

EXHIBIT B

CONTRACTOR'S FINANCIAL PROPOSAL SHEET* - BAFO DATED JUNE 13, 2013
(APPENDIX F TO RFP)

*Note: Only Pages 1 through 9 of 16 as applicable to the Primary Contract are included herein.

PRIMARY CONTRACT -
POLLARD BANKNOTE LTD.

FINANCIAL PROPOSAL SHEET

This form must be completed in its entirety and submitted by Offeror with the Financial Proposal. Do Not change or alter this form.

Category A- PRIMARY CONTRACT

A.1.1 - The Offeror must state its price to provide, as *Primary Contractor*, all equipment, hardware, software, personnel and services required by this RFP (except Section 5.4 Delivery Services) for providing Instant Ticket Games and Related Services; specifically to include the Required Standard Ticket Features (Section 5.2.8 #31, i.e., excluding Additional Tasks).

The price/amount shall be expressed as a Firm, Fixed Unit Price (Dollar Amount) Per Square Inch of Instant Ticket area per 1000 Instant Tickets printed by the Contractor. Price shall be stated as a dollar amount and shall be stated to 2 decimal places (e.g., \$00.00).

Game Volume (Number of Instant Tickets to be printed)	Price Per Square Inch of Instant Ticket Area/ per 1000 Instant Tickets
Up to 500,000	\$ <u>2.48</u>
500,001 to 1,000,000	\$ <u>1.73</u>
1,000,001 to 2,000,000	\$ <u>1.24</u>
2,000,001 to 3,000,000	\$ <u>1.12</u>
3,000,001 to 4,000,000	\$ <u>1.06</u>
4,000,001 to 6,000,000	\$ <u>0.97</u>
6,000,001 to 8,000,000	\$ <u>0.95</u>
8,000,001 to 10,000,000	\$ <u>0.94</u>
10,000,001 and over	\$ <u>0.93</u>

A.1.2 - The Offeror must state its price to provide, as *Primary Contractor*, all equipment, hardware, software, personnel and services required by Section 5.4 Delivery Services of this RFP. The price shall be expressed as a Firm, Fixed Unit Price (Dollar Amount) per delivery of Instant Ticket orders and POS materials to Retailers by the Contractor.

Proposed Firm, Fixed dollar amount price for All Services & Equipment Required by this RFP for Providing Section 5.4 Delivery Services only per delivery ("Dollar Amount per Delivery to Retailers").	\$ <u>4.40</u> Price/Amount shall be stated as a dollar amount and shall be stated to 2 decimal places (e.g. \$00.00)
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A.2 - Credit per person per site visit for unused press checks/security visits (Sections 5.2.2 & 5.2.16). Price/amount shall be stated as a dollar amount and shall be stated to 2 decimal places (e.g., \$00.00). \$ 2000.00

A.3 - The Offeror must state its price to provide each of the Additional Tasks listed below, for a *Primary Contract* (Section 5.2.8 #32). The price shall be expressed as a Firm, Fixed dollar amount Per Square Inch of Instant Ticket Area ("Per Square Inch") per 1000 Instant Tickets printed by the Contractor. The dollar amount indicated will be an incremental amount to be added to the amount for the base Instant Ticket in A.1 above for these Additional Tasks. For any Additional Task included in the base Instant Ticket price in A.1 above and offered at no additional cost, insert No Cost ("N/C") in the price column. If the Offeror does not have the capability to provide a specific Additional Task, insert Not Applicable ("N/A") in the price column. Offerors are reminded that prices listed in A.3, Additional Tasks, will not be evaluated or considered in the basis of award. Price/amount shall be stated as a dollar amount and dollar amount shall be stated to 2 decimal places (e.g., \$00.00).

<u>Additional Task</u>	<u>(Primary) Price: \$ Per Square Inch/1,000:</u>
1. <u>Color Change (Pulsing)</u>	<u>\$0.11</u>
2. <u>Color Change on re-orders</u>	<u>\$0.11</u>
3. <u>Four-Color Process Instant Ticket back</u>	<u>\$0.19</u>
4. <u>Dual Pass Imaging</u>	<u>N/A</u>
5. <u>Dual color imaging</u>	<u>\$0.53</u>
6. <u>Multi color imaging</u>	<u>\$0.53</u>
7. <u>Synchronized Imaging and graphics</u>	<u>\$0.29</u>
8. <u>Photo Realistic printing</u>	<u>\$0.31</u>
9. <u>Additional ink color</u>	<u>\$0.05</u>
10. <u>Fluorescent Ink</u>	<u>\$0.15</u>
11. <u>Metallic Ink</u>	<u>\$0.31</u>
12. <u>Scented Ink</u>	<u>\$0.31</u>
13. <u>Pearlescent Inks</u>	<u>\$0.15</u>
14. <u>Glittering Inks</u>	<u>\$0.15</u>
15. <u>Multiple Scenes, Continuous</u>	<u>\$0.05</u>
16. <u>Multiple Scenes, Individual</u>	<u>\$0.05</u>
17. <u>10-Point Foil stock</u>	<u>\$0.31</u>
18. <u>Holographic Paper</u>	<u>\$3.88</u>
19. <u>Die-Cuts</u>	<u>\$0.53</u>
20. <u>Pack Inserts (not matching book number)</u>	<u>\$0.04</u>
21. <u>Pack activation cards (matching book number)</u>	<u>\$0.10</u>
22. <u>Break opens</u>	<u>Prices to be determined</u>
23. <u>Perforated stubs w/ variable imaging information</u>	<u>\$0.34</u>

<u>Additional Task</u>	<u>(Primary) Price: \$ Per Square Inch/1,000</u>
24. <u>Perforated stubs w/out variable Imaging Information</u>	<u>\$0.31</u>
25. <u>Accelerated Delivery</u>	<u>\$3,125 per day</u>
26. <u>Cost of disposal of Instant Tickets per pallet</u>	<u>\$165 per pallet</u>
27. <u>Retailer/promotional games</u>	<u>Prices to be determined</u>
28. <u>Skyline and pop up games</u>	<u>Prices to be determined</u>
29. <u>Additional Instant Ticket sizes, per square Inch</u>	<u>\$0.66</u>
30. <u>Two-sided play area</u>	<u>\$0.75</u>
31. <u>Embossed Instant Tickets</u>	<u>\$0.22</u>
32. <u>Scored Instant Tickets</u>	<u>\$0.12</u>
33. <u>Folded Instant Tickets</u>	<u>\$0.22</u>
34. <u>Dauber marking system</u>	<u>N/A</u>
35. <u>Transparent Layer Marking System</u>	<u>\$0.23</u>
36. <u>Multi Game Production run discount</u>	<u>\$2,500 per additional game</u>
37. <u>Game reprint discount</u>	<u>\$3,500 per reprint</u>
38. <u>Pouches</u>	
▪ <u>Connected & perforated pouches</u>	<u>\$11.31</u>
▪ <u>Separated pouches</u>	<u>\$9.46</u>
▪ <u>Connected, perfed Instant Tickets in pouch (State maximum strip : 24 Inch ticket strip length)</u>	<u>\$9.46</u>
▪ <u>Individual Instant Tickets in pouch (State maximum Number : One strip of tickets)</u>	<u>\$9.46</u>
▪ <u>Multiple Inserts In pouch (State maximum number and size)</u>	<u>N/A</u>
▪ <u>Varied pouch sizes, per square Inch</u>	<u>\$7.62</u>
39. <u>Instant Ticket Stock white coated two (2) sides</u>	<u>\$0.10</u>
40. <u>Instant Ticket Stock white coated on front & .5 coated on back</u>	<u>N/C</u>
41. <u>Electronic Instant Tickets</u>	<u>Prices to be determined</u>

Additional Task (Primary) Price: \$ Per Square Inch/1,000

Vendor offered additional options

- | | |
|---|---|
| 42. <u>Multi Color Translucent</u> | <u>\$0.30</u> |
| 43. <u>Patterned Varnish</u> | <u>\$0.11</u> |
| 44. <u>Four Color Imaged Symbols</u> | <u>\$0.64</u> |
| 45. <u>Plate Changes * (reference notes)</u> | <u>\$0.04</u> |
| 46. <u>Spill Balancing ** (reference notes)</u> | <u>\$0.05</u> |
| 47. <u>Registered Perforations</u> | <u>\$0.08</u> |
| 48. <u>Additional Regular Samples</u> | <u>Same price as game</u> |
| 49. <u>Additional ITVM Cards</u> | <u>\$175 per additional 1,000 Cards</u> |
| 50. <u>Additional Programming</u> | <u>\$250 per hour of programming</u> |
| 51. <u>Hash File Deliverables</u> | <u>\$375 per game</u> |
| 52. <u>Scratch FX Silver Foll</u> | <u>\$1.33</u> |
| 53. <u>Scratch FX Holographic Foll</u> | <u>\$1.63</u> |
| 54. <u>Spectrum Scratch FX</u> | <u>\$1.78</u> |
| 55. <u>Scratch FX Colored Foll</u> | <u>\$1.38</u> |
| 56. <u>Fusion Double Play, pricing is based on 6x4 ticket size and the corresponding order quantity in millions of tickets, other sizes and features available at an additional cost.</u> | |
| a. <u>2.88 million ticket order quantity:</u> | <u>\$3.58</u> |
| b. <u>3.12 million ticket order quantity:</u> | <u>\$3.53</u> |
| c. <u>3.36 million ticket order quantity:</u> | <u>\$3.48</u> |
| 57. <u>Fusion Action Pack, pricing is based on 6x4 ticket size and a 1.0 million order quantity, other sizes and features are available at an additional cost</u> | <u>\$4.01</u> |

Additional Task (Primary) Price: \$ Per Square Inch/1,000

Vendor offered additional options

- 58. Fusion Pull-Tab Plus pricing is based on 2x4 ticket size and a 2.5 million order quantity, other sizes and features are available at an additional cost
\$3.00
- 59. Fusion PlayBook, pricing is based on 8x4 ticket size and the corresponding order quantity in millions of tickets, other sizes and features available at an additional cost.
 - a. 1.20 million ticket order quantity: \$10.04
 - b. 1.44 million ticket order quantity: \$9.69
 - c. 1.68 million ticket order quantity: \$9.43
- 60. Variable Data QR codes
\$0.76 per 1,000 tickets
- 61. SecureScan
Prices to be determined based on final specifications
- 62. Scratch n Scan
Prices to be determined based on final specifications
- 63. Social Instants™
Prices to be determined based on final specifications
- 64. Game Apps
Prices to be determined based on final specifications
- 65. Augmented Reality apps associated with Instant ticket
Prices to be determined based on final specifications
- 66. Gloss FX
Prices to be determined based on final specifications
- 67. Sun-Painted Designs
Prices to be determined based on final specifications
- 68. 2nd chance draw programs & promotions for web and mobile
Prices to be determined based on final specifications
- 69. Play 3D
Prices to be determined based on final specifications
- 70. e-Greeting Games
Prices to be determined based on final specifications

Additional Task (Primary) Price: \$ Per Square Inch/1,000

Vendor offered additional options

- 71. E-Gaming
Prices to be determined based on final specifications
- 72. 2 Can Play games
Prices to be determined based on final specifications
- 73. Pop-Up Scratch-Off tickets
Prices to be determined based on final specifications
- 74. Retail offerings
Prices to be determined based on final specifications
- 75. Play Around / Fold-Over Games
Prices to be determined based on final specifications

Notes:

(*) Cost applies if a client requested feature requires plates to be changed during game production to meet customer specifications. For example, Maryland Lottery orders a pulsed Crossword game. The first pulse has a green background (base graphics) and orange translucent overprint, and the second pulse has a yellow background and a blue translucent overprint. The color changes required for the second pulse would result in two plate changes on press. One plate change is included with the pulse fee, and the second plate change is covered under this fee. Total cost for this example would be 1x pulse fee + 1x plate change fee.

(**) per additional balancing requirement for games which require more than one game balancing per game

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Category A - PRIMARY CONTRACT - Financial Proposal Summary Sheet

I. Offeror's Proposed Price to provide Instant Ticket Games and Related Services (excluding Section 5.4 Delivery Services). Price/amount shall be stated as a dollar amount and dollar amount shall be stated to 2 Decimal places (e.g., \$00.00).

Game Volume (Number of Instant Tickets to be printed)	Price Per Square Inch of Instant Ticket Area per 1,000 Tickets From A.1.1	Square Inches per Ticket	Lottery's Annual Estimate of Quantiles	Offeror's Estimated Annual Price/Amount to Provide Instant Ticket Games & Related Services
Up to 500,000	\$2.48	(x)	(x) 0 (+ 1,000) (=)	\$0.00
500,001 to 1,000,000	\$1.73	(x)	10 (x) 0 (+ 1,000) (=)	\$0.00
		(x)	16 (x) 0 (+ 1,000) (=)	\$0.00
		(x)	24 (x) 0 (+ 1,000) (=)	\$0.00
		(x)	32 (x) 2,880,000 (+ 1,000) (=)	\$158,436.80
1,000,001 to 2,000,000	\$1.24	(x)	10 (x) 3,600,000 (+ 1,000) (=)	\$44,640.00
		(x)	16 (x) 16,600,000 (+ 1,000) (=)	\$208,604.00
		(x)	24 (x) 14,400,000 (+ 1,000) (=)	\$428,644.00
		(x)	32 (x) 13,880,000 (+ 1,000) (=)	\$542,822.40
2,000,001 to 3,000,000	\$1.12	(x)	10 (x) 2,400,000 (+ 1,000) (=)	\$28,880.00
		(x)	16 (x) 2,400,000 (+ 1,000) (=)	\$43,008.00
		(x)	24 (x) 20,880,000 (+ 1,000) (=)	\$561,264.40
		(x)	32 (x) 2,640,000 (+ 1,000) (=)	\$94,617.60
3,000,001 to 4,000,000	\$1.06	(x)	10 (x) 12,880,000 (+ 1,000) (=)	\$137,376.00
		(x)	16 (x) 0 (+ 1,000) (=)	\$0.00
		(x)	24 (x) 3,120,000 (+ 1,000) (=)	\$79,372.80
		(x)	32 (x) 6,880,000 (+ 1,000) (=)	\$230,083.20
4,000,001 to 6,000,000	\$0.97	(x)	10 (x) (+ 1,000) (=)	\$0.00
		(x)	16 (x) (+ 1,000) (=)	\$0.00
		(x)	24 (x) 9,840,000 (+ 1,000) (=)	\$229,076.20
		(x)	32 (x) 4,320,000 (+ 1,000) (=)	\$134,092.60
6,000,001 to 8,000,000	\$0.95	(x)	(x) 0 (+ 1,000) (=)	\$0.00
8,000,001 to 10,000,000	\$0.94	(x)	(x) 0 (+ 1,000) (=)	\$0.00
10,000,000 and over	\$0.93	(x)	(x) 0 (+ 1,000) (=)	\$0.00
Total				\$3,028,707.20 (I)

II. Offeror's Proposed Price to provide Delivery Services to Retailers (Section 5.4)
Price/amount shall be stated as a dollar amount and dollar amount shall be stated to 2 decimal places (e.g., \$00.00).

<u>Dollar Amount per Lottery's Estimate of Annual Delivery to Retailers From A.1.2</u>	<u>Number of Deliveries To Retailers</u>	<u>Offeror's Estimated Annual Price/Amount to Provide Deliveries to Retailers</u>
\$ <u>4.40</u> (x)	<u>195,000*</u> (=)	Total \$ <u>858,000.00</u> (II)

III. TOTAL ESTIMATED ANNUAL CONTRACT AMOUNT (I + II) (=) \$ 3,884,707.20
(BASIS OF AWARD)

(Price/amount shall be stated as a dollar amount and dollar amount/Contract Amount shall be stated to 2 decimal places (e.g., \$00.00).

*NOTE: The "Total Estimated Annual Contract Amount (I + II)" specified above is the total estimated annual Contract price/amount and is based on model quantiles for the Lottery's Annual Instant Tickets printed and the number of Deliveries to Retailers and will be used solely for price evaluation, comparison and selection for recommendation for award. The quantiles indicated are not a guarantee of any minimum or maximum amounts under this Contract and may change at any time during the term of the Contract, or renewal option period if exercised. The amount to be paid to the Contractor shall be calculated using 1) the Price Per Square Inch of Instant Ticket Area per 1,000 Instant Tickets specified on the Financial Proposal Sheet multiplied by the Lottery's actual Ticket Quantities Printed, and 2) the Firm, Fixed Unit Price (Dollar amount per Delivery of Instant Ticket orders and POS materials to Retailers) specified on the Financial Proposal Sheet multiplied by the actual number of Deliveries to Retailers.

Signature: [Redacted] Date: June 13, 2013
Primary Offeror/Contractor

Name: John Pollard Title: Co-Chief Executive Officer
(Printed or Typed)

Company: Pollard Banknote Limited Phone No. 204-474-2323

Address: 1499 Buffalo Place, Winnipeg, MB, CANADA R3T 1L7

Federal Tax I.D. [Redacted]

EXHIBIT B

CONTRACTOR'S FINANCIAL PROPOSAL SHEET* - BAFO DATED JUNE 13, 2013
(APPENDIX F TO RFP)

*Note: Only Pages 9 through 13 of 13 as applicable to the Secondary Contract are included herein.

Secondary CONTRACT -
IGT / GTECH

Category B - SECONDARY CONTRACT

B.1 - The Offeror must state its price to provide, as a *Secondary Contractor*, all equipment, hardware, software, personnel and services required by this RFP for Providing Instant Ticket Games and Related Services, specifically to include the Required Standard Ticket Features (Section 5.2.8 #31, i.e., excluding Additional Tasks). The price shall be expressed as a Firm, Fixed Unit Price (Dollar Amount) Per Square Inch of Instant Ticket area per 1000 Instant Tickets printed by the Contractor. Price/amount shall be stated as a dollar amount and dollar amount shall be stated to 2 decimal places (e.g., \$00.00).

Game Volume (Number of Instant Tickets to be printed)	Price Per Square Inch of Instant Ticket Area/ per 1000 Instant Tickets
Up to 500,000	\$ 7.09
500,001 to 1,000,000	\$ 5.14
1,000,001 to 2,000,000	\$ 2.61
2,000,001 to 3,000,000	\$ 1.71
3,000,001 to 4,000,000	\$ 1.60
4,000,001 to 6,000,000	\$ 1.57
6,000,001 to 8,000,000	\$ 1.49
8,000,001 to 10,000,000	\$ 1.46
10,000,001 and over	\$ 1.44

B.2 - Credit per person per site visit for unused press checks/security visits (Section 5.2.2 & 5.2.16). Price/amount shall be stated as a dollar amount and dollar amount shall be stated to 2 decimal places (e.g., \$00.00). \$1,500.00

B.3 - Offeror must state its price to provide each of the Additional Tasks listed below, for a *Secondary Contract* (Section 5.2.8 #32). The price shall be expressed as a Firm, Fixed Unit Price (Dollar Amount) Per Square Inch of Instant Ticket area per 1000 Instant Tickets printed by the Contractor. The price indicated will be an incremental price to be added to the price for the base Instant Ticket in B.1 above for these Additional Tasks. For any Additional Task included in the base Instant Ticket price in B.1 above and offered at no additional cost, insert No Cost ("N/C") in the price column. If the Offeror does not have the capability to provide a specific Additional Task, insert Not Applicable ("N/A") in the price column. Price/amount shall be stated as a dollar amount and dollar amount shall be stated to 2 decimal places (e.g., \$00.00).

Additional Task	(Secondary) Price: \$ Per Square Inch/1,000
1. <u>Color Change (Pulsing)</u>	\$0.13
2. <u>Color Change on re-orders</u>	\$0.13
3. <u>Four-Color Process Instant Ticket back</u>	\$0.15

<u>Additional Task</u>	<u>(Secondary) Price: \$ Per Square Inch/1,000</u>
4. <u>Dual Pass Imaging</u>	<u>N/A</u>
5. <u>Dual color Imaging</u>	<u>\$0.45</u>
6. <u>Mullt color Imaging</u>	<u>\$0.45</u>
7. <u>Synchronized Imaging and graphics</u>	<u>\$0.25</u>
8. <u>Photo Realistic printing</u>	<u>\$0.25</u>
9. <u>Additional Ink color</u>	<u>\$0.05</u>
10. <u>Fluorescent Ink</u>	<u>\$0.18</u>
11. <u>Metallic Ink</u>	<u>\$0.16</u>
12. <u>Scented Ink</u>	<u>\$0.75</u>
13. <u>Pearlescent Inks</u>	<u>N/A</u>
14. <u>Glittering Inks</u>	<u>N/A</u>
16. <u>Multiple Scenes, Continuous</u>	<u>\$0.10</u>
16. <u>Multiple Scenes, Individual</u>	<u>\$0.10</u>
17. <u>10-Point Foil stock</u>	<u>\$0.75</u>
18. <u>Holographic Paper</u>	<u>\$2.75</u>
19. <u>Die-Cuts</u>	<u>\$0.55</u>
20. <u>Pack Inserts (not matching book number)</u>	<u>\$0.05</u>
21. <u>Pack activation cards (matching book number)</u>	<u>\$0.10</u>
22. <u>Break opens</u>	<u>N/A</u>
23. <u>Perforated stubs w/ variable Imaging Information</u>	<u>\$0.12</u>
24. <u>Perforated stubs w/out variable Imaging Information</u>	<u>\$0.09</u>
25. <u>Accelerated Delivery</u>	<u>\$0.12</u>
26. <u>Cost of disposal of tickets per pallet</u>	<u>\$0.05</u>
27. <u>Retailer/promotional games - Price per square inch price on ticket production stated in A.1.1 plus \$0.25 per square inch per 1,000</u>	

<u>Additional Task</u>	<u>(Secondary) Price: \$ Per Square Inch/1,000</u>
28. <u>Skyline and pop up games</u>	N/A
31. <u>29. Additional Instant Ticket sizes, per square inch- Price per square inch price on ticket production stated in A.1.1.</u>	
30. <u>Two-sided play area</u>	N/A
31. <u>Embossed tickets</u>	N/A
32. <u>Scored tickets</u>	N/A
33. <u>Folded Tickets</u>	N/A
34. <u>Dauber marking system</u>	N/A
35. <u>Transparent Layer Marking System</u>	\$0.12
36. <u>Mull Game Production run discount</u>	(\$0.02)
37. <u>Game reprint discount</u>	(\$0.06)
38. <u>Pouches</u>	
▪ <u>Connected & perforated pouches</u>	N/A
▪ <u>Separated pouches</u>	N/A
▪ <u>Connected, perfed tickets in pouch (State maximum strip length or number of tickets)</u>	N/A
▪ <u>Individual tickets in pouch (State maximum number)</u>	N/A
▪ <u>Multiple inserts in pouch (State maximum number and size)</u>	N/A
• <u>Varied pouch sizes, per square inch</u>	N/A
39. <u>Instant Ticket Stock white coated two (2) sides</u>	N/A
40. <u>Instant Ticket Stock white coated on front & .5 coated on back</u>	\$0.05
41. <u>Electronic Instant Tickets - Price stated is a flat fee per game for the electronic elements of a printed instant ticket for use in the development of an electronic instant ticket, which includes game design files and artwork files, programming, and game validation files: \$5,250.00</u>	

Additional Tasks Offered

All pricing is per square inch per 1,000 tickets printed unless otherwise specified

42. Player's MARK™ Marking Solution: With the use of the latest printing technology, GTECH Printing is able to produce vibrant colors and robust designs which other marking systems can't duplicate. \$0.15
43. Custom Micro Font Bendays: These are benday patterns that incorporate the name of the lottery or other words in the benday line. With the naked eye, the pattern looks like a solid line, but under magnification, the name of the lottery or other wording can be seen. This surreptitious security feature increases the effectiveness of bendays to deter cut and paste counterfeiting techniques. \$0.10
44. Florescent Bendays: The benday is printed in florescent ink. This feature can also be applied to Custom Micro Font Bendays. \$0.05
45. Color Shifting Ink: A unique family of inks that are designed to change from one color to another depending on the angle the ticket is viewed. These inks are applied as a regular graphic color on the ticket. \$0.25
46. Photo Chromatic Ink: Engineered inks that are invisible until they are exposed to regular black light. Once the ink is exposed to black light it will change color and continue to stay visible away from the black light for about 20 seconds. \$0.25
47. Thermal Chromatic Inks: These inks bring the "magic of color change" to Flexographic printing. When used in combination with a non-thermo chromic ink, the color changes to any color under the rainbow with the touch of a hand. Or, when the ink is subjected to a "hot" or "cold" condition, a message can be made to appear. The ink then converts back to the original color upon cooling. \$0.25
48. Meta Metric Inks: This ink family will change color when exposed to different sources of light. It may look pink in sunlight and red under fluorescent light. \$0.25
49. Lucky Sweeps™: A proprietary new product which allows players to instantly win an entry into a second chance drawing. Previous solutions required the player to either mail in their ticket or enter in on a website but with Lucky Sweeps players can do it right there at the retailer. Second chance promotional drawings can be on a single game, grouping of games or across an entire price point. In addition they can be run on a daily, weekly, or monthly basis awarding cash or merchandise prizes. \$2.25 per 1,000 tickets on the instant ticket production. Price does not include software development on the online system, which would be determined based on final specifications.

50. Licensed Properties: GTECH Printing is pleased to offer its 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 fees are based on a percentage of potential sales. The rates are detailed in the table below.

Merchandise -- The Lottery would allocate a percentage of the prize fund for the acquisition of unique experiential prizes or custom branded merchandise. The specific merchandise allocation amount is detailed in the table below.

Fee and Merchandise -- GTECH Printing welcomes the opportunity to provide custom pricing based on a combination of a reduced fee plus a reduced merchandise requirement to accommodate the Lottery's requirements.

Multi-property discounts and additional value added incentives are also available and will be determined based on final program specifications.

<u>Properties</u>	<u>License Fee as a Percentage of Sales</u>	<u>Merchandise Fee as a Percentage of the Prize Fund</u>
World Series of Poker	2.00%	up to 10.00%
Caesars Palace	2.00%	up to 10.00%
Flamingo	2.00%	up to 10.00%
Paris Las Vegas	2.00%	up to 10.00%
Rio	2.00%	up to 10.00%
Harrah's	2.00%	up to 10.00%
Horseshoe	2.00%	up to 10.00%
The Three Stooges	2.00%	up to 10.00%
Bejeweled	2.00%	up to 10.00%
Plants vs. Zombies	2.00%	up to 10.00%
Zuma	2.00%	up to 10.00%
Mystery P.I.	2.00%	up to 10.00%
Billboard	2.00%	up to 10.00%

Signature:  Date: 6/13/2013
Secondary Offeror/Contractor

Name: Alan Eland Title: Senior Vice President & Chief Operating Officer,
(Printed or Typed) GTECH North America

Company: GTECH Corporation Phone No. 401-392-7332

Address: 10 Memorial Blvd, Providence, RI 02903

Federal Tax 

EXHIBIT B

CONTRACTOR'S FINANCIAL PROPOSAL SHEET* - DATED APRIL 3, 2013
(APPENDIX F TO RFP)

*Note: Only Pages 7 through 9 of 9 as applicable to the Secondary Contract are included herein.

Secondary Contract -
Scientific Games
International, Inc.

Category B - SECONDARY CONTRACT

B.1 - The Offeror must state its price to provide, as a *Secondary Contractor*, all equipment, hardware, software, personnel and services required by this RFP for Providing Instant Ticket Games and Related Services, specifically to include the Required Standard Ticket Features (Section 5.2.8 #31, i.e., excluding Additional Tasks). The price shall be expressed as a Firm, Fixed Unit Price (Dollar Amount) Per Square Inch of Instant Ticket area per 1000 Instant Tickets printed by the Contractor. Price/amount shall be stated as a dollar amount and dollar amount shall be stated to 2 decimal places (e.g., \$00.00).

Game Volume (Number of Instant Tickets to be printed)	Price Per Square Inch of Instant Ticket Area/ per 1000 Instant Tickets
Up to 500,000	\$2.20
500,001 to 1,000,000	\$1.88
1,000,001 to 2,000,000	\$1.21
2,000,001 to 3,000,000	\$1.13
3,000,001 to 4,000,000	\$1.12
4,000,001 to 6,000,000	\$1.09
6,000,001 to 8,000,000	\$1.08
8,000,001 to 10,000,000	\$1.04
10,000,001 and over	\$1.02

B.2 - Credit per person per site visit for unused press checks/security visits (Section 5.2.2 & 5.2.16). Price/amount shall be stated as a dollar amount and dollar amount shall be stated to 2 decimal places (e.g., \$00.00). \$800.00

B.3 - Offeror must state its price to provide each of the Additional Tasks listed below, for a *Secondary Contract* (Section 5.2.8 #32). The price shall be expressed as a Firm, Fixed Unit Price (Dollar Amount) Per Square Inch of Instant Ticket area per 1000 Instant Tickets printed by the Contractor. The price indicated will be an incremental price to be added to the price for the base Instant Ticket in B.1 above for these Additional Tasks. For any Additional Task included in the base Instant Ticket price in B.1 above and offered at no additional cost, insert No Cost (-/Nil) in the price column. If the Offeror does not have the capability to provide a specific Additional Task, insert Not Applicable (-/N/A) in the price column. Price/amount shall be stated as a dollar amount and dollar amount shall be stated to 2 decimal places (e.g., \$00.00).

<u>Additional Task</u>	<u>(Secondary) Price: \$ Per Square Inch/1,000:</u>
1. <u>Color Change (Pulsing)</u>	<u>\$0.06</u>
2. <u>Color Change on re-orders</u>	<u>\$0.03</u>
3. <u>Four-Color Process Instant Ticket back</u>	<u>\$0.30</u>
4. <u>Dual Pass Imaging – (SGI SureMark)</u>	<u>\$0.20</u>
5. <u>Dual color Imaging – (2c Imaging)</u>	<u>\$0.27</u>
6. <u>Multi color Imaging – (a) multi color Imaging – 3 color</u>	<u>\$0.34</u>
<u>Multi color Imaging – (b) multi color Imaging – 4 color</u>	<u>\$0.42</u>
7. <u>Synchronized Imaging and graphics</u>	<u>\$0.15</u>
8. <u>Photo Realistic printing</u>	<u>\$0.13</u>
9. <u>Additional Ink color</u>	<u>\$0.06</u>
10. <u>Fluorescent Ink</u>	<u>\$0.10</u>
11. <u>Metallic Ink – (standard, per each)</u>	<u>\$0.14</u>
12. <u>Scented Ink</u>	<u>\$0.34</u>
13. <u>Pearlescent Inks</u>	<u>\$0.10</u>
14. <u>Glittering Inks</u>	<u>N/A</u>
15. <u>Multiple Scenes, Continuous</u>	<u>\$0.06</u>
16. <u>Multiple Scenes, Individual</u>	<u>\$0.02</u>
17. <u>10-Point Foil stock</u>	<u>\$0.35</u>
18. <u>Holographic Paper – (10pt)</u>	<u>\$2.05</u>
19. <u>Die-Cuts</u>	<u>\$0.32</u>
20. <u>Pack Inserts (not matching book number)</u> <u>(Insert furnished by Customer)</u>	<u>\$0.12</u>
21. <u>Pack activation cards (matching book number)</u> <u>(Insert furnished by Customer)</u>	<u>\$0.25</u>

<u>Additional Task</u>	<u>(Secondary) Price: \$ Per Square Inch/1,000:</u>
22. <u>Break opens (as described in bid Section 7.3.5.3)</u>	<u>\$9.50</u>
23. <u>Perforated stubs w/ variable Imaging Information</u>	<u>\$0.16</u>
24. <u>Perforated stubs w/out variable Imaging Information</u>	<u>\$0.08</u>
25. <u>Accelerated Delivery</u>	<u>\$0.04</u>
26. <u>Cost of disposal of Instant Tickets per pallet</u> <u>(Freight to Alpharetta at additional charge)</u>	<u>\$0.01</u>
27. <u>Retailer/promotional games</u> <u>(500,000 – 1,000,000; see B.1 for additional quantities)</u>	<u>\$1.88</u>
28. <u>Skyline and pop up games</u>	<u>.N/A</u>
29. <u>Additional Instant Ticket sizes, per square inch</u> <u>(500,000 – 1,000,000 see B.1 for additional quantities)</u>	<u>\$1.88</u>
30. <u>Two-sided play area (SGI Scratch My Back)</u>	<u>\$1.70</u>
31. <u>Embossed Instant Tickets</u>	<u>.N/A</u>
32. <u>Scored Instant Tickets</u>	<u>\$0.32</u>
33. <u>Folded Instant Tickets</u>	<u>.N/A</u>
34. <u>Dauber marking system</u>	<u>.N/A</u>
35. <u>Transparent Layer Marking System (a) ClearMark)</u>	<u>\$0.14</u>
<u>Transparent Layer Marking System (b) ColorMark)</u>	<u>\$0.06</u>
36. <u>Multi Game Production run discount</u>	<u>.N/A</u>
37. <u>Game reprint discount</u>	<u>\$0.05</u>

38. Pouches

(Pouch Specifications)

Outside dimension of pouch 9.0" x 4.25"
6c printed 1 side/clear opposite side metallic pouch material
Ticket: 17" x 8", two folds to approx. 3.4" x 8"
4cp display and OP, black only back
Paper band in 10s; order quantity = 3,000,000
Any change to specifications requires re-quote

▪ <u>Connected & perforated pouches</u>	<u>\$21.60</u>
▪ <u>Separated pouches</u>	<u>\$22.28</u>
▪ <u>Connected, perfed Instant Tickets in pouch (State maximum strip length or number of Instant Tickets) (8.0' x 17", 2 folds to 3.4" x 8" tickets only)</u>	<u>\$5.42</u>
▪ <u>Individual Instant Tickets in pouch (State maximum number) (8.0" x 17", cut to 3: 3.4" x 8" ticket only)</u>	<u>\$5.58</u>
▪ <u>Multiple Inserts in pouch (State maximum number and size) (2 - 3.4" x 6" inserts only)</u>	<u>\$5.58</u>
▪ <u>Varied pouch sizes, per square inch</u>	<u>\$22.28</u>

39. Instant Ticket Stock white coated two (2) sides \$0.08

40. Instant Ticket Stock white coated on front & .5 coated on back \$0.04

41. Electronic Instant Tickets (Please see Scientific Games EIT pricing on following pages).

Signature: [Redacted] Date: April 3, 2013
Secondary Offeror/Contractor

Name: James C. Kennedy President, Printed Products &
(Printed or Typed) Title: Chief Marketing Officer

Company: Scientific Games International, Inc. Phone No. 770-663-6735

Address: 1500 Bluegrass Lakes Parkway

Alpharetta, Georgia 30004 Federal Tax I.D. [Redacted]