



STATE OF ARKANSAS
ARKANSAS LOTTERY COMMISSION

Post Office Box 3238
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<http://myarkansaslottery.com>

October 21, 2013

The Honorable Robert Thompson, Co-Chair
The Honorable Mark Perry, Co-Chair
Arkansas Lottery Commission Legislative Oversight Committee
One Capitol Mall, Room R-501
Little Rock, AR 72201

RE: Notice of Execution of Licensing Agreement

Gentlemen:

In accordance with the letter of December 14, 2010, from the previous Co-Chairs of the Arkansas Lottery Commission Legislative Oversight Committee, please consider this letter and the attachment as notice of the execution on October 3, 2013, of a Non-Exclusive Licensing Agreement between Scientific Games International ("SGI") and the Arkansas Lottery Commission ("ALC"). The Non-Exclusive Licensing Agreement allows the ALC to reproduce, use, and make copies of Instant Game No. 209 "Loteria™" licensed property.

1. Date of Agreement: October 3, 2013
2. Term of Agreement: The term of this agreement shall commence on the date the Working Papers for the Game are signed and shall expire on the last day for claiming Game prizes as established by the ALC.
3. Vendor or other parties to the Agreement: Scientific Games International.
4. Value (cost or cost savings projected for the agreement): The base instant game contract price is 1.81% of net sales. There is a price of \$1.89 per 1000 tickets for FailSafe Barcode Services and a price of 1.5% of the prize fund for Points for Prizes Rewards/Merchandise Prizes and Fulfillment. The preceding costs are standard for all ALC instant games. Additionally, there is a price of \$3.50 per 1000 tickets for ClearMark™, which is a necessity for most instant games of the Crossword/Bingo variety and was also used for our previous version of this ticket. There are no additional costs for the use of Loteria™.

A copy of the executed document is attached. Please let me know if you would like additional information or have any questions regarding this matter.

Respectfully,

A handwritten signature in black ink, appearing to read "Bishop Wosley", written over a circular stamp or seal.

Bishop Wosley
Director

Enclosure

cc: Dr. George Hammons, Chair, Arkansas Lottery Commission
Mr. Roger Norman, Legislative Auditor, Division of Legislative Audit

Order/Price Confirmation

This letter constitutes the order of the ARKANSAS LOTTERY COMMISSION for one million eight hundred thousand (1,800,000) (±5%) tickets of Instant Game No. 209 "Loteria™" as fully described in Version 1 of the "Game Specifications" document dated September 16, 2013 with Prize Structure Version A dated July 24, 2013. Final invoice will be based on total number of tickets sold based on percentage of sales (1.8100%).

Instant Ticket Lottery Game Services: 1.5800%
Web Site Marketing Services (Player's Club/Internet Marketing): 0.0900%
Play it Again™ and Second Chance Drawing Management Services: 0.1400%

The three (3) prices shown above are based upon the lottery implementing all three (3) services.

Points for Prizes Rewards/Merchandise® Prizes and Fulfillment: 1.50% of the prize fund for all instant games included in program.

You are hereby authorized to proceed with the production of game tickets and performance of the associated services according to the specifications contained herein.

Options	Quantity	Price
FailSafe® Barcode	1,800,000	\$1.89 per 1000
Full UV		No Charge
ClearMark™		\$3.50
Total Price For Options (estimated)		Total price per 1000: \$5.39

ACKNOWLEDGED AND ACCEPTED:

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Abeeri Rull
Scientific Games International (Printed)

Michael C. Smith
Arkansas Lottery Commission (Printed)

[Signature]
Scientific Games International (Signature)

Michael C. Smith
Arkansas Lottery Commission (Signature)

10/3/2013
Date

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