

**HEARING BEFORE A PANEL
OF THE BOARD OF
ALBERTA GAMING, LIQUOR AND CANNABIS COMMISSION**

**IN THE MATTER OF the *Gaming, Liquor and Cannabis Act*
Revised Statutes of Alberta 2000, Chapter G-1, as amended
and the Regulation**

and

**The Vault Sports Pub Ltd. (Applicant)
o/a The Vault Sports Pub
5002 50 Avenue
Rimbey, AB T0C 2J0**

DATE OF HEARING:	November 6, 2025
HEARING PANEL:	Patti Grier, Presiding Member Serena Donovan, Panel Member
APPLICANT / REPRESENTATIVE:	Spencer Strutt, Director/Shareholder
REGULATORY SERVICES DIVISION:	John Gilbert, Legal Counsel Petrina Nash, Resource Officer

DECISION OF THE HEARING PANEL

In accordance with section 94(7)(a) of the *Gaming, Liquor and Cannabis Act* (the Act), the Hearing Panel confirms the original decision of a Panel of the Board of Alberta Gaming, Liquor and Cannabis Commission (AGLC) to cancel the Applicant's Class A Minors Prohibited Liquor Licence #777144-3.

AGLC will need to make a determination with respect to the disposition of any liquor remaining in The Vault Sports Pub, in accordance with section 95 of the Act.

I. Jurisdiction and Preliminary Matters

[1] On July 24, 2025, Gary Peck, the Vice President of the Regulatory Services Division (Regulatory Services) of AGLC, emailed Len Rhodes, Board Chair, with a request to cancel the Class A Minors Prohibited Liquor Licence #777144-3 (the Licence) held by The Vault Sports Pub Ltd. operating as The Vault Sports Pub (the Applicant) as a result of an alleged contravention of:

- section 69(1)(a) of the Act: No liquor licensee or employee or agent of a liquor licensee may permit any activity in the licensed premises that is contrary to any municipal bylaw or any Act or regulation of Alberta or Canada.

[2] The alleged contravention of section 69(1)(a) of the Act arose from an undercover investigation conducted by the AGLC Tobacco Enforcement Unit (the TEU) into the trafficking of contraband tobacco at The Vault Sports Pub. The investigation led to the director of The Vault Sports Pub Ltd., Spencer Strutt, being charged under section 121.1(1) of the *Criminal Code*, RSC 1985, c C-46 (the Criminal Code).

[3] Board Chair Rhodes designated two members of the Board to sit as a Panel and make a decision.

[4] On July 31, 2025, the Panel cancelled the Licence pursuant to sections 91(2)(d) and 92(2)(a) of the Act.

[5] The Applicant subsequently applied for a hearing before a Panel of the Board of AGLC pursuant to section 94(1) of the Act.

[6] In accordance with section 11 of the Act, Board Chair Rhodes designated two members of the Board to sit as a Panel to conduct the hearing and make a decision – Patti Grier (Presiding Member) and Serena Donovan.

[7] Len Rhodes' tenure on the Board of Directors ended as of August 14, 2025, and Larry Spagnolo's appointment as Board Chair commenced August 15, 2025. Board Chair Spagnolo signed the Notice of Hearing dated August 28, 2025.

[8] On September 3, 2025, legal counsel for the Applicant contacted the Hearing Panel Office (the HPO) and requested an adjournment to allow more time for him to onboard his client and review the matter. Regulatory Services did not object to the adjournment request. Legal counsel for the Applicant subsequently retracted his adjournment request and asked the Panel to either abandon his request or reschedule the hearing to a date sooner than November 2025.

[9] On September 4, 2024, Regulatory Services contacted the HPO to request an adjournment due to one of their key witnesses being unavailable on September 23, 2025. They also indicated that they planned to retain legal counsel. The Applicant's legal counsel did not object to the request. The Panel granted the adjournment, the hearing was rescheduled to November 6, 2025, an Updated Notice of Hearing dated October 2, 2025 was sent to the parties, and the deadline for filing evidence and a witness list with the HPO was updated to October 16, 2025.

[10] On October 14, 2025, the Applicant's legal counsel submitted an Application to Compel Disclosure to the HPO requesting the Hearing Panel to (a) require Regulatory Services to provide full and unredacted disclosure on or before 4:00 p.m. on October 21, 2025; and (b) extend the deadline for the Applicant to submit its list of documents and witnesses to 4:00 p.m. on October 28, 2025, to allow for a reasonable period to review the compelled disclosure. The request was made on the basis that the Applicant could not "...meaningfully comply with the Panel's October 16, 2025 document exchange deadline without having first received and reviewed the full case against it."

[11] On October 15, 2025, legal counsel for Regulatory Services, John Gilbert, responded to the Applicant's request and noted that there is no basis under the Updated Notice of Hearing nor the Hearing Panel Rules & Procedures for production of evidence and a witness list by Regulatory Services in advance of the Applicant. Mr. Gilbert asked the Hearing Panel to dismiss the Application to Compel

Disclosure. The Applicant's legal counsel subsequently withdrew his Application to Compel Disclosure and requested an adjournment until the end of November on the basis that he needed additional time to review the evidence submitted by Regulatory Services. The Applicant's legal counsel noted that he was unavailable until October 27, 2025. Mr. Gilbert advised that Regulatory Services was only available November 26 or 27, 2025, and his client did not object to the adjournment request so long as the hearing was conducted on one of those two dates without further adjournment requests. Legal counsel for the Applicant advised that he was available on November 26, 2025. The HPO emailed the parties to advise that the Hearing Panel was unavailable on November 26 and 27, 2025, and the adjournment request along with Mr. Gilbert's position had been sent to the Hearing Panel for their consideration. The Applicant's legal counsel suggested alternate hearing dates, and Mr. Gilbert advised that the dates were unworkable and suggested proceeding on November 6, 2025. The Applicant's legal counsel emailed Mr. Gilbert and the HPO on October 16, 2025 to advise that the November 6, 2025 hearing date was untenable given the evidence submitted by Regulatory Services and legal counsel's unavailability until the week of November 4, 2025. The Applicant's legal counsel further noted that he would not be able to address anything further emails on the matter until October 27 or 28, 2025. Mr. Gilbert responded to Mr. Williamson and the HPO on October 16, 2025 and noted that there has been no direction from the Hearing Panel for staged production, he did not see this as appropriate, and he requested a brief extension to the filing deadline.

[12] The HPO emailed the parties on October 16, 2025 to advise that different disclosure dates would not be set each for party, as this would violate the principles of administrative fairness. The HPO granted an extension to the filing deadline for both parties.

[13] The Panel considered the adjournment request. On October 17, 2025, the HPO emailed the parties on behalf of the Hearing Panel and advised that:

- the Hearing Panel has made every effort to accommodate the parties' schedules;
- the adjournment request submitted by the Applicant's legal counsel would only be approved by the Hearing Panel if both parties and their witnesses were available to attend the hearing on either November 13, 2025 or November 17, 2025, which were the only dates the Hearing Panel was available before the 120-day limitation date of November 28, 2025;
- if neither of the dates would work for both parties, the hearing would proceed as scheduled on November 6, 2025; and
- in fairness to everyone, both parties' availability needed to be considered along with the legislated requirements when scheduling a hearing.

[14] Mr. Gilbert advised that neither of the proposed dates would work for Regulatory Services' witnesses. The Panel directed the hearing to proceed on November 6, 2025.

[15] On October 22, 2025, the Applicant's legal counsel emailed the HPO and Mr. Gilbert with a "provisional witness list" and "provisional evidence." He also noted that:

- the materials were provided on a provisional basis;
- he objected to the Panel imposing a filing deadline during his absence, which prevented him from sending a meaningful response;

- he reiterated his objection to the Panel setting a hearing date primarily based on Regulatory Services' availability, prejudicing the Applicant's right to a fair hearing; and
- he was out of the office on vacation until October 28, 2025.

[16] On October 23, 2025, the HPO emailed a letter from the Hearing Panel to the Applicant's legal counsel. The Hearing Panel provided a summary of the correspondence between the parties and noted, amongst other things, that the November 6, 2025 hearing date was agreed to by both parties, and no objections to the date or concerns about the Applicant's right to a fair hearing were raised when the hearing was rescheduled. Legal counsel for the Applicant and the Applicant also stated on several occasions that the hearing needed to proceed as soon as possible given that the Applicant's business was closed. The Hearing Panel further noted that they take the principles of administrative justice very seriously and felt that they had made every effort to ensure the hearing was fair for all parties.

[17] On October 29, 2025, the Applicant's legal counsel emailed Mr. Gilbert and the HPO to advise that he was withdrawing as legal counsel for the Applicant. The HPO advised the Panel, and the Panel directed the hearing to proceed as scheduled.

[18] At the outset of the hearing, Presiding Member Grier asked Mr. Strutt if he was comfortable with proceeding and representing himself at the hearing. Mr. Strutt said that he had no time to prepare for the hearing. Presiding Member Grier asked Mr. Strutt again if he was still comfortable with proceeding given that his legal counsel had resigned and he did not have the hearing information before him. Mr. Strutt confirmed that he was still fine with proceeding.

[19] Presiding Member Grier called a recess and directed the HPO to prepare a binder with a hard copy of the hearing file for Mr. Strutt. The HPO reviewed the hearing file with Mr. Strutt. Upon returning from the recess, Presiding Member Grier asked Mr. Strutt to confirm he had reviewed the hearing file and if he was still fine with proceeding. Mr. Strutt said that he was prepared to proceed.

[20] The parties and the Hearing Panel were provided with a record containing various documents pertaining to the issues before the Hearing Panel. The Applicant and Mr. Gilbert confirmed receipt of the Updated Notice of Hearing dated October 2, 2025 and the attached hearing record. The following documents were entered into evidence:

- Exhibit 1 Hearing Record, including Tabs 1 to 2
- Exhibit 2 Additional documents provided by Regulatory Services, including Tabs 1 to 17
- Exhibit 3 Documents provided by the Applicant, including Tabs 1 to 8

II. Issues

[21] Should the Hearing Panel confirm, replace or cancel the decision of a Panel of the Board of AGLC to cancel the Licence?

III. Regulatory Services Submissions

[22] Regulatory Services called two witnesses: AGLC Investigator (Investigator S) and AGLC Investigator (Investigator T). Investigator S has been with AGLC for 18 years, and he

has worked in the Tobacco Enforcement Unit (the TEU) for most of his AGLC career. Investigator T has worked in the TEU for approximately four years.

[23] The following is a summary of the evidence provided by Investigators S and T.

Investigator S

[24] As an investigator with the TEU, Investigator S investigates complaints and allegations received through hotline tips regarding the trafficking of illegal tobacco products in Alberta. He has been involved in over 200 contraband tobacco investigations and has been the primary investigator on approximately 100 of those investigations. During his time in the TEU, Investigator S has seized over 60 million contraband cigarettes and conducted several dozen contraband tobacco presentations for AGLC, law enforcement agencies and various private businesses. Investigator S is a court certified expert on contraband tobacco and has presented expert reports on contraband tobacco trafficking during criminal proceedings on behalf of AGLC.

[25] Investigator S explained that there are two primary ways for TEU members to identify contraband cigarettes:

- All cigarettes sold in Canada must have provincial or federal tax markings on both cartons and packs. Duty paid stamps on individual packs of cigarettes are underneath the cellophane wrapping and must be placed over the opening of the pack. Members of the TEU always look for tax stamps to ensure cigarettes are legally marked for sale.
- In 2019, the federal government introduced plain packaging and labeling legislation which requires all cigarettes sold in Canada to comply with certain requirements. Cartons and packages must be a drab brown colour with the same font, and the packs must have a health warning that covers 75% of the pack.

[26] Investigator S said that as soon as TEU members see bright-coloured cigarette packaging, they are confident that the product is contraband.

[27] Investigator S advised that contraband cigarettes have taken hold of the market. In 2016-2017, the legal revenue for cigarettes in the Province of Alberta was approximately nine hundred million dollars. Over the last few years, revenue has decreased to approximately five hundred million dollars. Investigator S said that a lot of the revenue loss is due to contraband cigarettes.

[28] Investigator S explained that legal cigarettes are manufactured in legal factories with health standards that must be followed, whereas manufacturers of contraband cigarettes have no health and quality standards. He further noted that legal cigarettes have a safety feature in the filter that causes them to self-extinguish, and illegal cigarettes lack this feature.

[29] Investigator S advised that the contraband cigarettes that the TEU primarily encounters are manufactured on reserve lands in Eastern Ontario and Quebec. Organized crime has a very deep reach within the factories, and these groups are the primary driver behind sales, trafficking, and transport of contraband tobacco across Canada. The money that organized crime is making from contraband cigarettes is going towards drugs, firearms, human trafficking and terrorist financing. Revenue from legal

cigarettes is used for government services such as infrastructure, seniors care, health care and emergency services.

[30] Mr. Gilbert referred to the Licence (Exhibit 1, Attachment 7) and read aloud the following sentence on the Licence:

- The licensed premises include: (a) the areas where liquor may be sold and consumed; and (b) areas including any storeroom, lobby, washroom, kitchen, hallway, or additional areas, used by the licensee in support of the areas where liquor may be sold and consumed.

[31] Investigator S advised that he was involved in the investigation of The Vault Sports Pub. Allegations of contraband tobacco trafficking at the licensed premises prompted the Rimbey RCMP to ask an RMCP officer who was seconded to the TEU to assist with the investigation. During the course of the investigation, Investigator S maintained a journal with handwritten notes (Exhibit 2, Tab 7). He also prepared an Investigation Report with details of the investigation (Exhibit 2, Tab 1).

[32] On May 29, 2025, Investigator S traveled to Rimbey to start the investigation as a TEU cover manager. His role was to ensure that the investigation proceeded safely and properly and to ensure the safety and well-being of the undercover operator (the UO).

[33] Investigator S provided a summary of the events that occurred on May 29, 2025:

- At 12:30 p.m., the UO was directed to enter The Vault Sports Pub, interact with staff and purchase illegal cigarettes if the opportunity presented itself.
- Investigator S positioned himself outside the licensed premises.
- Approximately 30 minutes after the UO entered The Vault Sports Pub, Investigator S said that he saw the UO outside with a female who he believed was an employee.
- The female was holding a package of cigarettes, which were bright red and appeared to be illegal.
- The female and the UO went back inside the licensed premises.
- The UO called Investigator S and advised that a man named Spencer was going to sell him one carton of contraband cigarettes for \$50.
- A short time later, Investigator S saw the UO and a male who was identified as Mr. Strutt walk through the east exit of The Vault Sports Pub.
- Investigator (Investigator K) was positioned across the street to the east and was covering the door for safety purposes, and he announced on their radio system that he had seen a “deal good” sign given by the UO indicating that a successful undercover purchase had been made.
- After the purchase was completed, the UO said that Mr. Strutt insisted he put the carton of cigarettes in his vehicle right away. Investigator S said that this was an indication that Mr. Strutt was aware the product was illegal.
- After the deal was done, the UO put the carton in his vehicle.
- Investigator S and the UO debriefed and examined the carton of Canadian Light cigarettes (Exhibit 2, Tab 2). Investigator S was very confident that the carton of cigarettes was contraband because it lacked the plain packaging requirements.

[34] In Investigator S's experience, Canadian Light is a popular contraband cigarette brand that is easily identifiable by its blue packaging and a warning label that covers half the carton. He said that he has never seen legal tax stamps on cartons of Canadian Light cigarettes.

[35] Investigator S advised that the TEU returned to The Vault Sports Pub on June 12, 2025 to conduct a second undercover investigation. His role was cover manager, and he provided a summary of the events that occurred:

- The UO was directed to enter the licensed premises at approximately 12:30 p.m. and purchase multiple cartons of contraband cigarettes to confirm that the first purchase was not a one-off purchase and that there was commerciality involved.
- Approximately 25 minutes after the UO entered the premises, Investigator S saw Mr. Strutt and the UO leave through the east exit and walk towards the UO's vehicle.
- The UO and Mr. Strutt walked back towards the premises, and Mr. Strutt was carrying a green reusable bag. They re-entered the premises.
- Approximately one minute later, Mr. Strutt and the UO exited the premises again and walked towards the UO's vehicle. Mr. Strutt had the green bag, and Investigator S believed that the bag contained contraband cigarettes.
- Mr. Strutt and the UO re-entered the premises with nothing in their hands, and shortly after that Mr. Strutt and the UO departed the premises separately.
- The UO let Investigator S know that he obtained four cartons of contraband menthol cigarettes.

[36] Investigator S reviewed the UO's report with a photograph of four green cartons of Canadian Menthol cigarettes (Exhibit 2, Attachment 5) the following day, and he determined that the cartons in the picture were contraband cigarettes because they lacked stamps and did not comply with plain packaging laws. Further, flavoured cigarettes are illegal in Canada.

[37] Investigator S explained that it is common for people involved in tobacco trafficking to utilize bags in order to conceal the contraband.

[38] On July 2, 2025, Investigators S and K attended The Vault Sports Pub to assist the Rimbey RCMP detachment with executing a search warrant at the licensed premises, in accordance with section 47 of the Criminal Code. The investigators were there to help the RCMP search for and identify contraband tobacco products.

[39] Investigator S summarized what occurred during the search:

- Mr. Strutt was not initially present but arrived approximately 10 minutes after the search began.
- RCMP members arrested Mr. Strutt and transported him to their detachment.
- The investigators found empty contraband tobacco packaging in the garbage cans on the main floor.
- On the upper floor at the top of the stairs, the investigators found a distinct, unmarked brown cardboard box that was full or almost full of cartons of contraband cigarettes. Investigator S explained that these boxes are referred to as master cases and only

contain initials of whatever product is inside, such “CL” for Canadian Light or “CM” for Canadian Menthol.

- The investigators searched through the rest of the upper level and found additional master cases of contraband cigarettes and open packs of contraband cigarettes throughout the area. A total of 16,860 contraband cigarettes were seized consisting of six different contraband brands (Exhibit 2, Tab 1).
- While searching through the back main office, the investigators found a scale with white powdery residue, dried cannabis, white powder in a bag believed to be cocaine, hallucinogenic mushrooms in a bag, and a plastic container with a purple-coloured substance later found to be fentanyl. The RCMP members were responsible for documenting, photographing and seizing everything.
- The investigators found freezers full of food and hundreds of bottles of liquor in various sizes being stored around the upper level living area.

[40] Investigator S referred to his Investigation Report (Exhibit 2, Tab 1) and noted the following:

- The total provincial tax loss for the 16,860 cigarettes was \$5,058, which is calculated by multiplying the number of cigarettes by the tax rate of \$0.30, as per the *Tobacco Tax Act*, RSA 2000, c T-4 (the Tobacco Tax Act);
- 136.08 grams of contraband chewing tobacco were found, which amounted to a total provincial tax loss of \$47.68.

[41] Investigator S said that during the operation dates, Mr. Strutt, the unknown female and one male employee were all seen in possession of contraband cigarettes that matched the brands that were found during the execution of the search warrant.

[42] Investigator S advised that usually when individuals have numerous different brands of cigarettes, it shows a significant level of commerciality. Further, it indicated that Mr. Strutt had the customer base to support trafficking a wide variety of contraband products.

[43] Investigator S said that Mr. Strutt told the UO that he makes weekly trips to Calgary on Tuesdays to pick up contraband cigarettes.

[44] Investigator S explained that legal cases of cigarette cartons have “Alberta” printed on them in very large font, and underneath in smaller font they identify the brand and pack size. Illegal master cases are plain except for small initials of the particular brand of contraband cigarettes.

[45] With respect to the drugs found in the upper level of The Vault Sports Pub, Investigator S said that the drugs found in bags were not initially a concern to AGLC; however, the purple-coloured substance found in the microwave appeared to be fentanyl based on the training he received on identifying dangerous drugs. The RCMP members who were present during the search warrant were also confident that it was fentanyl. This raised concerns because residue from that substance could get on the VLT slips and cash and be given to customers, which is a serious public safety issue. Further, it created a safety risk for the investigating officers.

[46] With respect to the calculation of retail loss, Investigator S explained that when he submits files for disclosure to the Crown or prepares expert reports on contraband tobacco trafficking, he attends stores that sell legitimate cigarettes and asks them for their lowest and highest prices for a cigarette carton. He takes the average number for those cartons and multiplies it by the number of illegal cartons found in order to determine the retail loss. Investigator S calculated the retail loss for the contraband cigarettes seized from The Vault Sports Pub and found that it was \$15,595.50 (Exhibit 2, Tab 1), which shows a dramatic impact on and loss to legitimate retailers in Alberta.

[47] Investigator S advised that he searched the provincial justice online network and found that on September 2, 2025, Mr. Strutt entered a guilty plea to section 121.1(1) of the Criminal Code and was issued a \$2,500 fine (Exhibit 2, Tab 14).

[48] When Mr. Strutt asked Investigator S where he was located during the second undercover operation, Investigator S said that he was located outside of The Vault Sports Pub in his vehicle in a lawfully placed position with an eye on the east door of the premises.

[49] When Mr. Strutt asked Investigator S how many cartons were found for each brand of contraband cigarettes, Investigator S said that he did not know the exact number because the RCMP handled the seizure.

[50] When Mr. Strutt asked Investigator S if the average person would know the difference between a legal box of cigarettes and an illegal box of cigarettes, Investigator S said that the average person probably would not know the difference.

[51] When Mr. Strutt asked Investigator S if he is familiar with drugs, Investigator S said that he does not investigate nor use drugs. He only handles and deals with drugs that he finds on search warrants, and he has been given training on identifying them.

[52] When Mr. Strutt asked if the drugs found during the search were tested, Investigator S said he did not know.

[53] When Mr. Strutt asked if the drugs were suspected illicit drugs, Investigator S responded yes.

[54] When Mr. Strutt asked how the suspected fentanyl was packaged, Investigator S said it was in a small clear plastic container with a lid.

[55] When Mr. Strutt asked if the suspected fentanyl was safely packaged, Investigator S said that he could not speak to whether it was safely or unsafely packaged.

[56] When Mr. Strutt asked if anything else was found in the microwave, Investigator S said that there was an envelope with \$5,000 cash with an individual's name written on it and that he believes it was seized by the RCMP.

[57] When Mr. Strutt asked Investigator S how long the investigation was running for before he joined it, he said that he was not sure.

[58] When Mr. Strutt asked why Rimbey RCMP asked the TEU for assistance, Investigator S explained that the Rimbey RCMP detachment is small, and they sometimes have difficulty with getting resources for specialty units like undercover and surveillance operations.

[59] When the Panel asked Investigator S if there were safety concerns for himself and his team during the operations, Investigator S said that other than the drugs that were found, no safety concerns were identified prior to conducting the investigation or during the undercover operations. He further stated that safety concerns could include things like known gang involvement and the presence of weapons.

[60] When the Panel asked Investigator S if the sale of contraband cigarettes at the licensed premises caused any public safety issues, Investigator S said no.

[61] When the Panel asked if this was a relatively big operation in terms of the number of cigarettes found, Investigator S explained that it was a small to medium scale trafficking operation compared to other cases where warehouses full of contraband cigarettes have been found. He further stated that for a premises like The Vault Sports Pub, the presence of six different brands moves the operation from a low to medium level trafficking operation.

Investigator T

[62] Investigator T attended The Vault Sports Pub on May 29, 2025 and June 12, 2025 as a UO and made undercover purchases of contraband tobacco from Mr. Strutt.

[63] Mr. Gilbert asked Investigator T to review the Licence (Exhibit 1, Tab 7), and Investigator T confirmed that this was the Licence for the licensed premises he investigated.

[64] Investigator T made notes detailing his visits to The Vault Sports Pub (Exhibit 2, Tabs 2 and 5). His notes were made shortly after each incident when his memory of the events was fresh, and he attempted to ensure his notes were as accurate as possible. He further stated that he used these notes to create a report that was sent to the RCMP.

[65] Investigator T explained that the purpose of his visit to The Vault Sports Pub on May 29, 2025 was to be seen and become known at the licensed premises, and if he formed a reasonable suspicion that contraband tobacco was being sold, he would attempt to make a purchase. He attended The Vault Sports Pub with another UO and provided a summary of their visit:

- Investigator T attended a briefing held by Investigator S and reviewed a picture of Mr. Strutt.
- The investigators sat at a table after entering the bar, and a female staff member identified as (Ms. P) approached their table to take their drink order and provide them menus.
- Investigator T saw Ms. P leave the bar twice to smoke outside and observed her with a red pack of Discount Full cigarettes each time. He identified these cigarettes as contraband on the basis that he has seized thousands of cartons of this brand of contraband cigarettes, and they do not comply with plain packaging laws.

- Investigator T formed a reasonable suspicion that contraband tobacco was in the premises, and he went outside with his own contraband pack of cigarettes called a “flash pack” and had a cigarette with Ms. P.
- Investigator T had a conversation with Ms. P, and he provided her with a cover story about needing more cigarettes and asked her if she knew where he could get contraband cigarettes.
- Ms. P asked Investigator T what brand of cigarettes he was looking for, and he showed her his flash pack of Canadian Light contraband cigarettes. Ms. P said that she gets her cigarettes from Mr. Strutt and offered to text him to see if he had any available.
- Ms. P and Investigator T went back into The Vault Sports Pub, and approximately 10 minutes later, Mr. Strutt came down the stairs from the upper level.
- Mr. Strutt had a conversation with Ms. P at the bar, and Investigator T went outside to have a cigarette.
- Mr. Strutt exited the bar with a green pack of Canadian Menthol cigarettes, which Investigator T identified as contraband on the basis that he has seized thousands of cartons of this brand of contraband cigarettes, and they do not comply with plain packaging laws.
- Investigator T and Mr. Strutt had a conversation, and Mr. Strutt said that he picks up cigarettes in Calgary every Tuesday from a guy. Mr. Strutt asked Investigator T what he was looking for, and Investigator T flashed his pack of Canadian Light contraband cigarettes. Mr. Strutt examined the pack and said they were garbage, and he advised Investigator T that his cigarettes are better and cost \$50 per carton. He further stated that he may have one or two cartons of Canadian Lights, but he usually just gets whatever he is picking up for himself. Mr. Strutt told Investigator T that he would have to put the cigarettes in his car right away, and Investigator T asked him to put them in a brown paper bag and agreed to pay \$50 for a carton.
- Investigator T and Mr. Strutt re-entered the bar, and Mr. Strutt went upstairs and came back down with a brown paper bag containing a carton of Canadian Light contraband cigarettes. They exited the bar, and Mr. Strutt told Investigator T to put the brown paper bag in his vehicle. Investigator T gave Mr. Strutt three \$20 bills, and after Investigator T put the carton of contraband cigarettes in his vehicle, he returned to his table and found two \$5 bills under his pack of cigarettes placed there by Mr. Strutt.

[66] Investigator T said that he identified the Canadian Light cigarettes (Exhibit 2, Tab 2) he purchased from Mr. Strutt as contraband on the basis that he has seized thousands of master cases of this well-known brand of contraband cigarettes. He further stated that the carton did not comply with packaging laws because it was blue and had undersized warning labels.

[67] Investigator T said that he thinks Mr. Strutt asked him to put the contraband cigarettes in his vehicle because they are illegal.

[68] Investigator T stated that he returned to The Vault Sports Pub on June 12, 2025 on his own with the intention of making a second purchase of contraband cigarettes to show commerciality and that the May purchase was not a one-off. He provided a summary of the events that occurred during his visit:

- Investigator T attended a briefing in the morning and was asked to buy contraband cigarettes again directly from Mr. Strutt.
- He entered the bar, sat at a table and was served by Ms. P.
- Investigator T told Ms. P that he was looking to purchase cigarettes and asked if Mr. Strutt was available.
- Ms. P contacted Mr. Strutt, and he came down from the upper level and approached Investigator T at his table.
- Mr. Strutt asked Investigator T if he was looking to purchase Canadian Light cigarettes again, and Investigator T said that he had switched to Canadian Menthol cigarettes and asked to purchase four cartons.
- Mr. Strutt agreed to sell Investigator T four cartons, and they walked outside to retrieve a reusable bag from Investigator T's vehicle. They re-entered the bar where Mr. Strutt went upstairs with the reusable bag. Mr. Strutt came down to the lower level, called Inspector T to the foyer, and they exited the bar together. Mr. Strutt gave Investigator T the reusable bag containing four cartons of Canadian Menthol cigarettes, and Investigator T gave Mr. Strutt four \$50 bills. They parted ways shortly thereafter.

[69] Investigator T identified the four green cartons of Canadian Menthol cigarettes (Exhibit 2, Tab 5) as contraband on the basis that he has seized thousands of cartons of this very popular and well-known brand of contraband cigarettes. Further, they do not comply with plain packaging laws, lacked stamps and are flavoured cigarettes which are illegal.

[70] Investigator T said that Mr. Strutt was very willing to sell him cigarettes and was less guarded during their second interaction.

[71] When Mr. Strutt asked Investigator T to clarify what they discussed with respect to Mr. Strutt purchasing cigarettes, Investigator T said that Mr. Strutt said that he picks up cigarettes for people when he purchases cigarettes for himself on Tuesdays.

[72] When Mr. Strutt asked Investigator T if he remembers him saying that he only had Canadian Menthol cigarettes for sale during their second interaction, Investigator T replied no.

[73] When Mr. Strutt asked Investigator T if he recalls him saying that he could not help him again because he had sold him his personal cigarettes, Investigator T said that he did not recall Mr. Strutt saying that.

[74] When the Panel asked Investigator T if he asked Ms. P what her position was at The Vault Sports Pub, he said that it was obvious she was server. He further stated that during their interaction on May 29, 2025, he recalls her saying that she was working a double shift.

[75] When the Panel asked Investigator T if he asked Mr. Strutt what his position was, Investigator T said that he did not need to ask because he already knew Mr. Strutt was the owner. He was advised of this during the briefing on May 29, 2025 when he was shown a picture of Mr. Strutt.

[76] Mr. Gilbert referred the Panel to the CORES entity search for The Vault Sports Pub Ltd. (Exhibit 1, Tab 6) and pointed out that Mr. Strutt is listed as a director.

IV. The Vault Sports Pub Submissions

[77] Spencer Strutt gave evidence on behalf of The Vault Sports Pub Ltd.

[78] The following is a summary of the evidence provided by Mr. Strutt.

[79] Mr. Strutt advised that he lives above The Vault Sports Pub and visits his daughter and mother in Calgary on Tuesdays.

[80] Mr. Strutt said that he was unaware that the cigarettes he purchased and sold were illegal because they are readily available for purchase everywhere.

[81] Mr. Strutt explained that he purchased The Vault Sports Pub from three women, and they hold the financing with an agreement that if Mr. Strutt misses three payments, they get to take back the bar. One of the previous owners stayed on as a worker at The Vault Sports Pub for approximately one and a half years. Mr. Strutt said that he terminated her employment after disputes about her requests for time off. Her friends continued to work at the bar and called AGLC to report that drugs and cigarettes were being sold at the licensed premises, and this is what started the investigation.

[82] Mr. Strutt asserted that the investigation ran for over one and a half years, and the RCMP concluded that there were no signs of trafficking during that time. Mr. Strutt said that the RCMP then asked AGLC to join their investigation.

[83] Mr. Strutt said that he had numerous interactions with an RCMP officer who knew that Mr. Strutt had contraband cigarettes but never told him that they were illegal, nor did the officer fine Mr. Strutt.

[84] Mr. Strutt stated that he had two altercations with the former owner/employee and her husband. Mr. Strutt had to call the RCMP each time, and the RCMP did not tell him on either occasion that he was not allowed to have the cigarettes that he was smoking in front of them.

[85] Mr. Strutt said that he had another altercation at a bar in Rimbey. He called the RCMP, and they did not say anything about his illegal cigarettes. He also tried to press assault charges against someone, but the charges were thrown out due to insufficient evidence. Mr. Strutt said that he was ticketed for not leaving the bar when he was asked to. Mr. Strutt advised that he had to go to court for this matter on July 2, 2025, and that is where he was located when the RMCP executed their search warrant at The Vault Sports Pub. He left court to return to The Vault Sports Pub.

[86] Mr. Strutt said that when the RCMP gave him a ticket, he smoked 15 cigarettes and yelled at an RCMP officer out of frustration. During this interaction, Mr. Strutt said that he was not told that his cigarettes were illegal.

[87] Mr. Strutt said that the police are not doing their jobs and asked how people are supposed to know that something is illegal when they are not told.

[88] Mr. Strutt said that when he arrived at The Vault Sports Pub on July 2, 2025 during the search, he told the RCMP and/or AGLC investigators that he noticed they were looking for cigarettes and offered to show them where they were because he believed they were legal. Someone advised Mr. Strutt that they were illegal, and he was arrested.

[89] Mr. Strutt said he was released after he was arrested, and one month later his Licence was cancelled.

[90] Mr. Strutt stated that Ms. P did not know that the cigarettes were illegal, and everyone in Rimbey smokes contraband cigarettes.

[91] Mr. Strutt said that Investigator T appeared to be a normal, struggling person, and he summarized their first interaction:

- Investigator T told Mr. Strutt that he could not afford expensive cigarettes.
- Investigator T asked for a carton, and Mr. Strutt said he only had menthol cigarettes.
- Investigator T said he did not like menthol cigarettes but agreed to buy them because that is what his wife smoked.
- Mr. Strutt found a carton of Canadian Light cigarettes that he was going to throw away and offered to sell them to Investigator T.
- Mr. Strutt told Investigator T to put them in his vehicle because he did not want people to harass him for cigarettes and did not want them broadcasted all over his business.

[92] Mr. Strutt said that he was in a rush to get his motorhome moved when he met Investigator T for the second time, and he summarized their interaction:

- Mr. Strutt said that he told Investigator T that he could not help him because he only had his own stash of cigarettes.
- Investigator T said that he could really use Mr. Strutt's help and was fine with menthol cigarettes, and he asked for four cartons.

[93] Mr. Strutt said that the AGLC investigators failed to mention that of the six different brands of cigarettes they found:

- Fifty-six cartons were Canadian Menthol, which is what he smokes;
- Two cartons were Discount Red;
- One carton was Canadian Classic Silver; and
- Eighteen cartons were BB Blue, which were unsmokable and being used as a door stop.

[94] Mr. Strutt said that when the AGLC investigators said he had six different brands, they made it look like he was trafficking; however, the majority of the cigarettes were from one brand. He further stated that some smokers switch between brands.

[95] Mr. Strutt admitted to selling cigarettes to Investigator T, but he said that he was not aware they were illegal, he did not traffic contraband cigarettes and he did not seek out people to sell

cigarettes to. He further stated that Investigator T put him in a position that made him feel bad, and he decided to help the investigator.

[96] Mr. Strutt said that he would not have sold cigarettes if he knew they were illegal and risk losing so much. He has paid his debit to society for his mistake and should not lose his whole future.

[97] Mr. Strutt asserted that because of this incident, he lost his savings, his business, his child's future and his staff.

[98] Mr. Strutt said that the judge did not want him to plead guilty to the tobacco trafficking charge and asked him numerous times if he was sure that he wanted to enter that plea. He further stated that the judge asked why he chose to plead guilty because the judge felt that this incident was a one-off.

[99] Mr. Strutt advised that he had already spent \$7,500 on a lawyer, and his lawyer advised that the \$2,500 fine for tobacco trafficking was the same as a ticket for a driving infraction. He further stated that nobody cares about tobacco, and instead of paying \$20,000 to fight the charge, he opted to plead guilty and pay a fine.

[100] Mr. Strutt said that the \$5,000 cash that was seized as proceeds of crime was returned to him because they did not feel it was proceeds of crime. He further stated that the court did not feel that he was trafficking tobacco.

[101] Mr. Strutt said that there are many stores that sell cigarettes, and there is a store in British Columbia that will provide you with a receipt. Mr. Strutt asserted that the provision of a receipt makes it seem like they are legal cigarettes.

[102] Mr. Strutt stated that he sees advertisements online and all over social media for cigarettes, and he questioned how the general public is supposed to know that purchasing these cigarettes is wrong.

[103] Mr. Strutt produced printouts of:

- internet search results for "native cigarettes";
- a webpage for cigaretteexpress.ca; and
- a webpage for selectsmokes.se.

[104] Presiding Member Grier asked Mr. Strutt if we would like to submit the printouts as evidence, and he said yes. Presiding Member Grier asked Mr. Gilbert if he had any objections to submitting the printouts as evidence, and Mr. Gilbert said he would like to review the printouts first. Following review, Mr. Gilbert stated that he did not think they were relevant, but he had no objection to them being submitted as evidence. The Panel reviewed the printouts and directed the HPO to enter them as Exhibit 4.

[105] Mr. Strutt said that the sole purpose of the printouts (Exhibit 4) is to show how easy it is for the general public to source cigarettes in Calgary. He reviewed the printouts and further noted that:

- the websites offer delivery;
- the cigarettes are tax exempt because they are from First Nations reserves;

- cigaretteexpress.ca claims to comply with all federal and provincial regulations, source cigarettes from reputable suppliers and shows a picture of Canadian Menthol cigarettes; and
- the websites offer payment by credit card, Interac, e-transfer, cash and cryptocurrency, and most illegal business would not have that kind of paper trail.

[106] Mr. Strutt said that only AGLC advertises that these cigarettes are illegal, so the average person would not know they are illegal. He further stated that not everyone watches the news, reads newspapers or reads law books.

[107] Mr. Strutt said that because The Vault Sports Pub was closed, there is less traffic flow in Rimbey and more drinking and driving resulting in numerous DUIs. He further stated that he did not allow his patrons to drive under the influence and ensured they had a safe ride home.

[108] Mr. Strutt referenced an RCMP officer noted in Exhibit 2, Tab 13 and said that she witnessed him driving intoxicated patrons home numerous times.

[109] Mr. Strutt said that an AGLC inspector told him that The Vault Sports Pub was the most investigated bar in central Alberta, and it passed every inspection. He further stated that Regulatory Services only contacted him once to advise that patrons were observed leaving the licensed premises with liquor.

[110] Mr. Strutt stated that Regulatory Services tried to make him look bad during the hearing, and one mistake should not define his character.

[111] Mr. Strutt advised that he donates to charities in town and gives back to society.

[112] Mr. Strutt said that he is not trying to downplay anything, but going through the court system was a waste of time because it was a "low crime" since he did not cause any public harm.

[113] Mr. Strutt stated that he was trying to build a business that his daughter could eventually take over.

[114] Mr. Strutt said that he smokes marijuana, and he is legally allowed to have it in his possession.

[115] Mr. Strutt advised that he smokes two to three packs of cigarettes per day, and the quantity of Canadian Menthol cigarettes that were seized would have lasted him three or four months.

[116] Mr. Strutt said that this incident has cost him \$200,000 in lost revenue, and he is spending \$10,000 per month to pay his mortgage and bills for the business.

[117] Mr. Strutt asserted that the government needs to step up and educate people on contraband cigarettes.

[118] Mr. Strutt stated that he is being destroyed because he chose to purchase affordable cigarettes.

[119] Mr. Strutt said that he did not make any money from the cigarettes he sold to Investigator T. He recouped the money he initially paid for them.

[120] Mr. Strutt advised that he was charged with possession of marijuana in 2010 and paid a \$250 fine.

[121] With respect to the drugs that were seized during the search, Mr. Strutt explained that:

- the purple-coloured substance was MDMA, not fentanyl;
- none of the drugs were tested;
- he obtained the MDMA one and half years ago, so the fact that he still has it shows he does not have a drug problem;
- he does not know where the suspected cocaine came from;
- he does not use cocaine;
- his staff members had access to his office; and
- he takes microdoses of hallucinogenic mushrooms for his mental health.

[122] Mr. Gilbert asked the Panel for a recess in order to print out materials that he wished to submit as evidence. The Panel granted the recess. Mr. Gilbert provided Mr. Strutt with a printout on contraband tobacco from the website aglc.ca/contraband-tobacco. Mr. Strutt asked how many people from the general public would actually look up the information. Presiding Member said there should be no discussion on this matter until it is formally submitted as evidence, and she asked Mr. Strutt to review printout. Mr. Strutt reviewed the printout and said it was irrelevant. Mr. Gilbert said that Regulatory Services confirmed that they wished to submit it in response to Mr. Strutt's statement that the Government of Alberta should do something to make people aware of contraband tobacco. The Panel reviewed the printout and had no objections. Presiding Member Grier directed the HPO to enter the printout as evidence, Exhibit 5.

[123] Mr. Strutt asked Mr. Gilbert if the information contained in Exhibit 5 is easy to find, and if searching "contraband tobacco" would bring up this website within the first few search results. Mr. Gilbert advised that searching "AGLC tobacco" or "contraband tobacco" would show aglc.ca/contraband-tobacco as the first search result. Mr. Gilbert further noted that this website comes up as the fifth search result when searching "native tobacco."

[124] When Mr. Gilbert asked Mr. Strutt if he ever sought out or visited the AGLC website with respect to the sale or use of cigarettes, Mr. Strutt said no and that nobody thinks that there are illegal cigarettes.

[125] When Mr. Gilbert referred to pictures of contraband cigarettes in Exhibit 5 and asked Mr. Strutt if the cigarettes pictured look like the ones he had, Mr. Strutt said that they are similar looking.

[126] When Mr. Gilbert asked Mr. Strutt if he was using the upper level of The Vault Sports Pub to store cash and liquor, Mr. Strutt said that upper level consists of his living area, and he was storing a large quantity of liquor for his bar that he purchased from an auction for a lower price.

[127] When Mr. Gilbert asked if he had permission to store liquor off the licensed premises, Mr. Strutt said that it was not off premises. He further stated that he was told by AGLC on the day that the Licence was cancelled that he could store the liquor anywhere but on the main floor.

[128] When Mr. Gilbert asked Mr. Strutt if he was using his living area to store liquor on July 2, 2025, Mr. Strutt said that he was using the upstairs to store purchases he made for his business, and the liquor that was being stored there was being sold in The Vault Sports Pub.

[129] When Mr. Gilbert asked who Ms. P was, Mr. Strutt advised that she was a new server.

[130] When Mr. Gilbert asked Mr. Strutt if he was selling cigarettes to Ms. P, he responded no.

[131] When Mr. Gilbert asked Mr. Strutt why Investigator T saw Ms. P carrying contraband cigarettes, Mr. Strutt said that the whole town of Rimbey has contraband cigarettes.

[132] When Mr. Gilbert said that Ms. P told Investigator T that she obtained her cigarettes from Mr. Strutt, he said he did not believe that statement. Mr. Strutt further stated that Investigator T has no integrity because he made false statements.

[133] When Mr. Gilbert asked Mr. Strutt if Investigator T gave him three \$20 bills on May 29, 2025 for the purchase of Canadian Light cigarettes, Mr. Strutt replied sure.

[134] When Mr. Gilbert asked Mr. Strutt if he gave Investigator T \$10 change, Mr. Strutt replied sure.

[135] When Mr. Gilbert asked Mr. Strutt if he ever reported the sale or storage of cigarettes to AGLC, Mr. Strutt replied no.

[136] When Mr. Gilbert asked Mr. Strutt if he was provided with the Liquor Licensee Handbook (the Handbook) when he opened The Vault Sports Pub, Mr. Strutt replied he would "imagine so."

[137] When Mr. Gilbert asked Mr. Strutt if he reviewed the Handbook, replied probably not. He further stated that he completed all the AGLC SMART programs.

[138] When Mr. Gilbert asked if he sought a licence or approval to sell cigarettes, Mr. Strutt explained that he believed he was able to sell cigarettes because the previous owners sold cigarettes, and he purchased everything that was owned by the previous owners. He further confirmed that he did not conduct any due diligence regarding the sale of cigarettes.

[139] When Mr. Gilbert asked Mr. Strutt why this would matter to him if he was not selling cigarettes, Mr. Strutt said he was not selling cigarettes, and just because he thought he could sell cigarettes, it does not mean he was selling them. He further stated that there was no value in selling cigarettes, and he told patrons to visit the convenience store next door for cigarettes.

[140] Mr. Gilbert stated that during the first sale of contraband cigarettes to Investigator T, Mr. Strutt put the cigarettes in a brown paper bag and told the investigator to take them to his vehicle because he knew they were illegal. When Mr. Gilbert asked Mr. Strutt what he thought about that statement, Mr.

Strutt said that he did not want cigarettes all over the place and did not want to be asked about them, and it was not because they were illegal.

[141] When Mr. Gilbert asked Mr. Strutt if he has any reason to disagree with the investigator's testimony and report that 16,860 cigarettes were found upstairs, Mr. Strutt said that he only knows how many cartons he had, but he thinks the number of cigarettes is probably accurate.

[142] When Mr. Gilbert asked Mr. Strutt if he recalls telling Investigator T that he goes to Calgary every Tuesday to pick up cigarettes, Mr. Strutt said that was incorrect and that he went to Calgary every Tuesday to see his daughter.

[143] When Mr. Gilbert asked Mr. Strutt where he purchased cigarettes from, Mr. Strutt said he and his friend purchased them online, and every three to four months he purchased master cases because they were cheaper. He further stated that he would not disclose his friend's name.

[144] When Mr. Gilbert asked Mr. Strutt if he was buying a master case every week, Mr. Strutt said that he was not.

[145] When Mr. Gilbert asked Mr. Strutt why he had two master cases at the premises, Mr. Strutt said that one of the cases contained cigarettes that were unsmokable, and he gets a master case for himself every three to four months which explains the other master case.

[146] When Mr. Gilbert asked Mr. Strutt if he conducted any due diligence regarding the legality of the cigarettes he purchased, Mr. Strutt said that he conducted web searches (Exhibit 4), and he had many interactions with the police while carrying the cigarettes. He further stated that the police told him they don't charge people for single packs of contraband cigarettes.

[147] When Mr. Gilbert asked Mr. Strutt if he knew what a carton of cigarettes costs at a retail store, Mr. Strutt replied they cost \$200 or more.

[148] When Mr. Gilbert asked Mr. Strutt what he was paying for a carton of contraband cigarettes, he replied \$42.

[149] When Mr. Gilbert asked Mr. Strutt if considered it odd that he was buying something for about one quarter of the price, Mr. Strutt said no because he was buying them in bulk.

[150] When Mr. Gilbert asked Mr. Strutt if he agreed that 408 grams of marijuana was found and seized, Mr. Strutt replied that he agreed.

[151] When Mr. Gilbert asked Mr. Strutt if he had any marijuana plants in his living quarters, Mr. Strutt replied no. He further stated that he obtained the marijuana from a friend who grows it.

[152] When Mr. Gilbert asked Mr. Strutt if he agrees that he had 62 grams of hallucinogenic mushrooms, Mr. Strutt replied that he recalls having about an ounce of mushrooms that he purchased from a guy.

[153] When Mr. Gilbert asked Mr. Strutt if he understands that he purchased the hallucinogenic mushrooms illegally, Mr. Strutt replied yes.

[154] When Mr. Gilbert asked Mr. Strutt if he knew that MDMA was illegal, Mr. Strutt replied that he did not purchase the MDMA but understands that it is illegal.

[155] When Mr. Gilbert asked Mr. Strutt if he made any inquiries about who owned the cocaine, Mr. Strutt replied that he does not know who it belonged to and was unaware it was being stored in his office.

[156] When Mr. Gilbert asked Mr. Strutt if he understands that \$5,000 was being stored close to the MDMA, Mr. Strutt replied that his safe was broken so he hid the money because many people have access to his office.

[157] When Mr. Gilbert asked Mr. Strutt about the scale with white residue on it and whether he used it to weigh drugs, Mr. Strutt replied that apparently they found a scale, he was not allowed to be there during the search, it was not his scale, he had a big scale that he used to weigh marijuana and he does not know why the scale was there.

[158] When Mr. Gilbert asked Mr. Strutt if he kept a log book or score sheet of the different brands of contraband cigarettes he had, as referenced in Investigator S's report (Exhibit 2, Tab 1), Mr. Strutt replied he was glad Mr. Gilbert brought that up because it was not a score sheet for anything other than video games. Mr. Strutt asked where the pictures were of the score sheet, and Mr. Gilbert replied that they may have been included with the Crown disclosure.

[159] When Mr. Gilbert asked if food, cash and VLT payouts were being stored upstairs, Mr. Strutt replied that those items were being stored upstairs and downstairs.

[160] When Mr. Gilbert asked if there were any safety precautions taken to avoid cross-contaminations with the drugs and the cash and food, Mr. Strutt replied that they were never in the same spot.

[161] When Mr. Gilbert noted that the MDMA was found with the \$5,000 cash, Mr. Strutt replied that it was his personal cash.

[162] When Mr. Gilbert asked Mr. Strutt about the numerous discarded packs of contraband cigarettes found on the main floor, Mr. Strutt replied that the whole town smokes cigarettes. He further stated that you could go through any garbage in Rimbey and find discarded cigarette packs.

[163] When Mr. Gilbert asked Mr. Strutt if it was common for him to sell cigarettes to patrons, Mr. Strutt replied that he did not sell any cigarettes to patrons.

[164] When Mr. Gilbert asked Mr. Strutt if he sold contraband cigarettes to any of his employees, Mr. Strutt replied no.

[165] When Mr. Gilbert asked if The Vault Sports Ltd. was charged with any offences, Mr. Strutt replied no.

[166] When Mr. Gilbert asked Mr. Strutt if he agrees that he was convicted as a result of his plea in relation to the sale of contraband cigarettes, Mr. Strutt replied yes.

[167] When Mr. Gilbert asked Mr. Strutt if he had any involvement with any organized crime organizations in the purchase of cigarettes, Mr. Strutt replied no.

[168] Mr. Gilbert referred to the Google searches in Exhibit 4 and asked Mr. Strutt when he conducted them. Mr. Strutt replied that he printed out the search results on November 5, 2025.

[169] Mr. Gilbert noted that the Google search results reference the word "illegal" twice and asked Mr. Strutt if that raised any concerns. Mr. Strutt replied that the word is in questions generated by Google.

[170] Mr. Gilbert referred to the webpage printout for selectsmokes.se in Exhibit 4 and stated that the domain extension ".se" is for Sweden. When Mr. Gilbert asked Mr. Strutt if he believes that Swedish law impacts what is going on in Canada, Mr. Strutt replied that the webpage states "tax free in all provinces," and he knows nothing about domain names.

[171] When Mr. Gilbert asked Mr. Strutt if he understands that he can also buy illicit drugs off the internet, Mr. Strutt replied that he does not look for drugs on the internet.

[172] When Mr. Gilbert asked Mr. Strutt if he is still operating The Vault Sports Pub, Mr. Strutt replied that it is closed because he was told by AGLC that he could not run his business.

[173] When Mr. Gilbert asked Mr. Strutt if the RCMP had to attend the premises on October 25, 2025 because people were drinking within the premises, Mr. Strutt confirmed that the RCMP attended but said that people were drinking in his home on the upper level. He further stated that people were smoking and not drinking on the patio, and the whole premises is his home now because he is not operating his business.

[174] When the Panel asked Mr. Strutt if he has looked into re-opening The Vault Sports Pub without a liquor licence, Mr. Strutt replied that he has not really looked into that because it has been a bar for 20 years, and he does not believe it would succeed as a restaurant. He further stated that since he purchased the business, liquor accounts for approximately 75% of sales and food accounts for approximately 25% of sales, and re-opening with food service only would destroy the soul of the business.

[175] When the Panel questioned Mr. Strutt regarding his criminal record, Mr. Strutt confirmed that he has a criminal record for:

- possession of marijuana in 2010; and
- trafficking tobacco in connection with the matter before the Panel.

[176] When the Panel asked Mr. Strutt if he is still making payments to the previous owners, Mr. Strutt replied yes.

[177] When the Panel asked for clarification on how many packages or cartons of cigarettes were found, Mr. Strutt explained that:

- he purchased a master case of Canadian Menthol cigarettes;
- it contained cartons of other types of cigarettes that should not have been in there; and
- he put those cartons into a box of garbage.

[178] When the Panel asked if he thought it was odd that the case of Canadian Menthol cigarettes contained random cartons of other cigarettes, Mr. Strutt explained that his friend ordered the master case of Canadian Menthol cigarettes, took out four cartons for himself, and replaced those cartons with other types of cigarettes.

[179] The Panel noted that Mr. Strutt previously said he was just trying to help out a guy when he sold him cigarettes. When the Panel asked Mr. Strutt if he sold cigarettes to other people, Mr. Strutt replied that he has given free cigarettes to his friends.

[180] When the Panel asked Mr. Strutt why he sold cigarettes to Investigator T, Mr. Strutt replied that he sold cigarettes to the investigator because he was a stranger and did not want to give them away for free. He further stated that he sold them to the investigator because he was guilted into doing it.

[181] When the Panel asked Mr. Strutt what he would say to a person who asked to purchase cigarettes in The Vault Sports Pub, Mr. Strutt replied that he would tell the person no. He further stated that he is the new guy in town, and everyone in town already has someone that they purchase cigarettes from.

V. Summation

Regulatory Services

[182] Regulatory Services submits that AGLC has a duty to protect the integrity of the liquor system and ensure public safety is upheld. A liquor licence is a privilege that comes with certain duties and responsibilities that must be upheld with the utmost integrity. The Panel's role is to consider the privilege of a liquor licence for the Applicant and whether they should be entitled to hold a liquor licence. Further, the Panel must consider whether Mr. Strutt's conduct would have entitled the Applicant to obtain the Licence in the first place.

[183] Mr. Strutt was sanctioned for his part in selling contraband cigarettes under the Criminal Code. He was convicted by way of a guilty plea to section 121.1(1) of the Criminal Code, and Regulatory Services contends that this would be a significant consideration in the issuance of a liquor licence. This prosecution was conducted by the Crown Prosecutor in relation to the Criminal Code; it was not done on behalf of the AGLC under the Act.

[184] A Panel of the Board of AGLC met on July 28, 2025 to consider the evidence in this matter, being Exhibit 1. That Panel concluded that Mr. Strutt contravened section 69(1)(a) of the Act by permitting an activity in the licensed premises that was contrary to the Criminal Code. They further concluded that

under section 91(1)(e) of the Act, Mr. Strutt was charged under section 121.1(1) of Criminal Code, as exhibited in the documentary evidence and Mr. Strutt's testimony. This issue has changed since the July 28, 2025 decision was issued, as Mr. Strutt confirmed that he has now been convicted of that offence. This conviction is sufficient grounds for cancellation of a liquor licence. The Panel also determined that under section 91(1)(f) of the Act, the discussion of the sale of contraband cigarettes within the licensed premises was contrary to the public interest and detracted from the integrity with which activities authorized by the Licence are to be conducted in a licensed premises. Further, the Panel decided that under section 92(2)(a) of the Act that Mr. Strutt was no longer eligible to hold a liquor licence as he would now fail a check under section 10(2)(a)(i) of the Regulation.

[185] Regulatory Services is of the opinion that with respect to section 69(1)(a) of the Act, Mr. Strutt discussed the sale, delivered the change and carried the cigarettes in and out of the licensed premises. Further, there were various contraband cigarettes found stored within the storage areas of The Vault Sports Pub. Based on the evidence of Investigator T, we know that staff at the licensed premises were to some degree marketing the sale of contraband cigarettes. This was not a difficult purchase for Investigator T. He inquired with the server as to where she obtained them, and she readily advised him that she obtained them from Mr. Strutt. When Investigator T inquired about purchasing cigarettes, Ms. P contacted Mr. Strutt immediately. Regulatory Services contends that this did not appear to be a unique set of circumstances, and contrary to what Mr. Strutt says, Ms. P indicated that she got them from Mr. Strutt.

[186] While Mr. Strutt may be indicating that everybody in town purchases contraband cigarettes, the only information you have as to who provides them is Mr. Strutt himself.

[187] Mr. Strutt may argue that he did not sell contraband cigarettes, but we know that he readily sold them on at least two occasions with very little pushback. The Hearing Panel must weigh the evidence of Investigator T versus the evidence of Mr. Strutt. Investigator T's evidence is supported by the notes that he maintained contemporaneously with the events that he was specifically there for. On the contrary, Mr. Strutt is reporting his own version of events months later on something that may or should not have stood out to him. Regulatory Services submits that Investigator T's evidence should be wholly supported as it is credible evidence. Investigator T would have no reason to attempt to mislead the Hearing Panel; his notes and testimony were completely the same. On the other hand, Mr. Strutt stands to gain significantly from telling a different version of events.

[188] With respect to section 91(1)(e) of the Act, Regulatory Services submits that Mr. Strutt pled guilty and was not simply charged. AGLC provides education on what contraband cigarettes look like, and it is rather telling that the Canadian Lights in the image (Exhibit 2, Tab 2) are exactly the same as the box that Mr. Strutt sold to Investigator T on May 29, 2025.

[189] Regulatory Services submits that it is hard to believe Mr. Strutt's evidence or position that he did not know that the cigarettes were illegal given that he asked Investigator T to bring them outside, the sheer volume that he had in the licensed premises and the discounts he was receiving. It would have been incredibly easy for Mr. Strutt to determine that they were illegal through any degree of due diligence.

[190] Mr. Strutt raised the question of “what would the average person know?” Neither the Applicant nor Mr. Strutt are average people; the Applicant was a licensee that had the privilege of selling liquor in Alberta, and Mr. Strutt was storing and selling large quantities of cigarettes that Investigators S and T submitted were illegal.

[191] Regulatory Services submits that people are deemed to know the law in Canada. While the Panel may take Mr. Strutt’s alleged ignorance into consideration, it is still something that he should be deemed to know as an individual, and the expectations are even greater for a licence holder. Menthol cigarettes are banned pursuant to section 7.4(2) of the *Tobacco, Smoking and Vaping Reduction Act*, SA 2005, c T-3.8 and the promotion of light cigarettes is banned pursuant to sections 3 through 5 of the Promotion of Tobacco Products and Accessories Regulations (Prohibited Terms) SOR/2011-178. Investigators S and T noted that the cartons were not a drab brown colour, which is a requirement under section 10(1) of the Tobacco Products Appearance, Packaging and Labelling Regulations SOR/2019-107 (the Tobacco Regulations). The cartons did not have the displayed healthcare warning covering 75% of the display area, which is required by sections 87 and 90(2) of the Tobacco Regulations. Further, the cartons did not have the necessary Alberta tax stamp on them, which is required by sections 19 and 23 of the Tobacco Tax Act. Regulatory Services contends that there were numerous breaches of legislation that would make it very clear that these were contraband cigarettes. Mr. Strutt pled guilty to section 121.1(1) of the Criminal Code, which is a further indication that these were contraband cigarettes.

[192] With respect to section 91(1)(f) of the Act, the sale of contraband cigarettes out of a licensed premises or by staff of a licensed premises hurts the reputation of the liquor industry as it supports the organized crime groups that manufacture and sell illegal cigarettes. Further, this hurts businesses that comply with the law.

[193] There are several reasons to uphold the cancellation of the Licence:

- Mr. Strutt pled guilty to the events under section 121.1(1) of the Criminal Code and was convicted.
- Mr. Strutt used The Vault Sports Pub to sell contraband cigarettes.
- Mr. Strutt used areas of the licensed premises for storage of contraband cigarettes and drugs, which he admits.
- The storage of the drugs with cash and food raised safety concerns.

[194] Regulatory Services takes the position that the broader ramifications of Mr. Strutt’s purchase and sale of contraband tobacco must also be considered. With respect to the cigarettes that were found, the loss to the Government of Alberta in tax revenue exceeded \$5,000, and the loss to retailers who follow the law exceeded \$15,000. If the Panel believes Investigator T’s evidence that Mr. Strutt was picking up cigarettes every week, then it is possible that he was selling between 10,000 to 20,000 cigarettes per week. That would equate to \$3,000 to \$6,000 in lost tax revenue to the Government of Alberta per week, and the loss to retailers would be approximately \$9,250 to \$18,500 per week. Investigator S submitted that tax revenue from the sale of cigarettes goes to things like healthcare, public safety and other essential services.

[195] As per Investigator S's evidence, Mr. Strutt was selling contraband cigarettes that would not have the same safety requirements as legal cigarettes, which could lead to contamination, personal injury and other health concerns in the sale of those cigarettes. Regulatory Services submits that the Panel rightly pointed out that even Mr. Strutt ought to have been aware of potential issues, given that he had Canadian lights apparently mixed in with menthol cigarettes.

[196] Another significant concern is that Mr. Strutt was selling contraband cigarettes that were brightly coloured and lacked the presence of disturbing images. Both of these things were done by the federal government to specifically deter the sale of cigarettes to children. These are things that are being done contrary to the legislation and to the purpose of the legislation. Regulatory Services takes the position that contraband cigarettes are more readily marketed because of a lack of disturbing images and the presence of bright colours.

[197] By purchasing illegal or contraband cigarettes, which should have been very clear to Mr. Strutt given the price or any degree of due diligence, he was in effect supporting organized crime and criminal enterprises. As Investigator S submitted, this causes further harm to communities throughout Canada.

[198] Regulatory Services submits that Mr. Strutt knew what he was doing was illegal given that he was hiding the contraband cigarettes and willing to sell them to what was effectively a stranger off the street.

[199] As stated by Investigator S, this appears to be a medium-sized commercial enterprise given the number of cigarettes and regular pickups.

[200] Regulatory Services understands that the Board believes that licensee education is important and notes that there is education regarding contraband tobacco directly on the AGLC website. Additionally, section 1.5.3 of the Handbook directs licensees and their staff to contact AGLC if they are aware of individuals smuggling tobacco or selling tobacco not marked for sale in Alberta. Neither Mr. Strutt nor his staff reported this illegal sale or storage of the tobacco to AGLC. Regulatory Services takes the position that The Vault Sports Pub staff should have been trained to do this.

[201] With respect to whether Mr. Strutt is an appropriate person to be named on a liquor licence, Regulatory Services notes that Mr. Strutt's evidence is that he has been involved in numerous disputes in the Rimbey area requiring police intervention. Mr. Strutt submitted that he received a ticket for not leaving the premises of another establishment and that he was in court on July 2, 2025 when the search warrant was executed. He also indicated that he had been yelling at police officers and admitted to an earlier history of drug possession, including the storage of MDMA, unstamped marijuana and hallucinogenic mushrooms. He also sought to minimize and justify the storage of such drugs and suggested that MDMA was better than fentanyl; however, it is still a drug that is being stored on the premises. Mr. Strutt was not sure if cocaine was being stored on the premises, which speaks to the management of this establishment and the concerns that AGLC should have.

[202] Regulatory Services contends that Mr. Strutt's unwillingness to provide any evidence as to where he was purchasing the contraband cigarettes goes to his lack of credibility and shows he has no remorse for engaging in this process. Regulatory Services submits that Mr. Strutt has demonstrated to

the Panel that he wants the Licence back, not that he is prepared to be somebody who is somebody that AGLC wants to issue a licence to.

[203] Regulatory Services is of the opinion that Mr. Strutt has tried to justify his actions and explain why he pled guilty. He denied that he knew the cigarettes were illegal, and he readily purchased illegal drugs. It should be very hard for the Panel to believe that Mr. Strutt is an upstanding person.

[204] Mr. Strutt suggested that he views the enforcement of tobacco trafficking as ridiculous. Regulatory Services submits that holding a liquor licence is a privilege that the Applicant was afforded by its good conduct and good standing. While Mr. Strutt attempts to justify the presence of illegal cigarettes elsewhere, all that this does is show the seriousness of the issue in Alberta. Investigator S testified that Alberta is losing hundreds of millions of dollars in tax revenue as a result of the sale of illegal cigarettes. Regulatory Services takes the position that if Boards and the courts are not prepared to enforce this, the Government of Alberta will see further drops in tax revenue. While Mr. Strutt may not be responsible for hundreds of millions of dollars, this Hearing Panel is at least partly responsible for some of those considerations because if there is no enforcement then there is no message sent that this is a problem, and it will continue. Although Mr. Strutt suggested that it is something that everybody does, Regulatory Services contends that it is not something that everybody does, and it is certainly not something that a licensee should be doing.

[205] Regulatory Services submits that reinstating the Licence would lower public confidence in licensed establishments and reduce the confidence of people who are complying with the laws. It effectively tells businesses that are selling legal cigarettes that they should no longer do so as they can make more money elsewhere.

[206] Mr. Strutt made various bald assertions with respect to what the RCMP may say, or what their investigation may have done. None of that is before the Panel. Mr. Strutt's bald assertions are all coloured by his views that this is a trivial matter and his licence should not be cancelled. He suggested that the judge did not want him to plead guilty, when in reality, the judge was only asking the questions that they are required to ask to ensure that the plea was voluntary. It does not make sense that everybody is on Mr. Strutt's side except for Regulatory Services.

[207] Regulatory Services contends that there is a very sufficient basis upon which this Board can cancel a licence for the sale of contraband liquor and cigarettes. In the Good Neighbor Pub and Grill decision issued in 2023, a panel cancelled a liquor licence in similar circumstances. The panel in that matter concluded that the licensee was selling contraband liquor, like contraband cigarettes, and this created a risk to the community and other establishments. AGLC is responsible for acting in the public interest and ensuring licensees act in accordance with the law, and the licensee did not act in accordance with the law or with honesty and integrity. As such, the licensee was no longer entitled to hold a licence. In the 2022 Topsy Cow Pub decision, a panel concluded that the licensee was selling tobacco and hosting poker nights after hours, among other things. That licensee was suspended initially, but at the hearing the panel opted to cancel the licence. Regulatory Services submits that these two cases show that cancellation of the Applicant's liquor licence is well within the normal practice of the Board, and it is something this Hearing Panel should consider.

The Vault Sports Pub

[208] Mr. Strutt admits that he sold cigarettes. It was a mistake and was not done maliciously, nor did he gain any value from it. Mr. Strutt submits that if he was selling cigarettes to make money, he would be generating income and his bar would not be \$100,000 in debt.

[209] Mr. Strutt contends that he works in a cash business and could very easily hide things; but that is not the case, and all his books are up to date.

[210] The number of cigarettes seized make up a small to medium case. Regulatory Services submitted that they have had seizures of \$600,000 worth of cigarettes, which is 150 to 170 boxes. Mr. Strutt submits that this is a medium to high scale bust, versus the approximately 70 cartons that were seized from The Vault Sports Pub. The comparison is astronomical.

[211] Mr. Strutt contends that the context of each of the businesses that Regulatory Services mentioned in their summation is unknown. Mr. Strutt questions to what extent those matters were the same or different from this matter.

[212] Mr. Strutt submits that being unaware that he was selling contraband cigarettes is not an excuse, and he should have conducted research and due diligence.

[213] Mr. Strutt is of the opinion that no normal person looks up information on cigarettes, unless they are in this industry. Everybody sells cigarettes, and they have not been illegal.

[214] Mr. Strutt submits that if the sale of contraband tobacco was such a big issue, then AGLC should put out advertisements to create public awareness. This would help stop the tax loss.

[215] Mr. Strutt takes responsibility, but it is not just on him; the issue is everyone's responsibility. There is a lack of knowledge on contraband cigarettes, and no one is doing anything to help create awareness. Mr. Strutt is of the opinion that people, including himself, would stop buying contraband cigarettes if they knew about them. If that police officer he interacted with would have said something, he would not have had them. Mr. Strutt contends that it is wrong that the police are not enforcing the law, and how would the public know that using contraband tobacco is wrong.

[216] Mr. Strutt submits that he will never purchase or sell contraband cigarettes again. He cannot go back and change what he did, but he can change what he does going forward now that he knows about contraband cigarettes. He has learned the hard way.

[217] Mr. Strutt asserts that he has not lied about anything. He came to this hearing to explain his side and take responsibility for his actions. It has been suggested that he is doing this by the case load every week, but the Panel has been given figurative numbers without any evidence.

[218] Mr. Strutt submits that any details on his court proceedings are public and can be obtained from the Rimbeigh Courthouse. Mr. Strutt feels that he had a good case with regard to his criminal case, and he only pled guilty because it was cheaper to pay a \$2,500 fine than fight the charges.

[219] Mr. Strutt is of the opinion that the Board was not allowed to cancel the Licence until he was convicted.

[220] Mr. Strutt asserts that if he had known that pleading guilty to the criminal charge would affect the AGLC hearing, he would have fought the charge instead.

[221] Mr. Strutt contends that he has been punished and continues to be punished for his lack of knowledge. Currently, he has lost \$200,000 in revenue and spent \$30,000 out of pocket. Mr. Strutt submits that he was given a \$2,500 fine, which represents what the government lost in taxes.

[222] Mr. Strutt asks the Panel to be understanding and reinstate the Licence. He feels that it would be sufficient to pay a fine to AGLC for his lack of knowledge and incompetence, and/or be on an extensive probationary period. He does not feel that he should lose the Licence forever because of a mistake. Losing the Licence forever would not only be a loss to him; it impacts AGLC and the town of Rimbey. The Vault Sports Pub keeps people in town, and other businesses have suffered since its closure. His business also provided safety because he ensured that his patrons got home safely.

[223] Mr. Strutt submits that he does not know all the rules and laws, but as he becomes familiar with them, he learns from them and grows.

[224] Mr. Strutt contends that this is a \$250,000 lesson. The crime should fit the punishment, not exceed it. He is neither a criminal nor running a criminal enterprise, and other than the recent conviction under the Criminal Code, he only has a record for possession of marijuana. Mr. Strutt submits that he is a normal citizen who is not as educated as AGLC and their workers who deal with legality on a daily basis. Contrary to what Regulatory Services submitted, Mr. Strutt asserts that he does not make millions of dollars.

[225] Mr. Strutt submits that his lawyer for his criminal proceedings told him that trafficking contraband cigarettes was not a huge deal. He spent \$8,900 on the lawyer he retained for this hearing, and he does not have unlimited cash.

[226] Mr. Strutt understands that having a liquor licence is a privilege that is earned by staying on a narrow path, and he clearly strayed off that narrow path.

[227] Mr. Strutt contends that the cigarettes that were seized were solely for his personal use, and he no longer purchases contraband cigarettes.

[228] Mr. Strutt submits that he was trying to help a gentleman who looked like he was down on his luck, but in retrospect he should not have done that.

VI. Analysis

[229] The Hearing Panel carefully considered the oral and documentary evidence submitted by Regulatory Services and the Applicant in making its finding of fact.

[230] Mr. Strutt testified that the contraband cigarettes seized during the search on July 2, 2025 were his personal cigarettes, and he purchased large quantities because he smokes two to three packs of

cigarettes per day. He also submitted that a number of cigarette cartons that were seized were unsmokable and were used solely as a door stop. Even if Mr. Strutt consumes two to three packs per day, the Panel does not find it credible that Mr. Strutt purchased such a large volume of cigarettes for personal use.

[231] Mr. Strutt submitted that he did not know that the cigarettes he purportedly purchased from a friend and sold to the investigator were illegal. Mr. Strutt stated that he regularly smoked menthol cigarettes; as someone who has smoked for many years, Mr. Strutt ought to have been aware that menthol cigarettes have been banned for sale in Alberta for over a decade. As such, the Panel does not find it credible that Mr. Strutt was unaware that the cigarettes he purchased and sold were illegal. Even if Mr. Strutt was in fact unaware that he purchased and sold contraband cigarettes, his ignorance of the law is no excuse and does not absolve him of his wrongdoing.

[232] Mr. Strutt admitted that he was storing drugs in his office space and that he had no idea where a white powder believed to be cocaine came from. The Panel is deeply troubled by Mr. Strutt's cavalier attitude towards the storage of drugs in a space that his staff had access to. Further, the storage of drugs around cash floats and VLT slips created a significant public safety risk. The Panel finds that Mr. Strutt lacked care and control of The Vault Sports Pub, and he did not sufficiently separate the licensed premises from his home.

[233] Investigator T provided testimony that Ms. P told him that she gets her cigarettes from Mr. Strutt. Mr. Strutt denied selling cigarettes to anyone other than Investigator T. Investigator T's testimony was consistent with his notes, and the Panel found him to be credible and reliable. Mr. Strutt did not call any witnesses nor provide any documentary evidence to substantiate his claims. The Panel weighed the conflicting testimony of Investigator T and Mr. Strutt, and the Panel does not find it plausible that Mr. Strutt only sold contraband cigarettes to one patron on two occasions.

[234] Mr. Strutt trivialized his tobacco trafficking conviction by comparing it to a driving infraction and stating that "nobody cares about tobacco." Investigator S provided testimony on the harm that contraband tobacco causes to society, including the significant losses in revenue for the Government of Alberta for essential services, the loss to retailers, and the support of organized crime groups. The Panel finds Mr. Strutt's attitude towards contraband tobacco to be deeply concerning.

[235] Mr. Strutt said that he would not have pled guilty to trafficking contraband tobacco had he known that a criminal conviction would impact this hearing. The Hearing Panel does not find this conceivable given that Mr. Strutt knew that a Panel of the Board cancelled the Licence on July 31, 2025 as a result of the criminal charges that were laid against him.

[236] Mr. Strutt admitted to selling contraband cigarettes to an undercover AGLC investigator on two occasions at The Vault Sports Pub and confirmed that he was charged with trafficking contraband tobacco under section 121.1(1) of the Criminal Code. As such, there is no question that Mr. Strutt contravened section 69(1)(a) of the Act by permitting an activity in a licensed premises that was contrary to the Criminal Code. When the Licence was cancelled, the Panel of the Board determined that Mr. Strutt's criminal charge would cause him to fail a records check pursuant to section 10(2)(a)(i) of the Regulation and thus render him ineligible to hold a liquor licence. The Hearing Panel finds that the Panel

of the Board's decision to cancel the Licence for this reason was rational and in the best interest of public safety, especially since Mr. Strutt's criminal activity occurred in a licensed premises.

[237] Since the Panel of the Board issued their decision on July 31, 2025, Mr. Strutt was convicted of trafficking contraband tobacco under section 121.1(1) of the Criminal Code. As such, the Hearing Panel sees no reason to cancel the Panel of the Board's decision by reinstating the Licence; Mr. Strutt's criminal conviction only reinforces his ineligibility to hold a liquor licence.

[238] AGLC is responsible for upholding public safety by ensuring that licensees operate in accordance with the law. The evidence provided by Regulatory Services and Mr. Strutt's admissions clearly demonstrate that Mr. Strutt disregarded the law and did not act with integrity and honesty, nor in the public interest. A liquor licence is a privilege that is afforded to those who follow the law without exception, and criminal activity in licensed premises is unacceptable and will not be tolerated. As such, the Panel finds that Mr. Strutt is not someone who should be permitted to hold a liquor licence at this time.

VII. Finding

[239] For the reasons stated above and in accordance with section 94(7)(a) of the Act, the Hearing Panel confirms the original decision of a Panel of the Board of AGLC to cancel the Applicant's Licence.

[240] AGLC will need to make a determination with respect to the disposition of any liquor remaining in The Vault Sports Pub, in accordance with section 95 of the Act.

Signed at Calgary, this 2nd day of December, 2025



Patti Grier, Presiding Member, Hearing Panel