



**Special Meeting
of the Board of Directors of the
Connecticut Lottery Corporation
DRAFT MEETING TRANSCRIPTION**

Held on
Thursday, May 7, 2020 at 9:00 a.m.
via teleconference

Board Members Present: Patrick Birney, Vice Chair of the Board; Wilfred Blanchette Jr.; John Flores; James Heckman; Manny Langella; Patti Maroney; Margaret Morton; and Michael Thompson (all via teleconference).

Staff Members Present: Gregory Smith, President and CEO; Matthew Stone; and Annmarie Daigle.

I. Welcome:

(P. Birney): Good morning everyone, this is Patrick Birney. I'd like to call the Special Meeting of the Board of Directors of the Connecticut Lottery Corporation to order at 9:02 a.m. What I'd like to do is turn the meeting over to Greg Smith to advise us of a couple of teleconference procedures so that any member of the public who is listening can understand who is talking.

(G. Smith): Thank you. In accordance with Governor Lamont's Executive Order 7B, the public may access the meeting by teleconference and we do have a public line open and active now. There will be no in person attendance at the meeting. Board members, we ask that everyone identify themselves by name each time they speak, so the public can be aware of who is making the comments.

(P. Birney): This is Patrick Birney. Thank you Mr. Smith and welcome to all members of the Board and participating members of the public. We have a very short agenda this morning. I'd like to turn the meeting over to Greg to walk us through the issue before us today and then open it up for discussion and comments by members of the Board before possibly taking action on the issue.

II. Review and Possible Action Re: All Connecticut Lottery Game Rules and Official Procedures for All Scratch Games

(G. Smith): Thank you Mr. Birney. This is Greg Smith. If you recall, back in March, when the pandemic first started to become a factor for business, we chose to extend the prize claim period so that people with tickets where the prize would expire would not have to choose between claiming money and personal health choices. Starting with winning tickets that would have expired on March 16th we asked the Board and received approval for two 30-day extensions and we have used both of those. We are in the waning days of that second 30-day period. We are asking you to allow us to do another extension and give us ongoing authority and discretion to continue to extend, in accordance with DCP approval. We are also including in this motion, the request for the authority to rescind the extended periods once deemed

appropriate without needing to get further Board approval each time, be able reel back in the approval period to the normal 180-day period. We do have ongoing DCP authority to extend and they will also be part of our plan for rescinding so any approvals by the Board will be done in conjunction with the regulator.

(P. Birney): This is Patrick Birney. Anything else Greg?

(G. Smith): Not on this topic.

(P. Birney): Any questions from members of the Board on this issue?

(G. Smith): Mr. Birney, this is Greg Smith. One last comment if it helps the Board. The volume of unclaimed prizes in these extended periods that we've used is below normal prize expiration values so we are doing this out of an abundance of caution and also for the benefit of the public but we are not seeing anything as far as unusual amounts much less normal amounts of unclaimed prizes, just for your awareness.

(P. Birney): Thank you. This is Patrick Birney. My question surrounds the issue of vesting with you the concept of gradually rescinding all prize claim extensions beyond the normal 180-day period. Could you just walk the Board through your views on why the issue should be delegated to you versus calling another special meeting in thirty days or sixty days if we need to, for purposes of either further extending the deadline or announcing that we are not further extending the deadline.

(G. Smith): The rescinding concept is in here as we did not ask for that authority initially. We were considering whether we needed this thirty day period and any future ones at all and are doing in an abundance of caution and benefit to the public anticipating some relaxing of retail restrictions from the administration. The first of that will occur in a few weeks so we figured we'd continue with at least one more thirty day extension. Also seeing that the volume is low for unclaimed prizes during this time period it was to put in front of the board to see if they were comfortable for allowing the corporation's management in coordination with the DCP to allow us to start unwinding so far two of these thirty day periods and the anticipated one of today's meeting. If the Board is interested in us coming back each time we would unwind one of these thirty day periods we are perfectly comfortable to do that, it was really more for an efficiency and awareness in this request.

(J. Flores): Greg, this is John Flores. Why do we need to rescind versus letting it expire?

(G. Smith): It is a technology purpose. What really happens is we put an answer in the gaming system that says tickets, instead of having 180 days to expire, right now they have 240 days to expire. If we do not reel those days back in it will be a perpetual 240 days.

(J. Flores): Thank you.

(P. Birney): Thank you as well. That makes sense.

(G. Smith): So if you thought of a math question were not taking a benefit away from a player, it's really just bringing it back to normal with the system.

(P. Birney): Understood. With that in mind, I am comfortable with the last paragraph of the proposed resolution giving the management the right to execute a gradual rescinding of all prize claim extensions. Any other questions regarding these issues? If not, I am going to call for a motion on the issue.

Hearing none, Mr. Heckman, I call on you to read the resolution for consideration by the Board.

(J. Heckman): The Connecticut Lottery Board of Directors hereby amends its March 20, 2020 resolution regarding the 180-day prize-claim period as follows:

RESOLVED: That the CT Lottery Board of Directors hereby approves the proposed amendment to the CT Lottery's game rules for all games that extends the 180-day prize claim period for winning tickets that would expire between March 16, 2020 and June 15, 2020 by an additional thirty days. Also, the CT Lottery Board of Directors hereby approves additional 30-day extensions, if determined necessary by the CT Lottery President, and approved by the Department of Consumer Protection.

The CT Lottery Board of Directors also approves the gradual rescinding of all prize claim extensions beyond the normal 180-day period, at a pace determined by the CT Lottery President and approved by the Department of Consumer Protection.

(P. Birney): We have a motion by Mr. Heckman, do we have a second?

(M. Morton): Second. Peg Morton.

(P. Birney): Any discussion on the pending motion?

Hearing no discussion, all those in favor of the motion please signify by saying 'Aye'.

(All): Aye.

(P. Birney): Any opposed? Abstentions? The motion carries. Thank you everyone. I appreciate the work of Greg and your team on this.

III. Adjournment:

(P. Birney): I appreciate everyone's participation on short notice and will now entertain a motion to adjourn.

(J. Heckman): So moved.

(M. Morton): I'll second.

(P. Birney): All those in favor of adjourning the meeting signify by saying 'Aye'.

(All): Aye.

(P. Birney): The motion passes, the meeting is adjourned at 9:14 a.m. Thank you everyone.

Respectfully Submitted,

Matthew Stone
Corporation Secretary
CT Lottery Corporation