

**FIRST AMENDMENT TO THE  
DRAWING-STYLE LOTTERY GAMES AND  
LOTTERY GAMING SYSTEM AND SERVICES AGREEMENT**

**THIS FIRST AMENDMENT TO THE DRAWING-STYLE LOTTERY GAMES AND LOTTERY GAMING SYSTEM AND SERVICES AGREEMENT** (this "Amendment") is made and entered into as of the 20<sup>th</sup> day of December, 2018 ("Amendment Effective Date"), by and between the **TENNESSEE EDUCATION LOTTERY CORPORATION**, a public corporation and state instrumentality created pursuant to the Tennessee Education Lottery Implementation Law (Tenn. Code Ann §§ 4-51-101 et seq.) (the "TEL"), and **IGT GLOBAL SOLUTIONS CORPORATION** (formerly known as **GTECH CORPORATION**), a Delaware corporation with offices at IGT Center, 10 Memorial Boulevard, Providence, Rhode Island 02903 ("IGT"). IGT and the TEL are sometimes hereinafter referred to collectively as the "Parties" and each as a "Party". Capitalized terms used but not defined herein shall have the meanings given such terms in the Agreement (defined below), as amended hereby.

**WITNESSETH:**

**WHEREAS**, the TEL and IGT are parties to that certain Drawing-Style Lottery Games and Lottery Gaming System and Services Agreement, dated July 18, 2014 (the "Agreement"); and

**WHEREAS**, the Parties wish to extend the current expiration date of the Agreement in exchange for IGT's early delivery of additional vending machines and certain other deliverables as set forth below.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual promises contained herein, the Parties agree to the following amendments and agreements as follows:

1. The following sections of the Agreement be, and they hereby are, amended as follows:

1 (a). Section 6 of the Agreement is deleted in its entirety and replaced with the following language.

6. **TERM**

(a) Subject to Section 6(b) below, unless sooner terminated in accordance with the provisions of Section 19 of this Agreement, and subject to the provisions of Section 26 of this Agreement, this Agreement shall commence as of the Effective Date and shall end at the close of operations on June 30, 2022 (the "Original Expiration Date"), and the TEL shall compensate the Vendor until the Original Expiration Date (unless earlier terminated pursuant to the terms of this Agreement) (the period



from the Effective Date until the Original Expiration Date, the “Initial Term”).

(b) Upon the Original Expiration Date (unless earlier terminated pursuant to the terms of this Agreement), this Agreement shall continue until the close of operations on June 30, 2025 (the “Extended Term”) (unless earlier terminated pursuant to the terms of this Agreement during the Extended Term) and the TEL shall compensate the Vendor through the Extended Term.

(c) The TEL reserves the right to renew this Agreement for up to an additional four (4) years after the Extended Term (each such exercised renewal period, a “Renewal Term” and collectively, the “Renewal Terms”, and with the Initial Term and the Extended Term, sometimes referred to herein collectively as the “Term”). The rights and obligations of the Parties with respect to any such Renewal Term shall be set forth in an amendment to this Agreement and/or in a separate written agreement between the Parties, in each case, which contains all of the mutually agreed-upon terms and conditions for such Renewal Term.

**1(b). Section 17 Obligations of Vendor is amended as follows:**

Sub-section 17 (v)(vii) is deleted in its entirety and replaced with the following language.

During the Term, the Vendor agrees to install and maintain up to two-hundred (200) EDSQs in established TEL retailers selected by the TEL (the “Selected Retailers”).

Vendor shall commence deployment and installation of the EDSQs at the Selected Retailers, upon a mutually agreed written deployment and installation schedule; provided, however, Vendor shall not be obligated to deploy the EDSQs earlier than the date that is three (3) months after the date that the TEL approves the final trim kit design for the EDSQs. The TEL agrees to work with Vendor to provide Vendor the list of Selected Retailers as soon as reasonably possible, acknowledging that any delay in Vendor receiving the list of Selected Retailers may also delay the deployment and installation of such EDSQs in accordance with the agreed upon deployment schedule.

It is agreed and understood that the EDSQs are existing equipment in the IGT warehouse and notwithstanding anything to the contrary in this Agreement, it is further agreed that at the end of each EDSQ’s useful life, or in the event that the EDSQs are not deployed during the Initial Term or the Extended Term, or upon any EDSQs removal from any Selected Retailer and the decision is made by the TEL not to deploy them at another location, the EDSQs will be retired from the field and removed by the Vendor.



Sub-section 17(l) is amended by revising the language in the first two clauses of the second sentence and replacing them with the following language. The remainder of the second sentence following the second semi-colon remains unchanged.

“Vendor’s EBO Program shall generate a minority business participation level at a dollar amount equal to at least twenty percent (20%) of the revenues received from the TEL. This shall include credit for work performed by Tennessee minority owned businesses contracted by Vendor to provide goods or services to lotteries in other jurisdictions, as well as, credit, in the event no Tennessee minority owned business can be located, to provide the required goods or services, and a minority owned business from another jurisdiction is utilized; provided, however, for the purposes of calculating this twenty percent (20%), any revenue attributable to any program enhancement option agreed by the Parties shall not be used in such calculation; .....

Sub-section 17(l) is further amended to add the following paragraph to the end of existing Sub-section 17(l).

In order to further enhance the TEL’s Equal Business Opportunity Program, Vendor agrees to provide support to a non-profit organization, selected by the TEL, with a focus on minority business development and/or the establishment of a scholarship program for students majoring in STEM (science, technology, engineering and math) curriculums enrolled in one or more of Tennessee’s historically black colleges and universities identified by the TEL. Vendor’s commitment shall be in the amount of \$50,000 per year for the remainder of the Term, commencing with the Amendment Effective Date. Said funds shall be included in the calculation of the Vendor’s 20% EBO Program commitment.

**1(c). Section 20 Liquidated Damages is amended as follows:**

Sub-Section 20(xviii) Failure to Fulfill the Minority Participation Commitment is deleted in its entirety and replaced with the following language.

The TEL will monitor and review Vendor’s progress quarterly through site visits and Vendor’s submission of EBO quarterly reports. Annually, beginning July 1, 2015, the TEL has evaluated Vendor’s annual EBO expenditures under this Agreement. Commencing with the Amendment Effective Date (as defined in the first amendment to this Agreement), in the event Vendor fails to provide a minority participation level of at least nineteen percent (19%), Vendor shall be assessed liquidated damages in the amount of \$100,000 for every percentage point by which it fails to meet said commitment. Said funds shall be utilized to further expand the TEL’s EBO Program. For the purpose of clarification, the 19% upon which the liquidated damages can be assessed does not take into account any program enhancement option agreed to by the Parties.



**2. The Agreement shall be, and it hereby is, further amended as needed to incorporate the following agreements:**

**Additional Vending Machines**

Subject to the terms and conditions set forth below, which terms and conditions control notwithstanding anything to the contrary in the Agreement, Vendor shall deliver the Initial Lot and any Subsequent Lot (as these terms are defined below) for use by the TEL.

Within six (6) months of the Amendment Effective Date (as defined in the first amendment to this Agreement) Vendor shall deliver one-hundred twenty-five (125) GameTouch™ 20 Self-Service Vending Machines specified in the attached Exhibit A (the "GT20 Vending Machines") (such 125 GT20 Vending Machines, the "Initial Lot"), to the Vendor's warehouse in Tennessee for use by the Lottery during the Term.

Within twenty-four (24) months of the Amendment Effective Date, the TEL may order a total amount of twenty-five (25) additional GT 20 Vending Machines or GameTouch 28 vending machines (formerly named Gemini Touch vending machines) (the "Subsequent Lot"). Vendor shall deliver the Subsequent Lot to the Vendor's warehouse in Tennessee within six (6) months of receiving a binding written order from the TEL for the Subsequent Lot (provided, however, that in the event that the manufacturer indicates to IGT that it is able to deliver such Subsequent Lot in less time, IGT will notify the TEL and endeavor to arrange delivery in less than six (6) months).

For avoidance of doubt, the TEL will continue to compensate the Vendor during the Term as set forth in the Agreement in connection with the GT20 Vending Machines and GameTouch 28 vending machines delivered pursuant to the first amendment to this Agreement.

Deployment and Installation

Vendor will deploy and install the Initial Lot and the Subsequent Lot at established TEL retailers to be specified according to a deployment and installation plan and schedule to be agreed in writing by the Parties.

Vendor agrees to deliver the Initial Lot and Subsequent Lot as a one-time waiver to the existing requirement that TEL deploy all five hundred twenty-five (525) Base TVMs and meet the average net sale requirement set forth in Section 17(v)(v) of the Agreement prior to having the right to require Vendor to deliver any of the remaining Performance TVMs. The Parties further acknowledge and agree that (i) the total number of GT20s and GameTouch 28 vending machines delivered to the TEL in the Initial Lot and the Subsequent Lot shall be in addition to the total remaining Performance TVMs Vendor would otherwise be required to deliver under this Agreement and (ii) except as



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specifically waived pursuant to this paragraph with respect to the Initial Lot and the Subsequent Lot, all of provisions of Section 17(v)(v) of the Agreement continue to apply in full force and effect.

### **Keno Solutions**

Subject to the terms and conditions set forth below, the Parties agree that Vendor will provide the TEL with up to three-hundred-fifty (350) Keno solutions, each comprised of a hardware configuration that includes the following: (i) a television (approximately 40" or larger), (ii) a site controller/video control unit (VCU) and (iii) related cabling, mount and installation services (each, a "Keno Solution Configuration").

Vendor shall commence deployment and installation of the Keno Solution Configurations at the established TEL retailers to be specified by the TEL (the "Selected Keno Retailers"), upon a mutually agreed written deployment and installation schedule; provided, however, in no event shall Vendor be obligated to deliver Keno Solution Configurations to the IGT warehouse in Tennessee prior to a date that is six (6) months after the date that the TEL places a firm order for such Keno Solutions Configurations (provided, however, that in the event that the manufacturer indicates to IGT that it is able to deliver such Keno Solution Configurations in less time, IGT will notify the TEL and endeavor to arrange delivery in less than six (6) months). The TEL agrees to work with Vendor to provide Vendor the list of Selected Keno Retailers as soon as reasonably possible, acknowledging that any delay in IGT receiving the list of Selected Keno Retailers may also delay the deployment and installation of such Keno Solution Configurations in accordance with the agreed upon deployment schedule.

The Parties agree that the Keno solution and, specifically, each Keno Solution Configuration, does not include the provision by Vendor of additional retailer terminals and related peripherals for the Selected Keno Retailers. Additionally, the Parties agree that Vendor will be compensated for the sale of Keno games on all Keno Solution Configurations at the rate established under Section 5(a) of the Agreement.

**3. Miscellaneous.** Except as modified hereby, the Agreement shall remain in full force and effect and is hereby ratified and confirmed. This Amendment may be executed by the Parties hereto in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Execution and delivery of this Amendment by electronic exchange bearing the copies of a Party's signature shall constitute a valid and binding execution and delivery of this Amendment by such Party. Such electronic copies shall constitute enforceable original documents.

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IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed as of the date set forth above.

TENNESSEE EDUCATION  
LOTTERY CORPORATION

By: 

Name: Rebecca Paul Hargrove

Title: President and CEO

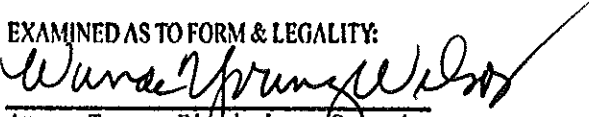
IGT GLOBAL SOLUTIONS  
CORPORATION

By: 

Name: Joseph S. Gendron

Title: COO, Lottery

EXAMINED AS TO FORM & LEGALITY:

  
Wanda Sprung  
Attorney, Tennessee Education Lottery Corporation



Can sell 20  
Instant Tickets  
plus Draw Games

## GameTouch™ 20

The answer to retail vending height restrictions.

At only 54" tall, the GameTouch 20 packs a lot of power into its small frame. With the ability to sell 20 Instant Tickets as well as Draw Games, a 32" wide monitor for optimal Player experience, and powered by our proven GameTouch and OpenRetail technology, GameTouch 20 is the trusted solution for new retail opportunities.

### Features:

- 5 Quadburst® – 20 Bins
- 54" terminal height\*
- 38" terminal width
- 24.8" terminal depth (at base)
- An all-new player experience adapted for 32" touch monitor
- Zebra DS4308 Bar Code Reader
- JCM DBV-400 Bill Acceptor
- Verifone VX805 Cashless Device (Optional and available as an in-field add-on)
- AccuTherm printer
- 6.5" internal touch monitor

\*with antenna = 55"

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