

# Signing Authority and Initiatives Oversight

## Contents

Contents .....	1
Purpose.....	2
Scope .....	2
Policy Statement.....	2
Context .....	3
Policy Details.....	3
Signing Authorization .....	3
Assessment of New Strategies, Initiatives or Projects .....	7
Powers of Attorney.....	8
External Legal Services .....	8
Delegations of Authority .....	9
Contract Review Requirements.....	9
Guarantees and Indemnities .....	10
Reductions in Recommended Insurance Limits.....	10
Donations and Grants.....	10
Contract Management .....	10
Compliance .....	11
Definitions .....	11
Policy Ownership .....	12
Revision History .....	12
Criteria for Assessment.....	1

# Signing Authority and Initiatives Oversight

## Purpose

Describes the scope and limits to Signing Authority and establishes the expectations and responsibilities of employees who are granted Signing Authority under this policy.

## Scope

This Signing Authority Policy applies to all BCLC employees and all commitments and Contracts entered into on behalf of BCLC or any subsidiary of BCLC. This includes Contracts that do not involve an exchange of payment such as non-disclosure agreements or confidentiality agreements and spending decisions under previously approved Contracts. For further clarity, spending decisions do not tie to the timing or action of making the related physical payment.

This policy does not apply to employee travel and expenses or purchases using a BCLC purchasing card (P-Card), which are addressed through the [Travel and Expenses Policy](#) and [Purchasing Cards Policy](#), respectively.

This policy applies to approval of spending or signing of a Contract by handwritten signature and electronic signature (DocuSign, Adobe, etc.). Requirements for the execution of Contracts are defined below. For non-Contract documentation, each BCLC division is responsible for determining use and administration of electronic signatures for its divisional employees.

## Policy Statement

Employees are prohibited from signing a Contract or entering into any agreement that creates an obligation or undertaking on behalf of BCLC or any BCLC subsidiary, or from approving spending under a pre-existing Contract, unless that individual has the requisite Signing Authority in compliance with this policy and the [Signing Authorizations](#) below.

All agreements that create an obligation or undertaking on behalf of BCLC or any BCLC subsidiary must be in writing and signed in accordance with the Contract Management and Administration section below. Contractors do not have Signing Authority.

In addition to requirements for signing authorization in this policy, management must assess all new strategies, initiatives and projects to determine whether the strategy, initiative or opportunity requires approval or monitoring by the Board of the Directors as outlined in the policy details.

# Signing Authority and Initiatives Oversight

## Context

The Board of Directors of BCLC and each of its subsidiaries are authorized to direct the manner in which expenditures and Contracts of each corporation may be approved. This policy sets out Signing Authority for BCLC and each of its subsidiaries.

The Signing Authorities set out in this policy:

- meet strong corporate governance practices;
- appropriately address associated enterprise risks in accordance with BCLC's Enterprise Risk Management Policy;
- meet operational needs; and
- ensure BCLC meets or exceeds Government's fiscal requirements.

In addition to complying with the requirements within this Signing Authority Policy, all expenditures and Contracts must comply with BCLC's [Environmental, Social and Governance \(ESG\) Policy](#), [Procurement Policies](#), [Travel and Expenses Policy and Standard](#), and [Contract Management and Administration Policy](#).

## Policy Details

### SIGNING AUTHORIZATION

Signing Authority is granted to the positions within BCLC (Chief Executive Officer, Chief Financial Officer, Chief People Officer, Vice Presidents, directors, etc.) at the levels set out in the Signing Authorization Limits Matrix (the Matrix), within an individual's area of responsibility.

The Signing Authority should be a BCLC employee representing the Organizational Unit responsible for the budget or cost center that the Contract expenditures are committed against. However, the Project Management Office (PMO) has the authority to approve project expenditures on behalf of Organizational Units. For Contracts that do not commit BCLC to an expenditure, the Signing Authority should be an employee in the Organizational Unit that the Contract has the most operational impact for.

### Signing Authorization Limit Matrix

The authorization limits in the Matrix are applied for each Contract. For greater clarity, Contracts must not be divided or separated so as to appear as lesser amounts, or a lesser Contract term, to circumvent the Signing Authority limit that would otherwise apply to the Contract.

## Signing Authority and Initiatives Oversight

The total value of the Contract must be used to determine the required Signing Authority under the Matrix. Total cost refers to the financial commitment (in Canadian currency before taxes), over the entire duration of the Contract, including all extensions beyond the initial Contract term. Where a Contract requires an amendment, assignment, or extension, the total value of the Contract, including the value of the amendment, or extension, as applicable, must be used to determine the level of Signing Authority.

Position*	Expenditures OR Contracts up to 5-year term for goods and services within an approved budget	Contracts or expenditures outside of an approved budget or the Normal Course of Business**	Contracts over 5-year term for goods and services within an approved budget OR Contracts that do not commit BCLC to a specific expenditure	External Legal Services (additional requirements outlined within the policy details)	Revenue Generating Contract where BCLC is providing a service***
Board of Directors	> \$20,000,000	> \$5,000,000	Authorized >\$20,000,000	N/A	> \$20,000,000 Board approval
Chief Executive Officer	\$20,000,000	\$5,000,000	Authorized \$20,000,000	Unauthorized	\$20,000,000
Chief Financial Officer	\$10,000,000	\$1,000,000	Authorized \$10,000,000	Unauthorized	Unauthorized
Chief People Officer	\$5,000,000	\$500,000	Authorized \$5,000,000	Upon consultation with general counsel, authorized for specialized legal services related to human resource matters	Unauthorized
Vice President	\$5,000,000	\$500,000	Authorized \$5,000,000	Unauthorized; Authorized for VP, Safer Play and Enterprise Integrity	Unauthorized
General Counsel	\$1,000,000	\$100,000	Authorized \$1,000,000	Authorized	Unauthorized

## Signing Authority and Initiatives Oversight

Position*	Expenditures OR Contracts up to 5-year term for goods and services within an approved budget	Contracts or expenditures outside of an approved budget or the Normal Course of Business**	Contracts over 5-year term for goods and services within an approved budget OR Contracts that do not commit BCLC to a specific expenditure	External Legal Services (additional requirements outlined within the policy details)	Revenue Generating Contract where BCLC is providing a service***
Director	\$1,000,000	\$100,000	Authorized \$1,000,000	Unauthorized	Unauthorized
Senior Manager	\$500,000	Unauthorized	Unauthorized	Unauthorized	Unauthorized
Manager	\$100,000	Unauthorized	Unauthorized	Unauthorized	Unauthorized
Team Lead/ Assistant Manager	\$50,000	Unauthorized	Unauthorized	Unauthorized	Unauthorized
Executive Assistant	\$50,000	Unauthorized	Unauthorized	Unauthorized	Unauthorized

\* Where an individual's title does not include a position named in this chart, Signing Authority is determined by the position indicated by that individual's pay band.

\*\* Must follow the process as outlined in the Budgeting and Forecasting Policy. Legal Settlements up to \$100,000 must be approved by BCLC's general counsel. Legal Settlements above \$100,000 require approval by the Chief Compliance Officer. Legal Settlements over \$500,000 also require approval by the Chief Financial Officer, Chief Executive Officer, or Board of Directors, as applicable based on the table limits.

\*\*\* Limits are determined using estimated expenditures over the total term of the Contract, including renewal options.

### General Provisions

Signing Authority is aligned with budget responsibility and cost centers, which requires compliance with the [Budgeting and Forecasting Policy](#), and Signing Authorities should only approve commitments within the budgets or funding for which they are responsible. Employees with cost center responsibility have the obligation, on an ongoing basis, to manage and monitor expenditures to ensure expenditures remain within approved annual budget amounts. Where an expenditure flows from a previously approved Contract, the financial limits within the original Contract must be observed.

# Signing Authority and Initiatives Oversight

Signing Authorities are accountable for:

- understanding Contract negotiations and being aware of the financial and other implications of the Contract, including the identification and acceptance of risk associated with any Contract or adhering to additional requirements as outlined below for High-risk Contracts;
- directing the commercial aspects of the business negotiations and ensuring that instructions and/or other information are provided to Legal Services, Enterprise Risk Management Services (ERMS) and Procurement when requested;
- ensuring the appropriate level of documentation, review and approval is completed, as outlined within this policy;
- appropriately consulting all organizational units with an interest in and specific knowledge of the Contract or the risks arising from the Contract;
- ensuring BCLC or the subsidiary of BCLC, as applicable, has the ability to meet the obligations being made;
- ensuring the Contract is in accordance with legislative or regulatory requirements and consistent with BCLC's strategic plans and budget, mandate, social purpose, values, policies and commitments; and
- completing all training as required by BCLC.

In accordance with the [Standards of Ethical Business Conduct for Employees](#) (SOEBC), Signing Authorities are prohibited from approving/signing a Contract where the approval or signing of the Contract could place them in an actual or perceived conflict of interest, unless the conflict of interest has been disclosed and mitigated as required under the Conflict of Interest Guidelines within SOEBC.

Work must not commence prior to a Contract being fully signed by all parties to the Contract.

## Signing Authority Exceptions

The following are permitted exceptions to the Signing Authority limits defined above:

- In an emergency, the Chief Executive Officer may exceed their Signing Authority limit, subject to subsequent ratification by the Board. The Chief Executive Officer must seek Board ratification of emergency spending powers as soon as is practicable. An 'emergency' is an unforeseen situation requiring urgent intervention to prevent a worsening scenario, posing immediate risk to health, life, property, or environment; and
- Expenditures for routine remittances or payments that are made within the Normal Course of Business, may be approved by the manager with responsibility for overseeing those expenditures, even if the amounts involved exceed the manager's designated Signing Authority limits. Examples of expenditures for routine remittances and payments include:

## Signing Authority and Initiatives Oversight

- Authorization of prize payouts, not including ex-gratia payments, which require approval in accordance with BCLC's [Ex-Gratia Policy](#),
- remittance of tax (GST, PST, HST),
- remittance of non-resident withholding tax,
- remittance of payroll withholdings,
- remittance of pension and benefits contributions and withholdings, and
- payment of BCLC's share of ILC prize expenses.

Signing Authority is granted to employee positions not named in the Signing Authorization Limit Matrix where the acquisition, use, modification of use, renewal, or termination of software satisfies the policy requirements in the Lower Risk Software section of the Software, Applications, and Services Policy. Adherence to the limits in the Matrix is not required if all policy requirements in the Lower Risk Software section are met. This exception is permitted providing policy requirements applicable to lower risk types of software align with the [Enterprise Risk Management Policy](#) and associated [Risk Appetite and Tolerance Levels Framework](#).

### ASSESSMENT OF NEW STRATEGIES, INITIATIVES OR PROJECTS

Management must assess all new strategies, initiatives and projects to determine whether approval or monitoring by the Board of Directors is required based on the level of risk and potential impact. Management must consider the following criteria to assess the potential positive and negative impact(s) of the strategy, initiative or project:

- BCLC's public reputation;
- primary external stakeholder(s);
- Government/GPEB, considering Government's [Mandate Letter for BCLC](#) and [Service Plan](#);
- BCLC's employees/culture;
- revenue;
- player experience and player health, considering players and/or potential players;
- social purpose; and
- other important risks.

Management must conduct the assessment in accordance with Appendix A to this policy. Where the impact of the strategy, initiative or project is assessed to be 'major' or 'very significant', Board monitoring or approval is required as detailed within Appendix A. Additional requirements for the approval of newly identified business opportunities are outlined in the [Quarterly Intake Policy](#) and [Enterprise Risk Management Policy](#).

# Signing Authority and Initiatives Oversight

## POWERS OF ATTORNEY

In accordance with the resolution passed by the Board of Directors on January 31, 2024, BCLC's Chief Compliance Officer, General Counsel and Associate General Counsel are authorized to execute Powers of Attorney on behalf of BCLC, as outlined below:

*Each of the Chief Compliance Officer & Vice President, Legal, Compliance, Security ("CCO"); General Counsel; and Associate General Counsel is hereby authorized to execute all documents and instruments, including Powers of Attorney or other documents conferring similar authority to other third parties to take actions on behalf of BCLC, in respect of the preparation, filing, prosecution, maintenance, examination, re-examination, re-issue and all other forms of legal proceedings, including proceedings before foreign intellectual property offices, relating to applications for and registrations of BCLC's intellectual property rights, including without limitation design and trademark rights.*

The Chief Compliance Officer, or equivalent, must annually report to the Board of Directors regarding the exercise of this power, authority and discretion.

## EXTERNAL LEGAL SERVICES

External legal counsel may only be engaged, including initial contact on any matter involving BCLC or a BCLC subsidiary, through and in consultation with BCLC's general counsel. Following consultation with the general counsel, on legal fees and selection of external counsel, BCLC's Chief People Officer may retain external legal counsel directly as outlined in the Matrix. There may be exceptional circumstances where the Chief People Officer must retain external legal counsel on a matter for which general counsel should not be involved (for reasons of Conflict of Interest only) and in such cases the Vice President, Safer Play and Enterprise Integrity, must be consulted.

For all other BCLC positions, employees wishing to engage external counsel must refer the matter to general counsel or the Vice President, Safer Play and Enterprise Integrity. The determination of whether to engage external legal counsel and the selection of counsel will be made by general counsel or the Vice President, Safer Play and Enterprise Integrity, having regard to the nature of the matter, level of risk involved, availability of expertise within BCLC, and potential cost.

In circumstances where general counsel or the Vice President, Safer Play and Enterprise Integrity, determines that external legal services are required, general counsel or the Vice President, Safer Play and Enterprise Integrity will retain external legal counsel directly. Instructions to external counsel will be provided by general counsel or the Vice President, Safer Play and Enterprise Integrity. Where applicable, general counsel or the Vice President, Safer Play and Enterprise Integrity, will consult on the legal instructions to be given to external counsel with the Organizational Unit within BCLC requiring the external legal services.



# Signing Authority and Initiatives Oversight

For budget forecasting purposes, general counsel or the Vice President, Safer Play and Enterprise Integrity, must inform the Chief Executive Officer/Chief Financial Officer where external counsel is retained outside of the approved budget.

## DELEGATIONS OF AUTHORITY

In the event of unavailability due to temporary absence, a Signing Authority may delegate their authority to an employee who:

- is in a direct reporting relationship to the delegator,
- holds a position listed on the Matrix, and
- has the knowledge, expertise and judgement required to fulfill the obligations under the delegation.

Those formally appointed in an acting capacity have the full Signing Authority of the role they are acting in for the duration of the appointment.

For greater clarity, Signing Authority cannot be delegated to a Contractor.

Delegations of Signing Authority must be done in writing, clearly specifying the extent of the authority and any restrictions placed thereon.

A Signing Authority who has assigned authority to a delegate must ensure proper oversight of this delegation and is accountable for all Contracts signed pursuant to the delegation. The delegate must notify the delegator of all Contracts that have been executed by the delegate pursuant to the delegated authority.

Sub-delegation of a delegated Signing Authority is not permitted.

## Delegation Exceptions

Authority to approve a Purchase Requisition or invoice cannot be delegated by the Signing Authority. In the event the Signing Authority is unavailable due to temporary absence, the Purchase Requisition may be approved by the position that the Signing Authority directly reports to and the invoice may be approved by another position within the relevant cost center who has the appropriate Signing Authority limit.

## CONTRACT REVIEW REQUIREMENTS

All draft Contracts, other than Operational Services Agreements and Lottery Retailer Agreements, must be submitted for review through BCLC's [Compliance Assessment Intake Request \(CAIR\)](#) process prior to execution to ensure the appropriate level of due diligence is conducted.

# Signing Authority and Initiatives Oversight

## High-risk Contracts

BCLC Organizational Units accountable for the assessment of Contracts through the CAIR process are responsible to identify high-risk Contracts within their respective area of assessment, in alignment with BCLC's Enterprise Risk Management Policy and the Risk Tolerance levels established by the Board. Where a Contract is identified through BCLC's CAIR process to be a high-risk Contract, the Contract must be brought to the attention of the appropriate Vice President by the Signing Authority, prior to the Contract being signed. The Vice President is responsible for seeking advice and/or approval of the Chief Financial Officer, President and Chief Executive Officer, or Board as needed and for obtaining the approval of the Minister, where required.

## GUARANTEES AND INDEMNITIES

BCLC cannot provide a Guarantee or Indemnity unless it has first received approval to do so from the Government's Risk Management Branch. All such approvals must be requested via BCLC Legal Services. Employees who are unsure whether a particular commitment constitutes a Guarantee or an Indemnity must consult Legal Services.

## REDUCTIONS IN RECOMMENDED INSURANCE LIMITS

Where a reduction in recommended insurance limits is proposed for a Contract, the amount of the reduction in the insurance limits from those recommended by ERMS determines the level of internal approval required to authorize the reduction in accordance with the Signing Authority limits above. For example, if ERMS recommends a \$5 million limit for a certain coverage but a reduction is sought for a \$2 million insurance limit, then the approval level required under this policy for the reduction is based on the difference of \$3 million. A proposal not to obtain an insurance coverage recommended by ERMS would be based on a reduction of the recommended insurance limit to \$0.

## DONATIONS AND GRANTS

Employees are prohibited from making a donation or grant on behalf of BCLC or a BCLC subsidiary, except where the donation is made in accordance with BCLC's Employee Giving Policy. This does not apply to sponsorships that have a charitable component embedded in the existing fee structure. For further clarity, BCLC does not seek out corporate sponsorships that include a donation and/or charitable component as part of its evaluation criteria but recognizes that some third parties structure their sponsorship agreements with a charitable component.

## CONTRACT MANAGEMENT

Once a Contract is ready for finalization and electronic signature, the version for execution must be sent to Contract Management to initiate the electronic signature process. Contract Management is exclusively responsible to administer electronic signatures for Contracts under the scope of the Contract Management and Administration Policy. Once a Contract has been signed, it must be managed in accordance with the Contract Management and Administration Policy.

# Signing Authority and Initiatives Oversight

## Compliance

Individuals who fail to comply with this policy when authorizing Contracts, or spending under a pre-existing Contract, may be subject to disciplinary action under BCLC's [Progressive Discipline Policy](#). Any obligations or agreements established on behalf of BCLC or a subsidiary of BCLC by an unauthorized individual will not be recognized and legal or disciplinary action required to recover losses suffered as a result of such transactions may be taken. Signing Authority may be rescinded at any time when deemed necessary by BCLC.

## Definitions

Defined (capitalized) terms and acronyms used but not defined in this Signing Authority Policy have the meaning attributed to them in the [Policy Glossary](#).

<b>Contract</b>	Means a written or verbal agreement between two or more parties creating obligations that are enforceable or otherwise recognizable at law and binding upon BCLC or any BCLC subsidiary, regardless of whether it is specifically called a contract. Examples include letters of intent, memoranda of understanding, non-disclosure agreements, click-to-accept online terms, "shrink-wrap" license agreements, extensions, and amendments to contracts.
<b>Guarantee</b>	Means a promise, normally expressed in writing, by which the person making the promise agrees to fulfill the obligations of another person. The promise is frequently conditional upon the occurrence of another event.
<b>Indemnity</b>	Means a commitment to secure another person against a loss or to prevent the other person from being injured by the legal consequences of an act.
<b>Normal Course of Business</b>	Means an action that is taken in the ordinary and usual course of day-to-day operations of BCLC or a BCLC subsidiary in compliance with applicable law and BCLC policy, that is consistent in nature, scope and magnitude to actions customarily taken by BCLC. Actions customarily taken should also align with what is consistent and appropriate for the Signing Authority's position.
<b>Purchase Order</b>	Means a BCLC-generated document that captures the relevant details of the goods or services, price and delivery terms and conditions, and authorizes a purchase transaction. When accepted by a Vendor, a Purchase Order becomes a Contract binding on both parties.
<b>Purchase Requisition</b>	Means a formal internal request for approval to purchase a good or service.
<b>Risk Tolerance</b>	Has the meaning attributed to it within the Enterprise Risk Management Policy.

## Signing Authority and Initiatives Oversight

<b>Signing Authority</b>	Means the authority granted to an individual, by virtue of their position in the organization, to sign a Contract on behalf of BCLC or a BCLC subsidiary (e.g., non-disclosure agreements, master services agreements or Purchase Orders), or otherwise commit BCLC or a BCLC subsidiary to a legally binding relationship and contractual obligations or benefits, within the limits prescribed in this policy. This includes authority to make spending decisions under a pre-established Contract (e.g., a Statement of Work, Purchase Requisition or invoice).
<b>Statement of Work</b>	Means the commercial aspect of a Contract, issued pursuant to an existing master services agreement, that describes the nature of the goods or services to be provided including scope of work, deliverables, standards, acceptance criteria and special requirements.

### Policy Ownership

<b>Contact Position</b>	Director, Financial and Corporate Systems
<b>Policy Owner</b>	Chief Financial Officer and Vice President, Finance and Corporate Services
<b>Approving Body</b>	Board of Directors

### Revision History

Version	Effective	Approved by	Amendment
7.0	Dec 4, 2024	Board of Directors	New direction added to the Signing Authority Exceptions section on signing authority requirements for software qualifying as lower risk software in accordance with the <a href="#">Software, Applications, and Services Policy</a> .
6.0	May 15, 2024	Board of Directors	New direction included on Powers of Attorney and management assessments required for new strategies, initiatives and projects. Clarifications made regarding signing authority for contract amendments and other housekeeping updates, including title changes.

## Signing Authority and Initiatives Oversight

Version	Effective	Approved by	Amendment
5.0	Jul 1, 2023	Board of Directors	Updated the definition for Signing Authority to incorporate the authority to make spending decisions within it and removed spending authority from the policy. Revised the Signing Authorization Limits Matrix. New requirements for contract reviews, delegations, reductions in recommended insurance limits and restrictions on donations/grants. Additional clarifications made throughout the policy.
4.1	May 11, 2017	Board of Directors	Include spending authority exceptions previously in v.3
4.0	Jan 26, 2017	Board of Directors	Comprehensive re-draft of entire policy including amendments to Signing and Spending Authority limits and reference to Taxpayer Accountability Principles. This version supersedes the Contract Approval policy.
3.3	Jan 29, 2015	Vice President, Corporate Security and Compliance	Minor amendment to footer text. This document was reclassified from 'Internal' to 'Public' in order to comply with a directive from the Public Sector Employers' Council.
3.2	Jan 14, 2014	Director, Corporate Finance	Not a substantive policy change. Removed the word 'electronic' from wire/electronic fund transfers so as not to include electronic funds transfers (EFT).
3.1	Dec 19, 2013	Director, Corporate Finance	Not a substantive policy change. For clarity, the Policy Scope was modified to specifically identify agreements such as Non-Disclosure and Confidentiality Agreements as being excluded from this policy with clear reference directing the reader to the Contract Approval Policy.
3.0	Nov 28, 2013	Chief Executive Officer	Policy name changed and contents reworked for clarity; limits amended; and BC Lottotech International Inc. spending and signing authority added.
2.0	Sep 2007	Director, Corporate Finance	Change to spending levels.
1.0	Apr 1, 2004	Director, Corporate Finance	Inaugural Policy

# Appendix A

## Criteria for Assessment

What is the *potential positive and negative impact* of the strategy/initiative/project on:

Impact	Insignificant	Minor	Moderate	Major	Very Significant
BCLC’s public reputation					
Primary external stakeholder(s)					
Shareholder <sup>1</sup> (Province, GPEB)					
BCLC's employees/culture					
Revenue					
Player experience and player health <sup>2</sup>					
Social Purpose					
Other important risks					
	<b>Management approval &amp; oversight</b>			<b>Board oversight</b>	<b>Board approval &amp; oversight</b>

If one or more criteria are “**very significant**”, Board approval and oversight is required.

If one or more criteria are “**major**” and none are “**very significant**”, management approval and Board oversight is required.

If all criteria are “**moderate**” or lower, both oversight and approval remain with management.

<sup>1</sup> Consider BCLC Mandate Letter and Service Plan.

<sup>2</sup> Consider players and/or potential players.