



## ATTACHMENT H COST PROPOSAL

### Options

GTECH has read, acknowledged and will comply with this RFP requirement.

### Evaluation of the Cost Proposal

GTECH has read and acknowledged this RFP requirement.

### Base System and Services Pricing

GTECH has read, acknowledged and will comply with this RFP requirement. Our Base System and Services payment will be based on our below specified percentage of Sales, processed by our Lottery Gaming System, that is carried to four (4) decimal places (to the ten-thousandth decimal place).

Price Quoted as a Percentage of Sales:

Base System and Services 2.2099 %

### Annual Credit

GTECH has read, acknowledged and will comply with this RFP requirement.

### Texas Lottery-Specified Options

GTECH has submitted pricing below as a one-time fee for the use of the equipment or services for the remainder of the Contract.

- a. **In-counter Ticket Dispensing Unit.** Per Amendment 27 to the RFP dated February 26, 2010, Proposers are not required to submit specifications for pricing for In-counter Ticket Dispensing Units.
- b. **In-lane Solutions** (Section 7.12). GTECH has submitted pricing below for an in-lane solution designed for use in multi-lane stores such as supermarkets. If the Texas Lottery exercises this option, we will install and maintain the solutions.

Price for up to 500 Units: \$300,000.00 per chain plus \$625.00 per lane for in-lane printer

Price for 501-1000 Units: \$300,000.00 per chain plus \$625.00 per lane for in-lane printer



Price for 1001-1500 Units: \$300,000.00 per chain plus \$625.00 per lane for in-lane printer

Price for 1501-2000 Units: \$300,000.00 per chain plus \$625.00 per lane for in-lane printer

Greater than 2001 Units: \$300,000.00 per chain plus \$625.00 per lane for in-lane printer

### **Texas Lottery-Invited Options**

GTECH has submitted below pricing as a one-time fee that is for the use of the equipment or services for the remainder of the Contract.

a. **Single Instant Ticket Accounting** (Section 7.3).

Price: Included within Base System and Services Pricing

b. **Specialty Terminals and Equipment** (Section 7.12)

Price Per Unit, GT-Mini Terminal: \$ 2,900.00 per terminal

Price Per Unit, Instant To Go 24: \$11,100.00 per terminal

Price Per Unit, Instant To Go 4: \$ 6,050.00 per terminal

Price Per Unit, Instant To Go 2: \$ 5,750.00 per terminal

### **Offered Options**

GTECH is offering the Lottery the following Offered Options, the terms of which are outlined below. The Offered Options prices enclosed herein are valid through August 31, 2018.

#### **1. Mobile Classroom Training**

One-Time Fee for One (1) Mobile Classroom: \$600,000.00

Ongoing Monthly Fee for One (1) Mobile Classroom: \$ 12,500.00

#### **2. Lottery Learning Link**

One-Time Fee for Implementation: \$350,000.00

Ongoing Monthly Fee for Support: \$ 1,600.00

#### **3. GamePro**

*Deployment of a New Game:*

One-Time Fee for Implementation for One (1) New Game: Included within Base



**System and Services Pricing**

One-Time Fee for One (1) Mobile Terminal: Included within Base System and Services Pricing

Ongoing Monthly Fee for Support: Included within Base System and Services Pricing

**Deployment of an Existing Game:**

One-Time Fee for Implementation for One (1) Existing Game: Included within Base System and Services Pricing

One-Time Fee for One (1) Mobile Terminal: Included within Base System and Services Pricing

Ongoing Monthly Fee for Support: Included within Base System and Services Pricing

**4. Jackpot Signs**

Price Per Unit (minimum order of 1,000 units): \$775.00 per unit

**5. Easy Play Cards**

Price for Batch of 50,000 Cards: \$ 5,350.00

Price for Batch of 125,000 Cards: \$ 8,250.00

Price for Batch of 250,000 Cards: \$13,500.00

**6. IGI Printing and Distribution (Promotional Cards)**

Price for Twenty (20) Identical Promotional Cards: \$20,500.00

**7. Smart Count**

One-Time Fee for Implementation: Included within Base System and Services Pricing

**8. Wireless Barcode Reader**

One-Time Fee for Implementation: \$42,000.00

Incremental Price per Unit to Replace External Bar Code Reader (minimum order of 1,000 units): \$325.00 per unit

**9. Instant Showcase**

Price Per Unit (minimum order of 100 units): \$5,100.00 per unit

Ongoing Monthly Support Fee Per Installed Unit: \$ 50.00 per unit per month



## 10. Texas Lottery Super Retailer Play Center

Price Per Unit (minimum order of 5 units): \$6,000.00 per unit

Ongoing Monthly Support Fee Per Unit: \$ 98.00 per unit per month

## 11. Renaissance Player Card

Price as a % of Total Sales: 0.2711%

The Renaissance Program is a new and innovative program that can be tailored to meet the specialized needs of our customers. As with any customer-specific program, there are many variables that can be customized to address the particular business model of the Texas Lottery, each of which affects overall cost. The price stated above represents GTECH's basic compensation for implementing the program, and includes the cost of player cards which will be provided to the Lottery by GTECH at no additional fee. There are several other customizable features of the Renaissance Program however, that the Lottery may or may not choose to implement, each of which may affect the cost of program implementation. One example of such a feature is the Loyalty Program.

The Loyalty Program can be funded in a number of ways: a small monthly player fee; a small fee to the player when the player tops up the card; funding from the lottery; funding from our financial partners based on the success of non-lottery transactions; or a combination of all of these sources are just a few examples of how funding the program could be approached. Because the decision on how to fund free plays or prizes directly impacts the overall program model, GTECH's fee structure would be adjusted accordingly. GTECH and the Lottery would work together to develop the right fee structure based on the Lottery's circumstances and goals at the time of launching the program.

There are several other unique Renaissance Program features like the Loyalty Program that can be specifically designed for the Texas Lottery. The price for adding any of these features would depend on which elements of a program are ultimately selected by the Lottery. GTECH looks forward to working with the Texas Lottery in developing the right Renaissance Program for the State of Texas.

## 12. Lottery Service Portal (Retailer Website)

One-Time Fee for Implementation: Included within Base System and Services Pricing

Ongoing Monthly Fee for Support: Included within Base System and Services Pricing

## 13. Automated Tool to Manage Retailer Management Workflow

One-Time Fee for Implementation: \$1,350,000.00

Ongoing Monthly Fee for Support: \$ 8,500.00



**14. Printer Mount**

Price Per Unit (minimum order of 1,000 units): \$20.00 per unit

**15. Terminal Mounted Keypad**

Price Per Unit (minimum order of 1,000 units): \$135.00 per unit

**16. Keno**

Price as a % of Keno Sales: 4.1752%

**17. Flat Screen Displays of G2 Game Library (Play for Fun in Promotional Trailers)**

Price Per Unit for One (1) Console and Display: \$4,250.00 per unit

Ongoing Monthly Fee for Support: \$ 85.00 per unit per month

**18. Next Generation Playstation**

Price Per Unit (minimum order of 1,000 units): \$525.00 per unit

The above Per Unit price is for the Playstation unit only, which, in addition to standard features, can hold up to one (1) LCD monitor and one (1) Ticket Scan.

**19. Customized to Texas Playstation**

Price Per Unit (minimum order of 1,000 units): \$200.00 per unit

The above Playstation includes custom colors and graphics. Should the Lottery choose this Option, GTECH and the TLC would work together to determine those features that best suit the Lottery's needs and accordingly negotiate a revised price based upon those requirements selected by the Lottery.

**20. Customized Instant Ticket Dispensers**

Price Per Unit for Color Customization (actual instant ticket dispenser units are provided within the Base System and Services Price; minimum order of 1,000 units): \$46.00 per unit

The above Dispenser solution includes custom colors. Should the Lottery choose this Option, GTECH and the TLC would work together to determine those features that best suit the Lottery's needs and accordingly negotiate a revised price based upon those requirements selected by the Lottery.

**21. Admart Neon Signs**

Price Per Unit (minimum order of 1,000 units): \$700.00 per unit



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**22. Color Starlight LED Displays**

Price Per Unit (minimum order of 1,000 units): \$450.00 per unit

**23. Prime Location licenses for Lottery Sales Representatives**

Annual Price for First 20 User Licenses: Included within Base System and Services Pricing

Annual Price for One (1) Additional Lottery User License: \$1,375.00 per year per user license

A handwritten signature in black ink, appearing to be "Alan Eland", written over a horizontal line.

Signature of person authorized to contractually bind the Proposer

Alan Eland  
Printed Name

Senior Vice President, GTECH Americas  
Title

June 25, 2010  
Date