



74 West Seymour Street
Kamloops, BC V2C 1E2

T 250 828 5500
F 250 828 5631

2940 Virtual Way
Vancouver, BC V5M 0A6

T 604 270 0649
www.bclc.com

VIA EMAIL

March 27, 2020

[applicant information]

Re: Request for Records: BCLC File 20-004

British Columbia Lottery Corporation (BCLC) writes further to your January 3, 2020 request under B.C.'s *Freedom of Information and Protection of Privacy Act* (FIPPA) and BCLC's letters dated January 7, 2020 and February 10, 2020.

You requested:

"...all records regarding the end of Rob Kroeker's (employment) with BCLC and any severance or other agreements signed. (Date range: May 1, 2019 to July 15, 2019)."

BCLC is providing 29 pages of records in response to your request. Some information has been withheld from disclosure under sections 14, 15, 17 and 22 of FIPPA. An additional 165 pages have been withheld in their entirety under sections 13, 14, 17 and 22 of FIPPA, as well as common law settlement privilege.

Below are the reasons for withholding information under each of the exceptions to disclosure noted.

Section 13 (policy advice or recommendations)

The information withheld under this section constitutes advice and recommendations by BCLC staff and others to BCLC decision makers.

Section 14 (legal advice)

The information withheld under this section consists of specific legal advice that has been sought and provided to BCLC, as well as information that is subject to common law settlement privilege.

Section 15 (harm to law enforcement)

The information withheld under this section is harmful to law enforcement because it could harm the security of a system, including BCLC's computer, accounting and communication systems, under section 15(1)(l) of FIPPA. Disclosure of this information could also facilitate the commission of fraud.

Section 17 (harm to the financial or economic interests of BCLC)

The information withheld under this section is harmful to BCLC's financial or economic interests because disclosure would reveal the private cell phone numbers of several BCLC employees, which could necessitate changing the numbers with an associated cost to BCLC. The release of certain accounting information could also be harmful to BCLC's financial or economic interests.

Section 22 (harm to personal privacy)

The information withheld under this section consists of the personal information of several third parties, the disclosure of which would constitute an unreasonable invasion of their personal privacy.

The full text of sections 13, 14, 15, 17 and 22 can be found at:
http://www.bclaws.ca/Recon/document/ID/freeside/96165_00

If you have any questions or concerns regarding BCLC's processing of your request, please contact me at ksimcoe@bclc.com, via mail or at (250) 852-5228.

Additionally, under section 52 of FIPPA, you may ask the Information and Privacy Commissioner to review this reply to your request for information. You have 30 business days from the receipt of this notice to request a review by writing to:

Office of the Information and Privacy Commissioner for British Columbia
P.O. Box 9038, Station Provincial Government
Victoria, BC V8W 9A4

T (250) 387-5629 F (250) 387-1696
Email info@oipc.bc.ca Online www.oipc.bc.ca

Sincerely,
[original signed by]

Kevin Simcoe
Senior Freedom of Information Analyst

Enclosure

Kevin Simcoe

From:
Sent:
To:
Subject:

It is with regret that I inform you that Rob Kroeker, Vice-President for Legal, Security, Compliance & Chief Compliance Officer has left the organization effective today. Rob led the LCS team for four years and through a very challenging time for BCLC. I thank him for his contributions.

In the interim, Brad Desmarais has agreed to take on the role of VP, LCS & Chief Compliance officer while also maintaining his role as VP of Casino and Community Gaming. Many of you may be aware that Brad was the VP of Security & Compliance from 2013 to 2015 and I thank him for stepping up at this time.

We will begin recruiting for permanent VP, LCS & Chief Compliance Officer as soon as possible.

I recognize this is a time of significant change in the organization and that the LCS division has been working very hard over the last couple of years. I want to thank them all for their ongoing work and dedication and I ask that all of you support the team during this period of transition.

If you have any questions, feel free to reach out to me.

Sincerely,

Jim Lightbody
President & CEO

BCLC Head Office
74 West Seymour Street, Kamloops BC V2C 1E2
T 250 828 5650

BCLC Marketing & Sales Office
2940 Virtual Way, Vancouver BC V5M 0A6
T 604 225 6400

jdlightbody@bclc.com
bclc.com

<p style="text-align: center;">INFORMATION NOTE</p> <p>British Columbia Lottery Corporation</p> <p>Date: July 2, 2019</p>	<p style="text-align: center;">Departure of BCLC Chief Compliance Officer</p>
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KEY FACTS:

Robert Kroeker, Vice-President for Legal, Security, Compliance & Chief Compliance Officer, has left BCLC effective July 2, 2019. Mr. Kroeker joined BCLC in this capacity in September 2015.

The reasons for his departure are personal.

BCLC will commence recruitment as soon as possible for a permanent replacement.

In the interim, Brad Desmarais, Vice-President, Casino & Community Gaming will concurrently serve as Interim Vice-President for Legal, Security, Compliance & Chief Compliance Officer. Mr. Desmarais has extensive law enforcement experience and from 2013 to 2015 was BCLC's Vice-President, Security & Compliance.

On the afternoon of July 2, 2019, BCLC will post an information bulletin to bclc.com announcing Rob Kroeker's departure.

BCLC RESPONSE POINTS:

- **Robert Kroeker, Vice-President for Legal, Security, Compliance & Chief Compliance Officer, has left BCLC effective July 2, 2019. Mr. Kroeker joined BCLC in September 2015 and the corporation thanks him for his service.**
- **BCLC will commence recruitment as soon as possible for a permanent replacement.**
- **In the interim, Brad Desmarais, Vice-President, Casino & Community Gaming will concurrently serve as Interim Vice-President for Legal, Security, Compliance & Chief Compliance Officer.**
- **Brad Desmarais has extensive law enforcement experience and from 2013 to 2015 was BCLC's Vice-President, Security & Compliance.**

	Name	Number
Program Area Contact:	Laura Piva-Babcock, BCLC	250-828-5576

Kevin Simcoe

From: ActiveRoles Server
Sent: S. 15
To: Human Resources; KAM- Computer Security; ARS- Notification Group; SAP; CRMSystems; BCLC - Identity & Access
Subject: Deprovisioning of Connex User "Rob Kroeker - Deprovisioned S. 15 Started

Deprovisioning of the user Rob Kroeker - Deprovisioned S. 15 now in progress.

The connex account, Personal Folder (Z:) and users Roaming-Profile folder S. 15

EACH GROUP, please take the additional deprovisioning-related actions, if necessary, to complete the removal of the above users Phone, Equipment, SAP account, Connect Account, PeopleFinder, etc.

Any questions concerning this user, please email Identity & Access.
s 15(1)

This notification was generated automatically by ActiveRoles Server according to corporate deprovisioning rules.

Kevin Simcoe

From: Suzanne Rowley on behalf of Jim D. Lightbody
Sent: July-02-19 3:19 PM
To: ALL- All Staff OFFICE; ALL- All Staff REMOTE; ALL- All Contractors Internal
Subject: Executive Announcement

It is with regret that I inform you that Rob Kroeker, Vice-President for Legal, Security, Compliance & Chief Compliance Officer has left the organization effective today. Rob led the LCS team for four years and through a very challenging time for BCLC. I thank him for his contributions.

In the interim, Brad Desmarais has agreed to take on the role of VP, LCS & Chief Compliance officer while also maintaining his role as VP of Casino and Community Gaming. Many of you may be aware that Brad was the VP of Security & Compliance from 2013 to 2015 and I thank him for stepping up at this time.

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If you have any questions, feel free to reach out to me.

Sincerely,

Jim Lightbody
President & CEO

BCLC Head Office
74 West Seymour Street, Kamloops BC V2C 1E2
T 250 828 5650

BCLC Marketing & Sales Office
2940 Virtual Way, Vancouver BC V5M 0A6
T 604 225 6400

jdlightbody@bclc.com
bclc.com

Kevin Simcoe

From: s 15(1), s 17(1)
Sent: July-02-19 4:12 PM
To: ALL- HR USE- OffBoardingNotification
Subject: HR Notification – Offboarding - Rob Kroeker

Hello All,

Please be advised that effective immediately the following employee is no longer an employee of BCLC:

Number : ss. 15, 22

Name : Rob Kroeker

Employee # : ^{ss. 15, 22}

Position : Chief Compliance Officer & VP Legal, Compliance, Security

Employee's Manager : Jim Lightbody

Please remove this person from all distribution and access lists.

Kind Regards,

Michelle Rothery

Ref: ss. 15, 22

British Columbia Lottery Corporation
74 West Seymour Street
Kamloops, British Columbia V2C 1E2

Phone: 250-828-5500

Pay Type.... Regular payroll

Robert Kroeker

Pay Period... s. 22

s. 22

Pay Area...	S1	Salary
-------------	----	--------

s. 22

Pers.No. . . . s. 22

Pay Date	Dep/Chq Number	Net	=	Gross	-	Taxes	-	Deductions
s. 22		29,924.31	=	s. 22				
	YTD....:	131449.96	=	s. 22				

Retro-active			Current Period			Year To Date
Rate	Hours	Amount	Rate	Hours	Amount	Amount
EARNINGS						
s. 22						
Total Earnings					s. 22	199,688.09
STATUTORY DEDUCTIONS						
s. 22						
Total Stat. Ded.					s. 22	
OTHER DEDUCTIONS		Balance				
s. 22						
Total Other Ded.					s. 22	
TAXABLE BENEFITS						
s. 22						
Total Taxable Benefits					3.38	471.68
Expense Reimbursement					318.76	19,916.70
Vacation	Validity Begin Date	Validity End Date	Entitlement Hours		Taken	Remaining
s. 22						

Error messages	
Type	Error text
I	Personnel numbers selected.....: 1
I	Personnel numbers printed.....: 1
I	Unprinted ESS personnel numbers...: 0
I	Formatted forms.....: 1
I	Formatted pages.....: 1

Kevin Simcoe

From: TREASURY
Sent: July-03-19 12:54 PM
To: Michelle Rothery
Subject: RE: HR Notification – Offboarding - Rob Kroeker

Hi,

This email is to confirm that Rob Kroeker does not have a BCLC Corporate Purchasing, Travel or Capital credit card.

Thank you,

Barb Goddard

Corporate Banking Administrator, Indirect Taxation & Treasury
BCLC, 74 West Seymour Street, Kamloops, BC V2C 1E2
T 250 828 5551 F 250 828 5607

Connect with us:

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Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: s 15(1), s 17(1)

Sent: Tuesday, July 02, 2019 4:12 PM

To: ALL- HR USE- OffBoardingNotification

Subject: HR Notification – Offboarding - Rob Kroeker

Hello All,

Please be advised that effective immediately the following employee is no longer an employee of BCLC:

Number : s 15(1), s 22

Name : Rob Kroeker

Employee # : s 15(1), s 22

Position : Chief Compliance Officer & VP Legal, Compliance, Security

Employee's Manager : Jim Lightbody

Please remove this person from all distribution and access lists.

Kind Regards,

Michelle Rothery

Ref: s 15(1), s 22

Kevin Simcoe

From: Andrea Earle s 15(1), s 17(1)
Sent: July-02-19 4:26 PM
To: Carmen Chang
Subject: s 22 action for Robert Kroeker has completed.

Importance: High



Hello Carmen Chang,

s 22 for Robert Kroeker has been approved.

No action is required at this time.

Click the link to view Robert Kroeker's People Profile in s 15(1)
[here](#)

Kevin Simcoe

From: Suzanne Rowley on behalf of Jim D. Lightbody
Sent: July-02-19 2:34 PM
To: Coro Strandberg;^{s 22} ; Fiona Chan^{s 22} ; Greg Moore
s 22 ; Hilary Cassady^{s 22} ; Joan Axford;
s 22 ; Mario Lee; Peter Kappel
Subject: BCLC - Executive Announcement

Hello Everyone,

It is with regret that I inform you that Rob Kroeker, Vice-President for Legal, Security, Compliance & Chief Compliance Officer has left the organization effective today. Rob led the LCS team for four years and through a very challenging time for BCLC. I thank him for his contributions.

BCLC will commence recruitment as soon as possible for a permanent replacement.

In the interim, Brad Desmarais, Vice-President, Casino & Community Gaming will concurrently serve as Interim Vice-President, Legal, Security, Compliance & Chief Compliance Officer. As many of you may be aware, Brad has extensive law enforcement experience and from 2013 to 2015 was BCLC's Vice-President, Security & Compliance.

I will keep you informed as we move through the recruitment process.

If you receive any media calls about this matter, please refer them to mediarelations@bclc.com and also inform our Director of Communications, Laura Piva-Babcock, about the inquiry lpivababcock@bclc.com

If you have any questions, please reach out to Peter or myself.

Sincerely,

Jim Lightbody
President & CEO

BCLC Head Office
74 West Seymour Street, Kamloops BC V2C 1E2
T 250 828 5650

BCLC Marketing & Sales Office
2940 Virtual Way, Vancouver BC V5M 0A6
T 604 225 6400

jdlightbody@bclc.com
bclc.com

Kevin Simcoe

From: Suzanne Rowley on behalf of Jim D. Lightbody
Sent: July-02-19 3:24 PM
To: Doug Scott; Sam.MacLeod@gov.bc.ca; Harris, Megan AG:EX
Cc: Pearson, Barbera JAG:EX; Vear, Maureen FIN:EX
Subject: BCLC - Executive Announcement

It is with regret that I inform you that Rob Kroeker, Vice-President for Legal, Security, Compliance & Chief Compliance Officer has left the organization effective today. Rob led the LCS team for four years and through a very challenging time for BCLC. I thank him for his contributions.

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We will begin recruiting for a permanent VP and CCO as soon as possible.

Please share this email with your relevant staff members. If you have any questions, feel free to reach out to me.

Sincerely,

Jim Lightbody
President & CEO

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jdlightbody@bclc.com
bclc.com

Kevin Simcoe

From: Suzanne Rowley on behalf of Jim D. Lightbody
Sent: July-02-19 3:42 PM
To: Jim D. Lightbody
Cc: Laura Piva-Babcock; Suzanne Rowley; Brad Desmarais; Kevin deBruyckere
Subject: BCLC - Executive Announcement

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2940 Virtual Way, Vancouver BC V5M 0A6
T 604 225 6400

jdlightbody@bclc.com
bclc.com

Kevin Simcoe

From: Suzanne Rowley on behalf of Jim D. Lightbody
Sent: July-02-19 3:05 PM
To: Amy Braithwaite; Amy Guillemine; Austen Scott; Bal Bamra; Bill Boyd; Billy Han; Bob Madill; Bonnie Armand; Brad Romano; Brad Rudnicki; Brandi Chan; Brandon Norgaard; Bruno Gatto; Cameron Dodson; Cameron Muir; Candice Lantos; Carmen Minger; Cathy Cuglietta; Christopher Brown; Claire Bennett; Courtney Robinson; Craig Longley; Craig Morphet; Daniel Baudin; Daryl Tottenham; David Slobodian; Diana Soo; Dwayne Cebryk; Eric Tong; Evonne Tang; Gary Garay; Genevieve Bowers; Giulia Fabbro; Heather Mass; Ilana Baxter; Jason Lanki; Jay Blackwell; Jeff Mullan; Jeneva Connolly; Jennifer Keim; Jennifer M. Smith; Jennifer R. Barbosa; Jenny Lam; Jim Husler; Joseph Depaulo; Kelvin Davey; Ken Stolarchuk; Kevin deBruyckere; Kevin Simcoe; Kevin Sweeney; Kim Fitzpatrick; Kris Gade; Laird Robinson; Leon Bresler; Lyn Maraj; Lynn Cousins; Marcia Guizzo; Mark Butler; Mark Dickenson; Mark Lane; Meghan Maloley; Mitasha Sewpersad; Nicole Cupello; Nicole Wu; Noah Turner; Paul Samra; Paul Stanney; Rick Hunter; Rick Macklon; Rick Tsang; Rob Stratford; Robert Connolly; Robert Grinam; Scott Baker; Sheila Bondesen; Steve Beeksma; Stone Lee; Susan Schroeder; Sydney Jones; Tan Dang; Teri MacDonald; Tom Plante; Tonya Peters; Tyler Aviss; Tyler Piller
Subject: Executive Announcement

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I realize there is a lot of change in the organization currently underway and that BCLC continues to face scrutiny in relation to AML. I want to thank all of you for your ongoing hard work and dedication to the corporation.

We will begin recruiting for a permanent VP of LCS & Chief Compliance Officer as soon as possible.

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Sincerely,

Jim Lightbody
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T 604 225 6400

jlightbody@bclc.com
bclc.com

Kevin Simcoe

From: Suzanne Rowley
Sent: July-02-19 2:35 PM
To: Laura Piva-Babcock
Subject: FW: BCLC - Executive Announcement

fyi

From: Suzanne Rowley **On Behalf Of** Jim D. Lightbody
Sent: Tuesday, July 02, 2019 2:34 PM
To: Coro Strandberg ; s 22 ; Fiona Chan s 22 ; Greg Moore
s 22 ; Hilary Cassady s 22 ; Joan Axford ; s 22 ; Mario Lee ;
s 22
Subject: BCLC - Executive Announcement

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Sincerely,

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T 250 828 5650

BCLC Marketing & Sales Office
2940 Virtual Way, Vancouver BC V5M 0A6
T 604 225 6400

jdlightbody@bclc.com
bclc.com

Kevin Simcoe

From: Suzanne Rowley
Sent: July-02-19 3:25 PM
To: Laura Piva-Babcock
Subject: FW: BCLC - Executive Announcement

FYI – email to Gov't...

From: Suzanne Rowley **On Behalf Of** Jim D. Lightbody
Sent: Tuesday, July 02, 2019 3:24 PM
To: Doug Scott ; Sam.MacLeod@gov.bc.ca; Harris, Megan AG:EX
Cc: Pearson, Barbera JAG:EX ; Vear, Maureen FIN:EX
Subject: BCLC - Executive Announcement

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jdlightbody@bclc.com
bclc.com

Kevin Simcoe

From: Suzanne Rowley
Sent: July-02-19 3:06 PM
To: Laura Piva-Babcock
Subject: FW: Executive Announcement

FYI – email to LCS Division...

From: Suzanne Rowley **On Behalf Of** Jim D. Lightbody

Sent: Tuesday, July 02, 2019 3:05 PM

To: Amy Braithwaite ; Amy Guillemin ; Austen Scott ; Bal Bamra ; Bill Boyd ; Billy Han ; Bob Madill ; Bonnie Armand ; Brad Romano ; Brad Rudnicki ; Brandi Chan ; Brandon Norgaard ; Bruno Gatto ; Cameron Dodson ; Cameron Muir ; Candice Lantos ; Carmen Minger ; Cathy Cuglietta ; Christopher Brown ; Claire Bennett ; Courtney Robinson ; Craig Longley ; Craig Morphet ; Daniel Baudin ; Daryl Tottenham ; David Slobodian ; Diana Soo ; Dwayne Cebryk ; Eric Tong ; Evonne Tang ; Gary Garay ; Genevieve Bowers ; Giulia Fabbro ; Heather Mass ; Ilana Baxter ; Jason Lanki ; Jay Blackwell ; Jeff Mullan ; Jeneva Connolly ; Jennifer Keim ; Jennifer M. Smith ; Jennifer R. Barbosa ; Jenny Lam ; Jim Husler ; Joseph Depaulo ; Kelvin Davey ; Ken Stolarчук ; Kevin deBruyckere ; Kevin Simcoe ; Kevin Sweeney ; Kim Fitzpatrick ; Kris Gade ; Laird Robinson ; Leon Bresler ; Lyn Maraj ; Lynn Cousins ; Marcia Guizzo ; Mark Butler ; Mark Dickenson ; Mark Lane ; Meghan Maloley ; Mitasha Sewpersad ; Nicole Cupello ; Nicole Wu ; Noah Turner ; Paul Samra ; Paul Stanney ; Rick Hunter ; Rick Macklon ; Rick Tsang ; Rob Stratford ; Robert Connolly ; Robert Grinam ; Scott Baker ; Sheila Bondesen ; Steve Beeksma ; Stone Lee ; Susan Schroeder ; Sydney Jones ; Tan Dang ; Teri MacDonald ; Tom Plante ; Tonya Peters ; Tyler Aviss ; Tyler Piller

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T 604 225 6400

jdlightbody@bclc.com
bclc.com

From: BCLC Media Relations
Sent: July 12, 2019 4:08 PM
To: 'james.armstrong@globalnews.ca'
Cc: BCLC Media Relations
Subject: FW: Kroeker financial terms, departure?

Hi James,

Given that Sam is away from the office and you're on his out-of-office message, wanted to forward the below to you, as well.

Have a good weekend.

Lara

Lara Gerrits
BCLC Media Relations
604-225-6460

From: BCLC Media Relations
Sent: July-12-19 3:35 PM
To: 'Sam Cooper' <Sam.Cooper@globalnews.ca>
Cc: BCLC Media Relations <MediaRelations@bclc.com>
Subject: RE: Kroeker financial terms, departure?

Hi Sam,

The very nature of any allegation is that it is unsubstantiated.

BCLC is aware that there is an investigation underway by the Gaming Policy and Enforcement Branch (GPEB) regarding an allegation against Mr. Kroeker. BCLC was advised by Mr. Kroeker's lawyer that he denies making such statements.

As previously explained, BCLC is unable to provide information on GPEB matters, including any ongoing investigations. Please refer any interview requests regarding the investigation directly to GPEB.

Thanks,

Lara

Lara Gerrits
BCLC Media Relations
604-225-6460

From: Sam Cooper <Sam.Cooper@globalnews.ca>
Sent: July-11-19 11:06 AM
To: BCLC Media Relations <MediaRelations@bclc.com>
Subject: RE: Kroeker financial terms, departure?

Hi Lara, what makes the allegation unsubstantiated? I'm aware questions are being asked at the government level, so I'm interested in BCLC's evidence that the allegation is unsubstantiated. Whose conclusion is that? Will Mr. Lightbody be interviewed on the investigation?

From: BCLC Media Relations <MediaRelations@bclc.com>
Sent: Thursday, July 11, 2019 1:55 PM
To: Sam Cooper <Sam.Cooper@globalnews.ca>
Cc: Terry Schintz <tschintz@cknw.com>; Jill Krop <Jill.Krop@globalnews.ca>; BCLC Media Relations <MediaRelations@bclc.com>
Subject: RE: Kroeker financial terms, departure?

This email is from an EXTERNAL SENDER | Ce courriel provient d'un EXPÉDITEUR EXTERNE

Hi Sam,

For privacy reasons, BCLC cannot speak to the specifics of Mr. Kroeker's departure. However, we have seen the July 9, 2019 reporting on this matter on Global and CKNW.

Prior to July 3, 2019, BCLC was not aware of the GPEB investigation or the unsubstantiated allegation that Mr. Kroeker asked staff to "ease up" on anti-money laundering measures. As a result, we can unequivocally state that neither the investigation nor the unsubstantiated allegations were a factor in Mr. Kroeker's departure from BCLC.

We ask that you refrain from continuing to make or infer any such misrepresentation in future reporting.

Thanks,

Lara

Lara Gerrits
BCLC Media Relations
604-225-6460

From: Sam Cooper <Sam.Cooper@globalnews.ca>
Sent: July-09-19 12:27 PM
To: BCLC Media Relations <MediaRelations@bclc.com>
Subject: Kroeker financial terms, departure?

Hello, am I correct that the BCLC will not indicate whether or not Mr. Kroeker got a payout, or whether the departure was with or without cause? Please answer within 30 minutes, my understanding is BCLC will not comment any further on circumstances of the departure including the above.

Sam

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

KEY FACTS:

On July 9, 2019, Global News published an online story titled, "*B.C. casino regulator received complaint alleging BCLC management pressured to 'allow dirty money.'*"

The story posits that the departure of Robert Kroeker from BCLC is related to an investigation by the Gaming Policy and Enforcement Branch (GPEB) regarding an allegation "*that Kroeker instructed his staff to 'ease up' on anti-money laundering measures and 'allow direct money to flow into casinos.'*"

Global's story is based in part on a February 2019 complaint to GPEB that Global News obtained through a freedom-of-information request to Government (MAG-2019-92731).

BCLC Background:

- On July 2, 2019, Mr. Kroeker, BCLC's former Vice-President for Legal, Security, Compliance & Chief Compliance Officer, left the Corporation effective immediately. BCLC posted an Information Bulletin to bclc.com on July 2, 2019 announcing Mr. Kroeker's departure.
- Prior to July 3, 2019, BCLC was not aware of the GPEB investigation or the unsubstantiated allegation that Mr. Kroeker asked staff to "ease up" on anti-money laundering (AML) measures. Neither the investigation nor the unsubstantiated allegations were a factor in Mr. Kroeker's departure from BCLC.
- BCLC cannot disclose further details related to Mr. Kroeker's departure; under FOIPPA, a disclosure of personal information is presumed to be an unreasonable invasion of a third party's personal privacy if the personal information relates to employment, occupational or educational history in accordance with section 22(3)(d).

According to Global National, the February 2019 complaint against Mr. Kroeker relates to an alleged meeting at BCLC that involved Mr. Kroeker and former^{s. 22}, but the complaint does not state when the alleged meeting took place. A copy of the complaint sent to GPEB on Feb. 20, 2019 alleges: "*I have information that Robert Kroeker ... instructed (his staff) to ease up on the BCLC cash conditions on players and slow down the process of targeting suspicious buy-ins.*"

Global also reported that "*a casino industry source with knowledge of the alleged meeting suggested it likely occurred shortly before the Lunar New Year in 2017, which is a time period when high-rolling baccarat players from China typically travel to B.C. casinos and make massive cash buy-ins, according to Lottery Corp. documents reviewed by Global News.*"

"*'The persons involved (in the meeting) should be able to provide further detail if handled with the utmost confidentiality,' says a copy of the complaint that names a number of employees. 'Please treat seriously.'*"

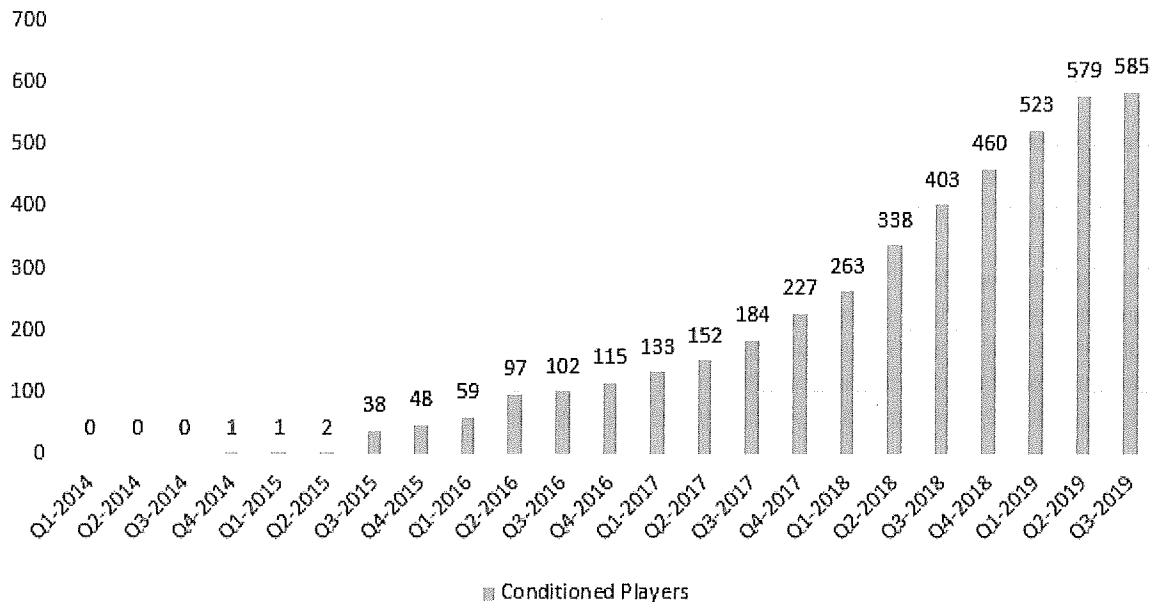
BCLC Background:

- BCLC is unaware of any meeting in which the alleged direction, as cited in the complaint to GPEB, was provided to any BCLC employees.
- BCLC was also advised by Mr. Kroeker's lawyer that he denies making such statements.
- BCLC has continued to improve its AML controls as part of its ongoing effort to safeguard B.C. casinos from illegal activity. This includes placing certain players on sourced-cash conditions, meaning that they cannot play with cash unless they disclose the source of their buy-in funds.

- In summer 2015, BCLC further revised and extended its source of funds program (which was expanded on in January 2018), intended to protect casinos from criminal proceeds, and continued to place players on the cash conditions.
- Since 2015, BCLC has continued to place cash conditions on more than 520 players, as outlined in the below data and corresponding chart:
 - 2015: 47 players placed on cash conditions
 - 2016: 67 players placed on cash conditions
 - 2017: 112 players placed on cash conditions
 - 2018: 233 players placed on cash conditions

Cumulative Growth of Players on Sourced-Cash Conditions

Prepared by BCLC AML Unit



- On July 4, 2019, Global National directly contacted two BCLC AML Unit employees ^{s. 22} – asking for comment on the complaint to GPEB.
- ^{s. 22} indicate they were not aware of the GPEB complaint, nor recall a meeting at which they were provided with the above-mentioned direction.
- BCLC Media Relations responded to Global National, and advised it to direct any questions related a GPEB matter directly to GPEB. BCLC also reiterated that it could not provide details related to the departure of an employee due to privacy reasons, and therefore declined an interview request on this matter.
- Following Global National's reporting on July 9, 2019, BCLC Media Relations confirmed to reporter Sam Cooper that BCLC was not aware of the GPEB investigation prior to July 3, 2019 and therefore it was not a factor in Mr. Kroeker's departure from BCLC. BCLC also asked that Global National refrain from continuing to make or infer any such misrepresentation in future reporting.

	Name	Number
Program Area Contact:	Laura Piva-Babcock	T: 250-828-5576

KM & QA – RK Departure

- Rob Kroeker, Vice-President for Legal, Security, Compliance & Chief Compliance Officer has left the organization effective today.

1. Was he fired?

The reasons for Mr. Kroeker's departure are personal.

2. Why did he leave?

The reasons for Mr. Kroeker's departure are personal.

3. Did this have anything to do with the ongoing scrutiny of BCLC's AML program?

The reasons for Mr. Kroeker's departure are personal.

4. Did he receive a severance package?

We cannot disclose the details around his departure as those are personal. However, remuneration information is publicly reported each fall in BCLC's Financial Information Act report.

5. Who will replace him?

We will begin recruiting for a replacement as soon as possible. Brad Desmarais, Vice-President of Casino & Community Gaming will also take on the role of Interim, Vice-President for Legal, Security, Compliance & Chief Compliance Officer. Mr. Desmarais has extensive law enforcement experience and was BCLC's Vice-President, Security & Compliance from 2013 to 2015.

6. Is this dual role a conflict of interest for Mr. Desmarais?

Brad Desmarais has 34 years of law enforcement experience and was BCLC's Vice-President, Security & Compliance from 2013 to 2015. He is best positioned to take on this role in the interim. BCLC will take any necessary steps should conflicts arise between his dual responsibilities.

7. This is the fourth VP to leave BCLC in the last six months, can the public have confidence in the organization at this time?

The public can have full confidence in BCLC at this time. The reasons for the recent departures are varied – such as retirement and new opportunities.

8. How many vice-president vacancies are there currently at BCLC?

There are currently three vacancies on BCLC's senior leadership team.

9. Isn't this a challenging time to have so many vacancies – and in particular the Chief Compliance Officer – on the cusp of a public inquiry?

Each role has been filled with an internal or external interim vice president and recruitments are or will soon be underway. BCLC supports government's decision to proceed with a public inquiry and is fully prepared to participate.

Kevin Simcoe

From: Peter Goudron <pgoudron@bcgia.com>
Sent: July-02-19 4:07 PM
To: Jim D. Lightbody
Cc: Laura Piva-Babcock; Suzanne Rowley; Brad Desmarais; Kevin deBruyckere
Subject: Re: BCLC - Executive Announcement

Hi Jim,

I'm sorry to hear this news but appreciate the heads up. I will share with BCGIA members.

Thanks,

Peter

—
Peter Goudron
Executive Director, BC Gaming Industry Association

e - pgoudron@bcgia.com
m - s 22

On Jul 2, 2019, at 3:41 PM, Jim D. Lightbody <JDLightbody@bclc.com> wrote:

It is with regret that I inform you that Rob Kroeker, Vice-President for Legal, Security, Compliance & Chief Compliance Officer has left the organization effective today. Rob led the LCS team for four years and through a very challenging time for BCLC. I thank him for his contributions.

In the interim, Brad Desmarais, Vice-President of Casino & Community Gaming has agreed concurrently take on the role of Interim Vice-President for Legal, Security, Compliance & Chief Compliance Officer. Brad was previously the Vice-President, Security & Compliance for BCLC from 2013 to 2015.

We will begin recruiting for a permanent VP and CCO as soon as possible.

Please share this email with your relevant staff members. If you have any questions, feel free to reach out to me.

Sincerely,
Jim Lightbody
President & CEO
BCLC Head Office
74 West Seymour Street, Kamloops BC V2C 1E2
T 250 828 5650
BCLC Marketing & Sales Office
2940 Virtual Way, Vancouver BC V5M 0A6
T 604 225 6400
jdlightbody@bclc.com
bclc.com

This email is intended only for the addressee. It may contain confidential or proprietary information that cannot be disclosed without BCLC's permission. If you have received this email in error, please notify the sender immediately and delete the email.

Kevin Simcoe

From: Laura Piva-Babcock
Sent: July-02-19 3:55 PM
To: Jim D. Lightbody; Lara Gerrits
Subject: RE: BCLC Information Note: Departure of Chief Compliance Officer

Yes. Lara will send him a link to the IB when it's up. Shortly.

Laura Piva-Babcock
Director, Communications
74 West Seymour Street, Kamloops, B.C. V2C 1E2
T 250 828 5576 C.s. 17

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Last year more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Jim D. Lightbody
Sent: July 2, 2019 3:55 PM
To: Lara Gerrits ; Laura Piva-Babcock
Subject: RE: BCLC Information Note: Departure of Chief Compliance Officer

Bob Mackin just sent me an email asking about Rob. He cc'd Media Relations

From: Lara Gerrits <LGerrits@bclc.com>
Sent: Tuesday, July 02, 2019 3:36 PM
To: 'Dargie, Cathy GCPE:EX' <Cathy.Dargie@gov.bc.ca>; 'Lara Hurrell' <Lara.Hurrell@gov.bc.ca>; 'Rob Duffus' <Robert.Duffus@gov.bc.ca>
Cc: 'Harris, Megan AG:EX' <Megan.Harris@gov.bc.ca>; Jim D. Lightbody <JDLightbody@bclc.com>; Jamie Callahan <JCallahan@bclc.com>; 'Sam.MacLeod@gov.bc.ca' <Sam.MacLeod@gov.bc.ca>; 'Harper, Aimee GPEB:EX' <Aimee.Harper@gov.bc.ca>; 'Cheng, Rachel GPEB:EX' <Rachel.Cheng@gov.bc.ca>; 'Lewis, Jamie GPEB:EX' <Jamie.L.Lewis@gov.bc.ca>; Laura Piva-Babcock <LPiva-Babcock@bclc.com>; Matt Lee <MLee@bclc.com>; Erica Simpson <ESimpson@bclc.com>; 'Cousins, Sabrina GPEB:EX' <Sabrina.Cousins@gov.bc.ca>
Subject: BCLC Information Note: Departure of Chief Compliance Officer

Hello,

Please see attached Information Note regarding the departure of BCLC's Chief Compliance Officer and VP of Legal, Security and Compliance. We will be posting the attached Information Bulletin shortly to [bclc.com](#).

Thanks,

Lara

Lara Gerrits
Manager, Media & Issues Management
BCLC, 2940 Virtual Way, Vancouver, B.C., V5M 0A6
T 604 228 3066 C.s. 17

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Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

Kevin Simcoe

From: Lara Gerrits
Sent: July-09-19 9:34 AM
To: Shannon Hammonds
Cc: Kristin Tilbury; Pam Mudhar; Katherina Gountas; BCLC Media Relations
Subject: RE: Rob Kroeker story

Hi Shannon,

Here is the Information Bulletin that was posted to bclc.com regarding this matter: <https://corporate.bclc.com/media-centre/bclc-news/news-search/news-management/chief-compliance-officer-departs.html>

For reasons of personal privacy, we cannot provide further information beyond what's included in the Information Bulletin.

Lastly, any questions related to a matter involving the Gaming Policy & Enforcement Branch should go to GPEB directly.

Hope this helps for any general questions.

If you get any specific questions, please reach out to us and we can assist.

Cheers,

Lara

Lara Gerrits
Manager, Media & Issues Management
BCLC, 2940 Virtual Way, Vancouver, B.C., V5M 0A6
T 604 228 3066s. 17

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Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

From: Shannon Hammonds
Sent: July-09-19 8:14 AM
To: Lara Gerrits
Cc: Kristin Tilbury ; Pam Mudhar ; Katherina Gountas
Subject: Rob Kroeker story

Morning Lara... I was just having breakfast. 22 this morning watching Global, and they ran a story about Rob Kroeker. To my knowledge, we haven't received any calls about the story or the situation yet, but I was wondering if we could get some verbiage in the event that we do.

Here's a print copy of the article for reference:
<https://globalnews.ca/news/5460281/bc-casino-regulator-complaint-bclc-management-dirty-money/>

Shannon Hammonds
Account Management Specialist – Customer Support Centre
Social Responsibility and Communications Division
74 West Seymour Street, Kamloops, B.C. V2C 1E2

T 250 852 5452s. 17

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Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

Kevin Simcoe

From: Lisa Yap
Sent: July-02-19 4:07 PM
To: Lara Gerrits; Michelle Wilson; Alex McGuire
Cc: Laura Piva-Babcock; Matt Lee
Subject: RE: Urgent posting for bclc.com

Hi all,

No problem – just letting you know that this page is now live: <https://corporate.bclc.com/media-centre/bclc-news/news-search/news-management/chief-compliance-officer-departs.html>

Thanks,
Lisa

From: Lara Gerrits
Sent: July-02-19 3:38 PM
To: Michelle Wilson ; Lisa Yap ; Alex McGuire
Cc: Laura Piva-Babcock ; Matt Lee
Subject: Urgent posting for bclc.com
Importance: High

Hi ladies, as discussed, can you please assist in getting this posted to bclc.com as soon as possible? It should go under the media section – including on the media section of the homepage, as per normal practice.

Many thanks,

Lara

Lara Gerrits
Manager, Media & Issues Management
BCLC, 2940 Virtual Way, Vancouver, B.C., V5M 0A6
T 604 228 3066s. 17

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Last year, more than \$1 billion generated by BCLC gambling activities went back into health care, education and community groups across B.C.

Kevin Simcoe

From: Laura Piva-Babcock <LPiva-Babcock@bcllc.com>
Sent: July-02-19 4:54 PM
To: Jim D. Lightbody; Jamie Callahan; Pat Davis
Subject: Voicemail

Hi. Is there some way to de-activate Rob's voicemail and/or re direct to Brad or Kevin de B? On Twitter, Bob Mackin says it's still active. L

