

December 19, 2013

Gaming Policy & Enforcement Branch
 Ministry of Finance
 3rd Floor - 910 Government Street
 Victoria, BC V8W1X3

Attention: John Mazure
 Assistant Deputy Minister



Dear John:

Re: High Limit Table Changes

I write to you regarding two matters related to BCLC's request to increase the betting limits on high limit tables at BC Casinos.

First, as it pertains to the decision to increase the betting limits on high limit tables, I have provided my approval for BCLC's Casino and Community Gaming Division to work with the casino service providers to implement changes to these limits so that they are in place prior to January 31st, 2014, and in particular, at the Edgewater and River Rock Casinos.

I have made this decision for two reasons: it falls within BCLC's mandate to make this **Redacted by BC - Solicitor Client Privilege** **Redacted by BC - Solicitor Client Privilege** and; out of an interest of the time it will take to execute these changes to provide greater player convenience during a peak period for casino visitation and revenue.

Second, I am hoping this matter will serve as a learning opportunity to improve efficiency and communication for both of our organizations. In the past, BCLC would notify GPEB of these changes and gain agreement, usually informally, based on the concept of matters that are considered "operational" and matters that are considered "regulatory".

In this case, on September 17th, 2013, BCLC contacted the GPEB to advise of an operational change BCLC would like to make on the betting limits on VIP and high limit tables. Shortly after, BCLC was informed that GPEB would need to approve any change to table limits. Subsequently, on December 17th, GPEB sent BCLC a copy of the draft briefing note requesting input and feedback before being submitted to you for your decision. **Redacted by BC - Solicitor Client Privilege**

Redacted by BC - Solicitor Client Privilege In terms of the content of the briefing note, I will take the opportunity to discuss this with you in person in the New Year.

A very simple decision took 13 weeks to resolve and if not for senior-level intervention, BCLC and the Province of British Columbia would miss out on an important incremental revenue opportunity. It is clear we can do better to save a lot of time and effort on the part of our staff, not to mention gaining a number of weeks to execute this change with better communication and before any documents are created.

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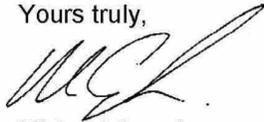
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BCLC works continuously to balance its revenue generation priorities with social responsibility considerations and I hope in the future this example will enable our organizations to work together in a more collaborative and nimble fashion.

Yours truly,

A handwritten signature in black ink, appearing to read 'MGL', with a long horizontal stroke extending to the right.

Michael Graydon
President & CEO

Cc: Cheryl Wenezenki-Yolland, ADM, Ministry of Finance
Jim Lightbody, VP, Casino & Community Gaming
Susan Dolinski, VP, Communications & Social Responsibility