

SECOND AMENDMENT TO ADMINISTRATION AGREEMENT

THIS SECOND AMENDMENT TO ADMINISTRATION AGREEMENT (the "**Amendment**") made effective as of the 1st day of October, 2017 (the "**Effective Date**").

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF
ONTARIO, AS REPRESENTED BY THE
MINISTER OF FINANCE,**

(hereinafter referred to as the "**Minister**")

- and -

**ONTARIO LOTTERY AND GAMING
CORPORATION,**

(hereinafter referred to as "**OLG**")

WHEREAS the Minister and OLG are parties to that certain Administration Agreement made effective as of April 1, 2016, as amended by that certain First Amendment to Administration Agreement made effective as of October 27, 2016 (the "**Agreement**");

AND WHEREAS capitalized terms used in this Amendment have the respective meanings specified in the Agreement;

AND WHEREAS the Parties desire to amend the Agreement as set forth in this Amendment;

NOW THEREFORE THIS AMENDMENT WITNESSES THAT in consideration of the respective covenants and agreements of the Parties herein contained, the Parties hereby agree as follows:

1. Section 1.1 of the Agreement is hereby amended by deleting the definition of "FAR Racetracks" in its entirety and replacing such definition with the following:

"FAR Racetracks" means Fort Erie Racetrack and Ajax Downs Racetrack;

2. Section 8.2(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

Reviews.

(a) During the term of this Agreement and in accordance with OLG's governing record retention policies, OLG agrees that the Minister or its authorized representatives may conduct a Review of OLG to confirm OLG's fulfilment of its obligations under this Agreement. For these purposes the Minister or its authorized representatives may, upon twenty-four hours' Notice to OLG and during normal business hours enter upon OLG's premises to:

(i) inspect and copy any financial records, invoices and other financially-related documents, in the possession or under the control of OLG which relate to the Funding, or otherwise to the Funded Activities; and

(ii) inspect and copy non-financial records in the possession or under the control of OLG which relate to the Funding, the Funded Activities or otherwise to the performance of OLG under this Agreement.

3. Section 8.3 of the Agreement is hereby deleted in its entirety and replaced with the following:

Document Retention and Record Maintenance. During the term of this Agreement, OLG agrees that it will retain all records (as that term is defined in FIPPA) related to OLG's performance of its obligations under this Agreement, including all financial and non-financial records relating to the Funding or otherwise to the Funded Activities in accordance with OLG's governing record retention policies.

4. Section 2 of Schedule 1: Funding, which is attached to the Agreement, is hereby amending by deleting Table 1 in its entirety and replacing it with the contents of Exhibit 1 attached to this Agreement.
5. Schedule 4 – Form of Compliance Declaration, which is attached to the Agreement, is hereby deleted in its entirety and replaced with the contents of Exhibit 2 attached to this Agreement.
6. Except as modified by this Amendment, the Agreement remains unchanged and in full force and effect.
7. This Amendment shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
8. This Amendment may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Counterparts may be delivered either in original or electronic form.

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[The next page is the signature page.]

IN WITNESS WHEREOF this Amendment has been executed by the Parties with effect as of the Effective Date.

**HER MAJESTY THE QUEEN IN
RIGHT OF ONTARIO,
as represented by the Minister of
Finance**

by _____
Name: Hon. Charles Sousa
Title: Minister of Finance

Date: _____

**ONTARIO LOTTERY AND GAMING
CORPORATION**

by _____
Name: Stephen Rigby
Title: President and Chief
Executive Officer

Date: _____

Name: Lori Sullivan
Title: SVP, Governance, Legal &
Compliance, General
Counsel and Corporate
Secretary

Date: _____

EXHIBIT 1

Table 1

	Maximum Funding Available by Funding Year ¹				
	16/17 ²	17/18 ²	18/19 ²	19/20 ²	20/21 ²
Maximum Funding Available under Agreement	\$93,419,700	\$91,646,800	\$93,511,100	\$93,511,100	\$93,511,100
Proposed Program Component Allocation					
LR Centralized and Alliance Tracks	\$71,736,452	\$73,844,118	\$76,986,452	\$76,986,452	\$76,986,452
LR Regional Tracks – Purses and Operational Support	\$3,647,000	\$3,807,000	\$3,177,000	\$3,177,000	\$3,177,000
LR FAR Tracks – Purses and Operational Support	\$16,029,355	\$13,758,334	\$10,550,000	\$10,550,000	\$10,550,000
Industry Development	\$900,000	\$237,348	\$900,000	\$900,000	\$900,000
Program Administration	\$1,106,893	-	\$1,897,648	\$1,897,648	\$1,897,648
Maximum Available	\$93,419,700	\$91,646,800	\$93,511,100	\$93,511,100	\$93,511,100

Notes to Table 1

1. Numbers cited are approximate amounts and may not add due to rounding.
2. Projected Maximum Funding is subject to appropriation and confirmation by the Minister.

EXHIBIT 2

SCHEDULE 4 – FORM OF COMPLIANCE DECLARATION

Application: April 1, 2016 - March 31, 2021

Compliance Declaration and Certification

To: The Deputy Minister of Finance

From: Ontario Lottery and Gaming Corporation ("OLG")

Date: [insert date]

Re: [insert date range: April 1, [year] – September 30, [year] or October 1, [year] – March 31, [year]] (the "**Applicable Period**")

Unless otherwise defined in this declaration, capitalized terms have the same meaning as set out in the Administration Agreement between the Minister and the OLG effective April 1, 2016, as amended from time to time.

On behalf of OLG, the undersigned declares and certifies to you as follows:

After making due inquiries and subject to any exceptions identified on Appendix 1, to the best of my knowledge, OLG has fulfilled its obligations under the Administration Agreement during the Applicable Period and prior thereto since April 1, 2016.

Chief Executive Officer of OLG