A Proposal for:

Central Video Lottery Monitoring System & On-line & Instant Games Monitoring Systems

Prepared for:

West Virginia Lottery

2012 SEP - 6 PH 12: 49

WV PURCHASING
DIVISION

September 2012





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

Solicitation

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LOT495	

PAGE 1

AUDRESS CONNESPONDENCE TO ATTENTION OF

CONNIE HILL 304-558-2157

WEST VIRGINIA LOTTERY

900 PENNSYLVANIA AVE CHARLESTON, WV 25302 304-59

304-558-0500

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TYPE NAME/ADDRESS HERE
Cellco Partnership d/b/a Verizon Wireless /One Verizon Way
Basking Ridge, NJ 07920

08/13/2012

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RFQ COPY TYPE NAME/ADDRESS HERE

Cellco Partnership d/b/a Verizon Wireless /One Verizon Way Basking Ridge, NJ 07920

WEST VIRGINIA LOTTERY

900 PENNSYLVANIA AVE CHARLESTON, WV

25302

304-558-0500

ADDRESS CHANGES TO BE NOTED ABOVE

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Enterprise & Government Contracts



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September 4, 2012

Connie Hill West Virginia Lottery 900 Pennsylvania Ave Charleston, WV 25305

Subject: Central Video Lottery Monitoring System & On-line & Instant Games Monitoring Systems RFI

Dear Ms. Hill:

Verizon Wireless has received your Request for Information (RFI), inviting potential bidders to prepare a proposal concerning your Central Video Lottery Monitoring System & On-line & Instant Games Monitoring System needs. After a careful review of your RFI, Verizon Wireless has determined that it cannot presently fulfill all of the terms the West Virginia Lottery require. However, Verizon Wireless will work with third parties to provide wireless communication solutions to meet our customer's needs. Verizon Wireless appreciates the opportunity to provide West Virginia Lottery with a response highlighting its coverage, solutions, and programs. Verizon Wireless can offer a cost-effective wireless communications program with attractive rates designed to meet your wireless telecommunications needs. By choosing to use Verizon Wireless' extensive resources, West Virginia Lottery can enjoy several key benefits that include:

- Fastest, most reliable 4G LTE network
- · Secure Transmission of Data
- Business Solution Alliances
 - o Compatibility with vast array of wired and wireless devices

Verizon Wireless hopes that West Virginia Lottery's consideration of this information results in further inquiry.

Verizon Wireless looks forward to engaging West Virginia Lottery in these discussions and cooperatively finding creative ways to deliver the best possible Central Video Lottery Monitoring System & On-line & Instant Games Monitoring System solution. Should you have any questions or need further clarification on any aspect of this matter, please contact your Government Account Manager, David Ombres who can be reached at 304-590-0100, or via e-mail at David.Ombres@VZW.com.

Sincerely

Todd Loccisano

Executive Director, Enterprise & Government Contracts

Attachments



1. Verizon Wireless: Company Profile

Headquartered in Basking Ridge, NJ, Verizon Wireless is the largest U.S. wireless company and the country's largest wireless data provider in the country, based on revenues. The company is a joint venture of Verizon Communications, Inc., (NYSE:VZ) and Vodafone (NYSE and LSE: VOD). Verizon Communications owns a controlling 55% interest in Verizon Wireless and Vodafone owns the remaining 45%.

Verizon Wireless is a leader in U.S. wireless voice and data services.

Verizon Wireless Facts At a Glance				
Wireless subscribers	94.2 million			
Employees	Nearly 78,000 nationwide			
Annual revenue 2011	\$70.2 Billion			
Company-operated stores and kiosks	More than 2,000			
Digital network technology	CDMA and LTE			
Switching centers	175+			
Headquarters	One Verizon Way Basking Ridge, NJ 07920			
Area headquarters	Northeast—Morristown, NJ South—Alpharetta, GA Midwest—Schaumburg, IL West—Irvine, CA			

Verizon Communications Inc. (NYSE, Nasdaq: VZ), headquartered in New York, is a global leader in delivering broadband and other wireless and wireline communications services to consumer, business, government and wholesale customers. Verizon Wireless operates America's largest 4G LTE network and largest, most reliable 3G network, wireless network, with over 94 million subscribers. Verizon also provides converged communications, information and entertainment services over America's most advanced fiber-optic network, and delivers integrated business solutions to customers in more than 150 countries, including all of the Fortune 500. A Dow 30 company with \$111 billion in 2011 revenues, Verizon employs a diverse worldwide workforce of nearly 194,000. For more information, visit www.verizon.com.

The parent company of Verizon, Vodafone is the world's largest mobile telecommunications company, with equity interests in 25 countries and partner networks in an additional 38 countries. For more information, visit **vodafone.com**.



West Virginia Lottery Support

Your Verizon Wireless Account Team is comprised of individuals with various backgrounds ranging from customer service to technical, sales, and financial services. They are led by a group of supervisors with years of experience within Verizon Wireless. The support team generally consists of a Sales Account Manager, technical specialists, and other Business and Government Customer Operations representatives.

The Account Manager

West Virginia Lottery will have a Sales Account Manager with whom they may address issues, manage their account, and discuss wireless communications objectives. The Sales Account Manager is responsible for overseeing your account activity and working in concert with the rest of your support team.

Account Manager:

David Ombres

Major Accounts Manager Phone: 304-590-0100

Email: <u>David.Ombres@VZW.com</u>

Address: 707 Virginia St E 10Th FI, Charleston WV

Solutions Consulting

The Verizon Wireless technical staff has specialized knowledge of cellular networking, switch operations and data applications. System Engineers and Enterprise Data Solutions Managers work with our customers to design and implement complex wireless data applications. In addition, members of the technical staff may engage third-party suppliers to develop customized wireless solutions. The technical staff is trained to investigate, diagnose, and resolve customer inquiries in support of the other account team members.

Verizon Wireless has support organizations responsible for trouble tracking/reporting for both voice and data services. We monitor all facilities, cell sites and switches across the Verizon Wireless network.

Troubleshooting

Your first point of contact for trouble with voice or data services is our Business and Government Customer Operations organization. Members of our Business and Government Customer Operations teams will conduct baseline device and network troubleshooting.

If Business and Government Customer Operations is unable to resolve the issue, then it will escalate and engage the appropriate technical support teams.

Based on subscriber counts, locations, applications, network, etc, large enterprise customers may require a help desk interface. The Verizon Wireless Enterprise Data Technical Support (EDTS) organization will provide such support.

Note: EDTS is help desk to help desk, therefore end-users are unable to call directly.

The Global Enterprise Advisor

The Global Enterprise Advisor's role is to manage day-to-day account activity, complete accountspecific projects, monitor accounts receivables, and, as needed, conduct bill reviews with authorized contacts to promote accurate billing. They can also provide personalized support for billing escalations and non-standard requests.



Additional members of the Business and Government Customer Operations organization can provide assistance with:

- · Activations and deactivations;
- Upgrades;
- · Accessory and equipment orders;
- · Calling plan and features changes;
- · Equipment number changes (including serial number);
- · Billing inquiries;
- · Technical troubleshooting;
- Maintenance requests;
- Management of the account implementation including accurate and timely contract execution and the preparation of all implementation documentation;
- Preparation of account management reports, research of billing issues and support of nonstandard account management reports.
- · Training on the use of our online portal.

Self Service

You can also obtain customer support through our Web-based ordering and reporting tool – My Business Account - with features that include online ordering, general account maintenance, paperless billing and online bill pay. Please refer to the Attachment section of this response for details on My Business Account.



2. Solutions for West Virginia Lottery

Verizon Wireless Business Solution Alliance

Verizon Wireless' services and solutions easily integrate into existing IT environments, enabling organizations to use many of the applications and technologies they already have in place. Combining our solutions with existing technologies gives your employees access to the applications they use the most, such as email, business-specific applications, third-party applications and more — enabling them to remain productive and efficient whether in the office or on the go. By combining a variety of devices, wireless access options and applications, Verizon Wireless can build wireless solutions to help your business run more smoothly and efficiently.

Every business can benefit from smart alliances. That's why we've teamed with leading solution providers to promote a range of innovative solutions that can help you transform your organization and reach your communication goals. Plus, we provide the expertise and experience you need to help you manage your solution from planning to implementation. For a complete list of solutions from our Business Solution Alliance, Open Development and strategic partners, please visit our solution finder at http://solutionfinder.verizonwireless.com.

Your account team can arrange a meeting to discuss which partner's solutions may best suit your requirements.

4G LTE Network

At Verizon Wireless, we are committed to innovation. We're moving our services forward by deploying the next generation in wireless communication – 4G LTE – a technology that should be very attractive to our business customers.

We recognized that the benefits of LTE would only be real to our customers if they could be provided over the proper spectrum, which is why we spent over \$100 billion acquiring wireless networks and spectrum – including the most attractive band available, our purchase of contiguous spectrum on the 700 MHz band.

We also recognized the need to have a single technology adopted across the globe, so we were able to accelerate the standards development and drive LTE to be the global choice for 4G. This has been crucial because part of the promise of LTE is based upon the ability to build solutions that work seamlessly anywhere in the world.

Currently, our 4G LTE network covers more than two-thirds of the U.S. population in 238 markets across the country. LTE network-deployment plans include covering virtually our entire current nationwide 3G footprint by the end of 2013. For an airport list and the most up-to-date list of 4G LTE markets, please visit www.verizonwireless.com/4GLTE

4G LTE data speeds have increased significantly over 3G speeds. Average download speeds range from 5 to 12 Mbps and upload speeds will range from 2 to 5 Mbps, with an expected average round trip latency of 30 - 50 ms within the Verizon Wireless network. This increased network performance enables exciting new applications, such as high-resolution multimedia and video collaboration, to become viable in a wireless mobile environment.

Quality is at the core of who we are as a company, which is why we are building our 4G LTE backbone with the same reliability for which we are known. And the deployment of the IP Multimedia Subsystem (IMS) core means that the intelligence is in the network, allowing



applications developers to create their solution one time and have that solution delivered to a desktop computer, tablet, Smartphone or even a TV.

Verizon Wireless will continue to support 2G and 3G technologies as we continue to expand our 4G technology platform. Since LTE is a new technology, 3G devices are not compatible with the 4G LTE network. However, dual- and tri-mode (4G + 3G) devices will be available, providing the best customer experience, regardless of network.

Coverage

The Verizon Wireless network covers approximately 99 percent of the population within our licensed U.S. territories. As of second quarter 2012, the total number covered was 308,748,418. For additional information, please visit http://www.verizonwireless.com/coveragelocator

Currently, our 4G LTE network covers more than two-thirds of the U.S. population in 238 markets across the country. LTE network-deployment plans include covering virtually our entire current nationwide 3G footprint by the end of 2013. For an airport list and the most up-to-date list of 4G LTE markets, please visit www.verizonwireless.com/4GLTE

Please note that Verizon Wireless is able to provide detailed coverage analysis upon request. Please contact your Verizon Wireless Account Manager for further details.

Open Development

We realized early on that to deliver on the true promise of LTE, there would need to be a wide variety of innovative devices and applications to leverage this technology. That is why we opened up our networks in 2007 and encouraged a wide variety of developers to create and certify their devices to run on the Verizon Wireless network. Since that time, we have certified numerous third-party devices to run on our network, such as wireless inventory telemetry devices, tablet PCs, wirelessly-enabled utility meters, offender-tracking anklets and cellular broadband routers. We believe that our open development initiative spurs innovation, expands customer choices and has and will continue to produce a multitude of specialized products available to run on our network.

But with these new devices comes another layer of complexity – how can our business customers manage the procurement, activation and payment of more devices and endpoints than ever before? To that end, we've created several service delivery platforms, including our nPhase joint venture with Qualcomm for device management and also applications through the Verizon Developer Community.

Machine to Machine

Machine to machine (M2M) refers to data communications between machines. Any organization that needs to transmit/receive data between two machines can benefit from the use of M2M services. Applications include remote meter reading, mobile asset tracking, automotive telematics and mobile billing and payments at vending machines and ATMs/kiosks. Verizon Wireless provides comprehensive machine-to-machine (M2M) solutions and smart services offerings across a wide variety of market segments, including healthcare, manufacturing, utilities, distribution and consumer products.

The Machine to Machine Management Center enables organizations to connect Verizon Wireless-certified devices to back-office and field service applications or infrastructure over the secure and reliable Verizon Wireless network. Organizations can access an integrated dashboard to manage network connections, self-service device management and other key elements of machine-to-machine connectivity. Organizations can access the solution directly through our online self-service portals - My Business Account or Verizon Enterprise Center - or through



organizations' business-specific applications, developed using the unified Web services software developer kit.

Verizon Developer Community

We launched the Verizon Developer Community (VDC) to foster innovation in the mobile application space. Developers who have created apps for platforms such as Java, BREW, Android, Windows Mobile and others are encouraged to join the VDC and to submit their concepts and applications. The VDC provides a streamlined testing and certification process for applications, with the goal of having approved applications launched within 14 days of submission.

4G LTE Innovation Center

The Verizon Wireless LTE Innovation Center is designed to drive innovation and help foster creative solutions connecting people, places and things wirelessly using LTE technology. It leverages our experience to help developers assess what types of new products and services may best succeed in the marketplace. The LTE Innovation Center includes a lab for product testing and development, as well as home and business environments designed to simulate usage of products in real-life situations. We expect the LTE Innovation Center to see significant activity across three product areas: 1) consumer electronics and appliances; 2) machine-to-machine (M2M) products in the areas of healthcare, security and utility metering; and 3) telematics. The LTE Innovation Center will support early stages of product development, including concept validation, usability studies, product design analysis, prototyping, and lab and field trials. Once a product is proven through the development process and ready to come to market, we can help the developer quickly access the most appropriate sales channels for a given product.

Private Network

With Verizon Wireless Private Network your organization's traffic is separated from the Internet (whose network risk is unpredictable) and not intermingled with non-organization traffic. By deploying Verizon Wireless Private Network you can securely transmit data to and from remote locations/devices such as branch offices (via wireless routers), ATM machines, utility meters, vehicle fleets (via wireless modems), employee tablets, laptops and non-BlackBerry Smartphones. Mobilizing mission critical information will positively impact productivity, revenue generation, and control of operational expenses. Please refer to the Attachment section of this response for additional information or Verizon Wireless' Private Network.

Disaster Recovery

At Verizon Wireless we take a number of preventive measures to minimize the likelihood that your wireless service will be disrupted during an emergency. For example, all of our cell sites are equipped with battery backup capable of powering that site for about 8 hours. Most cell sites are also equipped with diesel generators, especially in areas with frequent severe weather. These generators can power a cell site for days in the event of a prolonged power outage.

Most of our electronics also have redundant fail-over circuitry that automatically cuts-over in case of failure. We also employ redundant transmission paths to our switching centers so that our network traffic can be rerouted in the event of a terrestrial network transmission failure.

Finally, Verizon Wireless also maintains Cells on Wheels (COWs) that can be quickly deployed to improve coverage and capacity at emergency site locations and in surrounding areas. Please refer to the Attachment section of this response for details on Verizon Wireless' Business Continuity/Disaster Recovery Programs.



Attachments

OPEN DEVELOPMENT

In 2007, Verizon Wireless announced our Open Development Program (OD). This program allows third-party devices, with any application, to operate on the Verizon Wireless network upon successful completion of the OD certification process.

The Open Development certification process consists of two main components: specifications and testing. Both components have been streamlined to facilitate quick entry into the marketplace by compliant device manufacturers. The OD specifications define the industry standards and Verizon Wireless features upon which Testing is based. The documentation required for a device to enter testing is minimal. The testing portion of the OD certification process is designed to be completed in four weeks, not including testing failures or revenue assurance testing. OD specifications, pre-submission documents, and testing information can be found on the OD website. Once the device has been approved for activation, the third-party's customers have access to America's largest and most reliable network.

The Open Development Program not only benefits device manufacturers, but government and business entities as well. OD allows government and business customers to partner with device manufacturers to develop customized device solutions and bring those solutions to the marketplace quickly.

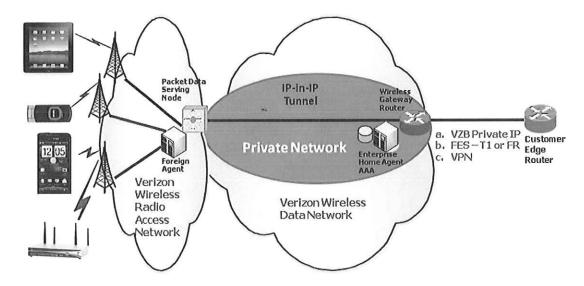
To date, there are over 375 OD-compliant devices. Most of the devices are classified as machine-to-machine (M2M), including routers and telemetry devices.

We recognize the wireless future will be built on collaboration and to that end we have announced the Verizon Developer Advisory Board, which is comprised of 11 member companies representing developers both large and small. This is a forum designed to provide valuable feedback about how the Verizon Developer Community and the Verizon Wireless applications store are built and will evolve, as well as to foster a productive and innovative developer ecosystem.

For more information on Open Development, please visit the following web site: http://opennetwork.verizonwireless.com/

How Verizon Wireless Private Network Works

Verizon Wireless Private Network provides a secure IP tunnel within Verizon Wireless' Data Network. This tunnel is created between the Packet Data Serving Node (PDSN) and Wireless Gateway Router. The mobile device interacts with the Radio Access Network (RAN) to obtain radio resources and permission to access the network. The PDSN is the gateway between the RAN and Verizon Wireless Data Network with the Foreign Agent handling packet routing. The Enterprise Home Agent AAA server authenticates, authorizes, and accounts for a device's access to the Private Network. The Home Agent facilitates data roaming. Data traffic is then sent through the customer specific tunnel (between the PDSN and Wireless Gateway Router). The Wireless Gateway Router provides the interface into the connection to the customer's premises. The Customer Edge Router connects to the customer's IP network.



Note: In a non-Private Network connection, Verizon Wireless Packet Data Serving Node will send data traffic to the Public Internet.

Connectivity Options

Private Network utilizes one of three connectivity options:

- + Private IP Wireless Access
- + Point/Frame Relay
- + Private VPN

Private IP Wireless Access

Verizon Business Private IP (PIP) is a global MPLS network enabling organizations to connect multiple locations over a secure network. The Private IP infrastructure is logically and physically separate from public Internet connectivity end-to-end, thus establishing an enhanced level of reliability and privacy for your organization's traffic. Your locations will leverage primarily Private Line and Ethernet access facilities to connect to Private IP.

Private IP Wireless Access leverages Verizon Wireless Private Network as an access means to Verizon Business Private IP, creating a private connection between the wireless device and your organization's network. A Network-to-Network Interface (NNI) is established between Verizon Wireless Private Network Wireless Gateway and Verizon Business Private IP Router to transport the data traffic from the wireless data network to Private IP network.

Point/Frame Relay

A Fixed End System (FES) is a dedicated connection using either point-to-point T-1 or Frame Relay that creates a permanent virtual connection between your organization's data network and Verizon Wireless Private Network Wireless Gateway.

For Private Network solutions with FES, you must order the FES circuits (local access loop) with your local exchange carrier (LEC) and any charges associated with FES circuit are between your organization and your LEC. The provisioning time period for installing a FES circuit is dependent upon the LEC. Verizon Wireless will support the connection between a Verizon Wireless FES Router and your LEC's Demarc point of connection.

Private VPN

A virtual private network (VPN) uses the public telecommunication infrastructure to provide remote offices or individual users with secure access to their organization's network. VPN encapsulates data transfers using a secure cryptographic method between two or more networked devices which are not on the same private network so as to keep the transferred data private from other devices on one or more intervening local or wide area networks.

Dynamic Mobile Network Routing

Dynamic Mobile Network Routing (DMNR) is an option available as part of the Verizon Wireless Private Network service that enables a wireless Cisco router to dynamically advertise the subnets it serves (up to eight) to other devices within your organization's network. DMNR enables integration between wireless and wireline services regardless of the application being used. This option delivers the "any site to any site" connectivity wireline customers expect when solutions extend the corporate IP network (e.g. LAN). For more information please consult with your Account Manager.

Advantages of Private Network

Organizations that send business applications over the Internet should be aware that the Internet may pose several risks to one's business. The Internet may be subjected to malicious network attacks while with Private Network the network is hidden from external intruders. The Internet's performance sometime is unpredictable, since it is the primary means for the majority of users to access information from the World Wide Web. As the number of active users increases, bandwidth usage also increases, resulting in reduced available bandwidth for new users. The end result is the Internet may have periods of slow information delivery that could negatively impact the productivity of a mobile work force. Private Network segregates each customer's traffic from other traffic so customers can control the amount of data traffic within their PN connection. Internet risks to security and mobile work productivity ultimately will add operational costs to one's business. Areas impacted will be:

- + Technical Support an increase in device issues will lead to increase in calls for assistance.
- + IT as security threats to infrastructure are increased, the need to invest in protecting one's network increases
- + Device replacement as devices are subjected to operational threatening viruses, the need to replace damaged products will increase

By using PN, IT can control what applications your employees can access, rather than letting employees download unauthorized software from the Internet.

Plans are under development for a Verizon Wireless Private Network service on our 4G LTE network; however, no commercial launch date has been established.

Business Continuity and Disaster Recovery

Verizon Wireless has a cross-functional Business Continuity and Disaster Recovery (BC/DR) program responsible for minimizing the impact of a natural or man-made disaster upon our customers, employees, infrastructure and business operations.

The BC/DR program accomplishes its objective by focusing on the following activities:

- + identifying critical processes and business functions, infrastructure and risks;
- implementing strategies to minimize the risk of a disruption;
- developing business continuity, disaster recovery and crisis management plans to recover operations in the event of a disruption;
- + testing plans to validate our response capabilities.

These activities also include annual plan updates and testing, as well as ongoing risk assessments. The BC/DR program continuously seeks to identify new risks to the business by increasing the complexity and variety of these tests and assessments. When a new risk is identified, Verizon Wireless invests in the measures required to mitigate against that risk.

Crisis Management:

Verizon Wireless crisis management teams are located across the United States and are comprised of more than 1,300 employees and leaders. If a crisis occurs, teams are responsible for managing the Verizon Wireless response within their geographic area. Teams are led by senior executives and include primary and back-up contacts from all major departments.

Network Operations:

Verizon Wireless operates the nation's most reliable and largest wireless voice and 3G data network, which is designed to minimize service disruptions to our subscribers. Our wireless services are provided through a large and sophisticated national network of mobile switching centers (MSCs) and data centers.

Verizon Wireless Network Operations Centers (NOCs) monitor systems for numerous items, ranging from call processing volumes to environmental temperature in our MSCs, data centers, and cell sites. These NOCs are staffed 24x7 with experienced personnel who work closely with our regional field operations teams to coordinate and expedite the restoration of service in the event of outages.

Verizon Wireless takes significant precautions to minimize the possibility of disruption to our network locations, including redundancy designed into the equipment and circuitry, back-up batteries, permanent and portable generators, fire detection and suppression systems, and security systems for the buildings.

We also maintain and utilize a fleet of dozens of Cells on Wheels (COWs), Cells on Light Trucks (COLTs), and Generators on a Trailer (GOATs) that can be rolled into areas that need extra network coverage or capacity. They can accommodate both voice and data services, and can be deployed for emergency situations across the country.

Information Technology:

Verizon Wireless' Information Technology (IT) Disaster Recovery Team develops, tests, and maintains disaster recovery plans for mission critical applications in the data centers. Our major data centers are protected by automatic fire detection and suppression systems, and by physical security systems and alarms. In addition, all data centers are backed-up by battery and generator systems that are designed to support data for an extended timeframe. Disaster recovery plans for critical systems and infrastructure are tested on a regular basis.

Customer Service:

Verizon Wireless operates multiple contact centers across the U.S. and can reroute customer calls to alternate centers in the event of a disruption at a location. In addition, our centers are supported by back-up batteries and back-up generator power. Business continuity plans for customer service are tested and updated on a regular basis so that we can continue to maintain high levels of service for our customers.