

T-1801-10

FEDERAL COURT

BETWEEN:

BRITISH COLUMBIA LOTTERY CORPORATION



and

ATTORNEY GENERAL OF CANADA

Respondent

CONSENT

WHEREAS by Notice of Decision dated October 1, 2010, the Director of the Financial Transactions and Reports Analysis Centre of Canada (the "Director" and "FINTRAC" respectively) imposed an administrative monetary penalty against the *British Columbia Lottery Corporation* (BCLC) under provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act") and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations* (the "Decision");

AND WHEREAS on October 29, 2010, the *British Columbia Lottery Corporation* filed an appeal of the Decision to the Federal Court (the "Appeal");

AND WHEREAS in the course of an internal review following the commencement of the appeal FINTRAC issued a Revised List of Instances reducing the

Number of violations committed and at the same time reduced the proposed administrative monetary penalty;

AND WHEREAS the British Columbia Lottery Corporation, following its own internal review, acknowledges there were technical administrative violations in its reporting and provided evidence of due diligence;

AND WHEREAS the parties have determined that violations were reasonably attributable to technical matters such as software management and data entry issues and were remedied by BCLC;

AND WHEREAS FINTRAC is satisfied that the technical administrative violations were quickly remedied and that subsequent compliance examinations demonstrated enhanced compliance;

AND WHEREAS the Director believes it is in the public interest that the Decision be varied on appeal:

1. On consent, the parties agree that the appeal from the Decision of the Director be allowed to vary the Decision of the Director by means of an Order, to be issued by the Federal Court in the form and content attached as Schedule "A" to this Consent.

DATED at Toronto, this th day of July, 2017.

Per:

UPON MOTION, in writing on behalf of the Appellant and Respondent, for an Order allowing the appeal to vary the Decision of the Director on appeal, was read this day at 180 Queen Street West, Toronto:

AND UPON READING the consent filed by the parties which confirms that no party under a disability is affected by this order;

I. THIS COURT ORDERS THAT

- a. The appeal be allowed to vary Decision of the Director to impose an Administrative Monetary Penalty against the appellant and that the Administrative Monetary Penalty thereby imposed be and the same is hereby set aside.
- b. There is no order as to costs.

Federal Court



Cour fédérale

MEMORANDUM

Comments

TO: The Honourable Madam Justice Gagné

FROM: Robert Lemoine
Registry Officer

DATE: August 10, 2017

RE: British Columbia Lottery Corporation v. Attorney General of
Canada
T-1801-10

Nature of Proceeding: Appeal

Before the Court: The parties have jointly submitted a letter and a consent document setting out the terms of the disposition of this matter. Madam Prothonotary Milczynski (CMJ) has requested that this matter be put before the duty judge in Ottawa this week. There is a case management conference currently scheduled before Madam Prothonotary Milczynski on Monday, August 14, but if the order is signed ~~that~~ that teleconference will no longer be necessary.

Please find under separate cover the following:

TAB No.

- 1) Letter of the Respondent dated August 8, 2017
- 2) Consent of the parties dated August 8, 2017

RDL



Department of Justice
Canada

Ontario Regional Office
The Exchange Tower
130 King St. West
Suite 3400, Box 36

Toronto, Ontario
M5X 1K6

Ministère de la Justice
Canada

Bureau régional de l'Ontario
la tour Exchange
130 rue King ouest
Pièce 3400, CP 36
Toronto (Ontario)
M5X 1K6

Tel:
Fax:
Email:

PERSONAL INFORMATION

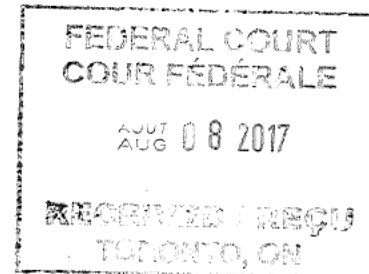
Our File: 2-595118
Notre dossier:

Your File:
Votre dossier:

August 8, 2017

VIA EMAIL

Prothonotary Martha Milczynski
Federal Court of Canada
180 Queen Street West
Suite 200
Toronto, Ontario
M5V 3L6



Dear Prothonotary Milczynski:

**Re: British Columbia Lottery Corporation and Attorney General of Canada
Court File No.: T-1801-10**

I write to you with the agreement of, Ms. Henein, counsel for the Appellant, British Columbia Lottery Corporation. By letter dated July 28, 2017 addressed to you Ms. Henein advised that the parties had come to a resolution of this matter and requested that a telephone conference with a judge be arranged on or after August 4, 2017 to discuss the final order and other housekeeping matters.

The parties have executed a consent setting out the terms of disposition of the appeal in a draft order annexed thereto to be submitted to the court for approval. I do not believe in these circumstances either the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (the legislation at issue in this appeal) or the Federal Courts Rules operate to preclude a prothonotary from issuing the order requested by the parties. As such it would appear that you could sign and issue the order pursuant to Rule 50(5) and the requested teleconference with a judge would not be necessary.

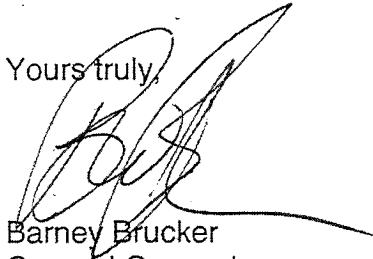
Counsel therefore propose to submit the consent and draft order for your approval and subsequent signing, issuance and return by the court and could do so this week. In the event there are questions or concerns counsel are prepared to address those by teleconference or appearance before you if requested. In that event Ms. Bennett-Nelson of the Toronto case management team has asked that counsel advise their availability during the week of August 14th, 2017. I am available any time that week

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save for the a.m. of August 14 and Friday, August 18th. I understand Ms. Henein has similar availability. Kindly advise your preference as to how you wish us to proceed.

Yours truly,

A handwritten signature in black ink, appearing to be 'BB', with a long horizontal flourish extending to the right.

Barney Brucker
General Counsel
National Litigation Sector

cc. Marie Henein (via email)



HENEIN HUTCHISON LLP
BARRISTERS

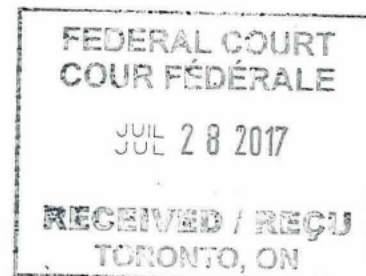
July 28, 2017

Via Facsimile **PERSONAL INFORMATION**

Prothonotary Marthy Milczynski
Federal Court of Canada
180 Queen Street West, 2nd Floor
Toronto, ON M5V 3L6

Dear Prothonotary Milczynski:

RE: British Columbia Lottery Corporation v. Attorney General of Canada
Federal Court File No. T-1801-10



I am writing to you with the consent of counsel for FINTRAC, Mr. Barney Brucker. The parties have come to a resolution on this matter. We would be grateful if a teleconference with a judge could be scheduled so we may discuss the final order and other housekeeping matters. Both Mr. Brucker and I are available on August 4 if that date is available or the following week.

Yours very truly,

HENEIN HUTCHISON LLP

Marie Henein

MH/vkt

cc: Barney Brucker
Via email: **PERSONAL INFORMATION**