

Audit Committee

Minutes Of Telephonic Special Meeting

Held on
January 31, 2013 at 2:45 p.m.

at
Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut

Committee Members: Martin Stauffer, Chairman of the Audit Committee (by teleconference); Robert Dakers (by teleconference); Michael Thompson (by teleconference); and Steven Bafundo.

Board Members: Frank Farricker, Chairman of the Board of Directors; and Gale Mattison, Vice-Chairman of the Board of Directors.

CLC Staff Members: Anne M. Noble, President & CEO; Diane Patterson; Chelsea Turner; Paul Granato; and Lana Glovach.

Call to Order: Mr. Stauffer called the meeting to order at 2:47 p.m.

I. Approval of Minutes:

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

Resolved, That the minutes of the January 22, 2013 Audit Committee Special Meeting are approved.

II. Executive Session:

At 2:48 p.m., Mr. Stauffer proposed a motion to enter into Executive Session to discuss:

- Attorney/Client Communications re: Rights and Obligations Concerning the Lottery's Independent Auditor's Contract

On motion made by Mr. Thompson, seconded by Mr. Bafundo, and unanimously approved, the Audit Committee entered into Executive Session. Ms. Noble, Ms. Patterson, Ms. Turner, Mr. Granato and Ms. Glovach were invited to attend the Executive Session.

At 2:55 p.m., the Audit Committee reconvened in regular session. Mr. Stauffer stated that no actions or votes had taken place during the Executive Session.

[Mr. Farricker arrived.]

III. Old Business:

None.

IV. New Business:

Mr. Stauffer stated that the subject of the executive session discussion was the extension of the Ernst & Young contract. Mr. Bafundo stated that the extension of that contract, at yearly price increases of 4%, 3%, and 3%, is reasonable in light of the current climate.

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

Resolved, That the Audit Committee has reviewed proposed pricing in connection with a three year extension of the contract with Ernst & Young, LLP and determined that extending that contract at the prices proposed is in the Corporation's best interests.

Therefore, the Audit Committee recommends that the Board of Directors: (a) approve such contract extension as described; and (b) authorize the President, on the Corporation's behalf, to execute a contract extension as described.

V. Adjournment:

On motion made by Mr. Bafundo, seconded by Mr. Thompson, and unanimously approved, the meeting was adjourned at 2:59p.m.

Respectfully submitted,

/s/

Lana M. Glovach
General Counsel
Connecticut Lottery Corporation