



AMENDMENT NO. 2
to the
CONTRACT FOR LOTTERY OPERATIONS AND SERVICES
between the
TEXAS LOTTERY COMMISSION
and
GTECH CORPORATION

WHEREAS, the Texas Lottery Commission (the "Commission" or "Texas Lottery") and GTECH Corporation ("GTECH") (collectively, "the Parties") entered into a contract for Lottery Operations and Services with an effective date of December 14, 2010 (the "Contract");

WHEREAS, Section 3.4 of the Contract states the Contract may be amended only by a written agreement signed by both Parties, and only written agreements signed by the Executive Director of the Texas Lottery shall be binding on the Texas Lottery, and only written agreements signed by an officer of GTECH shall be binding on GTECH; and

WHEREAS, the Parties desire to amend the Contract to allow the Texas Lottery, in its sole discretion, to accept goods/services offered by GTECH in lieu of, or to offset such goods/services against, Contract sanctions and liquidated damages assessed against GTECH, provided the goods/services are equal to or greater than the value of the sanctions/liquidated damages.

NOW, THEREFORE, pursuant to Section 3.4 of the Contract, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Contract as follows:

1. Section 3.60.2 is replaced in its entirety with the following:

Assessment of Sanctions. Once the Texas Lottery has determined that sanctions are to be assessed, the Executive Director or Executive Director's designee may notify GTECH of the assessment(s). Failure or delay in notifying does not impact the Texas Lottery's assessment of sanctions and providing notice is not a condition precedent thereto. The Texas Lottery will withhold sanctions from payments to GTECH, or, if no payments are to be made, the Texas Lottery will make demand of payment of sanctions. GTECH must make payment within ten (10) Days of the Texas Lottery's demand. In the event GTECH fails to pay within the ten (10) Day period, the Texas Lottery may make a claim for payment against the performance bond under Section 3.36, with or without notice to GTECH.

For any assessment, GTECH may offer the Texas Lottery goods or services in lieu of, or to offset against, the assessment. GTECH must provide a complete description of all proposed goods or services, together with supporting documentation to verify the value of the goods or services. The Texas Lottery, in its sole discretion, will decide whether to accept any goods or services offered or to withhold sanctions from payments to GTECH. Should the Texas Lottery reject the goods or services offered, or if the value of the goods or services offered is less than the sanction assessment, the Texas Lottery will withhold sanctions from payments to GTECH or make demand of payment of sanctions as described above.

2. Section 3.61.3 is replaced in its entirety with the following:

Liquidated Damages Assessment. Once the Texas Lottery has determined that liquidated damages are to be assessed, the Executive Director or Executive Director's designee may notify GTECH of the assessment(s). Failure to notify does not impact the Texas Lottery's assessment of damage and is not a condition precedent thereto. The Texas Lottery will withhold liquidated damages from payments to GTECH, or, if no payments have been made, the Texas Lottery will make demand of payment of liquidated damages. GTECH must make payment within ten (10) Days of the Texas Lottery's demand. In the event GTECH fails to pay within the ten (10) Day period, the Texas Lottery may then make a claim for payment against the performance bond with or without notice to GTECH.

For any assessment, GTECH may offer the Texas Lottery goods or services in lieu of, or to offset against, the assessment. GTECH must provide a complete description of all proposed goods or services, together with supporting documentation to verify the value of the goods or services. The Texas Lottery, in its sole discretion, will decide whether to accept any goods or services offered or to withhold liquidated damages from payments to GTECH. Should the Texas Lottery reject the goods or services offered, or if the value of the goods or services offered is less than the liquidated damages assessment, the Texas Lottery will withhold liquidated damages from payments to GTECH or make demand of payment of liquidated damages as described above.

3. Except as amended hereby, all of the terms of the Contract remain in full force and effect. All capitalized terms not specifically defined herein shall have the meaning assigned to such terms in the Contract.
4. This Amendment shall be effective upon execution by both Parties and shall apply to all sanctions and liquidated damages assessments pending as of the effective date of this Amendment and any additional sanctions and damages assessments throughout the Contract term.

TEXAS LOTTERY COMMISSION

By: _____

Gary Grief
GARY GRIEF
EXECUTIVE DIRECTOR

(Date)

1/30/12

GTECH CORPORATION

By: _____

Alan Eland
(Signature)

Alan Eland
(Printed Name)

Sr. VP + COO
(Title)

1-25-12
(Date)