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VIA EMAIL

June 19, 2020

[applicant information]

Dear

Re: Request for Records: BCLC File 20-030

British Columbia Lottery Corporation (BCLC) writes further to your May 11, 2020 request, received by BCLC on May 12, 2020, under B.C.'s *Freedom of Information and Protection of Privacy Act* (FIPPA) and correspondence between you and BCLC from May 12, 2020 to May 28, 2020.

You requested:

"A copy of all information notes and briefing notes created for the BCLC executive team and board, or sent to Government, from February 21, 2020 to May 11, 2020."

BCLC is providing 16 pages of records in response to your request. Some information has been withheld from disclosure under section 17 of FIPPA. An additional four pages have been withheld in their entirety under section 17 of FIPPA.

Below are the reasons for withholding information under the exception to disclosure noted.

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

The information recommended to be withheld under this section is harmful to BCLC's financial or economic interests because it would reveal financial and commercial information that belongs to BCLC and that has not been made public.

The full text of section 17 can be found at:

http://www.bclaws.ca/Recon/document/ID/freeside/96165_00

This response will be published a minimum of five business days after release at:

<https://corporate.bclc.com/who-we-are/corporate-reports/reports-disclosures.html>

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

<p align="center">INFORMATION NOTE</p> <p>British Columbia Lottery Corporation</p> <p>Date: March 3, 2020</p>	<p align="center">New Horizons in Responsible Gambling Conference 2020</p>
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KEY FACTS:

On March 6, 2020, BCLC will issue a media advisory to promote its eighth annual [New Horizons in Responsible Gambling](#) conference, which takes place at Parq Vancouver, March 10-12, 2020. The conference brings together approximately 250 industry-leading researchers, policy makers and representatives from around the world to tackle some of the most-challenging topics related to gambling.

Media are invited to attend the conference, and targeted media outlets will also be sent targeted information related to specific sessions of interest, to generate awareness and proactive media coverage about the event. The 2020 conference is taking on a new format, and all of the discussion topics are aligned with one of the themes outlined in three whitepapers produced prior to the conference: Promoting safer play, developing a culture that prioritizes the wellbeing of our consumers and reducing harms associated with gambling products. A final summary paper, including a research agenda, will be published after the conference to breakdown the key issues and define implementable solutions for the industry.

Headlining the conference are two keynote speakers: Tim Miller, Executive Director at the UK Gambling Commission and Misha Glouberman, Faculty Director at the Ivey Academy at Western University's Ivey Business School. The 2020 lineup of [speakers and panelists](#) showcases a wide range of industry topics, including:

- Social Economic Considerations in Identifying Risk
- The Financial Industry's Look on High Risk
- Account-based play and its pathway to responsible growth
- Applying behavioural analytics

BCLC RESPONSE POINTS:

- **BCLC is proud to host the eighth-annual New Horizons in Responsible Gambling Conference, focused on effective collaboration to safeguard and 'future-proof' the gambling industry.**
- **Approximately 250 researchers, policy makers and representatives from around the world are attending to tackle some of the most-challenging topics in the gambling industry.**
- **New Horizons 2020 features a new format with three white papers produced to inform the sessions, and a final summary paper that will breakdown the key issues and define implementable solutions for the future.**
- **New Horizons demonstrates BCLC's leadership role in taking action to advance the industry's understanding and support of safer gambling and player health.**

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

British Columbia Lottery Corporation

Date: March 9, 2020

Osoyoos Indian Band interest in gaming facility

Key Facts:

On March 3, 2020, BCLC met with Osoyoos Indian Band (OIB) Chief Clarence Louie regarding the band's interest in hosting a gaming facility on OIB lands on Highway 3, east of the Town of Osoyoos.

During the meeting, the OIB presented a third-party market assessment of the region, which suggests a potentially lucrative opportunity. BCLC's own market assessment, which was underway before media reported on the OIB's interest and was conducted as part of a routine survey of market opportunities, estimates a new gaming facility in Osoyoos may not be as profitable as what the OIB's assessment approximates. However, BCLC's market assessment did not include a comprehensive review of tourist-related revenue. ^{s 17(1)}

In the upcoming weeks, BCLC will meet with the OIB and both parties will enter into a Non-Disclosure Agreement to allow for a more fulsome discussion.

In February 2020, the OIB met with Osoyoos Town Council and Oliver Town Council, requesting a letter of support for a gaming facility on OIB lands. Media reported on the OIB's proposal for a 6,500 to 7,000 square-foot community gaming centre, with 100 to 150 slot machines, 100 bingo machines and a dining space. BCLC understands the OIB was simply gauging community support and that any specification included in its proposal were strictly hypothetical.

Background:

There are currently three gaming facilities within a one- to two-hour drive of Osoyoos: Cascades Casino Penticton, Playtime Casino Kelowna and Chances Kelowna. In addition, a fourth facility is located in Omak, Washington, which is a one-hour drive south of Osoyoos.

BCLC has an open and transparent process for considering a new gaming facility. When BCLC identifies a new market, it issues an Expression of Interest to all local governments in the region and engages an independent fairness monitor to oversee the selection of a preferred Host Local Government (HLG).

After BCLC determines a preferred HLG, BCLC selects a service provider to build and operate the potential facility on its behalf. The preferred HLG is required under the Gaming Control Act to seek and consider input from the community and notify neighbouring governments. Upon the completion of these steps and approval from the preferred HLG, BCLC makes its final decision on whether it will proceed with the development of a new gaming facility.

BCLC conducts and manages commercial gambling on behalf of the Province and has the authority to approve new gambling facilities.

BCLC Response Points:

- **BCLC has had a preliminary meeting with the Osoyoos Indian Band to discuss the Band's interest in a gaming facility on its lands east of the Town of Osoyoos.**
- **BCLC will continue to assess the potential opportunity for a new gaming facility in the region, including through further discussions with the Band. BCLC conducts and manages commercial gambling on behalf of the Province. BCLC will ultimately decide whether adding a new gaming facility in a region will serve the interests of British Columbians.**
- **BCLC has an open and transparent process for considering a new gaming facility, which begins with the identification of a new market.**

Name

Number

Program Area Contact:

Laura Piva-Babcock

T: 250-828-5576

KEY FACTS:

On March 11, 2020, BCLC will send a letter to the City of Victoria to advise that BCLC is concluding its Expression of Interest (EOI) engagement with that City. This decision follows a January 2019 vote by the City of Victoria to postpone indefinitely any decision regarding Mayor Lisa Helps' recommendation to send BCLC a letter indicating that the City is no longer interested in hosting a casino.

On March 13, 2020, BCLC will advise all Greater Victoria local governments of its decision, including others that responded with interest when BCLC initiated the EOI in 2015: the Township of Esquimalt, Esquimalt First Nation, the Songhees First Nation and the District of Saanich.

BCLC's letter to the District of Saanich will request a delegation to Council to reaffirm its interest in hosting a gambling facility, and discuss next steps. Saanich has continued to express its interest in hosting a gambling facility and scored second in BCLC's 2016 EOI evaluation in Greater Victoria.

Pending discussions with the District of Saanich and as a continuation of the EOI process in Greater Victoria, BCLC may elect to move forward with Saanich as its preferred Host Local Government for a potential new gambling destination.

BACKGROUND:

BCLC has a formalized EOI process for determining a preferred HLG that is efficient and transparent. When BCLC identifies a potential market for a gambling and entertainment facility, it issues an EOI to local governments in the identified market area and engages an independent third-party fairness monitor to oversee the selection of a preferred HLG.

In 2015, BCLC initiated its EOI process with local governments in Greater Victoria. In late 2018, BCLC sent a letter to the City of Victoria requesting confirmation of its interest in hosting a potential new casino. In 2019, the City of Victoria voted to postpone its decision indefinitely – halting the EOI process.

BCLC RESPONSE POINTS:

- **BCLC has advised the City of Victoria that it is concluding its Expression of Interest (EOI) engagement with that City, following its decision to postpone indefinitely any decisions regarding its interest in hosting a gambling facility.**
- **BCLC remains interested in enhancing gambling entertainment in Greater Victoria, where our market research continues to indicate that an additional facility would be attractive to both residents and tourists in the region.**
- **Guided by a third-party fairness advisor, BCLC is taking the time necessary to consider next steps in the EOI process, including through discussions with the District of Saanich, which scored second in BCLC's EOI evaluation in 2016. BCLC will make a public announcement once it has made a decision in this regard.**
- **Ultimately, local governments determine whether a gambling facility proposal proceeds to development in their communities – and BCLC respects their authority in this regard.**

INFORMATION NOTE**British Columbia Lottery Corporation****Date: March 13, 2020****BCLC COVID-19 Response
at B.C. Casinos****KEY FACTS:**

Effective March 16, 2020, BCLC and its private-sector casino service providers will reconfigure gambling equipment in all Lower Mainland casinos and community gaming centres in response to social-distancing recommendations from B.C.'s Provincial Health Officer. Specifically, BCLC and its casino service providers will add additional space between table-game seats and slot machines as one way to reduce player density.

Casino service providers have suggested additional operational changes to minimize non-essential interactions between casino employees and patrons. Some service providers, in accordance with BCLC policies and procedures and in conjunction with a BCLC Manager of Business Operations, may adjust slot-machine jackpot settings to increase the threshold at which a slot attendant is required to interact with a player to process a jackpot payout. This has no impact on the integrity or security of gambling.

As the majority of diagnosed COVID-19 cases are within the Lower Mainland at this time, these measures will take effect in Lower Mainland gambling facilities (Squamish to Chilliwack), but may be enhanced and expanded as the situation evolves.

BCLC and service providers continue to make additional hand sanitizer stations available throughout gambling facilities, and staff is making additional efforts to wipe down unattended slot machines and table games with increased frequency than under normal circumstances.

In addition to facility-layout and operational changes, BCLC and casino service providers continue to meet daily via teleconference to discuss site-specific updates and preventative measures required, including in response to guidelines and instructions from Health Canada, the B.C. Ministry of Health and the B.C. Centre for Disease Control.

While BCLC was advised by the B.C. Government on March 12, 2020 that the directive to cancel any gathering larger than 250 people does not apply at this time to the gaming floor operations of casinos and community gaming centres, service providers are required to adhere to this directive for theatre and event spaces, which they operate independent of BCLC.

From a marketing perspective, BCLC has suspended its casino advertising, email and direct mail communication with players in order to mitigate the possibility of encouraging players who may be vulnerable to COVID-19 to visit casinos and community gaming centres. Additionally, BCLC has added COVID-19 messaging to websites and signage at casinos to give players information and reminders on how to stay safe as well as links to additional public resources.

BCLC RESPONSE POINTS:

- **BCLC takes concerns seriously regarding COVID-19. The safety and wellbeing of our players and employees is always our top priority.**
- **Given the current risk to the public is low and that exposure in B.C. is closely monitored and treated, our casinos and community gaming centres remain open at this time.**

- In light of social-distancing recommendations from B.C.'s Provincial Health Officer, BCLC and our casino operators are making operational changes, including the reconfiguration of gambling equipment at all Lower Mainland casinos and community gaming centres.
- Specifically, beginning March 16, we will add additional space between table-game seats and slot machines as one way to reduce player density. These precautions may enhance and expand as the situation evolves.
- BCLC reminds players, for their own wellbeing and that of those around them, to remain at home if they are feeling unwell.

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

<p>INFORMATION NOTE</p> <p>British Columbia Lottery Corporation</p> <p>Date: March 20, 2020</p>	<p>BCLC's Lottery Updates in Response to COVID-19</p>
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Key Facts:

BCLC is making changes to its lottery operations in response to COVID-19 concerns and in support of the health of its players, partners, people and communities – and in line with social-distancing guidelines from the Provincial Health Officer.

On March 20, 2020, Loto-Québec announced a suspension of lottery sales at retail locations and kiosks, and that it will disconnect its network of lottery terminals as soon as possible. Online sales of lottery will continue. The announcement follows direction from the Province of Québec to change procedures to discourage players from leaving their homes to purchase lottery tickets.

On March 23, 2020, BCLC and the four other Canadian provincial lottery jurisdictions that comprise the Interprovincial Lottery Corporation (ILC), will meet to discuss matters related to lottery. The ILC operates national draw-based lottery games: Lotto 6/49, Lotto Max and Daily Grand.

Prize-Payout Closures

On March 18, 2020 at 4:30 p.m., BCLC temporarily closed its two prize-payout centres, located in the Kamloops head office and Vancouver corporate office. To support players who wish to claim lottery prizes or have tickets that are close to expiry, BCLC implemented alternative [prize-claim processes](#), which underwent an internal security-risk assessment:

- The process for claiming prizes from \$1-\$200 remains the same. Ticket-holders of lottery prizes between \$1- \$200 can continue to redeem at lottery retailers across B.C., excluding casinos, bars and pubs, while they remain closed. Some lottery retailers may have the ability to pay prizes up to \$2,000; however, most retailers do not keep large sums of cash on hand for security reasons.
- For prizes up to and including \$25,000, players have the option to hold on to their ticket and call BCLC for information on next steps, or claim their prize through the mail. BCLC will mail cheques for prizes less than \$10,000, and courier cheques for prizes of \$10,000 or more.
- All claims for prizes more than \$25,000 are on hold until further notice. BCLC is asking players with tickets of this amount to call its customer support line to provide information required to log the claim (including a photograph of the front and back of a ticket and identification information) which ensures that BCLC can pay out winners irrespective of ticket expiry dates.

As per social-distancing guidelines from the Provincial Health Officer and in alignment with other Canadian lottery jurisdictions, BCLC deemed that closing its prize-payout offices temporarily was the most prudent decision for the safety of players and staff. In-person prize-claim processes for winning tickets of \$10,000 and more involve one-on-one interviews between players and staff from multiple BCLC departments and take approximately two hours, while prizes of \$25,000-\$500,000 take approximately three hours.

Due to the mail-in option offered with a higher payout threshold (increased from \$10,000 to \$25,000), and based on historical winning trends, BCLC estimates that there will be an average of about 20 players per month with winnings of more than \$25,000 that will be impacted by the closure.

BCLC remains in daily contact with other Canadian lottery jurisdictions to share best practices and information in related to COVID-19. The majority of jurisdictions have also closed their prize-payout locations to help stop the spread of COVID-19 among players and lottery staff.

The Ontario Lottery and Gaming Corporation, Loto-Québec and the Atlantic Lottery Corporation have closed their prize payout offices. The Western Canadian Lottery Corporation has closed its Calgary, Saskatoon and Regina offices, while the Winnipeg and St. Albert offices remain open.

Suspension of Lottery Retailer Revenue Program

Given the assumed decline in lottery sales related to COVID-19, effective March 19, 2020, BCLC has also suspended its Lottery Retailer Revenue Review Program (RRRP) until further notice. RRRP evaluates lottery retailers based on meeting minimum financial success criteria.

In response to recommendations made in the 2014 Crown Review of BCLC, BCLC implemented RRRP in 2016, which establishes minimum thresholds based on financial performance.

Under the now-suspended RRRP, seven of BCLC's 3,500 lottery-retail partners were to have their Lottery Retailer Agreements with BCLC terminated by March 31, 2020 and are now temporarily exempt for an undetermined period.

BCLC RESPONSE POINTS:

- **BCLC cares deeply about the health and safety of our players, business partners, employees and communities. We are doing our part to stop the spread of COVID-19.**
- **On March 18, 2020, BCLC closed its Prize Payout Offices in Kamloops and Vancouver in light of social-distancing guidelines.**
- **To assist our players, BCLC has implemented alternative prize-claim processes, which we have posted to bclc.com and on social media. Players with a winning lottery ticket can also call BCLC Customer Support at 1-866-815-0222.**
- **BCLC continues to support the decisions of our private-sector lottery retailers to reduce hours, close locations and/or implement proper social-distancing protocols during this challenging time.**
- **To support further our lottery retailers and given the assumed decline in lottery sales related to COVID-19, effective March 19, 2020, BCLC also suspended its Lottery Retailer Revenue Review Program (RRRP) until further notice. RRRP given evaluates lottery retailers based on meeting minimum financial success criteria.**
- **This is an unprecedented time, during which we are committed to conducting our business in the best interest of our players, our people and our communities.**

Program Area Contact: Name
 Laura Piva-Babcock

Number
T: 250-828-5576

<p align="center">INFORMATION NOTE</p> <p>British Columbia Lottery Corporation</p> <p>Date: April 6, 2020</p>	<p align="center">Lottery Ticket Expiry Extension</p>
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Key Facts:

On April 7, 2020 (exact timing is TBD in alignment with other national lottery jurisdictions) BCLC will issue an Information Bulletin to media announcing it that it is extending the expiry date on both draw-based and Scratch & Win lottery tickets by six months (183 days). The extension only applies to tickets with an expiry date between March 17, 2020 and September 17, 2020. BCLC and the other Canadian provincial lottery jurisdictions that comprise the Interprovincial Lottery Corporation have made these changes in recognition that physical-distancing requirements to help stop the spread of COVID-19 may affect players' ability to claim prizes.

The expiry-date extension applies to tickets from all national draw-based lottery games: Lotto 6/49, Lotto Max and Daily Grand – and all B.C. regional draw-based lottery games: Keno, BC/49, BC50/50, Poker Lotto and Pacific Hold 'Em Poker. The six-month prize-claim extension also applies to all national and regional Scratch & Win tickets that would have expired between March 17, 2020 and September 17, 2020. For draw-based games and Scratch & Win tickets whereby the expiry date does not fall within March 17, 2020 to September 17, 2020, the expiry date remains as 12 months from the date of the draw, or as indicated on the back of the ticket for Scratch & Win.

Alternative Prize-Payout Process

BCLC has updated its alternative prize-claim process to incorporate prize claims up to and including \$1 million. For prizes more than \$25,000 and up to \$1 million, BCLC has implemented a virtual process to approve claims that meet required security criteria. This process continues to include multi-layered investigation safeguards, including player interviews via video calls, to ensure the integrity of the lottery.

In instances where BCLC cannot verify a player's prize claim through the alternative prize-claim process, the player must wait until BCLC's prize-payout offices re-open. In these circumstances, given that BCLC has completed the initial steps of the player's prize-claim process, and because there is no limit to a duration of a prize claim process, the ticket expiry date will not be a factor that affects the future prize payout.

Background:

BCLC temporarily closed its lottery prize payout centres located in our Kamloops head office and Vancouver corporate office, effective March 18, 2020 to support the health and well-being of our staff and players and in light of physical-distancing directions from the Provincial Health Officer. To support players who wish to claim lottery prizes or have tickets that are close to expiry, BCLC implemented alternative [prize-claim processes](#), which underwent an internal security-risk assessment.

BCLC RESPONSE POINTS:

- **BCLC and the other members of the Interprovincial Lottery Corporation have extended both draw-based and Scratch & Win lottery ticket expiry dates by six months, in recognition that physical-distancing requirements to help stop the spread of COVID-19 may affect our players' ability to claim prizes.**
- **The extension only applies to draw-based and Scratch & Win lottery tickets with an expiry date between March 17, 2020 and September 17, 2020.**
- **To support players who wish to claim lottery prizes during this time, BCLC has implemented an alternative prize-claim process. All players with winning tickets should contact BCLC Customer Support at 1-866-815-0222 to start the prize-claim process and discuss next steps on a case-by-case basis.**

<p align="center">INFORMATION NOTE</p> <p>British Columbia Lottery Corporation</p> <p>Date: April 8, 2020</p>	<p align="center">GameSense Advisor Program Enhancements</p>
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Key Facts:

Effective April 8, 2020, BCLC is enhancing its GameSense Advisor (GSA) program to support all players via telephone and later, effective spring 2020 (TBC), via online chat on PlayNow.com. Until now, GSAs have provided in-person support to players at B.C. casinos and community gaming centres.

BCLC is making enhancements to its GSA program using existing staff resources and as part of its overall strategic focus on player health and in response to the COVID-19 pandemic during which players may experience additional economic, health and other challenges.

Additionally, given the unprecedented growth of PlayNow.com in recent weeks, BCLC has taken this step to increase the safeguards already available to support its online players. These include age-verification controls, a session log that provides players with clear visibility into their play activity, a short-term lockout function for players who want to set up a break from their gambling, and a voluntary-self exclusion (VSE) program for those who wish to exclude themselves from gambling.

BCLC's Customer Support Centre team has been trained on how to respond to players' questions or concerns about how games work, or concerns about gambling. Now, through telephone/online chat, GSAs will complement the response by offering expertise and opportunity for meaningful discussions to connect players to problem-gambling support; provide information related to the VSE program; educate players about how games work/common gambling myths; and support players that may be experiencing loneliness or distress due to gambling facility or lottery-kiosk closures and/or COVID-19.

BCLC's Customer Support Centre will connect players to GSAs in circumstances when players ask questions about how games work or how to set a budget, or when players exhibit signs of distress or raise concerns regarding problem gambling. Players can also call in to BCLC's Customer Support Centre via 1-866-815-0222 and specifically request to speak to a GSA.

BCLC will communicate the GSA enhancements to players through an email letter to PlayNow.com account holders and Encore Rewards (casino loyalty) members, as well as regular GameSense messaging on GameSense.ca and social media. BCLC will also post the letter to bclc.com.

Background:

GSAs receive mental health, cultural sensitivity and appropriate-response training to provide players with support and assistance in a variety of high-stress situations. GSA's knowledge of available community resources in a number of areas allows them to make meaningful referrals targeted to customer needs, notably the BC Gam Info Line, and to assist players with the VSE process, should they wish to take a break from gambling.

BCLC RESPONSE POINTS:

- **These are unprecedented times for our communities and for our business, and we want to ensure that players have the information and resources they need to play for fun, and to stay within their limits.**
- **BCLC recognizes that with the necessity of physical-distancing measures, many players may be feeling isolated and need more support with their gambling decisions.**
- **That's why we're enhancing player-health supports and offering more one-on-one accessibility to GameSense Advisors over the phone and live chat through PlayNow.com**
- **GameSense Advisors help by answering gambling-related questions, providing additional support resources and referrals to free professional counselling services offered by the Province of BC, to make sure that gambling stays safe and just for fun.**

INFORMATION NOTE**British Columbia Lottery Corporation****Date: April 17, 2020****2019 Deloitte Assessment
of BCLC's AML Compliance
Program****KEY FACTS:**

On April 22, 2020, BCLC will proactively post to bclc.com its latest independent Anti-Money Laundering (AML) assessment and associated response plan. BCLC is withholding some information under Sections 15 (harm to law enforcement), 17 (harm to the economic and financial interests of BCLC) and 22 (harm to personal privacy) of the Freedom of Information and Protection of Privacy Act.

The Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) requires BCLC to undergo a comprehensive AML review annually. The purpose of the review is to assess BCLC's AML program and reporting procedures for effectiveness and compliance against PCMLTFA and Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) requirements.

FINTRAC conducts its examinations biennially, and BCLC engages an independent, nationally recognized accounting firm to conduct assessments in the alternating years.

BCLC engaged Deloitte LLP to conduct the latest assessment, which BCLC received on September 27, 2019.

As part of its assessment, Deloitte conducted fieldwork – consisting of reviews of documentation, interviews with BCLC and casino staff and site walkthroughs – from July 29 to September 20, 2019 at five land-based casinos and PlayNow.com, BCLC's eGaming site.

Deloitte also selected and tested samples of casino and eGaming regulatory reports and investigation files created between October 1, 2018 and March 31, 2019 (i.e. Large Cash Transactions, Suspicious Transaction Reports, Unusual Financial Transactions, Know-Your-Patron profiles).

Deloitte provided BCLC with five findings, summarized below. BCLC has completed all actions in response to those findings.

SUMMARY OF FINDINGS / BCLC RESPONSE:

Summary of Deloitte Findings	Summary of BCLC Responses
Deloitte found that BCLC's policies and procedures did not specify required timelines for AML-related alerts to be reviewed and determine if it needs to submit a Suspicious Transaction Report (STR) to FINTRAC. 10 of 26 alerts sampled were not acted upon in a timely manner.	BCLC has revised its policies to require that each alert and Patron Gaming Fund account notification be reviewed within a specific timeline. BCLC will continue to track all alerts for auditing purposes.
BCLC's current AML Risk Register methodology did not clearly demonstrate all facets of its exposure to money laundering and terrorist financing activities. The AML Risk Register did not consider the inherent characteristics and risk posed by patrons and the nature of business relationships.	BCLC has updated the AML Risk Register to reflect a 'tab' to include a relationship-based patron risk assessment, with risk ratings linked to: the nature and type of business relationships patrons may have with BCLC.

Of the 53 Large Cash Transaction (LCT) samples reviewed by Deloitte, three were not in accordance with legislative requirements. In these incidents, patrons were able to continue to gamble at a casino, despite their information being incomplete or incorrectly entered.	<p>BCLC has updated both player profiles noted to ensure the incomplete or incorrect information is updated prior to allowing any further gaming.</p> <p>BCLC also made enhancements to its security incident reporting and risk management system to require specific patron information.</p>
Of the 53 LCT samples reviewed, Deloitte found three instances in which a patron was able to complete a LCT without completing a Reasonable Measures form in full (i.e. the third-party confirmation field or the ID confirmation field was not completed).	BCLC has implemented further Enhanced Due Diligence checks including reviews of Source of Funds and Reasonable Measures filings by Service Providers, completed by an external auditing team.
<p>Deloitte noted that eight BCLC employees had not completed required AML training in accordance with the two-year refresher policy.</p> <p><i>Note: The eight employees with outstanding AML training requirements did not work on BCLC's legal, compliance and security team.</i></p>	BCLC has put additional measures in place to ensure all staff members are completing their required AML training in accordance with BCLC's onboarding and refresher policies.

BCLC RESPONSE POINTS:

- In the interests of transparency, BCLC is proactively releasing its most recent, independent Anti-Money Laundering (AML) assessment by Deloitte LLP.
- BCLC developed and completed an action plan to address the five findings from Deloitte's assessment as part of our commitment to continuous improvement.
- We operate in a highly regulated environment and work closely with regulators and police to prevent and detect any illegal activity associated with gambling in the province.
- The Proceeds of Crime (Money Laundering) and Terrorist Financing Act requires BCLC to undergo a comprehensive AML review annually.
- The purpose of the review is to assess BCLC's current AML program and reporting procedures for effectiveness and compliance against legislated requirements.
- These reviews ensure BCLC's AML program continues to evolve and improve.
- BCLC engages an independent, nationally recognized accounting firm to conduct a review of its AML program biennially. On alternating years, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) conducts an examination.

Program Area Contact: Name
Laura Piva-Babcock

Number
T: 250-828-5576

<p align="center">INFORMATION NOTE</p> <p>British Columbia Lottery Corporation</p> <p>Date: April 17, 2020</p>	<p align="center">Changes to Lottery Advance Buy and Lottery Express</p>
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Key Facts:

On April 20, 2020, BCLC will re-introduce modified Advance Buy for Lotto 6/49, Lotto Max, Daily Grand and BC/49 after temporary suspending this option on March 25, 2020 to safeguard players in the event that COVID-19 affected future draws. Players of these draw-based games can now purchase up to eight consecutive draws (four weeks) in advance.

BCLC re-introduced the option to Advance Buy for these games to support physical-distancing directions from the Provincial Health Officer, in light of consistent feedback from players and retailers that suspending the option prompted players to leave their homes more frequently than they would should Advance Buy be available.

Other temporary Advance Buy modifications that BCLC implemented on March 25, 2020 remain unchanged. Keno players can continue to purchase a maximum of 20 draws in a single purchase, whether on PlayNow.com or at a lottery retail location. BC 50/50 players can continue to purchase a maximum of four draws. Pacific Hold'Em Poker remains unaffected.

All of the Advance Buy modifications are temporary; the program will return to normal when BCLC is confident that COVID-19 will not affect future draws.

On April 20, 2020, BCLC is also resuming Lotto Express at grocery checkout lanes for grocery retailers that choose to continue selling lottery products. Lotto Express gives players the convenience of purchasing Lotto 6/49, Lotto Max and Extra tickets while paying for groceries at checkout lanes.

BCLC previously suppressed Lotto Express when some major grocery retail partners suspended lottery sales. Since that time, BCLC has identified a technical solution to bring Lotto Express back online to support grocery retailers that wish to continue selling lottery products.

Approximately 42 per cent of all lottery retailers have suspended their lottery operations temporarily, while others have decided to continue sales and are adhering to directions from the Provincial Health Officer.

BCLC RESPONSE POINTS:

- **BCLC has re-introduced the Advance Buy options for Lotto 6/49, Lotto Max, Daily Grand and BC/49. Players of these draw-based games can now purchase up to eight consecutive draws (four weeks) in advance.**
- **BCLC re-introduced the option to Advance Buy for these games to support physical-distancing directions from the Provincial Health Officer, in light of consistent feedback from players and retailers that suspending the option prompted players to leave their homes more frequently than they would should they be able to purchase in advance.**
- **Other temporary Advance Buy modifications that BCLC implemented on March 25, 2020 remain unchanged.**
- **BCLC is also resuming Lotto Express at grocery checkout lanes for retailers that choose to continue selling lottery products. Lotto Express gives players the convenience of purchasing Lotto 6/49, Lotto Max and Extra tickets while paying for groceries at checkout lanes.**
- **BCLC continues support the decisions of our private-sector lottery retailers to reduce hours, close locations and/or implement proper physical-distancing protocols.**

<p align="center">INFORMATION NOTE</p> <p>British Columbia Lottery Corporation</p> <p>Date: April 20, 2020</p>	<p align="center">Changes to Lottery Advance Buy and Lottery Express - updated</p>
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Key Facts:

On April 20, 2020, BCLC re-introduced modified Advance Buy for Lotto 6/49, Lotto Max, Daily Grand and BC/49 after temporarily suspending this option on March 25, 2020, to safeguard players in the event COVID-19 affected future draws. Players of these draw-based games can now purchase up to eight consecutive draws (four weeks) in advance.

BCLC re-introduced the option to Advance Buy for these games in light of consistent feedback from players and retailers that suspending the option prompted players to leave their homes more frequently than they would should Advance Buy be available.

Other temporary Advance Buy modifications that BCLC implemented on March 25, 2020, remain unchanged. Keno players can continue to purchase a maximum of 20 draws in a single purchase, whether on PlayNow.com or at a lottery retail location. BC 50/50 players can continue to purchase a maximum of four draws. Pacific Hold'Em Poker remains unaffected.

All of the Advance Buy modifications are temporary; the program will return to normal when BCLC is confident that COVID-19 will not affect future draws.

On April 20, 2020, BCLC also resumed Lotto Express at grocery checkout lanes for grocery retailers that choose to continue selling lottery products. Lotto Express gives players the convenience of purchasing Lotto 6/49, Lotto Max and Extra tickets while paying for groceries at checkout lanes.

BCLC previously suppressed all Lotto Express when some major grocery retail partners decided to suspend lottery sales in their stores. Since that time, BCLC has identified a technical solution to selectively bring Lotto Express back online to support those grocery retailers that wish to continue selling lottery products. As of April 20, 2020, Lotto Express is once again operational at 267 stores.

Approximately 42 per cent of all lottery retailers have suspended their lottery operations temporarily, while others have decided to continue sales and are adhering to directions from the Provincial Health Officer.

BCLC RESPONSE POINTS:

- **BCLC has re-introduced the Advance Buy options for Lotto 6/49, Lotto Max, Daily Grand and BC/49. Players of these draw-based games can now purchase up to eight consecutive draws (four weeks) in advance.**
- **As a result of feedback from players and retailers, BCLC has re-introduced the option to Advance Buy for these games. They told us that suspension of the option prompted players to leave their homes more frequently than they would if they purchased in advance.**
- **Other temporary Advance Buy modifications that BCLC implemented on March 25, 2020, remain unchanged.**
- **BCLC is also resuming Lotto Express at grocery checkout lanes for retailers that choose to continue selling lottery products. Lotto Express gives players the convenience of purchasing Lotto 6/49, Lotto Max and Extra tickets while paying for groceries.**
- **BCLC continues to support the decisions of our private-sector lottery retailers to reduce hours, close locations and/or implement proper physical-distancing protocols.**

KEY FACTS:

BCLC is bringing its Retail Stores Group (RSG) kiosks back to full operations, in a phased approach, with new infrastructure and operating procedures that support physical-distancing directions from the Provincial Health Officer. These include new protective plexi-glass shields, floor decals to demonstrate two-metre distance requirements, gloves for transactions and enhanced cleaning and disinfectant protocols.

These 202 kiosks are dedicated to selling lottery products in high-traffic environments: grocery/big box stores (128 locations) and shopping centres/airports/ferry terminals (74 locations). In fiscal year 2018/19, RSG lottery sales accounted for \$253 million in revenue, 20 per cent of the annual revenue for BCLC's Lottery business overall. Including RSGs, BCLC has 3,500 lottery-retail partners in its network.

BCLC rents/leases RSG premises and the private-sector operators are responsible for daily business operations, including staff hiring. These operators earn compensation from BCLC based on lottery sales.

These kiosks have been closed since March 24, 2020 (with 88 closing in the days before that). BCLC has continued to support the decisions of private-sector lottery retailers to reduce hours, close locations and/or implement proper physical-distancing protocols.

BCLC anticipates it will resume full RSG operations in phases, by mid-June 2020, subject to retailer and landlord approval to re-open. In collaboration and with approval from these business partners, BCLC is phasing RSG re-openings based on location-specific player demand/consumer traffic and sales volume, and in careful consideration of the health and wellbeing of retailers, players and communities.

Reactivation plans are underway, and BCLC expects that an initial 16 kiosks located in select shopping centres, Sobeys and Overwaitea Food Group stores will re-open by May 11, 2020, with more kiosks planned to re-open throughout May and June.

BACKGROUND:

BCLC has temporarily compensated RSG retailers that chose to suspend operations in light of COVID-19. Compensation was at the established minimum target threshold by month (\$41,500 is the annual minimum and it was pro-rated to a monthly amount) under the terms of the Retail Stores Group Compensation Program. Given plans to resume operations, BCLC provided its RSG retailers with 30 days' notice that it will cease providing this compensation after May 23, 2020. Any RSG retailers who choose to remain closed may be eligible for Federal Government relief resources.

RSG retailers are one sub-group of BCLC's lottery network. As of April 29, 2020, 71 per cent of BCLC's lottery network of 3,500 retailers are selling lottery products, as per below:

Channel	Total Retailer Count	Suspended retailer count
RSG	202	202
Hospitality (Pubs/Bars)	581	581
Hospitality (Casinos & Community Gaming Centres)	38	38
Hospitality (Private Liquor Retail Stores)	62	1
Retail Accounts (Key Accounts: grocery, gas & convenience stores)	1,768	68
Retail Accounts (Independent)	849	136
Total Retailers	3,500	1,026

BCLC RESPONSE POINTS:

- Lottery sales continue in B.C. at this time and BCLC continues to support the decisions of our private-sector lottery retailers to reduce hours, close locations and/or implement proper physical-distancing protocols.
- BCLC's network of 202 "Retail Stores Group" dedicated lottery kiosks are beginning to re-open across B.C. with new infrastructure and operating procedures that support physical-distancing directions from the Provincial Health Officer.
- These include new protective plexi-glass shields, floor decals to demonstrate two-metre distance requirements, gloves for transactions and enhanced cleaning and disinfectant protocols.
- In collaboration and with approval from our retail partners, BCLC is determining when its dedicated lottery kiosks will re-open based on location-specific player demand/consumer traffic and sales volume, and in careful consideration of the health and wellbeing of retailers, players and communities.
- Thanks to our players, revenue from lottery sales in B.C. goes back to the Province to support healthcare, education and community programs.

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INFORMATION NOTE**British Columbia Lottery Corporation****Date: May 8, 2020****Annual Play It Forward Benefits
of Gambling Proceeds
Campaign****KEY FACTS:**

BCLC is continuing its annual marketing campaign to build public awareness of the benefits that the gambling industry provides to the province. Every year, since 2015 BCLC has been running the Play it Forward campaign. The 2020 campaign will be in-market from June to September, with a refreshed approach given the current realities of the COVID-19 pandemic timeframe.

BCLC's social license is integral to BCLC continuing to provide socially responsible gambling to support provincial programs. Building an understanding of how the gambling industry supports the province and communities is one way BCLC grows and maintains that license and broadens its player base. For 2020, BCLC has refreshed this campaign so that it will be appropriate in the current pandemic timeframe and meet the present day business objectives.

The 2020 campaign educates British Columbians that every time they play a BCLC game, the profits go back to the province to fund important programs such as healthcare, education and community programs. It notes: *with every play, we're making BC even better* and makes the connection that when people play BCLC games, they are benefiting the province.

Focusing on the high-level categories of where the Province of B.C. invests gambling proceeds is an adjustment from previous years, when the campaign shared specific stories of how certain Host Local Governments spent their share of provincial revenue from casinos and community gaming centres. BCLC made this adjustment given the current temporary closures of these gambling facilities in B.C.

B.C. casinos temporarily closed on March 16, 2020 in accordance with directives issued by the Attorney General and later, the Provincial Health Officer. In March, many lottery retailers also temporarily chose to suspend lottery sales; some have since gradually resumed sales. Currently, about 71 per cent of BCLC retailers are selling lottery. During the COVID-19 period, PlayNow.com has experienced significant increases in net sales as land-based casino and lottery players choose to play online.

In March 2020, BCLC temporarily suspended all product and gambling channel marketing and plans to resume lottery product marketing in July 2020 and PlayNow.com digital marketing, gradually, beginning in mid-May.

BACKGROUND:

BCLC is leveraging existing marketing budgets for the refreshed Play It Forward benefits of gambling proceeds marketing campaign, including re-purposing some of the budget that had originally been designated for product marketing. The cost to develop and deliver the campaign, which will include broadcast media, digital, social and owned assets, is approximately \$1.6 million.

BCLC RESPONSE POINT

- **BCLC is continuing its annual advertising program to improve public awareness of the benefits that the gambling industry provides to the province, through funding to support things that we all rely on, like healthcare, education and community programs.**
- **In light of COVID-19 impacts to communities and BCLC business objectives, we have refreshed the 2020 campaign to focus on sharing information through broadcast, digital and social media.**
- **We have paused annual Play It Forward community activations and stakeholder events temporarily due to physical-distancing directions.**
- **BCLC funds the program with existing operating budgets.**

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