

### Losses Reported By CIC and its Subsidiary Crown Corporations during the Period July 1 – September 30, 2010

Date of Occurrence	Entity	Description	Amount	Action Taken	Corrective Measures
January, 2009 to August 9, 2010	SaskTel	A Hospitality Network customer service representative from the Vancouver General Hospital was defrauding Hospitality Network of cash by altering sales slips.	\$70,060	The incident was reported to police and the employee's services have been terminated.	A new control report has been developed to target potential cash thefts.
May 2009 to July 2010	SaskTel	A SaskTel employee gave her daughter, who lived in Calgary at the time, a SaskTel demo phone to use as her own.	\$1,710	Employee admitted to this and then retired from the company prior to any disciplinary action being taken. The phone and money were recovered, and the incident was reported to Regina City Police.	A new control has been put in place to detect this in a timelier manner.
April 2010 to August 2010	SaskTel	An employee of one of SaskTel's cellular dealers found a way to bypass SaskTel's credit check process, resulting in 79 accounts (127 units) being activated without correct conditions of service. As a result, the dealer received compensation for hardware subsidies and sales commissions.	\$79,232	The funds will be repaid by the dealer and the dealer has terminated the employee's services.  The accounts were suspended and customers were advised they would need to visit a SaskTel Store to have a new credit check completed before service would be restored.	A new control has been put in place to detect this in a timelier manner.
May 14 <sup>th</sup> 2010	SaskGaming	Employee dismissed as a result of performance issues. He was in possession of Corporate credit card which was turned in, however was in possession of a rental vehicle which was still being charged to the Corporation.	\$1300.00	Credit card turned in at the time of termination. Incident report submitted and file has been turned over to the Regina Police Service for investigation. Employee has since been arrested and charged.	Court date has been set for November 18 <sup>th</sup> , 2010.
August 2, 2010	SaskGaming	An employee in the CPR Express continually putting cooking oil behind the deep fryer, which eventually caused flare-ups. The eventual outcome was the CPR Express kitchen was closed.	\$5200.00 Repairs, to date. Will follow up in next quarter report with total losses to sales.	Incident referred to Regina Police Service. Employee arrested and charged with Mischief over \$5000.00	Employee has since been dismissed, and court is set for October 27 <sup>th</sup> , 2010.