

Mary Ann Williamson
Chairman

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Commissioner

J. Winston Krause
Commissioner



TEXAS LOTTERY COMMISSION

Gary Grief, *Executive Director*

Philip D. Sanderson, *Charitable Bingo Operations Director*

August 3, 2010

Tom Little
CEO and President
INTRALOT
11360 Technology Circle
Duluth, GA 30097

Via facsimile: 770-295-2590
Via e-mail: tom.little@intralot.us
TIME SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services,
RFP #362-10-0001; Start-up Costs Clarification

Dear Mr. Little:

The Texas Lottery Commission (TLC) is reviewing the Proposal submitted by INTRALOT in response to the referenced RFP, and, pursuant to RFP Section 2.20, requests clarification as set forth below.

1. Attachment J (Start-up Costs) required Proposers to provide the eight (8) categories of start-up costs identified therein. Please state whether these categories include all of the start-up costs that would be required through conversion, and, if not, identify and quantify any additional categories of start-up costs that would be required.
2. For each of the eight (8) categories in Attachment J, please identify each of the cost elements included in the estimated start-up costs; for example, we would want to know whether Lottery Sales Representatives costs include only labor, or whether they also include vehicle and/or laptop expenses. We are not requiring that each contributing cost element be quantified, only that each of the elements that contribute to the overall cost estimate for each category be identified.

In addition, please provide updated copies of the letter(s) confirming monthly end balances for the "Facility Agreements," identified in your response to RFP section 4.7. The updates must be submitted no later than the 15th of each month for the period July 1 – November 30, 2010.

This additional information, together with INTRALOT's response to Attachment J, will be used in reviewing INTRALOT's estimated initial or start-up costs to determine INTRALOT's ability to finance performance under the Contract. Your complete response, including the additional information requested herein, must be provided to me

P.O. Box 16630 • Austin, Texas 78761-6630

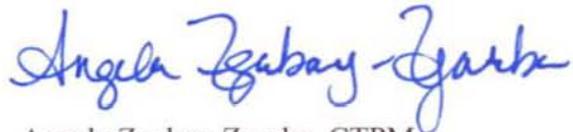
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no later than **4:00 p.m. CST on Friday, August 6, 2010.** Your response may be submitted via facsimile to (512) 344-5444 or e-mail to angela.zgarba@lottery.state.tx.us.

If you have any questions, you may contact me at (512) 344-5215. Thank you for your immediate attention to this matter.

Sincerely,



Angela Zgabay-Zgarba, CTPM
Contracts Administrator