



STATE OF ARKANSAS  
ARKANSAS LOTTERY COMMISSION

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Little Rock, Arkansas 72203-3238  
Phone: (501) 683-2000  
Fax: (501) 683-1878  
<http://myarkansaslottery.com>

November 27, 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 September 30, 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. 218 "St. Louis Cardinals™" licensed property.

1. Date of Agreement: September 30, 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 ALC instant games. Additionally, SGI shall invoice the ALC in the amount of Two Hundred Eighty Thousand dollars (\$280,000) for:
  - A. \$200,000 for Four Hundred (400) merchandise prize packs at Five Hundred dollars (\$500.00) each.
  - B. \$52,081 for Twelve (12) Suite Prize Trips at Four Thousand Three Hundred Forty dollars and eight cents (\$4,340.08) apiece.
  - C. \$27,919 for Two (2) World Series Prize Trips at Thirteen Thousand Nine Hundred Fifty Nine dollars and fifty cents (\$13,959.50) apiece.

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There are no additional costs for the use of St. Louis Cardinals™.

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 be 'Bishop Woosley', written in a cursive style.

Bishop Woosley  
Director

Enclosure

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

## Order / Price Confirmation

Scientific Games International  
1500 Bluegrass Lakes Parkway  
Alpharetta, GA 30004

This letter constitutes the order of the ARKANSAS LOTTERY COMMISSION for one million eight hundred thousand (1,800,000) ( $\pm 5\%$ ) tickets of Instant Game No. 218 "St. Louis Cardinals™" as fully described in Version 1 of the "Game Specifications" document dated September 24, 2013 with Prize Structure Version A dated September 12, 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%

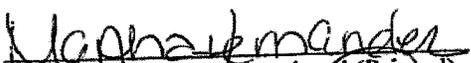
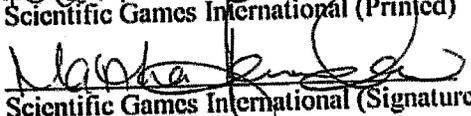
The three (3) prices shown above are based upon the lottery implementing all three (3) services.

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.

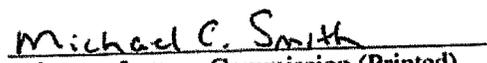
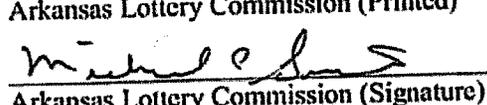
Options	Quantity	Price
FailSafe® Barcode	1,800,000	\$1.89 per 1000
Full UV		No Charge
Total Price For Options (estimated)		Total price per 1000: \$1.89

ACKNOWLEDGED AND ACCEPTED:

  
Scientific Games International (Printed)  
  
Scientific Games International (Signature)

9/30/13  
Date

ACKNOWLEDGED AND ACCEPTED:

  
Arkansas Lottery Commission (Printed)  
  
Arkansas Lottery Commission (Signature)

9/30/2013  
Date