

# GTECH PRINGING CORPORATION ATTACHMENT H REVISED SEALED COST PROPOSAL

NOTE TO ALL PROSPECTIVE PROPOSERS: THE COST PROPOSAL MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE AS AN ATTACHMENT TO THE ORIGINAL PROPOSAL.

Payment will be based on cost per thousand tickets manufactured.

## **Options**

As part of the base cost (price per thousand tickets) submitted by a Proposer, all items represented in the Proposal must be provided unless specifically identified as Invited, Offered or Specified Options. Any such options must be specifically detailed in the Proposal.

If the services represented in the Proposal are not clearly indicated as Invited, Offered or Specified Options, the cost for such services is included in the base price.

Offering a required item as an option may be cause for rejection of the Proposal.

# **Evaluation of the Cost Proposal**

For purposes of evaluation and comparison, all cost cells for the Base Price and the following four Specified Options (Full UV Coating, Dual Color Imaging, Metallic Ink and Fluorescent Ink) will be evaluated. While all cost cells will be evaluated, some may have greater weight.

#### **Common Price**

The Texas Lottery's objective is to maximize revenue to the State of Texas through the selection of "industry best" games and those consistent with the Texas Lottery's current product mix and instant ticket strategy. The Texas Lottery evaluates games based on a variety of criteria including, but not limited to, sales performance, ticket theme, play style, planned start date and overall fit within the overall instant game portfolio. Using these criteria and others, the Texas Lottery also includes branded, proprietary or licensed games which it believes present the best opportunity for maximizing ticket sales and generating revenues for the State.

In working toward its objective to maximize revenue to the State of Texas through the selection of "industry best" games and those consistent with the Texas Lottery's current product mix and instant ticket strategy, the Texas Lottery believes that utilizing multiple vendors for instant ticket manufacturing and services promotes competition, optimizes vendor performance and enhances business resumption capabilities.

The Texas Lottery desires to select multiple Successful Proposers that demonstrate superior technical quality and service and that offer competitive pricing.

The Texas Lottery, through negotiations with all Apparent Successful Proposers, desires to establish common prices for the goods/services included in the Base Price and four specified options (Full UV Coating, Dual Color Imaging, Metallic Ink and Fluorescent Ink).



As an incentive to accept the common prices established by the Texas Lottery and at the agency's sole discretion, Successful Proposers may be offered an opportunity to produce a comparable number of games for a set period (as determined by the Texas Lottery in its sole discretion) following Contract Award. The Texas Lottery, in its sole discretion, will determine the quantity and volume of ticket production awarded to each Successful Proposer and expressly reserves the right to decrease or increase game orders consistent with the considerations in section 1.1.7, together with other factors including, but not limited to, technical quality and customer service.

#### **Base Price**

Each Proposer should complete the following matrix utilizing cost per thousand tickets and provide pricing information for each quantity and actual ticket size printed on the identified ticket stock. Prices must be proposed to two (2) decimal places (example: \$6.60/thousand). Base price includes any and all requirements, goods and services described in this RFP that are not Invited, Offered or Specified Options as referenced in this RFP. Specifically, base price shall include insertion of 4" X 4" POS cards in each pack, four color processing, expanded imaging and any additional spot colors required to produce the game tickets as represented in the executed working papers.

Table 1: 10 Point Virgin/Recyclable - Coated Two Sides

NOTE: Use the format provided on the attached Table for your response.

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION

Table 1 - 10 Point Virgin/Recyclable-Coated Two Sides Confidential - For Negotiation Purposes

	A		В			3	THE RESIDENCE OF THE PERSON OF	C		THE PERSON NAMED IN
2.7	2.4" x 4"		4"×4"		9	6" x 4"		8" × 4"	4"	
250	150	250	150	125	150	125	125	75	20	25
					· · · · · · · · · · · · · · · · · · ·				\$1,232.05	\$1,252.92
	\$193.86			\$200.83						
	\$104.05			\$107.67						
	\$74.13			\$76.74						
	\$59.16			\$61.37						
	\$49.85			\$51.51						
	\$43.54			\$44.97						
	\$38.89			\$41.10						
	\$35.55			\$37.94						
\$33.78	\$34.57	\$35.61	\$36.43	\$36.88	\$43.91	\$44.39	\$51.10	\$52.27	\$52.47	\$57.47
\$19.63	\$20.41	\$23.63	\$24.45	\$24.91	\$28.06	\$28.53	\$33.51	\$34.59	\$37.12	\$41.20
\$15.04	\$15.82	\$18.95	\$19.78	\$20.22	\$23.40	\$23.87	\$28.40	\$29.43	\$31.97	\$36.05
\$12.56	\$13.34	\$16.37	\$17.19	\$17.64	\$21.10	\$21.56	\$25.79	\$26.78	\$28.62	\$33.42
\$11.28	\$12.06	\$14.90	\$15.72	\$16.19	\$19.23	\$19.71	\$24.12	\$25.12	\$27.66	\$31.75
\$10.28	\$11.06	\$14.00	\$14.82	\$15.26	\$18.71	\$19.19	\$22.95	\$23.93	\$26.48	\$30.58
\$9.60	\$10.39	\$13.27	\$14.09	\$14.55	\$17.91	\$18.38	\$22.30	\$23.29	\$25.81	\$29.91
\$9.13	\$9.91	\$12.87	\$13.70	\$14.15	\$17.03	\$17.50	\$21.91	\$22.89	\$25.42	\$29.51
\$8.71	\$9.48	\$12.45	\$13.28	\$13.72	\$16.85	\$17.33	\$21.36	\$22.34	\$24.87	\$28.95
\$8.51	\$9.28	\$12.10	\$12.92	\$13.37	\$16.38	\$16.84	\$21.14	\$22.11	\$24.64	\$28.72
\$8.05	\$8.83	\$11.69	\$12.52	\$12.97	\$16.02	\$16.50	\$20.79	\$21.77	\$24.29	\$28.39
\$7.52	\$8.31	\$11.11	\$11.93	\$12.38	\$15.39	\$15.87	\$20.19	\$21.15	\$23.68	\$27.77
\$7.11	\$7.90	\$10.59	\$11.41	\$11.87	\$14.80	\$15.27	\$19.55	\$20.51	\$23.05	\$27.13
\$6.56	\$7.33	\$10.19	\$11.01	\$11.46	\$14.44	\$14.90	\$19.20	\$20.16	\$22.69	\$26.77
\$6.33	\$7.10	\$9.99	\$10.82	\$11.27	\$14.14	\$14.62	\$18.89	\$19.84	\$22.37	\$26.46
\$6.21	\$6.98	\$9.87	\$10.68	\$11.14	\$14.03	\$14.50	\$18.78	\$19.73	\$22.24	\$26.31
\$6.15	\$6.91	\$9.80	\$10.62	\$11.06	\$13.98	\$14.44	\$18.71	\$19.66	\$22.18	\$26.26

ଠା	8	10	\$95.59	\$76.61	\$71.33	\$68.74	\$66.37	\$65.35	\$64.69	\$63.61	\$63.04	\$62.84	\$62.56	\$61.72	\$60.93	\$60.61	\$60.27	\$60.03	\$59.92
0	.8×9	20	\$76.81	\$57.87	\$52.58	\$49.96	\$47.61	\$46.57	\$45.92	\$44.84	\$44.27	\$44.06	\$43.80	\$42.96	\$42.19	\$41.88	\$41.52	\$41.36	\$41.27
		20	\$71.54	\$53.36	\$48.28	\$45.83	\$43.60	\$42.62	\$42.01	\$41.02	\$40.46	\$40.26	\$39.95	\$39.20	\$38.50	\$38.17	\$37.82	\$37.68	\$37.60
I	12" x 4"	25	\$68.27	\$50.09	\$45.00	\$42.57	\$40.34	\$39.36	\$38.74	\$37.75	\$37.19	\$37.00	\$36.68	\$35.92	\$35.23	\$34.91	\$34.58	\$34.46	\$34.36
	12"	50	\$64.33	\$46.16	\$41.07	\$38.62	\$36.41	\$35.41	\$34.79	\$33.81	\$33.25	\$33.05	\$32.74	\$31.99	\$31.30	\$30.97	\$30.63	\$30.49	\$30.44
		7.5	\$61.89	\$43.71	\$38.62	\$36.16	\$33.95	\$32.95	\$32.33	\$31.35	\$30.79	\$30.58	\$30.27	\$29.52	\$28.83	\$28.49	\$28.17	\$28.02	\$27.97
	10"×4"	25	\$63.61	\$45.66	\$40.55	\$38.06	\$36.13	\$34.97	\$34.35	\$33.65	\$33.10	\$32.87	\$32.56	\$31.89	\$31.22	\$30.86	\$30.53	\$30.39	\$30.33
Ш	10".	20	\$59.50	\$41.57	\$36.45	\$33.98	\$32.04	\$30.89	\$30.25	\$29.55	\$29.02	\$28.79	\$28.47	\$27.79	\$27.14	\$26.77	\$26.44	\$26.30	\$26.25
Ticket Size	100 40 100	Pack Size	1,000,000	2,000,000	3,000,000	4,000,000	5,000,000	6,000,000	7,000,000	8,000,000	9,000,000	10,000,000	12,000,000	15,000,000	20,000,000	30,000,000	50,000,000	75,000,000	100,000,000

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION



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

1.	4 color processing	Per square inch	\$0.00 per 1k square inches
2.	expanded imaging	Per square inch	\$0.05 per 1k square inches
3.	additional spot colors	Per color per square inch	\$0.04 per 1k square inches
4.	Includes 4x4 card insertion	Price Per Pack	\$0.15 per insert per pack
	in each pack		

#### **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) tickets 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)

2. Cost per thousand tickets for metallic inks

Per color per square inch \$0.07 per square inch per 1,000 tickets.

3. Cost per thousand tickets for dual color game data imaging

Per 1,000 tickets: \$0.25344 per square inch per 1,000 tickets.

4. Cost per thousand tickets for full ultraviolet coating in display area

Per square inch: \$ 0.08 per square inch per 1,000 tickets.



# Other Specified Options:

- 1. Cost per thousand tickets for any reduction for colors less than ten (10).

  Price decrease per color \$ 0.0525 per square inch per 1,000 tickets price decrease per color.
- 2. Cost per thousand tickets for multiple scenes or continuous scene game \$\frac{0.1425 per}{1,000 tickets per additional scene.}
- 3. Cost per thousand tickets for color pulsing color changes within a press run \$\_0.39584 per color pulse.
- 4. Cost per thousand tickets for marking process other than full opaque security coating covering. Per square inch No charge for Magic Scratch, a GPC developed coin rub extended play system. Pricing for Player's Mark extended play marking system is \$0.114 per square inch per 1,000 tickets.
- 5. Cost for cylinder or plate change before or during production \$1425.00 per cylinder/plate change; During production: Additional plate changes required throughout the run, providing there is no file change, are provided at no additional charge.
- 6. Cost per thousand tickets difference for multiple games across the web <u>Deduct</u> \$2,100.00 for each additional game across the web. Working papers must be signed off at the same time as the initial game.
- 7. Price per square inch for foil ticket stock \$0.2755 per square inch per 1,000 tickets.
- 8. Price per square inch for holographic ticket stock \$ 1.50 per square inch per 1,000 tickets.

#### **Test Games**

Hourly rate for software programming test games No charge for programming the first test game. Software changes for any game after the Working Papers are approved are \$150.00 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 ½" 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	\$204.00
2.	Cost per thousand for 500,000 self-mailer pieces w/coupons	\$148.00
3.	Cost per thousand for 1 million self-mailer pieces w/coupons	\$115.00
4.	Cost per thousand for 1.5 million self-mailer pieces w/coupons	\$105.00
5.	Cost per thousand for 2 million self-mailer pieces w/coupons	\$100.00



**Electronic Coupons** 

Cost to develop bar-coded, web-based coupons that interact with the validation equipment used by the Texas Lottery. 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 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: \$3,500.00 (single bar code per offer, not unique bar codes per recipient)

1.	Cost per thousand for unique, single-use e-coupons for 100,000	\$ <u>14.00</u>
2.	Cost per thousand for unique, single-use e-coupons for 250,000	\$13.15
3.	Cost per thousand for unique, single-use e-coupons for 500,000	\$12.25
4.	Cost per thousand for unique, single-use e-coupons for 1,000,000	\$10.50
5.	Cost per thousand for unique, single-use e-coupons for 2,000,000	\$7.00

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

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



## **Ouantity**

#### Price per 1.000 individual coupons

Pieces	Option A	Option B	Option C
5,000  coupons = 40  pads of  125	\$ <u>1,325.00</u>	\$ <u>1,404.00</u>	\$2,024.00
10,000  coupons = 80  pads of  125	\$ <u>672.00</u>	\$712.00	\$ <u>1,029.00</u>
20,000  coupons = 160  pads of  125	\$354.00	\$374.00	\$539.00
30,000  coupons = 240  pads of  125	\$250.00	\$264.00	\$385.00
50,000  coupons = 400  pads of  125	\$190.00	\$199.00	\$259.00
100,000  coupons = 800  pads of  125	\$ <u>102.00</u>	\$ <u>107.00</u>	\$134.00
125,000  coupons = 1,000  pads of  125	\$90.00	\$94.00	\$ <u>116.00</u>
250,000  coupons = 2,000  pads of  125	\$64.00	\$66.00	\$76.00
500,000  coupons = 4,000  pads of  125	\$51.00	\$52.00	\$57.00
1,000,000  coupons = 8,000  pads of  125	\$44.00	\$45.00	\$49.00

#### **Branded, Proprietary and Licensed Games**

The Texas Lottery may use branded, proprietary and licensed games as part of its game portfolio. The Successful Proposer shall be required to provide, in writing, to the Texas Lottery the fee for each new game within thirty (30) days of acquiring that brand, license or proprietary process. In accordance with the executed working papers, the Texas Lottery may require prize fulfillment services for licensed property games and/or other games manufactured by the Successful Proposer.

Exclusive Pricing rates should be categorized in a table(s) based on product strength/recognition and priced accordingly. Proposers shall provide separate tables for games that utilize licensing fees and games that utilize merchandise allocations. Licensed property games whether utilizing the licensing fee or merchandise model shall include print costs and any necessary fulfillment services. Proposers should provide any volume discounts.

Please provide pricing tables for Branded, Proprietary and Licensed games.

#### **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.

\$ 0.00



## 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 1 <sup>st</sup> drawing for a game.
	\$ <u>9,400.00</u>
ii. gaı	Cost to set up, monitor and support subsequent drawing(s) for the same me.
	\$ <u>5,000.00</u>

- 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 \$ 18,500.00 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 \$ 14,100.00 for the remaining drawings in the game.



#### **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. \$5,000.00 set-up plus \$0.30 per thousand square inches.
- 3. Cost per thousand for pouch tickets. No Bid.
- 4. Cost per thousand for holograms on tickets. No Bid.
- 5. Cost per thousand for continuous four color process covering entire ticket. If process printing on the overprint is integrated with the graphics then \$0.17 per square inch per 1,000 tickets.
- 6. Cost per thousand for four-color printed on ticket back. \$3,000.00 set up + \$0.15 persquare inch per 1,000 tickets.
- 7. Cost per thousand for perforated stub, with either horizontal or vertical perforations and with or without imaging.

Without Imaging: \$1,000.00 plus \$0.03 per square inch per 1,000 tickets.

With Imaging: \$1,000.00 plus \$0.06 per square inch per 1,000 tickets.

- 8. Cost per thousand for scored tickets. <u>Vertical score \$1,000.00 plus \$0.05 per square inch per 1,000 tickets</u>; Horizontal score \$5,000.00 plus \$0.10 per square inch per 1,000 tickets.
- 9. Cost per thousand for scented tickets. \$0.55 per square inch per 1,000 tickets.
- 10. Cost per thousand for break-open tickets with perforated window. No Bid.
- 11. Cost per thousand for thermal ink imaging, \$0.20 per square inch per 1,000 tickets.

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

Merchandise fulfillment for non-licensed property games

Up to 10.0% of the merchandise prize pool, depending on the scope of the program.



#### **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.

GTECH Printing Corporation (GPC) presents the following list of additional services and options which are available for consideration by the Texas Lottery Commission (TLC).

OPTION	DESCRIPTION	PRICE
	New Play Styles	
Extended Bonus Play	This feature introduces a new dimension to instant games with the addition of a bonus area which gives players six more chances to win. The player plays the main game, takes symbols uncovered from that game and uses them in the bonus game. It can be added to any existing play style and maximizes the player's opportunity to win.	Price to be determined based on final specifications.
Linked Bonus	With Linked Bonus, players enjoy multiple games on one ticket and have the opportunity to win bonus prizes when they win multiple games in a linked section.  Players can match three like symbols in any spin across and win the prize indicated in the prize legend. If the player wins on all four spins in a single game, he or she scratches the bonus area to reveal an additional prize for that game.	Price to be determined based on final specifications.



OPTION  Criss Cross games feature more matching, more fun, and more excitement for your players. This unique, patent pending play style allows more prize symbols to be featured on each ticket. This concept allows a prize to be associated with two numbers. Players attempt to match a "column" number (your numbers) to a "row" number (winning numbers). Finding a match allows the player to scratch the prize symbol where the two numbers cross in the grid. Criss Cross can create multiple near-win experiences on every single ticket, ultimately enhancing the players' excitement.  The Head2Head concept is a socially interactive concept that allows two players to compete against each other. In Head2Head, players compete against each other on the same instant ticket as one instant ticket contains two games. Players interact by sitting on opposite sides of a table and playing simultaneously or by passing the ticket back and forth.  Second Chance at Retail  This GPC proprietary product awards the player a chance to win an entry into a secondary raffle game. By attaching a top tier prize in a single Scratch-it ticket game from selling out.  Security Options  Tex. Gov't Code \$552.139/\$552.101 \$466.022  Included in base price	MISS		
and more excitement for your players. This unique, patent pending play style allows more prize symbols to be featured on each ticket. This concept allows a prize to be associated with two numbers. Players attempt to match a "column" number (your numbers) to a "row" number (winning numbers). Finding a match allows the player to scratch the prize symbol where the two numbers cross in the grid. Criss Cross can create multiple near-win experiences on every single ticket, ultimately enhancing the players' excitement.  The Head2Head concept is a socially interactive concept that allows two players to compete against each other. In Head2Head, players compete against each other on the same instant ticket as one instant ticket contains two games. Players interact by sitting on opposite sides of a table and playing simultaneously or by passing the ticket back and forth.  Second Chance at Retail  Lucky Sweeps®  This GPC proprietary product awards the player a chance to win an entry into a secondary raffle game. By attaching a top tier prize to the raffle game it reduces the chance of the top tier prize in a single Scratch-it ticket game from selling out.  Security Options  Tex. Gov't Code \$552.139/\$552.101	OPTION	DESCRIPTION	PRICE
Concept that allows two players to compete against each other. In Head2Head, players compete against each other on the same instant ticket as one instant ticket contains two games. Players interact by sitting on opposite sides of a table and playing simultaneously or by passing the ticket back and forth.  Second Chance at Retail  This GPC proprietary product awards the player a chance to win an entry into a secondary raffle game. By attaching a top tier prize to the raffle game it reduces the chance of the top tier prize in a single Scratch-it ticket game from selling out.  Security Options  Tex. Gov't Code §552.139/§552.101  Included in base price	Criss Cross	and more excitement for your players. This unique, patent pending play style allows more prize symbols to be featured on each ticket. This concept allows a prize to be associated with two numbers. Players attempt to match a "column" number (your numbers) to a "row" number (winning numbers). Finding a match allows the player to scratch the prize symbol where the two numbers cross in the grid. Criss Cross can create multiple near-win experiences on every single ticket,	based on final
This GPC proprietary product awards the player a chance to win an entry into a secondary raffle game. By attaching a top tier prize to the raffle game it reduces the chance of the top tier prize in a single Scratch-it ticket game from selling out.  Security Options  Tex. Gov't Code §552.139/§552.101  Included in base price	Head2Head	concept that allows two players to compete against each other. In Head2Head, players compete against each other on the same instant ticket as one instant ticket contains two games. Players interact by sitting on opposite sides of a table and playing simultaneously or	based on final
chance to win an entry into a secondary raffle game. By attaching a top tier prize to the raffle game it reduces the chance of the top tier prize in a single Scratch-it ticket game from selling out.  Security Options  Tex. Gov't Code  §552.139/§552.101  Included in base price		Second Chance at Retail	
Tex. Gov't Code  §552.139/§552.101  Included in base price	Lucky Sweeps®	chance to win an entry into a secondary raffle game. By attaching a top tier prize to the raffle game it reduces the chance of the top tier prize in a single Scratch-it ticket	based on final
Secure Shield §552.139/§552.101 Included in base price		Security Options	
	Secure Shield	§552.139/§552.101	Included in base price



MISS		
OPTION	DESCRIPTION	PRICE
Custom Micro Font Bendays	Tex. Gov't Code §552.139/§552.101 §466.022	\$0.10 per thousand square inches
Tinted Varnish	Tex. Gov't Code §552.139/§552.101 §466.022	\$0.05 per thousand square inches
	Print Options	
Instant 3D Printing	With the popularity of 3D movies, GPC can provide the Lottery with the opportunity to take advantage of this trend. By producing your instant tickets in 3D, you have the ability to captivate seasoned lottery players and attract the emerging market.	Price to be determined based on final specifications.
Internal Custom Perforations	These are custom free-flowing perforations to accent game theme and play. They can create a jigsaw puzzle effect for premium collector games.	\$5,000.00 set-up plus \$0.35 per thousand square inches for each additional color.
Multi-Colored Imaging	This option is similar to two-color imaging but is done with more than two colors.  Tex. Gov't Code	Price to be determined based on final specifications.
Six Color Process Printing	Our \$552.139/\$552.101 four-color-process printing: It is capable of six-color-process printing, giving customers the largest color space in which to create exciting, colorful tickets. Six-color-process printing adds orange and brown to the color-creation process to provide more color depth and gradation in the shadows.	Price to be determined based on final specifications.



OPTION	DESCRIPTION	PRICE
Glitter Ink	These inks add luster to games and increases perceived value of the ticket.	\$0.20 per thousand square inches
Simulated Foil Ink	This ink looks like foil when applied to the ticket. Several colors are available to meet your game design needs.	\$0.12 per thousand square inches
Holographic Ink	Holographic ink is a color shifting ink that changes appearance if held at different angles to a light source.  Holographic ink is widely used to print currency.	Price to be determined based on final specifications.

## **GPC Licensed Properties**

GPC is pleased to offer the Texas Lottery Commission (TLC) our entire licensed property portfolio at industry competitive pricing. Licensed properties can be acquired by a License Fee Model, a Merchandise Model or a combination of both.

**License Fee** – The license fee options are based on a percentage of actual sales. The rates are detailed in the table below.

**Merchandise** – The TLC will allocate a percentage of the prize fund for the acquisition of unique experiential prizes or custom branded merchandise from GPC. The specific merchandise allocation amount is detailed in the table below.

**Fee and Merchandise** – GPC welcomes the opportunity to provide custom pricing based on a combination of a reduced fee plus a reduced merchandise requirement to accommodate the TLC.



The Texas Lottery Commission rates are contained in the table below.

Properties	License Fee as a Percentage of Sales *	Merchandise Fee as a Percentage of the Prize Fund *
World Series of Poker	1.50%	7.25%
Caesars Palace	1.50%	7.25%
Harrah's	1.50%	7.25%
The Three Stooges	1.50%	7.25%
Bejeweled	1.50%	7.25%
Plants vs. Zombies	1.50%	7.25%
Zuma	1.50%	7.25%
Mystery PI	1.50%	7.25%
Billboard	1.00%	7.25%

<sup>\*</sup> License/Merchandise Fees do not include printing costs. Printing costs are calculated as the cost of printing using the per 1,000 printing prices in Table 1, at the quantity ordered.