



SPECIFICATIONS AND DESCRIPTION FOR SCS'S EASYPLAY™ LOTTERY SUBSCRIPTION PLAY PROGRAM

LottoSOFT™ SOFTWARE AND BUSINESS PROCESS METHOD



STRENGTHEN THE CURRENT PLAYER BASE,
RECAPTURE PREVIOUS PLAYERS, and
GENERATE NEW SALES FROM
UNTAPPED PLAYER MARKETS

In today's gaming environment, Lotteries can no longer offer the limited, unsophisticated 'lump-sum' subscription programs of the past

SCS's EasyPLAY™ is a revolutionary 21st Century state lottery subscription program that provides new and existing players with the flexibility, services and exciting options they demand for their gaming dollars. Many of the features of the program are options that the Lottery can turn on or off at will. The program, derived from 10 years experience servicing tens-of-thousands of lottery players, includes intricate built-in policies, procedures and controls, and an interface that is user friendly, flexible and responsive to employees' demands.

Mail Managed and Internet Programs – The program allows players to choose either an Internet Managed program where they submit the initial order and maintain their plays and account balances on the internet, or a Mail Managed Program where the player's subscription program is maintained by staff.

Internet Viewing under Mail-Managed Program - The system also offers the option under a mail-managed program for players to access the web for viewing all account activity and play results by ticket and in summary format as well as participate in promotions, prizes and contests.

Player Changes, Processes and Controls – The program allows players to change their plays during their subscription period while maintaining all controls to provide complete security and audit tracking records. In addition, the system provides for delayed start dates due to mailing and other required delays and automatically reconciles the person's account for remaining tickets to be purchased prior to the commencement of the play changes.



Legal Verifications – The System includes a module for verification of age and state address requirements.

System Alert Notifications – The system automatically flags problems and provides staff with special alerts so that players can be contacted in a timely manner. For example, a player's monthly payment may be rejected by the financial institution or a player's account balance may be falling below a predetermined threshold requiring additional funds to be deposited in order to maintain continuity of play.

Monthly Payment Option – The SCS program can accept monthly payments allowing players the option of "Pay as You Play™". In addition to making subscriptions more convenient and affordable for the player, monthly payments help the player avoid large unnecessary interest charges by the bank. For example, if a player pays \$500 for the year up front, the interest for the first month alone will probably be \$5.00, but with SCS the monthly charge is only 35¢. The benefits of monthly payments to the state are twofold. First, with monthly payments, significantly more players will be able to sign up since the number of players who can afford to pay monthly is a multiple of those who can pay all up front. Secondly, monthly payments provide players with greater affordability so that each can sign up for all online games rather than just one.

Payment Methods and Processes – The system handles manual as well as automated payments via Checks, Money Orders, Bank Cards, and ACH with built-in controls for designating pending versus collected deposits, and timing of submission to financial institutions within the framework of when payments are required in accordance with player payment date preferences and ticket purchases.

Reserve Account Replenishment Process – The system includes an automated process for maintaining each player's reserve balance to ensure sufficient funds for advance ticket signups.

Player's Payment Date Option – The system allows each player to designate on which day of the month his or her monthly payment will be charged to their bank card or deducted from their bank account. Part of that process is a control for how the player's payment date will interact with the timeliness of payments to allow the service personnel sufficient time to contact the player should the financial institution reject the player's payment. The program calculates the necessary time required to help ensure that the player has sufficient funds should the financial institution reject the player's payment so their plays can continue without interruption.

Timing of Player Payments – The payment system has been designed to accept initial payments and follow-up payments without charging double payments within a short time period, which results when a person has requested a specific date for payments that falls shortly after their initial payment.

Automated Account Balances and Reconciliations – The system incorporates accounting entries and transaction tracking so that a player's account balances including advance payments, winnings and remaining tickets to be purchased are automatically reconciled and available for instantaneous display.

Advance Play Signups for Individual Tickets and Lottery Pools – The SCS system allows players to sign up and deposit funds for Advance Plays for both Individual tickets and for inclusion in various Lottery Pools. Advance plays will bring in additional revenue to the state as jackpots start rising. Lottery pools in particular will bring in substantial additional revenue to the state due to its unique nature and otherwise "unavailability." Lottery pools are a reward for joining the subscription program and for committing to regular playing. In addition, lottery pools will entice people to spend more money in parallel to their regular tickets as well as when jackpots are rising.

Lottery Pool Algorithm – The program includes a distribution algorithm for the placement of players to the same pool sizes and various pool sizes when players request multiple pools.

Gift Processing – The system takes care of charging the costs to the gift giver, handling of gift messages, gift paper and a separate address for the mailing of the gift. Gifts will play an important role in additional sales. The three and six month packages in particular fit the budget of most people.

Group Play Accommodations – The system allows multiple people to share a subscription play. The Confirmation Certificate that is sent to the group will list each of the participants.



Variable Data Printing – Graphics, Text and Data Integration – The system includes a Winnings Statement module that reinforces player decisions through the printing of dynamic Winnings Statements. The module interprets the player's results and integrates graphics and text with the data. The importance of a Winnings Statement with colorful graphical characters, starburst of how close a particular ticket comes to winning big and varying text messages based on results cannot be overstated.

Variable Winnings Distributions – EasyPLAY™ offers the option of when to have a check sent to the player or to hold on to the winnings for use against future ticket purchases. Player's don't want nuisance checks. Some want the winnings to be held until they reach a certain threshold so that their check is more meaningful and others want their winnings to be used for future subscriptions or to be used for advanced play tickets.

Newsletters – SCS provides four-color exciting newsletters with prize drawings, contests and exciting information that builds a sense of belonging within the players. Years of experience creating interesting and entertaining newsletters have proven they are invaluable for helping to keep players in the game.

The Retailer Marketplace™ (OPTIONAL) – For the first time ALL Lottery Retailers will be able to market directly to and offer special promotions for Lottery Players. This means that whether a Retailer is big or small, they now have the ability to advertise directly to the Lottery Players who live in their part of town. **Here's how it works:** The Lottery adds a single link on their existing website that connects Players to the Retailer Marketplace. When a Player logs in, all the participating Retailers in their surrounding area appear with exact location information, both as a list and on an easy-to-read map. When the Player clicks on any of the Retailer links, their special full-page website appears. Retailers can advertise SPECIAL OFFERS and even post printable COUPONS which Players can redeem at the store. Players will directly benefit because the Retailers will be offering them discounts and special deals on their merchandise and other special promotions to attract them to their store for other reasons than just to buy lottery tickets. In addition to lots of Retailer Goodwill, the Lottery will also benefit because when players return to the Retailers they will 'instinctively' buy more lottery tickets, especially instant tickets and other 'impulse' Lottery products. Pricing will vary depending on the number of participating Retailers.

Seamless Employee User Interface – LottoSOFT™ is easy to use and responsive to the employees using the system. The employees taking phone calls will be able to provide all the options to players in an easy to use, accurate and timely manner. The system includes automated calculations and built in control processes so the employees do little more than click a few buttons. This seamless interface between ease of use and security has been the result of ten years experience providing lottery play services.

Subscription Security and Controls – The system uses structured status designations for managing, controlling and securitizing player subscriptions under various conditions and throughout the different processing stages including pre-delivery, post delivery, subscription changes, payment delays, automated advance tickets sales, etc.

Software Security – The program includes security level control for individual screen access, required password for specific data fields and program processes, and datafield lockout for processed subscriptions.

Electronic File Interface - The SCS system will send an electronic file to the State Lottery or its Online Vendor at least 24 hours prior to any drawing of the tickets to be purchased for that night. Hash totals, reports and other security measures will make the process seamless and auditable for the lottery.

Data Access and Security – The State Lottery and/or its Online Vendor will have 24-hour real-time access to the SCS system for monitoring, auditing and reporting. SCS stores the data on a fail-safe storage server, mirrored for each data transaction, physically protected in a locked steel cage, and backed up every night onsite and offsite by a double-redundant system. If the lottery chooses, however, the data can be located and maintained at the lottery's premises or on the premises of the lottery's online vendor.

**SCS's EasyPLAY™, LottoSOFT™ and
The Retailer Marketplace™ are
the 21st Century player programs
State Lotteries have been searching for.**

FOR A PRESENTATION OR FURTHER INFORMATION PLEASE CONTACT:

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Patent applications have been filed, pursuant to 35 U.S.C. § 111 et seq., covering one or more features of the LottoSOFT™ subscription system.

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