

Zgarba, Angela

From: Lapinski, Joseph [Joseph.Lapinski@GTECH.COM]
Sent: Wednesday, November 17, 2010 9:37 AM
To: Zgarba, Angela
Subject: GTECH disclosure of sanctions and liquidated damages
Attachments: 5yrLD 10312010.pdf

Ms. Zgabay-Zgarba,

Per section 3.44 of the Lottery Operations & Services RFP 362-10-0001, Disclosure of Sanctions and Liquidated Damages, GTECH is submitting an updated schedule of Liquidated Damages for GTECH as of September 30, 2010.

Please contact me if further clarification of the information contained in the schedule is required.

Thank you,

Joe Lapinski

Joe Lapinski
Deputy ADM
GTECH - Texas
Office: (512) 908-4226
Mobile: (512) 740-0199
e-mail: joseph.lapinski@gtech.com

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November 15, 2010

Ms. Angela Zgabay-Zgarba, CTPM
Contracts Administrator
P.O. Box 16630
Austin, Texas 78761-6630

Facsimile: 512.344.5444
Email: angela.zgarba@lottery.state.tx.us
TIME-SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services RFP #362-10-0001

Dear Ms. Zgabay-Zgarba:

Per section 3.44 of the RFP, Disclosure of Sanctions and Liquidated Damages, GTECH is providing an updated report of all sanctions and liquidated damages for the calendar years 2005 – 2010 as of October 31, 2010.

Consistent with GTECH's internal practice and previous submissions, the enclosed summary reflects GTECH's estimated liquidated damages expenses, which are recorded at the time they are known and quantifiable. Therefore, certain amounts identified in the enclosed summary may be adjusted in the future or not assessed at all. Any such adjustments will be reported in accordance with GTECH's continuing disclosure obligations.

If you require any additional information or clarification, please contact me at 512-908-4226, or via email at joseph.lapinski@GTECH.com. Thank you for your time.

Sincerely,

Joe Lapinski
Deputy ADM
GTECH Texas
5301 Riata Park Court,
Bldg. E, Suite 100
Austin, TX 78727

GTECH CORPORATION
Estimated Liquidated Damages through Calendar Year 2010
Updated as of 10/23/10

USD \$mm's	2010 October 31 YTD	2009	2008	2007	2006	2005
Arizona	8	50	69	150	120	-
Brazil - Federal Lockery	-	-	-	-	1,921	1,088
California	321	410	400	-	CS, TR	CS, TR
Chile	214	208	-	-	CS, TR	CS, TR
Colombia	413	53	-	-	-	-
Czech Republic	25	103	100	94	302	100
Denmark	-	-	144	-	CS, CM	CM
Finland	367	357	200	-	-	-
Florida	11,033	99	570	740	580	-
Georgia	178	346	486	1,416	1,124	1,020
Germany	-	-	221	139	185	1,115
Idaho	-	-	-	200	641	83
Ireland	2	5	8	12	23	-
Kansas	-	5	1,000	17	1	154
Kentucky	5	6	40	5	10	5
LTE Consultant (Wash, DC)	-	(997)	821	86	-	-
Louisiana	111	-	313	65	37	-
Maryland	-	-	-	-	-	-
Mexico	325	175	110	443	214	-
Michigan	(172)	494	257	129	152	175
Minnesota	-	-	-	1	15	-
Missouri	-	47	125	83	9	17
New Hampshire	-	-	-	6	-	-
New Jersey	83	150	195	75	83	53
New York	1,608	317	123	34	60	250
New South Wales	-	-	-	-	-	CS
Ohio	-	243	289	253	197	(107)
North Carolina	(102)	107	30	93	30	30
Oregon	5	5	29	90	86	-
Rhode Island	3	5	147	458	365	43
Singapore	-	-	-	(15)	256	38
Swiss Renewable	387	-	-	-	-	-
Tennessee	(88)	103	111	333	249	49
Texas	535	496	1,776	1,007	528	1,739
Trinidad	10	63	24	4	-	CS, CM, TR, RO
United Kingdom	-	577	-	-	-	-
Virginia	(182)	81	124	544	-	-
Washington State	3	15	(38)	173	619	19
West Virginia	30	57	-	-	-	13
Wisconsin	55	93	89	289	118	-
Wyoming	82	74	323	-	-	358
Total Liquidated Damages	2,646	3,316	7,966	6,686	7,019	5,801
Revenue		1,304,057	1,548,773	1,211,132	1,257,054	1,304,806
LD as % of Revenue		0.25%	0.52%	0.55%	0.56%	0.44%

Notes:
Credit (negative) denotes prior LD was settled or estimate was reversed
(A) All individual LD amounts are less than \$100k

Legend:
CS - Central System degraded performance or downtime
TR - Terminal Repair response time delays
CM - Communications degraded performance or downtime
ID - Incident/Interruption Delay
RO - Reopening / Other

Company Practice:
- Guided by Generally Accepted Accounting Principles
- Record amounts when probable and estimable
- Adjust when a better estimate is available or when LD is settled
- Required that equipment and/or services provided in lieu of a cash payment be recorded as an LD
- Using Ledger, the primary cause of LD is indicated on this summary for individual items greater than \$100k
- Disclose Annual Information only if the financial results have been audited and announced publicly



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PURCHASING & CONTRACTS

November 15, 2010

Ms. Angela Zgabay-Zgarba, CTPM
Contracts Administrator
P.O. Box 16630
Austin, Texas 78761-6630

Facsimile: 512.344.5444
Email: angela.zgarba@lottery.state.tx.us
TIME-SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services RFP #362-10-0001

Dear Ms. Zgabay-Zgarba:

Per section 3.44 of the RFP, Disclosure of Sanctions and Liquidated Damages, GTECH is providing an updated report of all sanctions and liquidated damages for the calendar years 2005 – 2010 as of October 31, 2010.

Consistent with GTECH's internal practice and previous submissions, the enclosed summary reflects GTECH's estimated liquidated damages expenses, which are recorded at the time they are known and quantifiable. Therefore, certain amounts identified in the enclosed summary may be adjusted in the future or not assessed at all. Any such adjustments will be reported in accordance with GTECH's continuing disclosure obligations.

If you require any additional information or clarification, please contact me at 512-908-4226, or via email at joseph.lapinski@GTECH.com. Thank you for your time.

Sincerely,

Joe Lapinski
Deputy ADM
GTECH Texas
5301 Riata Park Court,
Bldg. E, Suite 100
Austin, TX 78727

GTECH CORPORATION
Estimated Liquidated Damages through Calendar Year 2010
Updated as of 10/31/10

USD \$000's	Calendar Year						
	2010 October 31 YTD	2009	2008	2007	2006	2005	
Arizona	8	59	69	150 (A)	120 CM	-	
Brazil - Federal Lottery	-	-	-	-	1,921 CS	1,088 TR	
California	321 CS, CM	410 CS, CM	400 CS, CM	-	(159) CS, TR	(277) CS, TR	
Chile	214 CS	208 CS	-	-	-	-	
Colombia	(13)	53	100 CM	-	-	-	
Czech Republic	25	103 (A)	144 (A)	94	302 CS, CM	100 CM	
Denmark	-	-	200 RO	-	-	-	
Finland	367 RO	357 CS	570 CS	740 CS	580 CS	-	
Florida	(1,033) CS, CM, TR	96	486 CS, CM, TR	1,416 CM, CS	1,124 CS, TR	3,020 CS, TR	
Georgia	178 (A)	346 CM	221 CS, CM, TR	139 CM	188 CS	(1,115) CS, CM	
Germany	-	-	-	(20)	(64)	83	
Idaho	-	-	-	-	23	-	
Ireland	2	5	8	12	(145) CS	154 CS	
Kansas	-	(520)	1,000 CS, ID	17	1	-	
Kentucky	5	6	40	5	10	5	
LTE Consulting (Wash. DC)	-	(907)	821 CS, CM	86	-	-	
Louisiana	(11)	-	313 RO	65	37	-	
Maryland	-	-	-	7	-	-	
Mexico	325 CM	175 (A)	110 CM	443 CM	234 CS, CM	-	
Michigan	(172) CM	494 CM	257 (A)	129 (A)	152 (A)	175 TR, RO	
Minnesota	-	-	-	1	15	-	
Missouri	-	47	125 (A)	83	9	17	
New Hampshire	-	-	-	6	-	-	
New Jersey	83	150 (A)	195 (A)	75	83	53	
New York	1,608 CS, CM	317 CM	123 (A)	34	96	250 CS	
New South Wales	-	-	-	-	-	(107)	
Ohio	-	243 TR	289 TR	253 CS	197 (A)	30	
North Carolina	(102) CM	107 (A)	50	93	80	-	
Oregon	5	5	29	90	86	43	
Rhode Island	3	5	147 (A)	458 TR	365 CS	38	
Singapore	-	-	-	(35)	256 CS	-	
Suisse Romande	387 ID	-	-	-	-	-	
Tennessee	(88)	103 (A)	111 (A)	333 CS, CM	249 CM	49	
Texas	535 CS, CM, TR, RO	496 CS, CM, TR, RO	1,776 CS, CM, TR, RO	1,607 CS, RO	528 CS, TR, RO	1,739 CS, CM, TR, RO	
Trinidad	10	63	24	4	-	-	
United Kingdom	-	577 CS	-	-	-	-	
Virginia	(187) CM, TR	81	124 CM, TR	544 CM	4	19	
Washington State	3	15	(58)	173 (A)	619 CS, CM	13	
West Virginia	36	57	-	-	-	-	
Wisconsin	55	93	89	289 CM	118 CS	388 CS, CM	
Wiss Media (G2)	82	74	223 CM	-	-	-	
Total Liquidated Damages	2,646	3,316	7,986	6,686	7,019	5,801	
Revenue		1,304,057	1,548,773	1,211,132	1,257,054	1,304,806	
LD as % of Revenue		0.25%	0.52%	0.55%	0.56%	0.44%	

Notes: Credit (negative) denotes prior LD was settled or estimate was reversed (A) : All individual LD amounts are less than \$100K	Legend: CS : Central System degraded performance or downtime TR : Terminal Repair response time delays CM : Communications degraded performance or downtime ID : Implementation Delay RO : Reporting / Other	Company Practice: - Guided by Generally Accepted Accounting Principles - Record amounts when probable and estimable - Adjust when a better estimate is available or when LD is settled - Required that equipment and/or services provided in lieu of a cash payment be recorded as an LD - Using Legend, the primary cause of LD is indicated on this summary for individual items greater than \$100k - Disclose Annual Information only after financial results have been audited and announced publicly
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PURCHASING & CONTRACTS

August 13, 2010

Ms. Angela Zgabay-Zgarba, CTPM
Contracts Administrator
P.O. Box 16630
Austin, Texas 78761-6630

Facsimile: 512.344.5444
Email: angela.zgarba@lottery.state.tx.us
TIME-SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services RFP #362-10-0001

Dear Ms. Zgabay-Zgarba:

In response to your letter dated August 3, 2010, GTECH provides the following:

In addition, please provide updated copies of the letter(s) confirming monthly end balances for the "Facility Agreements," identified in your response to RFP section 4.7. The updates must be submitted no later than the 15th of each month for the period July 1 - November 30, 2010.

GTECH Response: As stated in its letter dated August 6, 2010, GTECH is providing updated letters confirming balances available for borrowing with respect to the "Facility Agreements" identified in GTECH's response to RFP Section 4.7, Financial Soundness. The first letter reflects the available balance as of July 30, 2010, for GTECH Corporation's unsecured revolving credit facility; the second letter reflects the available balance as of July 30, 2010, for Lottomatica S.p.A.'s unsecured revolving credit facility.

If you require any additional information or clarification, please contact me at 512-908-4226, or via email at joseph.lapinski@GTECH.com. Thank you for your time.

Sincerely,

Joe Lapinski
Deputy ADM
GTECH Texas
5301 Riata Park Court,
Bldg. E, Suite 100
Austin, TX 78727

GTECH Center

10 Memorial Boulevard Providence, RI 02903

Phone: 401 392 1000

July 30, 2010

Mr. Matthew W. Hughes Treasurer
GTECH Corporation
10 Memorial Blvd.
Providence, RI 02903

Re: Request for Proposal

Dear Matthew:

Bank of America and **twenty-two** other banks, for which we act as Agent under a Credit Agreement dated May 5, 2006, provide GTECH Corporation with commitments for two unsecured revolving credit facilities totaling \$500 million in aggregate, the "Facility". Amounts available for borrowing under the Facility at any time are dependent upon the amount of such commitments which are then utilized as well as continued compliance with all terms and conditions of the Credit Agreement. As of July 30, 2010 **\$ 90,813,868.60** of the Facility was utilized, leaving **\$409,186,131.40** available for borrowing.

GTECH's Facility is available for general corporate purposes, which include providing the funds necessary to fund both the upfront capital costs of installing a lottery system as well as the initial expenses incurred prior to the time of payment.

I confirm that there is currently committed availability under the Credit Agreement, which may be used to finance both anticipated upfront capital costs and initial expenses of a lottery system.

If you have any further questions, please do not hesitate to call me.

Sincerely,



Irene Bertozzi Bartenstein
Principal, Bank of America, N.A.
100 Federal Street, MA5-100-09-03
Boston, MA 02110-1898
(V) 617.434.2903
(F) 617.434.0601

July 30, 2010

Mr. Matthew W. Hughes
Treasurer
GTECH Corporation
10 Memorial Blvd
Providence, RI 02903

Re: Request for Proposal

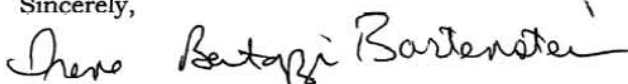
Dear Matthew:

Bank of America and other banks, for which we act as Agent under a Credit Agreement dated May 22, 2008, provide Lottomatica S.p.A. with commitments for unsecured revolving credit facility totaling EUR 300 million in aggregate, the "Facility". Amounts available for borrowing under the Facility at any time are dependent upon the amount of such commitments which are then utilized as well as continued compliance with all terms and conditions of the Credit Agreement. As of July 30, 2010 **EUR 300,000,000.00** of the Facility was utilized, leaving **EUR 0.00** available for borrowing.

The Facility is available for general corporate purposes, which include providing the funds necessary to fund both the upfront capital costs of installing a lottery system as well as the initial expenses incurred prior to the time of payment.

If you have any further questions, please do not hesitate to call me.

Sincerely,



Irene Bertozzi Bartenstein
Principal, Bank of America, N.A.
100 Federal Street, MA5-100-09-03
Boston, MA 02110-1898
(V) 617.434.2903
(F) 617.434.0601

Mary Ann Williamson
Chairman

David J. Schenck
Commissioner

J. Winston Krause
Commissioner



TEXAS LOTTERY COMMISSION

Gary Grief, Executive Director

Philip D. Sanderson, Charitable Bingo Operations Director

July 14, 2010

Joe Lapinski
GTECH Texas
5301 Riata Park Court
Bldg. E, Suite 100
Austin, TX 78727

Via facsimile: 512.339.0405
E-mail: joseph.lapinski@gtech.com
TIME SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services, #362-10-0001

Dear Mr. Lapinski:

The Texas Lottery Commission (TLC) has reviewed the information provided by GTECH, and is requesting additional information as part of its financial soundness review as follows.

1. Please provide audited financial statements, as the Annual Financial Reports included do not appear to be audited;
2. Under Section 4.7.4.4 (a-b), Page 4-54, please provide the letter referenced in the second row of the Financial Resources table, "Lottomatica has a €300 million committed credit facility maturing in 2012 with zero drawn at April 5, 2010 – see Bank of America Letter, as facility agent";
3. Under Exhibit 11, there is a Bank of America Letter dated April 5, 2010, please provide an updated letter that states the available borrowing balance as of July 13, 2010.

This information is needed to enable the TLC to evaluate GTECH's proposal. Further, determination of financial soundness is a pass/fail requirement on the RFP Scoring Matrix. Failure to provide this information may result in disqualification of GTECH's proposal.

Your response, together with the additional information requested herein, must be provided to me no later than **4:00 p.m. on Monday, July 19, 2010**. Your response may be submitted via facsimile to my attention at (512)344-5444 or by e-mail to angela.zgarba@lottery.state.tx.us.

Thank you for your immediate attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Angela Zgabuy-Zgarba". The signature is fluid and cursive.

Angela Zgabuy-Zgarba, CTPM
Contracts Administrator

P.O. Box 16630 • Austin, Texas 78761-6630

Phone (512) 344-5000 • FAX (512) 478-3682 • Bingo FAX (512) 344-5142

www.txlottery.org • www.txbingo.org

*** TX REPORT ***

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CONNECTION ID	EXECUTIVE	
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USAGE T	00'40	
PGS. SENT	1	
RESULT	OK	

Mary Ann Williamson
Chairman

David J. Schenck
Commissioner

J. Winston Krause
Commissioner



TEXAS LOTTERY COMMISSION

Gary Grief, Executive Director

Philip D. Sanderson, Charitable Bingo Operations Director

July 14, 2010

Joe Lapinski
GTECH Texas
5301 Riata Park Court
Bldg. E, Suite 100
Austin, TX 78727

Via facsimile: 512.339.0405
E-mail: joseph.lapinski@gtech.com
TIME SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services, #362-10-0001

Dear Mr. Lapinski:

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1. Please provide audited financial statements, as the Annual Financial Reports included do not appear to be audited;
2. Under Section 4.7.4.4 (a-b), Page 4-54, please provide the letter referenced in the second row of the Financial Resources table, "Lottomatica has a €300 million committed credit facility maturing in 2012 with zero drawn at April 5, 2010 – see Bank of America Letter, as facility agent";
3. Under Exhibit 11, there is a Bank of America Letter dated April 5, 2010, please provide an updated letter that states the available borrowing balance as of July 13, 2010.

This information is needed to enable the TLC to evaluate GTECH's proposal. Further, determination of financial soundness is a pass/fail requirement on the RFP Scoring Matrix. Failure to provide this information may result in disqualification of GTECH's proposal.

Zgarba, Angela

From: Zgarba, Angela
Sent: Wednesday, July 14, 2010 1:12 PM
To: Lapinski, Joseph <GTech>
Subject: Lottery Operations & Services RFP 362-10-0001 - GTECH Clarification
Attachments: GTECH Financial Clarifications.pdf

Mr. Lapinski:

Please see the attached clarification letter regarding GTECH's Proposal in response to the Lottery Operations & Services RFP. Thank you.

Angela Zgarba-Zgarba
Contract Administrator
Texas Lottery Commission
Ph: 512.344.5215
Fax: 512.344.5058

Zgarba, Angela

From: Lapinski, Joseph [Joseph.Lapinski@GTECH.COM]
Sent: Thursday, July 15, 2010 10:50 AM
To: Zgarba, Angela
Subject: RE: Lottery Operations & Services RFP 362-10-0001 - GTECH Clarification

Angela,

Thank you for the opportunity to clarify our proposal. GTECH will provide a response to the TLC's request for clarification no later than 4PM on Monday, July 19, 2010.

Joe

Joe Lapinski
Deputy ADM
GTECH - Texas
Office: (512) 908-4226
Mobile: (512) 740-0199
e-mail: joseph.lapinski@gtech.com

From: Zgarba, Angela [mailto:Angela.Zgarba@lottery.state.tx.us]
Sent: Wednesday, July 14, 2010 1:12 PM
To: Lapinski, Joseph
Subject: Lottery Operations & Services RFP 362-10-0001 - GTECH Clarification

Mr. Lapinski:

Please see the attached clarification letter regarding GTECH's Proposal in response to the Lottery Operations & Services RFP. Thank you.

Angela Zgabay-Zgarba
Contract Administrator
Texas Lottery Commission
Ph: 512.344.5215
Fax: 512.344.5058

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Exhibit 11
~~Attachment 11~~



April 5, 2010

Mr. Matthew W. Hughes
Treasurer
GTECH Corporation
10 Memorial Blvd
Providence, RI 02903

Re: Request for Proposal

Dear Matthew:

Bank of America and **twenty-two** other banks, for which we act as Agent under a Credit Agreement dated May 5, 2006, provide GTECH Corporation with commitments for two unsecured revolving credit facilities totaling \$500 million in aggregate, the "Facility". Amounts available for borrowing under the Facility at any time are dependent upon the amount of such commitments which are then utilized as well as continued compliance with all terms and conditions of the Credit Agreement. As of April 5, 2010, \$2,641,845.60 of the Facility was utilized, leaving \$497,358,154.40 available for borrowing.

GTECH's Facility is available for general corporate purposes, which include providing the funds necessary to fund both the upfront capital costs of installing a lottery system as well as the initial expenses incurred prior to the time of payment.

I confirm that there is currently committed availability under the Credit Agreement, which may be used to finance both anticipated upfront capital costs and initial expenses of a lottery system.

If you have any further questions, please do not hesitate to call me.

Sincerely,

Irene Bertozzi Bartenstein

Irene Bertozzi Bartenstein
Principal, Bank of America, N.A.
100 Federal Street, MA5-100-09-03
Boston, MA 02110-1898
(V) 617.434.2903
(F) 617.434.0601

Audited financial statements

4.7.4.4 (a-b)

Liquidity and Capital Resources

Liquidity

It is our policy to ensure that we maintain adequate liquidity and flexibility through the use of cash generated from operating activities, bank overdrafts, and bank loans. We believe our ability to generate excess cash from operations to reinvest in our business is one of our fundamental financial strengths, and, combined with our committed borrowing capacity, we have the resources available to meet all future commitments. Following are highlights of the financial resources available to GTECH.

**Figure 4 – 11:
Financial Resources**

Resource	Benefit
<i>On 7/12</i> GTECH has a US\$500 million committed credit facility maturing in 2012. Only US\$4 million borrowed at April 5, 2010 – see Bank of America Letter , as Facility Agent	Ensures GTECH has committed available capacity to perform the requirements of the Texas RFP
<i>No letter on file need...</i> Lottomatica has a €300 million committed credit facility maturing in 2012 with zero drawn at April 5, 2010 – see Bank of America Letter , as Facility Agent	GTECH's financial resources are further supplemented by committed available capacity of its parent
Worldwide Group cash balance at April 5, 2010, of approximately €450 million	Sufficient cash to meet all existing obligations
Generated €695 million in cash from operating activities in Fiscal 2009	Evidence of our long-term cash flow, beyond committed available bank capacity, to fund ongoing business requirements
Access to Capital Markets – Lottomatica and GTECH issued €750 million in bonds in 2009 in a transaction that was 7x oversubscribed	Evidence of long-term financial strength and strong investor demand for the Lottomatica/GTECH name



Alan Eland
Senior Vice President
GTECH Americas

July 16, 2010

GTECH Center
10 Memorial Boulevard
Providence, Rhode Island
02903
Telephone 401 392-7332
Fax 401 392-4951
Email: alan.eland@gtech.com

Ms. Angela Zgabay-Zgarba
Contracts Administration
Texas Lottery Commission
611 East 6th Street
Austin, TX 78701

RE: Request for Proposals (RFP) for Lottery Operations and Services #362-10-0001

Dear Ms. Zgabay-Zgarba:

GTECH Corporation (GTECH) has reviewed the questions set forth in the Texas Lottery Commission's (TLC) letter dated July 14, 2010. Please find GTECH's responses set forth below:

1. Please provide audited financial statements, as the Annual Financial Reports included do not appear to be audited

The submission of Annual Reports in response to Request for Proposals (RFP) for Lottery Operations and Services #362-10-0001 included the audited financial statements for both GTECH, and its parent company, Lottomatica Group S.p.A. (Lottomatica).

The audited financial statements for the Lottomatica Group S.p.A. did not include the Independent Auditor's Report for each reporting period. Such reports are filed separately from the financial statements, in accordance with CONSOB (the Italian Stock Exchange Regulatory Agency) filing procedures. The absence of this Auditor's Report may have contributed to your request to provide Audited Financial Statements. As previously stated, the financial statements provided in GTECH's response for both Lottomatica and GTECH are audited.

In the interest of full disclosure, enclosed please find the Independent Auditor's Report for each of the Lottomatica annual financial statement years 2007, 2008, 2009. Please note that the Independent Auditor's Report is executed and signed in Italian, with a translation into English for the convenience of international readers.



2. **Under Section 4.7.4.4 (a-b), Page 4-54, please provide the letter referenced in the second row of the Financial Resources table, "Lottomatica has a €300 million committed credit facility maturing in 2012 with zero drawn at April 5, 2010 – see Bank of America Letter, as facility agent"**

Enclosed please find the letter referenced in the second row of the Financial Resources table, "Lottomatica has a €300 million committed credit facility maturing in 2012 with zero drawn at April 5, 2010 – Bank of America Letter, as facility agent".

3. **Under Exhibit 11, there is a Bank of America Letter dated April 5, 2010, please provide an updated letter that states the available borrowing balance as of July 13, 2010**

Enclosed please find an updated letter Bank of America Letter for GTECH, stating the available borrowing balance of \$409,186,131.40 as of July 13, 2010.

Thank you for the opportunity to provide clarification on this matter. I am available anytime to answer any questions that you may have or provide additional information you may require.

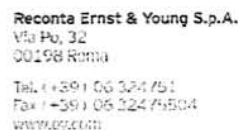
Please note that a hardcopy original of this letter and the requested information is being shipped to your attention via UPS.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Eland", with a stylized, cursive-like flourish.

Alan Eland
Senior Vice President, GTECH Americas
GTECH Corporation
10 Memorial Boulevard
Providence, RI 02903
Phone: 401.392.7332
Mobile: 401.219.1802
Email: Alan.Eland@GTECH.com

cc: Joe Lapinski



To the Shareholders of Lottomatica Group S.p.A. (formerly Lottomatica S.p.A.)

- The consolidated financial statements present the comparative data of the preceding year. As described in the explanatory notes, management restated certain comparative data related to the consolidated financial statements of the preceding year, with respect to those previously presented and audited by us, on which we issued our auditors' report on March 20, 2009. We have examined the methods adopted to restate the comparative data and related disclosures included in the explanatory notes for the purpose of expressing our opinion on the consolidated financial statements as of and for the year ended December 31, 2009.

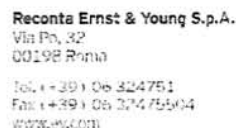
1. *Pharmaceutical Innovation and the Public Good*.
 2. *The Economics of Pharmaceuticals*.
 3. *The Economics of Pharmaceuticals*.
 4. *The Economics of Pharmaceuticals*.
 5. *The Economics of Pharmaceuticals*.
 6. *The Economics of Pharmaceuticals*.
 7. *The Economics of Pharmaceuticals*.
 8. *The Economics of Pharmaceuticals*.
 9. *The Economics of Pharmaceuticals*.
 10. *The Economics of Pharmaceuticals*.

4. The management of Lottomatica Group S.p.A. is responsible for the preparation of the Management Discussion & Analysis ("MD&A") and the Report on corporate governance and ownership structure ("Report"), which is published on the Lottomatica Group S.p.A. web site in the Governance section, in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the MD&A and of the information reported in compliance with art. 123-bis, paragraph 1, letters c), d), f), l) and m) and paragraph 2, letter b) of the Legislative Decree 58/98, included in the Report, with the consolidated financial statements as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion the MD&A and the information reported in compliance with art. 123-bis, paragraph 1, letters c), d), f), l) and m) and paragraph 2, letter b) of the Legislative Decree 58/98, included in the Report, are consistent with the consolidated financial statements of Lottomatica Group as of December 31, 2009.

Rome, Italy
March 19, 2010

Reconta Ernst & Young S.p.A.
Signed by: Salvatore Florena, Partner

This report has been translated into the English language solely for the convenience of international readers



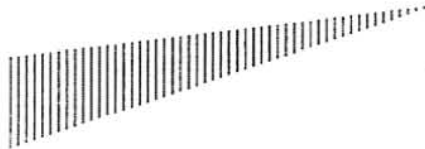
**Agli Azionisti della
Lottomatica Group S.p.A. (già Lottomatica S.p.A.)**

1. Abbiamo svolto la revisione contabile del bilancio consolidato costituito dalla situazione patrimoniale-finanziaria, dal prospetto di conto economico e conto economico complessivo, dal prospetto delle variazioni del patrimonio netto, dal rendiconto finanziario e dalle relative note esplicative, della Lottomatica Group S.p.A. e sue controllate ("Gruppo Lottomatica") chiuso al 31 dicembre 2009. La responsabilità della redazione del bilancio in conformità agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. n. 38/2005, compete agli amministratori della Lottomatica Group S.p.A.. E' nostra la responsabilità del giudizio professionale espresso sul bilancio e basato sulla revisione contabile.
2. Il nostro esame è stato condotto secondo i principi e i criteri per la revisione contabile raccomandati dalla Consob. In conformità ai predetti principi e criteri, la revisione è stata pianificata e svolta al fine di acquisire ogni elemento necessario per accertare se il bilancio consolidato sia viziato da errori significativi e se risulti, nel suo complesso, attendibile. Il procedimento di revisione comprende l'esame, sulla base di verifiche a campione, degli elementi probativi a supporto dei saldi e delle informazioni contenuti nel bilancio, nonché la valutazione dell'adequazione e della correttezza dei criteri contabili utilizzati e della ragionevolezza delle stime effettuate dagli amministratori. Riteniamo che il lavoro svolto fornisca una ragionevole base per l'espressione del nostro giudizio professionale.

Il bilancio consolidato presenta ai fini comparativi i dati dell'esercizio precedente. Come illustrato nelle note esplicative, gli amministratori hanno risposto alcuni dati comparativi relativi all'esercizio precedente, rispetto ai dati precedentemente presentati e da noi assoggettati a revisione contabile, sui quali avevamo emesso la relazione di revisione in data 20 marzo 2009. Le modalità di rideterminazione dei dati comparativi e la relativa informativa presentata nelle note esplicative, sono state da noi esaminate ai fini dell'espressione del giudizio sul bilancio consolidato chiuso al 31 dicembre 2009.
3. A nostro giudizio, il bilancio consolidato del Gruppo Lottomatica al 31 dicembre 2009 è conforme agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. n. 38/2005; esso pertanto è redatto con chiarezza e rappresenta in modo veritiero e corretto la situazione patrimoniale e finanziaria, il risultato economico ed i flussi di cassa del Gruppo Lottomatica per l'esercizio chiuso a tale data.
4. La responsabilità della redazione della relazione sulla gestione e della relazione sul governo societario e gli assetti proprietari, pubblicata nella sezione Governance - Documentazione societaria - Relazione sulla Corporate Governance del sito internet della Lottomatica Group S.p.A. in conformità a quanto previsto dalle norme di legge e dai regolamenti compete agli amministratori della Lottomatica Group S.p.A.. E' di nostra competenza l'espressione del giudizio sulla coerenza della relazione sulla

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 Published online 11 September 2002 in Wiley InterScience (www.interscience.wiley.com). DOI: 10.1002/anie.200200100

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gestione e delle informazioni di cui al comma 1, lettere c), d), f), l), m) e al comma 2, lettera b) dell'art. 123-bis del D.Lgs. 58/98, presentate nella relazione sul governo societario e gli assetti proprietari, con il bilancio, come richiesto dalla legge. A tal fine, abbiamo svolto le procedure indicate dal principio di revisione 001 emanato dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili e raccomandato dalla Consob. A nostro giudizio la relazione sulla gestione e le informazioni di cui al comma 1, lettere c), d), f), l), m) e al comma 2, lettera b) dell'art. 123-bis del D.Lgs. 58/98, presentate nella relazione sul governo societario e gli assetti proprietari, sono coerenti con il bilancio consolidato del Gruppo Lottomatica al 31 dicembre 2009.

Roma, 19 marzo 2010

Reconta Ernst & Young S.p.A.

Salvatore Florena
(Socio)

INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 156 OF LEGISLATIVE DECREE OF FEBRUARY 24, 1998, N. 58
(translation from the original Italian text)

To the Shareholders of Lottomatica S.p.A.

1. We have audited the consolidated financial statements of Lottomatica S.p.A. and its subsidiaries (the "Lottomatica Group") as of and for the year ended December 31, 2008, comprising the balance sheet, the statement of income, changes in shareholders' equity and cash flows and the related explanatory notes. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Italian Legislative Decree n°. 38/2005 is the responsibility of the Lottomatica S.p.A.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. Our audit was made in accordance with auditing standards and procedures recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards and procedures, we planned and performed our audit to obtain the information necessary to determine whether the consolidated financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness and correct application of the accounting principles and the reasonableness of the estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

For our opinion on the consolidated financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated March, 14, 2008.

3. In our opinion, the consolidated financial statements of Lottomatica Group at December 31, 2008 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Italian Legislative Decree n° 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations, the changes in shareholders' equity and the cash flows of Lottomatica Group for the year then ended.
4. The management of Lottomatica S.p.A. is responsible for the preparation of the Management Discussion & Analysis ("MD&A") in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the MD&A with the financial statements as required by art. 156, paragraph 4-bis, letter d) of the Legislative Decree 58/98. For this purpose, we have performed the procedures required under Auditing Standard n. 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion the MD&A is consistent with the consolidated financial statements of Lottomatica Group as of December 31, 2008.

Rome, Italy
March 20, 2009

Reconta Ernst & Young S.p.A.
Signed by: Salvatore Florena, Partner

This report has been translated into the English language solely for the convenience of international readers

Reconta Ernst & Young S.p.A.
Via G.D. Romagnolo, 18/A
00196 Roma
Tel. (+39) 06 324751
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RELAZIONE DELLA SOCIETÀ DI REVISIONE
AI SENSI DELL'ART. 156 DEL D. LGS. 24.2.1998, N. 58

Agli Azionisti della Lottomatica S.p.A.

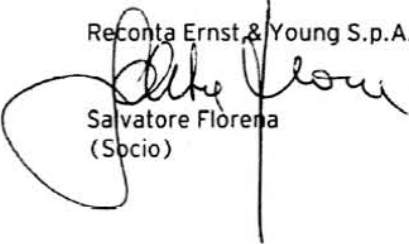
1. Abbiamo svolto la revisione contabile del bilancio consolidato, costituito dallo stato patrimoniale, dal conto economico, dal prospetto dei movimenti del patrimonio netto, dal rendiconto finanziario e dalle relative note esplicative, della Lottomatica S.p.A. e sue controllate ("Gruppo Lottomatica") chiuso al 31 dicembre 2008. La responsabilità della redazione del bilancio in conformità agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. n. 38/2005, compete agli amministratori della Lottomatica S.p.A.. E' nostra la responsabilità del giudizio professionale espresso sul bilancio e basato sulla revisione contabile.
2. Il nostro esame è stato condotto secondo i principi e i criteri per la revisione contabile raccomandati dalla CONSOB. In conformità ai predetti principi e criteri, la revisione è stata pianificata e svolta al fine di acquisire ogni elemento necessario per accertare se il bilancio consolidato sia viziato da errori significativi e se risulti, nel suo complesso, attendibile. Il procedimento di revisione comprende l'esame, sulla base di verifiche a campione, degli elementi probativi a supporto dei saldi e delle informazioni contenuti nel bilancio, nonché la valutazione dell'adequatezza e della correttezza dei criteri contabili utilizzati e della ragionevolezza delle stime effettuate dagli amministratori. Riteniamo che il lavoro svolto fornisca una ragionevole base per l'espressione del nostro giudizio professionale.

Per il giudizio relativo al bilancio consolidato dell'esercizio precedente, i cui dati sono presentati ai fini comparativi, si fa riferimento alla relazione da noi emessa in data 14 marzo 2008.

3. A nostro giudizio, il bilancio consolidato del Gruppo Lottomatica al 31 dicembre 2008 è conforme agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. n. 38/2005; esso pertanto è redatto con chiarezza e rappresenta in modo veritiero e corretto la situazione patrimoniale e finanziaria, il risultato economico, le variazioni del patrimonio netto ed i flussi di cassa del Gruppo Lottomatica per l'esercizio chiuso a tale data.
4. La responsabilità della redazione della relazione sulla gestione, in conformità a quanto previsto dalle norme di legge e dai regolamenti, compete agli amministratori della Lottomatica S.p.A.. E' di nostra competenza l'espressione del giudizio sulla coerenza della relazione sulla gestione con il bilancio, come richiesto dall'art. 156, comma 4-bis, lettera d), del D. Lgs. n. 58/1998. A tal fine, abbiamo svolto le procedure indicate dal principio di revisione n. 001 emanato dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili e raccomandato dalla Consob. A nostro giudizio la relazione sulla gestione è coerente con il bilancio consolidato del Gruppo Lottomatica al 31 dicembre 2008.

Roma, 20 marzo 2009

Reconta Ernst & Young S.p.A.


Salvatore Florenza
(Socio)

Reconta Ernst & Young S.p.A.
Via G.D. Romagnoli, 18/A - 00196 Roma
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Società a partecipazione paritetica (70% EY, 30% RSCG)
Società a partecipazione paritetica (70% EY, 30% RSCG)

Ernst & Young Global Limited

INDEPENDENT AUDITORS' REPORT
pursuant to article 156 of Legislative Decree of February 24, 1998, n. 58
(Translation from the original Italian text)

To the Shareholders of Lottomatica S.p.A.

1. We have audited the consolidated financial statements of Lottomatica S.p.A. and its subsidiaries (the Lottomatica Group) as of and for the year ended December 31, 2007, comprising the consolidated balance sheet, the consolidated statement of income, changes in shareholders' equity and cash flows and the related explanatory notes. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards and procedures recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards and procedures, we planned and performed our audit to obtain the information necessary to determine whether the consolidated financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, as well as assessing the appropriateness and correct application of the accounting principles and the reasonableness of the estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

For our opinion on the consolidated financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated March, 12, 2007.

3. In our opinion, the consolidated financial statements present clearly and give a true and fair view of the financial position, the result of operations, the changes in shareholders' equity and the cash flows of the Lottomatica Group as of December 31, 2007, and for the year then ended in accordance with IFRS as adopted by the European Union and with the provisions of art. 9 of D.Lgs n°. 38/2005.

Reconta Ernst & Young S.p.A.
Signed by: Salvatore Florena, Partner

Rome, Italy
March 14, 2008

This report has been translated into the English language solely for the convenience of international readers

RELAZIONE DELLA SOCIETÀ DI REVISIONE
ai sensi dell'art. 156 del D. Lgs. 24.2.1998, n. 58

Agli Azionisti della Lottomatica S.p.A.

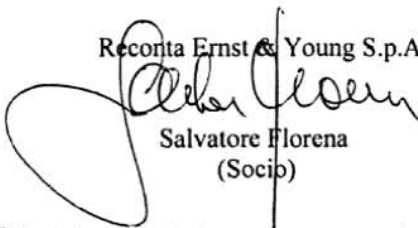
1. Abbiamo svolto la revisione contabile del bilancio consolidato, costituito dallo stato patrimoniale, dal conto economico, dal prospetto dei movimenti del patrimonio netto, dal rendiconto finanziario e dalle relative note esplicative, della Lottomatica S.p.A. - e sue controllate ("Gruppo Lottomatica") - chiuso al 31 dicembre 2007. La responsabilità della redazione del bilancio compete agli amministratori della Lottomatica S.p.A.. E' nostra la responsabilità del giudizio professionale espresso sul bilancio e basato sulla revisione contabile.
2. Il nostro esame è stato condotto secondo i principi e i criteri per la revisione contabile raccomandati dalla CONSOB. In conformità ai predetti principi e criteri, la revisione è stata pianificata e svolta al fine di acquisire ogni elemento necessario per accertare se il bilancio consolidato sia viziato da errori significativi e se risulti, nel suo complesso, attendibile. Il procedimento di revisione comprende l'esame, sulla base di verifiche a campione, degli elementi probativi a supporto dei saldi e delle informazioni contenuti nel bilancio, nonché la valutazione dell'adeguatezza e della correttezza dei criteri contabili utilizzati e della ragionevolezza delle stime effettuate dagli amministratori. Riteniamo che il lavoro svolto fornisca una ragionevole base per l'espressione del nostro giudizio professionale.

Per il giudizio relativo al bilancio consolidato dell'esercizio precedente, i cui dati sono presentati ai fini comparativi, si fa riferimento alla relazione da noi emessa in data 12 marzo 2007.

3. A nostro giudizio, il bilancio consolidato della Lottomatica S.p.A. al 31 dicembre 2007 è conforme agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D.Lgs n. 38/2005; esso pertanto è redatto con chiarezza e rappresenta in modo veritiero e corretto la situazione patrimoniale e finanziaria, il risultato economico, le variazioni del patrimonio netto ed i flussi di cassa del Gruppo Lottomatica per l'esercizio chiuso a tale data.

Roma, 14 marzo 2008

Reconta Ernst & Young S.p.A.



Salvatore Florena
(Socio)

Reconta Ernst & Young S.p.A.
Sede Legale: 00196 Roma - Via C. D. Romagnolo, 16/A
Capitale Sociale € 1.301.000.000 i.s.
Iscritta alla S.O. del Registro delle Imprese presso la C.C.I.A.A. di Roma
Codice fiscale e numero di iscrizione 00414000554
P.I. 08091231004
Iscritta all'Albo Revisori Contabili al n. 70947 Pubblicato sulla G.U.
Suppl. 12 - IV Serie Speciale del 17.2.1998
Iscritta all'Albo Speciale delle società di revisione
Consob al progressivo n. 2 deliberato n. 10501 del 16.7.1997

July 15, 2010

Mr. Matthew W. Hughes
Treasurer
GTECH Corporation
10 Memorial Blvd
Providence, RI 02903

Re: Request for Proposal

Dear Matthew:

Bank of America and other banks, for which we act as Agent under a Credit Agreement dated May 22, 2008, provide Lottomatica S.p.A. with commitments for unsecured revolving credit facility totaling EUR 300 million in aggregate, the "Facility". Amounts available for borrowing under the Facility at any time are dependent upon the amount of such commitments which are then utilized as well as continued compliance with all terms and conditions of the Credit Agreement. As of April 5, 2010 **None** of the Facility was utilized, leaving **EUR 300,000,000.00** available for borrowing.

The Facility is available for general corporate purposes, which include providing the funds necessary to fund both the upfront capital costs of installing a lottery system as well as the initial expenses incurred prior to the time of payment.

I confirm that there is currently committed availability under the Credit Agreement, which may be used to finance both anticipated upfront capital costs and initial expenses of a lottery system.

If you have any further questions, please do not hesitate to call me.

Sincerely,

Irene Bertozzi Bartenstein

Irene Bertozzi Bartenstein
Principal, Bank of America, N.A.
100 Federal Street, MA5-100-09-03
Boston, MA 02110-1898
(V) 617.434.2903
(F) 617.434.0601

July 15, 2010

Mr. Matthew W. Hughes
Treasurer
GTECH Corporation
10 Memorial Blvd
Providence, RI 02903

Re: Request for Proposal

Dear Matthew:

Bank of America and **twenty-two** other banks, for which we act as Agent under a Credit Agreement dated May 5, 2006, provide GTECH Corporation with commitments for two unsecured revolving credit facilities totaling \$500 million in aggregate, the "Facility". Amounts available for borrowing under the Facility at any time are dependent upon the amount of such commitments which are then utilized as well as continued compliance with all terms and conditions of the Credit Agreement. As of July 13, 2010 **\$90,813,868.60** of the Facility was utilized, leaving **\$409,186,131.40** available for borrowing.

GTECH's Facility is available for general corporate purposes, which include providing the funds necessary to fund both the upfront capital costs of installing a lottery system as well as the initial expenses incurred prior to the time of payment.

I confirm that there is currently committed availability under the Credit Agreement, which may be used to finance both anticipated upfront capital costs and initial expenses of a lottery system.

If you have any further questions, please do not hesitate to call me.

Sincerely,

Irene Bertozzi Bartenstein

Irene Bertozzi Bartenstein
Principal, Bank of America, N.A.
100 Federal Street, MA5-100-09-03
Boston, MA 02110-1898
(V) 617.434.2903
(F) 617.434.0601

Mary Ann Williamson
Chairman

David J. Schenk
Commissioner

J. Winston Krause
Commissioner



TEXAS LOTTERY COMMISSION

Gary Grief, *Executive Director*

Philip D. Sanderson, *Charitable Bingo Operations Director*

August 3, 2010

Joe Lapinski
GTECH Texas
5301 Riata Park Court
Bldg. E, Suite 100
Austin, TX 78727

Via facsimile: 512.339.0405
E-mail: joseph.lapinski@gtech.com
TIME SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services,
RFP #362-10-0001; Start-up Costs Clarification

Dear Mr. Lapinski:

The Texas Lottery Commission (TLC) is reviewing the Proposal submitted by GTECH in response to the referenced RFP, and, pursuant to RFP Section 2.20, requests clarification as set forth below.

1. Attachment J (Start-up Costs) required Proposers to provide the eight (8) categories of start-up costs identified therein. Please state whether these categories include all of the start-up costs that would be required through conversion, and, if not, identify and quantify any additional categories of start-up costs that would be required.
2. For each of the eight (8) categories in Attachment J, please identify each of the cost elements included in the estimated start-up costs; for example, we would want to know whether Lottery Sales Representatives costs include only labor, or whether they also include vehicle and/or laptop expenses. We are not requiring that each contributing cost element be quantified, only that each of the elements that contribute to the overall cost estimate for each category be identified.

In addition, please provide updated copies of the letter(s) confirming monthly end balances for the "Facility Agreements," identified in your response to RFP section 4.7. The updates must be submitted no later than the 15th of each month for the period July 1 – November 30, 2010.

This additional information, together with GTECH's response to Attachment J, will be used in reviewing GTECH's estimated initial or start-up costs to determine GTECH's ability to finance performance under the Contract. Your complete response, including the additional information requested herein, must be provided to me no later than **4:00 p.m.**

P.O. Box 16630 • Austin, Texas 78761-6630

Phone (512) 344-5000 • FAX (512) 478-3682 • Bingo FAX (512) 344-5142

www.txlottery.org • www.txbingo.org

CST on Friday, August 6, 2010. Your response may be submitted via facsimile to (512) 344-5444 or e-mail to angela.zgarba@lottery.state.tx.us.

If you have any questions, you may contact me at (512) 344-5215. Thank you for your immediate attention to this matter.

Sincerely,

A handwritten signature in black ink, reading "Angela Zgabay-Zgarba". The signature is written in a cursive, flowing style.

Angela Zgabay-Zgarba, CTPM
Contracts Administrator

*** TX REPORT ***

TRANSMISSION OK

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CONNECTION ID	EXECTIVE	
ST. TIME	08/03 16:25	
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PGS. SENT	2	
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Mary Ann Williamson
Chairman

David J. Schenck
Commissioner

J. Winston Krause
Commissioner



TEXAS LOTTERY COMMISSION

Gary Grief, *Executive Director*

Philip D. Sanderson, *Charitable Bingo Operations Director*

August 3, 2010

Joe Lapinski
GTECH Texas
5301 Riata Park Court
Bldg. E, Suite 100
Austin, TX 78727

Via facsimile: 512.339.0405
E-mail: joseph.lapinski@gtech.com
TIME SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services,
RFP #362-10-0001; Start-up Costs Clarification

Dear Mr. Lapinski:

The Texas Lottery Commission (TLC) is reviewing the Proposal submitted by GTECH in response to the referenced RFP, and, pursuant to RFP Section 2.20, requests clarification as set forth below.

1. Attachment J (Start-up Costs) required Proposers to provide the eight (8) categories of start-up costs identified therein. Please state whether these categories include all of the start-up costs that would be required through conversion, and, if not, identify and quantify any additional categories of start-up costs that would be required.
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Zgarba, Angela

From: Zgarba, Angela
Sent: Tuesday, August 03, 2010 4:27 PM
To: Lapinski, Joseph <GTech>
Subject: Lottery Operations & Services RFP 362-10-0001 - Clarification on Start Up Costs
Attachments: Clarification Ltr to GTECH Start up costs 080310.pdf

Mr. Lapinski:

Please see the attached time sensitive clarification letter. Thank you.

Angela Zgabay-Zgarba
Contracts Administrator
Texas Lottery Commission
Ph: 512.344.5215
Fax: 512.344.5058

Zgarba, Angela

From: Lapinski, Joseph [Joseph.Lapinski@GTECH.COM]
Sent: Tuesday, August 03, 2010 4:31 PM
To: Zgarba, Angela
Subject: RE: Lottery Operations & Services RFP 362-10-0001 - Clarification on Start Up Costs

Ms. Zgabay-Zgarba,

I have received the attached letter and will provide a timely response.

Thank you,

Joe

Joe Lapinski
Deputy ADM
GTECH - Texas
Office: (512) 908-4226
Mobile: (512) 740-0199
e-mail: joseph.lapinski@gtech.com

From: Zgarba, Angela [mailto:Angela.Zgarba@lottery.state.tx.us]
Sent: Tuesday, August 03, 2010 4:27 PM
To: Lapinski, Joseph
Subject: Lottery Operations & Services RFP 362-10-0001 - Clarification on Start Up Costs

Mr. Lapinski:

Please see the attached time sensitive clarification letter. Thank you.

Angela Zgabay-Zgarba
Contracts Administrator
Texas Lottery Commission
Ph: 512.344.5215
Fax: 512.344.5058

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Zgarba, Angela

From: Zgarba, Angela
Sent: Wednesday, August 04, 2010 8:38 AM
To: Lapinski, Joseph <GTech>
Subject: RE: Lottery Operations & Services RFP 362-10-0001 - Clarification on Start Up Costs

That is correct.

Angela Zgabay-Zgarba
Contracts Administrator
Texas Lottery Commission
Ph: 512.344.5215
Fax: 512.344.5058

From: Lapinski, Joseph [mailto:Joseph.Lapinski@GTECH.COM]
Sent: Wednesday, August 04, 2010 8:36 AM
To: Zgarba, Angela
Subject: RE: Lottery Operations & Services RFP 362-10-0001 - Clarification on Start Up Costs

Ms. Zgabay-Zgarba,

GTECH's interpretation of the Texas Lottery's request for updated letters confirming monthly end balances for the "Facility Agreements" refers to GTECH's \$500 million credit facility and Lottomatica's 300 million Euro credit facility. Can you confirm that this interpretation is correct?

Thank you,

Joe Lapinski

Joe Lapinski
Deputy ADM
GTECH - Texas
Office: (512) 908-4226
Mobile: (512) 740-0199
e-mail: joseph.lapinski@gtech.com

From: Zgarba, Angela [mailto:Angela.Zgarba@lottery.state.tx.us]
Sent: Tuesday, August 03, 2010 4:27 PM
To: Lapinski, Joseph
Subject: Lottery Operations & Services RFP 362-10-0001 - Clarification on Start Up Costs

Mr. Lapinski:

Please see the attached time sensitive clarification letter. Thank you.

Angela Zgabay-Zgarba
Contracts Administrator
Texas Lottery Commission
Ph: 512.344.5215

Fax: 512.344.5058

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**GTECH®**

Architects of Gaming

5301 Riata Park Court
Building E, Suite 100
Austin, TX 78727
(Office) 512-908-4200
(Fax) 512-339-0405

Facsimile Transmission Cover Sheet

Date: 8/6/2010
To: Angela Zgabay-Zgarba
Co: Texas Lottery Commission
Fax#: 512 344 5444
From: JOE LAPINSKI
Re:
Comments:

RECEIVED
2010 AUG -6 AM 9:12
PURCHASING & CONTRACTS

If you did not receive 3 pages, including this cover sheet, please contact Faith at 512-908-4255.



August 6, 2010

Ms. Angela Zgabay-Zgarba, CTPM
Contracts Administrator
P.O. Box 16630
Austin, Texas 78761-6630

Via facsimile: 512.344.5444
E-mail: angela.zgarba@lottery.state.tx.us
TIME SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services
RFP #362-10-0001; Start-up Costs Clarification

Dear Ms. Zgabay-Zgarba:

In response to your letter dated August 3, 2010, GTECH provides the following:

1. *Attachment J (Start-up Costs) required Proposers to provide the eight (8) categories of start-up costs identified therein. Please state whether these categories include all of the start-up costs that would be required through conversion, and, if not, identify and quantify any additional categories of start-up costs that would be required.*

GTECH Response: GTECH classified and submitted all start-up costs associated with the eight (8) categories provided by the Texas Lottery as required by Attachment J. These eight (8) categories encompass all of the start-up costs through conversion. No additional start-up costs will be required.

2. *For each of the eight (8) categories in Attachment J, please identify each of the cost elements included in the estimated start-up costs; for example, we would want to know whether Lottery Sales Representatives costs include only labor, or whether they also include vehicle and/or laptop expenses. We are not requiring that each contributing cost element be quantified, only that each of the elements that contribute to the overall cost estimate for each category be identified.*

GTECH Response: The following elements are included in the estimated start-up costs for each of the eight categories identified by the Lottery in Attachment J:

1. **Primary and Backup Data Center:** Labor, environmental equipment, hardware, and applicable taxes.
2. **Software Development:** Labor.

GTECH Center

10 Memorial Boulevard Providence, RI 02903

Phone: 401 392 1000

3. **Communications Network:** Labor, equipment, hardware, services, and applicable taxes.
4. **Call Center:** Labor.
5. **Terminal Equipment:** Labor, equipment, hardware, and applicable taxes.
6. **Terminal Installation, Maintenance & Repair:** Labor, equipment, hardware, services, and applicable taxes.
7. **Lottery Sales Representatives:** Labor and equipment.
8. **Corporate Overhead:** Labor.

As requested, GTECH will provide updated copies of the letter(s) confirming monthly end balances for the "Facility Agreement" identified in GTECH's response to RFP Section 4.7, Financial Soundness. The first letter, which will reflect balances as of July 31, 2010, will be submitted no later than August 15, 2010.

If you require any additional information or clarification, please contact me at 512-908-4226, or via email at joseph.lapinski@GTECH.com. Thank you for the opportunity to clarify our response.

Sincerely,



Joe Lapinski
Deputy ADM
GTECH Texas
5301 Riata Park Court,
Bldg. E, Suite 100
Austin, TX 78727



August 6, 2010

Ms. Angela Zgabay-Zgarba, CTPM
Contracts Administrator
P.O. Box 16630
Austin, Texas 78761-6630

Via facsimile: 512.344.5444
E-mail: angela.zgarba@lottery.state.tx.us
TIME SENSITIVE

RE: Request for Proposals (RFP) for Lottery Operations and Services
RFP #362-10-0001; Start-up Costs Clarification

Dear Ms. Zgabay-Zgarba:

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1. **Primary and Backup Data Center:** Labor, environmental equipment, hardware, and applicable taxes.
2. **Software Development:** Labor.

3. **Communications Network:** Labor, equipment, hardware, services, and applicable taxes.
4. **Call Center:** Labor.
5. **Terminal Equipment:** Labor, equipment, hardware, and applicable taxes.
6. **Terminal Installation, Maintenance & Repair:** Labor, equipment, hardware, services, and applicable taxes.
7. **Lottery Sales Representatives:** Labor and equipment.
8. **Corporate Overhead:** Labor.

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If you require any additional information or clarification, please contact me at 512-908-4226, or via email at joseph.lapinski@GTECH.com. Thank you for the opportunity to clarify our response.

Sincerely,



Joe Lapinski
Deputy ADM
GTECH Texas
5301 Riata Park Court,
Bldg. E, Suite 100
Austin, TX 78727