

August 19, 2010

Log #167193

Michael Graydon
President and Chief Executive Officer
BC Lottery Corporation
10760 Shellbridge Way
Richmond BC V6X 3H1

Dear Michael Graydon:

Re: Reactivation of PlayNow.com website

I am writing to confirm that the technical review of the PlayNow.com incident and remediation activities is now complete. This includes: the work undertaken by staff of the BC Lottery Corporation; testing of the issue and the Corporation's remediation efforts by TST, a GLI Company (TST); and Deloitte & Touche LLP Canada's (Deloitte) completion of phase one of its review of the PlayNow.com system.

Deloitte has confirmed it is confident that the root cause for the "data crossover" between account users has been correctly identified and that the remediation plan effectively resolves this issue.

Gaming Policy and Enforcement Branch has provided oversight of all of this activity and worked in cooperation with the Office of the Information and Privacy Commissioner (OIPC) as it considered the related privacy issues.

As a result of all of the reviews and activities to date, including the results of TST's independent testing of the PlayNow.com platform and games, the Branch approves the re-launch of the website and all games fully certified to date.

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The Branch will now initiate and oversee post-launch activities, again in cooperation with the OIPC. These include:

- An Information Systems Security Audit to verify that the overall PlayNow.com network architecture and all related components have been implemented with appropriate levels of security and stability; and
- Phase two of Deloitte's review concerning IT general controls focussing on policies and procedures (including governance and risk management) used to implement PlayNow.com casino games.

Sincerely,

A handwritten signature in black ink, appearing to read 'D Sturko', with a long horizontal flourish extending to the right.

Derek Sturko
Assistant Deputy Minister

cc: Honourable Rich Coleman
Elizabeth Denham, Information and Privacy Commissioner for BC
Rick Saville
Steve Lefler