

REVISED APPENDIX C

Price Proposal Form & Instructions

Introduction

This section describes the manner in which Proposers will submit pricing for the CLC's consideration.

Separately Sealed Price Proposal

The Price Proposal must be so identified on a separately sealed enclosure. The Price Proposal shall be signed by an individual authorized to legally bind the Proposer. The contents of the Price Proposal must follow this outline:

1. Pricing for the Base System.
2. Required Options and Pricing per items listed on pricing matrix.
3. Additional Options and Pricing per items listed, and other items Proposer recommends.

Form of the Price Proposal

The Proposer must submit pricing in the following format.

1. For the Base System:

Pricing as a percentage of weekly sales in the format X.dddd where X represents the whole percentage value and d represents decimal percentage digits. Compensation will not be paid for cancelled or returned tickets, for coupons and promotional tickets, or for vouchers issued by SSTs.

Percentages must be submitted for each annual revenue increment requested on the pricing matrix as the fully inclusive price for the System. Proposer's percentage entry will be applied to annual revenue that is greater than the prior increment annual sales amount up to the next increment annual sales amount (example: If Proposer's percentage price response is 9.8765% for \$1.5 billion in annual sales, that percentage will be applied to sales greater than \$1.25 billion and up to \$1.5 billion). **The CLC will apply Proposer's percentage entry for \$2 billion in annual sales to annual sales greater than \$2 billion, unless the Proposer provides a different rate.**

Pricing entries must include all costs and fees including, but not limited to, terminals, Primary Data Center, Backup Data Center, maintenance, hotline support, operations fees, communication equipment and communications fees. No other payments will be made to the Successful Proposer except as a result of negotiated options and enhancements. Each Proposer shall assume in its pricing the use of its top-of-the line terminal. If a Proposer would like the CLC to consider some other option, please so indicate as an alternative and additional proposal.

2. Required Options and Pricing. (U.S. dollars or as a percentage of sales as specified).
3. Additional Options and Pricing. (U.S. dollars or as a percentage of sales as specified).

For comparison and evaluation of options, the CLC has designated the pricing format and terms. The CLC may or may not accept the options in whole or in part, and the request for pricing for options in no way obligates the CLC to acquire the options according to the stated format and terms. If the CLC should accept the options under different terms, the details will be negotiated with the Successful Proposer. Any options provided in #2 and #3 above for which there is no additional fee should be shown as No Charge or N/C in the appropriate portion of the Price Proposal.

Duration of the Price Proposal

The Price Proposal must be valid for one (1) year from Submission Date, or until execution of a contract (or cancellation of the procurement), whichever occurs first.

Pricing of Options

The Proposer is encouraged to propose options regarding innovative functions, features, services, and solutions. However, all options shall be clearly described in the Technical Proposal – excluding pricing information – and their corresponding prices listed in the Price Proposal as separate line items in #2 and #3. Otherwise, such options will be considered part of the base price.

To make the evaluation comparable, the CLC considers:

1. Base System pricing.
2. Required Options pricing at the minimum quantities and terms shown on the attached Price Proposal form.
3. Additional Options pricing shown separately from the base price.

Required Options or Additional Options and related pricing that are separately priced and designated as such in the Technical Proposal and in the Price Proposal will be considered by the CLC. These may be included in contract negotiations or at a later date with the Successful Proposer.

Required Options Pricing

- A. Claims Processing Application. As set forth in Appendix B, Technical Specifications, Section 3.4.6 Required Option – Claims Processing Application.
- B. New Retailer Processing Application. As set forth in Appendix B, Technical Specifications, Section 3.4.11 Required Option – New Retailer Processing Application.
- C. Sales Force Automation Application. As set forth in Appendix B, Technical Specifications, Section 3.4.12 Required Option - Sales Force Automation Application.
- D. Self Service Vending Terminals. As set forth in Appendix B, Technical Specifications, Section 3.2.2 Vending Machines.

Additional Options Pricing

- A. In-Lane white paper ticket. Proposers may submit pricing for in-lane white paper ticket solution for Draw and Terminal Games as set forth in Appendix B, Technical Specifications, Section 3.4.13 In-Lane Lottery Solution.
- B. Play Stations in Retailer Locations. Proposers are encouraged to submit pricing for supplying and replacing play stations.