

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
SUMMARY REPORT

Instant Ticket Information

Date Completed

6/24/2024

Game #	2522	Confirmed Packs	13,288
Game Name	\$1,000,000 Winnings	Active Packs	4,477
Quantity Printed	9,178,700	Warehouse Packs	187,202
Price Point	\$20	Returned Packs	1,123
Start Date	9/5/2023	Printed Payout Percentage	75.06%
Top Prize	\$ 1,000,000	Percent Sold	43.28%
Number of Top Prizes Remaining	2	Number of Weeks Out	42

Current Game Sales AnalysisTANGIBLE COSTS**Expenditure Impact:**

Cost to print tickets	\$ 1,340,471	Actual ticket production costs
Non-cash Prize Allocation	\$ 4,413,700	From EOPPS (non-cash prizes plus withholdings)
Prize payout expense	\$ 57,284,750	Data from Instant Ticket Tier Liability screen in ES

Estimated Direct Costs	\$ 63,038,921
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TANGIBLE BENEFITS**Revenue Impact:**

Estimated sales	\$ 79,450,827	Based on # of tkts printed, times % sold from DaVinci report, times the price point
Total Estimated Benefits	\$ 79,450,827	

Excess of Revenue over Expended	\$ 16,411,907
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INTANGIBLE POSITIVE BENEFITS:

- Allows for open bin space for new games at same price point with higher average weekly sales.
- Allows retailers to return inventory to TLC that is not selling thus releasing their financial burden

INTANGIBLE NEGATIVE BENEFITS:

- There are still valuable prizes remaining in this game.

Assumptions:

- Estimated sales revenue is calculated based on the number of tickets printed times the percent sold from the DaVinci report. The percent sold amount is based on pack settlements. Some partial packs could be returned thus slightly reducing the sales revenue amount reported above.

Weekly Sales Comparison Information

Previous 3 Weeks Sales from DaVinci		
Most recent week sales	\$	943,460
Next week	\$	957,660
Next week	\$	972,140
Avg Weekly Sales Current Game	\$	957,753
Avg Weekly Sales \$20; 5M-9.99M Qty*	\$	3,886,072
Percentage Of Variance In Sales		75%

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
RECOMMENDATION AND APPROVALS

Instant Ticket Information

Game #	2522	Printed Payout Percentage	75.06%
Game Name	\$1,000,000 Winnings	Actual Payout Percentage	77.66%
Percent Sold	43.28%	Number of Weeks Out	42
Average # of Weeks for 85% Sell-through for Same Price Point Game With Similar Print Run.*			36

*Only one game at this level with 85% sell through.

Recommendation

☒ Based on the findings in this Summary Report, I am recommending closing the above game.

☐ I am recommending closing the above game based on the below business reason(s):

Dale Bowersock

6/24/2024

Scratch Ticket Strategy Coordinator Date

Will Russ

6/24/2024

Products Manager Date

By signing below, I agree with the recommendation of the Products Department Staff to close the above game.

Paul Lee

6/25/2024

Lottery Operations Division Director Date

John *John*

6/27/2024

Controller Date

N/A

Deputy Executive Director Date

Roy Mitchell

7/2/2024

Executive Director Date



Play the Games of Texas!

Da Vinci Report

6/24/24

Week End Date:6/22/24

Product Line	Game	\$	Tix Run	Name	Start	Call	Close	Wks	% Sold	Confirmed	Active	Ware	Return	Net Sales			
														6/22/24	6/15/24	6/8/24	6/1/24
Mature	2504	\$3	35,510,250	CROSSWORD	3/4/24			16	18.09%	13,781	8,578	207,943	214	\$1,180,899.00	\$1,216,428.00	\$1,225,416.00	\$1,190,067.00
	2508	\$3	32,963,925	TEXAS LOTERIA	1/16/24			23	26.31%	15,570	11,373	293,410	61	\$1,224,114.00	\$1,245,948.00	\$1,296,627.00	\$1,263,036.00
	2520	\$5	12,210,000	\$200,000 WINNINGS	9/5/23			42	80.37%	7,349	4,849	17,841	266	\$615,740.00	\$649,440.00	\$669,250.00	\$647,610.00
	2543	\$5	25,097,475	50X POWER BLITZ	1/2/24			25	36.46%	11,559	7,361	191,227	70	\$1,151,725.00	\$1,196,010.00	\$1,223,840.00	\$1,259,570.00
	2554	\$5	7,213,575	50X THE WIN	3/4/24			16	61.14%	3,388	1,996	29,745	1,311	\$349,340.00	\$429,565.00	\$474,985.00	\$578,450.00
	2502	\$5	16,958,025	BINGO TIMES 20	9/18/23			40	64.32%	11,575	7,639	58,394	810	\$1,175,230.00	\$1,229,940.00	\$1,204,380.00	\$1,248,045.00
	2559	\$5	7,244,700	LUCKY 7S	3/18/24			14	59.44%	5,044	3,551	28,491	983	\$531,030.00	\$623,895.00	\$741,345.00	\$859,755.00
	2550	\$5	7,211,325	SHOW ME 100X	2/5/24			20	66.75%	1,758	1,167	27,705	803	\$195,190.00	\$217,505.00	\$271,875.00	\$322,905.00
	2505	\$5	32,640,150	SUPER CASHWORD	6/5/23			55	62.74%	16,586	8,991	133,260	39	\$1,736,890.00	\$1,711,980.00	\$1,801,250.00	\$1,731,450.00
	2509	\$5	30,168,450	SUPER LOTERIA	12/18/23			27	83.64%	39,101	12,150	6,447	136	\$4,670,640.00	\$5,088,580.00	\$5,185,860.00	\$5,263,385.00
	2553	\$5	7,274,325	WINNING 7S	2/19/24			18	59.77%	3,267	2,005	30,938	1,888	\$272,740.00	\$357,770.00	\$370,370.00	\$435,845.00
	2547	\$5	7,056,150	YEAR OF THE DRAGON	1/16/24			23	70.51%	1,831	1,161	24,033	167	\$143,200.00	\$186,240.00	\$191,875.00	\$225,825.00
	2506	\$10	24,386,600	\$250,000 50X CASHWORD	6/19/23			53	75.15%	26,122	8,793	81,940	64	\$3,029,530.00	\$3,075,500.00	\$3,121,750.00	\$3,059,030.00
	2560	\$10	7,209,700	\$50, \$100 OR \$500!	2/5/24			20	85.18%	13,700	4,082	463	973	\$1,531,550.00	\$1,813,560.00	\$2,181,880.00	\$2,367,620.00
	2521	\$10	10,146,750	\$500,000 WINNINGS	9/5/23			42	65.09%	11,242	4,677	52,808	95	\$824,910.00	\$836,950.00	\$872,320.00	\$885,440.00
	2544	\$10	20,116,650	100X POWER BLITZ	1/2/24			25	32.75%	17,400	7,377	243,144	82	\$1,570,000.00	\$1,601,230.00	\$1,640,550.00	\$1,658,380.00
	2386	\$10	8,145,250	BREAK THE BANK SUPER TICKET	11/6/23			33	47.14%	8,157	5,192	71,326	48	\$919,740.00	\$895,280.00	\$900,760.00	\$974,550.00
	2413	\$10	28,619,300	CASH BLOWOUT	3/6/23			68	46.92%	7,844	3,472	290,763	40	\$741,640.00	\$823,680.00	\$794,860.00	\$802,080.00
	2563	\$10	49,168,200	MEGA LOTERIA	2/19/24			18	26.16%	53,939	13,936	648,689	143	\$8,123,220.00	\$8,192,150.00	\$8,285,890.00	\$8,119,440.00
	2551	\$10	8,108,400	MONEY MONEY MONEY	3/4/24			16	47.38%	31,574	8,539	40,834	878	\$1,590,940.00	\$1,630,440.00	\$1,807,430.00	\$1,707,250.00
	2514	\$20	8,189,250	\$1,000,000 CASH BLAST	12/4/23			29	38.87%	16,025	5,620	175,697	152	\$1,236,360.00	\$1,291,160.00	\$1,251,840.00	\$1,354,620.00
	2513	\$20	10,162,000	\$1,000,000 CROSSWORD	10/16/23			36	83.68%	30,957	5,655	18,189	2,004	\$2,199,600.00	\$2,272,600.00	\$2,476,060.00	\$2,875,120.00
	2490	\$20	8,189,275	\$1,000,000 GOLD RUSH	10/2/23			38	50.37%	5,638	1,593	154,217	90	\$414,240.00	\$471,820.00	\$554,760.00	\$631,460.00
	2522	\$20	9,178,700	\$1,000,000 WINNINGS	9/5/23			42	43.28%	13,288	4,477	187,202	1,123	\$943,460.00	\$957,660.00	\$972,140.00	\$992,520.00
	2535	\$20	6,119,575	\$85,000,000 EXPLOSION	11/15/23			31	58.56%	12,940	3,370	78,534	4,452	\$753,120.00	\$843,280.00	\$947,740.00	\$1,073,620.00
	2545	\$20	10,249,975	200X POWER BLITZ	1/2/24			25	36.70%	21,016	6,766	228,514	103	\$1,994,980.00	\$1,985,940.00	\$2,120,980.00	\$2,136,200.00
	2511	\$20	25,214,400	MILLION DOLLAR LOTERIA	6/5/23			55	80.91%	36,389	5,946	138,339	1,148	\$3,163,300.00	\$3,309,300.00	\$3,431,420.00	\$3,675,340.00
	2495	\$20	8,185,575	PLATINUM MILLIONS	2/5/24			20	37.63%	15,965	5,021	180,948	138	\$1,332,200.00	\$1,436,760.00	\$1,783,180.00	\$2,018,940.00
	2053	\$30	34,080,725	\$750 MILLION WINNER'S CIRCLE	3/19/18			327	86.95%	6,992	3,273	164,153	40	\$1,244,880.00	\$1,191,990.00	\$1,176,570.00	\$1,161,630.00
	2517	\$30	9,225,150	MILLIONAIRE MAKER	8/14/23			45	43.85%	12,083	4,757	188,068	76	\$1,556,490.00	\$1,576,950.00	\$1,598,100.00	\$1,516,140.00
	2468	\$30	8,544,000	VIP CLUB	2/20/23			70	61.01%	9,259	2,910	119,568	38	\$785,250.00	\$761,070.00	\$796,140.00	\$744,480.00
	2423	\$50	6,608,840	\$1,000,000 DIAMOND RICHES	8/1/22			99	85.15%	7,399	2,264	37,622	83	\$872,450.00	\$840,400.00	\$864,850.00	\$841,300.00
	2455	\$50	10,237,540	\$5,000,000 ULTIMATE	1/16/23			75	62.55%	15,865	3,802	169,657	132	\$2,508,350.00	\$2,448,100.00	\$2,641,850.00	\$2,636,650.00

Liability for 2522 / for Life to Date**Product Status:**
Active**SmartCash Enabled:**
N/A**Validation Range:** 08/10/2023 - 12/31/2037**Outstanding Prizes**

Tier	Ref	SmartCash	Tier Value	Count	Amount	Tickets Paid Life to Date	Amount Paid Life to Date	% paid	Est. Tickets Sold
1	1	N/A	\$20.00	529439	\$10,588,780.00	388264	\$7,765,280.00	42.31%	3883346
2	2	N/A	\$30.00	422887	\$12,686,610.00	311224	\$9,336,720.00	42.39%	3891280
3	3	N/A	\$50.00	158318	\$7,915,900.00	117146	\$5,857,300.00	42.53%	3903406
4	4	N/A	\$50.00	209609	\$10,480,450.00	157539	\$7,876,950.00	42.91%	3938475
5	0	N/A	\$100.00	17517	\$1,751,700.00	13101	\$1,310,100.00	42.79%	3927433
6	0	N/A	\$100.00	34988	\$3,498,800.00	26235	\$2,623,500.00	42.85%	3933214
7	0	N/A	\$100.00	34964	\$3,496,400.00	26060	\$2,606,000.00	42.70%	3919718
8	0	N/A	\$100.00	34989	\$3,498,900.00	26280	\$2,628,000.00	42.89%	3937002
9	0	N/A	\$100.00	35026	\$3,502,600.00	26151	\$2,615,100.00	42.75%	3923569
10	0	N/A	\$200.00	10835	\$2,167,000.00	7999	\$1,599,800.00	42.47%	3898291
11	0	N/A	\$200.00	17439	\$3,487,800.00	13176	\$2,635,200.00	43.04%	3950303
12	0	N/A	\$200.00	17567	\$3,513,400.00	13035	\$2,607,000.00	42.60%	3909690
13	0	N/A	\$200.00	21738	\$4,347,600.00	16539	\$3,307,800.00	43.21%	3965998
14	0	N/A	\$500.00	440	\$220,000.00	323	\$161,500.00	42.33%	3885609
15	0	N/A	\$500.00	1287	\$643,500.00	999	\$499,500.00	43.70%	4011164
16	0	N/A	\$500.00	1325	\$662,500.00	991	\$495,500.00	42.79%	3927500
17	0	N/A	\$500.00	1331	\$665,500.00	983	\$491,500.00	42.48%	3899162
18	0	N/A	\$2,000.00	89	\$178,000.00	66	\$132,000.00	42.58%	3908349
19	0	N/A	\$2,000.00	87	\$174,000.00	65	\$130,000.00	42.76%	3925101
20	0	N/A	\$2,000.00	87	\$174,000.00	73	\$146,000.00	45.62%	4187781
21	0	N/A	\$20,000.00	3	\$60,000.00	1	\$20,000.00	25.00%	2294674
22	0	N/A	\$20,000.00	4	\$80,000.00	4	\$80,000.00	50.00%	4589350
23	0	N/A	\$20,000.00	5	\$100,000.00	3	\$60,000.00	37.50%	3442012
24	0	N/A	\$100,000.00	1	\$100,000.00	1	\$100,000.00	50.00%	4589349
25	0	N/A	\$100,000.00	1	\$100,000.00	2	\$200,000.00	66.67%	6119132
26	0	N/A	\$1,000,000.00	2	\$2,000,000.00	2	\$2,000,000.00	50.00%	4589349
Totals:				1549978	\$76,093,440.00	1,146,262	\$57,284,750.00		

End of Production Prize Structure

TEXAS LOTTERY

GAME NO.2522 "\$1,000,000 WINNINGS"

February 27, 2023 - VERSION A

										Instant Payout	Total Payout
Order Quantity:	9,178,700	Pack Size:	25	Pool Size:	120,000	Winners:	2,696,240	Prize Fund:	\$133,378,190.00	\$137,791,890.00	
Price Point:	\$20.00	Packs/Game:	367,148	Number of Pools:	76.49	Non-winners:	6,482,460	Payout:	72.66%	75.06%	
Revenue:	\$183,574,000.00	Packs/Pool:	4,800			Overall Odds:	3.4043				

Tier							Winners				
Kind	Wins	Level	Get	Win	Value	Odds (1 in)	Pack	Pool	Total	Total Prize Cost	% Prize Fund
Low Tiers											
01	1	L	\$20	\$20	\$20.00	10.0018	2.50	12,000.00	917,703	\$18,354,060.00	13.32%
Total (Low Tiers):						10.0018	2.50	12,000.00	917,703	\$18,354,060.00	13.32%
Mid Tiers											
02	1	G	\$30	\$30	\$30.00	12.5032	2.00	9,600.00	734,111	\$22,023,330.00	15.98%
03	1	G	\$50	\$50	\$50.00	33.3209	0.75	3,600.00	275,464	\$13,773,200.00	10.00%
04	2	G	\$30 + \$20	\$50	\$50.00	25.0000	1.00	4,800.00	367,148	\$18,357,400.00	13.32%
Total (\$50.00):						14.2834	1.75	8,400.00	642,612	\$32,130,600.00	23.32%
05	1	M	\$100	\$100	\$100.00	299.7812	0.08	400.00	30,618	\$3,061,800.00	2.22%
06	1	M	\$20 (5X)	\$100	\$100.00	149.9224	0.17	800.00	61,223	\$6,122,300.00	4.44%
07	1	M	\$50 (2X)	\$100	\$100.00	150.4113	0.17	800.00	61,024	\$6,102,400.00	4.43%
08	4	M	(\$30 x 2) + (\$20 x 2)	\$100	\$100.00	149.8099	0.17	800.00	61,269	\$6,126,900.00	4.45%
09	5	M	\$20 x 5	\$100	\$100.00	150.0351	0.17	800.00	61,177	\$6,117,700.00	4.44%
Total (\$100.00):						33.3394	0.75	3,600.00	275,311	\$27,531,100.00	19.98%
10	1	M	\$200	\$200	\$200.00	487.3474	0.05	246.00	18,834	\$3,766,800.00	2.73%
11	2	M	\$50 (2X) + \$20 (5X)	\$200	\$200.00	299.8106	0.08	400.00	30,615	\$6,123,000.00	4.44%
12	1	M	\$100 (2X)	\$200	\$200.00	299.9379	0.08	400.00	30,602	\$6,120,400.00	4.44%
13	6	M	\$50 + (\$30 x 5)	\$200	\$200.00	239.7967	0.10	500.00	38,277	\$7,655,400.00	5.56%
Total (\$200.00):						77.5700	0.32	1,546.00	118,328	\$23,665,600.00	17.17%
14	1	M	\$500	\$500	\$500.00	12029.7510	0.00	10.00	763	\$381,500.00	0.28%
15	2	M	\$50 (2X) + \$20 (20X)	\$500	\$500.00	4015.1794	0.01	30.00	2,286	\$1,143,000.00	0.83%
16	1	M	\$100 (5X)	\$500	\$500.00	3963.1693	0.01	30.00	2,316	\$1,158,000.00	0.84%
17	25	M	\$20 x 25	\$500	\$500.00	3966.5946	0.01	30.00	2,314	\$1,157,000.00	0.84%
Total (\$500.00):						1195.2989	0.02	100.00	7,679	\$3,839,500.00	2.79%
Total (Mid Tiers):						5.1623	4.84	23,246.00	1,778,041	\$109,190,130.00	79.24%
High Tiers											
18	1	H	\$2,000	\$2,000	\$2,000.00	59217.4194	0.00	2.00	155	\$310,000.00	0.22%
19	1	H	\$100 (20X)	\$2,000	\$2,000.00	60386.1842	0.00	2.00	152	\$304,000.00	0.22%
20	30	H	(\$100 x 10) + (\$50 x 20)	\$2,000	\$2,000.00	57366.8750	0.00	2.00	160	\$320,000.00	0.23%
Total (\$2,000.00):						19654.6039	0.00	6.00	467	\$934,000.00	0.68%
21	1	H	\$20,000	\$20,000	\$20,000.00	2294675.0000	0.00	0.05	4 *	\$80,000.00	0.06%
22	2	H	\$2,000 (5X) + \$500 (20X)	\$20,000	\$20,000.00	1147337.5000	0.00	0.11	8 *	\$160,000.00	0.12%
23	30	H	(\$2,000 x 8) + \$500 (2X) + \$500 + (\$100 (2X) x 5) + (\$50 (2X) x 15)	\$20,000	\$20,000.00	1147337.5000	0.00	0.11	8 *	\$160,000.00	0.12%
Total (\$20,000.00):						458935.0000	0.00	0.27	20	\$400,000.00	0.29%
24	1	H	\$100,000	\$100,000	\$100,000.00	4589350.0000	0.00	0.03	2 *	\$200,000.00	0.15%
25	3	H	\$20,000 + (\$2,000 (20X) x 2)	\$100,000	\$100,000.00	3059566.6667	0.00	0.04	3 *	\$300,000.00	0.22%
Total (\$100,000.00):						1835740.0000	0.00	0.07	5	\$500,000.00	0.36%
26	1	H	\$1,000,000	\$1,000,000	\$1,000,000.00	2294675.0000	0.00	0.05	4 *	\$4,000,000.00	2.90%
Total (High Tiers):						18505.4435	0.00	6.39	496	\$5,834,000.00	4.23%
Total (Low Tiers + Mid Tiers + High Tiers):						3.4043	7.34	35,252.39	2,696,240	\$133,378,190.00	96.80%
Other Prize Tiers											
-	-	O	\$100 Cash plus Entry		\$460.00	-	-	-	9,595	\$4,413,700.00	3.20%
Total (Other Prize Tiers):						-	-	-	9,595	\$4,413,700.00	3.20%
Total :						3.4043	7.34	35,252.39	2,696,240	\$137,791,890.00	100.00%



INTEROFFICE MEMO

Gary Grief, Executive Director LaDonna Castañuela, Charitable Bingo Operations Director

Payment Approval

August 9, 2023

The attached invoice(s) for service is being submitted for approval.

Vendor Name	Scientific Games
P.O. Number (if applicable)	362-23-9019RV1RL018
Tx Game #/Name	Game #2522 \$1,000,000 Winnings
Draw #	
Invoice Number	TX 080923
Invoice Amount	\$1,340,470.69

The above referenced invoice(s) have been reviewed and certified as proper, accurate and should be paid by the Texas Lottery Commission.

Dale Bowersock (Scratch Ticket Strategy Coordinator)

8/11/2023

Date

JB

8/11/2023

Will Russ (Products Manager)

8/14/2023

Date



Robert Tirloni (Lottery Operations Division Director)

8/15/2023

Date

Please return to Maria Perez in the Office of the Controller by

August 19, 2023



Invoice: TX 080923
 "TX 2522 \$1,000,000 WINNINGS"™
 August 9, 2023

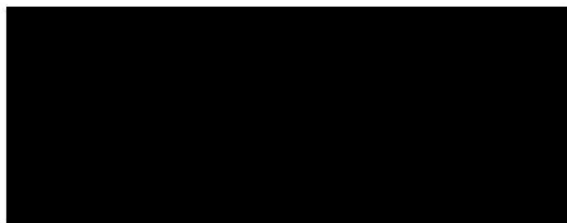
Supplier : Scientific Games International
 1500 Bluegrass Lakes Parkway
 Alpharetta, Georgia 30004 USA

Customer : TEXAS LOTTERY
 Attn: Accounts Payable
 P.O. BOX 16630
 AUSTIN, TX 78761-6630
 United States

<u>Game</u>	<u>Shipment</u>	<u>Description</u>	<u>Quantity</u>	<u>Price Per</u>	<u>Total Amount</u>	<u>SG Invoice #</u>
TX-2522	1	TX-2522 \$1,000,000 WINNINGS	2,345,925	142.97	\$ 335,396.90	1046293
Additional Charges: 5 Pack inserts Printed on Foil Stock(up to 200,000 pieces)			360,060	0.061	\$ 21,963.66	
Additional Charges: 6 Specialty Ink (3) - Fluorescent Ink - TX-2522 Pack Inserts			1	1728.29	\$ 1,728.29	
Additional Charges: 7 Sparkle Set Up Fee			1	4500	\$ 4,500.00	
TX-2522	2	TX-2522 \$1,000,000 WINNINGS	2,345,550	142.97	\$ 335,343.28	1046294
TX-2522	3	TX-2522 \$1,000,000 WINNINGS	2,346,700	142.97	\$ 335,507.70	1046295
TX-2522	4	TX-2522 \$1,000,000 WINNINGS	2,140,525	142.97	\$ 306,030.86	1046297
Total Due					<u>\$1,340,470.69</u>	

*Please include the SG invoice numbers with your remittance

Due Date: September 8, 2023



ADDENDUM 1: \$5 MILLION VEGAS CHALLENGE® PROMOTION DETAILED REQUIREMENTS

\$5 MILLION VEGAS CHALLENGE® PROMOTION DETAILED REQUIREMENTS

These detailed requirements apply to the \$5 MILLION VEGAS CHALLENGE® Promotion (the “**Promotion**”), a second-chance drawing promotion common to each game in the family of four (4) scratch ticket games identified in Section 1 below (the “**Eligible Games**”). These requirements shall be part of the working papers for each Eligible Game.

The Texas Lottery Commission (“**TLC**”) shall produce a family of Winnings-themed paper scratch ticket games, to be printed by Scientific Games, LLC (“**SG**” or the “**Company**”), with the respective price points, ticket quantities, and launch dates as detailed in Section 1 below.

The Company grants the TLC the rights to use the mark \$5 MILLION VEGAS CHALLENGE®, owned and licensed by SG, in connection with the Eligible Games and Promotion.

1. PROMOTION DESCRIPTION

The TLC shall produce a family of Winnings-themed paper scratch ticket games, to be printed by the Company, with the respective price points, ticket quantities, and launch dates shown below:

- a. TX-2519 \$1.00 “\$5,000 Winnings” game with 17,040,000 tickets launches September 5, 2023;
- b. TX-2520 \$5.00 “\$200,000 Winnings” game with 12,000,000 tickets launches September 5, 2023;
- c. TX-2521 \$10.00 “\$500,000 Winnings” game with 10,080,000 tickets launches September 5, 2023; and
- d. TX-2522 \$20.00 “\$1,000,000 Winnings” game with 9,000,000 tickets launches September 5, 2023.

The Company’s website will host a Promotion microsite. Players may use the Texas Lottery® website/Luck Zone (accessible through the microsite) or the Luck Zone feature of the Texas Lottery App to enter any non-winning tickets from the Eligible Games in one (1) of five (5) promotional second-chance drawings described in Section 3 below (the “**Cash Prize Drawings**”) for a chance to win one (1) of nineteen thousand seventy-five (19,075) one hundred dollar (\$100) second-chance cash prizes (each, a “**Cash Prize**”).

The name of each Cash Prize winner will be entered automatically in one (1) of five (5) drawings described in Section 4 below (the “**\$5 MILLION VEGAS CHALLENGE® Drawings**”) for a chance to win one (1) of twenty (20) trip prizes (“**Trip Prizes**”) for a trip to Las Vegas, Nevada, to participate as a finalist (“**Finalist**”) in the \$5 MILLION VEGAS CHALLENGE® event (the “**Challenge**”).

2. ALLOCATION TO CASH PRIZES FOR PRIZE FULFILLMENT, LICENSING FEES, PROMOTION SERVICES, AND MANUFACTURING AND PROMOTIONAL SUPPORT

The TLC shall allocate a total of eight million seven hundred seventy-four thousand five hundred dollars (\$8,774,500) of the combined prize pools of the Eligible Games for the Company to fulfill all \$100 Cash plus Entry Prizes (the “Cash Prizes”) and to provide Promotion-related services and manufacturing and promotional support. This amount reflects an allocation of four hundred sixty dollars (\$460) to each \$100 Cash plus Entry Prize, to be invoiced and paid as provided in Section 10 below. The Cash Prizes and allocated amounts shall be distributed across the Eligible Games as follows:

Game Price Point	Allocation for each Cash Prize (\$100)	Allocation for each Entry (\$360)	Total Cash plus Entry Prizes Awarded	# Second-Chance Drawings	Winners Per Drawing
\$20.00	\$959,500	\$3,454,200	9,595	5	1,919
\$10.00	\$537,000	\$1,933,200	5,370	5	1,074
\$5.00	\$320,000	\$1,152,000	3,200	5	640
\$1.00	\$91,000	\$327,600	910	5	182
	\$1,907,500	\$6,867,000	19,075		3,815
Total Allocation		\$8,774,500			

The Company shall provide the following items:

- Drawing services for the \$5 MILLION VEGAS CHALLENGE® Drawings, manufacturing and promotional support (including a Promotion microsite), and the Challenge contest (including hosting the Challenge and fulfillment of cash prize amounts won during the Challenge (“Challenge Cash Prizes”)), all as described further herein;
- Fulfillment of nineteen thousand seventy-five (19,075) one hundred dollar (\$100) second-chance Cash Prizes valued at one million nine hundred seven thousand five hundred dollars (\$1,907,500); and
- Fulfillment and hosting of twenty (20) Trip Prizes valued at seven thousand five hundred dollars (\$7,500) each, for a total of one hundred fifty thousand dollars (\$150,000), including federal tax withholdings. Costs associated with the twenty (20) Trip Prizes are included in the promotion and not paid per winner by the TLC.

3. CASH PRIZE DRAWINGS

Scratch Ticket Game Closing Analysis

02/27/22 Thru 02/24/24

Average Number of Weeks for 85% Average Sell Through

Print Quantities	Price Point				Price Point				
	\$1	\$2	\$3	\$5	\$10	\$20	\$30	\$50	\$100
< 5M	None	None	None	None	None	None	None	None	None
5M-9.99M	None	Week 17	Week 13	Week 20	Week 26	*Week 36	*Week 97	*Week 56	None
10M-14.99M	*Week 15	*Week 28	None	None	*Week 29	None	None	None	None
15M-19.99M	Week 30	None	None	None	None	Week 53	None	None	None
20M-24.99M	None	None	None	*Week 76	None	None	None	None	None
25M-29.99M	None	None	None	None	None	None	None	None	None
30M-34.99M	None	None	*Week 68	None	None	None	None	None	None
>=35M	None	None	*Week 97	*Week 52	*Week 54	None	None	None	None

Average Weekly Dollar Sales at 85% Average Sell Through

Print Quantities	Price Point				Price Point				
	\$1	\$2	\$3	\$5	\$10	\$20	\$30	\$50	\$100
< 5M	None	None	None	None	None	None	None	None	None
5M-9.99M	None	\$889,989	\$1,232,303	\$1,698,404	\$2,234,215	\$3,886,072	\$2,359,958	\$4,641,250	None
10M-14.99M	\$649,617	\$620,682	None	None	\$3,571,641	None	None	None	None
15M-19.99M	\$506,021	None	None	None	None	\$6,498,580	None	None	None
20M-24.99M	None	None	None	\$1,301,423	None	None	None	None	None
25M-29.99M	None	None	None	None	None	None	None	None	None
30M-34.99M	None	None	\$1,222,418	None	None	None	None	None	None
>=35M	None	None	\$1,254,889	\$4,803,626	\$7,966,148	None	None	None	None

None = no games at this level with 85% sell through

* only one game at this level with 85% sell through

Excludes Promotional Tickets

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