

About Intralot Australia

Intralot S.A. is a global provider of lottery operating systems with representation in more than forty jurisdictions on five continents. Intralot Australia Pty. Ltd. (Intralot) is a fully owned subsidiary of Intralot S.A. and has been granted a Licence to sell Lottery Products in Victoria under a State Lottery Licence (Category 2) from 1 July 2008. Intralot also provides the lottery gaming system in Western Australia.

Intralot's aim in Victoria is to make more people feel like winners. Through our quality Lottery Products players will receive more prizes, more often. For existing games, the number of mid-tier prizes has increased and the odds of winning have been improved, this proposition has also been carried through to our new games.

We not only reward our players, we reward our retailers too. Our retailers will be provided with an excellent package which includes great commission rates, innovative technology, ongoing business development opportunities, and the necessary infrastructure to support the sale of our Lottery Products.

Our Games

From 1 July 2008, Intralot will be offering the following games:

- A new version of Keno which has improved odds - 10/20/70 and Systems to name a few.
- Instant Tickets which have undergone a major facelift with better odds and more ways to win.
- Cross and Match - a new game similar to Noughts and Crosses where player's win based on the number of lines they draw.
- TV Bingo - a new entertainment concept which will offer more than players expect.... All will be revealed closer to launch.

Two new and exciting games, Pick 3 and Pick 5 Heads and Tails, will also be available in the first half of 2009.

Our games and branding have been subject to robust research and consumers have indicated that they are eager to play.

Terminals

Intralot Terminals have been developed for ease of use by both the retailer and the consumer. They are reliable, user friendly and have a number of innovative features which aid in the lottery sales process.

Fast Results

Our Horizon LCD screens bring Intralot games to life. Positioned within retail outlets they stream draws, results and promotional messages in near real time. This allows players to check their numbers and learn about new games while bringing efficiencies to retailers. The screens are flexible in terms of placement within the outlet which enables you to optimize the use of space. In addition to the Horizon screens, Intralot can also provide you with an automatic Ticket Checker so your customers can check their own game entries, allowing you to concentrate on your business.

Technical Information

Terminal components include:

Terminal Unit

Terminal Unit	Terminal unit will be installed on the counter top.
Printer	Thermal paper printer.
Communication/ Equipment Router	A small device to communicate to the central computer system.

Other components:

Ticket Checker	A unit for customers to self check their Entry Tickets.
Instant Ticket Dispenser	A modular unit for the display and merchandising of Instant Tickets.
LCD Monitor (22 inch)	The LCD Monitor can be mounted on a wall, on the counter or suspended from the ceiling. The location will be organised with the Terminal installer.

Electrical requirements

General purpose electrical outlets

The retailer is required to supply five (5) general purpose electrical outlets (ie. Standard 10 Amp power points).

Three (3) under the counter where the Terminal is located:

- One for the Terminal Unit
- One for the Ticket Checker
- One for the Communication Equipment/Router

Two (2) in the location where the LCD Monitor is located:

- One for the LCD Monitor
- One for the Video Interface Equipment

Instant Ticket Dispenser

Each retailer will be provided with a specifically developed modular Instant Ticket dispenser that has been purpose built to enable the retailer to have flexibility with the number of Instant Tickets for sale. The dispenser will be able to accommodate a minimum of nine different Instant Tickets.

Retail Shop-Fit

Intralot will provide shop-fit furniture that is exciting, fresh and adaptable to drive awareness of Intralot's products and generate sales. This distinctive orange and black retail identity (shop-fit) is provided to all our retailers and supported by comprehensive media and marketing campaigns.

Retail Development Managers

Our Retail Development Managers are here to help deliver on business development initiatives in order to improve your revenue outcomes. They will work with you to identify trends, opportunities and ongoing issues in retail distribution, and ensure compliance with all responsible gaming requirements.

Training & Support

Intralot has developed a comprehensive retailer one day training program that is tailored for the Victorian market. It covers how to play the games, Terminal functions, retail business operations and responsible service of gaming.

Training will be conducted in small groups, allowing you ample time to learn all of the Terminals' simple but powerful features. Retailers will also be provided with a Retailer Procedures Manual and will have access to our dedicated Help Desk for ongoing support.

Distribution

Intralot's warehouse in Port Melbourne is responsible for the provision of consumables to the retail network by:

- Ensuring a weekly courier delivery service
- Processing orders for all Instant Ticket stock and consumables
- Delivering promotional materials for display in your business
- Ensuring that you have sufficient supplies of coupons

Retailer Agreement

The Intralot Retailer Licence Agreement has been developed to clearly establish the relationship between Intralot and each member of our retail network. It is the legally binding agreement that specifies the obligations and responsibilities to be met by retailers and Intralot in accordance with the Public Lottery Licence (Category 2).

The Retail Licence Agreement is valid for a period of **5 years** from the Commencement Date.

Product Commissions

Intralot will offer the following attractive Commission rates to its retailers:

<u>Game</u>	<u>Commission</u>
Keno	10%
TV Bingo	10%
Cross & Match	10%
Instant Tickets	8.7%
Pick 3	10% (mid 2009)
Pick 5	10% (mid 2009)
Player Registration	10%

Note: Calculation of the above Commissions are based on the Entry Costs of each game and are inclusive of GST.

Start Up Fees

Dependant on when the retailer enters into an agreement, the following fees will apply:

<u>Item</u>	<u>Amount</u>
Licence Fee	
Pre 1 July 2008	\$ 8,500
Post 1 July 2008	\$10,000

NOTE: Pre 1 July fees will only apply to retailers who have entered into a Retailer Licence Agreement and have executed all relevant documentation on or before 1 July 2008. The Licence Fee is payable upon execution of the Retailer Licence Agreement.

Initial training fee	
Pre 1 July 2008	Free for one person \$200 for each additional person
Post 1 July 2008	\$500 (per person)

Ongoing Fees

<u>Item</u>	<u>Amount</u>
Delivery Costs	
Weekly Fee	\$25.00
Additional deliveries (at the request of the retailer)	At cost
Terminal rental fee	Weekly fee of \$30.00 plus 1% of net subscriptions sold

Note: Information in relation to default, transfer and ongoing training fees are available in Schedule 3 of the Retailer Licence Agreement. All the above fees are exclusive of GST.

Important Next Steps

In order to be considered as an Intralot retailer, the following steps are required:

1. Now that you have read this Retailer Information Sheet, read and complete the Retailer Application Form.
2. Return the Retailer Application Form with all supporting documentation (as detailed in the Application Form). Intralot will on receipt of your Retailer Application form send you 2 copies of the Retailer Licence Agreement.
3. Review the Retailer Licence Agreement provided.
4. Return both signed copies of the Retailer Licence Agreement with all supporting documentation (as detailed in the Agreement) and evidence of payment of the Licence fee to Intralot's registered office.
5. Intralot will then contact you to organise your retailer training at one of our training venues and Terminal installation at your business premises.

In the event that you do have further questions, our dedicated Help Desk staffs are available on **1300 761 252** to promptly answer your queries.

Intralot is looking forward to building a business with you based on sound commercial principles and common goals.