

Losses Reported By CIC and its Subsidiary Crown Corporations During the Period January 1, 2009 – March 31, 2009

Date of Occurrence	Entity	Description	Amount	Action Taken	Corrective Measures
March 20, 2009	SaskEnergy	It was determined through regular inventory procedures that an employee sold approximately 300 meters of steel pipe to a third party without following corporate procedures. The employee thought the pipe was scrap pipe. The pipe was sold for \$700 cash, which is below replacement value, and the cash proceeds were not recorded in corporate accounts.	\$5,562.32 Replacement value.	The cash proceeds were recovered from the employee. The third party was contacted and given the \$700 cash in exchange for the pipe being returned. The employee is no longer employed with the Company. The matter was reported to the police.	Employees were reminded of corporate policies and procedures for dealing with salvage and disposal of corporate assets.
October 16, 2008 (Confirmed loss January 15, 2009)	SGI	Cash received at a Claims branch was recorded in the ledger but not deposited in the bank.	\$695	The suspected employee was terminated for other reasons October 23, 2008. Incident has been reported to the police.	Discrepancy was detected by bank reconciliation procedures. Improvements were made to controls for more timely detection.
4 th Qtr. 2008 & 1st Qtr. 2009	SaskTel	A Hospitality Network customer service representative (CSR) for the Saint John's hospital was not making the required bank deposits. Audit and bank trace determined theft had occurred.	\$5329.36	CSR terminated. Manager attempted contact with CSR for monies owed. Police report filed, arrest warrant filed.	Hospitality Network has implemented a process to ensure that all bank accounts are reconciled weekly. They are also in the process of hiring an Assistant District Manager for the Atlantic provinces which should allow adequate time to identify and address discrepancies in a timelier manner.