

NOTICE

BIDS FOR 5000 LIMITED VIDEO LOTTERY TERMINAL PERMITS

Under provisions of section 29-22B-1107 of the West Virginia Code, the West Virginia State Lottery Commission will accept bids from persons who intend to become licensed operators and retailers for permits to purchase or lease limited video lottery terminals from licensed manufacturers. The minimum bid per-terminal must be at least five thousand (\$5,000.00) dollars. The total number of terminals to be awarded in the initial Competitive Bid is five thousand (5,000). To be licensed as a limited video lottery operator or retailer, a person must meet the four-year West Virginia residency requirement.

Bids for authorizations to own or lease video lottery terminals shall be submitted to the Purchasing Division, West Virginia Department of Administration. Bids delivered or mailed to the Purchasing Division shall be in the possession and control of the Purchasing Division on or **before 11:00 a.m. eastern standard time on Monday, October 18, 2010**. A duplicate bid shall be mailed to the State Auditor's bid observer's office using the same time restrictions. Mailed, hand-delivered and courier-delivered bids shall be addressed as follows and must also be received by the deadline listed above:

Submit one (1) original bid to:

State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street, East
Charleston, WV 25305-0130

(and)

Submit one (1) copy of the bid to:

State Auditor's Office
Bid Observer
State of West Virginia
1900 Kanawha Blvd., East
Bldg. 1, Room W-118
Charleston, WV 25305-0230

The outside of the bid envelopes should be clearly marked:

Buyer: West Virginia Lottery Buyer
Req.: Limited Video Lottery Permit Bids
Date: Monday, October 18, 2010
Time: (Bid Opening) 1:30 p.m.

Bids submitted to either office by e-mail or fax shall be rejected. Failure of the United States Postal Service or a courier service to make timely delivery of any bid shall not validate any bid not in the hands of the Purchasing Division or the State Auditor's Bid Observer's Office by the required date and time. Each bid should be typed or printed on the BID FOR LIMITED VIDEO LOTTERY TERMINAL PERMITS form provided by the West Virginia Lottery. Bid forms may be downloaded and printed from the Lottery's website at www.wvlottery.com. Hard copy forms may be obtained by contacting the Lottery at (304) 558-0500. The following information will be required for completion of this form:

The bidder's name:
The bidder's address:
The bidder's telephone number:
The bidder's LVL License Number (*if a current permit holder*):
The number of video lottery terminals for which the permit is sought:
The per-terminal bid for which the permit is sought: \$
The total bid (*per-terminal bid multiplied by the number of terminals*): \$
The amount of the bid bond submitted with the bid (*must equal "total bid"*): \$

Additional bid information, including a sample of a completed bid, may be found on the Internet at www.wvlottery.com. No bid shall be considered unless the amount of the bid equals or exceeds the \$5,000 minimum per-terminal bid amount specified by the Commission. Multiple bids in varying per-terminal bid amounts must be accompanied by separate bid bonds and submitted in separate, sealed envelopes. No bid shall be altered or withdrawn after the appointed hour for the opening of the bids.

No bid shall be considered unless the required bid bond accompanies the bid or was submitted to the West Virginia State Treasurer on or before 11:00 a.m. eastern standard time on Monday, October 18, 2010. In order to have a bid considered, each person submitting a bid must furnish a bond guaranteeing payment of 100 percent of the bid amount for the permits sought by the bidder. The bond must be furnished in the form of one of the following – cash or cash equivalent, negotiable security acceptable to the State Treasurer's Office, a surety bond issued by a company authorized by the West Virginia Insurance Commissioner to do surety business in the State of West Virginia, or an irrevocable letter of credit issued by a national or state bank or other financial institution acceptable to the State Treasurer's Office. If the bid bond is furnished in cash or acceptable negotiable security, the principal shall be deposited without restriction in the West Virginia State Treasurer's office and credited to the West Virginia State Lottery Commission, and a true copy of the receipt issued by the State Treasurer shall be included in the sealed bid(s). If the bid bond is furnished in the form of a surety bond or irrevocable letter of credit, the bond or letter of credit shall be included in the sealed bid(s).

Permits shall be awarded to the persons submitting the highest per-terminal bids. No operator or retailer shall be authorized to directly or indirectly own or lease more than 675 video lottery terminals whether the permit is obtained by successful bid, by certificate of reservation or by a combination of both reservation and bidding. No retailer shall be authorized to operate more than five (5) video lottery terminals at one licensed location, with the exception of qualified fraternal clubs and veterans' organizations, which may operate up to 10 video lottery terminals at one licensed location.