: *This Standard does not apply to bonus/feature games where an additional stake is not wagered.*

4.10.10 For slots games, the gaming system must not use auditory or visual effects that are associated with a win for returns which are less than or equal to last total amount wagered.

4.10.11 For slots games, gaming sessions must clearly display a customer's net position (the total of all winnings minus the sum of all losses since the start of the session), in Canadian dollars.

4.10.12 Players must have the means to track the passage of time.

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4.11 INTERNAL CONTROLS

4.11.1 Registered Operators and registered Goods or Services Suppliers must develop, document and implement formal control activities (see also Section 4.14) to address the regulatory risks identified by AGLC and achieve the regulatory objectives reflected in the Standards and Requirements. Control activities must be the appropriate level of management, including, but not limited to, the following requirements:

a) A process must be in place to periodically review internal controls and processes for effectiveness in meeting the Standards and Requirements and to document, remedy and adjust the controls or processes where deficiencies or gaps are found.

b) Substantial changes to the Operator's control environment must be communicated to AGLC in a timely manner.

c) Internal controls must be documented and available to AGLC for regulatory purposes.

d) Registered Operators and registered Goods or Services Suppliers that run critical gaming systems must develop an internal Control Matrix to:

i) summarize all controls related to the gaming site; and

ii) identify where third-party Suppliers are involved, including platform providers.

e) Registered Operators and registered Goods or Services Suppliers must have their control activities assessed by an independent oversight function for alignment with the Standards and Requirements.

Notes:

- Independent oversight may be exercised by an internal audit body and/or external auditor, as considered appropriate by the registered Operator and the registered Goods or Services Supplier (as applicable) and as acceptable to AGLC.
- AGLC recognizes that oversight practices may vary depending on size, ownership structure, scope and complexity of Operator, corporate strategy and risk profile. Whatever the case, the independent oversight function should be responsible for auditing the organization's compliance management framework, identifying, managing and reporting on risks the organization may be exposed to and exercising oversight that is independent from operational management. It should also have direct and unrestricted access to the board.

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4.11.2 Management overrides of the control activities must be clearly documented and made available to AGLC upon request. This requirement includes, but is not limited to:

a) approval from at least two senior-level management to override any control activity, and in each instance the override must be reported to the board or other governance structure where a board does not exist.

Note: This requirement is intended to allow senior-level management to override controls on a one-off basis in necessary circumstances. It is not intended to address permanent changes to internal controls.

4.11.3 Registered Operators must establish, implement and maintain controls to support preparation of financial reports which comply with all applicable accounting standards, rules and best practices.

Oversight

4.11.4 Compliance with the Standards and Requirements must be documented in an organized manner to ensure that the information is capable of being reviewed and audited by an independent oversight function. Minimum requirements include, but are not limited to:

a) Documentation must be reviewed and analyzed to ensure compliance with the Standards and Requirements and approved by management.

b) Internal and external auditors must be granted access to all relevant systems, documentation (including internal controls) and resources for the purpose of conducting an audit.

c) When directed, registered Operators and registered Goods or Services Suppliers must retain an independent auditor to carry out audits and provide audit reports.

Note: The intent of this requirement is to allow AGLC to direct third party audits, where considered necessary for regulatory assurance purposes. Although the auditor would be retained by the registered Operator or registered Goods or Services Supplier in these circumstances, it would report directly to AGLC.

d) In reviewing internal control activities for compliance with the Standards and Requirements, internal and external auditors must take into account AGLC's expectations, as articulated herein.

4.11.5 Primary accountability for compliance resides with the board, or other governance structure, where a board does not exist, and there must be evidence that the board, or other

governance structure, has carried out its responsibility in this respect, which includes, but is not limited to:

a) A compliance oversight function must be established that is independent of the activities it oversees.

Note: overall responsibility for compliance monitoring should ideally rest with a Chief Compliance Officer or if such a person does not exist, a member of senior management.

b) An internal audit function must be established that regularly audits the organization's control environment and compliance management framework and exercises oversight that is independent from operational management. The internal audit function must have the authority to independently review any aspect of the operations.

Note: Where this is not feasible given the organization's size or structure, audits should be carried out by another independent oversight function.

c) The compliance oversight function and internal audit or other independent oversight function must have direct and unrestricted access to the board, or governance structure, and must report on all important issues regarding compliance on a regular basis or as necessary.

d) The board, or other governance structure, must establish a committee or committees to oversee the organization's compliance and audit oversight functions, with appropriate terms or reference addressing composition and accountabilities.

e) Members of the board, or other governance structure, and any committees established to oversee the organization's compliance and audit oversight functions must understand the business's operations, initiatives and major transactions, and must have the skills, training, experience and independence to carry out their fiduciary responsibilities.

4.11.6 There must be an independent “whistleblowing” process to allow employees to anonymously report deficiencies or gaps in the control environment as well as incidents of possible non-compliance with the controls, Standards and Requirements, or the law. Registered Operators must ensure issues raised through the “whistleblowing” process are addressed and communicated to the board in a timely manner.

Customer Service

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4.11.7 Registered Operators must offer reasonable customer support.

4.11.8 A mechanism must be in place to allow players to contact the Operator in a timely fashion with issues and complaints relating to their player account, funds management, game play or any matter related to compliance with the Standards and Requirements. AGLC must be notified of any such issues or complaints, in accordance with the established Notification Matrix.

4.11.9 Registered Operators are the first point of contact in resolving customer disputes for routine transactions. Player complaints, disputes and inquiries must be recorded and addressed in a timely, fair, transparent and appropriate manner, including, but not limited to the following:

a) Registered Operators must provide 24-hour customer care for players to report a dispute.

b) Registered Operators must have clear service standards and must make these available to players on their gaming site.

c) Disputes must be resolved under Alberta and Canadian law.

d) Resolution of routine disputes must be resolved within a reasonable timeframe.

e) Disputes involving game malfunction or a violation of these Standards and Requirements or Operator integrity must be escalated to AGLC immediately.

f) Players must be provided AGLC's number for Gaming Irregularities: 1-800-742-7818.

g) Registered Operators must escalate unresolved customer disputes to AGLC.

4.11.10 Relevant information about AGLC and AiGC must be displayed and easily accessible to the player.

Third Party Management

4.11.11 Registered Operators and registered Goods or Services Suppliers are responsible for the actions of third parties with whom they contract for the provision of any aspect of their business related to gaming in Alberta and must require the third party to conduct themselves in so far as they carry out activities on behalf of the Operator as if they were bound by the same laws, regulations and standards.

4.11.12 Registered Operators and registered Goods or Services Suppliers must maintain a list of Suppliers that provide them with goods or services in relation to lottery schemes and must make it available to AGLC upon request.

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4.11.13 Registered Operators must ensure that no independent third parties that engage in direct-to-consumer marketing, direct-to-consumer promotions or player referral services for the Operator under contract, in exchange for commissions, or for any other form of compensation also undertake such activities related to online gambling sites that facilitate or accept wagers from players in Alberta without AGLC registration.

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4.12 CERTIFICATION BY ACCREDITED TESTING FACILITIES (ATF)

4.12.1 An Accredited Testing Facility (ATF), approved and registered by AGLC, must be used for compliance testing and certification of components, including gaming platforms and all software.

4.12.2 Components, gaming platforms and software must meet minimum testing requirements. The scope of the certification is not "all" Standards, but rather those Standards that are relevant to games, random number generators, remote gaming servers and Sport and Event Betting systems being tested.

4.12.3 The ATF is responsible for the evaluation of the submitted components against the applicable AGLC Standards and Requirements within a controlled test environment.

4.12.4 The submitting party is responsible for all costs associated with the testing and certification of required components.

4.12.5 ATF certifications must:

a) only be issued by ATFs that are registered by AGLC;

b) must ensure technology is certified for all games, random number generators and components of iGaming systems that accept, process, determine outcome, display and log details about player bets;

i) This requirement includes, but is not limited to, slot games, table games, Sport and Event Betting, poker and other card games.

c) ensure the technology for live dealer games is certified as it pertains to physical random number generators with electronic elements and similar physical equipment with electronic elements used to determine game outcome;

i) This requirement includes, but is not limited to, physical wheels (roulette), physical dice tables and card shufflers that have electronic components.

d) be certified before they are deployed in the Alberta market; and

e) not contain a limitation on AGLC's use of the certification, or purport to disclaim AGLC's use of the certification.

4.12.6 Re-certification is required when any modification or subsequent discovery of an undetected issue impacts critical gaming system integrity, fairness or security, or compliance with the

GLCA, the GLCR, and/or the Standards and Requirements. The effect of the modification or discovery is to render the previous certification invalid.

4.12.7 Registered Suppliers must:

a) ensure all required certifications are obtained from AGLC registered ATFs;

b) classify the set of modifications (from the previous certified software to the current upgraded software) into one of three categories:

i) **Non-Regulatory Modifications**: Modifications unrelated to compliance with the Standards and Requirements (e.g., minor bugs that may impact user experience, cosmetic changes, new language added that is not used in Alberta, etc.).

Approach: These do not require re-certification. The Supplier may leverage the previous certification and confirm that all modifications between the two versions are non-regulatory in nature such that the previous certification holds and applies to the modified technology.

ii) **Regulatory Modifications**: Modifications related to compliance with the Standards and Requirements (e.g., modification to game design which could also impact a Standard) OR modifications that address regulatory concerns but do not require immediate action to correct (e.g., previous version is not live or problem is fully mitigated through some other control or action).

Approach: These must be certified before deployment.

iii) **Regulatory Fix (Emergency Fix)**: Modifications that address regulatory concerns and require immediate action to correct a live issue (e.g., major impact to the Standards and Requirements that question the integrity of the game).

Approach: To expedite regulatory fixes, they can be deployed prior to certification. The "fixed" technology can be deployed immediately but must be submitted to an ATF for Alberta certification within five business days of release.

4.12.8 The submitting party must maintain records of testing and ATF certification and must provide this documentation to AGLC upon request.

4.12.9 ATF may not issue a certification that is contingent on any future changes or modifications to the technology being carried out.

4.12.10 An ATF may issue a certification that specifies one or more features that would need to be turned off or disabled in order for the technology to be compliant with the relevant Standards and Requirements.

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4.12.11 ATF certification instrument must include the following information:

a) AGLC-registered name of the registered ATF that completed the certification;

b) AGLC-registered name of the registered Operator or registered Goods or Services Supplier that requested the certification;

c) Date the certification was issued;

d) Some form of unique identifier that will allow AGLC to track and follow-up on individual certifications with an Operator, gaming-related Supplier, or ATF;

e) The name of the product, version number and manufacturer;

f) A list of the Standards and Requirements against which the technology was certified;

g) Whether any part of the certification was based on previous testing completed for regulatory requirements in another jurisdiction; and

h) For re-certification of a previously certified product, a high-level description of the key changes made to the product that necessitated the re-certification.

4.12.12 The following additional information must be made available by the registered ATF to AGLC upon request:

a) The results of any previous testing of the same product for the same registrant, including information about any previously identified areas of deficiency against the Standards and Requirements; and

b) Information in response to AGLC inquiries about the testing environment, product configurations tests, and specific aspects of the testing methodology.

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4.13 TECHNOLOGY COMPLIANCE CONFIRMATION

4.13.1 Registered Operators and registered Goods or Services Suppliers who run critical gaming systems must provide AGLC with an annual confirmation their technology is compliant with all applicable AGLC Standards and Requirements.

4.13.2 Registered Operators must provide to AGLC verification of the security requirements, as applicable, prescribed at Subsection 5.1.6.

4.13.3 For registered Operators, the scope of the Technology Compliance Confirmation must include the whole technology solution that will be deployed for Alberta iGaming operations, including but not limited to, the platform and underlying infrastructure, network devices, operating systems and databases as well as gaming software and other applications (see also Subsection 4.12.5). If a registered Operator is using third-party registered Goods or Services Suppliers who run critical gaming systems, the registered Operator's confirmation does not include confirmation for those registered Goods or Services Suppliers' technologies, which will be covered by the third-party Supplier's confirmation. The registered Operator's confirmation does include the integration of these third-party systems to the platform.

Note: Platforms provide numerous functions, including player account management, payments, player wallets and responsible gambling controls, and are integrated with critical gaming systems to deliver the gaming site's offerings. Platforms do not require ATF certification.

4.13.4 For registered Goods or Services Suppliers, the scope of the Technology Compliance Confirmation must include the infrastructure (gaming servers, operating systems, databases and network devices) and games (software) pertaining to offerings in Alberta (see also Subsection 4.12.5).

4.13.5 The Technology Compliance Confirmation must include:

a) A letter signed by the registered Supplier's CEO (or equivalent) and Chief Compliance Officer (or equivalent) that includes an explicit statement confirming the technology that will be used to provide products and services in Alberta is compliant with all related Standards and Requirements. This letter must include specific confirmation that all games to be offered in Alberta will, prior to deployment, be certified by an AGLC registered ATF and will be supplied by an AGLC registered Goods or Services Supplier.

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b) For registered Goods or Services Suppliers who run critical gaming systems, this letter must also include an explicit statement that they have a CAM in place that meets all applicable and relevant Standards and Requirements;

c) The letter must be accompanied by the following supporting key information or evidence, as applicable:

i) Registered Operators must include an overview of the full technology solution of the gaming site that identifies all registered Goods or Services Suppliers, along with other third-party technology integrations to the gaming site.

ii) Provide verification of the applicable security requirements prescribed at Subsection 5.1.6.

iii) Results from security vulnerability assessments of Alberta production infrastructure and applications, conducted by an independent and qualified security firm.

iv) Results from internal and external penetration testing of Alberta production infrastructure and applications, conducted by an independent and qualified security firm.

Notes:

- The results from iii) and iv) above are to be accompanied by management responses indicating the company's risk assessment, remediation plans and compensating controls.
- It is expected remediation plans will be commensurate with risk, and that severe security risks will be addressed prior to gaming systems going live in Alberta.
- Remediations should be verified through an additional scan.

v) A description of the planned use for any third-party data centre/cloud service providers. This must include the name of the provider, type of service model, and current Service Organization Control 2 (SOC 2) reports or ISO 27001 certification for each provider.

vi) For registered Operators, a description of how the controls implemented to meet geo-location requirements that players must be within the borders of Alberta have been validated to ensure:

- Accuracy and effectiveness of the controls across the majority of expected player device and network connection types including the compliance with

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Subsection 4.2.1 for dynamic monitoring of player location and that common methods to circumvent controls are detected and/or prevented.

vii) A description of the mechanisms in place to verify:

- installed software is ATF certified (see Subsection 5.1.5); and
- integrity of deployed software (see Subsection 5.5.14).

4.13.6 Registered Suppliers are responsible for:

a) ensuring any activities they deem necessary to support their confirmation are completed to their satisfaction. This may include third-party testing.

b) maintaining all related records and evidence that support their Technology Compliance Confirmation which must be provided to AGLC upon request.

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4.14 CONTROL ACTIVITY MATRIX (CAM) REQUIREMENTS

4.14.1 Registered Operators must provide the Control Activity Matrix (CAM) as a summary of the Operators' processes and controls related to the iGaming site.

4.14.2 The required controls must be in place in advance of going live in Alberta's iGaming market.

4.14.3 CAMs must be independently audited to ensure the controls have been designed to ensure compliance with the Standards and Requirements. The independent audit must be carried out by a unit or function within the Operator's organization that was not involved in developing the CAM (e.g., internal audit) or by a designated external auditor. The independent audit results, confirming compliance, must be included with the CAM submission.

4.14.4 Registered Goods or Services Suppliers who provide critical gaming systems must have a CAM in place that meets all applicable Standards and Requirements. These CAMs must be made available to AGLC upon request.

Note: Critical gaming systems include certified games, random number generators and components of iGaming systems that accept, process, determine the outcome of, display and log details about player bets and wagers.

4.14.5 Operators must work with third-party platform providers to ensure the CAMs of the third-party provider identify the full spectrum of major technology controls contained within the iGaming platform.

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4.15 INDEPENDENT INTEGRITY MONITOR

4.15.1 Independent Integrity Monitors (IIMs) receive, assess and distribute unusual/suspicious betting alerts to entities with which they have an information sharing relationship, including their member Sport and Event Betting Operators, AGLC, and the relevant sport/event governing body. As directed by AGLC, IIMs are responsible for facilitating collaboration and information sharing to support the investigation of, and response to, prohibited activity associated with suspicious betting. IIMs may provide their services to, among others, regulators, registered Operators or registered Goods or Services Suppliers, but must not have any perceived or real conflicts of interests in performing their role (such as acting as an Operator or oddsmaker).

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4.16 RECORDS

4.16.1 Information, including logs, related to compliance with the law, the Standards and Requirements and/or adherence with Control Activities must be retained for a minimum of three years, unless otherwise stated.

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5.1 SYSTEM MANAGEMENT

5.1.1 A recognized industry standard framework must be used to manage the information technology (IT) control environment to support compliance with the Standards and Requirements.

5.1.2 Access privileges must be granted, modified and revoked based on employment status and job requirements. All activities associated with these actions must be logged.

5.1.3 Access privileges must be reviewed and certified by data owners on a quarterly basis. Reviews must confirm least privilege and separation of duties. Attestations and supporting evidence must be retained for at least two years.

5.1.4 Administrative and other privileged accounts must be limited to authorized personnel and protected by phishing resistant multi-factor authentication (MFA). Privileged access must be brokered through a Privileged Access Management (PAM) solution with session recording, command logging, and time bound, ticket referenced elevation.

5.1.5 Hardware and software components must be:

a) industry accepted components where possible;

b) provided by a registered Goods or Services Supplier; and

c) certified by a registered Accredited Testing Facility (ATF), if applicable.

5.1.6 To be permitted connection to AGLC's self-exclusion system or AGLC's iGaming regulatory systems, registered Operators must maintain the following requirements:

a) At market launch (prior to going live):

i) a current SOC 2 Type 1 attestation, which has been issued by an independent audit firm that has been peer reviewed and is also a member of the American Institute of Certified Public Accountants (AICPA); and

b) Two years after market launch:

i) a current ISO 27001 certification; or

ii) a current SOC 2 Type 2 attestation, which has been issued by an independent audit firm that has been peer reviewed and is also a member of the American Institute of Certified Public Accountants (AICPA); or

iii) an equivalent to either of the above with prior AGLC approval.

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5.1.7 Connections and interfaces must be monitored, hardened, and independently penetration tested at least annually and after any material change. Testing must include APIs, authentication flows, and ingress/egress controls. Findings rated High or Critical must be remediated per the vulnerability SLA.

5.1.8 Mechanisms must be in place to ensure the reliability, integrity and availability of the gaming system, including, but not limited, to:

a) registered Operators must ensure that a disaster recovery site is in place;

b) registered Operators must ensure a suitably secure physical environment is in place to prevent unauthorized access to the gaming system and to ensure the protection of assets;

c) Gaming systems, infrastructure, data, activity logs and all other related components must be protected from threats, vulnerabilities, attacks or breaches, and include the following:

i) All users must be authenticated;

ii) The appropriateness and effectiveness of steps taken to harden technology components must be evaluated through security testing at least annually; and

iii) Vulnerability remediation aligned to CVSS v3.1: Critical (9.0-10.0) within 48 hours, High (7.0-8.9) within 7 days, Medium (4.0-6.9) within 30 days. When patching is not feasible, implement documented compensating controls until remediation is completed.

d) Security monitoring activities must be logged in an auditable manner, monitored, promptly analyzed and a report prepared and escalated in an effective manner. These requirements include, but are not limited to:

i) Attempts to attack, breach or access gaming system components in an unauthorized manner must be responded to in a timely manner;

ii) Intrusion attempts must be actively detected and, where possible, prevented from causing disruption or outage of the gaming system; and

iii) Registered Operators must ensure adequate logging to capture and monitor any attempts to attack, breach or access any components of the gaming system in an unauthorized manner. There must be an appropriate escalation procedure.

e) Annual independent assessment of the gaming system and related components, with remediation tracked to closure.

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5.1.9 Registered Operators and Goods or Services Suppliers must keep informed on the current threats and risks to the security, integrity and availability of the gaming systems and related components that they operate or supply. Additional requirements include:

a) Registered Operators must have policies and procedures in place to effectively mitigate risks and threats; and

b) Registered Goods or Services Suppliers must make known any material threat or risk to the security or integrity of the gaming systems that they supply.

5.1.10 A system development lifecycle that considers security and processing integrity must be in place for gaming system technology whether developed in-house or supplied.

5.1.11 Due diligence must be performed on all acquired gaming system technology to ensure security and processing integrity requirements are met.

5.1.12 A testing strategy to address changes in technology must be in place to ensure that deployed gaming systems operate as intended.

5.1.13 Registered Operators must develop and have in place effective change management procedures which reflect industry best practices.

5.1.14 All gaming system changes must be reviewed, risk assessed, tested, approved and verified with evidence linked to the change record.

5.1.15 Emergency changes must follow a documented post implementation review within two business days.

a) Dedicated change accounts must be least privilege, time bound and protected by MFA.

5.1.16 Registered Operators must have measures in place to detect and prevent unauthorized or unintentional changes being made to the gaming system, including a mechanism to validate that installed software is the certified software.

5.1.17 Post implementation reviews must be performed to ensure that changes have been correctly implemented, and the outcomes must be reviewed and approved.

5.1.18 All change related documentation and information must be captured and kept secure.

5.1.19 Manage updates, patches and upgrades with documented oversight and testing. Remediate per CVSS v3.1: Critical 48 hours, High 7 days, Medium 30 days. Where patching is not feasible, implement compensating controls and track to closure.

5.1.20 A documented mechanism must be in place to monitor, review, test and approve upgrades, patches or updates to all gaming-related hardware components. This process must occur at least quarterly, and immediately when components are identified as end-of-life, obsolete,

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vulnerable, or otherwise requiring maintenance. All actions must be logged and approved by authorized personnel.

5.1.21 Effective release and configuration management processes with support systems must be in place to support both software and hardware related changes.

5.1.22 Only dedicated and specific accounts may be used to make changes.

5.1.23 Registered Goods or Services Suppliers must adhere to data security standards and data requirements as published for the Application Programming Interfaces (APIs).

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5.2 ARCHITECTURE AND INFRASTRUCTURE

5.2.1 Data centres and remote gaming servers must be approved by AGLC, including data residency designation, cross border transfer assessment, and encryption key residency review.

5.2.2 The gaming system architecture and all its related components must demonstrate security in depth.

5.2.3 All gaming systems and devices must validate inputs before the inputs are processed.

5.2.4 The gaming system must only display the minimum information about the gaming system to unauthorized users and during system malfunctions to minimize the risk of compromising the gaming system or the privacy of information.

5.2.5 All remote access methods must be secure and centrally managed, using zero-trust principles, device posture checks, MFA, and session recording for third-party access.

5.2.6 Use of wireless communication must be secured using industry-standard encryption, centrally managed, and only implemented with prior approval from AGLC.

5.2.7 All components must be hardened as defined by industry and technology best practices prior to going live or as part of any change. All default or standard configuration parameters must be removed from all components where a security risk is presented.

5.2.8 Access must be effectively restricted to ensure the domain name and server records are kept secure from malicious and unauthorized changes.

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5.3 DATA GOVERNANCE AND INFORMATION MANAGEMENT

5.3.1 Data governance must be in place to address data processing integrity and the protection of sensitive data.

5.3.2 Sensitive data, including player information and data relevant to determining game outcomes, must at all times be secured and protected from unauthorized access or use.

5.3.3 Back up data securely and store off-site in accordance with policy and law including but not limited to the following requirements:

a) Test restores quarterly;

b) Maintain immutable (WORM) backups with network/path separation;

c) Encrypt at rest and in transit;

d) Retain per the approved retention schedule.

5.3.4 Player information must be securely protected and its usage controlled as follows:

a) data collection and protection for player personal information must meet the requirements set out in the pertinent Alberta privacy legislation; and

b) Player personal information must only be used for the lottery schemes conducted and managed respectively by AGLC or the AiGC.

5.3.5 Communication of sensitive game data must be protected for gaming integrity.

5.3.6 Establish and document IT operations and incident management procedures, including:

a) Proactively monitor and detect errors and take immediate action to correct incidents of non-compliance with these Standards.

b) Synchronize time across all components using authenticated NTP (e.g., NTS).

c) Retain event and security logs for at least one year online and seven years archive or as otherwise required by regulation.

5.3.7 All private encryption keys must be stored on secure and redundant media that are only accessible by authorized management personnel.

5.3.8 Encryption algorithms and key lengths must meet or exceed industry standards (e.g., AES-256, RSA-2048) and be evaluated at least annually, or upon the emergence of new cryptographic vulnerabilities, to ensure continued protection against evolving threats.

5.3.9 The gaming system architecture must limit the loss of data and session information.

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5.4 SYSTEM ACCOUNT MANAGEMENT

5.4.1 The gaming system must be able to change, block, deactivate or remove system accounts in a timely and effective manner upon termination, change of role or responsibility, suspension or unauthorized usage of an account.

5.4.2 A secure authenticator that meets industry best practices must be used to identify users and their accounts to ensure only authorized persons are permitted to access their system account on the gaming system. Minimum requirements include, but are not limited, to:

a) The gaming system must automatically lock out accounts where any identification and authorization requirement is not met after a defined number of attempts.

b) Multi-factor authentication must be implemented as part of a secure authenticator.

5.4.3 The gaming system must ensure that all access to the system is fully attributable to, and logged against, a unique user identification.

5.4.4 Only the minimum access rights must be granted to each system account of the gaming system and access rights must be clearly documented.

5.4.5 All temporary and guest accounts must be disabled immediately after the purpose for which the account was established is no longer required.

5.4.6 Review all system and service accounts at least quarterly and upon role changes to confirm least privilege. Document changes and approvals; retain review evidence for two years.

5.4.7 A log of all account owners must be kept, maintained, reviewed at least quarterly, and promptly updated to reflect any changes in ownership or access rights. All reviews and updates must be documented and approved by authorized personnel.

5.4.8 Administrator account assignment must be approved by Operator management and enforced through PAM with continuous monitoring, session recording, and alerting on policy violations in accordance with these Standards and Requirements.

5.4.9 Inappropriate or unauthorized use of system accounts on the gaming system must be logged, reviewed and responded to within a reasonable period of time.

5.4.10 Inappropriate use of administrator accounts must be reported to AGLC in accordance with the Notification Matrix.

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5.5 SOFTWARE REQUIREMENTS

5.5.1 Software used for the gaming system must be developed using industry best practices.

5.5.2 Software development methodologies must be clearly documented, reviewed at least annually, updated to reflect current practices and stored in a secure and accessible location.

5.5.3 An effective system must be in place to manage the software development and ongoing software management cycle.

5.5.4 All software development must be segregated during and after the release of code to a production environment.

5.5.5 An effective audit trail of authority and management review of code for software must be established.

5.5.6 Controls must be in place to ensure software is effectively secured and access is effectively restricted throughout development.

5.5.7 Authorized management staff must review and approve software documentation to ensure it is effectively and clearly documented.

5.5.8 Source code and compiled code must be securely stored.

Note: Compiled code could be digitally signed or hashed (including each time there is a change) in a manner that allows for external verification.

5.5.9 The promotion or movement of code from testing through other environments to production must be accompanied by the required documentation and approvals.

5.5.10 All promotion of code from development to production must only be performed by production support staff and not by development staff.

5.5.11 Effective testing environments must be in place to allow for thorough testing of any code before it is put into production.

5.5.12 Access to production environments must be restricted from development personnel.

Note: This restriction does not preclude granting of temporary supervised access for conducting technical investigations that may only be performed on the production environment.

5.5.13 Development code must not be present in the production environment.

5.5.14 A mechanism must be in place to verify the integrity of the software that is deployed to production, including before changes are implemented, as well as on an ongoing basis.

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5.5.15 Effective release and configuration management systems must be in place to support software development.

5.5.16 All code developed by a third party must:

a) be tested to ensure it meets industry best practices and that it performs to meet its purpose prior to being added to the testing environment and prior to integration testing; and

b) pass integration testing before it is added to production.

5.5.17 Mechanisms must be in place to ensure that bugs are identified and addressed prior to, and during, production.

5.5.18 Quality assurance processes, including testing, must take place during development and prior to the release of any code.

5.5.19 All components must be tested for the purposes for which they will be used.

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5.6 ILLEGAL OR SUSPECTED ILLEGAL ACTIVITY

5.6.1 Mechanisms must be in place to reasonably identify and prevent unlawful activities at the gaming site.

5.6.2 Registered Operators must develop and maintain an internal security and surveillance strategy that aligns with current industry best practices. The strategy must not contravene AGLC policies.

5.6.3 Periodic risk assessments must be conducted effectively to determine the potential for unlawful activities, including money laundering, fraud, theft and cheat at play.

5.6.4 All relevant individuals involved in the operation, supervision or monitoring of the gaming site must remain current in the identification of both internal and external techniques or methods that may be used for the commission of crimes at the gaming site.

5.6.5 Player and employee transactions must be effectively monitored, including the ongoing analysis of incident reports and suspicious transactions for possible unlawful activity.

5.6.6 Suspicious behavior (e.g., fraud), cheating at play and unlawful activities, attempted or completed, must be reported in accordance with the established Notification Matrix.

5.6.7 It is a condition of registration to immediately report illegal or suspected illegal activities to AGLC.

5.6.8 Registered Operators or Goods or Services Suppliers must facilitate the participation of all staff they employ to assist with any AGLC or police investigation. This includes:

a) immediately reporting to AGLC's Customer Care Centre (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 and keeping the material secure until handed over to an AGLC Inspector or police officer.

5.6.9 Registered Operators are required to develop their own security plans and procedures on how to handle suspected criminal activity in accordance with these policies.

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5.7 REPORTING AND NOTIFICATION

5.7.1 Registered Goods or Services Suppliers must comply with the notification requirements in AGLC's Notification Matrix.

5.7.2 Registered Goods or Services Suppliers must submit required discrepancy reports within 24 hours via the channels defined in the AGLC Notification Matrix. Where electronic submission is required, use the secure portal designated by AGLC.

Note: With the exception of the provisions in Section 5.6 or as identified otherwise in these policies, all discrepancy reports must be submitted within 24 hours of an iGaming Supplier staff member becoming aware of an incident or suspected incident requiring the completion of a discrepancy report.

5.7.3 Discrepancy reports can be submitted to AGLC by:

a) email to: iGamingCompliance@aglc.ca

b) fax to: (780) 447-8912.

5.7.4 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.

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5.8 ANTI-MONEY LAUNDERING (AML)

5.8.1 Registered Operators and registered Goods or Services Suppliers must implement and maintain a comprehensive internal anti-money laundering and terrorist financing (AML/TF) program in compliance with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA), associated regulations, FINTRAC guidelines and the designated reporting entity's AML/TF policies and procedures. Anti-money laundering internal controls must align with those of the designated reporting entity under PCMLTFA.

5.8.2 Reasonable measures must be in place to identify and prevent suspected money laundering activities in the iGaming site. At a minimum, registered Operators and registered Goods or Services Suppliers must:

a) implement and comply with risk-based policies, procedures and controls that provide for escalating measures to address players that engage in behaviors consistent with money laundering, terrorist financing or sanction evasion indicators, including the refusal of transactions or exclusion of the player;

b) specify times and situations, based on the assessment of risk, where the Operator will ascertain and reasonably corroborate a player's source of funds; and

c) ensure that mechanisms are in place to lawfully share information related to high-risk, suspicious or criminal activities with other Operators which may also be subject to similar activity.

Reporting

5.8.3 Suspicious Transaction Reporting (STR)

Registered Operators and registered Goods or Service Suppliers must, at a minimum:

a) Implement and comply with policies and procedures for identifying, escalating, completing and submitting STR's. All STR's must be submitted as soon as practicable and include all requisite information.

b) Retain copies of all FINTRAC related reports and supporting records submitted to AiGC. These reports must be made available to AGLC in accordance with the established Notification Matrix.

5.8.4 If a registered Operator or registered Goods or Services Supplier:

a) becomes aware that a player:

SECTION: 5. INFORMATION TECHNOLOGY AND SECURITY REQUIREMENTS

i) is charged with, convicted of, or believed on reasonable grounds to be involved in an offence under section 209 or 462.31 of the Criminal Code (Canada):

ii) is charged with, convicted of, or believed on reasonable grounds to be involved in terrorist activity as defined in the Criminal Code (Canada);

iii) is not, under the laws of a jurisdiction other than Alberta, permitted to engage in iGaming activities, enter into or remain in place in which gaming activities in that jurisdiction conducted;

iv) is enrolled in a self-exclusion program; or

v) is a listed person on any domestic or international sanctions list.

b) following from 5.8.4 a), the registered Operator or registered Goods or Services Supplier must then:

i) immediately suspend or disable the player's account to prevent further financial or gaming activity; and

ii) as soon as practicable, document the details of the incident (including but not limited to the source of the information, actions taken, and any communications with authorities) and immediately notify AGLC.