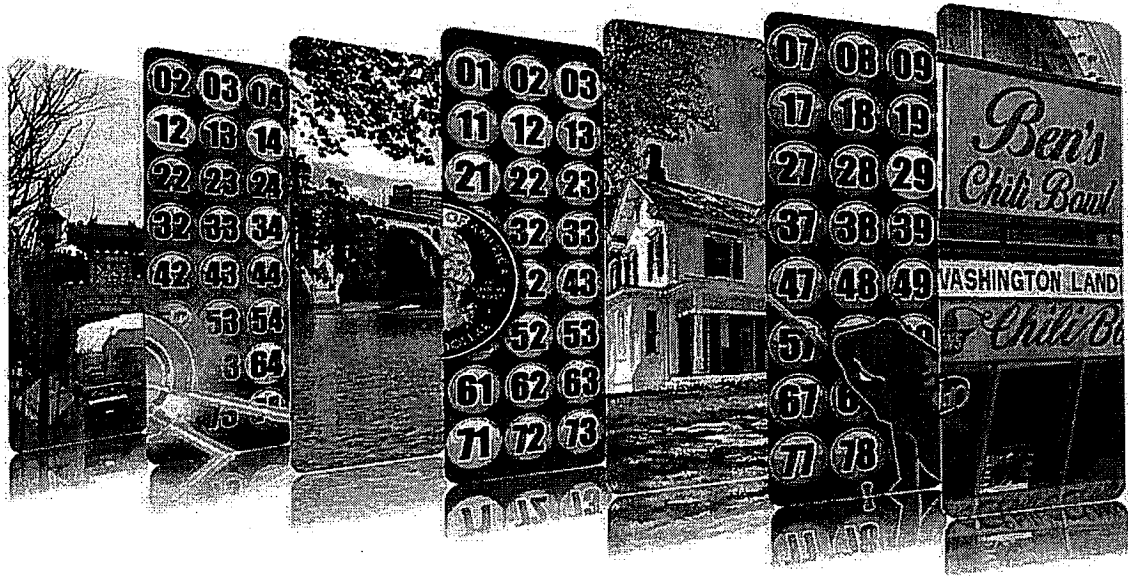


B.8

Offered Options

B.8 Offered Options

DC Lottery Partners has read, understands and complies with this RFP requirement.



C.6.11

Additional Gaming and Non-Gaming Capabilities (Offered Options)

C.6.11

Additional Gaming and Non-Gaming Capabilities (Offered Options)

C.6.11.a

Supporting Additional Games Not Currently Offered (Offered Options)

We're Ready for Tomorrow

In the competition for DC resident gaming entertainment dollars, the DCLB is uniquely advantaged, and we have a plan to make the most of the lead you have to grow your gaming dollars. Unlike most forms of gaming, the Lottery is available on a daily basis to all potential players, without requiring travel to specific venues. Furthermore, potential changes to the laws governing Internet gaming will present enormous new opportunities for expanding your range of games to an even broader audience and will provide players with a much more convenient way of participating in the Lottery.

In jurisdictions that permit Internet gaming, we have established ourselves as an interactive gaming space market leader. We design, develop, market, implement, and support interactive channels (lottery and commercial) worldwide through our flagship product, GTECH Enterprise Series NewMedia (ES NewMedia). We will offer our cutting-edge technologies and professional services available to the DCLB to position you to take full advantage of future changes in the law.

Internet Bridging Strategy

To position the DCLB for defending its current position and for becoming a principal player in this exciting new area, and to enhance your customers' playing experience while complying with existing laws, we have developed a strategy to bridge the gap from where the Lottery is currently to where it needs to be if and when Internet gaming laws change. In the interim, the DCLB will benefit from a closer relationship with players by building upon the modern image portrayed through the current DCLB Website.

Player Loyalty Program (Offered Option)

Building upon your current Player's Club functionality, player loyalty is the next logical step for engaging players and capturing additional player information. A DCLB player loyalty program will encourage players to register online and become familiar with the Lottery's Website and allow you to reward them for doing so.

Rewards and promotions can be distributed via a variety of methods to improve customer sentiment towards the DCLB and encourage higher rates of play. Three examples are outlined below:

- **Second-Chance Drawings:** Players enter non-winning tickets in second-chance drawings.
- **Promotional Offers:** The Lottery mails and/or emails exclusive promotional offers to loyalty program participants.
- **Points Accumulation:** Players accumulate points via numerous methods – second-chance drawings, friend referral, contests, random points for participation, birthday points, etc.

Many successful online operators have sprung from completely different lines of business such as media companies, large retailers, and travel organizations. Maximizing customer lifetime value and brand loyalty is the overall strategy behind such programs. Cross promotions between different lines of trade are commonly used (e.g., “play here, get rebate coupons”). For lotteries, cross promotions can span across gaming offerings and involve elements such as second-chance drawings to create stronger links with players and higher degrees of player return. In the New Media space where lotteries typically have no interpersonal relationships with players, knowing your customer is even more important than in other channels where players normally interact with retailers.

Confidential material begins here.

[REDACTED]

- [REDACTED]
- [REDACTED]

[REDACTED]

Confidential material ends here.

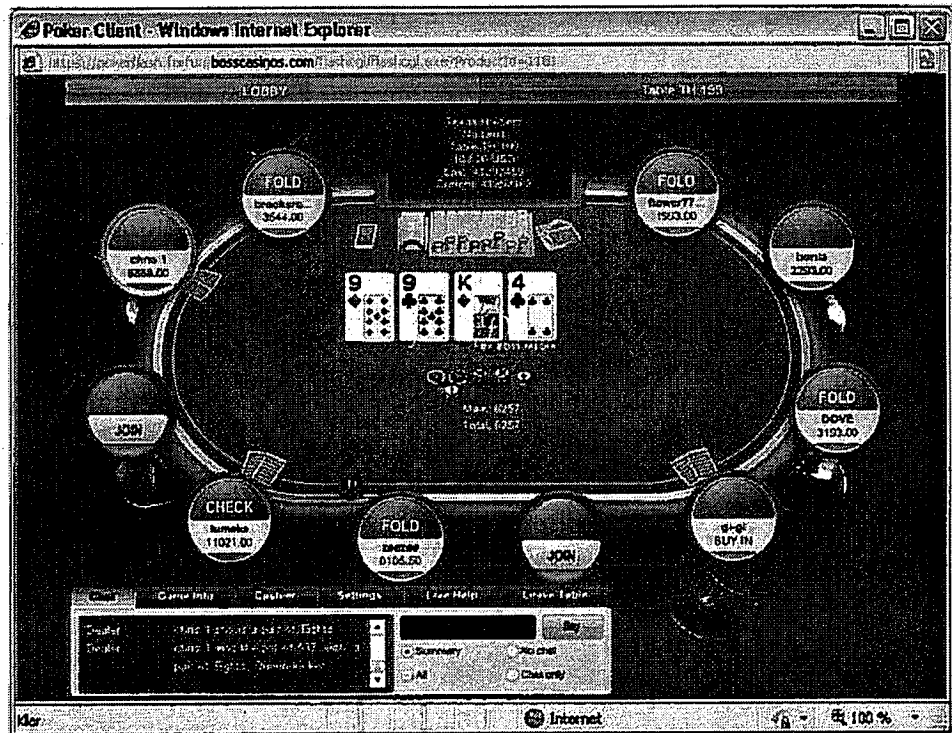
Play-for-Fun Games (Offered Option)

Before online wagering becomes legal, play-for-fun games build brand awareness, customer loyalty, and Lottery Website familiarity. These games can also provide a low-risk testing ground for future lottery games.

Once Internet gaming becomes legal, offering play-for-fun games will continue to direct traffic to the DCLB's Website, as the games offer an entertaining atmosphere within which players can ease into purchasing lottery products via the Web. The Lottery can also appeal to new demographics, including players not currently interested in lottery products and young players who may become future Lottery customers. Reaching these new audiences significantly increases the chance of converting these players into regular Lottery customers in the future.

Play-for-fun games are not drastically different from real money games – consumers simply play the games in a mode without cash wagering. In most successful on-line operations, players can toggle between play-for-fun and real money mode within the application. In certain cases, we have provided play-for-fun only Internet products to show players how to play games in land-based environments – typically casinos. Due to system and channel flexibility, replicating environments is possible.

Figure C.6.11 – 1:
Play-for-Fun Games



The most successful play-for-fun products are typically Poker, casino, and skill games.

GTECH's New Media Group currently provides fully interactive games to more than 160 lottery and commercial customers outside the United States.

The DCLB will have access to our entire interactive portfolio, including hundreds of games that can be implemented as play-for-fun games. The following figure shows GTECH's interactive game portfolio composition.

**Figure C.6.11 - 2:
GTECH's Game Portfolio by Individual Library**

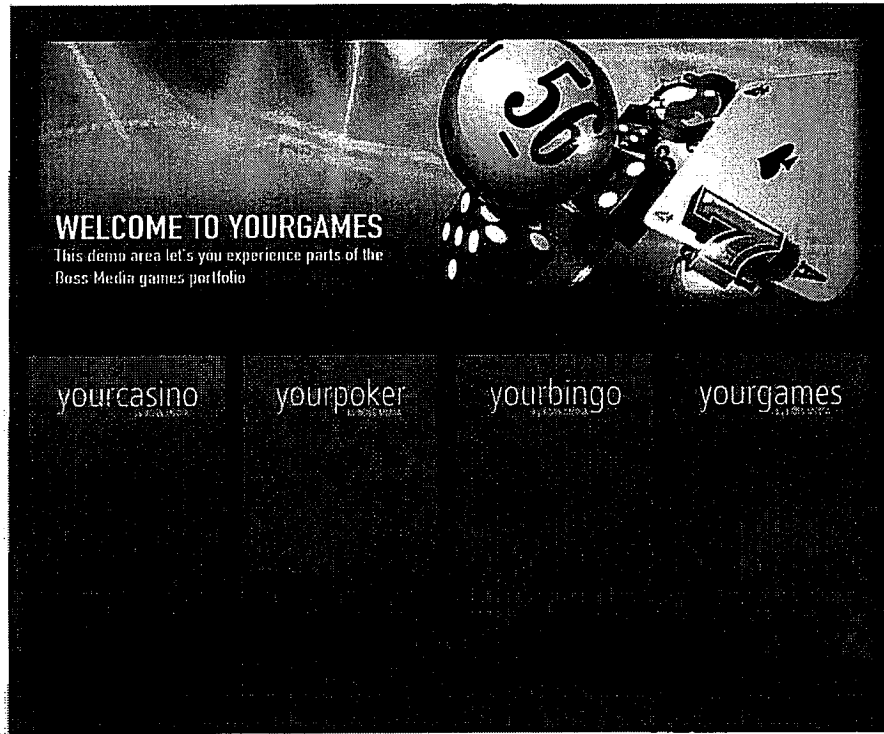
Library	Number of Games
Finsoft Games Room Suite	88
Boss Media Game Portfolio	54
Dynamite Idea	100
GTECH New Media Portfolio	48
Total:	290

Due to the large number of available games, giving details on each one is not efficient. However, games can be divided into the following broad categories:

- Online instant games.
 - Scratch tickets.
 - Simple slot games.
 - Hi-lo games.
 - Casino-like games.
 - Rapid draw monitor games.
- Draw games.
- Online multiplayer Bingo.
- Online casino.
- Online Poker.
- Skill games.

To illustrate the depth and breadth of deployed and available interactive games, we provide the following Website screen shot graphics.

**Figure C.6.11 – 3:
Boss Media**



**Figure C.6.11 – 4:
Finsoft**

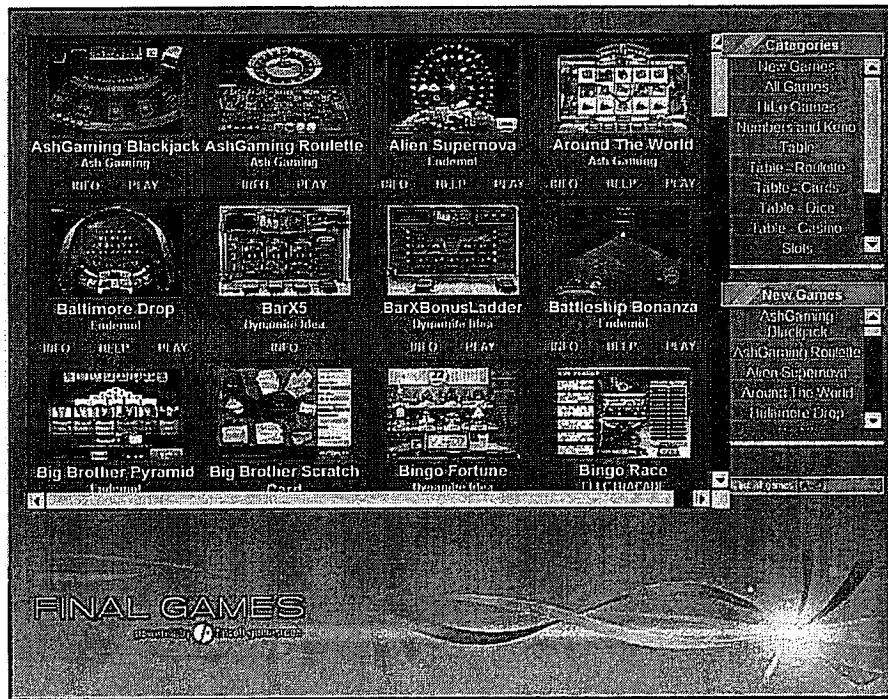


Figure C.6.11 – 5:
Dynamite Idea

Leading Games

Mini Games

Public Games

Categorized Games

Dynamite Idea Games

Multi package of Dynamite games in a variety of different styles.
(Low Dynamite Idea games have a loading screen and a free play / real play choice screen before the game loads)

Leading Games

 Triple Chance Hi Lo	 Triple Hi Lo 7s	 Ace2 High	 Hi Lo Bonus 4 Play
 Lucky 8s	 Click the Safe		
 Grande Roulette	 Fortune 28	 Spin Win	 Scratch Card Compendium
 Card Roulette	 Casino Dice	 Texas Hold'em	 Poker Eyes
 Golden Clover	 Diamond Compass	 Squares	 Scheduled Squares
 RoYem	 Spin It	 Pachinko	
 Table Keno	 Techno Keno	 Football Keno PROGRESSIVE	 Aztec Keno PROGRESSIVE
 Treasure Keno	 Keno Extreme	 Football Keno	 Aztec Keno
 Ringo Keno Extreme			
 BarX 5	 BarX Magic 7	 BarX 175	 BarX Bonus Leader
 Real Traditional	 Goldfish Extreme	 Reel GP Extreme	 Final Francy Extreme
 High Rollers	 Reel Grand Prix	 Final Francy 2 a day	 Final Francy
 Football Slot	 Spy Rollers	 100 Reel Bonus Slot	

Figure C.6.11 – 6:
Skilljuice

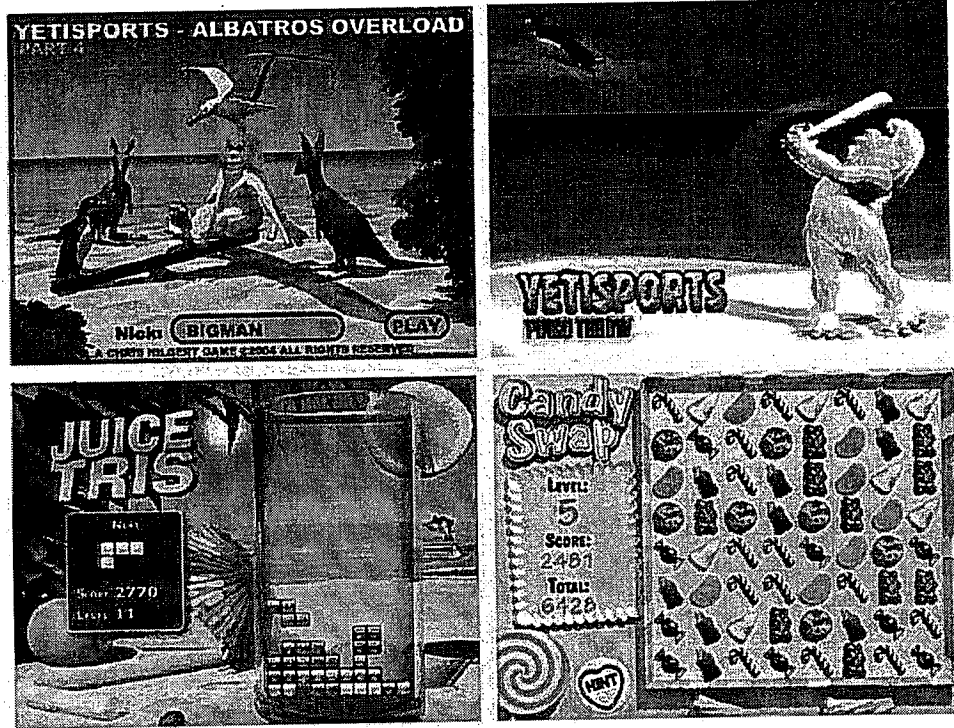


The Skilljuice site illustrates the compelling nature of skill-based games, which can be played individually, head-to-head, and tournament-style.

With such a large variety of game types and options, we have games that can appeal to each type of gaming player and maintain player interest in the Lottery Website.

GTECH's recommendation is that the DCLB initiate a play-for-fun offering starting with skill-based games that have high entertainment value and appeal to a broad demographic profile.

Figure C.6.11 – 7:
Play-for-Fun



Players typically spend hours playing play-for-fun skill games – a trend unique to these games. The entertainment factor is very high. The DCLB can set up tournaments, leader boards, and head-to-head competitions to further contribute to game appeal. The GTECH Skilljuice product is one of the most compelling offerings in the lottery industry. Skilljuice games are played online and a few titles are also available via the Apple iPhone on the Apple App store.

Game Lounge (Offered Option)

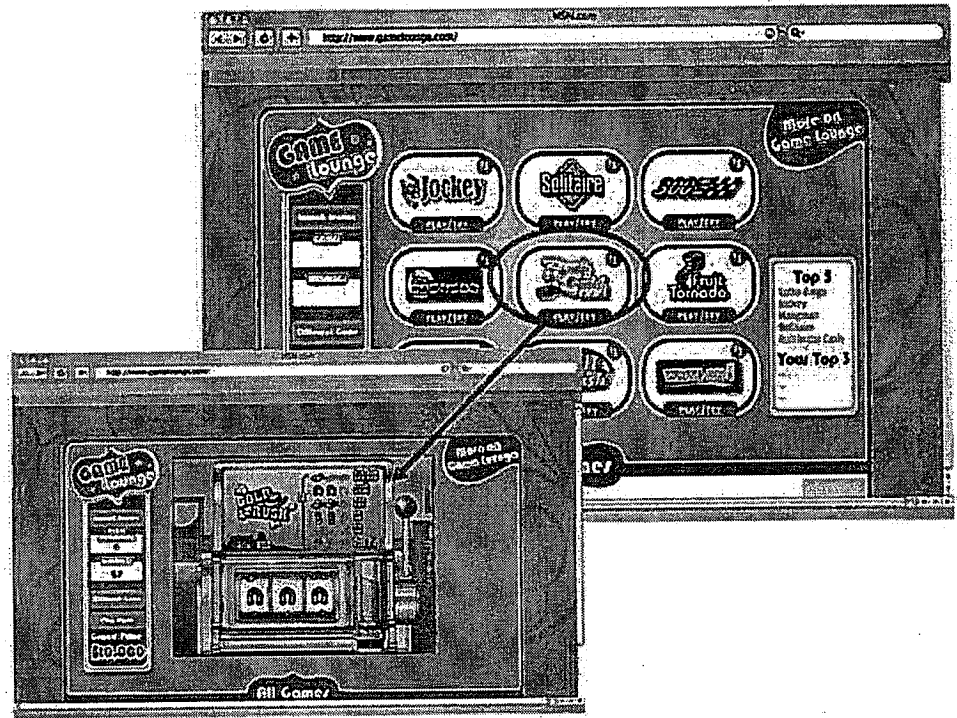


As previously described in Section C.6.5, Games Menu, Game Lounge, which is compliant with existing regulation, is another exciting offering that provides a "bridge" from interactive gaming to a future with less restricted Internet gaming. Through Game Lounge, an exclusive offering in the United States by GTECH and its partner Ingenio, Lottery players can begin to familiarize themselves with Internet gaming. Unlike standard scratch tickets, Game Lounge tickets have access codes (the number of codes depends on price points). Players purchase Game Lounge tickets at retail, like any other instant ticket, and then use the access codes to play Game Lounge games on the Internet.

**Figure C.6.11 - 8:
Game Lounge Ticket**

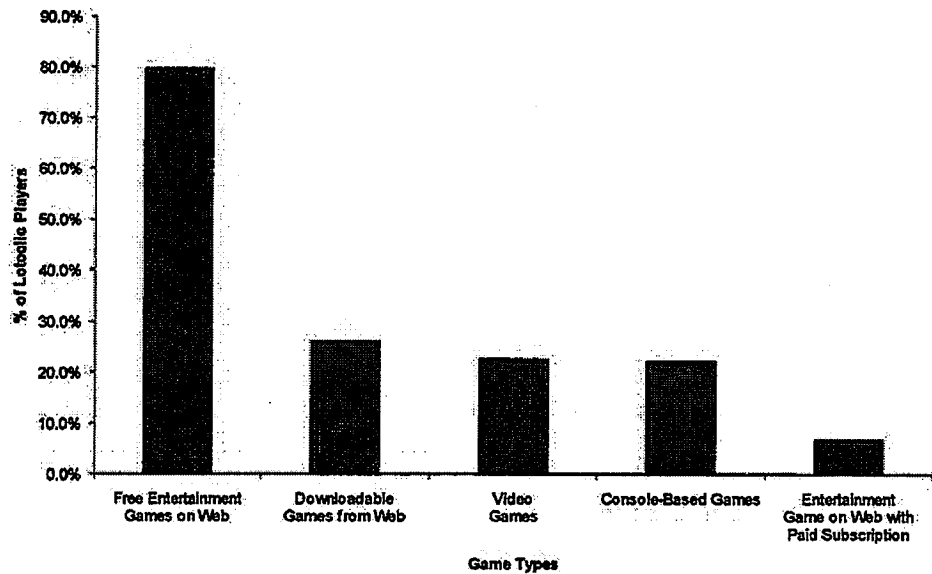


Figure C.6.11 – 9:
Game Lounge Screenshot



Loto Quebec offers these games to its players under the name Lotoclic. Lotoclic players are extremely enthusiastic about this product. Of approximately 2,340 surveyed players, nearly 85 percent strongly agreed that the Website's look is appealing and that the games are easy to find, and 80 percent strongly agreed that they enjoyed playing these new games. When asked what other types of games these customers play, Lotoclic players' results were as follows in the following figure.

**Figure C.6.11 – 10:
Other Games Played by Lotoclic Customers**



Clearly, Lotoclic players are familiar with playing entertainment games on the Internet while an extremely small percentage play online games that require paid subscriptions. Through the implementation of Game Lounge, we can work to change this reality by familiarizing players with playing on the Web. Once players have accepted purchasing access codes to play Internet games, it is a short leap for them to pay to play through the Web. This interactive instant model is a great way for the DCLB to develop its player network and promote Lottery Website awareness.

Subscription Services via the Internet (Offered Option)

A subscription service brings added convenience to you and your players – players can buy lottery products without having to visit a retail location and can familiarize themselves with the DCLB Website while the Lottery builds additional awareness and brand equity in this channel. Through this increased convenience, sales among the Lottery’s most loyal customer segments will increase due to improved ease of purchasing tickets.

Once players register with the DCLB, they can buy subscriptions over the Internet. Players will be given cross-reference numbers to include with payments and e-mailed subscription confirmations that include information on chosen games, numbers, and subscription durations. When players create subscriptions, the system creates subscription records and associates the records with players' registration files for tracking simplicity.

Subscription services manage the process of playing the lottery in a way that encourages repeat and regular play. System configurations can include functionality that allows wager options and selections, automatic wager amount Electronic Funds Transfer (EFT) from players' bank accounts and automatic prize EFT to players' bank accounts. As laws change, offering players the opportunity to play on a subscription basis, by capturing players' credit card, debit card, and/or bank account information, may become possible.

GTECH's Enterprise Series NewMedia system allows players to view their financial and gaming transaction histories and manage wallets that they have been allotted. Players can initiate unloading their wallets, having mid-tier prizes paid directly to their wallets, and viewing details on how to claim high-tier prizes.

As we cross into this Internet wagering frontier, we will need to use even more stringent age, residency, legal, and financial source verification technologies and services. In many instances, proper authentication requires integrating third-party technology and services, and this is where the DCLB will benefit from GTECH's substantial lottery and commercial experience.

Interactive Gaming for Regulated Lotteries

Once the regulatory environment allows online wagering, extending our Internet bridging strategy to allow players to manage their subscription-based accounts or open specific wagering accounts from which to play the myriad ES NewMedia games will be easy.

ES NewMedia provides substantial monitoring and control capabilities that we developed in line with the needs of the hundreds of customers and millions of players that our systems currently support. Wagering for cash in the interactive space requires additional capabilities for moving money between funding instruments, managing eWallet wagering accounts, and administering extensive responsible gaming controls – for the Lottery and for your players. Interactive gaming also requires extensive fraud monitoring and control solutions and expertise – cornerstones of our ES NewMedia solution set and integral to our expert staff respectively.

C.6.11.b Non-Lottery Transactions (Offered Options)

The proposed GTECH Enterprise Series system can support non-lottery functions. In the following pages, we describe the support available including specific features as **Offered Options**.

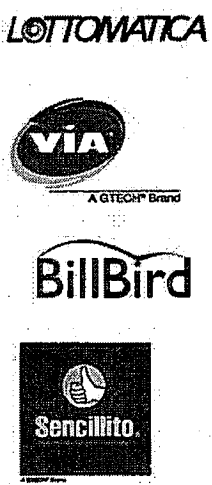
GTECH pioneered the implementation of non-lottery functions, which we label as Commercial Services (CS). Commercial Services involves leveraging existing lottery infrastructure to provide other services to benefit lotteries (and their good causes), as well as providing benefits to retailers, and most importantly to the users of those services. We welcome the opportunity to work closely with the DCLB to determine which specific Commercial Services would be most appropriate for the D.C. market. Our systems can support Commercial Services non-lottery transactions, and even more importantly, we have significant operational experience in operating and marketing these types of value-added offerings.

Experience

The following matrix highlights the extensive experience that GTECH, working with our customers, has in delivering and supporting Commercial Services throughout the world.

**Figure C.6.11 – 11:
GTECH Commercial Services Experience**

World Wide CS Experience

		Bill Payment	Banking & Social Services	Top-Ups
	CZECH REPUBLIC		✓	✓
	CHILE	✓	✓	✓
	BARBADOS			✓
	JAMAICA			✓
	TRINIDAD	✓		✓
	SLOVAKIA			✓
	LITHUANIA			✓
	POLAND	✓		✓
	ITALIA	✓	✓	✓
	COLOMBIA	✓		✓
	USVI			✓

To further validate our experience in this area, we would like to highlight three particular implementations that may be of interest to the DCLB.

Chile (Sencillito)

Since 2002, GTECH has operated a Commercial Services operation in Chile. Consumers can perform the following Commercial Services at more than 500 retail agents located throughout the country:

- Bill Payment.
- Pre-Paid Pins – E-Recharges.
- Domestic Money Order Transfer.
- Tax Payment.
- Money Advance.
- “Promotional Prize Payment.”

Payment is accepted via cash, check, or private label cards. The following figure illustrates the comprehensive nature of the services and the extensive number of third-party entities that are involved.

Columbia (VIA)

In Columbia, we have a very successful Commercial Services offering that leverages the existing lottery infrastructure. The following table illustrates the key offerings – Banking Services, Bill Payment, and Cell Phone Top Ups.



The Commercial Services network in Columbia processes *more than 3.5 million top-ups per month* and *more than half a million bill payment and banking transactions per month*. Their market brand is also very well established within the country.

Poland (BillBird)



BillBird is a wholly owned GTECH subsidiary that manages the largest network of bill payment and prepaid POS terminals and Electronic Cash Registers in 7,800 retail locations in Poland under the VIA™ brand and processes more than *3 million transactions per month* for Bill Payment, Mobile Prepaid, and Money Transfer. BillBird is the leading provider of electronic bill payment services in Poland and has key processing contracts with 80 percent of the biggest utility and telecom bar-coded bill issuers. Depending upon a customer's specific business needs, we may or may not use portions of the BillBird technical solution to support Commercial Services.

Commercial Services Offerings (Offered Option)

Although there are many potential applications that could be developed within the Commercial Services realm, we have focused on key applications that have the most applicability in the most markets. Our core baseline solution supports the following Commercial Services options:

- **Bill Payment:** Allowing individuals to pay various bills at a lottery retailer.
- **Cell Phone Top Ups (aka Electronic Top Up [ETU]):** Allowing individuals to purchase cell phone usage (minutes) on a pay-as-you-go basis.

Bill Payment (Offered Option)

Bill payment is a popular service that provides additional convenience and cost/time savings to individuals that are paying bills. It also appeals to retailers in that it helps drive additional foot traffic to the retail location. The variety of bill types is endless. We support bill presentment, where the list of bills to be paid by a consumer can be called up as part of the transaction. We also support bill payment validation where the bill payment will be validated against either a database or via real-time connection. We support bill payment via an aggregator (someone that services multiple bill payment entities) or via direct relationships and connections with numerous individual entities.

Cell Phone Top Up (Offered Option)

This popular service mirrors the consumer and retailer benefits noted above and follows the huge penetration of cell phone usage that is a global trend. We support the ability to instantly apply minutes to either a specific phone, or to a phone to be designated by the consumer at a later time. We can support the storage of minutes with a local database provided by the carrier or can maintain real-time connections with carriers for real-time activation of minutes.

Although, these are the most popular Commercial Services applications, we also do other activities such as banking services (which are very popular for some jurisdictions which have a very low penetration of banked individuals) and ticketing (Czech). New Commercial Services options can be added with minimal impact to the architecture, so it is really a question of what the DCLB desires based upon your market. We welcome the opportunity to discuss this with you more and are confident that our experience and existing solutions would be of value to you.