



July 29, 2022

Ms Angela Zgabay-Zgarba
Contracts & Facilities Manager
Texas Lottery Commission
611 East 6th Street
Austin, TX 78701

Re: Request for Proposals for Scratch Ticket Manufacturing and Services for the Texas Lottery Commission (RFP No. 362-2022-0005), Cost Proposal

Dear Ms Zgabay-Zgarba,

Pollard Banknote's has revised the prices in Attachment H Cost Proposal as part of the response to the Texas Lottery's First Request for Negotiation regarding its RFP for Instant Ticket Printing.

We look forward to continuing to build our partnership with the Texas Lottery. Brad Thompson, Vice President, Sales & Marketing, would be pleased to answer any questions pertaining to our pricing submission and/or the balance of our response. His contact information is as follows:

Brad Thompson, Vice President, Sales & Marketing
Tel: 204.474.2323 extension 343
Email: bthompson@pbl.ca

Sincerely,

POLLARD BANKNOTE LIMITED

Doug Pollard
Co-Chief Executive Officer



ATTACHMENT H COST PROPOSAL

Pollard Banknote Limited

Proposer's Name

NOTE TO ALL PROPOSERS: THE COST PROPOSAL MUST BE SUBMITTED IN A SEPARATE AND LABELED SEALED ENVELOPE AND ATTACHED TO THE ORIGINAL PROPOSAL. PROPOSERS SHOULD ONLY SUBMIT ONE ORIGINAL OF THE COST PROPOSAL (NO COPIES ARE REQUIRED). IN ADDITION, PROPOSERS MUST SUBMIT THE COST PROPOSAL ON USB DRIVE IN THE SEALED ENVELOPE.

PROPOSERS MUST COMPLETE ALL SECTIONS OF THE COST PROPOSAL, INCLUDING TABLES 1, 2, AND 3 BELOW.

PAYMENT WILL BE BASED ON COST PER THOUSAND TICKETS MANUFACTURED, UNLESS OTHERWISE SPECIFIED.

OPTIONS

If the services represented in the Proposal are not clearly indicated as Specified, Invited or Offered Options, the cost for such services is included in the Base Price.

Offering a required item as an option may be cause for rejection of the Proposal.

EVALUATION OF THE COST PROPOSAL

For purposes of evaluation and comparison, all cost cells for the Base Price and the following five (5) Specified Options (Full UV Coating, Metallic Ink, Fluorescent Ink, Holographic Paper Stock and Foil Paper Stock) will be evaluated. While all cost cells will be evaluated, some may have greater weight.

COMMON PRICE

The Texas Lottery's objective is to maximize revenue to the State of Texas through the selection of industry best games and those consistent with the Texas Lottery's current product mix and scratch ticket strategy. The Texas Lottery evaluates games based on a variety of criteria including, but not limited to, sales performance, ticket theme, play style, planned start date and overall fit within the overall scratch ticket game portfolio and budget authority. Using these criteria and others, the Texas Lottery also includes branded, proprietary or licensed games which it believes present the best opportunity for maximizing ticket sales and generating revenue for the State.

In working toward its objective to maximize revenue to the State of Texas through the selection of industry best games and those consistent with the Texas Lottery's current product mix and scratch ticket strategy, the Texas Lottery believes that utilizing multiple vendors for scratch ticket



manufacturing and services promotes competition, optimizes vendor performance and enhances business resumption capabilities.

The Texas Lottery desires to select multiple Successful Proposers that demonstrate superior technical quality and service and that offer competitive pricing.

The Texas Lottery, through negotiations with all Apparent Successful Proposers, desires to establish common prices for the goods/services included in the Base Price and five (5) specified options (Full UV Coating, Metallic Ink, Fluorescent Ink, Holographic Paper Stock and Foil Paper Stock).

As an incentive to accept the common prices established by the Texas Lottery and at the agency's sole discretion, Successful Proposers may be offered an opportunity to produce a comparable number of games for a set period (as determined by the Texas Lottery in its sole discretion) following Contract Award. The Texas Lottery, in its sole discretion, will determine the quantity and volume of ticket production awarded to each Successful Proposer and expressly reserves the right to decrease or increase game orders consistent with the considerations in sections 1.1.7 and 1.1.8, together with other factors including, but not limited to, technical quality and customer service; however, the Texas Lottery does not intend to establish comparability by price point, ticket size, price quantities and other similar factors.

BASE PRICE

Each Proposer should complete the following matrix utilizing cost per thousand tickets and provide pricing information for each quantity and actual ticket size printed on the identified ticket stock. Prices must be proposed to two (2) decimal places (example: \$6.60/thousand). Base Price includes any and all requirements (including inks up to ten (10) colors projected to be five (5) front display colors, with one (1) display color being a full bleed, one (1) back color, three (3) overprint colors and one (1) ultraviolet ink for benday patterns), goods and services described in this RFP that are not Invited, Offered or Specified Options as referenced in this RFP. Specifically, Base Price shall include insertion of pack inserts in each pack, four color processing, expanded imaging and any additional spot colors required to produce the game tickets as represented in the executed working papers.

NOTE: Use the format provided on the attached Table 1 for your response and see RFP Section 2.10 for additional instructions.

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION

Pollard Banknote has read, understands and accepts all of the information that the Lottery has provided in this section of the RFP.



In our Cost Proposal, we have provided the price per thousand tickets in the three (3) tables below, labeled 1A, 1B, 1C, based on the specifications required as noted immediately above, with the following additional details provided to the Lottery for clarity:

- Art work and design document (Game Specifications/Working Papers) development by Pollard Banknote;
- Prize structure consultation and game software development;
- Delivery tolerance of +/-2% from quantity ordered;
- 10-point virgin/recyclable-paper stock coated two (2) sides;
- Fan folded, insertion of one POS card and shrink-wrapped packs, finished in pack sizes as indicated in the price table below;
- Cartoned in industry standard cartons;
- External audit per game;
- Secure delivery to warehouse located within the State;
- Supply approximately one thousand (1,000) voided, non-winning tickets samples delivered in full pack quantities of actual size tickets for each game;
- Additional 500 Pack Inserts delivered two weeks prior to ticket delivery;
- Additional sizes and ticket quantities are available upon request; and
- Additional ticket features are available under Pollard Banknote's Offered Options, as detailed below.

Pollard Banknote confirms that we have used the format provided and we complied with all details contained in RFP Section 2.10.

Pollard Banknote confirms that all intermediate quantities will be determined by interpolation.



This page intentionally left blank.



Table 1A - 10 Point Virgin/Recyclable-Coated Two Sides

Ticket Size Pack Size	A 2.4" x 4"			B 3" x 4"			C 4" x 4"			D 6" x 4"			E 8" x 4"		
	150	100		150	125		150	125		150	125		125	75	50
20,000	\$176.75	\$177.09		\$179.11	\$179.24		\$183.03	\$183.17		\$183.37	\$191.02		\$198.87	\$199.40	\$200.07
120,000	\$93.42	\$93.75		\$95.78	\$95.91		\$99.70	\$99.83		\$100.03	\$107.68		\$115.53	\$116.07	\$116.73
240,000	\$65.64	\$65.98		\$68.00	\$68.13		\$71.92	\$72.06		\$72.26	\$79.91		\$87.76	\$88.29	\$88.96
360,000	\$51.75	\$52.09		\$54.11	\$54.24		\$58.03	\$58.17		\$58.37	\$66.02		\$73.87	\$74.40	\$75.07
480,000	\$43.42	\$43.75		\$45.78	\$45.91		\$49.70	\$49.83		\$50.03	\$57.68		\$65.53	\$66.07	\$66.73
600,000	\$37.86	\$38.20		\$40.22	\$40.35		\$44.14	\$44.28		\$44.48	\$52.13		\$59.98	\$60.51	\$61.18
720,000	\$33.90	\$34.23		\$36.25	\$36.38		\$40.18	\$40.31		\$40.51	\$48.16		\$56.01	\$56.54	\$57.21
840,000	\$30.92	\$31.25		\$33.28	\$33.41		\$37.20	\$37.33		\$37.53	\$45.18		\$53.03	\$53.57	\$54.23
1,000,000	\$30.09	\$30.42		\$32.44	\$32.58		\$36.37	\$36.50		\$36.70	\$44.35		\$52.20	\$52.73	\$53.40
2,000,000	\$20.09	\$20.42		\$22.44	\$22.58		\$26.37	\$26.50		\$26.70	\$34.35		\$42.20	\$42.73	\$43.40
3,000,000	\$16.75	\$17.09		\$19.11	\$19.24		\$23.03	\$23.17		\$23.37	\$31.02		\$38.87	\$39.40	\$40.07
4,000,000	\$15.09	\$15.42		\$17.44	\$17.58		\$21.37	\$21.50		\$21.70	\$29.35		\$37.20	\$37.73	\$38.40
5,000,000	\$14.09	\$14.42		\$16.44	\$16.58		\$20.37	\$20.50		\$20.70	\$28.55		\$36.31	\$36.84	\$37.50
6,000,000	\$13.42	\$13.75		\$15.78	\$15.91		\$19.70	\$19.83		\$20.03	\$27.88		\$35.53	\$36.06	\$36.73
7,000,000	\$12.94	\$13.28		\$15.30	\$15.43		\$19.22	\$19.35		\$19.56	\$27.41		\$34.70	\$35.23	\$35.90
8,000,000	\$12.59	\$12.92		\$14.94	\$15.08		\$18.87	\$19.00		\$19.20	\$27.05		\$34.42	\$34.95	\$35.62
9,000,000	\$12.37	\$12.64		\$14.66	\$14.80		\$18.59	\$18.72		\$19.02	\$26.77		\$34.20	\$34.73	\$35.40
10,000,000	\$13.09	\$12.42		\$14.44	\$14.58		\$18.37	\$18.50		\$18.82	\$26.55		\$33.87	\$34.40	\$35.07
12,000,000	\$12.51	\$12.09		\$14.11	\$14.24		\$18.03	\$18.16		\$18.37	\$26.22		\$33.53	\$34.06	\$34.73
15,000,000	\$11.83	\$11.75		\$14.01	\$13.91		\$17.70	\$17.83		\$18.03	\$25.88		\$33.20	\$33.73	\$34.40
20,000,000	\$11.28	\$11.42		\$13.42	\$13.58		\$17.37	\$17.53		\$17.70	\$25.55		\$32.87	\$33.40	\$34.07
30,000,000	\$10.61	\$11.09		\$13.11	\$13.24		\$17.03	\$17.16		\$17.37	\$25.22		\$32.60	\$33.13	\$33.80
50,000,000	\$10.30	\$10.82		\$12.84	\$12.98		\$16.77	\$16.91		\$17.10	\$24.95		\$32.47	\$33.00	\$33.67
75,000,000	\$10.35	\$10.69		\$12.71	\$12.84		\$16.63	\$16.77		\$16.97	\$24.82		\$32.40	\$32.93	\$33.60
100,000,000	\$10.29	\$10.62		\$12.64	\$12.78		\$16.57	\$16.70		\$16.90	\$24.75		\$32.40	\$32.93	\$33.60

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION



Exhibit D - REVISED Cost Proposal - August 2022

Table 1B - 10 Point Virgin/Recyclable-Coated Two Sides

Ticket Size	E 10" x 4"				G 12" x 4"				H 14" x 4"						
	75	50	25	20	75	50	25	20	15	10	50	25	20	15	10
Pack Size															
1,000,000	\$60.58	\$61.25	\$63.25	\$64.25	\$68.43	\$69.10	\$71.10	\$72.10	\$73.77	\$77.10	\$76.95	\$78.95	\$79.95	\$81.62	\$84.95
2,000,000	\$50.58	\$51.25	\$53.25	\$54.25	\$58.43	\$59.10	\$61.10	\$62.10	\$63.77	\$67.10	\$66.95	\$68.95	\$69.95	\$71.62	\$74.95
3,000,000	\$47.25	\$47.92	\$49.92	\$50.92	\$55.10	\$55.77	\$57.77	\$58.77	\$60.43	\$63.77	\$63.62	\$65.62	\$66.62	\$68.28	\$71.62
4,000,000	\$45.58	\$46.25	\$48.25	\$49.25	\$53.43	\$54.10	\$56.10	\$58.06	\$58.77	\$62.10	\$61.95	\$63.95	\$64.95	\$66.62	\$69.95
5,000,000	\$44.58	\$45.25	\$47.25	\$48.25	\$52.43	\$53.10	\$55.10	\$56.64	\$57.77	\$61.10	\$60.95	\$62.95	\$63.95	\$65.62	\$68.95
6,000,000	\$43.92	\$43.66	\$45.59	\$47.58	\$51.77	\$52.43	\$54.43	\$56.62	\$57.10	\$60.43	\$60.28	\$62.28	\$63.28	\$64.95	\$68.28
7,000,000	\$41.39	\$44.11	\$44.77	\$47.11	\$51.29	\$51.96	\$53.96	\$55.85	\$56.62	\$59.96	\$59.81	\$61.81	\$62.81	\$64.47	\$67.81
8,000,000	\$43.08	\$42.02	\$43.95	\$46.75	\$50.93	\$51.60	\$53.60	\$54.75	\$56.27	\$59.60	\$59.45	\$61.45	\$62.45	\$64.12	\$67.45
9,000,000	\$42.81	\$41.37	\$43.31	\$46.47	\$50.66	\$51.32	\$50.70	\$54.11	\$55.99	\$59.32	\$59.17	\$61.17	\$62.17	\$63.84	\$67.17
10,000,000	\$42.58	\$41.06	\$43.00	\$46.25	\$50.43	\$51.10	\$50.43	\$53.84	\$57.45	\$59.10	\$58.95	\$60.95	\$61.95	\$63.62	\$66.95
12,000,000	\$42.25	\$40.69	\$42.64	\$45.92	\$50.10	\$50.77	\$49.92	\$53.41	\$57.02	\$58.77	\$58.62	\$60.62	\$61.62	\$63.28	\$66.62
15,000,000	\$41.92	\$39.90	\$43.23	\$45.58	\$49.77	\$50.43	\$49.10	\$53.43	\$56.16	\$58.43	\$58.28	\$60.28	\$61.28	\$62.95	\$66.28
20,000,000	\$41.58	\$39.03	\$42.46	\$45.25	\$49.43	\$50.10	\$48.32	\$53.10	\$55.35	\$58.10	\$57.95	\$59.95	\$60.95	\$62.62	\$65.95
30,000,000	\$41.25	\$38.59	\$43.92	\$44.92	\$49.10	\$46.76	\$47.84	\$52.77	\$54.43	\$57.77	\$57.62	\$59.62	\$60.62	\$62.28	\$65.62
50,000,000	\$36.70	\$41.65	\$43.65	\$44.65	\$48.83	\$46.33	\$51.50	\$52.50	\$54.17	\$57.50	\$57.35	\$59.35	\$60.35	\$62.02	\$65.35
75,000,000	\$36.53	\$41.52	\$43.52	\$44.52	\$48.70	\$49.37	\$51.37	\$52.37	\$54.03	\$57.37	\$57.22	\$59.22	\$60.22	\$61.88	\$65.22
100,000,000	\$40.78	\$41.45	\$43.45	\$44.45	\$48.63	\$49.30	\$51.30	\$52.30	\$53.97	\$57.30	\$57.15	\$59.15	\$60.15	\$61.82	\$65.15

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION



Table 1C - 10 Point Virgin/Recyclable-Coated Two Sides

Ticket Size Pack Size	I 6" x 8"			J 8" x 8"			K 12" x 8"			L 12" x 12"		
	75	50	25	75	50	25	50	25	20	10	25	20
1,000,000	\$68.43	\$69.10	\$71.10	\$84.13	\$84.80	\$86.80	\$116.20	\$118.20	\$119.20	\$124.20	\$163.30	\$166.30
2,000,000	\$58.43	\$59.10	\$61.10	\$74.13	\$74.80	\$76.80	\$106.20	\$108.20	\$109.20	\$114.20	\$153.30	\$156.30
3,000,000	\$55.10	\$55.77	\$57.77	\$70.80	\$71.47	\$73.47	\$102.87	\$104.87	\$105.87	\$110.87	\$149.97	\$152.97
4,000,000	\$53.43	\$54.10	\$56.10	\$69.13	\$69.80	\$71.80	\$101.20	\$103.20	\$104.20	\$109.20	\$148.30	\$151.30
5,000,000	\$52.43	\$53.10	\$55.10	\$68.13	\$68.80	\$70.80	\$100.20	\$102.20	\$103.20	\$108.20	\$147.30	\$150.30
6,000,000	\$51.77	\$52.43	\$54.43	\$67.47	\$68.13	\$70.13	\$97.38	\$101.53	\$102.53	\$107.53	\$146.63	\$149.63
7,000,000	\$51.29	\$51.96	\$53.96	\$66.99	\$67.66	\$69.66	\$99.06	\$101.06	\$102.06	\$107.06	\$146.16	\$149.16
8,000,000	\$50.93	\$51.60	\$53.60	\$66.63	\$67.30	\$69.30	\$95.48	\$100.70	\$101.70	\$106.70	\$145.80	\$148.80
9,000,000	\$50.66	\$51.32	\$53.32	\$66.36	\$67.02	\$69.02	\$98.42	\$100.42	\$101.42	\$106.42	\$145.52	\$148.52
10,000,000	\$50.43	\$51.10	\$53.10	\$66.13	\$66.80	\$68.80	\$98.20	\$100.20	\$101.20	\$106.20	\$145.30	\$148.30
12,000,000	\$50.10	\$50.77	\$52.77	\$65.80	\$66.47	\$68.47	\$97.87	\$99.87	\$100.87	\$105.87	\$144.97	\$147.97
15,000,000	\$49.77	\$50.43	\$52.43	\$65.47	\$66.13	\$68.13	\$97.53	\$99.53	\$100.53	\$105.53	\$144.63	\$147.63
20,000,000	\$49.43	\$50.10	\$52.10	\$65.13	\$65.80	\$67.80	\$97.20	\$99.20	\$100.20	\$105.20	\$144.30	\$147.30
30,000,000	\$49.10	\$49.77	\$51.77	\$64.80	\$65.47	\$67.47	\$96.87	\$98.87	\$99.87	\$104.87	\$143.97	\$146.97
50,000,000	\$48.83	\$49.50	\$51.50	\$64.53	\$65.20	\$67.20	\$96.60	\$98.60	\$99.60	\$104.60	\$143.70	\$146.70
75,000,000	\$48.70	\$49.37	\$51.37	\$64.40	\$65.07	\$67.07	\$96.47	\$98.47	\$99.47	\$104.47	\$143.57	\$146.57
100,000,000	\$48.63	\$49.30	\$51.30	\$64.33	\$65.00	\$67.00	\$96.40	\$98.40	\$99.40	\$104.40	\$143.50	\$146.50

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION

This page intentionally left blank.



In addition, Proposers shall show the cost breakdown of the following line items that are included in the base costs.

1. 4 color processing \$ 0.02 per square inch
2. Expanded imaging \$ No Cost
3. Additional spot colors \$ No Cost
4. Includes pack inserts in each pack
 - a) Price Per Pack for insertion
 - i. 4" x 4" size \$ 0.01 per pack
 - ii. 4" x 8" size \$ 0.01 per pack
 - iii. 4" x 12" size \$ 0.01 per pack
 - b) Price Per Pack for printing of pack insert (4CP printing, 10pt card)
 - i. 4" x 4" size \$ 0.02 per pack
 - ii. 4" x 8" size \$ 0.02 per pack
 - iii. 4" x 12" size \$ 0.02 per pack



This page intentionally left blank.



Specified Options

Prospective Proposers are required to submit specifications and pricing for the following options.

Each Proposer should indicate the additional cost per thousand (1,000) tickets for the options listed below.

Specified Options to be negotiated to establish a common price:

1. Cost per thousand tickets for any reduction for colors less than ten (10)
Price decrease per color \$0.05, per 1,000 tickets
2. Cost per thousand tickets for fluorescent inks (other than required by fluorescent benday)
Per color per square inch Add \$0.07 per square inch per color
3. Cost per thousand tickets for metallic inks
Per color per square inch Add \$0.07 per square inch per color
4. Cost per thousand tickets for dual color game data imaging
Per color per square inch Add \$0.29 square inch per color
5. Cost per thousand tickets for multiple scenes or continuous scene game
Add \$0.17, per 1,000 tickets per each additional scene
6. Cost per thousand tickets for color pulsing - color changes within a press run
Per color pulse Add \$0.47 per color pulse
7. Cost per thousand tickets for full ultraviolet coating in display area
Per color per square inch Add \$0.06 per square inch
8. Cost per thousand tickets for marking process other than full opaque security coating covering
Per square inch Add \$0.07 per square inch per color
9. Cost for cylinder or plate change before or during production
Add \$1,800 per cylinder change or plate change that results in a press stoppage
10. Cost per thousand tickets difference for multiple games across the web
Deduct \$2,100 lump sum for each additional game printed across the web



11. Test Games

Hourly rate for software programming test games Add \$180 per hour.

12. Cost per thousand tickets for holographic ticket stock

Per square inch Add \$1.75 per square inch of ticket

13. Cost per thousand tickets for foil ticket stock

Per square inch Add \$0.40 per square inch of ticket

14. Hole drilling

Per 1,000 tickets Add \$315 per 1,000 tickets

15. Cost for additional pack inserts bundled in packs of 100.

Add \$270 per 1,000 additional pack inserts

16. Cost for special stock pack inserts

4.00" x 4.00" size

Foil – Add \$97.00 per 1,000 inserts

Holographic – Add \$174.60 per 1,000 inserts

4.00" x 8.00" size

Foil – Add \$155.20 per 1,000 inserts

Holographic – Add \$271.60 per 1,000 inserts

4.00" x 12.00" size

Foil – Add \$194.00 per 1,000 inserts

Holographic – Add \$455.90 per 1,000 inserts



Branded, Proprietary and Licensed Games With Experiential and/or Merchandise Prizes, and Successful Proposer-Sponsored Promotions Or Contests (See RFP Section 8.33.4)

Provide pricing tables for Branded, Proprietary and Licensed games with experiential and/or merchandise prizes. Also provide this same information for Successful Proposer-sponsored promotions or contests.

Pollard Banknote has provided three price options for Branded, Proprietary and Licensed games with experiential and/or merchandise prizes. Options are as follow:

Option 1 – The Lottery allocates a percentage of the prize fund for merchandise supplied by Pollard Banknote. Prices have been provided excluding cost of printing (Option 1A Standard) and including the cost of printing (Option 1B Standard). Rates are indicated in the table below.

Option 2 – The Lottery pays for the license by allocating a percentage of actual sales to be paid as a royalty fee. Prices have been provided excluding cost of printing (Option 2A Standard) and including the cost of printing (Option 2B Standard). Rates are contained in the table below.

Option 3 Premium – The Lottery pays for the license by allocating a percentage of actual sales to be paid as a royalty fee and an allocated percentage of the prize fund for merchandise supplied by Pollard Banknote.

Please note that pricing for **Option 1B Standard**, **Option 2B Standard** and **Option 3 Premium** in the table below are based on the Base Price Specifications and ticket sizes as specified in **Table 1A**, **Table 1B** or **Table 1C**, excluding any Specified, Invited and Offered Options.

Exclusive Licensed Properties Pricing

Licensed Properties	Option 1A Standard	Option 1B Standard	Option 2A Standard	Option 2B Standard	Option 3 Premium
	Not Including Printing Costs	Including Printing Costs	Not Including Printing Costs	Including Printing Costs	Including Printing Costs
Tetris®	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund



Licensed Properties	Option 1A Standard	Option 1B Standard	Option 2A Standard	Option 2B Standard	Option 3 Premium
	Not Including Printing Costs	Including Printing Costs	Not Including Printing Costs	Including Printing Costs	Including Printing Costs
Frogger	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
PAC-MAN®	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
Ms.PAC-MAN®	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
Corvette® Stingray™	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
Chevrolet® Silverado®	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund



Licensed Properties	Option 1A Standard	Option 1B Standard	Option 2A Standard	Option 2B Standard	Option 3 Premium
	Not Including Printing Costs	Including Printing Costs	Not Including Printing Costs	Including Printing Costs	Including Printing Costs
Galaga™	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
Dig Dug™	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
Atari® (Centipede, Missile Command, Pong, Tempest)	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
America's Got Talent	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
Jaws™	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund



Licensed Properties	Option 1A Standard	Option 1B Standard	Option 2A Standard	Option 2B Standard	Option 3 Premium
	Not Including Printing Costs	Including Printing Costs	Not Including Printing Costs	Including Printing Costs	Including Printing Costs
Universal Monsters™	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
Hot Stuff™	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund
Hold'em Poker	4%-6% merchandise allocation as a % of prize fund	6%-8% merchandise allocation as a % of prize fund	1.5% of sales	2.35% of sales	2.35% of sales and 4% merchandise allocation as a % of prize fund

Should the Texas Lottery choose to exercise the Specified Option for an Automated Scratch Sales Solution, mutually agreed upon pricing adjustments would be made to **Option 1B Standard**, **Option 2B Standard** and **Option 3 Premium** in the table above. This is to account for the cost difference between the Base Price Specifications in **Table 1** and the pricing provided in **Table 2** and **Table 3** which is inclusive of the Automated Scratch Sales Solution.

Licensed Properties Volume Discount

If Texas Lottery orders two Pollard Banknote licensed games in any given contract year, Pollard Banknote will provide a 50% price reduction for a third licensed game fee. For games to qualify for this discount, all three games must be signed-off in a single contract year.



Non-Licensed Games with Experiential and/or Merchandise Prizes, And Successful Proposer-Sponsored Promotions Or Contests (See RFP Section 8.33.5)

Provide any known non-licensed game concepts with experiential and/or merchandise prizes. Also provide this same information for Successful Proposer-sponsored promotions or contests.

The Texas Lottery can leverage the strong relationships that Pollard Banknote has fostered with various experiential fulfillment partners to offer its players customized, once-in-a-lifetime experiences. Our partners can offer a range of package themes that will excite a broad range of lottery players, from exclusive celebrity weekends and concerts at unique locations, to unforgettable all-inclusive getaways. Prices to be negotiated based on final specifications.

Internet Entry Promotional Second-Chance Drawings (See RFP Section 8.33.2)

The following fees will apply to Internet Entry Promotional Second-Chance Drawings:

- a. For branded or licensed property games produced by the Successful Proposer where the Texas Lottery pays the Successful Proposer directly as promotional second-chance drawing merchandise prizes are claimed (also known as the merchandise model and/or hybrid models which include experiential/merchandise allocations), the Successful Proposer waives all costs to set up, monitor and support the draw system and all drawing costs.
- b. For promotional second-chance drawing services for all other scratch ticket games (including, but not limited to, games that do not use the merchandise model, games produced by other Texas Lottery vendors, etc.), the Texas Lottery agrees to pay the Successful Proposer \$46,200 per game to set up, monitor and support the draw system (including all costs for the first promotional second-chance drawing in the game), plus an additional \$13,200 for the remaining drawings in the game.



Automated Scratch Sales Solution (See RFP Section 8.33.6)

Automated Scratch Sales Solution – Long-term Pricing Option (pricing in effect for 9/1/2024 – 8/31/2034)

Proposers shall provide pricing that covers the implementation and deployment of the Automated Scratch Sales Solution, or the Credit, for the Four-Year Period. A separate Base Price cost (including Automated Scratch Sales Solution or Credit) spreadsheet (Table 2) must be provided for the Automated Scratch Sales Solution Long-term Pricing Specified Option.

These cost cells shall include the Base Price plus pricing for the Automated Scratch Sales Solution of three thousand (3,000) units, or the Credit, and shall be utilized through the period of the Contract term that covers Scratch Ticket Manufacturing and Services from 9/1/2024 to 8/31/2034. Pricing shall include all costs to implement the Automated Scratch Sales Solution, including but not limited to, hardware, software, smart dispensers and ongoing maintenance.

Pollard Banknote understands and accepts this information.

In Table 2, we have provided pricing related to the Automated Scratch Sales Solution Long-term Pricing Specified Option which includes the Base Price plus pricing for the Automated Scratch Sales Solution of three thousand (3,000) units, and shall be utilized through the period of the Contract term that covers Scratch Ticket Manufacturing and Services from 9/1/2024 to 8/31/2034. The pricing includes all costs to implement the Automated Scratch Sales Solution, including but not limited to, hardware, software, smart dispensers and ongoing maintenance.

~~Automated Scratch Sales Solution – Short term Pricing Option (pricing in effect for 9/1/2024 – 8/31/2026)~~

~~Proposers shall provide pricing that covers the implementation and deployment of the Automated Scratch Sales Solution, or the Credit, for the Four-Year Period. A separate Base Price cost (including Automated Scratch Sales Solution or Credit) spreadsheet (Table 3) must be provided for the Automated Scratch Sales Solution Short term Pricing Specified Option. Effective September 1, 2026 pricing for all scratch ticket manufacturing and services will revert to the Base Price (Table 1).~~

~~These cost cells shall include the Base Price plus pricing for the Automated Sales Solution of three thousand (3,000) units, or the Credit, and shall be utilized through the period of the Contract term that covers Scratch Ticket Manufacturing and Services from 9/1/2024 to 8/31/2026. Pricing shall include all costs to implement the Automated Scratch Sales Solution, including but not limited to, hardware, software, smart dispensers and ongoing maintenance.~~

Not applicable as indicated by TLC through the negotiation process.

**Credit In Lieu Of Automated Scratch Sales Solution**

Proposers shall indicate by checking this item if they are electing to provide the Credit in lieu of proposing an Automated Scratch Sales Solution. The Credit will be based on the formula described in RFP Section 8.33.6 (7). If the Credit is selected, then the Pricing per Unit Cost requested below is not applicable; however, the value of the Credit shall be included in Table 2 and Table 3 for the Long-Term Pricing Option and Short-Term Pricing Option. If a Proposer provides an Automated Scratch Sales Solution, this section can be marked not applicable (n/a).

Pollard Banknote is providing the Automated Scratch Sales Solution; therefore a credit is not applicable.

easyVEND™ In-Lane ITVM

For the Texas Lottery's Automated Scratch Sales Solution, we propose our easyVEND™ In-Lane ITVM. easyVEND™ In-Lane ITVM, Pollard Banknote's propriety product, is designed to facilitate the addition of traditional scratch tickets to a consumer's existing transaction while purchasing a basket of goods within a multi-lane retail environment, in a way that is both secure and convenient. Our easyVEND™ solution is composed of an eye-catching menu board located conveniently in the checkout lane along with a co-located secure dispenser unit in which pre-activated tickets are stored/vended. The solution is powered by our In-Lane Activation Platform (ILAP). Please see **8.33.6 Automated Scratch Sales Solution** of our Technical Proposal for more detailed information.

Automated Scratch Sales Solution Specifications:

As the Automated Scratch Sales Solution is less defined in the RFP than other requirements, Pollard Banknote would like to take the opportunity to include some of our key assumptions that are embedded in the pricing provided:

1. The Automated Scratch Sales Solution will be substantively as proposed in our response to **8.33.6** with no major changes to the specifications included in the prototype. The Automated Scratch Sales Solution includes:
 - a. Menu Board with four facings for instant tickets, showcased using 4"X6" paper display cards
 - b. Menu Board can also contain two draw-based games facings (displayed via our jackpot Communicator) and j-hooks for displaying QUICKTICKET™ type products if desired by the Lottery
 - c. 4 dispensing drawers and Controller Module



2. The above-noted paper display cards will be provided by the vendors of the tickets to be showcased. Costs for these display cards are not included.
3. Each site where the Automated Scratch Sales Solution will be deployed will require a Lottery terminal to be provided. Any related costs are not included in our price proposal.
4. Our price proposal for the Automated Scratch Sales Solution assumes that Pollard Banknote will receive 1/3 of the scratch ticket game volume Texas Lottery prints in any given year.
5. Pollard Banknote has assumed there will be an average of 3 machines per site, therefore 1,000 sites, once full deployment has been completed.
6. Pollard Banknote has assumed that deployment of the 3,000 machines will be geographically concentrated in major metropolitan areas.
7. Deployment sites must be prepared with appropriate power and data lines thereby ensuring connectivity readiness. More specifically, each site will require a power circuit with a minimum of 2 AMPS dedicated to each easyVEND™ unit and will be required to plug into the network via a category 5 cable.
8. If sites are not prepared, Pollard Banknote will reschedule the installation on a schedule that is mutually convenient between Pollard Banknote and the retail location.
9. Pollard Banknote has assumed 12 years of servicing requirements in our price proposal.
10. While Pollard Banknote Technical Services department will provide deployment and ongoing service support, the team will remain focused on easyVEND™ equipment and related systems. Day-to-day operations including pack activation, restocking of scratch tickets in the easyVEND™ bins and menu board display updates will be the responsibility of the retailers and/or the Lottery.



TABLE 2

AUTOMATED SCRATCH SALES SOLUTION - LONG-TERM PRICING OPTION (pricing in effect for 9/1/2024 – 8/31/2034)

Table 2A - 10 Point Virgin/Recyclable-Coated Two Sides

Ticket Size	A 2.4" x 4"			B 3" x 4"			C 4" x 4"			D 6" x 4"			E 8" x 4"		
	150	100		150	125		150	125		150	125		125	75	25
Pack Size															
20,000															
120,000	\$181.68	\$182.01		\$185.26	\$185.40		\$191.24	\$191.37		\$203.19	\$203.33		\$215.28	\$215.81	\$218.48
240,000	\$98.34	\$98.68		\$101.93	\$102.06		\$107.91	\$108.04		\$119.86	\$119.99		\$131.95	\$132.48	\$135.15
360,000	\$70.57	\$70.90		\$74.15	\$74.29		\$80.13	\$80.26		\$92.08	\$92.22		\$104.17	\$104.70	\$107.37
480,000	\$56.68	\$57.01		\$60.26	\$60.40		\$66.24	\$66.37		\$78.19	\$78.33		\$90.28	\$90.81	\$93.48
600,000	\$48.34	\$48.68		\$51.93	\$52.06		\$57.91	\$58.04		\$69.86	\$69.99		\$81.95	\$82.48	\$85.15
720,000	\$42.79	\$43.12		\$46.37	\$46.51		\$52.35	\$52.49		\$64.31	\$64.44		\$76.39	\$76.93	\$79.59
840,000	\$38.82	\$39.15		\$42.41	\$42.54		\$48.38	\$48.52		\$60.34	\$60.47		\$72.42	\$72.96	\$75.62
960,000	\$35.84	\$36.18		\$39.43	\$39.56		\$45.41	\$45.54		\$57.36	\$57.49		\$69.45	\$69.98	\$72.65
1,000,000	\$35.01	\$35.34		\$38.60	\$38.73		\$44.57	\$44.71		\$56.53	\$56.66		\$68.61	\$69.15	\$71.81
2,000,000	\$25.01	\$25.34		\$28.60	\$28.73		\$34.57	\$34.71		\$46.53	\$46.66		\$58.61	\$59.15	\$61.81
3,000,000	\$21.68	\$22.01		\$25.26	\$25.40		\$31.24	\$31.37		\$43.19	\$43.33		\$55.28	\$55.81	\$58.48
4,000,000	\$20.01	\$20.34		\$23.60	\$23.73		\$29.57	\$29.71		\$41.53	\$41.66		\$53.61	\$54.15	\$56.81
5,000,000	\$19.01	\$19.34		\$22.60	\$22.73		\$28.57	\$28.71		\$40.53	\$40.66		\$52.61	\$53.15	\$55.81
6,000,000	\$18.34	\$18.68		\$21.93	\$22.06		\$27.91	\$28.05		\$39.86	\$40.32		\$51.95	\$52.48	\$55.15
7,000,000	\$17.87	\$18.20		\$21.45	\$21.59		\$27.43	\$27.57		\$39.38	\$39.52		\$51.47	\$52.00	\$54.67
8,000,000	\$17.51	\$17.84		\$21.10	\$21.23		\$27.07	\$27.21		\$39.03	\$39.16		\$51.11	\$51.64	\$54.31
9,000,000	\$17.29	\$17.57		\$20.82	\$20.95		\$26.80	\$26.94		\$38.75	\$38.88		\$50.84	\$51.37	\$54.04
10,000,000	\$17.01	\$17.34		\$20.60	\$20.73		\$26.57	\$26.71		\$38.53	\$38.66		\$50.61	\$51.14	\$53.81
12,000,000	\$17.43	\$17.01		\$20.26	\$20.40		\$26.24	\$26.38		\$38.19	\$38.33		\$50.28	\$50.81	\$53.48
15,000,000	\$16.75	\$16.68		\$20.17	\$20.06		\$25.91	\$25.80		\$37.86	\$37.75		\$49.95	\$49.84	\$52.51
20,000,000	\$16.20	\$16.34		\$19.58	\$19.73		\$25.57	\$25.46		\$37.53	\$37.42		\$49.61	\$49.50	\$52.18
30,000,000	\$15.53	\$16.01		\$19.26	\$19.40		\$25.24	\$25.13		\$37.19	\$37.08		\$49.28	\$49.17	\$51.85
50,000,000	\$15.22	\$15.74		\$19.00	\$19.13		\$24.97	\$24.86		\$36.93	\$36.82		\$48.88	\$48.77	\$51.44
75,000,000	\$15.28	\$15.61		\$18.86	\$19.00		\$24.84	\$24.73		\$36.79	\$36.68		\$48.81	\$48.70	\$51.37
100,000,000	\$15.21	\$15.54		\$18.80	\$18.93		\$24.77	\$24.66		\$36.73	\$36.62		\$48.75	\$48.64	\$51.31

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION



Table 2B - 10 Point Virgin/Recyclable-Coated Two Sides

Ticket Size		F 10" x 4"					G 12" x 4"					H 14" x 4"					
		75	50	25	20		75	50	25	20	15	10	50	25	20	15	10
Pack Size																	
1,000,000		\$81.10	\$81.77	\$83.77	\$84.77	\$93.06	\$93.72	\$95.72	\$96.72	\$98.39	\$101.72	\$105.68	\$107.68	\$108.68	\$110.34	\$113.68	
2,000,000		\$71.10	\$71.77	\$73.77	\$74.77	\$83.06	\$83.72	\$85.72	\$86.72	\$88.39	\$91.72	\$95.68	\$97.68	\$98.68	\$100.34	\$103.68	
3,000,000		\$67.77	\$68.44	\$70.44	\$71.44	\$79.72	\$80.39	\$82.39	\$83.39	\$85.06	\$88.39	\$92.34	\$94.34	\$95.34	\$97.01	\$100.34	
4,000,000		\$66.10	\$66.77	\$68.77	\$69.77	\$78.06	\$78.72	\$80.72	\$82.68	\$83.39	\$86.72	\$90.68	\$92.68	\$93.68	\$95.34	\$98.68	
5,000,000		\$65.10	\$65.77	\$67.77	\$68.77	\$77.06	\$77.72	\$79.72	\$80.26	\$82.39	\$85.72	\$89.68	\$91.68	\$92.68	\$94.34	\$97.68	
6,000,000		\$64.44	\$64.18	\$66.11	\$68.10	\$76.39	\$77.06	\$79.06	\$81.24	\$81.72	\$85.06	\$89.01	\$91.01	\$92.01	\$93.68	\$97.01	
7,000,000		\$61.91	\$64.63	\$65.29	\$67.63	\$75.91	\$76.58	\$78.58	\$80.47	\$81.25	\$84.58	\$88.53	\$90.53	\$91.53	\$93.20	\$96.53	
8,000,000		\$63.60	\$62.54	\$64.47	\$67.27	\$75.56	\$76.22	\$78.22	\$79.37	\$80.89	\$84.22	\$88.18	\$90.18	\$91.18	\$92.84	\$96.18	
9,000,000		\$63.32	\$61.89	\$63.83	\$66.99	\$75.28	\$75.94	\$75.32	\$78.73	\$80.61	\$83.94	\$87.90	\$89.90	\$90.90	\$92.56	\$95.90	
10,000,000		\$63.10	\$61.58	\$63.52	\$66.77	\$75.06	\$75.72	\$75.05	\$78.46	\$82.07	\$83.72	\$87.68	\$89.68	\$90.68	\$92.34	\$95.68	
12,000,000		\$62.77	\$61.21	\$63.16	\$66.44	\$74.72	\$75.39	\$74.54	\$78.03	\$81.64	\$83.39	\$87.34	\$89.34	\$90.34	\$92.01	\$95.34	
15,000,000		\$62.44	\$60.42	\$63.75	\$66.10	\$74.39	\$75.06	\$73.72	\$78.06	\$80.78	\$83.06	\$87.01	\$89.01	\$90.01	\$91.68	\$95.01	
20,000,000		\$62.10	\$59.55	\$62.98	\$65.77	\$74.06	\$74.72	\$72.94	\$77.72	\$79.97	\$82.72	\$86.68	\$88.68	\$89.68	\$91.34	\$94.68	
30,000,000		\$61.77	\$59.11	\$64.44	\$65.44	\$73.72	\$74.38	\$72.46	\$77.39	\$79.06	\$82.39	\$86.34	\$88.34	\$89.34	\$91.01	\$94.34	
50,000,000		\$57.22	\$62.17	\$64.17	\$65.17	\$73.46	\$70.95	\$76.12	\$77.12	\$78.79	\$82.12	\$86.08	\$88.08	\$89.08	\$90.74	\$94.08	
75,000,000		\$57.05	\$62.04	\$64.04	\$65.04	\$73.32	\$73.99	\$75.99	\$76.99	\$78.66	\$81.99	\$85.94	\$87.94	\$88.94	\$90.61	\$93.94	
100,000,000		\$61.30	\$61.97	\$63.97	\$64.97	\$73.26	\$73.92	\$75.92	\$76.92	\$78.59	\$81.92	\$85.88	\$87.88	\$88.88	\$90.54	\$93.88	

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION



Table 2C - 10 Point Virgin/Recyclable-Coated Two Sides

Ticket Size	I 6" x 8"			J 8" x 8"			K 12" x 8"				L 12" x 12"			
	75	50	25	75	50	25	50	25	20	10	50	25	20	10
1,000,000	\$93.06	\$93.72	\$95.72	\$116.96	\$117.63	\$119.63	\$165.44	\$167.44	\$168.44	\$173.44	\$237.17	\$239.17	\$240.17	\$245.17
2,000,000	\$83.06	\$83.72	\$85.72	\$106.96	\$107.63	\$109.63	\$155.44	\$157.44	\$158.44	\$163.44	\$227.17	\$229.17	\$230.17	\$235.17
3,000,000	\$79.72	\$80.39	\$82.39	\$103.63	\$104.30	\$106.30	\$152.11	\$154.11	\$155.11	\$160.11	\$223.83	\$225.83	\$226.83	\$231.83
4,000,000	\$78.06	\$78.72	\$80.72	\$101.96	\$102.63	\$104.63	\$150.44	\$152.44	\$153.44	\$158.44	\$222.17	\$224.17	\$225.17	\$230.17
5,000,000	\$77.06	\$77.72	\$79.72	\$100.96	\$101.63	\$103.63	\$149.44	\$151.44	\$152.44	\$157.44	\$221.17	\$223.17	\$224.17	\$229.17
6,000,000	\$76.39	\$77.06	\$79.06	\$100.30	\$100.96	\$102.96	\$146.62	\$150.78	\$151.78	\$156.78	\$220.50	\$222.50	\$223.50	\$228.50
7,000,000	\$75.91	\$76.58	\$78.58	\$99.82	\$100.49	\$102.49	\$148.30	\$150.30	\$151.30	\$156.30	\$220.02	\$222.02	\$223.02	\$228.02
8,000,000	\$75.56	\$76.22	\$78.22	\$99.46	\$100.13	\$102.13	\$144.72	\$149.94	\$150.94	\$155.94	\$219.67	\$221.67	\$222.67	\$227.67
9,000,000	\$75.28	\$75.94	\$77.94	\$99.18	\$99.85	\$101.85	\$147.67	\$149.67	\$150.67	\$155.67	\$219.39	\$221.39	\$222.39	\$227.39
10,000,000	\$75.06	\$75.72	\$77.72	\$98.96	\$99.63	\$101.63	\$147.44	\$149.44	\$150.44	\$155.44	\$219.17	\$221.17	\$222.17	\$227.17
12,000,000	\$74.72	\$75.39	\$77.39	\$98.63	\$99.30	\$101.30	\$147.11	\$149.11	\$150.11	\$155.11	\$218.83	\$220.83	\$221.83	\$226.83
15,000,000	\$74.39	\$75.06	\$77.06	\$98.30	\$98.96	\$100.96	\$146.78	\$148.78	\$149.78	\$154.78	\$218.50	\$220.50	\$221.50	\$226.50
20,000,000	\$74.06	\$74.72	\$76.72	\$97.96	\$98.63	\$100.63	\$146.44	\$148.44	\$149.44	\$154.44	\$218.17	\$220.17	\$221.17	\$226.17
30,000,000	\$73.72	\$74.39	\$76.39	\$97.63	\$98.30	\$100.30	\$146.11	\$148.11	\$149.11	\$154.11	\$217.83	\$219.83	\$220.83	\$225.83
50,000,000	\$73.46	\$74.12	\$76.12	\$97.36	\$98.03	\$100.03	\$145.84	\$147.84	\$148.84	\$153.84	\$217.57	\$219.57	\$220.57	\$225.57
75,000,000	\$73.32	\$73.99	\$75.99	\$97.23	\$97.90	\$99.90	\$145.71	\$147.71	\$148.71	\$153.71	\$217.43	\$219.43	\$220.43	\$225.43
100,000,000	\$73.26	\$73.92	\$75.92	\$97.16	\$97.83	\$99.83	\$145.64	\$147.64	\$148.64	\$153.64	\$217.37	\$219.37	\$220.37	\$225.37

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION



Automated Scratch Sales Solution – Pricing per Unit

Proposers shall provide unit prices for the Automated Scratch Sales Solution Specified Option. Pricing shall include all costs for the Automated Scratch Sales Solution, including but not limited to, hardware, software, smart dispensers and ongoing maintenance. Pricing per unit shall be utilized to calculate a reimbursement, to provide pricing for deployment of more than three thousand (3000) units, or for any units deployed after August 31, 2026.

Below, Pollard Banknote is pleased to provide the Lottery with pricing for our Automated Scratch Sales Solution, including but not limited to, hardware, software, smart dispensers and ongoing maintenance.

For detailed information about our proposed Automated Scratch Sales Solution, easyVEND™ In-Lane ITVM, please see 8.33.6 of our Technical Proposal.

Price for up to 3,000 units:

Monthly Price per Unit \$83.44

Price for 3,001 – 4,000 units:

Monthly Price per Unit \$167.36

Price for 4,001 – 5,000 units:

Monthly Price per Unit \$158.46

Price for 5,001 – 6,000 units:

Monthly Price per Unit \$149.55

Price for 6,001 or more units:

Monthly Price per Unit \$141.86



This page intentionally left blank.



Invited Options

*Proposers are **not required** to submit specifications and pricing for Invited Options. Each Proposer should indicate the additional cost per thousand (1,000) tickets, if any, for any options, including those listed below. Pricing should be noted as cost per square inch, if appropriate.*

Pollard Banknote is pleased to provide the Lottery with the following pricing for Invited Options.

1. Cost per thousand for die-cut tickets. Add \$5,940 lump sum plus \$0.36 per square inch of ticket, per 1,000 tickets
2. Cost per pack, if any, for additional POS inserts in each pack of tickets. Add \$0.18 per pack for each additional insertion requirement, subject to restrictions
3. Cost per thousand for pouch tickets. (Insert pricing table for 4" and 8" with pouches in 50, 25 and 20 pack sizes.)

Ticket Specifications:

- Ticket artwork, and game programming
- 10pt card stock
- 4 color process base graphics on ticket front
- 1 color imaging (black) on front and back
- 4 color process overprints on ticket front
- 1 color base graphics on the ticket back
- 15.0" x 3.50" ticket folded to 7.50" x 3.50" ticket consisting of two panels, inserted into 8.00" x 4.00" pouch
- Folded ticket will be pouched into a mylar pouch with 5 color fronts and clear backs or
- Folded ticket will be pouched into a cut to singles Polypropylene pouch with 5 color fronts and clear backs
- Games balanced +/- 2% or game order quantity
- Balanced 100% prize structure
- Packs will be shrink-wrapped and finished as per table below
- Shrink-wrapped packs will be packaged in industry standard cartons
- 1,000 regular void samples



- Prices in USD
- Delivered to the Lottery warehouse

	Metalized Pouch					
	<u>Folded packs</u>	<u>Folded packs</u>	<u>Folded packs</u>	<u>Cut to Singles</u>	<u>Cut to Singles</u>	<u>Cut to Singles</u>
Height	15.00"	15.00"	15.00"	15.00"	15.00"	15.00"
Width	3.50"	3.50"	3.50"	3.50"	3.50"	3.50"
Pouch Size	8.00" X 4.00"	8.00" X 4.00"	8.00" X 4.00"	8.00" X 4.00"	8.00" X 4.00"	8.00" X 4.00"
Pack Size	20	25	50	20	25	50
Qty (000's)	Mylar	Mylar	Mylar	Polypropylene	Polypropylene	Polypropylene
20	\$4,015.21	\$4,010.64	\$4,001.50	\$3,795.89	\$3,791.32	\$3,782.18
120	\$969.06	\$964.49	\$955.35	\$863.97	\$859.40	\$850.26
240	\$664.44	\$659.87	\$650.73	\$570.77	\$566.20	\$557.07
360	\$562.90	\$558.33	\$549.20	\$473.04	\$468.47	\$459.33
480	\$512.13	\$507.57	\$498.43	\$424.18	\$419.61	\$410.47
600	\$481.67	\$477.10	\$467.97	\$394.86	\$390.29	\$381.15
720	\$461.37	\$456.80	\$447.66	\$375.31	\$370.74	\$361.60
840	\$446.86	\$442.29	\$433.15	\$361.35	\$356.78	\$347.64
960	\$435.98	\$431.41	\$422.27	\$350.88	\$346.31	\$337.17
1,000	\$432.93	\$428.37	\$419.23	\$347.95	\$343.38	\$334.24
2,000	\$396.38	\$391.81	\$382.67	\$312.76	\$308.19	\$299.06
3,000	\$384.20	\$379.63	\$370.49	\$301.04	\$296.47	\$287.33
4,000	\$378.10	\$373.53	\$364.40	\$295.17	\$290.60	\$281.46
5,000	\$374.45	\$369.88	\$360.74	\$291.65	\$287.08	\$277.95
6,000	\$372.01	\$367.44	\$358.30	\$289.31	\$284.74	\$275.60
7,000	\$370.27	\$365.70	\$356.56	\$287.63	\$283.06	\$273.93
8,000	\$368.97	\$364.40	\$355.26	\$286.38	\$281.81	\$272.67
9,000	\$367.95	\$363.38	\$354.24	\$285.40	\$280.83	\$271.69
10,000	\$367.14	\$362.57	\$353.43	\$284.62	\$280.05	\$270.91

Please note that clear plastic pouches and other sizes and configurations are available upon request. Prices to be negotiated based on final game specifications

4. Cost per thousand for holograms on tickets. Please reference Pollard Banknote's Scratch FX® options prices under the Offered Options section.
5. Cost per thousand for continuous image four-color process covering entire ticket. Add \$0.25 per square inch of ticket
6. Cost per thousand for four-color printed on ticket back. Add \$0.14 per square inch of ticket
7. Cost per thousand for one (1) additional color printed on ticket back. Add \$0.05 per square inch of ticket



Exhibit D - REVISED Cost Proposal - August 2022

8. Cost per thousand for perforated stub, with either horizontal or vertical perforations and with or without imaging.

Without imaging: Add \$0.30 per 1,000 tickets
With imaging: Add \$1,800 lump sum plus \$0.30, per 1,000 tickets
9. Cost per thousand for scored tickets. Add \$0.31 per 1,000 tickets
10. Cost per thousand for scented ink tickets. Add \$5,940 lump sum plus \$0.37 per square inch of ticket, per 1,000 tickets
11. Cost per thousand for break-open tickets with perforated window. Prices to be negotiated based on final game specifications
12. Cost per thousand for additional ticket samples. Same as per 1,000 tickets game price.
13. Cost per thousand for four color game data imaging. Add \$8,910 lump sum plus \$0.59 per square inch of ticket, per 1,000 tickets
14. Cost per thousand for pull-tab styled tickets. Prices to be negotiated based on final game specifications
15. Cost per thousand for large panel break open tickets. Prices to be negotiated based on final game specifications
16. Cost per hour for programming of unique games. Add \$180 per hour of programming
17. Merchandise fulfillment for non-licensed property games: Prices to be negotiated based on final game specifications
18. Oversized tickets –If you need additional tables for oversized tickets, please use the same format, quantities and pack sizes designated in Table 1. Prices to be negotiated based on final game specifications



This page intentionally left blank.



Offered Options

Proposers should respond to this section on sheets attached hereto the price for Proposer-offered optional items. Proposers are free to describe offered options and the terms and pricing under which they are offered. Proposers are not required to submit any Offered Options under section 8.35 of this RFP.

OFFERED OPTION	PRICE
OUTSTANDING GAMES	
Instant Ticket Stock	
Forest Stewardship Council® (FSC) 10pt stock	\$0.12 per square inch of ticket, per 1,000 tickets
Forest Stewardship Council® (FSC) recycled stock, containing 10% post-consumer waste 10pt	\$0.30 per square inch of ticket, per 1,000 tickets
Recycled Stock containing 10% post-consumer waste 10pt	\$0.18 per square inch of ticket, per 1,000 tickets
Eco Scratch ReNew™	\$0.26 per square inch of ticket, per 1,000 tickets
Clear Play™	\$23,850 lump sum plus \$2.97 per square inch of ticket, per 1,000 tickets
Print Innovations	
Gold Scratch FX®	\$3,600 lump sum plus \$1.49 per square inch of ticket, per 1,000 tickets
Silver Scratch FX®	\$3,600 lump sum plus \$1.49 per square inch of ticket, per 1,000 tickets
Holographic Scratch FX®	\$5,940 lump sum plus \$1.65 per square inch of ticket, per 1,000 tickets
Iridescent FX™	\$5,940 lump sum plus \$1.65 per square inch of ticket, per 1,000 tickets



OFFERED OPTION	PRICE
OUTSTANDING GAMES	
Glitter FX™	\$5,940 lump sum plus \$1.75 per square inch of ticket, per 1,000 tickets
Spectrum Scratch FX®	\$5,940 lump sum plus \$1.75 per square inch of ticket, per 1,000 tickets
Spectrum Glitter FX™	\$5,940 lump sum plus \$1.75 per square inch of ticket, per 1,000 tickets
Scratch FXtra™	\$8,910 lump sum plus \$2.38 per square inch of ticket, per 1,000 tickets
Scratch FXtra™ with Custom Hologram	\$14,850 lump sum plus \$2.38 per square inch of ticket, per 1,000 tickets
Spectrum Scratch FXtra™	\$8,910 lump sum plus \$2.67 per square inch of ticket, per 1,000 tickets
Spectrum Scratch FXtra™ with Custom Hologram	\$14,850 lump sum plus \$2.67 per square inch of ticket, per 1,000 tickets
Max FX™	\$5,940 lump sum plus \$1.75 per square inch of ticket, per 1,000 tickets
Spectrum Max FX™	\$5,940 lump sum plus \$2.38 per square inch of ticket, per 1,000 tickets
Deco FX™	\$5,940 lump sum plus \$1.75 per square inch of ticket, per 1,000 tickets
Winning Combinations™: Scratch FX® + Gloss FX™	\$5,940 lump sum plus \$1.76 per square inch of ticket, per 1,000 tickets
Winning Combinations™: Scratch FX® + Fluorescent (Neon) ink	\$5,940 lump sum plus \$1.72 per square inch of ticket, per 1,000 tickets
Winning Combinations™: Scratch FX® + Pure Pastels	\$5,940 lump sum plus \$1.79 per square inch of ticket, per 1,000 tickets



Exhibit D - REVISED Cost Proposal - August 2022

OFFERED OPTION	PRICE
OUTSTANDING GAMES	
Winning Combinations™: Gloss FX™ + Scented Inks	\$5,940 lump sum plus \$0.63 per square inch of ticket, per 1,000 tickets
Winning Combinations™: Sand Plus + Fluorescent (Neon) ink	\$0.53 per square inch of ticket, per 1,000 tickets
Winning Combinations™: Scratch FX® + Fluorescent (Neon) ink + Soft Touch ink	\$5,940 lump sum plus \$1.86 per square inch of ticket, per 1,000 tickets
Scratch FX® Duos	Prices to be negotiated based on final game specifications
Neon Blends	Prices to be negotiated based on final game specifications
Pure Pastels	\$0.14 per square inch of ticket, per 1,000 tickets
The Touchables™: Soft Touch	\$0.14 per square inch of ticket, per 1,000 tickets
The Touchables™: Sand Plus Ink	\$0.46 per square inch of ticket, per 1,000 tickets
The Touchables™: Raised Gloss	\$0.59 per square inch of ticket, per 1,000 tickets
Translucent Marking System	\$0.07 per square inch of ticket, per 1,000 tickets
Multi-Color Translucent Marking System	\$0.27 per square inch of ticket, per 1,000 tickets
Custom translucent ink	\$0.30 per square inch of ticket, per 1,000 tickets
Color shift ink	\$2.67 per square inch of ticket, per 1,000 tickets



OFFERED OPTION	PRICE
OUTSTANDING GAMES	
Pearlescent Ink	\$0.44 per square inch of ticket, per 1,000 tickets
Glow-in-the-Dark Ink	\$2.75 per square inch of ticket, per 1,000 tickets
Gloss FX™	\$0.26 per square inch of ticket, per 1,000 tickets
Patterned varnish	\$0.14 per square inch of ticket, per 1,000 tickets
Spot UV varnish	\$0.30 per square inch of ticket, per 1,000 tickets
Spot matte UV varnish	\$0.11 per square inch of ticket, per 1,000 tickets
Flood UV varnish on ticket back	\$0.14 per square inch of ticket, per 1,000 tickets
EasyPack™	Prices to be negotiated based on final game specifications
PlayBook®	Prices to be negotiated based on final game specifications
PlayBook Mini™	Prices to be negotiated based on final game specifications
Pop 'n' Play™	Prices to be negotiated based on final game specifications
Jumbo Pop 'n' Play™	Prices to be negotiated based on final game specifications
Action Pack™	Prices to be negotiated based on final game specifications



OFFERED OPTION	PRICE
OUTSTANDING GAMES	
Double Play®	Prices to be negotiated based on final game specifications
Scratch Tab™	Prices to be negotiated based on final game specifications
Flip Scratch™	Prices to be negotiated based on final game specifications
Pull Tab Plus™	Prices to be negotiated based on final game specifications
Lucky Sleeve™	Prices to be negotiated based on final game specifications
Big Ticket Pop-Ups™	Prices to be negotiated based on final game specifications
Pic Play™	Prices to be negotiated based on final game specifications
Play Around™ Fold-Over Games	Prices to be negotiated based on final game specifications
Game Changer	Prices to be negotiated based on final game specifications
Flip Side™	Prices to be negotiated based on final game specifications
Scene Xtreme™	Prices to be negotiated based on final game specifications
Play 2 and Play 6	Prices to be negotiated based on final game specifications
Multi-Player Games	Prices to be negotiated based on final game specifications



OFFERED OPTION	PRICE
OUTSTANDING GAMES	
Folded & Scored	\$4,185 lump sum plus \$0.18 per square inch of ticket, per 1,000 tickets
Complex Die-Cut Games	\$8,910 lump sum plus \$0.59 per square inch of ticket, per 1,000 tickets
Progressive Jackpot Games	Prices to be negotiated based on final game specifications
Digital Press Games	Prices to be negotiated based on final game specifications
Menu Boards and Dispensers	
Digital Menu Boards	Prices to be negotiated based on final specifications
Lighted Menu Boards	Prices to be negotiated based on final specifications
Scratch Ticket Menu Boards with Optional Promoter	Prices to be negotiated based on final specifications
Waterfall Ticket Menu Boards	Prices to be negotiated based on final specifications
Play Center	Prices to be negotiated based on final specifications
The Lottery Center™	Prices to be negotiated based on final specifications
Lighted Side Panel Dispensers	Prices to be negotiated based on final specifications
Modular Mini Units	Prices to be negotiated based on final specifications
Fabricated Dispensers with Colored Surround	Prices to be negotiated based on final specifications



Exhibit D - REVISED Cost Proposal - August 2022

OFFERED OPTION	PRICE
OUTSTANDING GAMES	
Eight-game Dispensers	Prices to be negotiated based on final specifications
Quad Dispensers	Prices to be negotiated based on final specifications
Innovative POS Display Products	
Jackpot Communicator	Prices to be negotiated based on final specifications
Augmented Retailer (AR) Viewfinder	Prices to be negotiated based on final specifications
Innovative In-Lane Solutions for Instant Tickets	
ScanACTIV Instants™	Prices to be negotiated based on final game specifications
ScanACTIV Draws™	Prices to be negotiated based on final game specifications
Scratch & WINDOW Games™	Prices to be negotiated based on final game specifications
QUICKTICKET™	Prices to be negotiated based on final game specifications
easyVEND™	Prices to be negotiated based on final specifications
Select 4™	Prices to be negotiated based on final specifications
In Lane Express 4	Prices to be negotiated based on final specifications



OFFERED OPTION		PRICE
DIGITAL INNOVATION		
Interactive Games and Apps		
xpressGAMES™		Prices to be negotiated based on final game specifications
xtraplayGAMES™		Prices to be negotiated based on final game specifications
Loyalty & Engagement Solutions		
gameON™ Second Chance Solution		Prices to be negotiated based on final specifications
playON™ Player Engagement Solution		Prices to be negotiated based on final specifications
Utility & Communication Tools		
playrHUB™		Prices to be negotiated based on final specifications
Mobile Cashing App		Prices to be negotiated based on final specifications
Alternative Channel Gaming		
Alternative Channel Gaming Consultation Services		Prices to be negotiated based on final specifications
Alternative Channel Gaming Games		Prices to be negotiated based on final specifications
Alternative Channel Gaming Platform		Prices to be negotiated based on final specifications



OFFERED OPTION	PRICE
LOTTERY OPTIMIZATION TOOLS	
sureTRACK™ Lottery Management System	Prices to be negotiated based on final specifications
optiFORCE™ Salesforce Automation Tool	Prices to be negotiated based on final specifications
retailerHUB™ Retailer Engagement Portal	Prices to be negotiated based on final specifications
launchPLAN™	Prices to be negotiated based on final specifications
MARKET RESEARCH STUDIES	
Market Research Studies	Prices to be negotiated based on final specifications
ADDITIONAL OFFERED OPTIONS	
Integrated Overprints	\$0.15 per square inch of ticket, per 1,000 tickets
Spectrum Overprint	\$0.20 per square inch of ticket, per 1,000 tickets
Multiple play areas	\$0.06 per square inch of ticket, per 1,000 tickets
Sharp Fonts+	\$4,185 lump sum plus \$0.83 per square inch of ticket, per 1,000 tickets
Complex programming	\$180 per hour
Split balancing	\$2,970 per additional balancing requirement per game
Synchronized game data to base graphics	\$0.30 per square inch of ticket, per 1,000 tickets



OFFERED OPTION	PRICE
Synchronized game data to overprints	\$0.30 per square inch of ticket, per 1,000 tickets
Quick Link™ with Static QR Codes	Prices to be negotiated based on final game specifications
Quick Link™ with Variable QR Codes	Prices to be negotiated based on final game specifications
Cut to singles tickets, banded in books	Prices to be negotiated based on final game specifications
Banded books	Prices to be negotiated based on final game specifications
Printed shrink wrap	Prices to be negotiated based on final game specifications
Play area on ticket back with only translucent	Prices to be negotiated based on final game specifications
Play area on ticket back without overprints	Prices to be negotiated based on final game specifications
Additional perforations	Prices to be negotiated based on final game specifications
Graphic benday	Prices to be negotiated based on final game specifications
Secure ticket destruction (for third party products)	Prices to be negotiated based on final game specifications
Oversized samples	Prices to be negotiated based on final game specifications
Custom samples	Prices to be negotiated based on final game specifications
Security games	Prices to be negotiated based on final game specifications



Exhibit D - REVISED Cost Proposal - August 2022

OFFERED OPTION	PRICE
External lab testing	Prices to be negotiated based on final game specifications
Ticket storage	Prices to be negotiated based on final game specifications