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SEP 30 2016

Mr. Philip Olsson
Chair
Ontario Lottery and Gaming Corporation
4120 Yonge Street, Suite 500
Toronto, Ontario
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Dear Mr. Olsson:

I am pleased to write to you in your capacity as Chair of the Ontario Lottery and Gaming Corporation (OLG). Pursuant to the requirements of the Agencies and Appointments Directive, this letter sets out the government's expectations for the OLG for the 2017-18 fiscal year.

Ontario's board-governed agencies are vital partners in ensuring the delivery of high quality services to Ontarians. The people of Ontario depend on you to provide leadership to the OLG's board, management and staff. Together with your fellow board members, the people of Ontario rely on you to establish the goals, objectives and strategic direction for OLG consistent with its mandate, government policies, and my directions, where appropriate.

As you know, pursuant to the *Ontario Lottery and Gaming Corporation Act, 1999* (the act), your agency is mandated to provide gaming and lottery entertainment to the people of Ontario in a socially responsible manner. The revenues from OLG's business efforts are to be returned to the province to support government priorities such as healthcare, education and general government priorities. OLG's operations also result in economic benefits for the people of Ontario, related economic sectors, and host communities.

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In terms of OLG's 2017-18 business planning work, I expect OLG to continue to focus on:

- modernizing the gaming business, leading to viable transactions that will provide more choice and convenience for customers. This includes releasing the remaining land-based gaming Requests for Proposal;
- determining the next steps for the modernization of the lottery business;
- continuing to further integrate the horse racing industry into the province's gaming strategy including:
 - on behalf of the government, administering funding to the horse racing industry up to March 2021, under the government's Horse Racing Partnership Funding Program; and
 - recommending a long-term funding arrangement with the horse racing industry that is supported by the industry and subject to government approvals;
- continued adherence to directives and policies regarding compensation and expenses; and
- achieving continuous improvement in responsible gaming standards in all business lines while maintaining a strong commitment to social responsibility.

I thank you and the board members for your service.

Sincerely,



Charles Sousa
Minister

c: Scott Thompson, Deputy Minister of Finance
Nancy Kennedy, Assistant Deputy Minister, Revenue Agencies Oversight,
Ministry of Finance
Stephen Rigby, President and Chief Executive Officer, Ontario Lottery &
Gaming Corporation