



Arkansas Lottery Commission
500 President Clinton Avenue
Suite 215
Little Rock, Arkansas 72201

July 21, 2009

Re: RFP # ALC -090003, Clarification of RFP and Questions

Dear Director,

In conjunction with the above referenced RFP, following are several questions and points of clarification needed to assist the Regions Bank team in its preparation of this RFP. Your assistance is greatly appreciated.

1. Please clarify section 1.3, as to the number of required submissions:

- 1 signed original proposal
- 7 copies of the signed original proposal
- 2 CD's of the signed original proposal (1 redacted, 1 unredacted)
- 1 Official Proposal Price Sheet separately sealed from the original proposal
- 1 CD of the Official Proposal Price Sheet sealed separately from the CD versions of the proposal.

If there is not a redacted version and the vendor submits just 1 CD labeled UNREDACTED how does the Vendor identify this to ALC so that ALC does not assume a redacted copy was missing or not submitted?

Can the Official Proposal Pricing Sheet and its CD version be sealed together or must they be sealed individually?

2. The contract states, in section 1.6, that it is for a 7 year term. During this time frame does the contract provide for:

- Pricing adjustments to respond to then current market conditions.
- Options to suggest additional or enhanced products and services including overnight investment accounts that may be developed or determined to be more appropriate to then current market conditions.

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3. What is the anticipated daily average balance to be swept from the Primary Account?
4. Please describe in further detail ALC's requirements in section 3.0.3, as it relates to "The Retailer Performance Bond Fund is required to indemnify the ALC against retailer malfeasance or misfeasance and must be maintained as a separate account. Only the License Fee Account may be sub-contracted to another institution." What is the anticipated activity and format required for this account?
5. Please clarify, in section 3.0.3, with regard to "Vendor shall provide means to detect electronic funds transfer fraud", on the AP accounts, what will the ALC require? Will a layering of Positive Pay, ACH blocks and filters be sufficient? Will ACH positive pay be a requirement?
6. Please clarify in section 3.1, bullet 5, the bank statement format required by ALC, in the form of facsimile copy, CSV, BA12 or other? Does the ALC require data transmission of account information or will an on-line reporting service be the method of retrieval?
7. Please clarify in section 3.1, bullet # 6, do the account balances referred to in this bullet come from ALC checking accounts, vendor accounts or other third parties? Does the ALC require access to outbound or inbound data exchange services? A description of the intended process would be helpful to analyze the needs of the ALC in this section.

Your assistance in responding to the above questions and points of clarification is greatly appreciated.

We look forward to your response and in working together in the future.

Sincerely,

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