

**Audit Committee
Minutes
Of Special Meeting**

Held on
April 18, 2013 at 12:15 p.m.

at
Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut

Board Members: Frank Farricker, Chairman of the Board; Gale Mattison, Vice Chairman of the Board; Robert Dakers; Michael Thompson; Steven Bafundo (teleconference); and Patrick Birney (teleconference).

Absent: None.

CLC Staff Members: Anne M. Noble, President & CEO; Diane Patterson; Chelsea Turner; Michael Hunter; Andrew Walter.

Call to Order: Mr. Thompson called the meeting to order at 12:23 p.m.

I. Approval of Minutes:

On motion made by Mr. Mattison, seconded by Mr. Bafundo, and unanimously approved, it was:

“Resolved, That the minutes of the January 31, 2013 Audit Committee meeting are approved.”

II. Executive Session:

At 12:25 p.m., Mr. Thompson proposed a motion to enter into Executive Session to discuss Attorney/Client Communications concerning the following:

- Contract for Research and Analysis
- Intellectual Property Claims

On motion made by Mr. Mattison, seconded by Mr. Farricker, and unanimously approved, the Audit Committee entered into Executive Session. Ms. Noble, Ms. Patterson, Ms. Turner, Mr. Hunter and Mr. Walter were invited to attend the Executive Session.

At 12:54 p.m., the Audit Committee reconvened in regular session. Mr. Thompson stated that no actions nor votes had taken place during the Executive Session.

III. Old Business:

None.

IV. New Business:

Contract for Research and Analysis

Mr. Thompson stated that one of the subjects of the Executive Session discussion was research and analysis for the Corporation in regard to Powerball, Mega Millions, and a new online game. The Corporation has identified a firm, SocialSphere, Inc., that it has worked with in the past, has unique expertise and can leverage previous work in Connecticut to facilitate this work effectively

and efficiently. Part of this work will include focus groups. The Corporation will work with this research firm to identify possible Connecticut business and minority business enterprise partners in these efforts. Time is of the essence in order to allow for proper software development and budget decisions .

Mr. Thompson made the following statement for the record:

Given the importance to the Corporation of market research about our players and games and given SocialSphere, Inc.'s expertise, knowledge of the Connecticut marketplace, and prior research and analyses performed for the Corporation, the Audit Committee supports the President's determination to retain SocialSphere, without open or competitive bidding, to conduct market research and analysis concerning (a) the performance of the Powerball and MegaMillions games and (b) a proposed new lotto style game. Such action is consistent with the Corporation's purchasing policy and enabling legislation and enables expertise and cost-efficiency in this necessary research.

Ms. Noble stated that, in the fall, the Corporation plans to issue a competitive solicitation for ongoing research and development with the goal of qualifying one or more firms.

V. Adjournment:

On motion made by Mr. Birney, seconded by Mr. Thompson, and unanimously approved, the meeting was adjourned at 12:57 p.m.

Respectfully submitted,

/s/

Andrew E. Walter
Counsel
Connecticut Lottery Corporation