



**AMENDMENT NO. 10**  
*to the*  
**CONTRACT FOR INSTANT TICKET MANUFACTURING AND SERVICES**  
*between the*  
**TEXAS LOTTERY COMMISSION**  
*and*  
**SCIENTIFIC GAMES INTERNATIONAL, INC.**

**WHEREAS**, the Texas Lottery Commission (the "Commission" or "Texas Lottery") and Scientific Games International, Inc. ("the Contractor") (collectively, "the Parties") entered into a contract for Instant Ticket Manufacturing and Services with an effective date of September 1, 2012, as amended by Amendment No. 1 effective December 11, 2012, Amendment No. 2 effective November 20, 2014, Amendment No. 3 effective March 26, 2015, Amendment No. 4 effective September 21, 2015, Amendment No. 5 effective February 23, 2016, Amendment No. 6 effective August 18, 2016, Amendment No. 7 effective February 2, 2017, Amendment No. 8 effective May 23, 2017, and Amendment No. 9 effective January 29, 2018 (collectively, the "Contract");

**WHEREAS**, pursuant to Section IV of the Contract, the Parties may by mutual agreement modify the scope, personnel and prices set forth in the Contract; and

**NOW, THEREFORE**, pursuant to Section IV of the Contract, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Contract as follows:

1. Attachment A to this Amendment No. 10 supersedes and replaces Contractor's Revised Sealed Cost Proposal in Amendment No. 8, and shall apply during the Contract term and any renewal period. Attachment A is incorporated by reference and expressly made a part of this Amendment No. 10 and the Contract.
2. In accordance with Section 3.16.2, the Texas Lottery hereby exercises its right to extend the Contract for the two (2) additional three-year periods (i.e., for a total of six (6) additional years) (the "Extension Period"). The six-year Extension Period will begin September 1, 2018 and continue through August 31, 2024.
3. RFP Section 3.34 is replaced in its entirety with the following:

The Successful Proposer may not elect to provide entirely or in part for the insurance/bond protections described in this RFP through self-insurance. A deductible provision contained in an insurance policy that meets the requirements of this RFP is not considered as self-insurance unless the deductible amount exceeds **six percent (6%)** of the face amount of the insurance policy.

4. RFP Section 3.54.6 is replaced in its entirety with the following:

**Omitted Packs and Quality Control Packs/Tickets, and Misprinted Tickets.** The failure of the Successful Proposer to comply with the requirement of this RFP regarding omissions may result in the Successful Proposer being assessed sanctions in the amount of the face value of the pack(s) shipped. In addition, the Successful Proposer shall also be responsible for payment of the prize amount of any apparent winning ticket from omit packs or quality control packs/ticket, **or the apparent prize value of a misprinted ticket**, presented to the Texas Lottery by a player, except in the event of theft, fraud or wrongdoing. The Texas Lottery will notify the Successful Proposer once an apparent winning ticket from omit packs and/or quality control packs/ticket for an otherwise valid claim, **or a misprinted ticket with an apparent prize value**, has been presented. The Successful Proposer will be provided with contact information for the player and must notify the Texas Lottery in writing once the prize amount has been paid. All such payments resulting from this provision shall be paid directly by the Successful Proposer to the player within ten (10) Days from the date of notification by the Texas Lottery.

5. RFP Section 8.24.2 is replaced in its entirety with the following:

All ticket shipments must represent the whole game per the executed working papers. Split shipments of game and validation media will not be accepted. Deliveries of packaged tickets are to be F.O.B. destination the Texas Lottery Commission instant ticket distribution warehouse, Austin, Texas, or such other location(s) in Texas as designated by the Texas Lottery Commission. The Successful Proposer must make continuous and uninterrupted delivery of instant game tickets, without storage. All instant game tickets must be transported on a sealed and dedicated vehicle, i.e., no other customer's products may be on board. The seal requirements must be approved by the Texas Lottery Commission. The seal must be broken only by an authorized representative of the Texas Lottery; failure to adhere to this requirement may be grounds for rejection of the entire shipment. Each game shipment must include retail void samples. Each trailer delivered must have Texas Lottery Commission shipping documentation on the last pallet loaded on the trailer. The shipping documentation shall consist of two reports: 1) Texas Lottery Commission Shipment Summary Report and 2) Texas Lottery Commission Shipment Detail Report. The Texas Lottery Commission Shipment Summary Report shall include game number and name, date shipped, number of tickets per pack, number of packs per carton, number of tickets per carton, number of pallets per trailer, number of cartons per pallet. The Texas Lottery Commission Shipment Detail Report shall include game number and name, date shipped, pallet number, starting carton number per pallet, ending carton number per pallet, number of packs on pallet, starting pack number per pallet, ending pack number per pallet and total tickets per pallet. At the end of the Texas Lottery Commission Shipment Detail Report, the Successful Proposer must include the total number of packs and the total number of tickets in the shipment.

6. RFP Section 8.32.4 and Amendment No. 6 Attachment A Cost Proposal is replaced in its entirety with the following, 8.32.5 is added:

**8.32.4 Branded, Proprietary and Licensed Games with Experiential and/or Merchandise Prizes, and Successful Proposer Sponsored Promotions or Contests.**

The Texas Lottery may use branded (including personality rights), proprietary or licensed games as part of its game portfolio.

These games may include experiential and/or merchandise prizes or opportunities to participate in Successful Proposer sponsored promotions or contests. In accordance with the executed working papers, the Texas Lottery may require prize fulfillment, promotional or contest services for any games manufactured by the Successful Proposer.

After Contract Award, for branded (including personality rights), proprietary and licensed games, and Successful Proposer sponsored promotions or contests, the Successful Proposer shall be required to provide, in writing, to the Texas Lottery the fee amount for each new game within thirty (30) days of acquiring that brand, license or proprietary process. Exclusive Pricing rates should be categorized in a cost table based on product strength/recognition and priced accordingly. Proposers shall provide separate tables for licensed games that utilize licensing fees and licensed games that utilize experiential and/or merchandise allocations. Licensed property games whether utilizing the licensing fee and/or merchandise model shall include print costs and any necessary fulfillment services (including shipping and handling). Proposers should provide any volume discounts.

Further, at the Texas Lottery's request, the Successful Proposer shall attempt to acquire rights to specific branded (including personality rights), proprietary or licensed properties to allow Texas Lottery to use the requested name, likeness and images on Texas Lottery games in Texas only and in connection with game promotions and advertising. The Successful Proposer shall attempt to obtain all rights customary for a licensed property game, including, as an example, any applicable territory restrictions. The Successful Proposer shall prepare written estimates for all licensed agreement costs and must obtain prior written approval from the Texas Lottery before finalizing any agreement. The Texas Lottery will be responsible for payment of all license fees and will reimburse the Successful Proposer for all reasonable agreement costs for specific branded, proprietary, or licensed properties obtained by the Successful Proposer at Texas Lottery's request to be used in Texas only. The Texas Lottery may require the Successful Proposer provide prize fulfillment services for games manufactured by the Successful Proposer in accordance with the executed working papers. Proposers should detail their capabilities in providing such services and submit samples with the proposal.

#### **8.32.5 Non-Licensed Games with Experiential and/or Merchandise Prizes, and Successful Proposer Sponsored Promotions or Contests.**

At the Texas Lottery's request, for non-licensed games with experiential and/or merchandise prizes and Successful Proposer Sponsored Promotions or Contests, the Successful Proposer shall be required to provide, in writing, to the Texas Lottery the cost of each game within thirty (30) days of finalizing the proposed prize package. The cost table shall identify the total cost for the prizes and the Successful

Proposer's charge for any necessary fulfillment services (including shipping and handling). The executed working papers shall include any specific payment schedules and structures for each game or for multiple games, and any prize fulfillment, promotional or contest services. The Texas Lottery may develop suites of non-licensed games that are included in common experiential and/or merchandise prizes, promotions or contests.

7. This Amendment shall be effective upon execution by both parties.

**TEXAS LOTTERY COMMISSION**

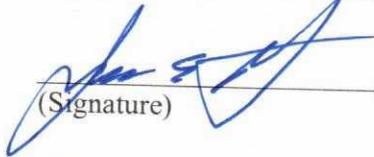
By:

  
GARY GRIEF  
EXECUTIVE DIRECTOR

8/22/18  
\_\_\_\_\_  
(Date)

**SCIENTIFIC GAMES INTERNATIONAL, INC.**

By:

  
(Signature)

James E. Bunitsky  
(Printed Name)

Chief Financial Officer  
(Title)

August 17, 2018  
\_\_\_\_\_  
(Date)

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Attachment A to Amendment No. 10

**Table 1 -**

Ticket Size	A			B			
	2.4" x 4"			4" x 4"			
Pack Size	250	150	100	250	150	125	100
20,000							
120,000		\$223.88	\$224.11			\$227.97	\$228.28
240,000		\$119.62	\$119.85			\$121.55	\$121.86
360,000		\$84.87	\$85.10			\$86.21	\$86.52
480,000		\$67.50	\$67.73			\$68.66	\$68.97
600,000		\$56.68	\$56.91			\$57.40	\$57.71
720,000		\$49.35	\$49.58			\$49.92	\$50.23
840,000		\$43.94	\$44.17			\$45.50	\$45.81
960,000		\$40.08	\$40.31			\$41.88	\$42.19
1,000,000	\$38.47	\$38.92	\$39.15	\$39.88	\$40.37	\$40.68	\$40.99
2,000,000	\$22.05	\$22.50	\$22.73	\$26.19	\$26.68	\$26.99	\$27.30
3,000,000	\$16.71	\$17.16	\$17.39	\$20.84	\$21.33	\$21.64	\$21.95
4,000,000	\$13.84	\$14.29	\$14.52	\$17.89	\$18.38	\$18.69	\$19.00
5,000,000	\$12.35	\$12.80	\$13.03	\$16.23	\$16.72	\$17.03	\$17.34
6,000,000	\$11.19	\$11.64	\$11.87	\$15.18	\$15.67	\$15.98	\$16.29
7,000,000	\$10.40	\$10.85	\$11.08	\$14.36	\$14.85	\$15.16	\$14.69
8,000,000	\$9.85	\$10.30	\$10.53	\$13.90	\$14.39	\$14.50	\$14.33
9,000,000	\$9.36	\$9.81	\$9.71	\$13.42	\$13.91	\$14.00	\$14.11
10,000,000	\$9.12	\$9.57	\$9.49	\$13.02	\$13.51	\$13.46	\$13.57
12,000,000	\$8.60	\$9.05	\$9.16	\$12.56	\$13.05	\$12.97	\$13.28
15,000,000	\$7.99	\$8.40	\$8.83	\$11.89	\$12.38	\$12.35	\$12.76
20,000,000	\$7.51	\$7.90	\$8.50	\$11.29	\$11.79	\$11.68	\$12.59
30,000,000	\$6.86	\$7.31	\$8.17	\$10.84	\$11.33	\$11.64	\$12.29
50,000,000	\$6.60	\$7.05	\$7.28	\$10.62	\$11.11	\$11.42	\$12.09
75,000,000	\$6.46	\$6.90	\$7.13	\$10.47	\$10.95	\$11.26	\$11.57
100,000,000	\$6.39	\$6.83	\$7.06	\$10.39	\$10.88	\$11.18	\$11.49

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Attachment A to Amendment No. 10

Ticket Size	<u>C</u>				<u>D</u>			
	6" x 4"				8" x 4"			
Pack Size	150	125	100	75	125	75	50	25
20,000						\$685.00	\$687.00	\$689.00
120,000								
240,000								
360,000								
480,000								
600,000								
720,000								
840,000								
960,000								
1,000,000	\$47.65	\$47.98	\$48.30	\$48.62	\$54.64	\$54.91	\$54.10	\$56.38
2,000,000	\$29.99	\$30.31	\$30.63	\$30.95	\$35.25	\$35.52	\$37.25	\$38.57
3,000,000	\$24.78	\$25.10	\$25.42	\$25.74	\$29.60	\$29.87	\$31.60	\$32.91
4,000,000	\$22.23	\$22.55	\$22.87	\$23.19	\$26.71	\$26.98	\$27.94	\$30.03
5,000,000	\$20.15	\$20.47	\$20.79	\$21.11	\$24.88	<b>\$25.09</b>	\$26.89	\$28.20
6,000,000	\$19.56	\$19.88	\$20.20	<b>\$20.17</b>	\$23.58	\$23.85	\$25.59	\$26.91
7,000,000	\$18.67	\$19.00	\$19.32	<b>\$19.69</b>	\$22.86	\$23.13	\$24.87	\$26.18
8,000,000	\$17.69	\$18.01	\$18.33	\$18.70	\$22.43	\$22.70	\$24.44	\$25.75
9,000,000	\$17.50	\$17.82	\$18.14	\$18.59	\$21.82	<b>\$21.90</b>	\$23.83	\$25.14
10,000,000	\$16.96	\$17.28	\$17.60	\$18.02	\$21.57	<b>\$21.61</b>	\$23.58	\$24.89
12,000,000	\$16.57	\$16.90	\$17.22	\$17.64	\$21.19	<b>\$21.29</b>	\$23.20	\$24.51
15,000,000	\$15.87	<b>\$15.79</b>	\$16.11	\$17.26	<b>\$20.09</b>	\$20.79	\$22.53	\$23.84
20,000,000	\$15.21	<b>\$15.16</b>	\$15.48	\$17.00	<b>\$19.44</b>	\$20.10	\$21.83	\$23.14
30,000,000	\$14.80	\$15.12	\$15.44	<b>\$16.63</b>	<b>\$19.11</b>	\$19.70	\$21.44	\$22.75
50,000,000	\$14.47	\$14.80	\$15.12	<b>\$16.34</b>	\$19.09	\$19.36	\$21.09	\$22.40
75,000,000	\$14.34	\$14.66	\$14.98	<b>\$16.20</b>	\$18.96	\$19.23	\$20.95	\$22.25
100,000,000	\$14.28	\$14.59	\$14.91	<b>\$16.13</b>	\$18.89	\$19.16	\$20.87	\$22.17

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Attachment A to Amendment No. 10

Ticket Size	<u>E</u> 10" x 4"				<u>F</u> 12" x 4"			
	75	50	25	20	75	50	25	20
1,000,000	\$59.86	\$61.21	\$62.51	\$64.15	\$64.76	\$66.36	\$67.53	\$69.50
2,000,000	\$40.36	\$41.71	\$43.01	\$44.65	\$45.00	\$46.60	\$47.76	<b>\$48.55</b>
3,000,000	\$34.80	\$36.15	\$37.45	\$39.09	\$39.48	\$41.08	\$42.24	\$44.22
4,000,000	\$32.11	\$33.46	\$34.77	\$36.41	\$36.80	\$38.42	\$39.58	\$41.56
5,000,000	\$30.01	\$31.36	\$32.67	\$34.31	\$34.39	\$36.01	\$37.18	\$39.16
6,000,000	\$28.75	\$30.10	\$31.40	\$33.04	\$33.32	\$34.94	\$36.10	\$38.08
7,000,000	\$28.07	\$29.42	\$30.72	\$32.36	\$32.65	\$34.26	\$35.43	\$37.41
8,000,000	\$27.30	\$28.65	\$29.96	\$31.60	\$31.58	\$33.20	\$34.36	\$36.34
9,000,000	\$26.72	\$28.07	\$29.37	\$31.01	\$30.97	\$32.59	\$33.75	\$35.73
10,000,000	\$26.47	\$27.82	\$29.12	\$30.76	\$30.75	\$32.37	\$33.54	\$35.51
12,000,000	\$26.13	\$27.48	\$28.78	\$30.42	\$30.40	\$32.03	\$33.20	\$35.17
15,000,000	\$25.40	\$26.75	\$28.05	\$29.69	\$29.60	\$31.22	\$32.38	\$34.36
20,000,000	\$24.67	\$26.02	\$27.32	\$28.96	\$28.83	\$30.46	\$31.62	\$33.59
30,000,000	\$24.28	\$25.63	\$26.93	\$28.57	\$28.47	\$30.10	\$31.26	\$33.24
50,000,000	\$23.92	\$25.27	\$26.57	\$28.21	\$28.10	\$29.74	\$30.90	\$32.87
75,000,000	\$23.78	\$25.13	\$26.42	\$28.06	\$27.96	\$29.59	\$30.74	\$32.70
100,000,000	\$23.71	\$25.06	\$26.34	\$27.98	\$27.90	\$29.52	\$30.67	\$32.63

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Ticket Size	14" x 4"			G 6" x 8"	
	Pack Size	50	25	20	25
1,000,000	\$83.71	\$91.30	\$95.27	\$75.25	\$87.80
2,000,000	\$70.83	\$77.69	\$81.54	\$54.66	\$67.19
3,000,000	\$64.56	\$71.61	\$75.25	\$48.91	\$61.45
4,000,000	\$60.14	\$67.51	\$71.20	\$46.06	\$58.64
5,000,000	\$58.33	\$65.59	\$69.17	\$43.50	\$56.07
6,000,000	\$57.94	\$65.06	\$68.48	\$42.38	\$54.95
7,000,000	\$57.02	\$64.04	\$68.46	\$41.67	\$54.24
8,000,000	\$56.92	\$63.70	\$66.91	\$40.50	\$53.07
9,000,000	\$56.28	\$62.90	\$67.00	\$39.87	\$52.44
10,000,000	\$56.19	\$62.65	\$66.23	\$39.66	\$52.22
12,000,000	\$55.51	\$62.06	\$65.56	\$39.36	\$51.92
15,000,000	\$55.29	\$61.92	\$65.42	\$38.47	\$51.01
20,000,000	\$54.24	\$61.03	\$64.87	\$37.62	\$50.15
30,000,000	\$54.03	\$60.81	\$64.51	\$37.27	\$49.80
50,000,000	\$53.55	\$60.27	\$64.04	\$36.90	\$49.42
75,000,000	\$53.42	\$60.17	\$63.86	\$36.71	\$49.17
100,000,000	\$53.26	\$60.06	\$63.83	\$36.62	\$49.05

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<b>Ticket Size</b>		<b>8" x 8"</b>				
<b>Pack Size</b>	<b>75</b>	<b>50</b>	<b>30</b>	<b>25</b>	<b>20</b>	<b>10</b>
1,000,000	\$75.19	\$70.71	\$79.32	\$74.95	\$77.05	\$100.76
2,000,000	\$57.71	\$56.00	\$61.84	\$58.89	\$60.99	\$83.28
3,000,000	\$52.39	\$52.67	\$56.52	\$54.67	\$56.11	\$77.95
4,000,000	\$49.21	\$51.00	\$53.33	\$53.00	\$54.00	\$74.77
5,000,000	\$46.28	\$48.08	\$50.40	\$52.00	\$53.00	\$71.84
6,000,000	\$43.93	\$45.73	\$48.05	\$50.34	\$52.33	\$69.49
7,000,000	\$43.11	\$44.91	\$47.24	\$49.53	\$51.82	\$68.68
8,000,000	\$42.83	\$44.63	\$46.95	\$49.25	\$51.50	\$68.39
9,000,000	\$42.18	\$43.98	\$46.31	\$48.60	\$50.89	\$67.75
10,000,000	\$41.58	\$43.38	\$45.70	\$47.99	\$50.29	\$67.14
12,000,000	\$40.96	\$42.76	\$45.08	\$47.38	\$49.67	\$66.52

<b>Ticket Size</b>		<b>9" x 8"</b>				
<b>Pack Size</b>	<b>75</b>	<b>50</b>	<b>30</b>	<b>25</b>	<b>20</b>	<b>10</b>
1,000,000	\$82.02	\$77.19	\$86.32	\$81.68	\$84.10	\$110.55
2,000,000	\$63.63	\$61.50	\$67.92	\$64.79	\$67.21	\$92.15
3,000,000	\$58.16	\$58.17	\$62.44	\$60.17	\$62.18	\$86.67
4,000,000	\$54.76	\$56.50	\$59.05	\$58.50	\$59.50	\$83.28
5,000,000	\$51.58	\$53.60	\$55.87	\$57.50	\$58.50	\$80.10
6,000,000	\$49.06	\$51.08	\$53.34	\$55.98	\$57.83	\$77.58
7,000,000	\$48.19	\$50.21	\$52.48	\$55.11	\$57.36	\$76.71
8,000,000	\$47.90	\$49.93	\$52.19	\$54.83	\$57.00	\$76.42
9,000,000	\$47.20	\$49.23	\$51.49	\$54.13	\$56.72	\$75.72
10,000,000	\$46.57	\$48.60	\$50.86	\$53.50	\$56.13	\$75.09
12,000,000	\$45.92	\$47.95	\$50.22	\$52.85	\$55.49	\$74.45

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<b>Ticket Size</b>		<b>10" x 8"</b>				
<b>Pack Size</b>	<b>75</b>	<b>50</b>	<b>30</b>	<b>25</b>	<b>20</b>	<b>10</b>
1,000,000	\$88.36	\$83.22	\$93.07	\$87.70	\$89.95	\$119.02
2,000,000	\$69.05	\$67.00	\$73.75	\$69.97	\$72.21	\$99.71
3,000,000	\$63.43	\$63.67	\$68.13	\$65.67	\$67.05	\$94.09
4,000,000	\$59.83	\$62.00	\$64.52	\$64.00	\$65.00	\$90.48
5,000,000	\$56.39	\$58.64	\$61.09	\$63.00	\$64.00	\$87.05
6,000,000	\$53.70	\$55.95	\$58.39	\$60.84	\$63.28	\$84.35
7,000,000	\$52.77	\$55.02	\$57.47	\$59.91	\$62.36	\$83.43
8,000,000	\$52.49	\$54.74	\$57.19	\$59.63	\$62.08	\$83.14
9,000,000	\$51.74	\$53.99	\$56.43	\$58.88	\$61.32	\$82.39
10,000,000	\$51.08	\$53.33	\$55.77	\$58.22	\$60.67	\$81.73
12,000,000	\$50.41	\$52.66	\$55.11	\$57.55	\$60.00	\$81.07

<b>Ticket Size</b>		<b>11" x 8"</b>				
<b>Pack Size</b>	<b>75</b>	<b>50</b>	<b>30</b>	<b>25</b>	<b>20</b>	<b>10</b>
1,000,000	\$94.95	\$89.47	\$100.01	\$94.09	\$96.35	\$128.10
2,000,000	\$74.72	\$72.50	\$79.77	\$75.52	\$77.77	\$107.87
3,000,000	\$68.95	\$69.17	\$74.00	\$71.17	\$72.47	\$102.10
4,000,000	\$65.14	\$67.50	\$70.19	\$69.50	\$70.50	\$98.28
5,000,000	\$61.23	\$63.70	\$66.28	\$68.50	\$69.50	\$94.37
6,000,000	\$58.58	\$61.06	\$63.63	\$66.09	\$68.55	\$91.73
7,000,000	\$57.60	\$60.08	\$62.65	\$65.11	\$67.57	\$90.75
8,000,000	\$57.18	\$59.66	\$62.23	\$64.69	\$67.15	\$90.33
9,000,000	\$56.39	\$58.87	\$61.44	\$63.90	\$66.36	\$89.54
10,000,000	\$55.72	\$58.20	\$60.77	\$63.23	\$65.69	\$88.86
12,000,000	\$55.11	\$57.61	\$60.18	\$62.65	\$65.11	\$88.29

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<b>Ticket Size</b>		<b>12" x 8"</b>				
<b>Pack Size</b>	<b>75</b>	<b>50</b>	<b>30</b>	<b>25</b>	<b>20</b>	<b>10</b>
1,000,000	\$101.53	\$95.72	\$106.95	\$100.48	\$102.75	\$137.18
2,000,000	\$80.39	\$78.00	\$85.80	\$81.06	\$83.33	\$116.03
3,000,000	\$74.47	\$74.67	\$79.87	\$76.67	\$77.89	\$110.11
4,000,000	\$70.45	\$73.00	\$75.85	\$75.00	\$76.00	\$106.08
5,000,000	\$66.07	\$68.77	\$71.47	\$73.95	\$75.00	\$101.70
6,000,000	\$63.47	\$66.17	\$68.87	\$71.35	\$73.82	\$99.10
7,000,000	\$62.43	\$65.13	\$67.84	\$70.31	\$72.79	\$98.07
8,000,000	\$61.87	\$64.57	\$67.28	\$69.75	\$72.23	\$97.51
9,000,000	\$61.05	\$63.75	\$66.45	\$68.92	\$71.40	\$96.68
10,000,000	\$60.36	\$63.06	\$65.76	\$68.24	\$70.72	\$96.00
12,000,000	\$59.81	\$62.56	\$65.26	\$67.74	\$70.22	\$95.50

<b>Ticket Size</b>	<b>E</b>			
	<b>12" x 12"</b>			
<b>Pack Size</b>	<b>50</b>	<b>25</b>	<b>20</b>	<b>10</b>
1,000,000	\$ 140.50	\$ 142.15	\$ 144.97	\$ 159.72
2,000,000	\$ 119.17	\$ 120.62	\$ 123.21	\$ 137.97
3,000,000	\$ 116.98	\$ 118.19	\$ 120.87	\$ 135.65
4,000,000	\$ 113.47	\$ 114.79	\$ 117.46	\$ 132.06
5,000,000	\$ 112.80	\$ 113.17	\$ 116.86	\$ 131.46
6,000,000	\$ 111.49	\$ 112.92	\$ 115.56	\$ 130.13
7,000,000	\$ 110.78	\$ 112.19	\$ 114.78	\$ 129.36
8,000,000	\$ 110.56	\$ 111.31	\$ 114.54	\$ 129.14
9,000,000	\$ 110.10	\$ 111.46	\$ 114.08	\$ 128.67
10,000,000	\$ 109.79	\$ 110.63	\$ 113.78	\$ 128.31
12,000,000	\$ 109.45	\$ 110.36	\$ 113.42	\$ 127.97
15,000,000	\$ 108.79	\$ 109.80	\$ 112.74	\$ 127.27
20,000,000	\$ 108.43	\$ 109.54	\$ 112.39	\$ 126.97
30,000,000	\$ 107.88	\$ 109.05	\$ 111.82	\$ 126.36
50,000,000	\$ 107.56	\$ 108.61	\$ 111.54	\$ 125.94
75,000,000	\$ 107.35	\$ 108.42	\$ 111.27	\$ 125.67
100,000,000	\$ 107.28	\$ 108.28	\$ 111.17	\$ 125.52

**POP N PAK SPECIFICATIONS:**

**Ticket Size**            4.15625" x 7"  
**Pouch Size**            5.15625" x 8" Clear  
**Pack Size**              20 per pack (fanfolded and perfed on 8" side)  
**Insert**                  Pack insert – 5 1/8" x 8 1/8" card folded to 5 1/8" x 4 1/16"  
**Other**                    One insert per pouch  
                                 Audit, Transportation and Delivery included  
                                 Partial Balancing allowed

<b>DOUBLE POP N PAK</b>		
<b>Order Quantity</b>	<b>Pack Size</b>	<b>Price Per 1,000</b>
1,000,000	20	\$ 334.93
2,000,000	20	\$ 311.98
3,000,000	20	\$ 308.88
4,000,000	20	\$ 305.68
5,000,000	20	\$ 301.32
6,000,000	20	\$ 300.15
8,000,000	20	\$ 294.08
10,000,000	20	\$ 291.79
12,000,000	20	\$ 289.45
14,000,000	20	\$ 287.06
18,000,000	20	\$ 284.10
20,000,000	20	\$ 278.64

**POP N PAK SPECIFICATIONS:**

**Ticket Size**            11" x 7"  
**Substrate**             8pt C2S  
**Pouch Size**            12" x 8" Clear  
**Pack Size**              20 and 25 per pack (fanfolded and perfed on 8" side)  
**Insert**                  Pack insert included  
**Other**                    Audit, Transportation and Delivery included  
                                 Partial Balancing allowed

<b>POP N PAK</b>		
<b>Order Quantity</b>	<b>Price Per 1,000 (20 pack size)</b>	<b>Price Per 1,000 (25 pack size)</b>
1,000,000	\$540.95	\$534.14
1,500,000	\$504.51	\$497.78
2,000,000	\$494.60	\$487.91
2,500,000	\$491.89	\$485.22
3,000,000	\$489.81	\$483.15
3,500,000	\$488.79	\$482.15
4,000,000	\$487.29	\$480.66
4,500,000	\$486.88	\$480.25
5,000,000	\$479.75	\$473.14

**NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION**

In addition, Proposers shall show the cost breakdown of the following items that are included in the base costs.

1. 4 color processing	.....Per square inch	<u>\$0.004</u>
2. expanded imaging	.....Per square inch	<u>\$0.000</u>
3. additional spot colors	..... Per square inch	<u>\$0.02</u>
4. Includes 4x4 card insertion in each pack	.....Price Per Pack	<u>\$0.25</u>

**SPECIFIED OPTIONS**

Prospective Proposers are **required** to submit specifications and pricing for the following options.

Each Proposer should indicate the additional cost per thousand (1,000) for the options listed below.

**Specified Options to be negotiated to establish a common price:**

1. Cost per thousand tickets for fluorescent inks (other than required by fluorescent benday)	.....Per color per square inch	<u>\$0.10</u>
2. Cost per thousand tickets for metallic inks (standard metallic ink)	.....Per color per square inch	<u>\$0.12</u>
3. Cost per thousand tickets for dual color game data imaging	..... Per square inch	<u>\$0.30</u>
4. Cost per thousand tickets for full ultraviolet coating in display area	..... Per square inch	<u>\$0.08</u>

**Other Specified Options:**

1. Cost per thousand tickets for any reduction for colors less than ten (10).  
.....**Price decrease per color**   **\$-0.05**   per 1,000 tickets
  
2. Cost per thousand tickets for multiple scenes or continuous scene games  
.....   **\$0.20**   per 1,000 tickets
  
3. Cost per thousand tickets for color pulsing – color changes within a press run.  
.....   **\$0.50**   per 1,000 tickets per each color pulsed
  
4. Cost per thousand tickets for marking process other than full opaque security coating covering.  
.....**Per square inch Graphic ClearMark**   **\$0.20**    
..... **Per square inch SureMark**   **\$0.16**    
..... **Per square inch ClearMark**   **\$0.12**    
..... **Per square inch ColorMark**   **\$0.06**
  
5. Cost for cylinder or plate change before or during production  
.....   **\$1,500.00**   per each
  
6. Cost per thousand tickets difference for multiple games across the web  
.....   **no reduction**
  
7. Price per square inch for foil ticket stock  
.....   **\$0.40**   per square inch of total ticket area per  
1,000 tickets
  
8. Price per square inch for holographic ticket stock  
.....   **\$1.58**   per square inch of total ticket area per  
1,000 tickets
  
9. **Hole Drilling**  
..... **\$450 set up fee + \$3.00 per pack**

**Test Games**

Hourly rate for software programming test games  
.....   **\$200.00**   per hour

**Bar Coded Coupons**

Each coupon must have a unique bar code that meets the validation specifications as outlined in this RFP.

## Direct Mail Bar Coded Coupons

### Self-Mailer:

Cost to produce bar coded direct mail pieces of multiple finished and folded sizes (8 1/2" x 14" flat and below), on various paper types (110# card stock and below) with 4-color process printing on both sides, full bleeds ink coverage and various perforations for coupons (up to 4 coupons attached to self-mailer). An example of size, finish and paper is 100# uncoated or coated on an 8 1/2" x 11" sheet with two or three folds. The mailer will be a self-mailer. Perforations would allow for four (4) or fewer unique, bar-coded coupons. The printing, handling and application of the mailing addresses shall be the responsibility of the Successful Proposer.

1. Cost per thousand for 250,000 self-mailer pieces w/coupons	<u>\$275.00</u>
2. Cost per thousand for 500,000 self-mailer pieces w/coupons	<u>\$197.00</u>
3. Cost per thousand for 1 million self-mailer pieces w/coupons	<u>\$150.00</u>
4. Cost per thousand for 1.5 million self-mailer pieces w/coupons	<u>\$135.00</u>
5. Cost per thousand for 2 million self-mailer pieces w/coupons	<u>\$126.00</u>

### Electronic Coupons

Cost to develop bar-coded, web-based **or mobile app based electronic** coupons that interact with the validation equipment used by the Texas Lottery. **Each coupon must have a bar code that meets the validation specifications outlined in this RFP.** Limited time vouchers and single-use, unique coupons are necessary. Both types of coupons will have bar codes, and must be able to be presented on both the Internet via a web page, **through a mobile app** or through email messages. Where applicable, costs should include any fees for programming for distribution/dissemination of e-coupons via the Texas Lottery website or email to provide unique bar codes for each contact or visitor.

Cost to create and distribute multi-use, limited-time offer e-coupons (single bar code per offer, not unique bar codes per recipient)

	<u>\$75,000.00</u>
1. Cost per thousand for unique, single-use e-coupons for 100,000	<u>\$850.00</u>
2. Cost per thousand for unique, single-use e-coupons for 250,000	<u>\$400.00</u>

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3. Cost per thousand for unique, single-use e-coupons for 500,000	<u>\$250.00</u>
4. Cost per thousand for unique, single-use e-coupons for 1,000,000	<u>\$220.00</u>
5. Cost per thousand for unique, single-use e-coupons for 2,000,000	<u>\$215.00</u>

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**Hand Out Coupons** – Cost to produce bar coded coupon insert as noted below:

- Size: Approximately 8.5" x 3.5", bleed design
- Paper: (25 x 38) 105#, 7pt. Orion Satin Matte
- Colors:                           A: 4c process front, unprinted back  
  B: 4c process front, 1c back  
  C: 4c process front, 4c back
- Imaging: Image bar code on front in black ink
- Finishing: Padded & glued in pads of 125. (Pad on 8.5in. edge)
- Freight is extra per actual freight invoice.

QUANTITY PIECES	PRICE PER 1,000 INDIVIDUAL COUPONS		
	OPTION A	OPTION B	OPTION C
5,000 coupons = 40 pads of 125	\$1,685.20	\$1,716.40	\$1,840.00
10,000 coupons = 80 pads of 125	\$859.00	\$1,476.40	\$935.00
20,000 coupons = 160 pads of 125	\$452.70	\$462.30	\$490.00
30,000 coupons = 240 pads of 125	\$377.93	\$324.80	\$350.00
50,000 coupons = 400 pads of 125	\$211.20	\$215.84	\$235.00
100,000 coupons = 800 pads of 125	\$132.38	\$137.04	\$137.84
125,000 coupons = 1,000 pads of 125	\$118.24	\$123.01	\$123.36
250,000 coupons = 2,000 pads of 125	\$89.94	\$93.74	\$93.96
500,000 coupons = 4,000 pads of 125	\$66.84	\$68.34	\$70.90
1,000,000 coupons = 8,000 pads of 125	\$52.60	\$53.38	\$54.72

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**Branded, Proprietary and Licensed Games, and Non-Licensed Games with Experiential or Merchandise Prizes, and Contractor Sponsored Promotions or Contests**

SG Licensing -Licensed Property List & Pricing Grid – Updated 8-1-18

PROPERTY	OPTION 1: Merchandise Fee as a Percentage of the Prize Fund	OPTION 2: License Fee as a Per- centage of Net Sales (no merchandise)
AMC® - The Walking Dead® <i>(US &amp; Canada)</i>	8.0%	2.0%
Bally Slot Games - 88 Fortunes, American Original, Big Vegas, Black and White, Blazing 777, Bonus Times, Cash ‘M If You Can, Dimaond Millions, Dragon Rising, Fireball, Fu Dao Le, Hot Hot Habanero, Hot Shot Progressive, Million Degrees, Monte Carlo, Power Strike, Quick Hits, Siren of the Sea, and Wild Huskies <i>(Worldwide)</i>	n/a	2.0%
Bally Table Games by Shufflemaster – Caribbean Stud Poker, Casino War, Crazy 4 Poker, Dragon Bonus Baccarat, Fire Bet, Fortune Pai Gow Poker, Four Card Poker, Free Bet Blackjack, Let it Ride, Mississippi Stud, Texas Hold’em Bonus, Three Card Poker, & Ultimate Texas Hold’em <i>(Worldwide)</i>	n/a	2.0%
Betty Boop™ <i>(Worldwide)</i>	8.0%	2.0%
Chevrolet® (thru 2019) Camaro® <i>(Worldwide)</i>	8.0% + Vehicles	2.0% + Vehicles
Cirque du Soleil™ <i>(Worldwide)</i>	8.0%	2.0%
Crossword Cash™ <i>(Worldwide)</i>	n/a	2.0%
Deal or No Deal™ <i>(US &amp; Canada)</i>	n/a	2.0%
Dodge (1914-2020*) Challenger, Charger, 2018 Demon, Durango, Grand Caravan, Journey, 2015-17 SRT Viper, & Ram 1500/2500/2500 Trucks <i>(US &amp; Canada)</i>	8.0% + Vehicles	2.0% + Vehicles
Ford Motor Company – F-150 Trucks, Mustang, Mustang GT, Edge, Escape, Expedition, Explorer, Fiesta, Flex, Focus, Fusion/Fusion Hybrid, and Taurus <i>(North America, Australia, New Zealand &amp; Europe –</i>	8.0% + Vehicles	2.0% + Vehicles

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<b><i>Denmark, France, Germany, Hungary, Ireland, Norway, Poland, Portugal, Slovakia, Spain &amp; UK</i></b>		
Elvis®/Elvis Presley™ <b><i>(US &amp; Canada)</i></b>	n/a	2.0%
Fortune Cookie®/Lucky Fortune <b><i>(Worldwide)</i></b>	n/a	2.0%
FremantleMedia - Family Feud® <b><i>(US &amp; Canada)</i></b>	n/a	2.0%
FremantleMedia - Let's Make a Deal™ <b><i>(US &amp; Canada)</i></b>	n/a	2.0%
FremantleMedia - Press Your Luck® <b><i>(US &amp; Canada)</i></b>	n/a	2.0%
FremantleMedia - The Price Is Right® <b><i>(US &amp; Canada)</i></b>	8.0%	2.0%
Go To SGI playstyle	n/a	2.0%
Grumpy Cat®/™ <b><i>(US &amp; Canada)</i></b>	n/a	2.0%
Hard Rock™ <b><i>(US, Canada, Australia, Belgium, France, Germany, Greece, Hungary, Italy, Lithuania, Netherlands, New Zealand, Norway, Poland, Spain, Switzerland &amp; UK)</i></b>	n/a	2.0%
Hasbro - Battleship™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro - Boggle™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro - Clue™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro - Connect 4™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro - Cranium™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro – Dungeons & Dragons™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro – Hungry Hungry Hippos™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro – Mastermind™ <b><i>(Worldwide-excludes US)</i></b>	n/a	2.0%
Hasbro - Monopoly™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro - Mouse Trap™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro – Operation™ <b><i>(Worldwide)</i></b>	n/a	2.0%
Hasbro - Scrabble™ <b><i>(US &amp; Canada)</i></b>	n/a	2.0%

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Hasbro - Simon™ <i>(Worldwide)</i>	n/a	2.0%
Hasbro - The Game of Life™ <i>(Worldwide-excludes Japan)</i>	n/a	2.0%
Hasbro - Trivial Pursuit™ <i>(Worldwide)</i>	n/a	2.0%
Hasbro - Yahtzee™ <i>(Worldwide)</i>	n/a	2.0%
James Bond 007 Property-Theatrical Releases <i>(Worldwide)</i>	8.0%	2.0%
Lotería™ <i>(US &amp; Canada)</i>	8.0%	2.0%
Lucky Dice™/® <i>(MDI Propriety)</i>	n/a	2.0%
Major League Baseball® - MLB™ <i>(US &amp; Canada)</i>	10.0%	4.5%
Margaritaville® <i>(Worldwide)</i>	8.0%	2.0%
Mattel - Magic 8 Ball™ <i>(US &amp; Canada)</i>	n/a	2.0%
Mattel – Rock ‘Em Sock ‘Em Robots™ <i>(US Only)</i>	n/a	2.0%
Mattel - Scrabble™ <i>(Australia, Belgium, Denmark, Finland, France, Italy, New Zealand, Norway, Portugal, Spain, Sweden, &amp; Switzerland)</i>	n/a	2.0%
Mattel - UNO™ <i>(US &amp; Canada)</i>	n/a	2.0%
Monster Jam® <i>(Worldwide)</i>	8.0%	2.0%
MotoGP™ <i>(Spain Only)</i>	n/a	2/0%
National Basketball Association - NBA® <i>(US Only)</i>	10.00%	3.5%
Pac-Man® <i>(Australia France &amp; Spain Only)</i>	n/a	2.0%
Paycheck® <i>(Worldwide)</i>	n/a	2.0%
Pro Football Hall of Fame® <i>(US &amp; Canada)</i>	8.0% + Grand Prizes	2.0% + Grand Prizes
Rock Paper Scissors®/© <i>(SG Propriety)</i>	n/a	2.0%
7UP™ <i>(US Only)</i>	n/a	2.0%

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SLINGO® <i>(Exclusivity: US &amp; Canada; Non-Exclusive: Australia, New Zealand &amp; Europe)</i>	n/a	2.0%
Survivor Greece <i>(Greece Only)</i>	n/a	2.0%
The Lottery Bank Cash Card™ <i>(Worldwide)</i>	n/a	2.0%
WB – Austin Powers™ Motion Pictures <i>(Worldwide)</i>	n/a	2.0%
WB - Beetlejuice™ <i>(Worldwide)</i>	n/a	2.0%
WB - Caddyshack™ <i>(Worldwide)</i>	n/a	2.0%
WB – Friends™ TV Series <i>(Worldwide)</i>	n/a	2.0%
WB – Gone With the Wind™ <i>(Worldwide)</i>	n/a	2.0%
WB - Gremlins™ Motion Pictures <i>(Worldwide)</i>	n/a	2.0%
WB – Hanna-Barbera Includes: Augie Doggie, Banana Splits <i>(excludes Peru)</i> , Captain Caveman, Dynomutt, Hong Kong Phooey, Jonny Quest Classic Series, Magilla Gorilla, Ruff and Reddy, Secret Squirrel, The Flintstones, The Jetsons, Top Cat, Wacky Races, Wally Gator, and Yogi Bear <i>(excludes Mainland China)</i> <i>(Worldwide-exclusions noted)</i>	n/a	2.0%
WB – MAD Magazine™ <i>(Worldwide)</i>	n/a	2.0%
WB – National Lampoon’s Vacation™ Motion Pictures <i>(Worldwide)</i>	n/a	2.0%
WB – The Bachelor/Bachelorette™ TV Series <i>(Worldwide)</i>	n/a	2.0%
WB - The Wizard of Oz™ <i>(Worldwide)</i>	n/a	2.0%
WB – Wonder Woman™ TV Series <i>(Worldwide)</i>	n/a	2.0%
WMS Slot Games – Aftershock, Bier Haus, Diamonds of Dublin, Easy Money, Egyptian Riches, Filthy Rich, Gold Fish, Hot Hot 8, Hot Hot Penny, Hot Hot Super Invaders From the Planet Moolah, Jackpot, Hot Hot Super Respin, Jackpot Party, Leprechaun’s Gold, Life of Luxury, Lucky Lemmings, Money To Burn, OMG!	n/a	2.0%

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Kittens, OMG! Puppies, Reel ‘Em In, Triple Golden Cherries and Zeus <i>(Worldwide)</i>		
Words With Friends™ <i>(Worldwide)</i>	n/a	2.5%
World Poker Tour®/ WPT® <i>(US &amp; Canada)</i> (with Hold ‘Em Poker® & Texas Hold ‘Em®) <i>(US Only)</i>	10.0%	2.0%

**Scientific Games Proprietary Play Action Games:**

Exciting Play Actions that offer consumers added entertainment value:

Multiple Games™

Lucky Dice™/Lucky Card Cash™/Golden Spin™

Big Bingo™

Go To™

Linked Play™

Match&Win™

..... 0.25% of game retail ticket value

**Promotional Second Chance Drawings**

A. The following fees will apply to Mail-In Second Chance Drawings:

**1. Branded/Licensed Property Games**

Cost to set up, monitor and support the system for a single Branded/Licensed Property game, and any associated second chance drawings in the Branded/Licensed Property game that utilizes the merchandise model. The number of second chance drawings is determined by the Texas Lottery.

.... No charge – included in the price of the licensed game

**2. Non-Branded/Licensed Property Games**

Cost to set up, monitor and support the system for a single Non- Branded/Licensed Property game, or a Branded/Licensed Property game that does not utilize the merchandise model.

i. Cost to set up, monitor and support the 1st drawing for a game.

..... \$30,000.00

ii. Cost to set up, monitor and support subsequent drawing(s) for the same game.

..... \$25,000.00

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B. The following fees will apply to Internet Entry Second Chance Drawings:

i. For branded or Licensed Property Games produced by the Successful Proposer where the Texas Lottery pays the Successful Proposer directly as promotional second-chance drawing merchandise prizes are claimed (also known as the merchandise model), the Successful Proposer waives all costs to set up, monitor and support the draw system and all drawing costs.

ii. For promotional second-chance drawing services for all other instant games (including, but not limited to, games that do not use the merchandise model, games produced by other Texas Lottery vendors, etc.), the Texas Lottery agrees to pay the Successful Proposer \$25,000.00 for drawings with aggregate prizes up to \$500,000.00 and \$50,000.00 for drawings with aggregate prizes greater than \$500,000.00 per game to set up, monitor and support the draw system (including all costs for the first promotional second-chance drawing in the game), plus an additional \$15,000.00 for the remaining drawings in the game for drawings with aggregate prizes up to \$500,000.00 and \$25,000.00 for the remaining drawings in the game for drawings with aggregate prizes greater than \$500,000.00.

**INVITED OPTIONS**

Proposers are **not required** to submit specifications and pricing for Invited Options. Each Proposer should indicate the additional cost per thousand (1,000) tickets, if any, for any options, including those listed below. Pricing should be noted as cost per square inch, if appropriate.

1. Cost per thousand for die-cut tickets.

\$0.34 per square inch of total ticket area per 1,000 tickets

2. Cost per pack, if any, for additional inserts in each pack of tickets.

(inserts to be furnished by Texas Lottery)

..... \$0.25 per pack

3. Cost per thousand for pouch tickets.

(any change to specifications requires re-quote)

**Circle Metallized Pouch**

Tex. Gov't Code  
§552.139/§552.101  
§466.022

- Ticket Specifications:
  - Size: 2.75" x 24" (open) and folded to 2.75" x 8"
  - Substrate:
  - Printing: four colors on front/one color on back (Megacolor)
  - Overprint: 4CP (Megacolor)
  - Security: Clear construction
  - Six games on the ticket, please see attached sample as reference

Confidentiality Claimed  
§552.104/552.110

- Pouch Specifications
  - Material:

(Back) Clear Polyester 48 gauge laminated to clear polyethylene 1.5mm

- Final Pouch Size: (Approx) 3.75" x 8"
- Finishing
- 25 pouches per book
- Strapped together with a paper band
- Shrink-wrapped by 25 pouches
- Cartons of 1,000 pouches
- One POS card per pouch

5 million pouches add \$540.00 per 1,000 pouches

4. Cost per thousand for holograms on tickets.

..... Not applicable

5. Cost per thousand for continuous four color process covering entire ticket.

Scientific Games "MegaColor"

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..... \$1.85 per 1,000 tickets

6. Cost per thousand for four-color printed on ticket back.

\$0.16 per square inch of total ticket area per 1,000 tickets

7. Cost per thousand for perforated stub, with either horizontal or vertical perforations and with or without imaging.

Without Imaging \$0.08 per square inch of total ticket  
area per 1,000 tickets

With Imaging \$0.16 per square inch of total ticket area  
per 1,000 tickets

8. Cost per thousand for scored tickets.

\$0.34 per square inch of total ticket area per 1,000 tickets

9. Cost per thousand for scented tickets.

\$0.50 per square inch of total ticket area per 1,000 tickets

10. Cost per thousand for break-open tickets with perforated window.

..... Not applicable

In addition, each Proposer should indicate the additional cost, if any, for the options listed below:

Merchandise fulfillment for non-licensed property games

..... Shipping cost will be billed at Cost plus 10% handling fee.

## OFFERED OPTIONS

Proposers should respond to this section on sheets attached hereto the price for Proposer-offered optional items. Proposers are free to describe offered options and the terms and pricing under which they are offered. Proposers are not required to submit any Offered Options under section 8.34 of this RFP.

### Spot Matte UV Coating

Spot placement of UV coating on display areas

\$0.08 per square inch of total ticket area per 1,000 tickets

### Spot Gloss UV Coating

Spot placement of UV coating on display areas

\$0.08 per square inch of total ticket area per 1,000 tickets

### Additional Back Display Colors

Base ticket price includes 10 total colors, including fluorescent benday

\$0.04 per square inch of total ticket area per 1,000 tickets

### Premium Metallic Ink

Per color

....\$0.16 per square inch of total ticket area per 1,000 tickets

### Additional Hit of Primer

Per color

\$0.06 per square inch of total ticket area per 1,000 tickets

### Additional 4" x 4" Point of Sales Pieces

The base ticket price includes one 4" x 4" POS insert per pack plus an additional 500 POS pieces per game.

..... Additional POS pieces \$330.00 per 1,000 pieces

### Specialty Inserts – 4" x 4" – additional charge

.....Foil - \$ .395 per each or \$ 395.00 per 1,000 inserts

.....Holographic - \$ .684 per each or \$ 684.00 per 1,000 inserts

**Simulated Foil**

Specialized inks that create the appearance of foil substrate

. \$0.25 per square inch of total ticket area per 1,000 tickets

**Color Shift Ink**

Ink containing light interference flakes appear to shift color with slight changes in viewing angle

. \$0.80 per square inch of total ticket area per 1,000 tickets

**Iced Fluorescent Ink** (Crystallized Fluorescing Colors)

..... \$0.28 per sq. in. of total ticket area per 1,000 tickets

**LuxColor Ink** (Premium Deep Shimmering Colors)

..... \$0.48 per sq. in. of total ticket area per 1,000 tickets

**Pearlescent Coating**

Classic pearl-white iridescence

\$0.09 per square inch of total ticket area per 1,000 tickets

**MicroMotion**

Confidentiality Claimed  
§552.104/552.110

**Scratch My Back**

Ink containing light interference flakes appear to shift  
Latex on the back of tickets to facilitate additional game play

\$1.70 per square inch of total ticket area per 1,000 tickets

**Three Color Imaging of Play Symbols**

3c (black + 2 additional colors) imaging

\$0.60 per square inch of total ticket area per 1,000 tickets

**Four Color Imaging of Play Symbols**

4c (black + 3 additional colors) imaging

\$0.80 per square inch of total ticket area per 1,000 tickets

**Linked Play Holographic Play Symbols**

Holographic play symbols

\$1.58 per square inch of total ticket area per 1,000 tickets

Confidentiality Claimed  
§552.104/552.110

**FailSafe®**

Secure keyless validation of instant tickets provides player protection

\$1.89 per 1,000 tickets

**Patterned Ultra Shine™**

Translucent tinted coating

\$0.14 per square inch of total ticket area per 1,000 tickets

**LuxVelvet Coating**

Clear coating that adds a softer, velvety feel to tickets

\$0.09 per square inch of total ticket area per 1,000 tickets

**LuxTouch Coating**

Special coating used to create texture

\$0.44 per square inch of total ticket area per 1,000 tickets

**Advanced/Specialized Imaging**

Lines of special symbols which may utilize multiple colors that are easier to see and more pleasing to the eye

**. \$0.05 per square inch of total ticket area per 1,000 tickets**

**Inverted imaging**

Upside down imaging used for two player instant games

**\$1,200 set up plus - .....**

**\$0.09 per square inch of total ticket area per 1,000 tickets**

**Graphic Benday**

Extra print units place artwork under the scratch-off coating

**. \$0.16 per square inch of total ticket area per 1,000 tickets**

**Sparkle™** (addition of highly reflective highlights added to graphic and/or scratch off areas)

**\$4,500 set up plus –**

- **\$1.50 per sq. in. of total ticket area per 1,000 tickets (+4mm 2" x 4" STU equivalents)**
- **\$1.75 per sq. in. of total ticket area per 1,000 tickets (2mm - 4mm 2" x 4" STU equivalents)**
- **\$2.00 per sq. in. of total ticket area per 1,000 tickets (less than 2mm 2" x 4" STU equivalents)**

**Variable Messaging on Ticket Back**

Allows for delivery of important information about lottery proceeds, websites, player's clubs, winning prizes, or revenue generating promotions

**..... \$0.65 per 1,000 tickets plus \$4,000.00 flat charge**

**Synchronized Scene Games**

Multiple sequential tickets printed with different artwork and different play styles from ticket to ticket

..... \$1.60 per 1,000 tickets

**KDSii**

Patented instant ticket programming process that secures the relationship between the pack number and it's value (Note, this product is not available for licensing to other vendors)

..... Included in base price

**Spotlight AMP**

New concept which allows for instant game top prize winners to win additional prizes

\$45,000.00 per spin event required prize insurance at additional charge

**Retailer Games**

Incentive programs that give store managers and clerks incentives for increasing lottery sales

same specifications and prices as C2S base ticket matrix

**Understand Dual Language Feature**

Full instructions in Spanish underneath the full English instructions aid in game play understanding

..... \$0.50 per 1,000 tickets

**3-D Games**

Offers players three dimensional artwork when viewed with customizable 3-D glasses

Price based on minimum order quantity of 25,000 3-D glasses.

\$0.09 per square inch of total ticket area per 1,000 tickets plus \$.50 per each 3-D glasses unit

**Expedited Games Facility Charge**

Confidentiality Claimed  
§552.104/552.110

**Programming of Unusual Games or Post-Executed Changes**

..... \$200.00 per hour

**Art and proofing changes for post-executed changes to art  
as specified in approved Working Papers**

..... \$200.00 per hour

**Gigantix™ Ticket** – Unique size and play nature of the game allows for legal language, lottery support, advertising and special coupons

GIGANTIX TICKET SIZE	ORDER QUANTITY	PACK SIZE	PRICE PER 1,000 TICKETS
10 x 8	500,000	15	\$138.26
10 x 8	1,000,000	15	\$115.47
10 x 8	5,000,000	15	\$98.59
10 x 8	10,000,000	15	\$96.26
12 x 8	500,000	15	\$157.63
12 x 8	1,000,000	15	\$134.47
12 x 8	5,000,000	15	\$117.32
12 x 8	10,000,000	15	\$114.91

10" x 8" and 12" x 8" ticket sizes available.

**Bulk Purchase Lottery Tickets/Lottery Playing Cards**

A full, usable deck of playing cards that are real scratch-off instant win Lottery tickets.

Price based on 20,000 decks and 500 specialized dispensers.

Order quantity changes require re-quote.

..... \$170,600.00

**Properties Plus™**

The full Properties Plus Program can be implemented with no out of pocket costs for the Lottery by funding the program from prize structures. We recommend a funding level of 1% of prizes. If the Lottery funds at that level, they will get the entire program as described in Section 8.34.

..... 1% value of prizes in prize structure

**Annual Catalog of Game Designs**

Confidentiality Claimed  
§552.104/552.110

**Graphic Pulse**

Allows for alternate display (press-printed) images during the press run of an instant game  
Per each press stop as required by production

Tex. Gov't Code  
§552.139/§552.101  
§466.022

..... \$2,500.00 per press stop

Per each plate/cylinder changed as required by production

..... \$1,500.00 per plate/cylinder

**Gift Card Holders**

Die-cutting to required to produce Gift Card Holder  
Other options required by production, if any, at additional charge

\$.034 per square inch of total ticket area per 1,000 tickets

**Bottleneckers**

Die-cutting to required to produce Bottlenecker  
Other options required by production, if any, at additional charge

\$.034 per square inch of total ticket area per 1,000 tickets

**Electronic Instant Ticket**

It has been our experience that the provision of Electronic Instant Tickets is a unique capability that requires an extensive ongoing investment in consumer research, product development and business operations. For this reason it is most common that internet content companies price their products and services on a revenue sharing basis.

- Our base fee for game content is most commonly ranges 15 - 25% from Gross Gaming Revenue (GGR), where GGR is calculated as amount staked by end users on any game, less their respective winnings. The factors that will determine the actual fee include such items as the Lottery’s determination:
  - Hosting location (in-state vs. centralized)
  - Prize payout (which can range from 60 - 90%+)
  - Quantity of games authorized
  - Web marketing support (banner advertising, affiliate marketing, etc.)
  - Third party licensing fees (covers branded games) **Confidentiality Claimed**  
**\$552.104/552.110**

**Optimal Payout Analyses**

Working with an outside economist, Scientific Games examines the “sweet spot” at which a lottery optimizes its payout within a price point, while also realizing optimal net profits. While the idea of optimal payout has been explored in a variety of ways over the years, this specific method of analysis has been conducted at Scientific Games for several years for a number of jurisdictions.

..... **\$38,033.00 per project**

**Product Propensities for Lottery Players (MRI Syndicated data)**

Using the breadth of information obtained through our custom omnibus and tied to other syndicated data, Scientific Games can produce a report for the Lottery showing purchases made by lottery players in other consumer categories. Drilling down to certain DMA’s within the state of Texas, we can provide insight on the most popular brands purchased by lottery players which will help the Lottery in any type of cross-promotion initiative.

..... **\$6,161.00 per project**

**Proactive Product Plan (with forecast modeling)**

While Scientific Games will certainly participate in game planning sessions if awarded a contract with the Texas Lottery, sometimes the need arises for a Lottery to request a more comprehensive look at their product line and where it is headed. Scientific Games offers this type of analysis as an offered option.

The deliverable is a product plan that uses a model based on game type and performance and projects sales, order quantities, cannibalization, etc.

..... **\$109,255.00 per project**

**Optional Research – Sales Index Analysis**

Insight that provides information into which games would perform well in the Texas market.

..... **\$5,405.00 per project**

**Optional Research – Attribute Analysis**

Research that allows a lottery to combine the best possible attributes into each game design which will assist in maximizing sales and net revenue.

..... **\$3,816.00 per project**

**Optional Research – Prize Structure Analysis**

Examines the odds of winning certain prize categories and compares it to the most successful lotteries' prize structures.

..... **\$4,379.00 per project**

**Optional Research – State-of-the-Industry Analysis**

Inter-jurisdictional analysis of the top 16 US lotteries (as measured by weekly per capita instant sales).

..... **\$17,185.00 per project**

**Optional Research – Market/Player Analysis**

In-depth look at both instant and online games and sales in the marketplace, including product trends, geographic distribution of sales, players and general retailer distribution.

..... **\$30,004.00 per project**

**Optional Research – Retailer Optimization**

Research that examines the mix of retailers by trade style and find the best fit for the market.

..... **\$30,804.00 per project**

**Optional Research – Advertising and Promotion Analysis**

Research that investigates which promotions appealed to which specific groups.

..... **\$19,253.00 per project**

**Optional Research – Licensed Property Post-Launch Analysis**

Analyzes sales and winners' files and look for differences between those segments that played the licensed property game versus those typically playing other lottery games

..... **\$28,525.00 per project**

**Marketing Research Project Rates**

At the Lottery's request, Scientific Games' research department can design, procure, analyze or consult on any research projects the Lottery wishes to undertake. Our research team is skilled in techniques across all facets of research and has relationships with many global suppliers.

..... **\$100.00/hr for research project rate**

**SalesMaker Retailer Makeover 360**

SGI  
Attachment A to Amendment No. 10

A team from Scientific Games will visit each retailer selected to receive a lottery makeover and install materials designed to fully transform their retail space into a re-vitalized Texas Lottery retail destination. The Retailer Makeover 360 also includes SalesForce and SalesBuilder Training Seminars. There is a minimum commitment of 20 Retailers.

	.....	<b><u>\$25,000.00 per location</u></b>
<b>SalesMaker Lite</b>	<b>Confidentiality Claimed</b>	
	<b>\$552.104/552.110</b>	

**SalesForce**

**SalesCoach**

**SalesBuilder Seminar**

## **STANDARD TERMS AND CONDITIONS**

### ***Delivery Tolerance***

The Lottery will be billed only for the exact quantity of conforming tickets actually delivered within the delivery tolerance at the price for the ordered quantity involved.

### ***Interpolation***

Prices quoted are such that linear interpolation between cost levels applies should the Lottery wish to purchase a quantity of tickets other than those actually listed.

### ***Royalties for Game Theme Trademarks, Copyrights, Licensed Properties, etc.***

Our pricing does not include royalties to be paid for the use of intellectual property rights for game themes or designs not required to print our standard tickets. These property rights include our portfolio of licensed or patented game themes and play styles, such as MONOPOLY®, HARLEY-DAVIDSON®, HOLD 'EM POKER® or BETTY BOOP®. In the event we or our affiliates are an authorized licensing representative for such rights and the Lottery desires to use them, such rights will be provided in a separate licensing agreement at additional cost. In all other cases, where such rights are requested for a given game, the Lottery shall be responsible for acquiring the right to use them. In the alternative, if requested by the Lottery, we will attempt to acquire such rights upon such terms and conditions as may be acceptable to the Lottery.

### ***Standard Items***

Our standard inks, materials, and procedures, which meet all specified requirements of the RFP, will be used in producing the tickets under this proposal. If any special items or steps are desired beyond these standard items, we will endeavor to provide them, and will quote the additional charge for them, if any, beforehand, for the Lottery's consideration.

### ***Inter-Relationship of Options***

Most of the options presented here may be selected independently of one another. However, some of the options are inter-related because of equipment limitations or technical reasons. For example, the total number of coatings which consist of the front display colors, back display colors, lily pad coat, seal coats, release coats, latex coat and overprints is limited by the total number of printing stations on the printing press in use at a given time.

### ***Dates***

We strongly advise against placing of dates of any kind onto instant lottery game tickets. Note that dating tickets converts instant game tickets into a "perishable" commodity. If ticket delivery is delayed due to force majeure, a condition of such dating is that the Lottery agrees to assume the risk of such force majeure and to accept such delayed tickets (regardless of the dating thereon).

### ***Taxes***

The price quoted is based on the assumption that no sales or use tax, no gambling-related tax, or no customs, duties, or importation taxes will be levied on the goods and services involved herein, and if they are, our price should be considered to be increased to the extent of such taxes.

***NASPL Best Practice Pricing Methodology***

Scientific Games subscribes and supports the following NASPL RFP Best Practice Pricing Methodology for Deliverables and Services Not Originally Defined (NASPL Guide to the Standard Request For Proposal (RFP) Template, Section 3.23.2):

*“Changes and enhancements that exceed RFP and contractually specified requirements (and which are not otherwise accommodated for in this RFP or by the pricing method in the RFP) will have the terms and price negotiated and approved by both parties, or be subject to a separate agreement. These include, but are not limited to, categorically different service obligations, and new technology enhancements.”*