

A WORLD OF POSSIBILITIES

PRINTED PRODUCTS • LOTTERY SYSTEMS

DIVERSIFIED GAMING



WEST VIRGINIA LOTTERY

Submitted to:

West Virginia Lottery

312 MacCorkle Avenue, SE
Charleston, WV • 25314-1143

Submitted by:

Scientific Games International, Inc.

1500 Bluegrass Lakes Parkway
Alpharetta, GA • 30004

Contact Person:

Jim Trask

President, Printed Products Group

Tel: 770.664.3700 • Fax: 678.624.4115

Instant Scratch-Off Lottery Tickets

RFQ LOT 460 • November 10, 2011

Volume 2 – RFQ Cost Proposal

Original

RECEIVED

2011 NOV 10 AM 9:40

WV PURCHASING
DIVISION

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For more information, please contact:

Scientific Games International, Inc.

1500 Bluegrass Lakes Parkway

Alpharetta, GA 30004 USA

Phil Bauer

Vice President, Corporate Counsel and Assistant Secretary

Phone: 770-664-3700

Fax: 678-297-5118



WEST VIRGINIA LOTTERY

Attachment 1 - Cost Bid Sheet



WEST VIRGINIA LOTTERY RFQ LOT 460 NOVEMBER 10, 2011 ATTACHMENT 1: COST SHEET		ALL PRICING PER SQUARE INCH PER THOUSAND
BASIC PRINTING COST		\$1.3750
Each bidder's price should assume a basic ticket cost with ten point foil-less stock, four-color display, four-color overprint, two colors on the back of the ticket, full gloss coating, background coating, secure game creation and reconstruction, validation bar code on ticket front and back and UPC barcode on the back of the ticket, any protective coatings, one imaged play area and research and development costs.		
MULTIPLE SCENES/COLOR PULSES SEQUENTIALLY WITHIN A GAME		\$0.1000
FLUORESCENT INKS		\$0.1000
METALLIC-LIKE INKS		\$0.1400
DUAL COLOR IMAGING OF PLAY SYMBOLS		\$0.3000
MULTIPLE COLOR IMAGING OF PLAY SYMBOLS, 3-COLOR		\$0.6600
MULTIPLE COLOR IMAGING OF PLAY SYMBOLS, 4-COLOR		\$0.8200
TEN-POINT FOIL STOCK		\$0.4800

PRICE PROPOSAL

WEST VIRGINIA LOTTERY RFQ LOT 460 NOVEMBER 10, 2011 ATTACHMENT 1: COST SHEET		ALL PRICING PER SQUARE INCH PER THOUSAND
RECYCLABLE HOLOGRAPHIC STOCK		\$2.5500
MULTIPLE GAME DATA PLAY AREAS		\$0.0000
DIE-CUTTING OF TICKETS		\$0.4800
MATTE COATING ON TICKET FRONT		\$0.0800
TICKETS WITH PERFORATED STUB AND WITH IMAGE INFORMATION		\$0.1600
TICKETS WITH PERFORATED STUB AND WITHOUT IMAGE INFORMATION		\$0.0800
SCENE/COLOR PULSING SPLIT BETWEEN TICKET QUANTITIES WITHIN A GAME		\$0.3000
FOIL LAMINATE		\$0.4800
OVERSIZED/EXTENDED PLAY TICKETS		\$1.6500
TOTAL OF ALL ITEMS. This will be the rated bid for this contract. Award will be based on lowest cost bid for this total.		*

* Scientific Games understands that this area is for the sole use of the Agency.



WEST VIRGINIA LOTTERY

Attachment 2 – Offered Options Bid Sheet

PRICE PROPOSAL

WEST VIRGINIA LOTTERY

RFQ LOT 460

NOVEMBER 10, 2011

ATTACHMENT 2: OFFERED OPTIONS

The Bidder SHALL attach sheets for any Bidder offered optional items. Each item offered MUST be clearly identified along with the terms and costs under which they are offered.		
PROMOTIONAL WEBSITE CREATION AND HOSTING (combination mail-in/internet drawings)	\$38,000.00	per game
PROMOTIONAL DRAWING (internet only drawings)	\$16,500.00	per game
Additional Display Color (4 display colors included in base price)	\$0.06	per square inch of total ticket area per 1,000 tickets
Additional Overprint Color (4 overprint colors included in base price)	\$0.06	per square inch of total ticket area per 1,000 tickets
Additional Ticket Back Color (2 ticket back included in base price)	\$0.06	per square inch of total ticket area per 1,000 tickets
Premium Metallic Ink, per each	\$0.18	per square inch of total ticket area per 1,000 tickets
Simulated Foil Ink	\$0.36	per square inch of total ticket area per 1,000 tickets
Color Shift Ink	\$0.80	per square inch of total ticket area per 1,000 tickets
Glow in the Dark Ink	\$0.95	per square inch of total ticket area per 1,000 tickets

PRICE PROPOSAL

WEST VIRGINIA LOTTERY

RFQ LOT 460

NOVEMBER 10, 2011

ATTACHMENT 2: OFFERED OPTIONS

Pearlescent Coating	\$0.10	per square inch of total ticket area per 1,000 tickets
Scented Ink	\$0.85	per square inch of total ticket area per 1,000 tickets
Matte Coating	\$0.08	per square inch of total ticket area per 1,000 tickets
Scientific Games Micromotion™ (includes foil substrate)	\$1.50	per square inch of total ticket area per 1,000 tickets
Megacolor™ Process; 4 color process display with integrated 4 color process overprint design	\$0.06	per square inch of total ticket area per 1,000 tickets
Scientific Games ClearMark™ Marking System	\$0.14	per square inch of total ticket area per 1,000 tickets
Scientific Games Graphic ClearMark™ Marking System	\$0.24	per square inch of total ticket area per 1,000 tickets
Scientific Games SureMark™ Marking System	\$0.20	per square inch of total ticket area per 1,000 tickets
Scientific Games ColorMark™ Marking System	\$0.06	per square inch of total ticket area per 1,000 tickets

PRICE PROPOSAL

WEST VIRGINIA LOTTERY

RFQ LOT 460

NOVEMBER 10, 2011

ATTACHMENT 2: OFFERED OPTIONS

Scientific Games Scratch My Back™	\$1.70	per square inch of total ticket area per 1,000 tickets
Scoring and Perforations	\$0.48	per square inch of total ticket area per 1,000 tickets
One Color Imaging, Color other than Black	\$0.16	per square inch of total ticket area per 1,000 tickets
Patterned Ultra Shine™	\$0.14	per square inch of total ticket area per 1,000 tickets
SofTouch™ Coating	\$0.10	per square inch of total ticket area per 1,000 tickets
Graphic Benday	\$0.16	per square inch of total ticket area per 1,000 tickets
Four Color Process Printing on Ticket Back	\$0.40	per square inch of total ticket area per 1,000 tickets
Synchronized Scene Game	\$2.00	per 1,000 tickets
Continuous Scene Game	\$1.00	per 1,000 tickets
Scientific Games Proprietary Play Action Games: Multi-Line Games, Lucky Dice™/Lucky Card™ Cash, Golden Spin™ play action, Big Bingo, Go To™ play action, Linked Play, Match & Win™	0.25%	of game retail sales value
Understand™ Dual Language Feature	\$0.50	per 1,000 tickets

PRICE PROPOSAL

WEST VIRGINIA LOTTERY

RFQ LOT 460

NOVEMBER 10, 2011

ATTACHMENT 2: OFFERED OPTIONS

KDSii™ (base ticket price includes standard KDS, KDSii is an enhanced version)	\$0.89	per 1,000 tickets
Accelerated Delivery Schedule, per day	\$2,000.00	per day
Programming of Unusual Games or Post-Executed Changes, per hour	\$200.00	per hour
Art and proofing Changes for Post-executed Changes to Art as Specified in Approved Working Papers, per hour	\$200.00	per hour
Insert customer furnished inserts in pack	\$0.30	per pack

If applicable, sign and submit the attached Resident Vendor Preference Certificate with the quotation.

I certify that the quotation submitted meets or exceeds all the mandatory specifications of this RFQ. Additionally, I agree to provide any additional documentation deemed necessary by the State of West Virginia to demonstrate compliance with said mandatory specifications.

Scientific Games International, Inc.

(Company)

James Trask, President Printed Products Group

(Representative Name, Title)

770-664-3700

(Contact Phone/Fax Number)

11/07/2011

(Date)

PRICE PROPOSAL

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 RFQ, 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.

PRICE PROPOSAL

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.”

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Jim Trask

President, Printed Products Group

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Instant Scratch-Off Lottery Tickets

RFQ LOT 460 • November 10, 2011

Volume 1 – RFQ Response Documentation

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Alpharetta, GA 30004 USA

Phil Bauer

Vice President, Corporate Counsel and Assistant Secretary

Phone: 770-664-3700

Fax: 678-297-5118



WEST VIRGINIA LOTTERY

Transmittal Letter



SG
SCIENTIFIC GAMES®



November 10, 2011

Ms. Shelly L. Murray, Buyer Supervisor
Purchasing Division
2019 Washington Street, East
P.O. Box 50130
Charleston, WV 25305-0130
Email: shelly.l.murray@wv.gov

Re: Request for Quotation for West Virginia Lottery RFQ LOT460

Dear Ms. Murray:

Scientific Games International, Inc. (Scientific Games) is pleased to submit our response to the Agency's Request for Quotation to develop, design, print and deliver tamper-evident and secure instant scratch-off lottery game tickets. As the West Virginia Lottery's start-up instant ticket vendor and committed partner for the past 25 years, we have had the pleasure of watching your game sales grow in a competitive environment. This growth is particularly exciting given the important role played by scratch-off games – a product we have proudly provided to your organization since 1986.

INCREASING REVENUE: HELPING YOUR GOOD CAUSES

To realize the greatest long-term benefits to the citizens of West Virginia, your success will come from working with an experienced supplier with well defined processes, proven, experienced and established teams, and feature-rich support systems for the streamlined management of product lifecycle – ***a true partner who can help you grow sales and profitability.*** With an annual global print capacity of 48 billion standard units, Scientific Games is best qualified to deliver a secure and cost effective product to the West Virginia Lottery.

This proven track record of effectively marketing lottery products and growing lottery sales and profits to the industry are among the reasons Scientific Games is confident we are the company most capable of delivering unprecedented quality and product growth to the Lottery. Over the past 10 years, we have successfully supplied over 1.2 billion 2x4 equivalent scratch-off tickets to West Virginia Lottery players. In West Virginia and around the world, the security and player protection features we build into our products are proven, day in and day out, as players successfully scratch and validate their instant ticket games.

Our desire to provide you with secure and entertaining instant games is predicated on our well-founded knowledge that security and integrity are the basis for any successful instant game. For more than 38 years, Scientific Games has provided the proven combination of products and services centered on security and integrity which the West Virginia Lottery has come to know and trust. Our games are designed to deliver exciting entertainment experiences for your instant lottery players. As your partner, Scientific Games understands that the instant product line plays an important part in maximizing revenues for senior citizens, tourism and education something that is paramount to the West Virginia Lottery.

EXPERIENCE: UNMATCHED DEPTH AND BREADTH

Corporate Experience

Our instant games experience and expertise is demonstrated every day at Scientific Games through instant games that are on sale throughout the US and across the world. Scientific Games has consistently created and produced more instant games than all other US vendors combined – over 300 billion standard units worldwide since our inception. For the 2010 calendar year, we were an instant ticket provider to 43 of the 44 US lottery jurisdictions, and to 9 of the Top 10 US lotteries, based on total instant sales and instant per capita sales. We are also the primary instant ticket provider to 8 of the Top 10 US lotteries that exhibited the highest percentage of sales growth for 2010. This real-world experience has become entrenched into our organization and provides our drive to continually innovate.

Team Experience

Scientific Games has a very experienced, highly qualified account team in place today, led by your Regional Director Ron Miguel, ready to continue providing product support and market information focused on your instant game plan. We stand ready to work together in the design and development of the best games for the West Virginia Lottery. Our corporate management team consists of lottery industry acknowledged experts, including Jim Kennedy, Jennifer Welshons, Jim Trask, Dennis Miller and Rhonda Gillen. These experience-rich and innovative-focused professionals will contribute support to the West Virginia Lottery account team with all necessary products and services.

Our team knows that marketing analysis is vital to the ongoing success of the West Virginia Lottery. We have long allocated resources toward developing the most innovative and powerful marketing analysis tools available. Using tools like our Game Gallery sales database system the Lottery will be able to draw data from our sales performance and game attribute database of more than 28,000 instant games. You will also continue to benefit from lessons learned with our annual State of the Industry Analysis. Our marketing analysis experts and game design and planning specialists are always looking for new or modified strategies to help you increase sales and assist with your overall marketing goals.

OUTSTANDING QUALITY: ENSURING CONTINUOUS IMPROVEMENT AND EXCELLENCE

At Scientific Games, our commitment to the lottery industry is evident in our corporate allocation of capital spending in the areas of instant game printing, product quality assurance, and security development. Since 2001, we have invested in excess of \$75 million in instant game technology and quality initiatives. This investment ensures that our lottery customers continue to receive the very best in print industry technology while providing the highest instant game integrity and security along with market-proven instant ticket products and services.

A further testament to our commitment to continuous improvement is our many ISO certifications. ISO is the world's largest developer and publisher of international standards. Scientific Games was the first US lottery industry supplier to receive ISO 9001:2000 certification of its quality management system. Through the years, we have maintained our certification and adopted the newer standard of ISO 9001:2008. The system is audited once a year by third party auditors and at least twice a year by internal auditors.

Production processes that are certified under ISO Quality Management systems are generally accepted to provide more consistent product through a reliable documentation processes helping to ensure customer satisfaction. Scientific Games printing facilities in Alpharetta and Montreal have certified ISO Quality Management systems in place. The Alpharetta plant has maintained ISO certification since 1995. In March 2010, we achieved new certifications in ISO 9001:2008. The Montreal facility was certified ISO 9001:2008 in 2010.

EXCEPTIONAL SECURITY: MINIMIZING YOUR RISK

Every aspect of the lottery business is influenced and impacted by the need for impeccable security. System integrity, secure practices, and verifiable processes are all critical components in minimizing risk to a lottery's operation, and should be fundamental to any good lottery vendor's operation. When a lottery ticket is printed at our manufacturing facility, we are always cognizant that it has the West Virginia Lottery's name on it. Maintaining the public's trust in your instant scratch-off games is our foremost mission. The security and integrity of your brand is at stake every day in your marketplace, and no company can match our commitment to protecting it – day in and day out, 365 days a year.

Scientific Games demonstrates our exceptional security processes each and every day. Our instant game products are on the street in nearly every lottery jurisdiction throughout the US and Canada, and in more international jurisdictions than any other instant game vendor. The security and player protection features built into our products are proven millions of times each day and billions of times each year as players successfully scratch and validate their instant ticket games. Our physical and logical security processes are second to none in the industry. The proprietary and innovative systems and software we have developed over the years are often imitated but never duplicated. And when it comes to breadth and depth of resources and experience of our security personnel, Scientific Games is in a league of its own.

As a testament to our commitment to game security, Scientific Games was the first instant game vendor to achieve ISO 27001:2005 information security management system certification. This ISO standard specifies the requirements for establishing an organization's control framework for information security risks. The purpose of bringing information security under management control is that it is a prerequisite for sustainable, directed and continuous improvement – a process to which Scientific Games is always committed. As proof, so far our game programming groups in Alpharetta, Georgia (US), Montreal, Quebec (CA), and Leeds, England (UK) have all achieved this industry leading ISO 27001:2005 security certification.

CONSISTENCY: PROVEN PRODUCTS, PROCESSES AND GROWTH

Over the past 25 years, Scientific Games has built and proven our instant game process for the West Virginia Lottery. For your system conversion, we were ready with FailSafe® technology to bring keyless, secure validations. We were also proud to be a part of your 25th Anniversary game series with the added internet second chance drawing component. With our team, there will be no need for a learning curve – we can hit the ground running. Our goal is to take your current successes and move you to the next level. We are primed to continue our focus on delivering the highest level of products and services that you have come to expect – allowing you to place your full focus on achieving your desired goals, increased return to your beneficiaries within the state of West Virginia.

Since 2001, we have delivered more than 400 instant scratch-off games to the West Virginia Lottery. We have delivered to the West Virginia Lottery instant products that have provided players the opportunity for fun and rewarding experiences. Those player-rich experiences have driven instant sales from \$55 million in 1986, to over \$115 million in Fiscal Year 2011. At Scientific Games, we look forward to continuing to provide the West Virginia Lottery with consistently reliable and trustworthy instant games that will engage your current players while also encouraging new players.

INNOVATIVE TECHNOLOGY: PROVIDING TRUST AND INTEGRITY

State-of-the-art lottery game technology is synonymous with Scientific Games. In launching four industry-leading lottery press installations around the world since 2007, we have consistently integrated the leading instant game production technology of the day into our operations. Our exclusive security and technology-based programs like Failsafe™ and KDSii™ lead the lottery marketplace in security and innovation. FailSafe has quickly become the industry standard for a secure keyless validation of instant tickets. Imaged entirely under the scratch-off coating, FailSafe technology offers lotteries enhanced security, winning ticket verification with ticket checker units, and keyless validation by retail agents. Our FailSafe bar codes permit players to check tickets on their own, which allows players to know a ticket's win/non-win status before they present it to a retail clerk for validation. This player ticket self-validation feature of FailSafe delivers on the lottery's desire for increased integrity in retailer winning ticket validation routines.

With this dedication to leading-edge technology and processes, we ensure that the product we deliver today has the highest levels of security and quality built in – from the game design phase, all the way through the programming process, to manufacturing, and into the lottery warehouses.

SUMMARY

Quality and Security in the facilities, production processes, and the people of our company are integral to Scientific Games. Our instant games contain levels of security that continue to lead the industry while focusing on providing a secure gaming experience in a fun-to-play atmosphere for players of both today and tomorrow. We are driven to provide the West Virginia Lottery with products, services, and a customer-centric sales and marketing team that will allow you to meet the challenges in the marketplace thus, providing the opportunity to increase sales and profits to the state of West Virginia.

Scientific Games offers the West Virginia Lottery the broadest range and most market proven portfolio of lottery products and services that are all designed to assist you in your core mission of maximizing revenue for your good causes. We can assure the present offering of services as well as future innovative techniques, processes, and innovations are designed to meet the highest levels of integrity and deliver exceptional value. In addition, we can offer an unparalleled and proven marketing and product integration approach that encompasses nearly 40 years of lottery experience along with our latest innovative products and services.

Our mutual goal remains the same – support your retailers and provide players with compelling games to assist in the growth of your instant game sales, thus growing the overall net revenue for senior citizens, tourism and education. We are ready to support the West Virginia Lottery to

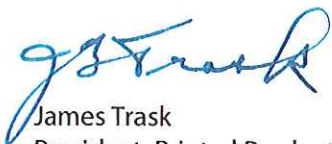
November 10, 2011

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achieve your goals and we appreciate your consideration of our quotation. We look forward to continuing and expanding our existing relationship with the Lottery.

We are confident that Scientific Games meets all the requirements outlined in RFQ LOT460 and will be in a position to submit the documents referenced within the request for quotation upon contract award. Please contact me directly at (770) 664-3768 if you have any questions or need any further information related to any material found in this submission.

Kindest regards,



James Trask
President, Printed Products Group
(770) 664-3768 Office
(770) 354-2592 Cellular
(770) 664-3742 Fax



WEST VIRGINIA LOTTERY

RFQ Form



SG
SCIENTIFIC GAMES®



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
LOT460

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY 304-558-8801

*709024708 770-664-3734
 SCIENTIFIC GAMES INTERNATIONAL
 1500 BLUEGRASS LAKES PARKWAY

ALPHARETTA GA 30004

LOTTERY COMMISSION

312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

VENDOR

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
09/22/2011				

BID OPENING DATE: 10/27/2011 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		785-53		
<p>OPEN END CONTRACT</p> <p>THE WEST VIRGINIA PURCHASING DIVISION, FOR THE AGENCY, THE WEST VIRGINIA LOTTERY, IS SOLICITING BIDS TO DEVELOP, DESIGN, PRINT, AND DELIVER TAMPER-PROOF AND SECURE INSTANT SCRATCH-OFF LOTTERY GAME TICKETS CONTAINING RANDOMLY DISTRIBUTED WINNING AND NON-WINNING TICKETS OF MEAN AND MAXIMUM STRINGS WITHIN POOLS AND PACKS WITH SECURED VALIDATION FILES TO VERIFY PRIZE CLAIMS, AND HIGH-LEVEL SECURITY TRANSPORTATION AS MANY TIMES AS NEEDED THROUGHOUT THE LIFE OF THE CONTRACT PER THE ATTACHED SPECIFICATIONS.</p> <p>TECHNICAL QUESTIONS MUST BE SUBMITTED IN WRITING TO SHELLY MURRAY IN THE WEST VIRGINIA PURCHASING DIVISION VIA MAIL AT THE ADDRESS SHOWN AT THE TOP OF THIS RFQ, VIA FAX AT 304-558-4115, OR VIA E-MAIL AT SHELLY.L.MURRAY@WV.GOV. DEADLINE FOR ALL TECHNICAL QUESTIONS IS 10/12/2011 AT THE CLOSE OF BUSINESS. ALL TECHNICAL QUESTIONS RECEIVED, IF ANY, WILL BE ADDRESSED BY ADDENDUM AFTER THE DEADLINE.</p> <p>**** CD ATTACHED ***</p> <p>INSTANT SCRATCH-OFF LOTTERY TICKETS</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
<i>[Signature]</i>	770.664.3700	11/7/11
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE
President, Printed Products Group	58-1943521	

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
LOT460

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ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY
304-558-8801

VENDOR

*709024708 770-664-3734
SCIENTIFIC GAMES INTERNATIONAL
1500 BLUEGRASS LAKES PARKWAY

ALPHARETTA GA 30004

SHIP TO

LOTTERY COMMISSION

312 MACCORKLE AVENUE, SE
CHARLESTON, WV
25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
09/22/2011				
BID OPENING DATE: 10/27/2011		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>EXHIBIT 3</p> <p>LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE UPON AWARD AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.</p> <p>UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.</p> <p>RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE (1) YEAR PERIODS.</p> <p>CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE 770.664.3700	DATE 11/7/11
TITLE President, Printed Products Group	FEIN 58-1943521	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

**Request for
 Quotation**

RFQ NUMBER
LOT460

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SHELLY MURRAY 304-558-8801

VENDOR

*709024708 770-664-3734
 SCIENTIFIC GAMES INTERNATIONAL
 1500 BLUEGRASS LAKES PARKWAY
 ALPHARETTA GA 30004

SHIP TO

LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
09/22/2011				

BID OPENING DATE: **10/27/2011** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.</p> <p>ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THE STATE MAY DEEM THE CONTRACT NULL AND VOID, AND TERMINATE SUCH CONTRACT WITHOUT FURTHER ORDER.</p> <p>THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p>PURCHASING CARD ACCEPTANCE: THE STATE OF WEST VIRGINIA CURRENTLY UTILIZES A VISA PURCHASING CARD PROGRAM WHICH IS ISSUED THROUGH A BANK. THE SUCCESSFUL VENDOR MUST ACCEPT THE STATE OF WEST VIRGINIA VISA PURCHASING CARD FOR PAYMENT OF ALL ORDERS PLACED BY ANY STATE</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE 770.664.3700	DATE 11/7/11
TITLE President, Printed Products Group	FEIN 58-1943521	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
LOT460

PAGE
4

ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY
304-558-8801

VENDOR

*709024708 770-664-3734
SCIENTIFIC GAMES INTERNATIONAL
1500 BLUEGRASS LAKES PARKWAY
ALPHARETTA GA 30004

SHIP TO

LOTTERY COMMISSION
312 MACCORKLE AVENUE, SE
CHARLESTON, WV
25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
09/22/2011				

BID OPENING DATE: **10/27/2011** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	QAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>AGENCY AS A CONDITION OF AWARD.</p> <p>NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p>DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION BUILDING 15 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305-0130</p> <p>THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:</p> <p>SEALED BID</p> <p>BUYER: SHELLY MURRAY</p> <p>RFQ. NO.: LOT460</p> <p>BID OPENING DATE: 10/27/2011</p> <p>BID OPENING TIME: 1:30 PM</p> <p>PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:</p> <p>-----</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE 770.664.3700	DATE 11/7/11
TITLE President, Printed Products Group	FEIN 58-1943521	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
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Request for Quotation

RFQ NUMBER
LOT460

PAGE
5

ADDRESS CORRESPONDENCE TO ATTENTION OF
SHELLY MURRAY
304-558-8801

VENDOR

*709024708 770-664-3734
SCIENTIFIC GAMES INTERNATIONAL
1500 BLUEGRASS LAKES PARKWAY

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SHIP TO

LOTTERY COMMISSION

312 MACCORKLE AVENUE, SE
CHARLESTON, WV
25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
09/22/2011				

BID OPENING DATE: **10/27/2011** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
CONTACT PERSON (PLEASE PRINT CLEARLY):						

***** THIS IS THE END OF RFQ LOT460 ***** TOTAL:						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE 770.664.3700	DATE 11/7/11
TITLE President, Printed Products Group	FEIN 58-1943521	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

A globe is formed by a grid of lottery tickets from various West Virginia Lottery games, including 'Mega Millions', 'Holiday Millionaire', and 'Cash 4'. The globe is centered in the upper half of the page.

WEST VIRGINIA LOTTERY

Addendum 1





State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
 LOT460

PAGE
 1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
 SHELLY MURRAY
 304-558-8801

RFQ COPY
 TYPE NAME/ADDRESS HERE

VENDOR

SHIP TO

LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED 10/24/2011	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
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BID OPENING DATE: 11/10/2011 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
--- ADDENDUM NO. 1 ---						
THIS ADDENDUM IS ISSUED TO EXTEND THE BID OPENING DATE TO 11/10/2011.						
AN ADDENDUM TO ADDRESS THE QUESTIONS RECEIVED WILL BE FORTHCOMING.						
0001	1	LS		785-53		
INSTANT SCRATCH-OFF LOTTERY TICKETS						
EXHIBIT 10						
REQUISITION NO.:						
ADDENDUM ACKNOWLEDGEMENT						
I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.						
ADDENDUM NO.'S:						
NO. 1						
NO. 2						
NO. 3						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE 770.664.3700	DATE 11/7/11
TITLE President, Printed Products Group	FEN 58-1943521	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

**GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)**

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
4. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods this Purchase Order/Contract becomes void and of no effect after June 30.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the *West Virginia Code*.
7. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
10. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern the purchasing process.
11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
12. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
13. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at www.state.wv.us/admin/purchase/vrc/hipaa.htm and is hereby made part of the agreement. Provided that the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
14. **CONFIDENTIALITY:** The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/noticeConfidentiality.pdf>.
15. **LICENSING:** Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, and the West Virginia Insurance Commission. The vendor must provide all necessary releases to obtain information to enable the director or spending unit to verify that the vendor is licensed and in good standing with the above entities.
16. **ANTITRUST:** In submitting a bid to any agency for the State of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the State of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, or person or entity submitting a bid for the same material, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division. Complete all sections of the quotation form.
2. Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Unit prices shall prevail in case of discrepancy. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
4. All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130
5. Communication during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited (W.Va. C.S.R. §148-1-6.6).



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
LOT460

PAGE
2

ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY 304-558-8801

RFQ COPY
 TYPE NAME/ADDRESS HERE

VENDOR

SHIP TO

LOTTERY COMMISSION

 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
10/24/2011				

BID OPENING DATE: 11/10/2011 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
	NO. 4					
	NO. 5					
<p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.</p> <p style="text-align: center;">..... SIGNATURE Scientific Games International, Inc. COMPANY </p> <p style="text-align: center;">..... DATE</p> <p>NOTE: THIS ADDENDUM ACKNOWLEDGEMENT SHOULD BE SUBMITTED WITH THE BID.</p> <p style="text-align: center;">----- END OF ADDENDUM NO. 1 -----</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
<i>J. Frank</i>	770.664.3700	11/7/11
TITLE	REIN	ADDRESS CHANGES TO BE NOTED ABOVE
President, Printed Products Group	58-1943521	

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

A globe is formed by a grid of lottery tickets from various West Virginia Lottery games, including 'Mega Millions', 'Powerball', and 'Cash 4'. The globe is centered in the upper half of the page.

WEST VIRGINIA LOTTERY

Addendum 2





State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
 LOT460

PAGE
 1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
 SHELLY MURRAY
 304-558-8801

RFQ COPY
 TYPE NAME/ADDRESS HERE

RFQ COPY

SHIP TO

LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED 10/25/2011	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
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BID OPENING DATE: 11/10/2011 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
----- ADDENDUM NO. 2 -----						
THIS ADDENDUM IS ISSUED TO ADDRESS THE QUESTIONS RECEIVED PRIOR TO THE QUESTION SUBMISSION DEADLINE OF 10/12/2011.						
BID OPENING DATE REMAINS 11/10/2011						
0001	1	LS		785-53		
INSTANT SCRATCH-OFF LOTTERY TICKETS						
EXHIBIT 10						
REQUISITION NO.:						
ADDENDUM ACKNOWLEDGEMENT						
I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.						
ADDENDUM NO. S:						
NO. 1						
NO. 2						
NO. 3						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE 770.664.3700	DATE 11/7/11
TITLE President, Printed Products Group	FEIN 58-1943521	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

**GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)**

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2. The State may accept or reject in part, or in whole, any bid.
3. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
4. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods this Purchase Order/Contract becomes void and of no effect after June 30.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the *West Virginia Code*.
7. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
10. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern the purchasing process.
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State of West Virginia
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 Purchasing Division
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Request for Quotation

RFQ NUMBER
 LOT460

PAGE
 2

ADDRESS CORRESPONDENCE TO ATTENTION OF:
 SHELLY MURRAY
 304-558-8801

RFQ COPY
 TYPE NAME/ADDRESS HERE

VENDOR

SHIP TO

LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
10/25/2011				

BID OPENING DATE: 11/10/2011 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
NO. 4					
NO. 5					
<p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.</p> <p>..... SIGNATURE Scientific Games International, Inc. COMPANY</p> <p>..... 11/7/11</p> <p>DATE</p> <p>NOTE: THIS ADDENDUM ACKNOWLEDGEMENT SHOULD BE SUBMITTED WITH THE BID.</p> <p>----- END OF ADDENDUM NO. 2 -----</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>J. Frank</i>	TELEPHONE 770.664.3700	DATE 11/7/11
TITLE President, Printed Products Group	FEIN 58-1943521	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

LOT460**ADDENDUM #2**

QUESTION 1: Section 3.1 appears to request concise descriptions of the abilities of the vendor to satisfy the requirements of the RFQ whereas Section 3.3 outlines three primary components a vendor must include with its RFQ submission. To clarify, does the West Virginia Lottery wish to receive a proposal package from vendors that includes point-by-point responses to the technical specifications as demonstration of capability and compliance or does the Lottery only require completed submissions of Attachments 1, 2 and 5 with an acknowledgement of compliance.

Would you please issue an immediate clarification of what is the intention for this RFQ? It would be in the best interest of the Lottery and vendors to have this information clarified at the earliest possible opportunity to allow for the most efficient response production and submission.

ANSWER 1: Only the winning low bid is required to provide detailed information as outlined in Attachment 5 upon contract award.

QUESTION 2: Will the Agency please confirm what the contract term for this procurement is, including any extension terms?

ANSWER 2: The initial term of the contract is three years with two possible one year renewals at the request of the Agency.

QUESTION 3: Without a clearly identified date for response to vendor questions or an addendum issuance, would the Agency please provide more than the minimum 14 days to respond to this RFQ submission?

ANSWER 3: Vendors will have more than the minimum 14 days to respond to the RFQ submission after the issuance of Addendum No. 2.

QUESTION 4: It appears that the agency intends to award a potential contract based solely upon a price quote. How does the Agency intend to determine from a price quote the value of level of services provided or the experience in the production of secure, high quality instant games?

ANSWER 4: The RFQ clearly states the Agency's specifications and requirements to insure the level of services and security and quality of the products are met. Any one not eligible should not bid on this contract. Upon the meeting these requirements, the Agency intends to award the contract based on price quote.

QUESTION 5: How will the Agency determine the value of expertise within the instant game development area if based on a price quote and only upon a description from the Successful bidder after contract award?

ANSWER 5: The RFQ clearly states the Agency's specifications and requirements to insure the level of expertise in game development are met. Any one not eligible should not bid on this contract. Upon the meeting these requirements, the Agency intends to award the contract based on price quote.

QUESTION 6: Does the Agency require vendors to provide samples of these items with the RFQ response or simply acknowledge that these requirements will be met? If an acknowledgement is all that is required, how will bidder's information be compared and evaluated?

ANSWER 6: The Agency intends to award the contract based on price quote. Bidders must acknowledge that the requirements are met and the successful bidder must submit the required documents upon award.

QUESTION 7: Will the Agency consider amending the contract to provide that the Vendor will conduct a trademark and service mark search? The obligation to conduct "all intellectual property searches" is very broad and imposes an obligation for which there are no clear standards for satisfying upon the Vendor.

ANSWER 7: The Agency agrees to amend the language in the RFQ to:

2.4.5.16 Trademark, Service Mark, and Intellectual Property Search: As part of Working Paper preparation, the Vendor WILL conduct a trademark and service mark search for all games used during this contract.

QUESTION 8: While the Agency has identified a minimum number of game planning sessions annually, for the purpose of costing, will the Agency provide the maximum number of game planning sessions anticipated per year?

ANSWER 8: Two per contract year.

QUESTION 9: Will the Agency please clarify whether the Second Chance Drawing Services are Required, as Section 2.4.6.3 suggests, or Offered Options, as Attachment 2 suggests?

ANSWER 9: The drawing services are required for completion of the contract, however, the cost is not part of the ticket pricing that will be used in determining the bid award. It was therefore placed in Offered Options for costing.

QUESTION 10: Section 2.4.6.3 does not specify the frequency or depth of each of these promotions. This request is not part of base pricing for tickets and as such will be priced separately. Can the Agency please provide an estimate of how many Websites ' drawings are anticipated on an annual basis?

ANSWER 10: There will be an estimated three to seven web components utilized per contract year.

QUESTION 11: Section 2.4.9.3.1 states: "The successful bidder must be capable of 5 color ticket fronts, however, Attachment 1, cost sheet, on page 47 specifies that basic ticket will include four color display." Will the Agency please confirm that the basic ticket price should include 4 front display colors?

ANSWER 11: There must be four front display colors and the use of an additional "overprint" color as necessary to allow the ticket to be as true to color as possible over the play area.

QUESTION 12: Will the Agency please confirm that the basic ticket price should include 4 overprint colors?

ANSWER 12: There must be four front display colors and the use of an additional "overprint" color as necessary to allow the ticket to be as true to color as possible over the play area.

QUESTION 13: 3.4.9.10 Perforations, Page 19: Will the Agency please confirm that this item was numbered incorrectly and amend the RFQ to read 2.4.9.10?

ANSWER 13: The Agency agrees to correct numbering as follows:

2.4.9.10 Perforations: The perforations between tickets SHALL be deep enough, and SHALL contain adequate open area between the perforations, to allow tickets to be separated from each other by Retailer after one pre-fold, but tickets SHALL NOT break apart during normal handling and dispensing from dispensers, ITVMs, or PATs.

QUESTION 14: Section 2.4.10 states "the ticket length may range from 1 in. to 12 in. in length." Would the Agency please amend this specification to better reflect current best practices and North American marketplace standard for minimum length specification of 2 inches?

ANSWER 14: The Agency agrees to amend the ticket length in section 2.4.10.1 Ticket Sizes and Orientation to read "Ticket length may range from two (2) inches to twelve (12) inches in length."

QUESTION 15: Will the Agency please revise to make clear that any inspection of instant tickets at Vendor's manufacturing site or any production or security inspection at Vendor's facility will occur during normal business hours and upon reasonable advance notice?

ANSWER 15: The Agency agrees that any inspection will occur during normal business hours without notice.

QUESTION 16: How does the Agency intend to evaluate corporate and staffing experience and creativity as it relates to the price submitted by vendors?

ANSWER 16: The RFQ is not intended to evaluate corporate and staffing experience and creativity. With submission of bid the Vendor certifies compliance with services and staffing as outlined in section 2.4.17 Corporate Capabilities, Staffing, and Qualifications.

QUESTION 17: The requirement in 2.4.20 imposes an obligation upon the Vendor to provide legal advice to the Agency concerning the nature and ownership of intellectual property and as such may create an unethical conflict of interest by establishing this attorney-client relationship. Will the Agency please delete this requirement?

ANSWER 17: The Agency agrees to change the language of the RFQ to:

2.4.20 Rights to Intellectual Property:

Outside of this contract, the Agency will be leasing or purchasing rights to use materials that may be deemed the intellectual property of the Vendor or third-party entities. Such properties include, but are not limited to, names and graphic renditions that are trademarked or copyrighted, stock photography, personalities, specialty type-fonts, bar code placements, and commercial themes that are not in the realm of public domain.

The Vendor will use reasonable efforts to procure the rights for use of copyrights, brand names, intellectual property, etc. on behalf and at the behest of the Lottery. The Vendor then SHALL cost all fees, without mark-up, solely for rights to the use of intellectual property separately for each instant ticket. Such costs SHALL be listed as additional line items in the working paper confirmation page for payment approval.

This excludes any licensed property which may be directly licensed by the Agency from a third party vendor within a sole source agreement.

QUESTION 18: The requirement in 2.4.20 imposes the obligation to procure the rights of third party intellectual property upon the Vendor prior to the determination of the Agency to actually use such intellectual property. Will the Agency consider amending this requirement such that the Vendor is not obligated to enter into any agreement with any third party for the procurement of such intellectual property without the agreement of the Agency to utilize such rights?

ANSWER 18: Please refer to response to Question 17.

QUESTION 19: The vendor cannot guarantee that a third party will agree to let the Agency use its intellectual property or guarantee the terms that may be agreeable to such third party; as such, will the Agency consider amending this fourth sentence of this section 2.4.20 to provide as follows: "The Vendor will use reasonable efforts to procure the rights for use of copyrights, brand names, and intellectual property on behalf and at the behest of the Lottery upon obtain terms and conditions most favorable to the Lottery depending upon the circumstances of the intellectual property usage"?

ANSWER 19: Please refer to response to Question 17.

QUESTION 20: Will the Agency please explain what components of the Contract the Agency anticipates would be non-exclusive?

ANSWER 20: The Agency references 2.4.20 concerning licensed or trademarked properties or processes that the Agency may wish to utilize during the contract.

QUESTION 21: Section 2.4.24 provides for a license "in perpetuity" to the Agency. As the Agency would only require a license until the end of the Contract term, will the Agency consider amending this section to provide that the license survives for the Contract term?

ANSWER 21: The Agency agrees to change the language in the RFQ to:

2.4.24 Ownership of Materials:

Except for third party intellectual property licensed by the Vendor, all materials and data exclusively produced for first use by the Agency under the Contract shall be deemed the Agency's work product and shall not entitle the Vendor to additional financial considerations, unless otherwise agreed to in writing by the State. The Agency acknowledges that the use of any patents, copyrights or trademarks owned by a third party may be for a limited period of time and are subject to the terms of the intellectual property agreement among the Vendor and such third party.

QUESTION 22: Vendor licenses certain intellectual property rights from third parties that may be used in connection with the Contract. To clarify, will the Agency consider adding "Except for third party intellectual property licensed by the Vendor" at the beginning of the second sentence of Section 2.4.24 and also adding at the end of the section the following sentence, "The Agency acknowledges that the use of any patents, copyrights or trademarks owned by a third party may be for a limited period of time and are subject to the terms of the intellectual property agreement among the Vendor and such third party."?

ANSWER 22: The Lottery agrees to the changes. Please see response to Question 21.

QUESTION 23: Will any portion of the Vendor's proposals or pricing be made available to the public prior to the contract award date?

ANSWER 23: Pricing will be made available to the public at the bid opening.

QUESTION 24: Will the Agency consider amending the Contract to provide that the Agency will use reasonable efforts to protect the Vendor's trade secrets and proprietary information?

ANSWER 24: The West Virginia Freedom Of Information Code allows the Agency to restrict public access to trade secrets. Please refer to W.Va. Code 29-1-4(a)(1).

QUESTION 25: Will the Agency please clarify how it calculated the specific liquidated damages amounts set forth in section 5.10?

ANSWER 25: No.

QUESTION 26: The Vendor understands and agrees that it is difficult to ascertain actual damages in the event of the occurrence of certain of the events specified in this section, however, the Vendor respectfully requests clarification of the language to ensure that any liquidated damages assessed under the Contract were caused by the Vendor and reflect the amount of losses incurred by the Agency. Will the Agency please add the following provision after the first sentence in Section 5.10.1 Determination of Damages? "Notwithstanding any provision herein to the contrary, the amount of any liquidated damages assessed under the contract shall be reasonably and rationally related to the damage actually incurred by the Agency. Liquidated damages shall not be assessed in the event the Agency is not damaged. The Vendor shall not be liable for liquidated damages to the extent the incident was caused by the Agency, its retailers, third parties, communications failures or a force majeure event. The parties agree that liquidated damages will not be assessed by the Agency under multiple provisions under this Section 5.10 relating to a single incident. The assessment of any liquidated damages shall be in lieu of the right of the Agency to institute a cause of action for consequential damages."

ANSWER 26: The Agency and the State will not adopt the questioner's proposed language.

5.10.2.14 Liquidated Damages Dispute: The Lottery Director shall have the sole discretion to determine whether liquidated damages, as described in this section of the RFQ, will be assessed. The Agency's determination shall not be arbitrary or capricious. In the event of a dispute regarding the imposition or the amount of liquidated damages, the Vendor SHALL designate one and only one on-site individual to discuss the dispute with the Agency. In all possible areas of liquidated damages assessment, there shall be no pro-ration of damages unless otherwise expressed for

partial periods. Excessive liquidated damages, and events leading to such, may be grounds for termination of the contract.

QUESTION 27: Will the Agency please amend Section 5.10.2.4 to reflect the printing cost of the pack(s) in question plus the amount of any validations redeemed instead of the pack(s) face value?

ANSWER 27: No.

QUESTION 28: Will the Agency consider revising Section 5.12.1.1 to provide that the bond shall provide funds to the Agency "to the extent" that the Agency suffers any liability, loss, damage or expense? The Vendor would not anticipate forfeiting the entire amount of the bond in the event the Agency incurs losses in a lesser amount.

ANSWER 28: The Agency agrees to change the language of the RFQ as follows:

5.12.1.1 Performance Bond: The Vendor **WILL** be required to furnish a performance bond in an amount equal to the anticipated annual payments to the Vendor for the services provided. The bond **MUST** be in a form that is acceptable to the State of West Virginia. An alternative type of performance guarantee, in the form of a certified cashier's check made payable to the State of West Virginia, is also acceptable. **A Letter-of-Credit WILL NOT be accepted.**

This performance bond/guarantee **WILL** be renewed on an annual basis for the duration of the contract, and any extensions, thereof. This bond **SHALL** provide funds to the Agency to the extent that the Agency suffers any liability, loss, damage or expense as a result of the Vendor's failure to perform fully and completely all the requirements of the RFQ and contract which includes, without limitation, the Vendor's obligation to pay liquidated damages, to indemnify the Agency under circumstances described in the RFQ and contract and the Vendor's obligation to provide instant tickets and related services as required by the RFQ and the contract throughout the term of the contract and extensions, thereof. Failure to perform fully under the RFQ and contract may result in the termination of the contract. Performance bond form will be provided by the Purchasing Division.

QUESTION 29: Would the Agency please elaborate on what is meant by "Oversized / Extended Play Tickets?" These two terms generally refer to different specifications. "Oversize tickets" normally refers to a retailer display piece or point of purchase display item. "Extended play tickets" is usually the term used to describe products such as Bingo and Crossword.

ANSWER 29: In this instance, oversized would relate to any ticket larger than four inches by 12 inches. This would generally be used with extended play should we use the larger format tickets.

QUESTION 30: The bottom cell of the Cost Sheet is shaded and nearly illegible. Will the Agency please clarify its contents?

ANSWER 30: The box states: "TOTAL OF ALL ITEMS. This will be the rated bid for this contract. Award will be based on lowest cost bid for this total."

QUESTION 31: In addition, if the vendor is to quote a total of all items, would the Agency please furnish instruction on how to calculate this total? Because pricing is on a per square inch per 1,000 ticket basis, in order to calculate a meaningful total, it would seem that the Agency would need to furnish a production plan for a specified period of time, that would include number of games produced for each ticket size and associated order quantities, PLUS the same information for each option item (scenes, fluorescent inks, etc.)

ANSWER 31: The order quantities and images of the previous two years of tickets was provided on a CD as Attachment 6 to the State Purchasing Division for use as a basis for costing.

QUESTION 32: Would the Lottery please specify the estimated annual order quantities for each ticket size?

ANSWER 32: The order quantities and images of the previous two years of tickets was provided on a CD as Attachment 6 to the State Purchasing Division for use as a basis for costing.

QUESTION 33: Would the Lottery please confirm that the bid opening date is also the due date?

The RFQ lists the bid opening date as both 10/24/2011 and 10/27/2011. Would the Lottery please confirm when the bid is due?

ANSWER 33: Addendum No. 1 extended the bid opening date to 11/10/2011.

QUESTION 34: The second page of the RFQ and Section 5.5 of the RFQ are inconsistent; one states that the initial term of the contract is one year or such reasonable time (not exceeding 12 months) to obtain a new contract, and the other states that the initial term is three years. Could the Lottery please confirm the initial term and all renewal terms?

ANSWER 34: The initial term of the contract is three years with two possible one year renewals at the request of the Agency.

QUESTION 35: Would the Lottery be willing to provide a complete Instant Game Schedule for both the current and prior Fiscal Year that lists all of the games by price point and the quantities printed of each?

ANSWER 35: It was provided in a pdf format listing game sales and other pertinent information on a CD as Attachment 6 that was provided.

QUESTION 36: Which software does the Lottery currently use "to edit and view graphic and other necessary files?"

ANSWER 36: Currently the Agency uses Adobe Illustrator CS4 to view and edit graphic files provided by the current Vendor. The Agency also uses Adobe Acrobat 9 Pro to mark and document any art changes, working paper changes, etc. and is maintained by the Agency.

QUESTION 37: How many games in the last six months have included pack labels? Was the information on the label static or variable, and did it match the associated pack number?

ANSWER 37: The Agency has not used pack labels to date. This is an item that may be used during gaming system conversions, printing conversions, etc. to maintain and provide information and awareness in the field.

QUESTION 38: If a Vendor's financial results are consolidated into its parent, would the Lottery please confirm that a financial audit of the Vendor's parent is sufficient? Further, consistent with Section 2.4.22.2, would the Lottery be willing to accept the appropriate non-U.S. equivalent to a Form 10-K to satisfy this requirement?

ANSWER 38: The Agency agrees that the parent company's financial audit, including the appropriate non-U.S. equivalent to Form 10-K, will satisfy this requirement, provided the parent company agrees to assume liability for the company.

QUESTION 39: The RFQ states that patents, trademarks or copyrights used or developed in connection with the performance of the Vendor under the Contract will be licensed in perpetuity to the State of West Virginia without additional financial considerations.

Would the Lottery be willing to amend the license term to be the term of the contract (including all extensions) and limit the scope of the use of the license to be solely for the Lottery? (Not doing so would put any successful Vendor in a position of not being able to charge a license fee for its intellectual property after the term of the contract and give competitors of any successful Vendor a broad and perpetual right to use its intellectual property merely as a result of the successful Vendor being a contractor to the Lottery.)

ANSWER 39: Please refer to the response to Question 21.

QUESTION 40: Section 5.4.2 provides that the Vendor shall indemnify the State and the Agency against certain claims or losses.

Would the Lottery be willing to amend Section 5.4.2 to provide for an exception to this indemnity obligation, and clarify that the indemnity obligations of the Vendor are not intended to apply to any claims or losses arising from, or in connection with:

- (1) Any act or omission of the State and the Agency and their officers, directors, employees and agents,
- (2) A Vendor's actions or omissions if requested by or in compliance with the State or Agency's requirements or

Any act or omission of a third party not a subcontractor of the Vendor?

ANSWER 40: This language is verbatim from a standard West Virginia Purchasing Division format used in numerous procurements. It is evident to the Agency and the Purchasing Division that the section speaks to acts of the contractor and not the acts of the State Agency.

QUESTION 41: Section 5.10.2 provides for the remedy of liquidated damages. Notwithstanding Section 5.10.2, and consistent with West Virginia law, would the Agency be willing to amend this section to read as follows?

- (1) The Vendor may furnish, and the Agency will consider, factual evidence where available to establish that the Agency's actual damages were less than the liquidated sum.
- (2) The Agency will not assess more than its actual damages for any incident where the evidence establishes to the Agency's reasonable satisfaction that its actual damages were less than the liquidated amount.

The Agency will not assess liquidated damages in multiple categories for the same incident if doing so would amount to an unenforceable penalty under West Virginia law.

ANSWER 41: Please see response to Question 40, above.

QUESTION 42: The RFP provides that the State may terminate any contract resulting from this RFP immediately at any time the Vendor fails to carry out its responsibilities or make substantial progress under the terms of the RFP or contract. Although the State shall provide the Vendor advance notice of the performance conditions and a period to remedy, the RFP is not specific as to the time period contained in the notice.

Therefore, could the State please confirm that reasonable notice will be provided so that the Vendor has a commercially reasonable opportunity to cure?

ANSWER 42: 30 days

QUESTION 43: A Sample Performance Bond was not provided; therefore, would the Lottery please confirm that an industry-standard bond form may be used for the Performance Bond?

ANSWER 43: The Purchasing Division will provide the performance bond format to the apparent successful bidder.

QUESTION 44: The Cost Bid Sheet specifies ten-point foil stock as well as foil laminate. Could the Lottery please clarify the difference between the two?

ANSWER 44: The Agency agrees to specify the stock solely as foil laminate that may be dispensed via current Agency automated and manual dispensers.

QUESTION 45: In connection with awarding a vendor based on the lowest-cost bid, is it the intention of the Lottery to simply total all of the items in Attachment 1: Cost Sheet, or will the Lottery place a relative usage weighting on all of the items detailed in Attachment 1: Cost Sheet, and in such case, could the Lottery please provide bidders with such weighting?

Alternatively, would the Lottery be willing to amend Attachment 1: Cost Sheet and provide an annual usage assumption (based on a standard 2"x4" unit) for each item in Attachment 1: Cost Sheet based upon the number of times such item will be used annually?

In this way, all bidders would utilize the same assumptions in building their cost estimates and give the Agency the best opportunity to evaluate all bids.

ANSWER 45: The contract will be awarded based on State Purchasing guidelines for an RFQ. The order quantities and images of the previous two years of tickets was provided on a CD to the State Purchasing Division for use as a basis for costing.

QUESTION 46: Traditional lottery terminology uses the term "oversize" to refer to large ticket art blown up for POS use at retailers, and the term "Extended Play Tickets" to refer to Bingo, Crossword, and similar tickets requiring a special marking system; therefore, could the Lottery please clarify its use of the term "oversize" as it relates to Extended Play Tickets?

ANSWER 46: In this instance, oversized would relate to any ticket larger than four inches by 12 inches. This would generally be used with extended play should we use the larger format tickets.

QUESTION 47: For the purposes of providing an offered option, would "TBD" for pricing be acceptable?

ANSWER 47 : All available offered options must be priced at the time of the bid for consideration during the term of the contract.

QUESTION 48: Could the Lottery please clarify whether the deadline for the Lottery's receipt of Vendor responses October 24 (page 6) or the bid opening date of October 27 (pages 1-5)?

ANSWER 48: Addendum No. 1 extended the bid opening date to 11/10/2011.

QUESTION 49: Would the West Virginia Lottery be prepared to reconsider the purchasing-card acceptance policy outlined on page 3 to allow for one or more of other payment means such as wire transfer, direct deposit, or Automated Clearing House (ACH) payments?

ANSWER 49: The purchasing card acceptance is required and will not be reconsidered. The Agency also utilizes direct deposit as a normal means of payment for contract invoices and will continue to do so.

QUESTION 50: Could the Lottery please clarify whether the term of the contract is one (1) year with two possible extensions of one (1) year, as outlined in Exhibit 3 (page 2); or three (3) years with two (2) possible extensions of one (1) year, as outlined in Section 5.5 (page 39)?

ANSWER 50: The initial term of the contract is three years with two possible one year renewals.

QUESTION 51: Could the Lottery please provide a recent game launch schedule?

ANSWER 51: The order quantities and images of the previous two years of tickets were provided as a basis for costing.

QUESTION 52: The pricing per inch in Attachment 1: Cost Sheet (pages 47-48) is expressed as price per square inch per thousand. A significant amount of optional game features carry fixed costs or set-up expenses along with variable cost components. By requiring the vendors to respond with only a price per square inch, vendors must assume average game run lengths to facilitate this request. These assumptions carry a risk component which affects the pricing of the tickets/options due to the assumed quantities. This risk is then passed along in the price, which in turn affects the cost to the Lottery.

One such example is holographic stock. The Lottery's quantities per game range from 600,000 tickets to over 3,000,000 tickets. Under a per-square-inch pricing model, vendors will have to assume an average quantity. Holographic stock carries a very high set-up expense due to the cost of the product; as such, vendors will assume lower quantity due to the risk related to set-up costs. If the assumed quantity for pricing is 700,000 tickets, then the price for 700,000 tickets is accurate. However, for any quantities above 700,000 tickets, the Lottery would actually be paying more than the fair price for this option.

Accordingly, to ensure the Lottery receives the best pricing available, would the Lottery allow vendors to include a fixed amount or set-up fee plus the cost per square inch?

ANSWER 52: No.

QUESTION 53: Could the Lottery please provide a copy of all current instant ticket printing contracts, as well as any RFQ or RFP leading up the present contract, in an electronic format (e.g. PDF as a Web link or email), or otherwise by fax or other means?

ANSWER 53: The current contract is LOT322. Information may be obtained by contacting the purchasing division at 304-558-2306.

QUESTION 54: Could the Lottery please provide a copy of the pricing schedule for any current instant ticket printing contracts, in an electronic format (e.g. PDF as a Web link or email), or otherwise by fax or other means?

ANSWER 54: The current contract is LOT322. Information may be obtained by contacting the purchasing division at 304-558-2306.

QUESTION 55: Section 5.12.1.1 (page 44) says that the Performance Bond can be renewed on an annual basis; however, the sample Performance Bond wording provided would guarantee for the term of the contract including all extensions. Please confirm that the Lottery will accept an annually renewing bond?

ANSWER 55: The bond must be renewed annually.

QUESTION 56: Section 5.12.1.2 (page 44) states that the Bid Bond should be in the amount of a flat \$5,000 (five thousand dollars). Note "K" of the Bid Bond Preparation Instructions (page 58) states that the minimum amount of the bond should be 5% of the total bid. Could the Lottery please confirm that the \$5,000 Bid Bond as stated in Clause 5.12.1.2 is acceptable regardless of the estimated contract value?

ANSWER 56: The RFQ states the \$5,000 amount.

5.12.1.2 Bid Bond: The Bidder WILL be required to furnish a fixed-fee Bid Bond in the amount of five thousand dollars (\$5,000) to guarantee for one (1) year after the bid opening, the availability of the services at the quoted price. The bid bond MUST be submitted with the bid to the Purchasing Division. The bond MUST be in the form of a policy or certificate issued by an appropriate surety company. A certified check, or cashier's check, made payable to the State of West Virginia may also serve as the bid bond. A Letter-of-Credit WILL NOT be accepted.

QUESTION 57: Section 5.12.2 states that the Vendor's Error and Omissions insurance policy must name the State of West Virginia as a certificate holder. Could the Lottery please confirm that issuing the insurance certificate in the name of the State of West Virginia will suffice for this requirement?

ANSWER 57: Yes.

QUESTION 58: Section 5.12.1.3 states that a fidelity bond will be required on award. Would the Lottery be willing to accept in lieu of this bond receiving a certificate of our crime insurance policy, which exceeds five million dollars (\$5,000,000) in coverage?

ANSWER 58: Yes.

QUESTION 59: Would the Lottery please provide launch schedules for the last two fiscal years that contain: game style, price point, ticket quantity, ticket size, and launch date, in either a MS Word or MS Excel file format?

ANSWER 59: The order quantities and game information is provided in a pdf format that may be copied into word or excel. Also, images of the previous two years of tickets were provided on a CD for use as a basis for costing.

QUESTION 60: As pertains to Section 2.4.15.6 Audit Memorandum (page 29), could the Lottery please provide copies of such existing audit reports for two or three games, so that vendors are able to determine the scope and detail level the Lottery requires under this section?

ANSWER 60: The Agency has included a copy of a recent Audit report.

QUESTION 61: The item in question can be found in the Request for Quotation document which signifies a bid due date on page one (1) of October 27, 2011 with a bid opening time of 1:30 PM local time.

On page six (6) of the same RFQ document, in Section 1.3 - Schedule of Events, the Bid Opening Date is shown as being October 24, 2011. These two items are clearly not in agreement and appear to be referencing two different due dates for vendors to submit proposals.

Would you please issue an immediate clarification of what is the actual Bid Submission (Due) Date for this RFQ? It would be in the best interest of the Lottery and vendors to have this information clarified at the earliest possible opportunity to allow for the most efficient response production and submission.

ANSWER 61: Please refer to the response to Question 33.

QUESTION 62: In the RFQ sections that require the consent or approval of the Agency, will the Agency consider adding the following language "such consent not to be unreasonably withheld, conditioned or delayed"?

ANSWER 62: The Agency has agreed to amend the following in the RFQ:

5.4 Vendor Relationship: The Vendor shall not assign, convey, transfer, or delegate any of its responsibilities and obligations under this contract to any person, corporation, partnership, association, or entity without expressed written consent of the Agency, such consent not to be unreasonably withheld, conditioned or delayed.

5.4.1 Subcontracts/Joint Ventures: The Vendor may enter into subcontracts for performance of work under this contract, with the prior written consent of the State, with such consent not to be unreasonably withheld, conditioned or delayed.

2.4.5 Working Papers Specifications: Advance schedules for the Working Papers and the production of instant tickets will be established by the Agency. The Vendor SHALL be required to adhere to all schedules specified in the Working Papers. Deviations to the specified schedules, or time tables, are subject to the written approval of the Agency with such approval not to be unreasonably withheld, conditioned or delayed and must be approved fifteen (15) business days in advance of the anticipated deviation, unless such deviation is requested by the Agency.

QUESTION 63: How soon after contract award will the Agency expect to receive detailed responses to the requirements set forth in Attachment 5?

ANSWER 63: The successful bidder would be allowed thirty (30) days to respond to the requirements set forth in Attachment 5.

**Report of Independent Accountants on
Applying Agreed-Upon Procedures**

To the Management of Scientific Games:

We have performed the procedures enumerated below, which were agreed to by the management of Scientific Games and the management of West Virginia Lottery ("specified users"), solely to assist the specified users in evaluating management's assertion that the West Virginia Lottery Instant Game No. 621 "Creepy Cash" was produced in accordance with the Prize Structure, the game programming parameters, and the game symbols specified in the final executed Working Papers dated June 30, 2011 and subsequent post-executed changes to such Working Papers between Scientific Games and West Virginia Lottery. This agreed-upon procedures engagement was conducted in accordance with standards established by the Canadian Institute of Chartered Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in Appendix A either for the purpose for which this report has been requested or for any other purpose.

Our procedures and test results are described in Appendix A. As a result of applying the attached procedures, we found no exceptions.

However these procedures do not constitute an audit and therefore we express no opinion on Management assertions on the production of the game. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of Scientific Games and the management of West Virginia Lottery, and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

Chartered Accountants
July 26, 2011

Appendix A
West Virginia Lottery
Game # 621
Creepy Cash

Procedures A. through D. constitute our agreed-upon procedures and were performed using various reports provided to us by Scientific Games.

Our procedures were as follows:

A. Analysis of the Prize Structure

Our procedures related to the prize structure used to produce this game were as follows:

1. We compared the prize structure within the Executed Working Papers to the Prize Structure in the audit program reports.
2. We used the End of Production Prize Structure provided by Scientific Games to verify that the number of winners delivered in the game for any prize levels that have guaranteed or proportional requirements met the requirements of the prize structure in the working papers.

Results:

We noted no exceptions.

B. Game Programming Parameter Analysis

Our procedures related to the game programming parameters used to produce this game were as follows:

1. Obtained the audit program reports and ticket testing reports from Scientific Games which resulted from execution of the audit program. Read the audit program reports and testing results and agreed the conformity of both to the Game Programming Parameters as specified in the Executed Working Papers.

Results:

We noted no exceptions.

C. Review of Game Symbols

Our procedures related to the play symbols used in the production of this game were as follows:

1. Using game symbol documents, we verified that each programmed play symbol used in the game generation is properly set to image with the correct corresponding image font on the ticket.

Results:

We noted no exceptions.

D. Review of Time Stamps

Our procedures related to the review of time stamp reports were as follows:

1. We verified that the time stamps on the pre-production audit software matched the timestamps on the end of production audit software.
2. For any discrepancies noted in step 1, we obtained documentary evidence approving the differences.

Results:

We noted no exceptions.

Scientific Games Management Assertion

This section represents the assertion that this game was produced in accordance with the final Executed Working Papers. We have made available to Deloitte all material records relating to the assertion that the game in this report was produced in accordance with the final Executed Working Papers. In addition, the information provided to Deloitte was from the same software used to produce the actual tickets and that information is complete and accurate.

We have designed a system of internal quality control for our game production process that involves executing quality control procedures designed to detect errors. The system includes, among other activities, procedures designed give us evidence that the entire population of tickets in the game was produced as required by the Executed Working Papers. A description and the objective for each of the procedures noted in this appendix are as follows:

A. Analysis of the Prize Structure- These procedures were designed to demonstrate that the winning tickets were produced as required by the executed working papers. The audit program reports used in these procedures utilize content from the actual ticket data file that is used to produce the entire population of tickets in the game. The following is the final prize structure produced for this game:

END OF PRODUCTION PRIZE STRUCTURE
July 19, 2011 - (PODLS #1 - 15 Complete)

WEST VIRGINIA LOTTERY PRIZE STRUCTURE				CREEPY CASH (INSTANT GAME NO. 021) APRIL 4, 2011 - VERSION A							
TICKETS PRICE POINT \$2 PRICE PER 1000 \$23.94				691 800	5.75% COMMISSIONS ³ 1% RETAILER BONUSSES ³ PRINTING COST VENDOR FEE	\$79 657 \$9 355 \$16 662 \$74 177	PRIZE PAYOUT EST. REVENUE EST. COST	\$935 476 or 67.61% \$268 474 or 19.40% \$170 650 or 12.96%			
Valifls ¹ Prize Code	Decrypted Prize Code	Prize By	Prize Type	FRID A "SPOOKY", W/1 DOUBLE THE PRIZE FOR THAT SYMBOL. FRID A "13", W/1 THAT PRIZE. W/1 WITH PRIZE(S) OF:	YIELD	ODDS OF 1:1:	WINNERS #1 100 (PER BOOK ¹)	WINNERS #1 60 000 (PER POOL)	WINNERS #1 11.63 PODLS	PRIZE COST	PERCENT OF PRIZE FUNDS ³
01	01	R	01	\$2	\$2	12.50	8.00	4 800	55 347	\$ 110 694	11.83%
02	02	R	01	\$1 w/SPOOKY	\$2	10.00	10.00	6 000	69 164	\$ 138 328	14.79%
03	03	R	01	\$5	\$5	100.23	1.00	600	6 902	\$ 34 510	3.69%
04	04	R	01	\$2 + \$3	\$5	200.46	0.60	300	3 451	\$ 17 265	1.84%
05	05	R	01	\$1 x 5	\$5	199.14	0.50	300	3 474	\$ 17 370	1.86%
06	06	R	01	\$1 + \$2 w/SPOOKY	\$5	99.60	1.00	600	6 947	\$ 34 735	3.71%
07	07	R	01	\$8	\$8	399.88	0.26	150	1 730	\$ 13 840	1.48%
08	08	R	01	\$2 x 4	\$8	399.88	0.26	150	1 730	\$ 13 840	1.48%
09	09	R	01	\$4 w/SPOOKY	\$8	200.46	0.50	300	3 451	\$ 27 608	2.95%
10	10	R	01	\$10	\$10	403.38	0.26	150	1 715	\$ 17 150	1.83%
11	11	R	01	\$1 x 10	\$10	398.27	0.25	150	1 737	\$ 17 370	1.86%
12	12	R	01	\$2 x 5	\$10	199.26	0.60	300	3 472	\$ 34 720	3.71%
13	13	R	01	\$1 x 8 + \$2 + \$3	\$13	399.88	0.26	150	1 730	\$ 22 490	2.40%
14	14	R	01	\$1 x 3 + \$5 w/SPOOKY	\$13	403.38	0.25	150	1 715	\$ 22 295	2.38%
15	15	R	01	\$13	\$13	199.64	0.50	300	3 467	\$ 46 071	4.82%
16	16	R	01	\$5 x 4	\$20	398.60	0.26	150	1 736	\$ 34 720	3.71%
17	17	R	01	\$2 x 10	\$20	403.38	0.26	150	1 715	\$ 34 300	3.67%
18	18	R	01	\$2 x 4 + \$4 x 3	\$20	398.27	0.26	150	1 737	\$ 34 740	3.71%
19	19	R	01	\$20	\$20	399.88	0.26	150	1 730	\$ 34 600	3.70%
20	00	R	01	\$50	\$50	1 188.66	.	50	582	\$ 29 100	3.11%
21	00	R	01	\$5 x 6 + \$10 w/SPOOKY	\$50	998.83	.	60	694	\$ 34 700	3.71%
22	00	R	01	\$5 x 10	\$50	992.64	.	60	697	\$ 34 850	3.73%
23	00	R	01	\$10 x 3 + \$5 x 4	\$50	1 203.13	.	50	575	\$ 28 760	3.07%
24	00	R	01	\$130	\$130	12 130.84	.	6	57	\$ 7 410	0.79%
25	00	R	01	\$10 x 3 + \$50 w/SPOOKY	\$130	12 678.18	.	6	55	\$ 7 150	0.76%
26	00	R	01	\$10 x 8 + \$20 + \$30	\$130	11 725.42	.	6	59	\$ 7 670	0.82%
27	00	R	01	\$10 x 3 + \$20 + \$30 + \$50	\$130	11 725.42	.	6	59	\$ 7 670	0.82%
28	00	R	01	\$20 x 6 + \$10	\$130	11 927.69	.	6	58	\$ 7 640	0.81%
29	00	C	01	\$13 000	\$13 000	138 360.00	.	5	5	\$ 66 000	6.96%
				TOTAL		3.94	25.00	15 245	175 791	\$ 935 476	100.00%

B. Game Programming Parameter Analysis- These procedures were designed to demonstrate that the tickets produced in this game were produced within the constraints of the game programming parameters as noted in the Executed Working Papers and post-executed changes. The final Executed Working Papers containing the game programming parameters used to produce the entire population of tickets in the game were as follows:

Game Programming Parameters

- 1) No adjacent non-winning tickets will contain identical play symbols in the same locations.
- 2) No consecutive strings of non-winning tickets in a pack will exceed 2.5 times the overall odds of the prize structure (10).
- 3) There will be no more than one (1) winner of \$50 and above per pack.
- 4) The prize symbols will be approximately evenly distributed among their possible locations on a ticket.
- 5) The play symbols will be approximately evenly distributed among their possible locations on a ticket.
- 6) There will be no two (2) or more like non-winning play symbols on a ticket.
- 7) There will be no three (3) or more like non-winning prize symbols on a ticket.
- 8) There will be a predominance of \$10 and above prize symbols on non-winning tickets.
- 9) The "13" play symbol will only appear on intended winning tickets instantly winning the prize amount as dictated by the prize structure.
- 10) The "SPOOKY" play symbol will only appear on intended winning tickets instantly winning double the prize amount as dictated by the prize structure.

C. Review of Game symbols - These procedures were designed to demonstrate that the symbols programmed to print for the entire population of tickets in this game are consistent with those symbols that appear within the Executed Working Papers. The print image reports for execution of this procedure are images of actual tickets produced for the entire population of tickets in the game.

D. Review of Time Stamps- These procedures were designed to demonstrate that no unauthorized changes were made between the version of software used in the execution of procedures A. through D. and actual ticket production.

INSTANT GAME SCHEDULE - FY 2012

July 2011 through June 2012

ver 07.29.11

#	Price Point	Game	Start	Quantity Ordered	Top Prize	Times Won	Play Method	Special Feature	Size x	Sales	Pools	Test Rank
613	\$1	SODA-LICIOUS	7/11/11	1,200,000	\$1,000	4	FIND	INSTANT (COUPON?)	2.5	\$1,200,000	20	2
617	\$1	RIPE FOR THE PICKING	6/27/11	900,000	\$300	1	TTT		2.5	\$900,000	15	*
618	\$5	WEST VIRGINIA BLACK	6/27/11	660,000	\$50,000	15	KEY 3/12	INSTANTWIN 6X	6	\$3,300,000	11	*
619	\$10	MUSCLE CAR MONEY™	7/11/11	660,000	\$100,000	20	KEY 4/20	WIN ALL/5X	8	\$6,600,000	11	*
620	\$1	HUNDREDS OF DOLLARS	8/8/11	1,020,000	\$2,000	4	MATCH 3/9	DOUBLER	2.5	\$1,020,000	17	2
621	\$2	CREEPY CASH	8/8/11	720,000	\$13,000	10	FIND	INSTANT/DOUBLER	4	\$1,440,000	12	*
622	\$2	TRIPLER	8/8/11	1,020,000	\$9,000	8	MATCH 2/3	TRIPLER	4	\$2,040,000	17	*
623	\$1	INK	9/5/11	840,000	\$3,000	4	KEY 1/4	DOUBLER	2.5	\$840,000	14	*
627	\$1	TIC TAC 2S	9/5/11	900,000	\$2,222	1	TTT	INSTANT	2.5	\$900,000	15	3
628	\$2	DICK TRACY	9/5/11	960,000	\$10,000	8	KEY 2/8	DOUBLER	4	\$1,920,000	16	3
626	\$2	BONUS CROSSWORD	9/5/11	1,320,000	\$8,000	2	EXTENDED	BONUS WORD	6	\$2,640,000	22	*
983		PROMO TICKET IV (RO#2)	ASAP	600,000	\$100	1	FIND		2.5		10	
629	\$1	\$250 CHRISTMAS CLUB	10/3/11	900,000	\$250	3	FIND		2.5	\$900,000	15	3
630	\$2	HOLIDAY TRIPLER	10/3/11	840,000	\$9,000	6	KEY 1/6	TRIPLER	4	\$1,680,000	14	2
631	\$3	GIT-R-WON	10/3/11	1,080,000	\$35,000	12	MATCH	TRIPLER	6	\$3,240,000	18	1
632	\$2	PINK DIAMOND BINGO	10/3/11	1,200,000	\$10,000	4	EXTENDED	BONUS DIAMOND	6	\$2,400,000	20	*
902		7-11-21 RO	10/17/11	2,160,000	\$1,100				2.5	\$2,160,000	36	
905		SCRATCH KENO RO	10/17/11	6,000,000	\$15,000				6	\$12,000,000	100	
633	\$1	CHIA	10/31/11	2,880,000	\$2,600	4	FIND	TRIPLER	2.5	\$2,880,000	48	
634	\$1	VETERANS' CASH	10/31/11	1,320,000	\$1,000	1	MATCH 3/9	INSTANT	2.5	\$1,320,000	22	1
635	\$2	KING'S CASH	10/31/11	780,000	\$13,000	10	FIND	DOUBLER	4	\$1,560,000	13	3
636	\$5	10X THE MONEY	10/31/11	720,000	\$40,000	8	KEY 1/3	MULTIPLIER	6	\$3,600,000	12	2
637	\$1	FROZEN 50S	12/6/11	1,020,000	\$500	1	MATCH 3/9	DOUBLER	2.5	\$1,020,000	17	1
638	\$2	HOT NUMBERS	12/5/11	960,000	\$10,000	10	KEY 1/9	DOUBLER/INSTANT	4	\$1,920,000	16	1
639	\$10	CRUISIN' FOR CASH	12/5/11	660,000	\$100,000	20	KEY 4/20	QUINTUPLER	8	\$6,600,000	11	1
649	\$1	TRIPLE DOLLARS	12/5/11	1,080,000	\$3,000	1	MATCH 3/9	TRIPLER	2.5	\$1,080,000	18	
903		GEM 7S RO	12/15/11	2,400,000	\$7,000					\$4,800,000	40	
									Half Year Total	\$62,880,000		
640	\$1	MAGIC MONEY	1/2/12	960,000	\$3,000	4	KEY 1/4		2.5	\$960,000	16	2
641	\$2	TEXT ME THE MONEY	1/2/12	1,020,000	\$15,000	10	KEY 2/10	MULTIPLIER	6	\$2,040,000	17	2
642	\$2	INSTANT POWERBALL®	1/2/12	900,000	\$10,000	5	EXTENDED		4	\$1,800,000	15	1
643	\$1	FIRE N' DICE	1/30/12	1,020,000	\$1,200	4	ADD	DOUBLER	2.5	\$1,020,000	17	1
644	\$1	FOUR LETTER WORDS	1/30/12	900,000	\$4,444	4	EXTENDED		2.5	\$900,000	15	2
625	\$5	BASS PRO SHOPS	1/30/12	1,080,000	\$60,000	15	KEY 3/15	INSTANT/TRIPLER	6	\$5,400,000	18	2
645	\$1	SIGN OF MONEY	2/27/12	900,000	\$4,000	4	KEY 1/4	DOUBLER	2.5	\$900,000	15	2
646	\$2	LUCKY TRIPLER	2/27/12	960,000	\$12,000	10	FIND	TRIPLER	4	\$1,920,000	16	2
647	\$3	TBA	2/27/12	900,000	\$30,000	1	EXTENDED	INSTANT	4	\$2,700,000	15	4
648	\$5	JOKER MANIA	2/27/12	900,000	\$50,000	15	FIND	QUINTUPLER/INSTANT	6	\$4,500,000	16	1
624	\$1	HOME EQUITY	4/2/12	840,000	\$5,000	4	PAIR	QUINTUPLER	2.5	\$840,000	14	*
			4/2/12	0						\$0		
			4/2/12	0						\$0		
			4/30/12	0						\$0		
	\$2	CASHOLINE™	4/30/12	0						\$0		2
			4/30/12	0						\$0		
			5/28/12	0						\$0		
	\$2	DOGGONE LUCKY	5/28/12	0						\$0		2
			5/28/12	0						\$0		

Half Year Total \$22,020,000
Fiscal Total \$84,900,000

36 New Games (No ROs or Pulse changes)

15	\$1 Games	4	\$5 Games
13	\$2 Games	2	\$10 Games
2	\$3 Games		

DELIVERED OR ON PRESS SCHEDULE
WORKING PAPERS IN PROGRESS
BEHIND SCHEDULE

INSTANT GAME SCHEDULE - FY 2011

July 2010 through June 2011

ver 05.06.11

#	Price Point	Game	Start	Quantity Ordered	Top Prize	Times Won	Play Method	Special Feature	Ticket Size x 4	Sales	Pools	Test Rank
574	\$1	CASH ON THE SPOT	6/21/10	1,200,000	\$100	4			2.5	\$1,200,000	20	
577	\$1	GREENER PASTURES	6/21/10	1,080,000	\$1,000	1	MATCH 3/3	INSTANT	2.5	\$1,080,000	18	2
582	\$3	PINK PANTHER	6/21/10	1,080,000	\$33,333	12	FIND		6	\$3,240,000	18	1
580	\$1	HOT ONE	8/2/10	960,000	\$1,111	1	TTT	INSTANT	2.5	\$960,000	16	3
581	\$2	MONSTER CASH	8/2/10	660,000	\$13,000	3	MULTI	MULTI	4	\$1,320,000	11	2
573	\$5	MEGA MONOPOLY	8/2/10	660,000	\$100,000	12	KEY	SECOND CHANCE	6	\$3,300,000	11	2
583	\$1	DOUGH ZONE	8/30/10	1,020,000	\$3,000	1	MATCH 3/3	DOUBLER	2.5	\$1,020,000	17	2
584	\$1	DRIVE-THRU DOLLARS	8/30/10	1,020,000	\$999	8	PAIR		4	\$1,020,000	17	3
585	\$2	DEUCES WILD	8/30/10	1,020,000	\$20,000	8	BEATS	DOUBLER	4	\$2,040,000	17	1
586	\$2	BETTY BOOP™ Halloween Pulse	8/30/10	1,500,000	\$9,000	8	KEY 2/8		4	\$3,000,000	25	1
587	\$1	HAPPY HOLIDAY	10/4/10	1,080,000	\$240	1	MATCH 3/3	INSTANT	2.5	\$1,080,000	18	1
589	\$2	BLACK OUT BINGO	10/4/10	1,200,000	\$0,000	4	BINGO	BLACKOUT	6	\$2,400,000	20	
590	\$5	JOLLY JACKPOT	10/4/10	420,000	\$50,000	12	MATCH 3/3	INSTANT	6	\$2,100,000	7	1
579	\$3	PRESS YOUR LUCK™	10/4/10	900,000	\$30,000	10	FIND	TRIPLER	4	\$2,700,000	15	2
591	\$1	HIT \$100	11/1/10	1,200,000	\$100	4	KEY 1/4	INSTANT	2.5	\$1,200,000	19	2
592	\$2	HIT \$1,000	11/1/10	900,000	\$1,000	8	KEY 2/8	ALL/TRIPLER	4	\$1,800,000	16	3
593	\$1	BRINGIN' HOME THE BACON	11/1/10	1,200,000	\$2,500	6	FIND	DOUBLER	2.5	\$1,200,000	20	1
586		BETTY BOOP™ Christmas Pulse	11/1/10									
595	\$1	VETERANS' CASH 6S	11/1/10	1,500,000	\$5,000	6	FIND	INSTANT \$50	2.5	\$1,500,000	25	1
594	\$1	9S IN A LINE	12/6/10	1,200,000	\$999	3	MATCH 3/3	TRIPLER	2.5	\$1,200,000	20	3
596	\$5	\$50,000 CASH	12/6/10	660,000	\$50,000	7	MULTI		6	\$3,300,000	11	3
578	\$2	ROUND 2 IT	12/6/10	780,000	\$2,222	8	KEY 2/8	INSTANT	4	\$1,560,000	13	3
Half Year Total										\$38,220,000		
597	\$1	FAST \$25	1/3/11	2,880,000	\$250	1	MATCH 3/3	2ND CHANCE	2.5	\$2,880,000	48	2
598	\$2	25 GRAND	1/3/11	1,680,000	\$25,000	4	MULTI	2ND CHANCE	4	\$3,360,000	28	2
599	\$25	SILVER SPECTACULAR	1/3/11	360,000	\$250,000	20	MULTI	2ND CHANCE	10	\$9,000,000	6	2
586		BETTY BOOP™ Valentine Pulse	1/3/11						4			
902		7-11-21 - RO#1	SOFT	2,400,000					2.5	\$2,400,000	40	
600	\$1	WIN PIGS FLY	1/31/11	1,200,000	\$500	4	Key 1/4	DOUBLER	2.5	\$1,200,000	20	2
601	\$1	TIC TAC TOE	1/31/11	1,020,000	\$3,000	1	TTT		2.5	\$1,020,000	17	2
602	\$3	SPICY HOT 6	1/31/11	1,080,000	\$30,000	12	FIND	TRIPLER	6	\$3,240,000	18	2
588	\$2	WORD GEMS	1/31/10	1,320,000	\$12,000	8	KEY 2/8		6	\$2,640,000	22	1
903		GEM 7S - RO#1	SOFT	2,400,000					4	\$4,800,000	40	
603	\$1	WEST VIRGINIA GREEN	2/28/11	1,200,000	\$2,000	4	KEY 1/4		2.5	\$1,200,000	20	1
604	\$2	PAIR IT TO WIN	2/28/11	1,080,000	\$12,000	8	MATCH	TRIPLER	4	\$2,160,000	18	1
605	\$2	CASH FIESTA	2/28/11	780,000	\$10,000	10	FIND	DOUBLER	4	\$1,560,000	13	3
586		BETTY BOOP™ St. Patrick's Pulse	2/28/11				KEY 2/8		4			
905		SCRATCH KENO - RO#2	CONT.	6,000,000	\$15,000	6	EXTENDED		5	\$12,000,000	100	
606	\$1	WILD BILLS	4/4/11	960,000	\$1,876	4	KEY 1/4	INSTANT	2.5	\$960,000	16	3
607	\$1	QUICK 10S	4/4/11	1,140,000	\$1,000	5	FIND		2.5	\$1,140,000	19	1
608	\$2	MUD N MONEY	4/4/11	720,000	\$8,000	8	KEY 2/8	WIN ALL	4	\$1,440,000	12	
609	\$2	BINGO SQUARED	4/4/11	1,320,000	\$10,000	4	BINGO	DIAMOND WIN	6	\$2,640,000	22	
610	\$1	DROP AND GIVE ME \$20	5/2/11	1,500,000	\$2,020	4	FIND	INSTANT	2.5	\$1,500,000	25	1
611	\$2	SPADES	5/2/11	1,020,000	\$5,000	8	BEAT	DOUBLER	4	\$2,040,000	17	3
612	\$5	MONEY BAGS	5/2/11	660,000	\$50,000	15	KEY 3/15	5X, DOUBLER	6	\$3,300,000	11	1
586		BETTY BOOP™ July 4th Pulse	5/2/11				KEY 2/8		4			
616	\$1	LUCKY DOG	5/30/11	1,200,000	\$5,000	1	MATCH 3/3	INSTANT WIN	2.5	\$1,200,000	20	
614	\$2	MINE MINE MINE	5/30/11	1,020,000	\$10,000	8	KEY 2/8	TRIPLER/WIN ALL	4	\$2,040,000	17	1
615	\$3	MONEY BAG SLINGO	5/30/11	840,000	\$30,000		EXTENDED	INSTANT	6	\$2,520,000	14	1

Half Year Total
Fiscal Total

\$66,240,000
\$104,460,000

41 New Games (No ROs or Pulse changes)

18	\$1 Games	4	\$5 Games
14	\$2 Games	0	\$10 Games
4	\$3 Games	1	\$25 Games

DELIVERED OR ON PRESS SCHEDULE
WORKING PAPERS IN PROGRESS
BEING SCHEDULED

INSTANT GAME SCHEDULE - FY 2010

July 2009 through June 2010

#	Price Point	Game	Start	Quantity Ordered	Top Prize	Times Won	Play Method	Special Feature	Ticket Size x 4	Sales	
537	\$1	SIDE OF CASH	7/6/09	1,020,000	\$200	1	MATCH 3/9	DOUBLER	2.5	\$1,020,000	
538	\$1	BAA BAA BUCKS	7/6/09	1,020,000	\$2,000	1	MATCH 3/9	INSTANT	2.5	\$1,020,000	
539	\$2	TATTOO TRIPLER	7/6/09	720,000	\$9,000	10	FIND	TRIPLER	4	\$1,440,000	
902	\$1	7-11-21	6/28/09	2,880,000	\$1,100	3	ADD		2.5	\$2,880,000	
903	\$2	GEM 7S	6/28/09	3,600,000	\$7,000	10	FIND	DOUBLER	4	\$7,200,000	
904	\$2	KENO	6/28/09	6,000,000	\$15,000	5	EXT KEY		5	\$12,000,000	
983		PROMO TICKET IV	6/28/09	600,000	\$100	1	FIND		2.5	\$0	
540	\$1	CREEPY CRAWLY CASH	8/3/09	1,200,000	\$1,300	1	MATCH 3/9	INSTANT	2.5	\$1,200,000	
541	\$2	WINNING SEASON	8/3/09	1,080,000	\$12,000	4	ADD	INSTANT	4	\$2,160,000	
542	\$5	DOUBLE TRIPLE CASH	8/3/09	840,000	\$21,000	13	KEY		6	\$4,200,000	
543	\$1	TRIPLE PAY	8/31/09	1,440,000	\$3,333	3	FIND		2.5	\$1,440,000	
544	\$2	FRIGHTFUL 13S	8/31/09	720,000	\$13,000	8	FIND	DOUBLER	4	\$1,440,000	
545	\$2	ACES & 8S	8/31/09	1,020,000	\$8,888	8	FIND	DOUBLER	4	\$2,040,000	
546	\$1	HAPPY HOLIDAYS	10/5/09	1,140,000	\$120	1	MATCH 3/9		2.5	\$1,140,000	
547	\$2	HOLIDAY BUCKS	10/5/09	720,000	\$1,200	8	MATCH 2/2		4	\$1,440,000	
548	\$5	CLASSIC SLOTS	10/5/09	2,100,000	\$50,000	12	MATCH 3/3	DOUBLER	6	\$10,500,000	
555	\$1	VETERANS CASH	9/25/09	1,380,000	\$1,000	12	MATCH 3/3	INSTANT	2.5	\$1,380,000	
983		PROMO IV (Reorder)	asap	1,200,000	\$100	1	FIND		2.5	\$0	
549	\$1	ODDS & EVENS	11/9/09	1,200,000	\$1,234	5	FIND		2.5	\$1,200,000	
550	\$1	LEAGUE NIGHT	11/9/09	1,200,000	\$2,000	3	FIND		2.5	\$1,200,000	
553	\$2	BUCKS FOR YOUR BILLS	11/9/09	720,000	\$5,000	4	COUNT		4	\$1,440,000	
552	\$1	2 FOR THE SHOW	12/7/09	1,440,000	\$2,222	5	FIND		2.5	\$1,440,000	
554	\$2	SHOOT FOR THE STARS	12/7/09	720,000	\$9,000	8	MATCH 2/8		4	\$1,440,000	
551	\$10	WHEEL OF FORTUNE®	12/7/09	660,000	\$100,000	20	KEY 5/20		8	\$6,600,000	
										Half Year Total	\$65,820,000
556	\$1	PLATINUM CARD	1/4/10	1,200,000	\$2,000	3	MATCH 2/3		2.5	\$1,200,000	
557	\$2	BETTY BOOP™	1/4/10	1,080,000	\$9,000	8	KEY 2/8	TRIPLER/WIN ALL	4	\$2,160,000	
558	\$2	DOUBLE BINGO	1/4/10	1,500,000	\$10,000	4	BINGO	DOUBLER	6	\$3,000,000	
905	\$2	SCRATCH KENO	1/4/10	3,000,000	\$15,000	5	EXT KEY		5	\$6,000,000	
559	\$1	LINE YOUR NEST	2/8/10	1,020,000	\$500	2	TTT	INSTANT	2.5	\$1,020,000	
560	\$2	KING OF CASH	2/8/10	960,000	\$10,000	10	BEATS	DOUBLER	4	\$1,920,000	
561	\$5	FABULOUS FORTUNE	2/8/10	900,000	\$40,000	15	KEY 3/15	TRIPLER/WIN ALL	6	\$4,500,000	
562	\$1	DOUBLE DOG DARE	3/1/10	1,440,000	\$4,000	4	KEY 1/4	INSTANT	2.5	\$1,440,000	
563	\$1	GET OUT AND PLAY	3/1/10	1,080,000	\$2,000	1	MATCH 3/9	DOUBLER	2.5	\$1,080,000	
564	\$2	MYSTERY MONEY	3/1/10	1,020,000	\$12,000	8	MULTI	INSTANT	4	\$2,040,000	
565	\$1	LUCKY ROLL	4/5/10	1,500,000	\$1,100	6	FIND	WIN ALL	2.5	\$1,500,000	
566	\$2	THREE FOR THE MONEY	4/5/10	1,200,000	\$3,333	4	COUNT		4	\$2,400,000	
567	\$5	PLATINUM PAYOUT	4/5/10	780,000	\$50,000	15	FIND	TRIPLER	6	\$3,900,000	
568	\$1	TANGERINE TRIPLER	5/3/10	1,020,000	\$3,000	1	MATCH 3/9	TRIPLER	2.5	\$1,020,000	
569	\$2	CASH IN A SPLASH	5/3/10	840,000	\$7,000	8	KEY 2/8	DOUBLER/WIN ALL	4	\$1,680,000	
570	\$2	POKER	5/3/10	1,080,000	\$5,000	4	BEATS		4	\$2,160,000	
576	\$2	CLASSIC CROSSWORD	5/3/10	1,440,000	\$8,000	1			6	\$2,880,000	
905	\$2	SCRATCH KENO (RO#1)	TBD	6,000,000	\$15,000	5	EXT KEY		5	\$12,000,000	
983		PROMO TICKET IV (RO#2)	TBD	600,000	\$100	1	FIND		2.5	\$0	
571	\$1	A 10 HUT	5/31/10	1,320,000	\$2,000	4	FIND	INSTANT	2.5	\$1,320,000	
572	\$1	TOP BANANA	5/31/10	1,080,000	\$300	5	FIND	TRIPLER	2.5	\$1,080,000	
575	\$2	COUNT UP CASH	SHELF	900,000	\$15,000	1			4	\$1,800,000	

New Games (No Ros)

Half Year Total \$56,100,000
Fiscal Total \$121,920,000



**WEST VIRGINIA
LOTTERY**

Bid Bond



SCIENTIFIC GAMES®

BID BOND

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, Scientific Games International, Inc.
of 1500 Bluegrass Lakes Parkway, Alpharetta, GA 30004, as Principal, and International Fidelity Insurance
Company of One Newark Center, Newark, NJ 07102, a corporation organized and existing under the laws of the State of New Jersey
with its principal office in the City of Newark, as Surety, are held and firmly bound unto the State
of West Virginia, as Oblige, in the penal sum of Five Thousand and no/100 Dollar (\$ 5,000.00) for the payment of which,
well and truly to be made, we jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns.

The Condition of the above obligation is such that whereas the Principal has submitted to the Purchasing Section of the
Department of Administration a certain bid or proposal, attached hereto and made a part hereof, to enter into a contract in writing for
Instant Ticket Products and Related Services

NOW THEREFORE,

- (a) If said bid shall be rejected, or
- (b) If said bid shall be accepted and the Principal shall enter into a contract in accordance with the bid or proposal attached hereto and shall furnish any other bonds and insurance required by the bid or proposal, and shall in all other respects perform the agreement created by the acceptance of said bid, then this obligation shall be null and void, otherwise this obligation shall remain in full force and effect. It is expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for the value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no way impaired or affected by any extension of the time within which the Oblige may accept such bid, and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, Principal and Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be affixed hereunto and these presents to be signed by their proper officers, this
5 day of October, 2011.

Principal Corporate Seal

Scientific Games International, Inc.
(Name of Principal)

By [Signature]
(Must be President or Vice President)

VP, Corp Counsel, Asst Sect.
(Title)

Surety Corporate Seal

International Fidelity Insurance Company
(Name of Surety)

[Signature]
Kathleen J. Mailes Attorney-in-Fact

IMPORTANT - Surety executing bonds must be licensed in West Virginia to transact surety insurance. Raised corporate seals must be affixed, a power of attorney must be attached.

POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

SANDRA M. NOWAK, JENNIFER L. JAKAITIS, KAREN L. DANIEL, KIMBERLY BRAGG, DEBRA J. DOYLE,
KAREN E. BOGARD, DOUGLAS M. SCHMUDE, ROBERT E. DUNCAN, SUSAN J. PREIKSA,
JAMES A. CUTHBERTSON, SANDRA M. MARTINEZ, DIANE M. O'LEARY, KATHLEEN J. MAILES,
SUSAN A. WELSH, LINDA M. ISER

IL.

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,
- (2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



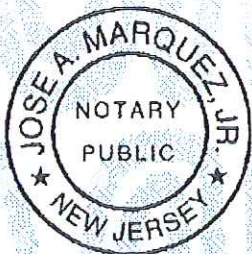
IN TESTIMONY WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 16th day of October, A.D. 2007.

INTERNATIONAL FIDELITY INSURANCE COMPANY

STATE OF NEW JERSEY
County of Essex

Secretary

On this 16th day of October 2007, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said the he is the therein described and authorized officer of the INTERNATIONAL FIDELITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2010

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 5 day of October 2011


Assistant Secretary

ACKNOWLEDGEMENT BY SURETY

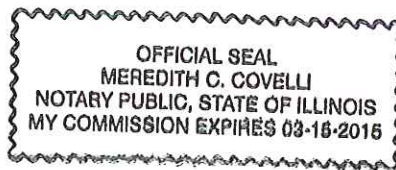
STATE OF ILLINOIS
COUNTY OF COOK

On this 5 day of October, 2011, before me, Meredith C. Covelli, a Notary Public, within and for said County and State, personally appeared Kathleen J. Mailes to me personally known to be the Attorney-in-Fact of and for International Fidelity Insurance Company and acknowledged that she executed the said instrument as the free act and deed of said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid County, the day and year in this certificate first above written.



Notary Public in the State of Illinois
County of Cook



A globe is formed by a grid of lottery tickets, with the text "WEST VIRGINIA LOTTERY" superimposed over it.

WEST VIRGINIA LOTTERY

Purchasing Affidavit

The logo for Scientific Games, featuring the letters "SG" in a stylized, metallic font, followed by a grid of squares representing a lottery ticket, and the text "SCIENTIFIC GAMES" below it.

SG
SCIENTIFIC GAMES®

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

West Virginia Code §5A-3-10a states: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

EXCEPTION: The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

Under penalty of law for false swearing (*West Virginia Code §61-5-3*), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

WITNESS THE FOLLOWING SIGNATURE

Vendor's Name: Scientific Games International, Inc.

Authorized Signature:  Date: 11/17/11


State of Georgia

County of Dawson, to-wit:

Taken, subscribed, and sworn to before me this 7th day of NOVEMBER, 2011.

My Commission expires May 10, 2015.

AFFIX SEAL HERE

NOTARY PUBLIC 
Patricia M. Garbarini

A globe is formed by a grid of lottery tickets, with the text "WEST VIRGINIA LOTTERY" superimposed over it in a bold, white, sans-serif font.

WEST VIRGINIA LOTTERY

Resident Vendor Preference Form



SECTION 3.6: RESIDENT VENDOR PREFERENCE

RFP Requirement: In accordance with West Virginia Code §5A-3-37, Vendors may make application for Resident Vendor Preference. Said application must be made on the attached Resident Vendor Certification form at the time of quotation submission.

Scientific Games' Response:

Scientific Games acknowledges that we do not qualify for vendor preference pertaining to residency status as outlined in the State of West Virginia Vendor Preference Certificate provided in the RFQ LOT 460.





WEST VIRGINIA LOTTERY

Vendor Registration and Disclosure Statement





SECTION 4.2: VENDOR REGISTRATION

RFP Requirement: Vendors participating in this process should complete and file a Vendor Registration and Disclosure Statement (Form WV-1) and remit the registration fee. Vendor is not required to be a registered Vendor in order to submit a quotation, but the successful bidder must register and pay the fee prior to the award of an actual purchase order or contract.

Scientific Games' Response:

In accordance with RFQ requirement stated above, Scientific Games International, FEIN# 58-1943521 hereby states that we are, at current, a registered vendor in the State of West Virginia.





Attachment 5 – Signed Mandatory
Specification Checklist



Attachment 5: Mandatory Specifications- Section 2.4

Bidder attests that all specifications found in section 2.4 and all subsections of 2.4 of this RFQ can and will be met if awarded the bid.

The Successful Bidder shall provide the following items upon bid award.

1. 2.4.2 Describe process for instant ticket production
2. 2.4.14.1.2 Disclose method for quality control
3. 2.4.17.5.3 Current Organization Chart
4. 2.4.15.1 Security Plan
5. 2.4.25.3 Copy samples of Laboratory test reports and other certificates
6. 2.4.13 Disclose limitation with respect to standards
7. 2.4.8 Production schedule sample
8. 2.4.11.6 Incident Report sample
9. 2.4.16 Process for ticket destruction

Bidder: Scientific Games International, Inc

Date: 11/7/11

Signed: 

Title: President, Printed Products Group