



Connecticut Lottery Corporation
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REQUEST FOR PROPOSALS

RFP Number: CLC202003
RFP Description: Gaming System and Related Services and Products
RFP Issue Date: October 5, 2020
Submission Due Date: December 30, 2020 by 2:00 p.m. Eastern Time

**This document is subject to change.
Visit ctlottery.org for the most current information.**

Part I. INTRODUCTION

Pursuant to Sections 12-815(a) and 12-806(b)(9) of the Connecticut General Statutes, the Connecticut Lottery Corporation (CLC) is soliciting competitive Proposals from qualified, experienced, and innovative Proposers for a Gaming System and related services and products (Gaming System or System). Interested Proposers must submit their Proposals in accordance with the requirements and directions of this Request for Proposals (RFP). Proposers from outside of the United States may submit a Proposal, but they must be registered to do business in Connecticut (See, Part III, Paragraph C, Tab 3 for further instructions).

This RFP includes the following appendices to assist Proposers in preparing their responses:

- APPENDIX A:** CLC Games Gross Sales Performance
- APPENDIX B:** Technical Requirements & Specifications
- APPENDIX C:** Price Proposal Form & Instructions
- APPENDIX D:** Department of Consumer Protection Licensing Applications for Vendors, Affiliates, and Key Persons
- APPENDIX E:** Service Levels & Liquidated Damages
- APPENDIX F:** Terminal Ticket Samples

A contract award is contingent upon the Successful Proposer satisfying all requirements identified in this RFP, including, without limitation, it and its Key Employees obtaining vendor and occupational licenses from the Connecticut Department of Consumer Protection (DCP), the CLC's regulatory agency. See, Part V, Paragraph C. The contract with the Successful Proposer is also subject to prior review and approval by the CLC Board of Directors.

The anticipated initial duration of any resultant contract from this RFP will cover an implementation period plus ten (10) years of Gaming System operations. The CLC will have the option to extend the contract in its sole discretion for up to five (5) additional years in one or more extensions and in any combination of months or years under terms and conditions agreed upon by the parties.

This RFP is not a contract or an offer to contract and does not obligate the CLC to make an award to any Proposer, negotiate with any Proposer, or pay any costs or damages incurred by Proposers participating in this RFP. Unless and until a written contract is signed by the CLC and a Successful Proposer, the CLC shall have no obligations to Proposers.

Proposers are prohibited from making unsolicited contact with any CLC employee, member of the CLC Board of Directors, or State of Connecticut official concerning this RFP or the products or services described in it, except as set forth in Part I, Paragraph C. A Proposer’s failure to observe this restriction may result in its disqualification.

A. BACKGROUND INFORMATION

The CLC is a quasi-public agency with the mission of generating revenue for the State of Connecticut’s General Fund with the highest standards of good public policy and social responsibility. Fiscal Year 2020 saw sales of approximately \$1.3 billion and \$347 million returned to the General Fund. The CLC’s lottery products are sold statewide at approximately two thousand nine hundred (2,900) lottery retail locations, from independent neighborhood shops to convenience stores, package stores to supermarkets, bars and restaurants, and other diverse distribution outlets. The CLC’s current retail product offerings include approximately forty (40) scratch games, Fast Play games with and without progressive jackpots, and ten (10) draw games. A list of the CLC’s current lottery games, as well as the gross sales from FY18 through FY21 for each Draw Game, as well as total instant ticket sales, are attached to this RFP as Appendix A.

The CLC believes in, and actively supports, corporate responsibility initiatives that include responsible play awareness and education, support for small minority-owned, and other diverse businesses, and awareness of our environmental impact. The CLC is an entrepreneurial, team-oriented organization, seeking like-minded business partners that will help further these priorities. Proposers are encouraged to visit the CLC’s website (ctlottery.org) to learn more about its business, mission, and vision. Through the alignment of product plans, marketing campaigns, and sales team efforts, the CLC has consistently ranked among the top ten best lotteries in the United States as measured by per capita sales.

The purpose of this RFP is to find a strategic partner to provide, implement, operate, maintain, and fully support a flexible, reliable, secure, state-of-the-art Gaming System, as well as to provide the CLC with other related products and services. The CLC’s goals include: increasing CLC sales and General Fund transfers in a responsible manner; having the System serve as an important component of a fully integrated communications channel with retailers and players; attracting new players through a state-of-the-art player experience, creative player acquisition and promotional opportunities; expanding the core player base; driving player engagement beyond the traditional lottery retailer/player interactions; and increasing sales at traditional retail locations by driving players back to retail. The relationship between the CLC and its System partner will be based on mutual trust and respect. The CLC’s System partner is expected to adopt the same attitudes, concerns, and commitment towards the CLC’s games, financial performance, legal and regulatory compliance, integrity, security, and utilization of Connecticut small and/or diverse suppliers as are held by the CLC.

B. SCHEDULE

Proposer Written Questions	October 30, 2020 by 2:00 PM Eastern Time*
CLC Written Responses	November 16, 2020
Proposal Submission Date	December 30, 2020 by 2:00 PM Eastern Time* Proposals must be submitted by mail or in-person to the attention of: Purchasing Officer Suzanne Colley, Connecticut Lottery Corporation, 777 Brook St., Rocky Hill, CT 06067
Presentations	January 11-15, 2021
CLC Follow-Up Questions (if necessary)	February 1, 2021

Proposer Written Responses to CLC Follow-Up Questions (if necessary)	February 17, 2021
CLC Preliminary Notice of Award	April 16, 2021
Gaming System Go-Live Date	April 2023

Dates bearing an asterisk (*) are firm dates and times. All other dates are subject to change by the CLC.

All changes to this RFP, including date changes, will be posted on the CLC’s procurement website (<https://www.ctlottery.org/PublicSolicitations>) as well as the Connecticut Department of Administrative Services’ procurement website (https://biznet.ct.gov/SCP_Search/default.aspx?Src=ClSplash, Search Solicitations, Organization, drop down to “Connecticut Lottery Corporation”) (together, the Websites). The CLC’s website is the official source of information for all CLC procurements.

All Proposals will be publicly opened on the Proposal Submission Date. No information other than Proposer names will be released at that time. The public, including Proposers, may be present at the opening. If public health conditions necessitate restricting public attendance, then the CLC will provide the list of proposers upon written request.

C. PROPOSER QUESTIONS

The sole CLC point of contact for this RFP prior to the award of any contract is Purchasing Officer Suzanne Colley (Purchasing Officer). Please direct all questions and other communications regarding this RFP by email only to Suzanne.Colley@ctlottery.org. **Contact with any other CLC representative or State of Connecticut official concerning this RFP may result in disqualification.**

Proposer questions must be received by the Purchasing Officer no later than the date and time set forth in Part I, Paragraph B. The CLC will only answer relevant questions that in its sole judgment will assist Proposers in providing responsive Proposals. The CLC may combine similar questions and give one answer. Proposers must identify the specific sections and page numbers of the RFP to which their questions relate, if applicable. The CLC prefers a simple text format; no columns or shading. The Purchasing Officer will not respond to questions or clarification requests, or inquiries concerning the status of a Proposer’s Proposal or the RFP, **after October 30, 2020.**

The Purchasing Officer will confirm receipt of a Proposer’s questions by email. Questions cannot be submitted via telephone or other means, but the Purchasing Officer will accept telephone calls to confirm receipt of a Proposer’s questions if the Proposer has not received an email confirmation.

The CLC will answer all relevant written questions by issuing one or more written addenda, which shall be a part of this RFP and any resulting contract. Addenda will be available on the Websites. **Each Proposer is responsible for checking the Websites to determine if the CLC has issued any addenda and, if so, must complete its Proposal in accordance with this RFP as may be modified by the addenda.**

Only this RFP and the written addenda, if any, may be relied upon by Proposers. No other communications between the CLC and Proposers, including oral statements made by the CLC, shall waive, change, or otherwise modify any of the provisions of this RFP or bind the CLC.

D. SUBCONTRACTING/COLLABORATIVE PROPOSALS

If a Proposer intends to partner or subcontract with a third-party to fulfill some or all of the requirements in this RFP, then it must, prior to contract execution, identify the third-party and clearly and fully explain this collaborative arrangement, including the division of responsibilities. If a Proposer intends to utilize Subcontractors, but has yet to identify them, then the Proposal must include a description of the credentials that will be sought of such Subcontractors. If the Proposer does not intend to utilize Subcontractors, then the Proposer should say so.

Where two or more businesses desire to submit a single collaborative Proposal in response to this RFP, which includes a Proposal involving subcontracting, they must do so on a prime/subcontractor basis. The collaborating businesses must select a prime contractor that will be the CLC's sole point of contact for all RFP matters. In this RFP, a Proposer's partners and subcontractors are referred to as "Subcontractors."

If a collaborative Proposal is accepted, then the prime contractor (Successful Proposer) will be solely responsible for the collaboration's entire performance of the contract, including all project management, legal, and financial responsibility for the completion of all work, as well as for all acts, omissions, failures, and faults of its Subcontractors as if they were the acts, omissions, failures, and faults of the Successful Proposer.

Following award but prior to contract execution, the Successful Proposer will be required to provide for each known Subcontractor: (i) the information in Part III, Paragraph C, Tabs 3 and 4 pertaining to the Subcontractor, (ii) details concerning the Subcontractor's relationship history with the Proposer; (iii) the Subcontractor's experience performing the subcontracted work; (iv) the measures the Proposer will implement to ensure the security and protection of the System and Data from compromise by the Subcontractor; and (v) who in the Proposer's company will oversee and enforce Subcontractor compliance with work requirements and applicable contract provisions.

E. CONTINUING DISCLOSURE OBLIGATIONS

Part III, Paragraph C, Tabs 3, 4, and 5 of this RFP are subject to a continuing disclosure requirement; any change in information or circumstance experienced by a Proposer occurring after submission of a Proposal and, with respect to the Successful Proposer after the execution of a contract, must be disclosed promptly in writing to the CLC.

F. ADDITIONAL PROPOSER INFORMATION

The CLC may request Proposers to provide information, clarify information contained in their Proposals, or supplement information previously supplied with additional information at any time during the RFP process. However, the CLC is not required to make such requests. A Proposer's failure to respond to CLC's requests promptly may result in rejection of that Proposer's Proposal, or the CLC may elect to accept that proposal as-is.

G. PRESUMPTION OF PROPOSER'S FULL KNOWLEDGE

The CLC will presume that each Proposer that submits a Proposal: (i) has read this RFP (including its addenda) and understands the CLC's needs and requirements; (ii) is capable of providing legal and regulatory-compliant products and services and performing all associated work that is necessary, incidental, or helpful to achieve the CLC's goals and objectives; and (iii) is familiar with and will comply with all federal, state, and municipal laws, ordinances, orders, decrees, decisions, regulations, and rules imposing obligations on it, as well as any mandatory professional, industry, and multi-jurisdictional association standards related to the work described in this RFP. A Proposer's failure and/or omission to review or examine any information concerning this RFP shall in no way relieve it from any aspect of its Proposal or the related obligations. Additionally, Proposers agree to comply with Applicable Laws that are adopted in the future, even if such Applicable Laws conflict with the System as intended in the RFP, the Proposal, or the contract.

H. CLC RESERVATION OF RIGHTS

By submitting a Proposal, each Proposer agrees that the CLC, in addition to any rights set forth elsewhere in this RFP, may take any of the following actions, in its sole discretion, at any time:

1. Accept or reject any or all Proposals, in whole or in part, and to award or not award a contract based on Proposals received;
2. Waive any technicalities, informalities, irregularities, or non-material deficiencies in a Proposal;

3. Waive any mandatory, non-material specification(s) that cannot be complied with by all Proposers;
4. Waive any informality in the RFP process if doing so, as determined solely by the CLC, is in the CLC's best interest;
5. Conduct discussions with any or all Proposers for the purpose of clarification and/or modification of Proposals;
6. Arrange to receive products and services from other providers, or obtain or perform itself the products and services, sought under this RFP;
7. Solicit additional and/or new Proposals from anyone;
8. Clarify, supplement, modify, suspend, or terminate this RFP in whole or in part, or withdraw and reissue a new RFP with terms and conditions materially different from this RFP;
9. Obtain information from any and all sources concerning a Proposer that the CLC considers relevant to this RFP, and to consider such information in evaluating the Proposer's submission;
10. Make a whole award, multiple awards, a partial award, or no award;
11. Disqualify any Proposer whose conduct and/or Proposal fails to conform to the requirements of this RFP;
12. Negotiate contract provisions, including provisions not found in this RFP, with one or more potential Proposers in any manner the CLC deems fit (negotiations may be held with multiple proposers concurrently or on an individual basis at separate times as the CLC determines); and
13. Set aside the original Successful Proposer if the CLC determines that the Successful Proposer is unable to fulfill the CLC's requirements for any reason. The CLC may, but shall not be obligated to, award the contract to a different responsible Proposer.

Part II. DEFINITIONS

The following terms used in this RFP have the meanings below. Other capitalized terms used in this RFP are defined in the context in which they are used.

"Act" – the Connecticut Freedom of Information Act or "FOIA".

"Action" – any demand, cause of action, claim, lawsuit (through any appeals), mediation or arbitration, subpoena, inquiry, audit, proceeding, investigation, or enforcement action of any nature, whether civil, criminal, administrative, regulatory, or other, whether at law, in equity, or otherwise.

"ADA" – the Americans with Disabilities Act.

"API" – Application Programmable Interface.

"Applicable Law" – at any date of determination, any federal, state, and local laws, statutes, codes, ordinances, orders, decrees, decisions, regulations, rules, standards, regulatory or administrative guidance, or other restrictions of any government authority, as well as any professional, industry, and multi-jurisdictional association (e.g., MUSL, NASPL) practices, methods, specifications, and standards, including, but not limited to those related to safety; security, including information security; privacy; intellectual property; export or transfer of products, technology, services, and data; performance; dependability; efficiency; and economy that may in any way be applicable to the Gaming System or the lawful performance of the contract, or that may commonly be followed or accepted by highly experienced Gaming System suppliers in the lottery industry, in effect on such date.

“Authorized User” – the CLC and any of its employees, independent contractors, subcontractors, vendors, or any other person or entity authorized by the CLC or the Successful Proposer to access and use the Gaming System for the benefit of the CLC in or for the CLC’s business.

“Backup Data Center” or “BDC” – the data center located in the United States that shall be ready at any moment to take over the operation of the System from the Primary Data Center.

“Base System” – the System without required options or additional System options.

“BDC” – See “Backup Data Center” definition.

“Breach of Security” – whether caused by an internal or external source, (i) any actual or reasonably suspected unauthorized use of, loss of, acquisition of, access to (including ransomware attacks), corruption of, or disclosure of Data in the control, custody, or possession of the Successful Proposer (or a Subcontractor); (ii) any actual or reasonably suspected compromise to the security, integrity, or availability of the Gaming System; or (iii) any security breach or security incident (or substantially similar term) as defined by or used under Applicable Law.

“Business Day” – Monday through Friday, excluding Holidays. A reference to days in this RFP shall be construed as Calendar Days unless the term “Business Day” or “System Day” is used.

“CLC” – the Connecticut Lottery Corporation.

“CLC Sensitive Information” – during the RFP process until contract execution, “CLC Sensitive Information” means non-public or proprietary information and documentation concerning the CLC however acquired by or provided to a Proposer, and any materials created by a Proposer using information concerning the CLC. After contract execution, “CLC Sensitive Information” has the meaning set forth in Appendix B, Section 3.8.3 (Logical Security).

“Conversion Plan” – has the meaning set forth in Appendix B, Section 3.6.2 (Project Management/Implementation Plan).

“CSC” – Customer Service Center, or call center.

“Cure Period” – has the meaning set forth in Part V, Paragraph G.1, unless a different Cure Period is identified.

“Data” – any data or other content or information provided to the Successful Proposer by or on behalf of the CLC, or collected, used, Processed, stored, generated, or created in connection with the Gaming System, including, without limitation, CLC Sensitive Information; state and federal protected business and personal information by which an individual can be identified, whether or not publicly available, and includes any Lottery Retailer, employee, or player information; and other information protected by applicable state and federal data security and privacy laws.

“DCP” – the Connecticut Department of Consumer Protection, the CLC’s regulatory agency.

“Deposit Materials” – has the meaning set forth in Part V, Paragraph Q.

“Documentation” – all written materials in any form or medium pertaining to the Gaming System including, without limitation, any and all operator and user manuals, training materials, guides, commentary, on-line help files that the Successful Proposer customarily furnishes to customers for use in conjunction with and for the operation of the System, and any other materials prepared in connection with any System update, upgrade, or new release, and shall include any updated versions of Documentation.

“Draw Game” – any lottery game in which one or more numbers, letters, or symbols are randomly drawn at predetermined times from a range of numbers, letters, or symbols, and prizes are paid to players possessing winning plays, as set forth in the each game’s official game rules.

“EFT” – Electronic Funds Transfer.

“Escrow Agent” – has the meaning set forth in Part V, Paragraph Q.

“FOIA” - the Connecticut Freedom of Information Act or “Act”.

“Gaming System” or “System” – the comprehensive technology solution and infrastructure that will be provided by the Successful Proposer to operate, manage, support, and perform other services for the lottery retail gaming environment in Connecticut. The System includes, but is not limited to, the combination of:

- (i) computers, software, hardware, databases, networks, servers, operating systems, facilities, equipment, components (e.g., retailer terminals and peripherals), elements, and Processing capabilities and configurations, and any required and additional System options selected by the CLC;
- (ii) updates (e.g., fixes or incremental enhancements), upgrades (i.e., major changes to capability and functionality of the System), and new releases;
- (iii) all licenses, including licenses to Intellectual Property;
- (iv) Documentation; and
- (v) all services, labor, project management, expertise, testing, training, maintenance and support, and other work (including pursuant to any warranty obligations)

as further described in the RFP, which would be helpful to the CLC in meeting its RFP goals and objectives, or which is customarily included with a system of the scope and scale as the System that the CLC seeks to procure, to perform all lottery functions (e.g., sales, validations, inventory and retailer management, claims) and control, monitor, and report all lottery activity. The “System” includes all of the foregoing items (i) through (v) whether provided directly by the Successful Proposer or through the use of Subcontractors and third-party services.

“Go-Live Date” – As defined in the RFP Schedule, Part I, Paragraph B or that first date of operation of the Successful Proposer’s Gaming System designated by the CLC when the CLC uses the System for normal lottery business transactions.

“High Tier Claim Center” – has the meaning set forth in Appendix B, Section 3.4.6.

“Holidays” – New Year’s Day, Martin Luther King Day, Lincoln’s Birthday, Washington’s Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran’s Day, Thanksgiving Day, and Christmas Day. The CLC may, in its sole discretion, change the number of Holidays and corresponding dates.

“Implementation Services” – the combination of all the technical and other specifications in this RFP that allow the System to properly and correctly function.

“Incurable Default” – a breach or default that by its nature or by reason of prevailing circumstances is incapable of being cured, but does not include the failure to perform a time-sensitive obligation where it is possible to subsequently perform that obligation. For example only and without limitation, an Incurable Default includes: (i) a breach that continues beyond the relevant Cure Period after CLC notice thereof; (ii) a breach of Part V, Paragraph G.1.a (False Representations and Warranties), Paragraph G.1.b (Abandonment), Paragraph G.1.d (Adverse Harm to CLC), and Paragraph G.1.e (Failure to Maintain DCP Licensing); (iii) a Breach of Security; (iv) a breach of an obligation if there have been two (2) prior breaches of such obligation within the immediately preceding one (1) year period; and (v) repeated breaches (whether of the same kind or different) year after year during the contract that demonstrate, in the CLC’s sole judgment, a persistent inability or a persistent unwillingness to comply with obligations under the contract.

“Instant Game” – any lottery game sold on pre-printed tickets that a player scratches a latex coating or such other coating from one or more play areas to determine if they have won, as indicated by the symbols and words that are revealed. Also known as Scratch Games.

“Instant Win Terminal Game” – a lottery game that is similar to an Instant Game but is printed on-demand from a lottery retailer terminal. Also known as Fast Play® games.

“Intellectual Property” – all intellectual and similar property rights such as: inventions, discoveries, or improvements, including patents, patent applications and certificates; trade secrets, know-how; compilation, arrangement, or selection of Data and other works of authorship or expression, including copyrights and future copyrights; trademarks, service marks, logos, taglines, designs and trade dress; and similar property under any laws or international conventions throughout the world.

“Intellectual Property Rights” – any rights regarding Intellectual Property, including the protection of Intellectual Property under any laws or international conventions throughout the world, including the right to apply for registrations, certificates, or renewals with respect thereto, and the rights to prosecute, enforce, and obtain damages.

“Internal Control System” or “ICS” – the audit system and its associated processes and components that performs auditing of the Gaming System to ensure the integrity, security, and accuracy of gaming transactions.

“Invited Option” – an option of specific interest to the CLC, although the CLC makes no commitment to any quantity or timing for the acquisition. Proposers are not obligated to include Invited Options in their Proposals.

“Key Persons” – the directors, officers, employees, and other representatives of the Successful Proposer that (i) perform duties directly related to the contract; (ii) have supervisory authority over any person who performs duties directly related to the contract; or (iii) have access to CLC Sensitive Information.

“Licensed Purposes” – has the meaning set forth in Part V, Paragraph Q.

“Liquidated Damages” – has the meaning set forth in Part V, Paragraph O.1 and Appendix E.

“Loss” – in connection with an Action that is subject to defense and indemnification under this RFP and the contract, all damages, awards, settlements, judgments, fines, penalties, costs, and expenses of whatever kind, including, without limitation, attorney and professional fees and court costs; costs of investigation, discovery, and litigation (through any appeals); as well as costs of enforcing a Proposer’s/Successful Proposer’s indemnification obligations and pursuing any insurance providers.

“Lottery Retailer” or “Retailer” – an individual or a business entity licensed by the DCP to sell and redeem CLC lottery tickets.

“LSR” – Lottery Sales Representative.

“MUSL” – the Multi-State Lottery Association.

“NASPL” – the North American Association of State and Provincial Lotteries.

“PDC” – See “Primary Data Center” definition.

“Permitted Uses” – has the meaning set forth in Part V, Paragraph E.

“PMO” – See “Project Management Office” definition.

“Preliminary Notice of Award” – has the meaning set forth in Part IV, Paragraph C.

“Price Proposal” – means that part of a Proposal described in Part III, Paragraph C, Tab 10 and Appendix C.

“Primary Data Center” or “PDC” – the location within the United States where the Successful Proposer will house the servers, networking components, and other infrastructure related to the System.

“Process” – to perform any operation or set of operations on any Data, information, material, work, expression, or other content, including to (i) collect, use, receive, input, upload, download, record, reproduce, generate, store, organize, combine, log, catalog, cross-reference, manage, maintain, copy, adapt, alter, translate, or make other improvements or derivative works, (ii) process, retrieve, output, consult, use, disseminate, transmit, submit, post, transfer, disclose, or otherwise provide or make available, or (iii) block, erase or destroy. “Processing” and “Processed” have correlative meanings.

“Project Management Office” or “PMO” – has the meaning set forth in Appendix B, Section 3.6.2.

“Proposal” – all materials, information, and documents submitted by a Proposer in response to this RFP, as well as to any information request made by the CLC at any time during the RFP process (e.g., addenda, clarifications, modifications, demonstrations/presentations, best and final offers).

“Proposer” – any individual or business entity submitting a Proposal in response to this RFP, including that business entity’s parent corporation, if any.

“Records” – has the meaning set forth in Part V, Paragraph R.

“Required Option” – an option of specific interest to the CLC. The CLC anticipates acquiring such from the Successful Proposer; although the CLC may choose not to exercise such an option. Proposers are required to include Specified Options in their Proposals.

“Retailer” – See “Lottery Retailer” definition.

“RFP” – this Request for Proposals, including all of its attachments and all addenda.

“RNG” – Random Number Generator.

“Security Program” – has the meaning set forth in Part V, Paragraph F.1 and Appendix B, Section 3.8.

“Self-Service Validator” – has the meaning set forth in Appendix B, Section 3.2.6.

“Service Levels” – has the meaning set forth in in Part V, Paragraph O.1 and Appendix E.

“Software Escrow Agreement” – has the meaning set forth in Part V, Paragraph Q.

“Subcontractor” – has the meaning set forth in Part I, Paragraph D.

“Successful Proposer” – the business that the CLC selects to provide the Gaming System pursuant to this RFP, subject to the execution of a contract approved by the CLC Board of Directors.

“System” – See “Gaming System” definition.

“System Day” – has the meaning set forth in Part V, Paragraph O.

“Technical Proposal” – means that part of a Proposal described in Part III, Paragraph C, Tab 8 and Appendix B.

“Terminal” – a device authorized by the CLC for selling lottery tickets, including, but not limited to, lottery retailer terminals and Self-Service Vending Terminals (SSTs) that operate in conjunction and interact with the Gaming System to issue and/or validate and pay tickets, transmit reports, and perform inventory functions. SSTs may include, but are not limited to, those vending machines identified in Appendix B, Section 3.2.2 (Vending Machines).

“UAT” – user acceptance testing, meaning the extensive verification process to demonstrate and ensure that the System conforms to all requirements.

“UI” – User Interface.

“Updates” – has the meaning set forth in Part V, Paragraph Q.

“VIRN” – Void If Removed Number.

“VPN” – Virtual Private Network.

PART III. SUBMISSION REQUIREMENTS & PROPOSAL CONTENTS

A. SUBMISSION REQUIREMENTS

1. Delivery of Submissions

Proposers must submit the following number of originals and copies of their Proposals:

One (1) original full printed Proposal, with the Price Proposal provided in a separate sealed envelope clearly marked “Price Proposal” (See, Part III, Paragraph C, Tab 10 instructions).

Six (6) printed copies of Proposal, excluding Price Proposal, financial statements, and Litigation Bond.

Six (6) USB flash drives each containing a full electronic, “searchable” PDF version of Proposal, without Price Proposal, financial statements, and Litigation Bond.

Two (2) additional printed copies of Price Proposal in separate sealed envelopes clearly marked “Price Proposal.”

See Part III, Paragraph B for instructions on submitting a second electronic version of Proposals redacted to exclude Proposer Confidential Information.

The Purchasing Officer must receive Proposals on or before the Submission Date set forth in Part I, Paragraph B. Proposals received after the Submission Date (regardless of postmark date and/or mailing receipt) do NOT satisfy this requirement. The CLC will not accept submissions by email or fax. Proposers are solely responsible for ensuring timely delivery. The CLC will reject, and may return, Proposals received after the Submission Date or that are sent by email or fax. The CLC will NOT accept late Proposals (unless clearly and directly due to Covid-19 delivery delay).

The following pages of the original Proposal must be signed in ink by an authorized representative of Proposer: (i) the Introduction Letter, (ii) the Price Proposal, and (iii) all forms included with this RFP containing a signature line. The CLC may reject Proposals that do not bear original signatures. The Proposer’s authorized representative must also initial any errors, alterations, or corrections on the original. With the exception of Tab 5 and Tab 6 documents (See, Part III, Paragraph C), original Proposals and requested copies must be identical and complete (copies of the Proposal can have photocopied signatures and initials). If there is a conflict among the Proposals delivered to the CLC, the original shall prevail.

2. Package Labeling

Proposals must be delivered and addressed to the Purchasing Officer, must contain the Proposer’s name and address in the upper left-hand corner, and must be clearly labeled with the words “RFP PROPOSAL

RESPONSE PACKAGE 1 of X, 2 of X, etc.” with the RFP description, RFP number, and Proposal Submission Date listed.

The CLC may reject any Proposal submitted in an unmarked package or envelope that the CLC opens in the normal course of its business. The CLC may, but shall not be required to, return such Proposal and inform the Proposer that the Proposal may be resubmitted as described above if there is still time remaining before the Submission Date.

3. Withdrawal of Proposal/ Proposals Valid for One Year

A Proposer may modify or withdraw a Proposal in-person or in writing provided that the CLC’s Purchasing Officer receives the request prior to the Submission Date. Proposals, including, without limitation Proposer clarifications and pricing provided, are considered valid, and may not be withdrawn, cancelled, or modified by Proposers, for one (1) year after the Submission Date, or until the commencement date of any resulting contract, whichever comes first. Any supplemental information submitted by a Proposer after the Submission Date in response to the CLC’s request (e.g., clarifications, best and final offers) automatically extends the acceptance period for an equal time period.

B. FREEDOM OF INFORMATION ACT

All Proposals and documents submitted to the CLC in connection with this RFP are subject to disclosure to the public under the Connecticut Freedom of Information Act (Act), unless exempted by law. Proposers must clearly identify any portion(s) of their Proposals that contain financial, proprietary commercial information, trade secrets, or other highly sensitive, competitive information that they consider to be exempt from public disclosure by the CLC (Proposer Confidential Information). Proposer Confidential Information must be identified as follows: (i) each page containing Proposer Confidential Information must contain a footer with the word “CONFIDENTIAL,” and (ii) the beginning of Proposer Confidential Information must be noted “CONFIDENTIAL INFORMATION BEGINS HERE,” and the end of Proposer Confidential Information must be noted “CONFIDENTIAL INFORMATION ENDS HERE.” Proposer must also provide a USB flash drive containing a copy of its complete Proposal (including pricing) with Proposer Confidential Information redacted and clearly labeled as the “Public Copy.” **The CLC will interpret a Proposer’s failure to comply with this “Public Copy” requirement as Proposer’s acknowledgment that its Proposal contains no Proposer Confidential Information and, therefore, may be disclosed to the public upon request.**

Pricing, resumes, and marketing information is subject to public disclosure. Proposers may not preface their Proposals with a general proprietary statement, or use page headers or footers that arbitrarily mark all pages confidential. **If the CLC receives a request for a copy of a Proposal, then the CLC will provide the Public Copy to the requester without notice to or review by the Proposer. Accordingly, each Proposer is solely responsible for, and the CLC shall have no liability to a Proposer for, the inclusion of any Proposer Confidential Information contained in the Public Copy or the provision of a Public Copy to a third-party.**

By submitting a Proposal with portions marked “CONFIDENTIAL,” a Proposer represents that it has a good faith belief that such portions are exempt from public disclosure under the Act. If the CLC receives a request for Proposer Confidential Information, then it will notify the Proposer. The Proposer may provide written consent to the disclosure, or it may object to the disclosure by notifying the CLC in writing of the basis for its objection, including the statutory, judicial, or other legal exemption(s) from disclosure.

Proposers agree that the CLC will not be liable for any disclosure of Proposer Confidential Information under any circumstance. Proposers will indemnify, hold harmless, and, if requested by the CLC but at Proposers’ sole cost and expense, defend the CLC (including its directors, officers, and employees whether named in their individual or official capacities) from and against any and all Actions, and, in each case, will on demand, pay and reimburse the CLC for associated Losses arising out of, resulting from, or related to (or which the CLC alleges relate to): (i) the CLC’s complete or partial nondisclosure of claimed Proposer Confidential Information and (ii) the CLC’s complete or partial public disclosure of any claimed Proposer Confidential Information if the CLC reasonably determines disclosure is required by law, or if disclosure is ordered by any judicial, administrative, or other governmental body. A Proposer’s

obligations under this paragraph shall be immediate upon the CLC's written notice and tender. Upon the CLC's request, a Proposer will promptly and diligently cooperate and assist the CLC in replying to and defending against any complaint in connection with CLC's nondisclosure of claimed Proposer Confidential Information, including providing appropriate witnesses and documents.

C. CONTENT REQUIREMENTS

Proposals must be clear and thorough. All pages of the Proposal must be numbered at the right-hand bottom of the page. Each original Proposal and each copy must be separately bound in a three-ringed binder and presented in the following numerically tabbed order:

Tab 1: Introduction Letter

Proposers must submit an introduction letter providing the following information:

1. Proposer's understanding of the work to be performed, commitment to any timeline identified in this RFP, and a description of Proposer's proposed solution.
2. Proposer's declaration that it possesses the particular qualifications, experience, capabilities, and resources available that will enable it to meet the CLC's wants, needs, and expectations.
3. Summary of Proposer's work process, product and service warranties and guarantees, and any particular practices it employs to ensure the quality of its products and services and that products and services are delivered on-time and according to customer specifications and requirements in a consistent manner.
4. Explain what differentiates the Proposer from its competitors and why the CLC should select the Proposer to provide the products and services solicited in this RFP.
5. Certification that the Proposer (including its collaborating partners and Subcontractors, if any) has reviewed and approved the Proposal, and that the individual signing the Proposal is authorized to sign and submit it on Proposer's behalf and bind the Proposer to the statements Proposer makes in response to this RFP.

Tab 2: References

Provide three (3) references who are customers for which Proposer has performed work similar to that requested in this RFP. For each reference, provide the name of the company, address, contact person, telephone number, email, description of the products and services provided, and the date the products and services were provided. If utilizing a Subcontractor for a primary or functional aspect of the work, then provide two (2) customer references for it. The CLC may verify any and all references. Reference checks may include, without limitation, inquiry into the Proposer's performance on similar projects, compliance with specifications, and ability to meet project deadlines. The CLC may also independently check information sources other than the Proposer's references for purposes of evaluating the Proposer's responsibility, experience, skill, and business standing.

Tab 3: Proposer's Business Structure and Operations

Each Proposer shall provide the following information with respect to its legal structure and business operations. For the purposes of this RFP, an "owner" is an individual or legal entity with ten percent (10%) or more equity in the Proposer.

1. Full business name and the street and mailing address of its principal place of business, as well as for all locations from which the work under this RFP will be performed if different from the principal

office. Each Proposer must state whether it is or is not registered or qualified with the Connecticut Secretary of the State to do business in Connecticut.

If a Proposer is a corporation or other legal entity that is required to file or register with the Connecticut Secretary of the State's Office, then it must have a current certificate of authority or registration to do business in the State of Connecticut that is on file with such office. The CLC may request acceptable evidence of any Proposer's authority to do business in Connecticut following the submission of its Proposal. The Successful Proposer must be authorized to conduct business in Connecticut.

2. The name, title, address, telephone number, and email address of the Proposer's primary point of contact for this RFP.
3. Proposer's founding and history; ownership structure; the names of principals/owners; the number of employees; and the number of years in business providing the products and services requested in this RFP. Provide Proposer's organizational chart.
4. Legal structure and key participants, including:
 - a. If a corporation: the names of all corporate officers and directors, and the names of all stockholders having ten percent (10%) or more equity in the corporation.
 - b. If a partnership, LLP, LLC, or joint venture: the names of the general partners, the limited partners or members, and the owners.
 - c. Any parent company or subsidiaries of Proposer.
5. Account Staffing. For each Key Person that will be assigned to the CLC's account provide their name and title, location, experience providing the products and services the CLC is procuring, number of years employed by Proposer, and their responsibilities if the contract is awarded to Proposer.

The Successful Proposer is required to obtain the CLC's prior written consent before voluntarily replacing or substituting Key Persons or Subcontractors performing work under the contract (except for vacancies due to termination or resignation, personal circumstances, and incapacity of workers). The Successful Proposer is also required to notify the CLC of any material change in the background status of any Key Person or Subcontractor, including, but not limited to, due to unlawful or dishonest conduct. The Successful Proposer must notify the CLC within ten (10) Business Days of any such material change. The CLC has the right at any time to direct the immediate removal and replacement of any Key Person or Subcontractor that the CLC, in its sole judgment, finds unfit to perform work or whose conduct is detrimental to the CLC's best interests. The CLC may seek damages or recoup expenses for any work interruption or delay due to any Successful Proposer staffing or Subcontractor issues, including DCP licensing issues.

6. Any known related party relationships (professional or personal) between the Proposer (or its owners, officers, directors, primary members, or Subcontractors) and a CLC director, officer, or employee.
7. Any judgement or settlement within the past two (2) calendar years related to the Proposer's products and services and any pending, threatened, or reasonably anticipated action, suit, proceeding, investigation, or litigation, whether judicial, administrative, or otherwise (including without limitation any bankruptcy, reorganization, insolvency, or similar proceeding) involving the Proposer.

8. The details of all pleas, indictments, convictions, findings of fault and liability (e.g., fines, penalties, damages), or consent agreements, against the Proposer and/or its owners, members, directors, and officers (regardless of place of employment) involving fraud, misrepresentation, criminal offense, or violation of any federal, state, or local ethics law, regulation, ordinance, code, policy or similar standard.
9. Connecticut Small Business & Diverse Supplier Participation. The CLC believes in supporting Connecticut small businesses as well as the state's minority-, women-, service-disabled veteran-owned, and other underutilized small businesses through its procurement activities. This RFP, however, is not restricted to Connecticut businesses nor those designated as small and/or minority-owned businesses. Proposer should describe its efforts in identifying, recruiting and encouraging participation by these businesses in its subcontracting opportunities under this RFP and its small and/or diverse business subcontractor participation goals (e.g., participation goals may be expressed in terms of number of subcontractors, quantity of spending, as a percentage of the total contract dollar value, etc.), as well as confirm its commitment to make a good faith effort to achieve these goals during the contract.

Change in Ownership

If a Proposer experiences a material change in ownership prior to the award of a contract or during the contract with the CLC, then the Proposer is required to notify in writing the CLC at the time the change occurs or is identified. "Material change in ownership" means any merger, acquisition, assignment, or change in parties who, in the aggregate, own greater than forty-nine percent (49%) of the Proposer or the parent company of the Proposer. Failure to notify the CLC of such a change may result in the rejection of a Proposer's Proposal or termination of the contract. The CLC reserves the right, based on its assessment of a material change in ownership, to reject a Proposer's Proposal or terminate a contract.

Conflicts of Interest

Proposers must disclose any actual or potential conflicts of interest that exist at the time of submitting their Proposals, or which may arise during the contract, between any work they perform for any of their current clients and the CLC. Proposers must disclose any current gaming industry clients doing business in Connecticut. The Successful Proposer will have an on-going obligation to inform the CLC of any actual or potential conflicts of interest. The CLC shall be the final authority as to whether a conflict of interest might exist, and if one does exist, the CLC reserves the right to waive the conflict or take all necessary and appropriate action to protect its interests.

Tab 4: Proposer's Prior Performance Issues

Each Proposer shall state whether it has experienced any of the following events:

1. During the last five (5) years, it, its parent, or subsidiary has had any contracts terminated for its default or cause. If so, then the Proposer must submit full details of the contract termination.
2. It, its parent, or subsidiary has ever been debarred or otherwise prohibited from contracting or submitting proposals or bids for contracts with: the State of Connecticut or any agency or political subdivision thereof; any municipal entity; or any other state, Native American body, or other governmental or quasi-governmental entity within the United States. If so, then the Proposer must fully identify the authority issuing the debarment prohibition, describe the reason(s) for the debarment/prohibition, and state the inclusive dates thereof.
3. During the last three (3) years, it, its parent, or subsidiary has been assessed penalties or liquidated damages under any of its existing or past gaming system contracts. If so, then for each instance in which penalties or liquidated damages of \$50,000 or greater were assessed, Proposer must explain

the reason(s) and the amount of such penalty or liquidated damages. Summary data is permitted for instances in which assessed penalties or liquidated damages were less than \$50,000. However, the CLC reserves the right to request detailed information concerning these instances at any time, and the Proposer agrees to promptly provide it to the CLC in a form and format that permits CLC's assessment.

4. During the last five (5) years, it, its parent, or subsidiary has been investigated by any governmental agency or was the subject of any order, judgment, or decree of any federal, state, municipal, or provincial authority barring, suspending, or otherwise limiting the right of the Proposer to engage in any business practice or activity, or if trading in the stock of the Proposer has been suspended. Information, including a complete copy of such order, judgment, or decree, must be provided to the CLC, with appropriate and accompanying date(s) and explanation(s).

Tab 5: Proposer's Financial Statements

The Successful Proposer must be financially sound and stable and able to perform the terms and conditions of the contract. Each Proposer must provide the following information:

1. Audited financial statements for the last three (3) completed fiscal years; and
2. If the Proposer is a subsidiary of another company, then financial statements for the parent company for the same periods must be provided with the Proposer's statements. The Proposer must also submit a letter, signed by an authorized representative of the parent company, stating that the parent company will guarantee the Proposer's full, prompt, and complete performance if it is awarded the contract, including any and all of Proposer's financial commitments, obligations, and liabilities.

The information required in #1 and #2 above should only be submitted with the original Proposal and not with all copies. Proposers must mark and submit their financial statements in a separate sealed package from their Proposals.

The Proposer's Chief Financial Officer must provide a signed and dated statement that the financial statements submitted are prepared in accordance with Generally Accepted Accounting Principles (GAAP) accepted in the United States of America and fairly represent the financial condition of the Proposer as of the Proposal Submission Date.

Change in Financial Condition

If a Proposer experiences a change in financial condition prior to the award of a contract or during the term of the contract with the CLC, then the Proposer is required to notify the CLC in writing at the time the change occurs or is identified. A "change in financial condition" is any event that, following GAAP (or the international equivalents to the extent available), would require a disclosure in the annual report of a publicly traded United States corporation or that would be required to be disclosed under state or federal law. Failure to notify the CLC of such a change may result in rejection of Proposer's Proposal or termination of the contract, in the sole discretion of the CLC.

Tab 6: Protest/Litigation Bond

All protests arising from or related to this RFP must be received by the CLC within five (5) Business Days following the date of the CLC's notice of award of the contract. Only Proposers that submitted qualifying and complete Proposals are eligible to file a protest. A qualifying Proposal means a Proposal that conforms to all of the requirements of this RFP and contains sufficient information to enable the CLC to perform a complete and meaningful analysis of the information in the Proposal.

Each Proposer must submit with their Proposal a litigation bond made payable to the Connecticut Lottery Corporation in the amount of \$1,000,000. **The litigation bond should only be submitted with the original Proposal and not with all copies.** The bond shall be in the form of a bond, cashier's check, certified check, bank draft, or an irrevocable letter of credit from a bank with the Connecticut Lottery Corporation named as the payee by the Proposal Submission Date. Personal or company checks are NOT acceptable. The RFP number and the bond effective dates shall be specified in the litigation bond.

The CLC may make a claim upon the litigation bond if both of the following conditions are met:

1. The Proposer, anyone acting on behalf of the Proposer, or any Subcontractor or assignee of the Proposer, brings a legal or other proceeding of any kind against the CLC or any director, officer, or employee of the CLC; the State of Connecticut or any State of Connecticut employee or representative; any CLC contractor or employee of any CLC contractor, or CLC retailers with regard to any matter regarding CLC's procurement processes or policies or this RFP, including, without limitation, the issuance of this RFP, the award of a contract pursuant to this RFP, or the execution of a contract with the Successful Proposer; and
2. The CLC or other defendant(s) is the prevailing party in such legal or other proceeding. The CLC or other defendant(s) will have prevailed in a legal or other proceeding if: (i) the legal or other proceeding is withdrawn or dismissed at any stage, (ii) they obtain greater net relief than the Proposer or other adversary, whether by compromise, settlement, or final judgment, in light of the claims, causes of action, and defenses asserted, or (iii) where no party obtains any relief. The litigation bond shall entitle the CLC or other defendants to recover, and shall guarantee payment, of all costs and damages of any kind, including, without limitation, reasonable attorneys' fees, court costs, and other similar or dissimilar expenses from trial through appeals directly or indirectly associated with a legal or other proceeding.

The litigation bond shall remain in effect for a period of two (2) years from the date the CLC receives Proposer's Proposal. Following signing of a contract with the Successful Proposer, a litigation bond may be released upon the CLC's acceptance of Proposer's release and covenant not to sue.

Tab 7: Affidavits and Certifications

The following procurement forms, available via the links below, must be executed and submitted with the Proposal in the order listed:

- Consulting Agreement Affidavit – OPM Ethics Form 5
[https://ctlottery.org/Content/pdfs/Bids/Forms/Consulting_Agreement_Affidavit_\(OPM_Ethics_Form_5\).pdf](https://ctlottery.org/Content/pdfs/Bids/Forms/Consulting_Agreement_Affidavit_(OPM_Ethics_Form_5).pdf)
- Affirmation of Receipt of State Ethics Laws Summary – OPM Ethics Form 6
[https://ctlottery.org/Content/pdfs/Bids/Forms/Affirmation_of_Receipt_of_State_Ethics_Law_Summary_\(OPM_Ethics_Form_6\).pdf](https://ctlottery.org/Content/pdfs/Bids/Forms/Affirmation_of_Receipt_of_State_Ethics_Law_Summary_(OPM_Ethics_Form_6).pdf)
- Iran Certification – OPM Ethics Form 7
[https://ctlottery.org/Content/pdfs/Bids/Forms/Iran_Certification_Form_\(OPM_Ethics_Form_7\).pdf](https://ctlottery.org/Content/pdfs/Bids/Forms/Iran_Certification_Form_(OPM_Ethics_Form_7).pdf)

The following procurement forms must be submitted by the Successful Proposer ONLY:

- Nondiscrimination Certification – Form C
https://ctlottery.org/Content/pdfs/Bids/Forms/OPM_Nondiscrimination_Certification_-_Form_C.pdf
- Gift & Campaign Contribution Certification Form – OPM Ethics Form 1
[https://ctlottery.org/Content/pdfs/Bids/Forms/Gift_and_Campaign_Contribution_Certification_Form_\(OPM_Ethics_Form_1\).pdf](https://ctlottery.org/Content/pdfs/Bids/Forms/Gift_and_Campaign_Contribution_Certification_Form_(OPM_Ethics_Form_1).pdf)

- Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations – SEEC Form 10
[https://ctlottery.org/Content/pdfs/Bids/Forms/Notice_to_Executive_Branch_State_Contractors_and_Prospective_State_Contractors_of_Campaign_Contribution_and_Solicitation_Limitations_\(SEE_C_Form_10\).pdf](https://ctlottery.org/Content/pdfs/Bids/Forms/Notice_to_Executive_Branch_State_Contractors_and_Prospective_State_Contractors_of_Campaign_Contribution_and_Solicitation_Limitations_(SEE_C_Form_10).pdf)

In the event the above links are unavailable or inactive, Proposers can find the forms on the CLC's Procurement website at <https://ctlottery.org/ProcurementForms>.

The CLC will require the Successful Proposer to complete and return additional state public contracting forms following contract award. Proposers are subject to a continuing disclosure requirement; any such matter or change in circumstance occurring after submission of a Proposal and, with respect to the Successful Proposer after the execution of a contract, must be disclosed promptly in writing to the CLC. **The CLC will not enter into or continue a contract with a Successful Proposer that fails or refuses to comply with documentation and disclosure requirements.**

Tab 8: Technical Proposal

This Tab 8 should establish the Proposer's understanding of the CLC's requirements and specifications in Appendix B of this RFP. The Proposal must clearly establish the Proposer's intentions and ability to meet these requirements and specifications, explaining specific methodologies, techniques, management oversight, and staffing size that will be present at the start and throughout the duration of the System contract.

The CLC is looking for a strategic partner that will share their process and planning for developing, implementing, testing, and training on a new Gaming System, and how to get that System and all of its components into the field and working properly on the Go-Live Date. The work that the Proposer will do and the work that the CLC will do must align together as one plan, with active and engaged communication.

The CLC is looking for a strategic partner that will coordinate the operation of the Gaming System and its integrated components and functions with the CLC in an effort to grow revenue and income for all participants.

And the CLC is looking for a strategic partner that will work closely with the CLC to ensure integrity, security, and reliability in all aspects of this working partnership. After the Go-Live Date, the Successful Proposer and the CLC will have meetings, initially each month, and then at an agreed upon frequency, to review and discuss a wide range of topics to include, but not limited to compliance with the contract, efforts to maintain and exceed service levels, review and correct audit recommendations and findings, security and data privacy, System management, and ongoing development and planning for the future.

Tab 9: Exceptions, Variances, and Deviations

Proposers are responsible for carefully reviewing each requirement and specification identified in this RFP, including but not only those set forth in Appendix B. If a Proposer has any exceptions to or variances from the requirements and specifications, then it must identify and explain the reason for them for the CLC's consideration. Absence of exceptions and variances will mean that the Proposer accepts and can meet all of the CLC's requirements and specifications.

Tab 10: Price Proposal

Appendix C describes the manner and format in which Proposers must submit pricing for the CLC's consideration. Proposers must submit a Price Proposal – completed and signed – using the uniform format provided. Please read the pricing instructions carefully in order to provide a responsive Proposal.

Important Note: The Price Proposal must be submitted in a separate sealed envelope clearly marked "Price Proposal" and placed in the three-ring binder under this Tab 10.

PART IV. EVALUATION & NOTICE OF AWARD

A. METHOD OF AWARD & PROCESS

The CLC will select the Proposal that, all things considered, the CLC determines to be in its best interest. The CLC may consider any objective and subjective factors it deems relevant such as, but not limited to: a Proposer's experience; Proposer's ability to demonstrate strategic partnership thinking; Proposer's ability to describe the fullness of its System development; Proposer's management and operations, Proposer's security efforts at the start and ongoing; Proposer's ability to demonstrate its responsiveness, timeliness, and creative problem solving; and Proposer's ability to demonstrate its thoroughness and commitment to first-time quality in adding and changing games or making software changes and improvements.

Prior to making its selection, the CLC may request additional information and will require on-line/digital presentations from all Proposers. The CLC may also conduct discussions with "short-listed" Proposers determined by the CLC, in its sole judgement, to be the most qualified to provide the requested products and services and with Proposals within an acceptable competitive range. The CLC may ask a Proposer to submit best and final terms after it reviews all Proposals, including any offered System options.

However, the CLC is under no obligation to request additional information or engage in pre-selection discussions, and may make its final selection without doing so. Therefore, Proposers are advised to submit their best Proposals in response to this RFP as the CLC may make a contract award based solely on the content of initial submissions.

The CLC may also independently obtain information from sources other than a Proposer, including, without limitation, information concerning the Proposer's reliability, its experience and capabilities, and its performance under other contracts, that the CLC deems pertinent to the RFP, and may consider such information in the Proposal evaluation process.

B. PRESENTATIONS

The CLC will require all Proposers to make presentations before it makes a final award. Presentations shall take place either in-person or via video conference (or other virtual means), at the CLC's discretion, within the timetable of this RFP. Presentations should demonstrate significant, special, or complex features of Proposer's proposed System, services, and skills. Required options should be included in each presentation to enhance the CLC's understanding of these features. Further presentation instructions will be provided to Proposers at the time of invitation.

C. PRELIMINARY NOTICE OF AWARD; THE CONTRACT

A Preliminary Notice of Award will be sent to the Successful Proposer. **The making of a Preliminary Notice of Award does not provide a Proposer with any rights and does not impose upon the CLC any obligations. The CLC is free to withdraw a Preliminary Notice of Award at any time and for any reason. A Proposer has rights, and the CLC has obligations, only if and when a contract is executed by the CLC and the Successful Proposer.** The Successful Proposer should not make any commitments or commence any work until contract execution.

Award Publicity Prohibition: The Successful Proposer(s) will not issue any public statement (e.g., press releases, tradeshow conversations) promoting itself in connection with this RFP or any arrangement entered into under this RFP without prior written approval from the CLC in each instance.

Final approval of award is subject to the Successful Proposer's execution of a definitive written contract with the CLC, its submission of all procurement documents and information requested by the CLC, and its fulfillment of all background check, DCP licensing, and other requirements the CLC imposes as a condition of the contract.

The Successful Proposer and its Key Persons must be separately licensed by the DCP (See, Part V, Paragraph C). The CLC will withdraw a Preliminary Notice of Award or terminate a contract if the Successful Proposer fails to promptly and cooperatively comply with licensing requirements. Licensing instructions will be provided to the Successful

Proposer at the time of Preliminary Notice of Award. The Successful Proposer must report changes in personnel and Subcontractors assigned to the contract within ten (10) Business Days of the change, and the CLC has final approval rights over Key Persons staffing decisions and personnel changes. The DCP may require individuals to become fully licensed before performing any work on the contract.

Any contract the CLC may award as a result of this RFP will be based upon this RFP, including all attachments, any addenda, and some or all portions of the Proposal submitted by the Successful Proposer, and will include provisions required by the CLC and other mutually agreeable terms and conditions. The CLC reserves the right to award the contract without further negotiations, or negotiate some or all terms and conditions of the contract. A Proposer must not submit a Proposal assuming that there will be an opportunity to negotiate any aspect of the contract, and any Proposal that is contingent on the CLC negotiating with a Proposer may be rejected.

Negotiations may result in minor or material changes to the Proposal and/or the RFP, including, without limitation, changes to the original scope of work, schedule of work, and financial, technical, and operational terms, conditions, and requirements. Negotiations may be terminated by the CLC, in its sole discretion, at any time for any reason. If the CLC and the Successful Proposer are unable to reach agreement, then the CLC will cease negotiations and has the option of engaging another party for the products and/or services being procured under this RFP.

PART V. SPECIAL PROVISIONS

The CLC contemplates that, in addition to the terms, conditions, and requirements in this RFP, the contract between the CLC and the Successful Proposer will include, without limitation, the following draft special provisions. The CLC's final contract offer may contain additional provisions or provisions worded differently from those set forth below.

A. INTEGRITY OF THE SUCCESSFUL PROPOSER

The CLC is an extremely sensitive enterprise and its success depends on maintaining the public trust and confidence. The CLC operates with the highest standards of security and integrity, and its vendors are held to the same standards. Therefore, it is essential that operation of the CLC, and the operation of vendors doing business with it, avoid any impropriety or appearance of impropriety. Because of this, the Successful Proposer, its Subcontractors, and their respective employees must:

- Provide consistent, high quality product and service solutions;
- Act with uncompromising integrity and honesty and with high regard for the public good;
- Avoid activities reasonably judged by the CLC to adversely affect or reflect on the CLC, the State of Connecticut, or the lottery industry;
- Be accountable for their actions and results and deliver on their commitments;
- Comply with Applicable Law, including Connecticut statutes and regulations applicable to contractors doing business with the State of Connecticut; and
- Report all actual or potential issues, problems, defects, changes, performance degradations, incidents, breaches, and other matters concerning the System, the contract, or any work immediately to the CLC upon detection, and provide the CLC full and prompt access to any and all records and reports related thereto upon its request.

B. SUBCONTRACTING

No work required under the contract may be subcontracted to any individual or entity without the CLC's prior written consent, in each instance, which may be withheld or conditioned, or at any time for any reason revoked, in the CLC's sole discretion. The CLC's prior written consent is not necessary for the purchase of commercially available products and services that are ancillary for the completion of the contract (as determined by the CLC). For avoidance of doubt, in the event a Subcontractor is engaged by the Successful Proposer to provide products or services for critical System functions or components (e.g., modules) or to host or assist with the implementation of the System, or whose work

requires it to handle CLC Sensitive Information, then the CLC's prior written consent is required. If CLC approval is given, then the Successful Proposer will ensure that its Subcontractors are responsible and experienced to perform the subcontracted work. The Successful Proposer will be fully and solely responsible for and be strictly liable to the CLC for the proper supervision, coordination, and performance of its Subcontractors and all others it hires to perform or assist in performing any work, and will not be relieved by their non-performance. The CLC has the right at any time to require the immediate removal of a Subcontractor if the CLC, in its sole judgment, finds the Subcontractor unfit to perform the subcontracted work or if its conduct is detrimental to the CLC's best interests.

Approved Subcontractors will be subject to all provisions of the contract applicable to their engagement, including, without limitation, skilled and sufficient staffing, information security and privacy, DCP licensing, insurance, and other requirements determined by the CLC at the time of contracting, and the Successful Proposer will ensure the full compliance of their Subcontractors with these provisions.

C. DCP LICENSING REQUIREMENTS; BACKGROUND CHECKS

Due to the sensitive nature of the contract, the Successful Proposer and its Key Persons must be separately licensed by the DCP in accordance with § 12-815a of the Connecticut General Statutes. The CLC or the DCP may at any time extend licensing requirements to include other CLC-pre-approved individuals and entities that the Successful Proposer assigns to perform contract activities or otherwise for the benefit of the CLC.

The DCP's Vendor/Affiliate License Application and Occupational License Application for Key Persons are provided in Appendix D for Proposers to review the information and documentation requirements.

Estimated DCP licensing fees are as follows:

Vendor License: \$250 per corporation

Affiliate License: \$250 per Subcontractor

Occupational Licenses: \$100 per Class I employee; \$20 per Class II director, officer, or owner

The CLC, the DCP, and/or the Connecticut State Police may, prior to the commencement of the contract and at any time during the contract, initiate investigations deemed proper and necessary to determine the ability of the Successful Proposer and its Key Persons to perform the contract, whether such performance takes place in Connecticut or elsewhere. Such investigations may include, but are not limited to, fingerprint identification by the Connecticut State Police, and financial and criminal background investigations on Key Persons. The Successful Proposer consents to such investigations and will cause its Key Persons to fully cooperate with such investigations and to provide all necessary information and authorizations in connection therewith. The CLC may terminate the contract based upon the results of these investigations or for the Successful Proposer's failure to comply with DCP licensing requirements.

D. PROHIBITION AGAINST GAMING PARTICIPATION

The Successful Proposer will notify Key Persons that they and certain members of their households are prohibited from purchasing and participating in, or sharing the winnings from, any CLC lottery game or multijurisdictional lottery game in which the CLC participates (i.e., Powerball, Mega Millions, Lucky for Life). The CLC will provide the Successful Proposer with the wording of such notice at the time of contracting. Each Key Person will remain ineligible to play or win, regardless of his/her receipt of such notice.

E. CLC SENSITIVE INFORMATION

The CLC may share non-public information and documentation with the Successful Proposer that is confidential information (CLC Sensitive Information). Additionally, the Successful Proposer may procure, develop, generate, collect, use, store, and otherwise process information and documentation for the CLC during the contract that the Successful Proposer also acknowledges is CLC Sensitive Information. "CLC Sensitive Information" also includes any information and content placed on, Processed or created by, or that is derived from the System (e.g., analytics,

reports) that is exempt from public disclosure under the Act. Sensitive information need not be novel, unique, copyrightable, or constitute a trade secret to constitute CLC Sensitive Information under the contract. The Successful Proposer agrees that all CLC Sensitive Information, whether or not marked "Confidential," and whether documentary, electronic, oral, observational, or otherwise, is and will remain the CLC's exclusive property.

The Successful Proposer will protect all Data, especially CLC Sensitive Information, and will not (i) disclose or cause to be disclosed to any third-party, or (ii) use or cause to be used, any CLC Sensitive Information, for any purpose, except: (a) to the extent necessary to perform the contract or (b) with the CLC's prior written consent in each instance (collectively, the Permitted Uses). The Successful Proposer will limit access to CLC Sensitive Information to its Key Persons and Subcontractors that have a need-to-know to such information for the Permitted Uses and are advised of the privacy, confidentiality, and information security requirements of the CLC prior to access. The Successful Proposer will retain only Subcontractors that are capable of complying with CLC's confidentiality requirements, and the Successful Proposer will be responsible for, and remain liable to the CLC for, its Subcontractors' compliance.

The Successful Proposer will exercise a level of care to prevent the disclosure and misuse of CLC Sensitive Information equal to or exceeding the level of care that it exercises to secure and protect its own non-public, sensitive, confidential, and proprietary information, but not less than reasonable care and diligence. To the extent multi-jurisdictional association requirements (e.g., MUSL), accepted lottery industry practices, or Applicable Law imposes any greater restrictions or prohibitions with respect to the disclosure and use of any CLC Sensitive Information, the Successful Proposer will comply with such greater restrictions or prohibitions. The CLC may require the Successful Proposer to obtain signed confidentiality agreements from its Key Persons and its Subcontractors incorporating confidentiality requirements no less restrictive than those set forth in this Section E.

If the Successful Proposer receives a request for disclosure of any CLC Sensitive Information (for example only, under FOIA or by subpoena), then it must immediately notify and consult with the CLC as to how to respond to the request.

F. SECURITY PROGRAM

1. The Successful Proposer must maintain a comprehensive written security program for the Gaming System and System information (Security Program), which shall encompass, but is not limited to, the Gaming System environment (the combination of hardware, software (including firmware), programs, equipment, peripherals, facilities, etc.), as well as Data and transactions Processed by the Gaming System, software contained in or used with the Gaming System executed or installed on any device connected to a CLC information system or network, and any of the Successful Proposer's services that support or maintain the Gaming System.

The Security Program must include reasonable and appropriate technical, organizational, administrative, and physical security controls and countermeasures to protect the confidentiality, integrity, and availability of: (i) the Gaming System environment and (ii) Data, including CLC Sensitive Information, over which the Successful Proposer has direct or indirect access, possession, or control, and whether at rest in hosting and Primary Data Center and Backup Data Center of the Successful Proposer, or in-transit, from and against internal and external threats or hazards. The content and implementation of the Successful Proposer's Security Program shall be fully documented in writing by it.

See Appendix B, Section 3.8 for additional Security Program information and Security Program Plan submission requirements.

2. Transparency of System Controls; Security and Operations Audits.

a. No less than twice annually, the Successful Proposer and Subcontractors that handle Data and/or host or perform other critical functions related to the System will provide a report to the CLC President & CEO (either in writing or verbally, at the President's election) concerning the System and their operations, including changes, strengths/weaknesses, processes and controls, audits, Security Program activities, and any other business area requested by the CLC.

b. No less than annually, the Successful Proposer, at its sole expense, must engage or cause to be engaged an independent audit firm to assess the Security Program, which audit shall include physical inspection of facilities and equipment, external scan, process reviews, and reviews of system configurations, including firewall rule sets, and any information or materials in the possession, custody, or control of the Successful Proposer or its Subcontractors, relating in any way to their Security Program obligations. The Successful Proposer must provide the CLC with copies of all audit reports as soon as they are available. The Successful Proposer will promptly correct any audit issues, deficiencies, and weaknesses, at no cost to the CLC, and provide the CLC sufficient documentation demonstrating correction of such matters to the satisfaction of the CLC.

The failure of the Successful Proposer or any Subcontractor to conduct an annual Security Program audit will constitute a material breach of the contract. In such event and without waiving any other right or remedies the CLC may have, the CLC may retain an independent audit firm to perform the audit. The Successful Proposer and its Subcontractors will provide all necessary support and cooperation, including giving the audit firm access to their facilities, personnel, and any information or materials needed to conduct the audit. The CLC may deduct all audit costs and expenses from future payments to the Successful Proposer or draw upon the Successful Proposer's Performance Security.

G. TERMINATION

1. Termination for Cause. The CLC may terminate the contract or any portion(s) of the contract (as well as any subcontract or other agreement or portions thereof) for cause, including, but not limited to, in the following circumstances:

a. If the Successful Proposer furnished any statement, representation, warranty, or certification in connection with its Proposal or in the contract that is found by the CLC, in its sole judgement, to be materially false, deceptive, or incorrect.

b. If, in the sole judgment of the CLC, the Successful Proposer abandons or fails to timely perform the work (unless otherwise agreed to by CLC in writing), or if the Successful Proposer's performance is non-conforming, deficient, careless, or otherwise does not meet lottery industry standards (MUSL, NASPL, etc.) and/or does not meet the CLC's specifications.

c. If the Successful Proposer fails to perform or satisfy any other provision or requirement under or referred to in the contract, in the sole judgment of the CLC.

d. If the Successful Proposer's actions or omissions, whether or not related to the contract, harm or could adversely affect the CLC, in the sole judgment of the CLC, or subject the CLC to negative or adverse public scrutiny.

e. If the Successful Proposer fails to comply with DCP licensing obligations, including, without limitation, if it or any of its Key Persons allow their licenses to expire or have their licenses revoked by the DCP.

If a default or breach reasonably susceptible to cure as determined by the CLC is not cured within a mutually agreed-upon cure period after the Successful Proposer has received written notice (Cure Period), but in no event later than thirty (30) Calendar Days from the Successful Proposer's receipt of notice, then the CLC will have the right to terminate the contract or any work under it (as well as any subcontract or other agreement or portions thereof). A termination under this Paragraph G.1 will become effective (i) upon the expiration of the Cure Period if such default or breach is curable but is not cured by the Successful Proposer on or before such expiration, or (ii) immediately upon the Successful Proposer's receipt of written notice if such default or breach is not curable (Incurable Default).

The CLC's right to terminate for cause is in addition to any other rights and remedies available to the CLC by law or equity or under the contract (e.g., the right to procure products and/or services required by the contract from other sources on the open market and seek reimbursement from the Successful Proposer, the right to require continued specific performance until an alternative solution is found, the right to assume contracts).

2. Termination for Convenience. The CLC may terminate the contract or any portion(s) of the contract (as well as any subcontract or other agreement or portions thereof) at any time if the CLC determines that such a termination is in its best interest. The CLC will provide the Successful Proposer at least ninety (90) Calendar Days written notice prior to the termination effective date.

3. Termination Due to Public Interest or Legislative or Regulatory Action. The CLC's obligations under the contract are expressly conditioned upon the CLC's receipt of all necessary or desirable written consents, approvals, and waivers from all appropriate Connecticut government authorities with respect to the contract and the transactions contemplated by the contract, and the continued authorization of such government authorities. If at any time public-interest issues arise regarding the propriety or continued performance of the contract (e.g., an improperly awarded contract), or the CLC, in its sole judgment, determines that the contract, or an activity or operation supported or contemplated by the contract, is unlawful or not permitted for reasons including court decision, legislative action, administrative decision, or advice of counsel, then the CLC may terminate the contract or any portion(s) of it (as well as any subcontract or other agreement or portions thereof) effective immediately upon giving the Successful Proposer written notice.

4. In the event of a termination for convenience or due to public interest or legislative or regulatory action, each party shall be relieved of any obligation or liability to the other, except with respect to the CLC's payment of certain expenses identified in this Paragraph 4, and except for any provisions specifically stated in the contract to survive termination. The CLC will pay the Successful Proposer for expenses under the following circumstances: (i) if prior to the Go-Live Date - the cost of contractually authorized System setup and installation work performed, an agreed upon cost for equipment purchased that cannot be repurposed, third-party software license fees actually incurred and irrevocably committed to, and fees associated with any lease or property agreements that must be terminated, all measured from the date the CLC provides its termination notice to the Successful Proposer; (ii) if after the Go-Live Date - a reasonable agreed upon residual value calculation for contractually authorized System and equipment expenses, and leasehold and property agreements that must be terminated due to this decision.

All agreed upon expenses will be properly supported by documentation that clearly proves the amount and incurrance of the expense. Other than an agreed upon residual value calculation (including equipment depreciation, payment of amounts due in Subcontractor severance clauses), in no event will the CLC be liable to the Successful Proposer for any other costs or expenses including, but not limited to, anticipatory compensation for work in progress, work not yet performed, or work which the CLC has yet to accept; materials acquired unnecessarily in advance, in excess of the CLC's delivery requirements, or initiated after the Successful Proposer's receipt of a termination notice; lost or prospective profits; loss of business opportunity; or any indirect, consequential, punitive, or special damages. Upon receipt of a termination notice, the Successful Proposer will cooperate with the CLC, including, without limitation, taking reasonable steps to mitigate its costs and expenses.

The CLC's termination of the contract for cause, for convenience, or due to public interest will not relieve the Successful Proposer from any accrued or accruing obligation it may have on or before the termination effective date. Furthermore, any responsibilities that the Successful Proposer has that by their nature extend beyond contract termination will remain in effect until fulfilled.

H. EFFECT OF TERMINATION

Upon the expiration or termination of the contract:

1. The Successful Proposer will either stop all work (or certain work) immediately or continue to perform for a specified period of time, as required in writing by the CLC;

2. The Successful Proposer will perform all end of contract transition responsibilities in accordance with Section 3.6.6 of Appendix B, including transferring all Data, including CLC Sensitive Information, to the CLC or, as requested by the CLC in writing, to a successor vendor; and

3. The CLC will have the option to continue to access and use the Successful Proposer's Gaming System, in whole or in part, pursuant to an emergency extension of the contract (See, Part V, Paragraph J).

I. END OF CONTRACT AND TRANSITION TO NEW VENDOR

For a variety of reasons, the contract between the CLC and the Successful Proposer will terminate or eventually end naturally, and the CLC may engage with a new vendor to provide a replacement gaming system. The CLC may utilize part of the last year of the contract or of any extension thereof for conversion to the replacement gaming system. The Successful Proposer, at no cost or expense to the CLC, agrees to cooperate and collaborate fully with the CLC and the CLC's designated new vendor for the entire duration of the end of contract conversion in a courteous and expeditious manner, which shall include the sharing of all System-related Data stored in the Successful Proposer's System and providing all necessary or helpful assistance.

Without limitation, the Successful Proposer will (i) meet from time to time with the CLC's designated new vendor in connection with end of contract conversion work as may be requested by, or on behalf of, the CLC, (ii) provide reasonable and customary technical assistance and personnel and share such information, subject to reasonable confidentiality restrictions, as may be necessary or prudent for the successful and timely completion of end of contract conversion work and the proper implementation of the new gaming system, and (iii) avoid unnecessary delays with or interference in end of contract conversion work.

Additional information and Successful Proposer conversion plan submission requirements are set forth in Appendix B, Section 3.6.6.

J. EMERGENCY EXTENSION

The CLC reserves the right to extend the contract, or any renewal thereof, for one (1) or more thirty (30) Calendar Day periods at the price and upon the terms and conditions then in effect if a successor vendor is chosen for a subsequent contract and the successor vendor's system is not yet prepared to go-live. The CLC will have this right until the subsequent system is operational. The CLC will endeavor to provide at least thirty (30) Calendar Days prior notice for any emergency extension; however, notice may be as little as twenty-four (24) hours.

To meet this requirement, the Successful Proposer must maintain its Gaming System in a state of readiness throughout the end of contract conversion period and for thirty (30) Calendar Days thereafter.

Exercising these rights shall not be construed as obligating the CLC to repeat the procurement process for any subsequent contract or conferring any right or expectation for the Successful Proposer to continue operating the Gaming System after the expiration of any such emergency extension period.

K. INDEMNIFICATION

1. General Indemnification. The Successful Proposer will indemnify, hold harmless, and, upon the CLC's request but at the Successful Proposer's sole cost and expense, defend the CLC and the State of Connecticut, and each of their respective directors, officers, employees, and representatives whether named in their individual or official capacities (collectively, Indemnified Parties) from and against any and all Actions, and, in each case, will on demand, pay and reimburse the CLC for all associated Losses, whether or not covered by insurance, arising out of, resulting from, or related to (or which the CLC alleges relate to): (i) the Successful Proposer's (or any Subcontractor's) malfeasance, misconduct, negligence (or more culpable act or omission), tortious act, or violation of Applicable Law, in performing or failing to perform any obligation under the contract, (ii) the Successful Proposer's (or any Subcontractor's) breach of any promise, representation, or warranty provided under the contract, and (iii) any compromise to the security, confidentiality, or integrity of Data, including any Breach of Security. To the extent that any Action or Loss arises out of, results from, or alleges that the System (or any aspect of it), service deliverable created by the Successful Proposer (e.g., report, interface, database), the permitted use of any Intellectual Property by the CLC licensed to it under the contract, or the use of Intellectual Property by the Successful Proposer or its

Subcontractors does or threatens to infringe, misappropriate, or otherwise violate any Intellectual Property Rights of any third-party (Infringement Claim), the Successful Proposer's (and any Subcontractor's) obligations with respect to such Infringement Claim, if any, will be subject to the Infringement Indemnification paragraph below.

2. Infringement Indemnification.

a. The Successful Proposer will indemnify, hold harmless, and, upon the CLC's request but at Successful Proposer's sole cost and expense, defend the Indemnified Parties from and against all Infringement Claims and, in each case, will on demand, pay and reimburse the CLC for all associated Losses. The Successful Proposer shall have no liability or obligation with respect to any Infringement Claim or Loss to the extent it arises out of or results from the CLC's unauthorized use of the System or third-party Intellectual Property.

b. If the CLC's permitted access to or use of the System (or any aspect of it) is endangered or disrupted by reason of an Infringement Claim, or, in the CLC's reasonable opinion, likely to become subject to an Infringement Claim, then in addition to the Successful Proposer's Infringement Claim indemnification obligations and any rights and remedies the CLC may have, the Successful Proposer will, at the CLC's sole option but at the Successful Proposer's sole cost and expense (i) procure the right for the CLC to continue to access and use the deliverable under the terms of the contract or under substantially similar terms or (ii) modify or replace the aspects of the deliverable that infringe or allegedly infringe to make them non-infringing; provided that the replacement or modified deliverable is substantially equivalent in functionality and security as the originally provided deliverable. If the CLC determines that neither (i) nor (ii) is reasonably possible, then the Successful Proposer agrees that Liquidated Damages control. In any case, the Successful Proposer, at its sole cost and expense, will secure the right for the CLC to continue using the infringing or allegedly infringing deliverable for a transition period of no less than six (6) months to allow the CLC to replace the affected deliverable without disruption.

3. The Successful Proposer's indemnification obligations under this RFP (whether found under this Indemnification paragraph or in any other paragraph of this RFP) are in no way limited by its involvement or non-involvement in the defense of any Action; any minimum amount of insurance the Successful Proposer or any of its Subcontractors is required to have under the contract, the types of insurance they maintain, or the scope of policy coverage; the market availability or unavailability of insurance; the ability or inability of them to procure insurance; or, in the case of a claim brought against any Indemnified Party by an employee of the Successful Proposer or a Subcontractor, by any limitation on the amount, type, or availability of damages, compensation, or benefits paid to the employee under applicable worker's compensation, disability benefits, or other employee benefits law.

4. The indemnification provisions under this RFP (whether found under this Indemnification paragraph or in any other paragraph of this RFP) are intended to be as broad and inclusive as possible to give the Indemnified Parties the maximum rights and protections allowed by law. The Successful Proposer's indemnification obligations, including its obligation to compensate and reimburse the CLC, shall be immediate upon the CLC's written notice and tender of any Action or Loss to the Successful Proposer.

5. If the CLC requests the Successful Proposer to defend any Action, then the CLC reserves the right to approve counsel chosen by the Successful Proposer and, subject to the approval of the relevant insurance carrier, to participate in the defense. In addition, the CLC retains the right to approve the terms of any settlement or compromise that affects the CLC's rights under the contract or imposes any obligations on the CLC. Alternatively, the CLC has the right to defend any Action itself and select counsel of its own choice, subject to the approval of the insurance carrier. No insurance carrier approval will be required if (i) the Successful Proposer has not engaged counsel to defend an Action within a reasonable time after receiving notice of the claim or (ii) the CLC reasonably concludes that there may be defenses available to it, which are different from or additional to those available to the Successful Proposer. If the CLC assumes its own defense, then the Successful Proposer will reimburse the CLC for all costs and expenses of whatever nature as they are incurred within twenty (20) Business Days after the Successful Proposer's receipt of a statement of such costs and expenses, including, without limitation, legal costs.

L. INSURANCE

The Successful Proposer, at its sole cost and expense, will maintain the insurance policies and limits of insurance coverage specified below for the entire duration of the contract (limits may be provided through any combination of primary and umbrella/excess policies). If the Successful Proposer engages Subcontractors, then Subcontractors must maintain the insurance policies in Paragraphs 1 through 8 below and provide the same documentation evidencing proof of coverage as is required of the Successful Proposer. The Successful Proposer must request and obtain the CLC's prior written approval of any variations to the insurance requirements for the Successful Proposer's Subcontractors. However, neither the CLC's approval nor its failure to disapprove insurance furnished by a Subcontractor shall relieve the Subcontractor from responsibility to provide insurance as required.

1. Property insurance insuring all buildings, fixtures, and equipment provided or used in providing the System must be maintained in the amount of actual replacement cost thereof. Property insurance must include electronic data processing coverage for any CLC-owned Data in the care, custody, or control of the Successful Proposer in the amount necessary to reproduce, replace, or restore lost or damaged Data, including the cost of consultation services. This policy must insure personal property including contents, equipment, and mobile items, as well as CLC-owned Data, against fire, flood, power surge, building collapse, computer virus, theft, and other perils. CLC lottery retailers are not responsible for assuming or maintaining any Terminal or equipment insurance.

2. Commercial General Liability (CGL) insurance with a minimum combined single limit of \$1,000,000 occurrence/\$2,000,000 aggregate covering bodily injury (including death), personal injury, and property damage resulting from or arising out of the action or inaction in the performance of the contract by the Successful Proposer, its employees, representatives, and Subcontractors. Coverage shall include Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability and Broad Form Property Damage coverage. The Successful Proposer's CGL insurance must include contractual liability coverage for its indemnification obligations under the contract.

3. Commercial Automobile Liability insurance with limits of not less than \$1,000,000 each accident, combined single limit shall be maintained against claims for damages resulting from bodily injury, including wrongful death, and property damage that may arise from the operation of any owned, non-owned, hired, or scheduled automobiles used by or for the Successful Proposer in any capacity in connection with carrying out the contract.

4. Workers' Compensation insurance in accordance with the statutory requirement and limits of the State of Connecticut and Employer's Liability coverage with minimum limits of \$500,000 each accident, \$500,000 per employee, and \$500,000 disease. If the Successful Proposer has no statutory obligation to maintain workers' compensation, then it must provide the CLC a letter affirming that it is exempt and agreeing to indemnify, hold harmless, and, if requested by the CLC, defend the CLC and the State of Connecticut from any loss or liability in accordance with Part V, Paragraph K.1. If during the course of the contract the Successful Proposer becomes subject to workers' compensation insurance statutory requirements, then it must comply with such requirements and provide the CLC a Certificate of Insurance evidencing such coverage.

5. Commercial Umbrella/Excess Liability insurance in the minimum amount of \$5,000,000. The policy must provide insurance in excess over and no less broad than the Successful Proposer's primary liability policies (including endorsement naming the CLC and the State of Connecticut as additional insureds) and with coverage that drops down when the underlying aggregate limits of liability insurance are exhausted.

6. Professional/Technical Errors and Omissions Liability insurance in the minimum amount of \$20,000,000 for each claim. The policy shall, at a minimum, cover liability due to the Successful Proposer's failure to render professional services, negligence, professional misconduct, and lack of the requisite skill required for the performance of the contract. Coverage must, at a minimum, insure and protect the CLC against cases involving vendor error liability (See, Part V, Paragraph M).

7. Cyber/Privacy Liability insurance in the minimum amount of \$25,000,000 and sufficiently broad to respond to the duties and obligations as is undertaken by the Successful Proposer in the contract, including, without

limitation, claims involving intellectual property infringement, invasion of privacy violations, data privacy and network security liability, PCI/DSS (Payment Card Industry/Data Security Standards), Internet and electronic media liability, cyber extortion, and breach response costs, which may include, but are not limited to, regulatory fines and penalties and credit monitoring expenses. For avoidance of doubt, Cyber/Privacy Liability insurance should cover information or identity theft, liability for misuse or disclosure of Data, and liability for loss of Data due to outages, spread of viruses, attacks, and destruction.

8. Crime (Fidelity) insurance with a minimum single loss limit of \$5,000,000 per loss, and a single loss retention not to exceed \$10,000, endorsed to include "Third-Party or Client Fidelity Coverage." This insurance shall cover any loss to the CLC due to dishonest acts of the Successful Proposer's officers, employees, agents, or Subcontractors including, but not limited to, larceny, theft, forgery, misappropriation, wrongful abstraction, willful misapplication, or any other fraudulent or dishonest acts resulting in financial loss or damage, whether Successful Proposer's officers, employees, agents, or employees of any of Successful Proposer's Subcontractors acted alone or in collusion with others. Such insurance at a minimum must cover property of the CLC. Coverage shall not require arrest or conviction. Crime (Fidelity) Insurance must also provide coverage for social engineering losses including, but not limited to, losses involving phishing, spear-phishing, business email compromise, and vendor/supplier impersonation perpetrated by any means (e.g., email, text, telephone, fax). The policy must be endorsed to name the Connecticut Lottery Corporation, its directors, officers, employees, agents, and the State of Connecticut as "Loss Payees."

All required insurance policies (and any umbrella/excess policies) must:

(i). Be written by companies licensed to issue insurance policies in the State of Connecticut with an A.M. Best rating of "A-" or better and a financial size of VII or better. The CLC reserves the right to approve all insurance companies;

(ii). Except for workers' compensation, errors and omission, and crime (fidelity) coverage, identify the "Connecticut Lottery Corporation, the State of Connecticut, and each of their respective directors, officers, employees, and representatives" as additional insured parties with respect to liabilities and losses related to the contract. This means the additional insureds must be named on the face of each Certificate of Insurance. Crime (Fidelity) Insurance must be endorsed to include "Third-Party or Client Fidelity Coverage" and name the Connecticut Lottery Corporation, its directors, officers, employees, agents, and the State of Connecticut as "Loss Payees."

(iii). Contain a waiver of any right to subrogation that any insurer of the Successful Proposer or a Subcontractor may acquire against the additional insured parties by virtue of the payment of any loss under such insurance. The Successful Proposer and Subcontractors will obtain from their insurers any policy endorsement that may be necessary to affect this waiver of subrogation; the Successful Proposer and Subcontractors will honor this waiver obligation regardless of whether or not the CLC receives a waiver of subrogation endorsement from an insurer; and

(iv). Be primary and non-contributory with any insurance or self-insurance carried or administered by the CLC or that of any other additional insured party.

No later than the date the contract is signed, the Successful Proposer (and, if applicable, its Subcontractors) must deliver to the CLC current Certificate(s) of Insurance evidencing all insurance policies required by the contract. Certificate(s) of Insurance must include all policy endorsements (either by reference to endorsement number and name or by providing a copy of the endorsement page of the policy). Upon each annual insurance policy renewal in multi-year contracts with the CLC, new, updated Certificate(s) of Insurance must be provided to the CLC at least thirty (30) Calendar Days prior to the end of the then-expiring certificate.

The Successful Proposer must provide the CLC with immediate written notice of any termination, default, or cancellation of coverage of, or carrier's failure to renew any insurance policy, unless the policy contains a provision that coverage afforded under the policy will not be cancelled without at least thirty (30) Calendar Days advance written notice to the CLC by the insurer.

The CLC reserves the right, at any time, to require the Successful Proposer to obtain additional types of insurance or to increase the limits of its existing insurance as the CLC, in its sole discretion, deems necessary. The Successful Proposer will promptly comply with such requirements.

If any of the required policies provide claims-made coverage, then the Successful Proposer must: (i) provide coverage with a retroactive date before the effective date of the contract or the beginning of contract activities; (ii) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the contract activities; and (iii) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, then the Successful Proposer must purchase extended reporting coverage for a minimum of three (3) years after completion of work. The discovery period must be active during the extended reporting period.

No insurance required or furnished shall in any way relieve or diminish the Successful Proposer's responsibilities, obligations, and liabilities to the CLC under the contract.

M. VENDOR ERROR LIABILITY

The Successful Proposer will be liable for any legal, financial, and other obligations of any other kind arising as a result of (or which the CLC alleges are the result of) errors and faults by the Successful Proposer's staff, Subcontractors, and the Gaming System (e.g., issuance of defective or non-conforming lottery tickets due to any printer malfunction, communication error, or hardware or software failure). These cases include, but are not limited to, errors in entry or posting of winning numbers by Gaming System operators; printer malfunctions, communication errors, or software and hardware failures that create retailer commission or prize payout liabilities; errors or failures by the Successful Proposer to validate and pay a valid winning ticket, errors or failures by the Successful Proposer that results in payment of a prize for an invalid or non-winning ticket, including "Winner On Its Face" ticket claims and payouts; and any other instances resulting in prize awards due to (or which the CLC alleges are due to) the Successful Proposer's errors and faults. The Successful Proposer will pay all prize costs for any errors and faults by the Successful Proposer's staff, Subcontractors, and the Gaming System, and will indemnify, hold harmless, and defend the CLC against all Actions and Losses related to or arising from such situations in accordance with the indemnification provisions in Part V, Paragraph K of this RFP.

"WINNER ON ITS FACE"

For purposes of this provision, a "Winner On Its Face" lottery ticket is an apparent winning ticket issued by the Successful Proposer's Gaming System and presented for redemption which is not validated as a winning ticket by the System. A "Winner On Its Face" ticket contains a legitimate winning configuration of visible characters (i.e., number, letters, or symbols) or play area but does not match the criteria for a winning ticket stated in the applicable game rules.

As is the case with all tickets, a "Winner On Its Face" ticket will be void if: it is unissued, illegible, mutilated, altered, blank or partially blank, counterfeit in whole or part, reconstituted, miscut, misregistered, or incomplete; if display printing is irregular; if anything other than exactly one prize amount or symbol and corresponding caption appears in each of the prize amount boxes as specified in the executed Working Papers; if apparent symbols are inconsistent with their captions; or if the ticket fails any of the CLC's validation tests (except for having a winning validation code).

The CLC, in its sole discretion, will make the final decision about payment of a "Winner on Its Face" claim after careful consideration.

N. PERFORMANCE SECURITY

No later than ten (10) Business Days following the effective date of the contract, the Successful Proposer will, at its sole cost and expense, provide the CLC either a surety performance bond or a clean, irrevocable standby letter of credit (at the Successful Proposer's option) payable to the CLC in the amount of \$20,000,000 (Performance Security). The Performance Security shall be renewed in full on an annual basis during the contract, including extension(s) if exercised by the CLC, and be maintained for at least one (1) year following the expiration or a termination of the

contract. If the balance of the Performance Security falls below sixty-five percent (65%) of the full value during any year of the contract, then the Successful Proposer shall re-establish the full original balance within thirty (30) Calendar Days. If the Successful Proposer fails to restore the full original balance as and when required, then, without limiting any obligations of the Successful Proposer, including its continued performance of work, the CLC shall not be obligated to make any further payments to the Successful Proposer until it does so, and the CLC may hold the Successful Proposer in breach of the contract.

In addition to any other remedies the CLC may have under the contract, the CLC will have the right to call the Performance Security, in whole or in part, in the event the CLC suffers any liability, loss, damage, or expense as a result of the Successful Proposer's actions or failures, or that of any Subcontractor, to promptly, properly, completely, and faithfully perform its obligations under the contract, including, without limitation, the obligation to indemnify, hold harmless, and defend the CLC (or, if the CLC assumes its own defense, to reimburse it for all costs and expenses of any kind) and pay Liquidated Damages to the CLC. The Performance Security must be in a form and contain language requested by and/or satisfactory to the CLC (which language the CLC may request changes to at any time to protect its interests), and be issued by an insurance/surety company acceptable to the CLC. The CLC reserves the right, in its sole discretion, to increase or decrease the amount of the Performance Security at any time. The Performance Security will expressly require the insurance/surety company to provide the CLC Chief Financial Officer at least thirty (30) Calendar Days advance written notice, by certified mail, return receipt requested, of any change in, termination of, failure to renew, default, or cancellation of coverage.

O. SERVICE LEVELS & LIQUIDATED DAMAGES

1. General. By submitting a Proposal, Proposers agree to the liquidated damages provisions specified in Appendix E to this RFP (Liquidated Damages), in addition to all other terms specified in the RFP. Upon contracting, the CLC and the Successful Proposer may agree on appropriate and reasonable performance standards (Service Levels) and Liquidated Damages in addition to those stated in Appendix E for other Service Level non-compliance incidents. For avoidance of doubt, the CLC's assessment of Liquidated Damages for a particular Service Level non-compliance incident does not preclude the CLC from recovering damages or other relief with respect to matters not addressed in Appendix E.

The CLC's assessment of Liquidated Damages shall be in addition to, and not in lieu of, any and all other remedies available to the CLC under the contract, under any statute or regulation, or at law or in equity, including the right to terminate the contract for cause. All rights, powers, and remedies available to the CLC in the event of a Service Level non-compliance incident by the Successful Proposer shall be cumulative and concurrent. Furthermore, if the Successful Proposer's failure to achieve a Service Level arises from or is caused (in whole or in part) by a Subcontractor, or other party over whom a Subcontractor has control or responsibility for, then the Successful Proposer will be fully liable and responsible for paying to the CLC any and all Liquidated Damages.

Nothing in this Part V, Paragraph O shall relieve, or be deemed or construed as relieving, the Successful Proposer of any of its performance obligations under the contract, whether or not such obligations are identified in Appendix E and whether or not the Successful Proposer's performance may be impacted by reasons or delays caused by the CLC. Indeed, the CLC expressly reserves and does not waive any and all of its rights and remedies, legal or equitable, related to the Successful Proposer's failure to perform as required by the contract.

During the contract, if additional lottery games are offered through the Gaming System or additional services are offered by the Successful Proposer to support the System or the operation of the lottery in Connecticut, then the CLC and the Successful Proposer agree (i) that all existing Liquidated Damages apply to new products or services, and (ii) that they will cooperate in developing additional Service Levels and Liquidated Damages and/or to adjust the Service Levels and Liquidated Damages set forth in Appendix E, as the CLC determines necessary in its sole judgment. Additionally, if during the contract the amount of Liquidated Damages the CLC imposes on the Successful Proposer is consistent and repetitive year after year, then the CLC reserves the right to claim breach of contract/Incurable Default.

The Successful Proposer acknowledges the importance of the Gaming System to the CLC's business operations. Furthermore, the obligations that the Successful Proposer is required to perform are not easily or readily available on the open market. Delivery of the System (including all its elements) and performance of all obligations in a complete, proper, and timely manner is essential. It would be extremely costly, time-consuming, impractical, and difficult to calculate the actual damages that the CLC would sustain, including those that negatively affect the CLC's image and reputation, due to a breach or the non-performance by the Successful Proposer that causes delay or disrupts the CLC's operations.

The CLC has used its best efforts to determine the range of harm and quantify the monetary damages that it will incur in the event of failure by the Successful Proposer to perform at certain specified Service Levels. The parties agree that each of the Liquidated Damages (and CLC's contract termination rights) specified in Appendix E is reasonable, is not disproportionate to the loss likely to occur, and is not a penalty. In the Liquidated Damages provisions in Appendix E, there shall be no pro-ration of damages for partial periods (e.g., partial days or partial hours). Additionally, "day" or "Calendar Day," whenever used in this Appendix E, will mean a twenty-four (24)-hour period, commencing at 12:00 a.m. and ending at 11:59 p.m. And "System Day" will mean the time period expected to start at approximately 5:00 a.m. and end at approximately 2:00 a.m. However, the CLC agrees that the Successful Proposer shall be allowed a grace period (following the initial hourly or Calendar or System Day assessment) of ten (10) minutes, in the case of hourly liquidated damage assessments, or two (2) hours, in the case of daily Liquidated Damage assessments, prior to imposing a second per hourly or per Calendar or System Day Liquidated Damage amount, as applicable.

With respect to Liquidated Damages that have accrued prior to the effective date of any termination of the contract, accrued Liquidated Damages will survive such termination until paid by the Successful Proposer. For each separate Service Level non-compliance incident, the CLC will be separately entitled to recover Liquidated Damages under each section applicable to the given incident.

2. Notice of intent to apply Liquidated Damages. Upon the CLC's determination that Liquidated Damages are to or may be assessed, the CLC shall notify the Successful Proposer of the assessment in writing. The availability of any period of cure will depend on the situation and will be in the sole discretion of the CLC without regard to the Cure Period identified in Part V, Paragraph G.1 of this RFP.

3. Conditions of termination of Liquidated Damages. As determined appropriate by the CLC, the following are the conditions under which the Successful Proposer may obtain relief from the continued assessment of Liquidated Damages that have been imposed.

a. Except as waived in writing by the CLC, no Liquidated Damages imposed shall be terminated or suspended until the Successful Proposer issues a written notice verifying the correction of the condition(s) for which Liquidate Damages were imposed, and all corrections have been subjected to System testing or other verification at the discretion of the CLC.

b. As appropriate, the Successful Proposer shall conduct System testing of any correction, as the CLC deems necessary. Such testing shall be developed jointly by the CLC and the Successful Proposer, and must be approved by the CLC, including the test script, test environment, and the test results. A notice of correction from the Successful Proposer will not be accepted until verification by the CLC and DCP.

4. Severability of Individual Liquidated Damages. The Successful Proposer acknowledges that any contract that the CLC may enter into as a result of the RFP is done so in material reliance on, among other things, the enforceability of the Liquidated Damages provisions contained in Appendix E (or which may be subsequently made a part of the contract at any time in the future). Accordingly, the Successful Proposer agrees that it shall not claim, and hereby irrevocably waives any right to claim in any dispute, litigation, or other proceeding whatsoever, that the Liquidated Damages are penalties or are otherwise not enforceable in any respect in accordance with their terms.

If any portion of the Liquidated Damages provisions is determined to be unenforceable in one or more applications, then that portion remains in effect in all applications not determined to be invalid and is severable from the invalid

applications. If any or all Liquidated Damages under Appendix E are determined to be unenforceable, then the balance of Appendix E and the contract shall remain in full force and effect and the Successful Proposer shall thereafter be liable to the CLC for damages at law for any failure of performance.

5. Waiver of Liquidated Damages. The waiver of any Liquidated Damages owed to the CLC shall constitute a waiver only as to such Liquidated Damages and not a waiver of any future Liquidated Damages. Failure to assess Liquidated Damages or to demand payment of Liquidated Damages within any period of time shall not constitute a waiver of such claim by the CLC. Waiver of Liquidated Damages owed to the CLC shall be only in writing from the CLC to the Successful Proposer.

6. Payment of Liquidated Damages. All assessed Liquidated Damages will be deducted from any moneys owed to the Successful Proposer by the CLC and, in the event the amount owed to the Successful Proposer is not sufficient to satisfy the amount of the Liquidated Damages, the Successful Proposer shall pay the balance to the CLC within thirty (30) Calendar Days of the date of written notification. If the balance is not paid in full, then it will be deducted from subsequent payments to the Successful Proposer. At the CLC's sole option, the CLC may obtain payment of assessed Liquidated Damages through one (1) or more claims upon the Performance Bond.

7. Applicability of Liquidated Damages. The Successful Proposer shall not be required to pay Liquidated Damages for issues due solely to reasons or delays that the CLC caused or which the CLC specifically and previously approved in writing.

P. OWNERSHIP OF INTELLECTUAL PROPERTY

1. CLC Intellectual Property. All current Intellectual Property of the CLC, any future Intellectual Property developed solely by the CLC in association with the System (including but not limited to games, products, and enhancements), all Data contained in, Processed by, or produced by the System, and all Data collected, used, processed, stored, or generated by the Successful Proposer in connection with the System or its contracted activities (e.g., statistical/analytical data and reports derived by the Successful Proposer from the System) is and will remain the sole and exclusive property of the CLC including upon the expiration or a termination of the contract. Future use by the Successful Proposer of CLC Intellectual Property may be permitted upon prior written permission from the CLC.

2. Successful Proposer and Subcontractor Intellectual Property. All current Intellectual Property of the Successful Proposer and any Subcontractor and any future Intellectual Property developed solely by them for the benefit of their customers, generally, and not developed solely for the benefit of the CLC under the contract or which does not incorporate any CLC Intellectual Property, is and will remain their sole and exclusive property. If the Successful Proposer or a Subcontractor uses or relies on any of its own Intellectual Property during the contract other than the property that the CLC already has a license to use, then they hereby grant the CLC the nonexclusive, non-transferrable, fee- and royalty-free right and license to use such Intellectual Property in connection with the System or for other purposes as may be mutually agreed in writing. Any and all rights in Data derived in part or in whole by use of the Successful Proposer's or Subcontractor's pre-existing Intellectual Property is hereby assigned and shall be owned by the CLC immediately upon its creation, however, the CLC hereby grants the Successful Proposer or Subcontractor, as appropriate, a nonexclusive, non-transferrable, fee- and royalty-free right and license to use such Data in connection with the Successful Proposer's or Subcontractor's business development initiatives (for example only, using System sales data to respond to an RFP, or to apply for an industry award), or for other purposes as may be mutually agreed in writing.

3. Joint Intellectual Property. While jointly developed Intellectual Property is not contemplated with respect to the contract, in the event the CLC and the Successful Proposer jointly develop Intellectual Property under the contract, they will enter into a separate written cross-license agreement in advance that, at a minimum, allocates their respective rights to use the jointly developed Intellectual Property.

4. Third-Party Intellectual Property. To the extent the Successful Proposer or any of its Subcontractors utilizes or relies upon the Intellectual Property of a third party in performing the contract, they will provide the CLC with

whatever written assurances, consents, or licenses the CLC, in its reasonable discretion, deems necessary to confirm that the use of such third-party Intellectual Property is permissible. The Successful Proposer must, at its sole cost and expense, ensure the CLC's continued right of use of such third-party Intellectual Property in the event of a termination of the contract or removal of any Subcontractor. **Proposers shall provide a list in their Proposal of all known third-party Intellectual Property they are licensed to use and intend to use in connection with the System, as well as any anticipated third-party Intellectual Property they intend to obtain a license to use in connection with the System.**

Q. ESCROW OF SOFTWARE AND DOCUMENTATION

The Successful Proposer, at its sole cost and expense, for the duration of the contract, agrees to place in escrow with the DCP (Escrow Agent): (i) the most current, complete, and functional version of the human-readable source and object code for the Gaming System, including any third-party software applications and programs included as a part of the Gaming System; (ii) all Documentation, tools, components, and constituent elements of the Gaming System, including instructions for generating final executable object code; (iii) all new versions, updates, improvements, and enhancements to (i) and (ii) (collectively, Updates); and (iv) any other documentation, materials, and information ((i) through (iv) collectively, Deposit Materials) necessary for the CLC or a third-party acting on the CLC's behalf to understand, use, install, test, correct, build, operate, support, maintain, copy, and develop modifications, upgrades, updates, adaptations, enhancements, new versions, and other derivative works and improvements of, and to develop computer programs compatible with, the Gaming System independently of the Successful Proposer (Licensed Purposes). If any portion of such Deposit Materials is encrypted, then the Successful Proposer will also deposit the necessary decryption tools and keys to access and read such material.

The Successful Proposer will execute a separate Software Escrow Agreement that will be coterminous with the contract and which allows the Deposit Materials to be held in escrow by the Escrow Agent for the CLC's benefit. If the Deposit Materials are released to the CLC upon the occurrence of a release event identified in the Software Escrow Agreement, then the CLC may use the Deposit Materials for the Licensed Purposes. The Software Escrow Agreement identified in this Part V, Paragraph Q is considered supplementary to the contract in accordance with the terms of 11 U.S.C. § 365(n) of the United States Bankruptcy Code.

R. MAINTENANCE OF CERTAIN RECORDS; AUDIT RIGHTS

The Successful Proposer and its Subcontractors will preserve and maintain all books and records including, but not limited to financial and accounting records relating to their performance under the contract (Records). Financial and other statements based on such books and records must be prepared in accordance with GAAP. Records must be maintained in a manner and form that makes them readily accessible to and easy to understand by the CLC for audit and assessment.

The Successful Proposer and its Subcontractors will, upon request, make their Records available to the CLC, CLC's auditors, and other personnel duly authorized by the State of Connecticut, such as the DCP, for inspection, review, or audit during the term of the contract and for no fewer than five (5) full years from the date of final payment by the CLC. The Successful Proposer and its Subcontractors will furnish the CLC and its independent and state auditors requested copies of any Records, at no cost.

The CLC, with advance notice, may also perform or have performed on its behalf at any time assessments or audits of the security and integrity of the facilities and information security and privacy practices and controls of the Successful Proposer and its Subcontractors, which could, at the CLC's option, include on-site audits, questionnaires, and/or penetration and security tests of connected systems and their hosting facilities and operating environments.

The Successful Proposer and its Subcontractors will cooperate with the CLC and its independent and state auditors with respect to any inspection, review, or audit performed under this or any other paragraph of the contract, including giving the CLC access to the personnel and facilities, and will promptly and fully respond to the CLC's requests for information but in no event more than thirty (30) Business Days after receiving a request. In the case of

an audit indicating non-compliance with the terms of the contract, the CLC may pursue any and all available remedies, including terminating this contract due to the Successful Proposer's default.

S. RETURN OF DATA AND CLC INTELLECTUAL PROPERTY

It is critical that the CLC has access to System Data, including CLC Sensitive Information, and tangible CLC Intellectual Property at all times and that the Successful Proposer cooperates in providing it to the CLC in a timely manner. Upon a termination or the expiration of the contract or upon the CLC's written request at any other time (each, a Return Event), the Successful Proposer will promptly provide to the CLC, or to any other entity as may be identified by the CLC in writing to Successful Proposer, or securely dispose of (as instructed by CLC), System Data, CLC Sensitive Information, and CLC Intellectual Property, including any copies and drafts thereof, in the Successful Proposer's possession or control regardless of the form in which such information exists or is stored, at no cost to the CLC. The Successful Proposer will have thirty (30) Calendar Days from the occurrence of a Return Event to provide the CLC with written certification that all requested information has been returned or disposed of securely. In the event the Successful Proposer notifies the CLC of circumstances that make return or disposal of information infeasible and the CLC agrees such circumstances exist, the Successful Proposer will keep such information confidential and secure in accordance with Paragraphs E and F of Part V of this RFP for so long as the Successful Proposer maintains possession or control of it.

T. AUTHORITY OF CLC

On all questions concerning the contract or the interpretation of any provision of it, including, without limitation the respective rights and obligations of the CLC and the Successful Proposer, System specifications and scope, the acceptability and quality of material furnished and/or work performed, the assessment of Liquidated Damages, and the determination of payment due or to become due, the decision of the CLC shall be final and binding. Prior to rendering a decision on a matter, the CLC will grant the Successful Proposer the reasonable opportunity within fifteen (15) Business Days after receiving the CLC's written request to present its position on the matter and documentation supporting its position.

APPENDIX A

CLC Games Gross Sales Performance

	FY2018	FY2019	FY2020	FY2021 July & August
Scratch	\$ 731,923,632	\$ 736,442,882	\$ 756,968,939	\$ 139,489,836
Play3 Day	52,236,942	55,028,275	58,236,534	11,700,216
Play4 Day	49,514,238	50,809,818	53,223,389	10,298,470
Play3 Night	70,726,481	73,062,100	75,478,391	14,716,974
Play4 Night	72,606,639	73,416,630	75,157,798	14,269,812
Cash5	32,083,367	31,192,611	31,240,224	5,624,884
Lotto	18,830,818	35,050,074	30,994,911	2,990,275
Powerball w/PowerPlay	88,152,803	81,464,138	49,548,900	7,771,472
Mega Millions w/Megaplier	42,165,050	72,643,419	38,558,292	5,247,794
CT Super Draw	2,146,010	-	-	-
Lucky Links	5,942,413	5,697,024	5,872,057	-
Lucky for Life	19,584,024	20,833,302	17,476,378	2,978,340
Keno	86,431,489	102,922,601	115,449,897	20,221,377
Fast Play	-	-	-	7,832,514
TOTAL NET SALES	\$1,272,343,906	\$1,338,562,874	\$1,308,205,710	\$ 243,141,964

APPENDIX B

Technical Requirements & Specifications

1. The Technical Specifications are a listing of requirements for development of the Gaming System, security standards, and conversion planning that are crucial for the alignment of the CLC and the Successful Proposer. Proposers should strive to exceed, where possible, the requests for content and clarity.

2. Proposals should address all of the specifications. The Successful Proposer will be expected and required to engage with CLC staff to fully understand how we currently address these specifications, and our expectations for those that may not be in use. Proposals should contain clear descriptions and explanations, and meaningful diagrams, in order to represent Proposer's product, services, and intent to engage with CLC during the development and conversion, and the operation of the Gaming System.

3. Specifications and Business Requirements

3.1 Specifications and Business Requirements

3.1.1 Gaming System Configuration

3.1.2 Gaming System Configuration at the Primary Data Center (PDC)

3.1.3 Gaming System Configuration at the Backup Data Center (BDC)

3.2 Gaming System Retailer Terminals and Peripherals

3.2.1 Terminals

3.2.2 Self-Service Vending Terminals (SSTs)

3.2.3 Peripherals

3.2.4 Player Advertising Displays

3.2.5 Keno Monitors and Media Servers

3.2.6 Self-Service Validator

3.2.7 In-Store Signage

3.2.8 Other Equipment

3.3 Communications Network

3.4 Software Application and Data Management

3.4.1 Draw Game Controls

3.4.2 Management Control and Monitoring

3.4.3 Ticket Validation Controls

3.4.4 Promotional Controls

3.4.5 Claims Processing – Prize Validation and Payment System

3.4.6 Required Option – Claims Processing Application

3.4.7 Internal Control Systems (ICS)

3.4.8 Retailer Data Management/Maintenance

3.4.9 Retailer Setup/Maintenance

3.4.10 Retailer Accounting

3.4.11 Required Option – New Retailer Processing Application

3.4.12 Required Option – Sales Force Automation Application

3.4.13 Additional Option – In-Lane Lottery Solution

3.5 Instant Game Controls

3.5.1 Game Load

3.5.2 Game Ordering Methods

3.5.3 Game Fulfillment Methods

3.5.4 Inventory Management

3.5.5 Reporting

3.5.6 Retailer Terminal Functions

3.5.7 Pack/Ticket Returns

- 3.5.8 Carton Reallocation
- 3.5.9 Settlement Rules
- 3.5.10 Required Options
- 3.5.11 Invited Options
- 3.6 Conversion Strategy
 - 3.6.1 Previous Gaming System Conversions
 - 3.6.2 Project Management/Implementation Plan
 - 3.6.3 Retail Conversion
 - 3.6.4 CLC Staff Training
 - 3.6.5 Retailer Training
 - 3.6.6 End of Contract Conversion
 - 3.6.7 Software Development
 - 3.6.8 Data Migration and Management
 - 3.6.9 System Maintenance
- 3.7 Proposer Facilities
 - 3.7.1 Primary and Backup Data Centers
 - 3.7.2 Local Administrative Offices
 - 3.7.3 CLC ICS Room
 - 3.7.4 CLC UAT System
 - 3.7.5 Service Facilities
 - 3.7.6 Business Continuity, Disaster Recovery, and Infrastructure Protection Plan
 - 3.7.7 Invited Options
- 3.8 Proposer System Security
 - 3.8.1 Security Program Content and Approval
 - 3.8.2 Physical Security
 - 3.8.3 Logical Security
 - 3.8.4 Network Security
 - 3.8.5 Retailer Terminal Security
 - 3.8.6 Multi-State Games
 - 3.8.7 Security Incident Reporting
- 3.9 Proposer Staffing
 - 3.9.1 Implementation and Conversion Staff
 - 3.9.2 Ongoing CLC Operations Staff
 - 3.9.3 Field Service
 - 3.9.4 Retailer Call Center

3. Specifications and Business Requirements

3.1 Specifications and Business Requirements

The Proposer must propose a comprehensive set of services and solutions that will ensure the sustained, long-term growth for the CLC. The solutions must be flexible and able to expand and meet the business needs of the CLC as the gaming environment evolves over the course of the contract.

All system, retailer devices, and other equipment must be new and unused. Proposed equipment must meet all applicable state, federal, and industry standards. All hardware models and software versions installed at start-up must represent the then-current equivalent or better version, in case a proposed offering is phased out or superseded, or a proposed product has been upgraded to a newer model at an equivalent or better price.

The Proposer should provide a summary of the service and solutions being offered and highlight why and how the Proposer expects its solution to enhance the CLC's short-term and long-term goals. The summary should specifically address how the offering will increase the CLC's gross sales and profitability.

3.1.1 Gaming System Configuration

The CLC requires system designed, sized and configured to support the current and future gaming in Connecticut at a high performance level for the term of the contract. Systems must be provided at a Primary Data Center and Backup Data Center.

At any given time, one data center must have one system serving as the primary system and at least two additional systems (one of which must be at the other data center) processing transactions and available to serve as the primary system in the event of a primary system failure. In the event of a primary system failure another system will resume as primary, without the loss or corruption of any Data or transactions received.

3.1.2 Gaming System Configuration at the Primary Data Center (PDC)

All game, database, back office functions, peripheral systems and games administration functions for mission-critical Terminal and instant gaming processing and support must be supported by a configuration that will assure 99.98% availability. The configuration must consist of at least two (2) separate systems, networked or coupled for high availability processing and storage redundancy. A component failure in one PDC system must not cause a failure in other PDC system(s).

All systems in the Proposer's Gaming System configuration must have a time-synchronizing mechanism to ensure consistent time recording and reporting for events and transactions. Synchronization with an external reputable time source is required.

The Proposer must fully describe its proposed solution and provide a System diagram(s) that at a minimum details the connectivity between the Gaming System, retailer terminals, connection to the Backup Data Center, mobile app ticket checking, and CLC offices. The Proposer must identify physical and virtual servers.

3.1.3 Gaming System Configuration at the Backup Data Center (BDC)

The configuration at the BDC must have the same processing capability and reliability as the configuration at the PDC.

All systems in the Proposer's Gaming System environment must have a time-synchronizing mechanism to ensure consistent time recording and reporting for events and transactions. Synchronization with an external reputable time source is required.

3.2 Gaming System Retailer Terminals and Peripherals (all items below are to be included in base pricing, unless indicated otherwise).

3.2.1 Terminals

The Successful Proposer is required to supply the CLC with Terminals as specified in this section. The initial Terminal counts are set forth below and the Successful Proposer must be able to deliver, install, and support additional Terminals as ordered by the CLC.

The network will begin with approximately three thousand (3,000) full-function on-line Terminals located at approximately two thousand nine hundred (2,900) retail locations across the state. Within the base price, the Successful Proposer must also supply Terminals to accommodate any Retailer growth, as well as additional Terminals for training, testing, replacements as required by CLC, and spares. All equipment must be new, or unused and recently acquired with the ability to prove date of purchase. Proposer must state if any equipment will not be newly purchased. All Terminals must have a time-synchronizing mechanism to ensure consistent time synchronization with the Gaming System to ensure that any timestamps printed on the tickets/reports display the correct time.

Retailer-operated Terminal features and functions must include, but not be limited to the following:

- A. Size. Equipment components in retail must consider space availability and some limitations at smaller retail locations. If the Terminal is modular, then it is important that the connecting data and power cables supplied and installed by the Proposer not be unwieldy or obtrusive. The Proposer shall list the dimensions

and weight of the proposed Terminal(s), as well as any peripherals and equipment included in the Proposal – each individually and when connected/configured on counter. Also include details about wall mounting or stacking as applicable. Proposers are encouraged to include and present various Terminal size options that can meet space limitations at smaller retailers.

B. Ticket and Report Printer and Stock. Proposer must provide ticket stock and include this in base pricing. For reference, the CLC orders and utilizes 100,800 rolls of paper, at 917 feet per roll, 92.4 million feet each year. CLC began a new Fast Play game in July 2020 which may impact paper stock usage. Alternative printing technologies may be proposed. Regardless of the printing technology used, the tickets must be highly readable and long-lived under ordinary consumer use in the Connecticut environment (e.g., ticket folding, hot weather, rain). Considering normal shelf life, advanced action purchases and CLC's 180-day claim period, ticket stock and printed tickets should clear and readable by Terminals and humans for approximately one year. At all times the ticket and report printer and its stock must be in compliance with multi-jurisdictional security standards that apply to the CLC (e.g., MUSL rules).

1. The printer must be capable of producing tickets and reports using a variety of fonts as approved by the CLC. Graphics, such as the CLC or game logo, or a promotional coupon, must be producible. At a minimum, the printer must be capable of printing the same image and logo quality of existing tickets currently in production. (See, Terminal Ticket Samples in Appendix F).
2. The printer must be capable of issuing tickets having uniform size or variable length as determined by the CLC. Tear-off tickets are not acceptable. Each ticket regardless of length must contain a pre-printed stock number on the back.
3. The printer must provide stacking for printed tickets which will accommodate up to fifty (50) tickets printing serially in a multiple ticket request (bulk buy or repeat).
4. Ticket stock for the printer must be able to be pre-printed front and back with text, images, and colors, in a design approved by the CLC.
5. If thermal paper ticket stock is used, then the paper must withstand at least one hundred seventy (170) degrees Fahrenheit ambient temperature for greater than four (4) hours and must be top-coated. It is desirable that thermal ticket stock also be back-coated. The Successful Proposer shall from time to time inform the CLC of newly available thermal paper stocks that exceed the properties of the paper then in use and that may represent a benefit for the CLC. A change to improved stock may be negotiated.
6. The Successful Proposer must provide methods to investigate and verify damaged and altered tickets, and these shall include security features of the ticket stock. Security features of the Proposer's ticket stock and methods to investigate and verify damaged and altered tickets must be addressed.

C. Play Slip and Document Scanner. Proposer must provide all play slips and include this in base pricing. There must be a reader able to read player-completed play slips and other gaming relevant documents. The reader must be able to recognize marks written in pencil and either blue or black ink.

1. The reader must be capable of scanning A4-size documents (approximately 8.5x11) as well as play slips.
2. The reader must provide flexibility in terms of its ability to read various colors and graphics on the play slips, and the latitude it allows for markings by players. Special markers shall not be needed for the play slips.
3. The reader must provide flexibility in the manner documents can be inserted, for example, top or bottom first, and at various angles.
4. The reader must be capable of rapid feeding of play slips by the retailer, allowing the retailer to quickly process a stack of play slips. Proposer shall describe the speed and manner for which the reader is capable of processing play slips.
5. The reader must be capable of reading and processing existing game play slips.
6. The reader shall be jam-resistant and have a simple mechanism for immediately clearing any jam or non-readable document.

7. The reader must accommodate forms whose purpose is to collect information from retailers, players, or field service or maintenance personnel. The Successful Proposer may be called upon to collect such data and furnish a data file to the CLC for analysis.

D. Adjustment Forms. Proposer must provide CLC approved adjustment forms and include this in their base pricing.

E. Ticket Scanner. The Terminal must include a barcode reader that will allow reading of Draw Game and Scratch Game tickets, and for validating or canceling a ticket. Manual entry of ticket information is also required for validation and cancel functions.

1. The CLC considers the barcode reader's first read rate for validating a winning instant ticket as a key retailer satisfaction item. A high first-read rate in excess of ninety-five percent (95%) is mandatory. The bar code reader may not be a pen wand. Other bar code reading technologies, such as Charge Coupled Device, CMOS, and laser, may be proposed.
2. The ticket scanner must default to ticket validation mode when a Draw Game ticket barcode or a Scratch Game Ticket 'Scratch 2 Cash' barcode is scanned.
3. The ticket scanner must be capable of reading electronic play slips through a mobile application, using a 2-D barcode similar to draw game barcodes or the 'Scratch 2 Cash' barcodes on instant tickets.
4. The ticket scanner must be capable of validating winning instant tickets, both through barcode scanning and manual entry, and supporting other administrative functions which employ machine-readable codes such as the interleaved two (2) of five (5) barcode, PDF-417, and other standards such as UPC. The scanner must have the capability to scan the game/pack/ticket barcodes on the back of the ticket for pack maintenance.
5. The ticket scanner must be capable of reading and processing serialized, barcoded coupons, using a 2-D barcode similar to draw game barcodes or the 'Scratch 2 Cash' barcodes on instant tickets.
6. The ticket scanner must have a cable or other means to reach at least ten (10) feet from the Terminal, giving it the ability to read different size and shape items (such as POS items, bar coded instant ticket packs, on-line ticket stock boxes), and instant tickets in racks. If a wireless bar code reader is proposed, then the device must work from a distance of at least ten (10) feet from the Terminal, and be securely paired with the Terminal it has been assigned to, ensuring that no cross connection is possible with other nearby Terminals.
7. The ability for the reader to allow customer age verification through reading driver's license or similar identification document barcodes is desirable.

F. Training Mode. The Terminal must be capable of operating in a training mode. Training mode transactions that generate ticket facsimiles shall be marked "VOID - DEMO - NOT FOR SALE" or equivalent in the body of the ticket. The Gaming System must record when a Terminal enters/exits training mode.

G. Peripheral Slots/Ports. The CLC anticipates the possibility of using various peripheral attachments for the retailer terminals. Flexibility to enhance the Terminals in such a manner is an important characteristic. In addition to interfaces for Terminal features and peripherals identified in this RFP as required upon delivery, there must be a minimum of four (4) additional, initially unoccupied slots/ports for other peripherals. These ports shall be physically or logically secured when they are not in authorized use. Any Terminals size options that limit these requirements must be disclosed including the extent of the limitation.

H. ID Card Reader. The Terminal shall be capable of reading LSR and Successful Proposer customer-service staff identification cards using a bar code or equivalent identifier. A password entry will also be required. The ID card shall cause certain capabilities to be made available to the individual via a menu of options, and shall record on the Gaming System any transactions which may be performed. Privileges for these identification cards shall be set through a management Terminal.

- I. Previous Transaction Listing. The Terminal must be able to display and print the last twenty-five (25) transactions accepted by the System, upon request of the retailer, in order to compare printed tickets with registered tickets. In display mode, all the past transactions need not appear on the same screen at once.
- J. Cancellations. The Terminal must support ticket cancellations for those games that permit it. Cancellations must be governed by a set of parameter-driven rules as established by the CLC.
- K. Last Transaction Display. The Terminal must provide a mechanism for display of the last transaction that was successfully processed by the Gaming System that involves a wager printed, ticket cashed or cancelled. Any reporting or inquiries are not included in the last transaction display.
- L. Ordering Supplies. The Terminal must allow retailers to order Terminal supplies (bet slips and ticket stock), which can be reviewed and filled by the Proposer.
- M. Responsible Gambling. The Terminal must allow retailers to print a paper slip with a responsible gambling message. The message must be allowed to be changed without a Terminal release and at the CLC's discretion. Reporting on the usage of this message must be available from the back office function.
- N. Replay Wagers. The Terminal must have the replay feature for draw game tickets.
- O. Sound. The Terminal must be capable of producing an audio when certain transactions or functions are performed.
- P. Large Dollar Transaction Verification. The Terminal screen must display a message for each 'large dollar' purchase and validation that provides an option to the retailer to stop and take other appropriate action before completing the transaction. The CLC will define the 'large dollar' amount and messages to be displayed.
- Q. Language Agility. The Terminal must be able to support Spanish in addition to English and be capable of toggling easily between the two languages.

3.2.2 Self-Service Vending Terminals (SSTs)

The Successful Proposer is required to supply the CLC with SSTs as specified in this section. The Successful Proposer must be able to deliver, install, and support additional SSTs as ordered by the CLC.

Proposals must include pricing and specifications on full-size digital SSTs capable of full-service customer interactions, selling all existing lottery games. Proposals must include in base pricing two hundred (200) of these SSTs. Additional required optional specifications and pricing for:

1. One hundred (100) more full service digital vending terminals, selling all lottery games
2. Low profile full service vending terminals, selling all lottery games.
3. One hundred (100) full service vending terminals selling all terminal games (draw, Keno, Fast Play).
4. One hundred (100) more of these same terminal games vending terminals.

Also include minimum re-order quantity per machine and maximum time from order decision to first day of selling using reasonable assumptions.

Within the base price, the Proposer must also supply additional vending machines for training, testing, and spares, as described in this Appendix B, Section 3.2.1.

3.2.3 Peripherals

Pricing for all peripherals must include, as applicable, hardware, software, installation, communication hardware and associated service fees, and service, maintenance, repair, or replacement.

3.2.4 Player Advertising Displays

The Proposer must propose a player advertising display system installed at all retailer locations, to include all equipment, wiring and mounting, and replacements when necessary as determined by CLC. The CLC uses such devices to display graphics and messages, which will change daily or weekly and must be downloadable. The purpose of this display is to gain the attention of, and inform, potential players. Any such display must be clearly visible from fifteen (15) feet by players. Units must have the capability of being "programmed" by the System management terminals. The display must be able to segment into several messaging panels.

Due to the wide diversity of available space in retailer locations, the player advertising display unit must be capable of both of the following: 1) resting on the counter beside the terminal, or 2) mounted on or suspended nearby the terminal. The exact location of the player advertising display unit will be decided by the CLC in conjunction with the retailer on an individual retailer basis to optimize visibility. The Proposer must describe the process for managing the additional content areas of the display unit, including, but not limited to the ability to display videos in the advertising area, and any limitations on video length, quality, or number of items in a playlist. Description must also include if display content impacts transactional communication speed during any volume of ticket sales, and if so, by how much, how the system is patched, managed by releases, or other maintenance efforts required of system and content.

In addition to advertising marketing content, the unit must display customer transaction information, including sales transactions, customer balance, ticket validation information, and other appropriate informational messages.

3.2.5 Keno Monitors and Media Servers

Proposals shall include monitors to display drawings for rapid-draw games such as Keno at one thousand five hundred (1,500) retailer locations, some with multiple monitors. The Proposal must include details for how their System will deliver maximum resolution in successfully displaying content to color flat panel video monitors of varying sizes – primarily forty-three (43) inches, with some approximately thirty-two (32) inches and others approximately fifty-five (55) inches. Monitors must be able to support resolutions of 1080p or greater. The Successful Proposer will be required to supply and install media servers, monitors, wiring, and mounting brackets as required per location. The location and number of monitors per retailer location will be determined by the CLC.

The CLC currently has a few hundred of its own media servers (Advantech: DS-890) and monitors (Samsung: HG43NJ470MF) installed at retailer locations. The CLC expects the new System to work with these pre-existing monitors and servers.

The Successful Proposer will be responsible for the maintenance of all monitors under the same guidelines as stipulated for retailer terminal maintenance.

3.2.6 Self-Service Validator

The Proposer must propose an on-line terminal peripheral that allows players to check their own draw and scratch tickets for winners. These devices would be ideally located far enough away from the retailer terminal to minimize activity or traffic at the retailer counter. The CLC invites the Proposer to consider certain advanced features for the Self-Service Validator, such as wireless function within the store. The device must be able to work in a very low-light environment, or have a light accessory for the scanner to allow it to work in locations with low ambient lighting. The System must be able to support more than one device in high-volume locations.

3.2.7 In-Store Signage

As an Invited Option, the Proposal may contain in-store signs capable of displaying information regarding jackpot amounts, winning number information, advertisements, or CLC-authorized announcements. Any solutions proposed must include any accessories required for the device to function, including but not limited to: all devices for network connectivity, wiring, mounts, and brackets. The signs may be wired or wireless. Any proposed wireless capability should operate only at short range, nominally on the order of up to one hundred (100) feet. Radio signals must be designed so as not to interrupt or interfere with any electronic devices otherwise operated in the store or carried by store customers or employees in the store. The CLC currently owns approximately one thousand (1,000) jackpot signs deployed in the field that plug into terminals, and the System must be able to work with these pre-existing

signs (Pro-Lite: PL-JP-115-CTW2JP). Proposer must also provide specifications for connecting CLC-purchased jackpot signs to its System.

3.2.8 Other Equipment

At the Proposer's option, Proposals may include pricing and specifications for other peripheral equipment not listed in this section. Examples of additional peripherals: Standalone 'play stations' that have an ADA compliant counter surface and holders for bet slips, as well as tabletop Keno bet slip holders.

3.3 Communications Network

The Proposer must propose a design for a communications network to serve the CLC. The Successful Proposer is responsible for seeing that the design is implemented securely and operated in compliance with the specific details outlined in this document, including the responsibility for network management.

The communications network must support data communications between all computer sites (Primary gaming system, backup gaming system, CLC headquarters, CLC backup site, ICS systems, UAT environment), all Retailer locations and the Claim Center Offices and any other locations that might be used in the future. In addition, the Successful Proposer will provide connectivity for mobile application ticket checking, including third-party mobile applications.

The Successful Proposer must monitor the network for outages and utilization, and must take the appropriate security measures to prevent unauthorized access to the network.

The Proposer must describe and diagram the recommended communications network that best meets the overall objectives of this RFP. Network design should allow for maximum flexibility, security, growth and throughput, and should handle the immediate needs of the System and accommodate any growth in the retailer network. If cellular is used, list the carriers that would be used and describe the security that will be implemented to ensure terminals are not moved from their installed location. Also describe an alternative for locations without cellular service.

It is a requirement that multiple terminal locations not use the same cellular provider or type of communication for all of the terminals at that retail location.

Proposers should describe any backup solutions for the retailer network if one form of communication goes down, such as allowing automatic switching between cellular providers.

Proposers will be responsible for coordinating interactions among any network providers and contractors that would be involved in the implementation of the network.

The Successful Proposer will be responsible for implementing, monitoring and operating all elements of the network, including any charges/fees associated with the networks.

3.4 Software Application and Data Management

The System, in addition to supporting the current lottery games and selling and validating tickets, must provide particular features and functions to meet requirements for secure and efficient operation.

Requirements include, but are not limited to:

- A. Data Accessibility. Data must be accessible from the System, using a modern interface such as API or other sources approved by the CLC. Proposer can include any automatic feeds to social media from the proposed system.
- B. Business Intelligence and Data Analytics. Proposer may propose as an Invited Option any business intelligence or data analytics system beyond what is already included in the Gaming System. Proposer should show and display how the Gaming System raw data can be transformed into meaningful and useful information to be used to make better and informed decisions.

C. Retailer Portal. The Proposer shall propose a Retailer portal. The Proposer shall provide an overview of the portal, describe the functions and reporting in the portal, include any screen shots or reports. The portal must have the ability for a retailer to log in and view specific information for their retail location, including but not limited to: daily sales, weekly invoice, current inventory, pack settlement detail. It is required for the portal to have the ability for a corporate/owner login that can view multiple retail locations.

D. Gaming Software Security and Control Features and Functions

1. Logging. All game processing activities are to be recorded immediately on electronic media on multiple hosts. Such game processing activities at a minimum include: sales, cancels, cashes, validation attempts and other play-related transactions, any other retailer terminal commands, error conditions, operating system entries, job console entries, and management terminal entries.
2. Transaction Research. Authorized CLC personnel shall be able to research transactions and operations when required.
3. Transactions Protected. The System must ensure that transactions cannot be tampered with, including but not limited to the log files and validation files. The Proposal shall show evidence of the Proposer's methods and procedures that prevent tampering with the System. The CLC reserves the right to review any and/or all System narratives, source program listings and operational procedures to ensure Data and System integrity.
4. Tickets Not Duplicated. Tickets must not be able to be duplicated on terminal equipment.
5. System Recovery. System recovery must be supported for restoring and reprocessing as necessary.
6. Liability Levels. The CLC shall be alerted immediately when sales of a number in a fixed payout game reach a warning level, and then reach a specified liability level. The System, through a management terminal, must provide a payoff figure and a payoff liability, whenever requested by the CLC. The System shall automatically suspend sales of any number when the liability limit is reached, although the CLC shall have the ability to override the suspension.
7. Retailer Spoofing. The System must ensure integrity wherein no action, either operational or by tampering, can permit duplicate or unauthorized terminal addresses to be established. In all cases, authorized terminal identification must be ensured.
8. Software Checksums. Checksums are required for executable programs on the host gaming systems and terminals for auditing purposes. The System must maintain control of terminal software distribution such that terminals are not able to run inappropriate versions of the software.
9. Transaction Storage Redundancy. Every transaction of the terminals must be received in at least three (3) systems before authorization to print a ticket, including the gaming transaction system handling the transaction, a local backup transaction system capable of recovering for a failure of the system processing the transaction, and a remote backup transaction system.
10. Game Monitoring. Real-time monitoring of gaming transaction traffic and system utilization must be provided. The CLC shall receive immediate notification of abnormal System operations and their causes, such as validation problems, communication difficulties, computer downtime, etc.
11. Transaction Simulation. A transaction simulator program is required to generate all types of transactions (terminal and System) in optional percentages for use in testing software quality and performance. The program must accommodate simulated instant ticket validations against a validation file as part of the transaction mix. The program must allow manually entered transactions, including instant ticket transactions, to mix with the program-generated transactions.
12. Secure On-Site and Off-Site Storage. Proposers must describe their process to provide secure on-site and off-site storage of critical files, software, and back-up data. Archived backups must be retained for a minimum of five (5) years. Media stored in archives must be checked and/or exercised periodically to ensure their physical integrity.
13. Valid Backups. The Successful Proposer must use operational practices through report balancing and reconciliation to ensure that current files and archived backup copies are valid. This is

particularly important for validation files and future plays files where recovery by reprocessing large volumes of aged transactions may be impractical.

14. **Dynamic Pools.** For all matrix-type games, the Successful Proposer must maintain dynamic pools for the current draw, and dollar summaries for all plays for all future draws on sale. The Successful Proposer must also maintain dynamic pools for the current draw and future draws for the numbers-type games. The total dollars played by game by play type must be maintained for all future draws. The current day's pools must include all current day's sales as well as advance day sales for that draw.
15. **Ticket Stock Tracking System.** System must support the tracking of terminal paper issued to a retailer.
16. **Dual Security System.** The retailer terminal must generate a unique number, aside from the System-logged transaction serial number, that can be used to link winning tickets to selling terminals. This "dual security" approach must be acceptable to any multi-jurisdictional associations of which the CLC is a part or becomes a part. This application must be under the physical and operational control of CLC Security. The Successful Proposer must provide any hardware and software necessary for the CLC to decrypt dual security numbers.
17. **Anomalous Condition Reporting.** The System must be capable of displaying and reporting anomalous conditions that may indicate operational problems or attempts at fraud. This capability must include, but is not limited to, the ability to report a terminal with anomalous and excessive transactions (such as sales and cancels), attempted cashes of stolen tickets, and systemic events such as no sales for a game scheduled to be operational.
18. **Segregation of Duties.** The System operation must employ principles of segregation of duties and "need to know", and must restrict super-user privileges for the Successful Proposer's staff.
19. **Multiple Terminals Per Retailer.** The System shall support multiple terminals and terminal devices at a retailer location. The System shall be able to account for individual terminals and multiple terminals as part of a single retailer location.

3.4.1 Draw Game Controls

A. Operator Game Control. The System must provide game status changes by manual operator intervention within a prescribed window of entry. The System shall also allow for game closure and reopening outside the prescribed window of entry authorized personnel.

B. Automatic Close. At a specified time before the drawing, the System shall automatically close a game without operator intervention. There must be a manual override capability available for this function.

C. Transactions at Close. The System must maintain control of transactions underway at close time so that all transactions before the game close transaction apply to the forthcoming drawing and all transactions after the game close transaction apply to the subsequent drawing.

D. Drawing Information. At game cut-off for any game the System must display the following information for the game:

1. Date and Time of day
2. Net game pool (sales minus cancels)
3. Hash total of plays (including cancels)
4. Pool Status
5. Draw Identifier

E. Double Blind Entry of Winning Numbers. The System shall support double blind entry of drawn winning numbers. The first entry will be performed by employees of the Successful Proposer. The CLC will validate the numbers by entering them second. All attempts at entry of winning numbers by any user, successful or not, must be logged.

F. Suspend Sales After Last Drawing. The System must provide the option to suspend sales of a game for the remainder of the sales day, after the last drawing of the day. This feature could for example support a game matrix change to take place after one day's last drawing.

G. Closing, Drawing and Cashing Time Window. The CLC considers it mandatory to minimize the time window between close of the games, drawings, and the ability to pay winning tickets. The Proposer shall identify its proposed time window for closing games, conducting game drawings, entry of winning numbers, and readiness to pay winning tickets. All game types must be addressed. Fixed payout validations must be supported within ten (10) minutes of the drawing completion. The time window between the close of a game and that game's drawing shall not exceed the current time windows, which are ten (10) minutes for numbers type games and twenty (20) minutes for matrix type games.

H. Gaming System's Ability to Handle Exceptions Due to Drawing Problems:

1. The System shall allow the CLC to resume ticket sales and operations for retailers and customers for future sales for an individual game without necessarily finalizing and declaring a drawing official.
2. The Gaming System must allow the CLC to enter a second set of winning numbers for an individual drawing. The submission of the second set of winning numbers will follow all of the same security measures as the first set of numbers. The System will calculate winners based on both sets of winning numbers entered for the individual drawing. In the event a ticket wins on each set of winning numbers, only the higher payout will prevail.

I. Advance Play Step-down. The system shall allow for a step down on wagers placed for advance play on future drawings.

3.4.2 Management Control and Monitoring

A. Game Monitoring. Authorized Users must have the ability to observe real-time statistics on the system by game, retailer or group of retailers.

B. Game Control. The games management application must support the ability (for an authorized user) to shut off and resume sales and validations on each game independently.

C. Retailer Terminal Control. Authorized Users must have the ability to enable and/or disable any retailer terminal, partially or fully. Actions taken toward retailer management must be effective immediately and must create an audit trail of the changes made, the date of the change, and the user who made the change to a Retailer record.

D. Retailer Status Changes. The System must have different retailer status; authorized user must have the ability to change the retailer status. Status changes must be effective immediately and must create an audit trail of the changes made, the date of the change, and the user who made the change to a Retailer record. The CLC will define the retailer status during the software specification process.

E. Ticket Messaging for Marketing Purposes. The System must support 'banner' marketing spaces on tickets, both above and below the section displaying wager information (play area). The banner will be an image created by the CLC in a mutually agreed upon format.

F. Retailer Messages. The System must support the ability for an authorized user to send messages to a specific retailer or to a defined group of retailers. Messages should be defined as immediate or deferrable message. The terminal must have the ability to review the last five (5) messages. Also the messages sent to retailers should be recorded and reportable in the system along with the number of retailers it was sent to.

3.4.3 Ticket Validation Controls

- A. Validation. The System must be capable of validating tickets presented within the validation period as determined by the CLC.
- B. Validation Method. The system must be capable of validating all tickets, including vouchers by means of a scanner and manual entry.
- C. One-Time Cashing. Winning ticket must not be able to be cashed more than once.
- D. Cashing Limits. Winning tickets must be validated based on prize levels in accordance with the CLC's business rules and retailer's cashing requirements.
- E. Prompt for Pay Verification. There must be a feature by which the Retailer can verify that they have the funds to pay the prize or back out of the validation transaction. This feature must be configurable by Terminal.
- F. Ticket Status Query. The winning status of a ticket must be able to be queried without the ticket being validated. All queries shall be logged.
- G. Control of Validations. The System must be able to turn off cashing at the Terminal for a specific game and specific draw.
- H. Validation / Wager Reference. Validation transactions for winning Terminal game tickets must include reference to the original wager transaction.
- I. Multi-draw Winning Tickets with Remaining Draws. An exchange ticket created when a multi-draw ticket is validated prior to the last draw on the ticket must have a distinct serial number from the original ticket but the System must be capable to relate the two.

3.4.4 Promotional Controls

The System must be capable of providing a broad range of promotional features and detailed reporting should the CLC opt to include them. Specific features required as a minimum are as follows:

- A. Free Play. Free play when several plays are purchased or under other conditions specified by the CLC.
- B. Cross Promotion. Promotions between products must be allowed, either between draw games or draw games and instant products. Promotions must include buy X get Y, Nth ticket, free tickets, discounts, cash voucher prizes, and the ability to change the frequency during the promotional period.
- C. Multiple Drawings per Day. Multiple drawings for the same game within one day, including Day/Night feature with the same play for the day and night drawings of a game.
- D. Bonus Draw. Drawing of more than one (1) winning number (set of winning numbers) at the CLC's option.
- E. Bonus Payoff. A specified increase in the payoff for specified winning plays at the CLC's option.
- F. Drawing Events. Varying the number of drawings per game per week and/or the days the drawings are conducted.
- G. "Regional" Marketing. Sale of specified games/products/features (e.g. couponing, discounting) through selected retailers, retailer groups, and/or selected geographical areas.

H. Sampler Ticket. A multi-game quick pick where the System will automatically generate more plays--possibly one for each game on the market--either with or without a premium.

I. Variable Commission Rates. For certain on-line and instant products, commission rates may be set differently from the default value. For certain retailers or retailer subsets, commission rates may temporarily or permanently be set differently from the default. Commission rates may be set for one (1) or more days, or any portion of a day.

J. Vouchers. The system must support vouchers used in a promotion. The system must track liability for prizes and be distinguished from the vending machines vouchers.

K. Entry Forms. The system must support entry forms issued upon ticket purchase to create an entry for a prize drawing.

3.4.5 Claims Processing – Prize Validation and Payment System

The Successful Proposer will be required to provide an API that can accept draw game serial number or Fast Play/Scratch Game, pack, ticket and VIRN input and return specific ticket details to facilitate the real-time processing of ticket claims through the CLC's existing claims system. The CLC will define the specific information for the API during the software specification process.

Proposer is also required to respond with pricing for an optional claim application as part of their System which meets the requirements listed below.

3.4.6 Required Option – Claims Processing Application

Proposer must propose a claims processing application capable of validating and paying prizes of lottery games. In addition to paying out traditional lottery prizes the application must also be capable of accepting and processing other types of claims, such as random player prize drawings and other type of prizes. If the CLC chooses the claims processing application from the Successful Proposer, the requirement for the claims API listed in Section 3.4.5 will no longer be required.

The proposed application must allow for multiple High Tier Claim Centers throughout the state at approved CLC retailer locations (There are currently four (4) locations). High Tier Claim Center locations can only cash tickets valued between \$600 and \$5,000, and are limited to a single claimant and ticket per claim. The Proposer will be responsible for a secure connection to each of the High Tier Claim Center locations. Additionally, the System must allow for a CLC headquarters claim center for payment of any amount.

Proposer should describe and diagram how the application will work for processing winning prize information, include any screen shots and reports. Additionally, Proposer should describe how delinquencies and other withholdings from external data sources are handled, and how state and federal taxes are withheld according to current state and federal guidelines. Describe the privacy and security with regards to accessing the claims processing application, data storage, check reconciliation process, any automatic feeds for winning/winner information to an external system, and the end of the year tax reporting process.

The Proposer must propose a claims processing application to perform the following functions:

- A. Cashing winning tickets in two ranges:
 - 1. High Tier Claims Center:
 - \$600-\$5,000 - Up to eight (8) High Tier Claims Center locations across the state
 - VPN remote access to Claims system
 - Limited to single ticket per claim
 - Limited to single claimant per claim
 - 2. CLC headquarters claim center: All values

B. Deduct delinquency amounts provided by external data sources from the player's winnings in the following order:

1. State and federal taxes per published guidelines
2. Monies owed to the CLC for any value prizes claimed
3. Monies owed to the State of Connecticut for delinquent child support - prizes \$5,000 and greater
4. Monies owed to the State of Connecticut for delinquent taxes - prizes \$2,000 and greater

C. Perform the following tasks:

1. Print a claim form, W2s and a check when processing the claim at High Tier Claim Centers and the CLC Headquarters Claim Center
2. Allow the reprint of a W2 for the player
3. Allow claims administrator role to reprint or reissue checks
4. Allow claims locations to print summary reports, check registers for date ranges
5. Allow modification of claimant information after claim completion (for example, change name before reprint of check, change address for tax reporting)
6. Retain prior claimant information and populate based on tax ID
7. Allow customer to optionally have taxes withheld

D. Print Selling Bonus Request Forms for Accounting Department. This requires tracking when a winning Draw Game ticket is sold that reaches game specific thresholds for a selling bonus. Draw Game selling bonuses are processed when the winning ticket is sold. Scratch Game selling bonuses are determined when the ticket is claimed that reaches specific prize amount thresholds.

E. Process promotional prizes. For example, trailer tickets that are printed from the Gaming System and randomly selected as winners, regardless of prize value.

F. Claims monitor dashboard that automatically refreshes for viewing claims being processed or that were processed with the ability to filter by a specific claims center location and date.

G. Ability to identify claimants as retailers who have sold lottery tickets.

H. Ability to prevent ineligible players (CLC Employees, Proposers, etc.) from claiming a lottery prize. Includes means to populate and manage the database of ineligible players.

I. Custom queries (report and export options) for:

1. FOIA requirements
2. Searching for claimants by name, SSN, address, date range, etc.
3. Search for winning claimed prizes by prize amount, top prizes, and retailer
4. Search for delinquent winners (retailer, taxes, child support)
5. Logs of queries and reports run
6. List of winning prizes reaching specific thresholds for generating POS signs
7. Identify uncashed checks for escheatment

J. Ability to manage users and access to reports and queries.

K. Custom feeds for:

1. Great Plains – GL feed – nightly
2. ctlottery.org - Winners and unclaimed winning tickets – on demand
3. Tax Reporting - W2G extraction - end of calendar year

- L. Check reconciliation functions (bulk and manual).
- M. Trouble ticketing function for claims processors to report issues or request supplies (for example, printer cartridges and paper stock).
- N. Validate 1099 information for retailers and submit to IRS and Connecticut for year-end processing.

Proposers must describe the software development process for the claims processing application, detailing if the system is incorporated into the Gaming System, or a separate system, and whether updates to the claims processing application can be implemented without affecting the code on the Gaming System.

3.4.7 Internal Control Systems (ICS)

The Internal Control System (ICS) will check the Gaming System independently by re-processing transactions, allowing auditing of the daily transactions, winner selection/verification, prize payout calculations, and sales summaries. The CLC will independently provide the ICS and will conduct all daily operations support of the ICS.

The CLC currently has three (3) identical ICS located at two (2) different secure locations in Connecticut. Two of the ICS are used in the production environment as the primary and redundant ICS; the third is used for UAT of new software.

The Successful Proposer is required to provide a near real time transaction data feed from the Gaming System (production and UAT) to the CLC's Internal Control Systems (production and UAT). The transaction feed needs to include at a minimum all sales, validations, cancels, claims, promotions, vouchers and pool closing information. In addition, the Successful Proposer is required to send checksum totals for sales, cashes and cancels at five (5) minute intervals that will be used to automatically verify transaction data.

The Successful Proposer must provide an easy way to view pool close times and provide total sales within five (5) minutes following the close of sales for any game, and after the drawing, provide draw reports of winners, both for exclusive and inclusive winners.

The Successful Proposer must provide at the end of System Day electronic balancing report files, which includes sales, validations, draw liabilities, and draw purges, which the ICS uses to verify balancing with the Gaming System. These files and the entire daily transaction file must be automatically copied to a CLC supplied SCP server after System close.

The CLC uses a MUSL approved alternative lockdown solution. The Successful Proposer must provide to CLC an approved solution for the Gaming System. This solution needs to include an encrypted transaction file which matches the ICS transaction file, and automatic file transfers from the Gaming System to an SCP server at pre and post draw times.

The transmission protocol, end of day reports, draw reporting reports and checksum totals will be mutually agreed upon by the Successful Proposer and the ICS vendor and approved by the CLC.

The Successful Proposer must cooperate with the CLC and with the third-party ICS provider engaged by the CLC.

3.4.8 Retailer Data Management/Maintenance

The System must support processes for capturing, managing and maintaining information on Lottery Retailers/owners. Processes include, retailer set-up and activation, ongoing maintenance and status changes.

3.4.9 Retailer Setup/Maintenance

The System shall facilitate CLC staff efforts to maintain Retailer/owner information. Currently the CLC creates a data file containing all information for a new Retailer to be imported into the System on a daily basis, if a new Retailer exists. The CLC will define the data file for import during the software specification process.

The System shall support Authorized Users to view and change retailer/owner information, including the Retailers' Terminal password. The System shall maintain a history of changed Retailer/owner information. In addition, the System must provide notes based on various note types that a user entered and a history of the notes.

The System should have non-transferred fund recording and reporting for returned EFT Transmissions, which should include the reason for the return, adjustments, and running Retailers' balances for returned EFTs.

The System shall support grouping of Retailers for chain locations and other defined groups as defined by the CLC. Proposer is also required to respond with pricing for an optional licensing application which meets the requirements listed below in section 3.4.11 Mandatory Option for Application Process.

3.4.10 Retailer Accounting

The System must support retailer accounting operations to ensure that all transactions from the retail environment are accurately processed in order to invoice each retailer on a weekly basis (or as Retailers are terminated). Functionality shall provide for retailer commissions, bonuses, incentives, credits for prizes, adjustments and reimbursements as specified by the CLC.

The normal accounting cycle for computing monies owed by retailers and processing EFT files is Sunday through Saturday. In current practice the retailer accounts are serviced weekly. This accounting period is also referred to as an accounting week or business week. However, the Successful Proposer's system must provide flexibility to allow for daily or other periods in the event a business need arises. The CLC reserves the right to change the accounting period during the term of the contract. The Successful Proposer shall be responsible for the creation and transmission of the EFT file to the bank and for payment of all fees and costs associated with the EFT transmission.

The System must provide the CLC the ability to execute and review manual accounting adjustments to Retailer accounts and the software must contain adequate internal features and provide a complete audit trail. There must be the ability to make adjusting entries either based upon parameters within the System and/or a file provided by the CLC (i.e. mass adjustments).

The Successful Proposer must produce weekly files, consistent with current CLC invoicing file formats.

The software must capture all 1099-MISC information based on Retailer activity: sales commission, cashing commission, incentives, bonuses, and certain retailer adjustments. System must be able to provide adjustments that will be included with the 1099 reporting but do not affect the retailer invoice.

The system must produce the IRS Form 1099-MISCs and all files necessary for submission to the IRS and required state entities. Files for the IRS created must be sent in a CLC approved format upon demand. The System must allow multiple retailers to roll-up to one EIN. The CLC must be able to pull reports prior to the end of the year. Reports must show year to date totals and show individual store/retailer data rolled into each owner. Form 1099-MISC files for the IRS and state entities must be created by the Successful Proposer prior to January 24th of each year.

Some retailers have multiple retailer terminals in one location, and these must be accounted for using one retailer account.

The software must generate all reports and files required by the CLC.

3.4.11 Required Option – New Retailer Processing Application

Proposer must propose a New Retailer Processing Application capable of tracking new retailer applications through the CLC's business process for approving a retail location to sell lottery products. The proposed application must allow entry of various retailer, owner, contact and various other business information. This information is used to determine if a retail location can be approved to be a retailer. If approved the application will provide the necessary information to be loaded into the Gaming System for a new retailer to start selling lottery. If the CLC chooses to

accept the New Retailer Processing Application, the requirements in Section 3.4.9 for a data import file for new retailers will not be necessary.

The typical business process for approving retail location is as follows. Business owner information is loaded into the application as an account. Various departments review their section of the submitted information. Each department will update their individual status based on their review of the submitted information (approved, need more information, denied, etc.). Some departments are able to do their processing at time of initial submittal, while others are contingent on approval or information from another department before they can start their process. If the retailer location is approved by all departments, then the overall status is set to "approved". If the retail location is denied, then the overall status is updated with reasons for denial and the application file is closed out.

The Proposer must propose a New Retailer Processing Application to perform the following functions:

- A. Various user permissions to allow some users to only view certain information, while others to view and modify all information. Additionally, status updates can only be updated based upon user permissions.
- B. Various reporting capabilities of entered new retailer applications.
- C. Ability to search for new retailer applications based on various parameters.
- D. Ability to digitally store documents, with history of viewing adding and deleting of documents.
- E. Ability to transfer files to an SFTP/SCP server based on status changes.
- F. Ability to store note information including note history by department.
- G. Ability to have seven (7) different departments each with their own various status for processing new retailer applications.
- H. Ability to lock the new retailer application records so no fields can be updated, once final approval is issued.
- I. Ability to produce/print predetermined letters based on the status of the new retailer application.
- J. Automatic email notifications.

3.4.12 Required Option - Sales Force Automation Application

The CLC requests each respondent include their Sales Force Automation Application as a required option in their Proposal. If CLC chooses the option it must be available to use on the first day the new Gaming System launches, to include a training program for CLC Sales Department and other staff needing awareness. If the Proposer considers beginning on the day of launch too aggressive, they must recommend alternative date within the first twelve months after the Gaming System launches.

The information regarding the Sales Force Automation Application must include its features and functions, administrative management, frequency of updates and upgrades, and decisions that we must make to begin customization to the CLC Retailer network.

Proposer is required to provide all equipment to include tablets and replacements as needed due to damage, loss, or obsolescence. The application must be available on mobile and desktop, with various levels of user rights.

Include any disclosures the CLC should be aware of regarding the program containing personally identifiable information or other secure data, and how the system will be protected and integrated with the Gaming System.

3.4.13 Additional Option - In-Lane Lottery Solution

The CLC believes that in-lane lottery solutions that allow customers to purchase Draw Game tickets through Retailer point of sale systems is an important area for revenue development. Proposers are invited to include in their Proposals their interest, ability and methods for including in-lane lottery in their Gaming System. For clarity, CLC wants the Retailers' point of sale system to print the tickets on retailer receipt paper, not CLC ticket stock. Proposals addressing this additional option are requested to include a time line for developing and launching this option on the Go-Live Date, or other date Proposer recommends. CLC is prepared to engage with Retailers to assist with this effort.

3.5 Instant Game Controls

The proposed System must handle all instant ticket related transactions and accounting, as required by the CLC. Support from the Successful Proposer shall include but will not be limited to the transactions noted below as well as conversion of game information, pack/ticket status along with the history, to be mapped into equivalent status and comparable functions of pack transitions. The CLC will define the pack status and comparable functions during the software specification process.

The Successful Proposer will need to be able to use all of the CLC print vendor's encryption validation codes for the validation of instant tickets throughout the term of the contract.

The System must be able to handle all current pack transition activities, based on user roles and permissions. Pack transitions are standard movements in the US lottery industry.

3.5.1 Game Load

The System must allow new Instant Games to be loaded, configured and verified in the system. System must have the ability to reporting of any game parameter and prize structure changes.

3.5.2 Game Ordering Methods

The system must allow the various game ordering sources/functions:

A. Telemarketing

1. Ability to add new Tel Sales Reps (TSR) users that are uniquely identified with their own login and permissions. Additionally, an ability to mark TSR users as non-active.
2. Ability to assign specific retailers to a TSR.
3. Ability to build a retailer call list that shall operate according to a set schedule relative to each retailer. The set schedule for a retailer will identify a call day (from Monday through Friday) and also a call frequency based on a number of working days between calls. Building the call list should have an ability to select future, past and current retailer calls.
4. Ability to reassign a call list from one TSR to another.
5. Ability to reassign all retailers from one TSR to another.
6. Ability to defer calls, to later in the day or another day.
7. Ability to move the call date without placing an order.
8. Ability to store and view ordering notes specific to the retailer and a history of all ordering notes.
9. Ability to search for retailers for placing an order for only active retailers.
10. Ability to display retailer information at a minimum including: store name, contact name, phone number, hours of operation, 13-week average, Instant Game allocation, call notes, LSR, last call date and call frequency.
11. Ability to display game information at a minimum including: name, number, inventory, price, current number of pack at retailer for in transit, activated, settled since the last call cycle and any returns. Game display should have ability to sort on price, name, and number.
12. Ability to close out a call in the call list and automatically move onto the next retailer.
13. Ability to move though the call list and select a retailer from the list.

- B. Walk-in orders
 - 1. Ability to create an order that will be assigned to a retailer which will not be shipped using a courier.
- C. Lottery Sales Rep (LSR) orders
 - 1. Ability to create an order that will be assigned to an LSR.
 - 2. Ability to add new Lottery Sales Reps (LSR) users that are uniquely identified with their own login and permissions. Additionally, an ability to mark LSR users as non-active.
 - 3. Ability to assign specific retailers to an LSR
 - 4. Ability to reassign retailers from one LSR to another.
 - 5. Ability to assign routes and stops to LSRs.
- D. Deferred Order type
 - 1. Ability to create an order for a retailer that will be filled separately from the normal tel sell orders.
- E. New Instant Game Allocation
 - 1. Need ability to assign by game price point the number of packs allocated to a retailer.
 - 2. Need ability to view list of instant games available to assign as an initial allocation.
 - 3. Need ability to create and fill more than one (1) initial order at a time for different games.
 - 4. Need ability to randomly select a town to start the initial orders.
 - 5. Need ability to override allocation, using an override percent either by increasing or decreasing the retailer's allocation amount.
 - 6. System must have ability to dynamically add other game price points to the system, without requiring a software release.

3.5.3 Game Fulfillment Methods

The System must allow the support of warehousing, inventory control, packaging and distribution of instant tickets.

- A. Ability to add new warehouse packer users that are uniquely identified with their own login and permissions. Additionally, an ability to mark a warehouse packer users as non-active.
- B. Ability to assign by packer the order source of what they will be filling (initial, tel sell, etc.)
- C. Ability to view pending order in the queue of orders and promote them to be filled next.
- D. Orders automatically come up on the warehouse packer's screen and will show order information such as retailer, game and number of packs needed, number of envelopes, packs scanned, orders in queue, etc.
- E. Order will complete and print labels and manifest upon scanning of last pack in order.
- F. Reprinting of labels and manifests by the warehouse packers as needed.
- G. The system must use combination of auditory and color cues to help make order fulfillment efficient and accurate. For example, when scanning packs for an order, a positive tone must be played when a pack is scanned that matches the game of an unfilled pack in the order. A negative sounding tone must be played when a pack is scanned multiple times, or the pack does not match an open game/pack from the order. In addition to a tone, the system must allow a messaging color to be displayed on the screen for returning partial and full packs of tickets. For example, using a different color of to indicate an active game full pack return versus non-active game full pack return or a partial pack.
- H. Error screens such as erroneous scan data, pack not needed for order and incorrect pack status, etc.
- I. Generation of a barcode file for the courier, based on a closed shipment. The exact file format to be agreed upon during the software specification process.

- J. No modifications or partials of an order are permitted upon filling the order. Either all of an order is filled or no part of an order is filled.
- K. System must be able to support using multiple shipping carriers concurrently and meet all carriers' requirements.
- L. Ability to add and view notes regarding orders.

3.5.4 Inventory Management

The System must have the ability to:

- A. To cancel orders either before or after they have been filled, including cancelling all pending orders based on an order type.
- B. Search and look up order and manifest information, based on a variety of search parameters (retailer, manifest, shipment, etc.).
- C. Instant pack lookup.
- D. Ticket research.
- E. To move a single or group of packs from one status to another or location based on the user rights and pack movement privileges.
- F. Show complete pack/ticket history of the pack/ticket life cycle.
- G. Support multiple warehouses and assign a primary warehouse which will be used for inventory counts and ordering tickets.
- H. Transfer of inventory between multiple warehouses, either by packs or cartons.
- I. System must be able to accommodate variable pack sizes and settlement amounts.
- J. Must be able to handle a four (4) digit game number, six (6) digit pack number, and three (3) digit ticket number.

3.5.5 Reporting

System must have at a minimum the reporting/data exporting capabilities as specified by the CLC:

- A. TSR activity regarding the number
- B. TSR notes
- C. TSR orders placed including no orders placed.
- D. New Game allocations, by game showing the number of retailers, packs
- E. Game/Pack Inventory for the various pack assignment:
 1. Retailers
 2. LSR
 3. Warehouse
- F. Packer statistic reporting for order filled by day/hour.

- G. Game/Pack-Carton lookup.
- H. End of game reporting listing all non-sold packs and ticket ranges.
- I. Pending and filled order details.
- J. Pack Return information.
- K. Shipment/Manifest reporting

3.5.6 Retailer Terminal Functions

The System will be required to support instant games through the retailer terminal. Support from the Proposer shall include but not be limited to the features and transactions noted below.

- A. Instant Ticket Validation. Instant game validation transactions at the retailer terminal will inquire against the System. The System will respond with a pay/no-pay/claim, etc. transaction sent back to the retailer. Tickets paid can only be paid once. This transaction will verify whether the ticket is a winner and specify the amount to be paid. During this process the System must confirm that the ticket is from a pack or partial pack in “payable” status. Tickets sold by one retailer must be able to be validated by any other retailer. Accountability must apply to ranges of tickets within a pack if necessary, in the case of stolen packs or partially settled packs. System must be able to validate instant tickets with the ‘scratch to cash’ feature.
- B. Pack Activation. The System must allow a transaction to activate a pack of tickets for sales and validation.
- C. Pack Delivery and Returns. Packs delivered to retailers must be registered in the System. Packs may be returned by the retailer via the (LSR), for use elsewhere, or for return to inventory in the warehouse. The System must support receipt of bulk shipments with one bar code read.
- D. Retailer Pack Settlement. The terminal must support settlement of packs that have been distributed to, and sold by, the retailers. Packs must be able to be manually settled, and the System must also support automatic settlement based on CLC-established parameters. The System must accommodate settlement of a partial pack.
- E. Ability to set a range of tickets stolen that are assigned to that retailer in an active or settled state with no validations in that range.
- F. Enable/Disable Tickets. Tickets may be disabled from packs that are in an active or settled status through the use of a disable flag. “Disabled” is a temporary status and the disable designation prevents instant tickets from being cashed. Generally, at the end of the day, the retailer scans the next available ticket from each active pack from which the retailer is selling. The ticket range from the first ticket scanned to the end of the pack (last ticket available for each game) will be put into a disabled state. A terminal ticket function to “Enable All” reverses all flags from disabled to enable at the start of day. Disable ranges are displayed on the “in-use” inventory terminal report.
- G. Scratch Ticket Balancing (STB). The terminal must have a feature for retailers to use to calculate the number of tickets sold during a period. This would include starting with a baseline of inventory, then an automatic system way to calculate the number of tickets sold between the baseline and the next time inventory is saved.
- H. Terminal Reporting. The retailer must be able to obtain, through the terminal, an appropriate collection of reports summarizing instant ticket status and transaction activity. These include, but are not limited to, (the retailer’s own) inventory information by pack status, summary of validations, instant sales/settlements (including an indicator on how the pack was settled) and adjustments, and news messages. Retailer

information must include fields for number of facings, dispenser type, dispenser location in store, and other recommendations by Proposer to allow this data to be analyzed with easy access.

- I. LSR Transactions. The system must support LSR terminal functions
 1. LSR check-in at the terminal using a barcode.
 2. Final settlement for retailer close out.
 3. Issuing and returning full and partial packs of tickets.

3.5.7 Pack/Ticket Returns

The system must allow the process of returning full and partial packs from retail, LSR to the warehouse, and the use of color coding on the screen to help with the return process. The system must allow the use of a scanner so the returns have accurate accounting and inventory reports.

3.5.8 Carton Reallocation

The system must allow for carton reallocation from original delivery of instant games.

- A. System must have ability to assign packs to a "9,000 carton", assigned by a user.
- B. Must be able to use a scanner for the assignment.
- C. System generates prompt when carton is full as determined by game parameter.

3.5.9 Settlement Rules

Instant tickets may be settled in the following ways:

- A. Activate One-Settle One. Based on a parameter by each retailer with the number of packs they are allowed to simultaneously have active. Once that number is reached the oldest active pack is automatically settled and the game-pack number of the settled pack is displayed on the activation receipt.
- B. Percent of Low Tier Validations. A parameter that is set by game, retailer or chain of retailers.
- C. Number of Days Activated. A parameter set by retailer.
- D. End of Game. When the game reaches its end settlement date all of the active packs of that game are auto settled.
- E. Settlement Exception Days Rule. A setting that can be applied to individual retailers, that will auto settle an active pack after a specified number of days have passed. The specified number of days can vary by retailer. If a retailer is flagged with having this settlement rule, then the other settlement rules no longer apply, except for end settlement date and the retailer settling the pack themselves.

3.5.10 Required Options

- A. Shipment to Retail outside of instant tickets.
 1. System must have ability to ship items to retailers outside of instant ticket orders.
 2. System must have ability to select a single retailer, a specified group of retailers or all active retailers that will have a shipment.
 3. Shipments must follow the same courier requirements (label formatting, reporting, shipment file, package weight requirements) as instant ticket shipments.
- B. Return Ticket process.
 1. Proposer must propose a solution on how retailers can be able to return full and partial packs from their retail location back to CLC HQ.
 2. Solutions must maintain a high level of instant ticket security.

3. Return process should include the following:
 - a. Ordering a return pack/ticket request from the terminal.
 - i. This will be used by the CLC to send the retailer the necessary information for the return.
 - b. Ability for the retailer to scan the full and partial packs from the terminal.
 - i. Returned packs/tickets must be of only ended games and from the retailers' inventory.
 - ii. Pack/Tickets must be in a non-cashable state.
 - c. Auto generated report of the packs/tickets being returned.
4. Terminal must have ability to print a barcode that the courier will use to scan into their system for the return.
5. System must have ability to add retailer to a Return Delivery Manifest used by the courier.
6. Return Delivery Shipment list must have same shipment file as required by courier.

3.5.11 Invited Options

- A. Auto-Order and predictive ordering capabilities, for the system to automatically issue an instant order for retailers.
- B. Auto call retailers from the Tel Sell screen/application.
- C. Real time accounting for selling instant tickets.

3.6 Conversion Strategy

The successful implementation of the new Gaming System, its components and functions is critically important to the success of the CLC. The Proposer must propose a conversion strategy or strategies that would be utilized to ensure a smooth and well managed system conversion.

At a minimum, the following CLC goals (requirements) must be addressed:

- A. From UAT through the Go-Live Date, the System must successfully (i) produce and record all lottery ticket transactions, (ii) record and prepare game sales, retailer invoices, and reports, (iii) accept and record draw game results and instant game files, and (iv) accurately read and record transactions for tickets produced or initiated under the prior system, all within the normal time frames and to the standards that exist now in Connecticut and within the US lottery industry. Proposals must include a statement assuring they can meet these objectives.
- B. All retailer locations and all aspects of the Gaming System will be functioning as planned and programmed on the Go-Live Date.
- C. The Successful Proposer's System and communication network will be properly and timely installed, including how to address certain expected retailer issues and concerns that are routinely present during equipment and system conversions.
- D. Zero disruption to selling tickets and paying winners after the conversion. The software will only issue and validate winning tickets as winning tickets, and non-winning tickets as non-winning tickets according to CLC game rules, on the Go-Live Date and ongoing, regardless of which Gaming System issued the ticket.

3.6.1 Previous Gaming System Conversions

The Proposer shall identify and describe its similar Gaming System conversions in the U.S. within the last five (5) years. Descriptions must include: (i) if full or partial system changes, and if staged over time or all at once; (ii) whether system development, testing and UAT was completed on schedule; and (iii) any specific project management successes, important attributes, and any issues to avoid next time.

3.6.2 Project Management/Implementation Plan

Proposals must include a thorough and well documented to plan to show their understanding and approach for converting from the CLC's existing system to the new one, covering all aspects of the conversion (Conversion Plan). The plan must follow sound project management practices in all aspects of managing the conversion project.

The Proposers must provide a detailed implementation plan and time chart (Gantt, PERT, or similar) identifying the major milestones to be accomplished for developing and installing the Gaming System, to include at minimum, construction, equipment delivery, software programming, installation, testing, and data conversion. The plan must make clear which items are on the critical path for timely implementation. The Successful Proposer's plan will be integrated into the overall project plan overseen by the Project Management Office.

Proposers can expect that the CLC will hire project management consultants to assist with or lead this conversion project, and a formal Project Management Office (PMO) will be in place for the entire project. The PMO will consist of project leaders from each company (CLC, Successful Proposer, current vendor, and any consultants hired by CLC for this project), as well as certain leaders from each company to be the final authority on key decisions. The PMO will ensure a comprehensive project plan has been prepared and approved, and that timeliness, status reporting, and accomplishment of milestones are addressed in order to adhere to the plan. This will also include a structure for governance, change management, and other normal aspects of large project management. The PMO will have a board that consists of the CLC President, the lead consultant, the project manager or designee from the Proposer, and the project manager or designee from the current vendor (only for matters specifically related to the current vendor and that gaming system). This board will, among other requirements, review and determine how to resolve issues that arise during the project as raised by the project team.

3.6.3 Retail Conversion

The Successful Proposer is expected to provide a dedicated Retailer conversion team for the purpose of coordinating and implementing the migration of CLC retailers from the existing network to the new one. This team will handle all aspects of the migration, including all interactions between the CLC retailers, property owners and utility company/service providers. The Successful Proposer will be required to provide and install all communication equipment and other accessories necessary to connect the communication equipment at each retail location to the central system. All equipment must be installed and tested at each retail location before the Go-Live Date.

3.6.4 CLC Staff Training

The Successful Proposer must provide training for CLC staff, at the CLC offices, or appropriate venues as approved by the CLC. The Proposer shall describe in the Proposal what training will be provided to CLC staff regarding concepts of the CLC Gaming System, the management terminals, administrative reports, Successful Proposer-supplied services, System security features and controls, and any other relevant aspects of the proposed package of systems and services.

3.6.5 Retailer Training

The Successful Proposer shall provide retailer training facilities for the retailer conversion training.

The Successful Proposer must provide a comprehensive classroom training program in the technical aspects and use of the appropriate retailer terminals and peripherals.

Describe the training program and include the following:

1. Training Period;
2. Number of people per session;
3. Length of training;
4. Method of delivery;
5. Procedure for tracking attendance;
6. Number of training sites;
7. Number of start-up training sites and location with a goal that no Retailer should travel more than 25 miles;
8. Who will deliver the training (Successful Proposer or outside source); and

9. Provide a sample Retailer manual and any other material to be issued to each Retailer.

The Successful Proposer must describe the mechanisms for security of ticket stock and training tickets produced during retailer training sessions, and the security of the terminals themselves from tampering or theft. The security of the ticket stock pre and post conversion must meet MUSL security standards.

The Successful Proposer must be able to provide retailer training in Spanish as well as English.

3.6.6 End of Contract Conversion

Within six (6) months of the successful launch of the Gaming System, the Successful Proposer shall deliver to the CLC a plan that details the Proposer's end of contract transition strategy.

It is contemplated that the CLC, approximately eighteen (18) months prior to the expiration of the contract resulting from this RFP, will award a new contract for replacement of the System. The parties understand and agree that the CLC may utilize part of the last year of the contract resulting from this RFP or any renewal or extension thereof for transition to the replacement gaming system.

The Successful Proposer shall cooperate fully and in good faith in the conversion. Cooperation will include sharing of all Gaming System Data throughout the development and implementation period, including but not limited to liability amounts, instant ticket pack inventory files, retailer/owner information, and cross-validation of winning tickets. The CLC may determine in its sole discretion that cooperation by the Successful Proposer shall include providing information to allow ticket bar codes to be read by a third-party system for validation testing. Failure on the part of the Successful Proposer to cooperate fully and in good faith may result in the assessment of Liquidated Damages, pursuant to Appendix E.

The Successful Proposer shall remove all equipment and materials relating solely to the Successful Proposer's Gaming System from each Retailer location and from CLC property after final conversion of any location to the new gaming system, within a reasonable period as set by the CLC, including coordination of the timely removal of all equipment from Retailer locations. Equipment and materials not so removed by the Successful Proposer shall be considered abandoned and shall be disposed of at the CLC's discretion, at the cost of the Successful Proposer. The CLC and the Retailers will not be held responsible for damage to equipment that is not removed within an agreed upon period.

The Successful Proposer shall be responsible for deleting all Data from the expired Gaming System after a successful startup by the new CLC vendor, and within a reasonable period as set by the CLC. No later than six months prior to the end of use of the System the Proposer must submit their plan for deleting Data from their System for approval by the CLC. The Successful Proposer must get signed authorization from the CLC before deleting any Data, and must sign an affidavit once the process of deleting of the Data has been completed.

3.6.7 Software Development

The Proposer must diagram and describe their software development lifecycle and software methodology that will be used with this conversion. This must include the approach that will be used to develop, implement, and test all aspects of the new gaming system and supporting functions, assuming required options are chosen to be part of plan (claims system, field sales software, etc.).

Provide information regarding the origins of your foundational system that will be used in Connecticut, including your projected amount of customization, what makes this project interesting for your development staff, key challenges you envision, and which CLC games or functions will be built from scratch. This should also include any aspects that you recommend the CLC consider doing differently.

3.6.8 Data Migration and Management

The Proposer must diagram and describe the data migration method which will be used in converting from the current gaming system to the new one. This method must describe how the Proposer plans to ensure that all current gaming system data is converted correctly and error free. Proposer must include their recommendation for how

many years of historical data will be migrated into their system, and how many years will remain available in another database for historical comparisons and analysis. These same decisions apply to their claims system and retailer applications systems. Based on these responses, does the Proposer, as a strategic business partner, plan to use a separate data platform for storing and using historical data that is not migrated to their gaming system? If yes, then diagram and describe how this system will be set up, used, maintained, and shared with the CLC.

Proposer System(s) must meet requirements for data reporting listed in Appendix E, Section B.27.

3.6.9 System Maintenance

The Successful Proposer is responsible for technical support and complete system maintenance for both production and test environments. Timely and committed fulfillment of CLC requests for System support enhancements and improvements is a requirement.

The Proposal must describe how software engineering support services for Gaming System, Terminal and CLC Vending Machine system changes and maintenance will be delivered to the CLC. At a minimum, the Proposer must address these key topics:

- A. Software Release Support. Including software change control and configuration management.
- B. Software installations on the production systems, including timeframes to install software, requirements for early shutdown on installation nights, and the possibility of background installations during operating hours.
- C. Software development lifecycle and software methodology that is used.
- D. What is the process to manage the code used for this site? A single code base, etc.
- E. How to ensure the best software is deployed to the CT UAT system, including the process to ensure that the same versions of code that have been tested and approved by the CLC are the same versions that are going to be copied to the production systems.
- F. Quality assurance and acceptance testing of new gaming system software.
- G. Ongoing System patching.

The Proposer must describe the operational method used for the following:

- A. Incident management/reporting
- B. Overall System maintenance
- C. MUSL Rule 2
- D. MUSL Lockdown

The full length of the contract can span a large number of years, during which time larger projects and maintenance will be required. The Proposer must explain a plan for the future progression of the proposed System to include the following types of upgrades:

- A. Replacing hardware and operating systems that are nearing end of life
- B. New terminal designs and options
- C. Future draw game changes and enhancements

- D. Responsible gambling upgrades and initiatives
- E. Enhanced reporting beyond the base package of reports
- F. Additional types of sales channels planned for the future

3.7 Proposer Facilities

The Successful Proposer must provide a Primary Data Center, a Backup Data Center, local administrative office and service facilities.

The facility must include all necessary safety, security, and environmental controls to meet the service levels required by this RFP. In addition, the facilities and furnishings must comply with all ADA codes, state and local building codes, laws, rules, and regulations for facilities of this type. Any upgrades, servicing, or replacement required to maintain compliance with such codes shall be the Successful Proposer's obligation for the term of the contract.

The Proposal shall contain a specification and descriptions for the spaces planned.

3.7.1 Primary and Backup Data Centers

The Successful Proposer must provide a Primary Data Center (PDC) and a Backup Data Center (BDC) within the United States. The BDC must be at least two hundred (200) miles from PDC, preferably the data centers are located in different geographic locations in the country and preferably in areas with stable weather.

Data Center specifications must be and remain consistent with standards of any multi-jurisdictional gaming associations that the CLC is, or may become, a part of.

3.7.2 Local Administrative Offices

Proposers must describe its plan for local administrative offices within Connecticut to house its Connecticut staff within ten (10) miles of the CLC headquarters in Rocky Hill, or further distance as reasonably agreed upon by CLC, or other distance if CLC moves its headquarters during the contract term. The Primary Data Center and administrative offices are allowed to be located in the same building. The plan must account for office space for two (2) CLC employees to be used on an as-needed basis. This space must have desktop space, chairs and connections to wired or wireless internet. Conference room space will be acceptable if it meets the aforementioned requirements. Additional restrictions may be necessary for use during a pandemic in which case reasonable social distance and or dividers may be required.

Proposers should plan for having a retailer training room in this facility. Room size and equipment needs will be discussed with Successful Proposer.

3.7.3 CLC ICS Room

Proposer should plan on allowing secure space for a CLC ICS, an emergency generator and uninterruptible power supply as requirements. Room size, security needs and data access will be discussed with Successful Proposer.

3.7.4 CLC UAT System

Proposers must include a plan for the setup of a full UAT system at the CLC's headquarters in Rocky Hill.

3.7.5 Service Facilities

The Successful Proposer shall provide and operate maintenance centers and depots to fully support the terminal maintenance and repair program, and consumables warehousing and distribution (but not for instant tickets). Facilities for storage of consumables are required to be within the boundaries of Connecticut. Terminal repair facilities are not required to be within the boundaries of Connecticut, however it is the responsibility of the Successful Proposer to ensure that any parts necessary to facilitate the repair and maintenance of the terminals are accessible in the event of a shelter in place order or mandatory quarantine across state boundaries. In these events,

the Successful Proposer is allowed to maintain a temporary repair facility in the boundaries of Connecticut at their own expense, which may be decommissioned at a later date when travel across state borders is safely allowed.

3.7.6 Business Continuity, Disaster Recovery, and Infrastructure Protection Plan

The Successful Proposer must provide and annually update a business continuity and disaster recovery and contingency plan for the computer centers and administrative facilities sites used in the contract. The plan must be delivered by the Go-Live Date. The Proposal must contain an outline for, or sample of, such disaster recovery plan.

Such plan shall take into account disasters including, but not limited to, those caused by weather, water, flood, fire, environmental spills and accidents, malicious destruction, acts of terrorism or war, and contingencies such as strikes, epidemics, pandemics, etc. The plan must ensure uninterrupted operation of the System and games. Provision shall also be made for the safe, secure, off-site storage of all scheduled backup data and programs.

The Successful Proposer must provide contact information and detailed recovery procedures and documentation and must coordinate with the CLC's production of its own disaster plan. Should implementation of any portion of the disaster recovery and contingency plan become necessary, all costs associated with the plan shall be borne by the Successful Proposer.

The Successful Proposer must also produce a disaster recovery plan for its additional infrastructure necessary to support the CLC. For example, the Successful Proposer's software development and support facilities are critical for the term of the contract. The infrastructure protection plan shall be due at start-up. The Proposal must contain an outline for, or sample of, such a protection plan for the Successful Proposer's additional infrastructure.

3.7.7 Invited Options

Proposer may propose additional facilities as part of the RFP to the CLC. Additional facilities can be co-located with the Proposer's Connecticut location. Include any or all of the following or any other space the Proposer may need to conduct lottery business:

- A. Primary Data Center or Backup Data Center
- B. User Acceptance Software Test Room with explanation as to why a UAT environment located at the Proposer facility would benefit the CLC more than a UAT environment at the CLC headquarters.

The Proposal shall contain a description and specification for any additional facilities.

3.8 Proposer System Security

3.8.1 Security Program Content and Approval

The Successful Proposer shall establish a security program for the entire System, subject to formal approval of the CLC at least ninety (90) days prior to the Go-Live Date. This program must be updated, reviewed, and approved annually by the CLC.

The CLC expects the System and its operation to be of the highest security and integrity. This requires the Successful Proposer to maintain confidential, high-level security protocols throughout its entire operation. For example, staff must be organized, assigned, and operate under procedures and with System controls that mitigate such events as unauthorized intrusion as well as "insider fraud."

Understanding that plans submitted with the Proposal will require updating after the conversion development process begins, the Successful Proposer must present a revised Security Program ready for approval by the CLC, the initial submission to be received no later than one hundred fifty (150) days prior to the Go-Live Date.

As a minimum, the Security Program in the Proposal, and to be revised after contract award, must include the following sections:

- A. Business Impact Analysis
- B. Risk, Threat and Vulnerability Analysis
- C. Security Strategy
- D. Personnel Security Practices
- E. Physical Security
- F. Data Security
- G. Telecommunications Operational and Physical Security
- H. Telecommunications Access Security
- I. Protection of Software and Other Copyrighted Materials
- J. Plan Evaluation
- K. Security Awareness/Training
- L. Plan Maintenance

The Program must (i) include thorough incident response procedures (e.g., in case of an electronic intrusion); (ii) include at least annual audits of components to ensure compliance; (iii) include quarterly meetings with the CLC to review and discuss Program performance and potential changes, and (iv) comply with multi-jurisdictional security requirements (e.g. MUSL rules).

3.8.2 Physical Security

The Successful Proposer must implement stringent security measures to prevent unauthorized entry and activity at each site as well as support any applicable federal, state and local fire and safety regulations. The Successful Proposer is responsible for making sure policies and procedures are communicated and adhered to with its staff. The Proposers must describe their process to meet the requirements below. At a minimum, the physical security program must:

- A. Prevent unauthorized persons from accessing the facilities.
- B. Provide a record of all entries and exits from each facility and be available to the CLC upon demand.
- C. Provide a system to monitor all activities at entrances/exits, the computer rooms and all other high security/sensitive areas. System monitoring must meet all MUSL requirements.
- D. Provide for specified CLC personnel to have complete access at all times to the Successful Proposer's facilities, including, but not limited to, office, computer, warehouse, offsite storage, and maintenance facilities.

3.8.3 Logical Security

Stringent security measures are required for all Successful Proposer provided Systems (including test systems) that support games or contain Sensitive Information. Proposers must describe in detail how the configuration of the System will meet or exceed the following requirements. The Successful Proposer will be responsible for ensuring that the installed System meets the defined requirements.

- A. Compliance with Security Requirements. The Systems must be compliant with all systems security and fault tolerance requirements promulgated by any multi-jurisdictional associations (e.g., MUSL, WLA) the CLC is or may become a member.
- B. Data Security. The equipment and communications systems and services involved in storing, using, or transmitting all data, including CLC Sensitive Information, must be secure and protect all data from unauthorized access, disclosure, modification, or destruction. CLC Sensitive Information includes all sensitive data that could cause the CLC, its retailers, players, or contractors harm if released. This includes, but is not limited to, personal identifiable information, game-related transactions and data, security codes, reports, security controls, retailer data, and player data. The Proposer must list what data will be encrypted when at rest and what encryption technique(s) will be employed.
- C. Vulnerability Management. Vulnerability management controls must be performed to ensure known vulnerabilities are evaluated and mitigated in a timely manner. The Proposer must describe the practices it will employ for network enumeration, vulnerability scanning and vulnerability patching for Systems and networks, and any related limitations.
- D. Operating System Hardening. The Proposer must provide information on operating system hardening for System components.
- E. Protection against Internal Software Threats. The System software and applications must not be vulnerable to unauthorized manipulation or access. The Proposer must specify the methods that will be used to protect against internal System software tampering.
- F. Intrusion Detection/Prevention. The System must implement appropriate intrusion prevention and detection capabilities. Those capabilities must track unauthorized access and attempts to access the CLC's data, as well as attacks on the Successful Proposer's infrastructure that supports the CLC's Data.
- G. External Threats. Systems must not be vulnerable to external threats. The Proposer must specify the methods by which Systems will be protected against malware, spyware, denial of service, and other external attacks.
- H. Systems Access. System access and user access rights for CLC employees must be approved by the CLC.
- I. Audit and System Logs. Systems and networks must support controls and procedures allowing the CLC to audit all access. Logs must be auditable and readily available to the CLC. The Proposer must describe its log management program.
- J. Mobile Computing Devices and Removable Media. The CLC's Data must not be loaded onto portable computing devices or portable storage components or media unless necessary to perform its obligations under the contract. With CLC approval, the Proposer may allow such data transfer if adequate security measures are in place (i.e., policy on physical security for such devices, anti-virus software, personal firewalls, and system password protection, and encryption). An accurate inventory of all such devices and the individuals to whom they are assigned must be recorded.

3.8.4 Network Security

The CLC expects the systems and services provided by the Successful Proposer to meet or exceed the accepted security requirements of all United States lotteries. This requires the Successful Proposer to maintain a comprehensive approach to security controls aligned with NIST 800-53 and other applicable NIST standards and frameworks. Proposers must provide documentation explaining how the system configuration meets these standards. In addition, based on the likelihood that the gaming system provided will grow in complexity and

connectivity over the duration of the contract, the Successful Proposer must be prepared to meet cyber security threats to the System throughout the life of the contract.

The Proposer must describe its corporate security organization and approach to managing all aspects of security and information security pertaining to its lottery operations and its Gaming System development.

The Proposer must ensure that solutions and practices are compliant with recognized information security standards. Proposers should include any security compliance/certifications, including 3rd party penetration testing or certifications of the System configuration.

Proposer must include a detailed network security and transaction integrity plan. The plan must provide for potential devices and networks to be connected to the gaming system outside of the traditional Retailer Terminal devices. Proposers must document in detail how each of the following items are addressed in the proposed gaming System.

A. Network Device Access. All systems and users requiring access (for any purpose) to the network devices utilized in supporting gaming operations must be approved by the CLC. Network devices must support controls and procedures that allow the CLC to audit related network device access.

B. Principle of Least Privilege. All networks related to gaming operations must adhere to the principle of least privilege. Network access controls must be utilized to allow only the required network services needed by specific systems or networks to be routed. Unneeded administrative protocols shall be unavailable. The Proposer must state what TCP logical ports are open on the Retailer Terminal and what application layer protocols are accepted.

C. Strong Security. The Proposer must employ network security components and controls including firewall and intrusion detection/prevention systems, network access controls, network device hardening, login and password controls, network device log management and other relevant factors.

D. Secure External Transmissions. All data communications external to secured facilities must be encrypted. All data must be encrypted from point of transmission to point of receipt.

E. Retailer Network. Terminal communications must be compliant with all security requirements of any multi-jurisdictional game organization of which the CLC is a member.

F. Incomplete Transaction Protocol. On incomplete or unresolved transactions between the Systems and the Retailer Terminals, there must be mechanisms for reconciliation. These may include retries, logging for reporting, and error messages to the Retailer, System operators, and CLC.

G. Software Transfers. Software transfers to gaming system and to Retailer Terminals must be secure.

3.8.5 Retailer Terminal Security

Retailer Terminals must exhibit a high degree of security as they are a device in a location with public access. The local operating system and applications must be hardened so that they cannot be co-opted for unintended uses.

The Successful Proposer will ensure that Terminal operating systems are not vulnerable to unauthorized access. The Proposal must specify the methods by which these systems will be protected and provide any additional information on any Terminal security components and controls that will be proposed.

Proposer must provide a solution for mitigating Retailer fraud and fraud committed at retailer locations by CLC staff and Proposer staff. Proposer must describe features included in the solution being proposed to the CLC. At a minimum, features should include prevention, monitoring, and detection.

The System must include reporting and auto game shut off based on retailer game limits to help the CLC monitor for and detect fraud. The solution should include alert capability to notify CLC Security or other authorized individuals that suspicious or abnormal activity has occurred. The solution should include areas such as:

- A. excessive transactions such as sales, cancels, validations, and log-in attempts. The thresholds must have the ability to be set by individual retailer to accommodate retailers with different sales volumes.
- B. excessive failures entering instant ticket validation or PIN numbers
- C. excessive failures entering Terminal ticket validation number
- D. attempted cashing of stolen tickets or flagged tickets
- E. unusual console log entries
- F. unusual transaction journal entries
- G. systemic events such as no sales for a game scheduled to be operational
- H. unusual instant game pack activations
- I. unusual ticket validation activity (inquiries or cashes)
- J. retailer or player behavior regarding abnormal winner claim frequency or activity

Provide examples on how the system would report unusual activity either with report examples or automatic email notifications.

3.8.6 Multi-State Games

Proposer shall meet and be in compliance with all security and integrity requirements of both the Multi-State Lottery Association/Powerball Game Group and the Mega Millions Consortium, as well as the requirements for any other multi-state games the CLC participates in, whether now and in the future.

3.8.7 Security Incident Reporting

In each case of a security incident that may have compromised any aspect of the Security Program, the Successful Proposer must notify the CLC verbally and in writing of the incident immediately and fully cooperate with the CLC to mitigate the consequences. This includes any use or disclosure of data that is inconsistent with the terms of the contract. CLC and the Successful Proposer may decide to establish incident reporting timeframes based on varying levels of urgency of possible incidents.

The Successful Proposer must immediately give the CLC full access to the details of each incident and assist the CLC in making any notifications to potentially affected people and organizations that the CLC deems are necessary or appropriate. The Successful Proposer must document all such incidents and any appropriate updates, including its response, and provide that documentation to the CLC within timeframes defined in Appendix E, Section B.28.

3.9 Proposer Staffing

The Successful Proposer is required to provide the CLC with a variety of staff with sufficient staffing levels for support services. Staffing levels must remain sufficient throughout the term of the contract.

The Proposer shall provide one-page resumes of all management, supervisory and key technical personnel planned to be involved in the installation, implementation, and operation of the CLC Gaming System.

The CLC reserves the right to review and if perceived necessary, disapprove any employee of the Successful Proposer who is assigned to the CLC contract, either at contract inception or during the term or any extension thereof.

The CLC will conduct periodic reviews with the Successful Proposer regarding the adequacy of Successful Proposer staff skills, service practices, and headcount. The Successful Proposer is obliged to provide quality service, and failure to do so must be reflected in additions and improvements. Inadequate staffing and performance will be reflected in Liquidated Damages referenced in Appendix E, Section A.6 and other remedies available to the CLC. The CLC will provide formal written notice of inadequacy and will determine whether a cure period is reasonable prior to initiating any actions against the Successful Proposer. Reporting on service levels will be included as a requirement for monthly management meetings with CLC and the Successful Proposer.

The Proposal must make clear which staff proposed for the contract are Proposer employees and which are subcontractors or consultants.

Any proposed subcontracts shall be subject to the prior written approval of the CLC. Subcontractors are subject to background checks of personnel and principals, and may also require vendor licensing, as described in this RFP.

3.9.1 Implementation and Conversion Staff

The Proposer shall provide an organizational chart showing names of all management, supervisory, and key technical personnel who will be active in the implementation and conversion of the CLC System.

There shall be a dedicated technical project manager assigned to the implementation project who would then need to be available to CLC management throughout the development process, and on-site during acceptance testing, conversion, and for a few weeks post launch.

The Proposal must include a plan for training CLC staff and Retailers.

Further, the Proposer must indicate what specific contract function(s) staff will perform and how long it is anticipated they will be engaged. For staff not yet identified, the Proposal shall identify and quantify them by title, and state what qualifications they can be expected to have.

3.9.2 Ongoing CLC Operations Staff

The Proposer shall describe its plan for all their local staff (admin, operations, field service, etc.) located in Connecticut.

The Proposer shall provide brief position descriptions and an organization chart showing names of all management, supervisory, and key technical personnel who are expected to be active in the ongoing operation of the CLC System. For staff not yet identified, the Proposal shall identify and quantify them by title, and state what qualifications they can be expected to have.

The staff must be included in the Proposal staffing with the provisos that their positions must be full-time, must be local to Connecticut, and no one individual can be assigned to bear more than one of these titles: General Manager, Field Service Manager, Technical Manager, and Marketing Specialist. (This RFP expects that more local staff of other titles also will be included in the Proposal.)

3.9.3 Field Service

The Proposer must describe and show either with diagrams or examples of their overall field service methodology, explaining how they plan to address the ongoing servicing and maintenance of equipment at retailer locations.

Include in the response the following:

The number of full time field technicians planned to be employed. Describe the field technician training and include the ongoing training that is provided that will ensure professional, high productivity and accurate servicing at lottery

retailers. Describe the field service manual that are used by the technicians and what type of review and updating are done with the manuals throughout the life of the contract.

The mechanisms and reporting available for addressing chronic terminal issues at a single retailer location. Additionally, what type of mechanisms will be used for preempting any issues with retailer equipment at retailer locations.

A description of the plan on how the dispatch of Retailer Field Service Technicians will be accomplished.

A maintenance and service plan that must include but not limited to:

- A. Technician servicing hours for retailers.
- B. Response time for a Terminal Install and Removal once notified.
- C. Service call response time for both operational and non-operating terminals. Appointments must be available for retailers to set up a time for terminal installs and removals.
- D. Preventive maintenance plan and schedule.

3.9.4 Retailer Call Center

The Successful Proposer must operate a United States based call center with a toll-free hotline to support the Retailers and handle Retailer trouble calls. The call center shall be manned 24 hours per day, 7 days per week, 365 days per year.

The CLC must be able to monitor and review, preferably through an interface that can be accessed via a web browser, the calls received by the call center. At a minimum, the available data must include:

- A. date and time the calls were received
- B. time in queue/on hold
- C. average and longest answer times
- D. number of calls abandoned and average abandon time
- E. average and longest talk times
- F. The call management system must provide reports as approved by the CLC.

All conversations with retailers must be recorded; recording of telephone conversations must adhere to all applicable federal, state, and local laws. Recorded conversations must be available for at least one hundred twenty (120) days. Conversation files must be electronically available to the CLC upon request.

The Proposer shall describe how it proposes to support the call center requirements if the primary call center becomes inoperable. The Proposer shall describe its proposed quality assurance programs and training programs for call center operators.

APPENDIX C

Price Proposal Form & Instructions

Introduction

This section describes the manner in which Proposers will submit pricing for the CLC's consideration

Separately Sealed Price Proposal

The Price Proposal must be so identified on a separately sealed enclosure. The Price Proposal shall be signed by an individual authorized to legally bind the Proposer. The contents of the Price Proposal must follow this outline:

1. Pricing for the Base System.
2. Required Options and Pricing per items listed on pricing matrix.
3. Additional Options and Pricing per items listed, and other items Proposer recommends.

Form of the Price Proposal

The Proposer must submit pricing in the following format.

1. For the Base System:

Pricing as a percentage of weekly sales in the format X.dddd where X represents the whole percentage value and d represents decimal percentage digits. Compensation will not be paid for cancelled or returned tickets, for coupons and promotional tickets, or for vouchers issued by SSTs.

Percentages must be submitted for each annual revenue increment requested on the pricing matrix as the fully inclusive price for the System. Proposer's percentage entry will be applied to annual revenue that is greater than the prior increment annual sales amount up to the next increment annual sales amount (example: If Proposer's percentage price response is 9.8765% for \$1.5 billion in annual sales, that percentage will be applied to sales greater than \$1.25 billion and up to \$1.5 billion).

Pricing entries must include all costs and fees including, but not limited to, terminals, Primary Data Center, Backup Data Center, maintenance, hotline support, operations fees, communication equipment and communications fees. No other payments will be made to the Successful Proposer except as a result of negotiated options and enhancements. Each Proposer shall assume in its pricing the use of its top-of-the-line terminal. If a Proposer would like the CLC to consider some other option, please so indicate as an alternative and additional proposal.

2. Required Options and Pricing. (U.S. dollars or as a percentage of sales as specified).
3. Additional Options and Pricing. (U.S. dollars or as a percentage of sales as specified).

For comparison and evaluation of options, the CLC has designated the pricing format and terms. The CLC may or may not accept the options in whole or in part, and the request for pricing for options in no way obligates the CLC to acquire the options according to the stated format and terms. If the CLC should accept the options under different terms, the details will be negotiated with the Successful Proposer. Any options provided in #2 and #3 above for which there is no additional fee should be shown as No Charge or N/C in the appropriate portion of the Price Proposal.

Duration of the Price Proposal

The Price Proposal must be valid for one (1) year from Submission Date, or until execution of a contract (or cancellation of the procurement), whichever occurs first.

Pricing of Options

The Proposer is encouraged to propose options regarding innovative functions, features, services, and solutions. However, all options shall be clearly described in the Technical Proposal – excluding pricing information – and their corresponding prices listed in the Price Proposal as separate line items in #2 and #3. Otherwise, such options will be considered part of the base price.

To make the evaluation comparable, the CLC considers:

1. Base System pricing.
2. Required Options pricing at the minimum quantities and terms shown on the attached Price Proposal form.
3. Additional Options pricing shown separately from the base price.

Required Options or Additional Options and related pricing that are separately priced and designated as such in the Technical Proposal and in the Price Proposal will be considered by the CLC. These may be included in contract negotiations or at a later date with the Successful Proposer.

Required Options Pricing

- A. Claims Processing Application. As set forth in Appendix B, Technical Specifications, Section 3.4.6 Required Option – Claims Processing Application.
- B. New Retailer Processing Application. As set forth in Appendix B, Technical Specifications, Section 3.4.11 Required Option – New Retailer Processing Application.
- C. Sales Force Automation Application. As set forth in Appendix B, Technical Specifications, Section 3.4.12 Required Option - Sales Force Automation Application.
- D. Self Service Vending Terminals. As set forth in Appendix B, Technical Specifications, Section 3.2.2 Vending Machines.

Additional Options Pricing

- A. In-Lane white paper ticket. Proposers may submit pricing for in-lane white paper ticket solution for Draw and Terminal Games as set forth in Appendix B, Technical Specifications, Section 3.4.13 In-Lane Lottery Solution.
- B. Play Stations in Retailer Locations. Proposers are encouraged to submit pricing for supplying and replacing play stations.

Price Proposals must include pricing entered in all three sections below.
 Ensure percent of sales entries are displayed for no more than four (4) decimals of a percent. Enter a percent into all boxes below an annual total revenue increment.
 Ensure dollar amounts are displayed to the nearest whole dollar.
 Where a choice between percent of sales or whole dollar amount is provided, ensure entry is formatted properly.
 All specific product or service details related to the pricing provided are to be included in the related response portion of a Proposer’s Proposal, not here.
 No pricing information should appear anywhere in a Proposer’s Proposal except in this Price Proposal.

1 Annual retail lottery sales levels during contract period

Less than or equal to:

Percent of Sales	%	1,000,000,000	1,250,000,000	1,500,000,000
		0.0000%	0.0000%	0.0000%

Enter percentage using up to four decimal places (X.dddd%) to be applied to the annual revenue increment show above.

2 Required Additional Pricing

Claims Processing Application (Appendix B 3.4.6)	0.0000%	0.0000%	0.0000%
New Retailer Processing Application (Appendix B 3.4.11)	0.0000%	0.0000%	0.0000%
Sales Force Automation Application (Appendix B 3.4.12)	0.0000%	0.0000%	0.0000%

Self Service Vending Terminals (Appendix B 3.2.2) (Sales level pricing not applicable)

100 full size digital, all products	\$	
100 low profile digital, all products	\$	
100 Draw & Terminal Games only	\$	
100 additional Draw and Terminal Games only	\$	

3 Additional Options & Related Pricing:

In-Lane white paper receipt option (Appendix B 3.4.13)	%			
(Provide % or \$)	\$			
Play Stations				
Price per unit or minimum quantity	\$			

Proposer Name:
Signature:
Name:

STATE OF CONNECTICUT
DEPARTMENT OF CONSUMER PROTECTION
 LICENSING SERVICES DIVISION
 Telephone: (860) 713-6270
 Email: DCP.Gaming@ct.gov

Concessionaire, Totalizator, Vendor and Affiliate License Application

Pursuant to Connecticut General Statutes, Sections 12-574 and 12-815a, application is made for a license for the period ending August 31, 20

INSTRUCTIONS:

All spaces must be completed – please print in ink or type. This application **must be accompanied by a check or money order in the amount of \$250.00**, made payable to **“Treasurer, State of Connecticut.”** Application fees are non-refundable. All licenses expire annually on August 31st.

Return your completed application and fee to:

Department of Consumer Protection, License Services Division, 450 Columbus Blvd Ste 801, Hartford, CT 06103

Applicant Legal Standing:			
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Corporation	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Partnership
<input type="checkbox"/> Limited Liability Partnership	<input type="checkbox"/> Unincorporated Association	<input type="checkbox"/> Other (Explain)	<input type="checkbox"/> Limited Partnership
Name of Applicant (use Corporation, LLC, Partnership or Limited Partnership name if filing as such)			
Trade (DBA) Name if Applicable			
Principal Address	City	State	Zip Code
Business Telephone Number (with area code)	FEIN or SSN (if Sole Proprietor)	CT Tax Registration Number	
Mailing Address (if different than above)	City	State	Zip Code
Contact Person Regarding this Application:			
Name:	Title:	Direct Telephone Number	E-mail Address
Has the applicant entity, any of its owners, officers, members, partners, associates, directors or holders of equity or debt EVER been convicted of a crime, felony, misdemeanor, or other offense, including motor vehicle crimes (other than a traffic violation)?			
<input type="checkbox"/> Yes <input type="checkbox"/> No			
If Yes, attach separate documentation indicating the name of the person convicted, each offense, name and address of the court and the date and nature of disposition of each conviction.			
Name and address of registered or authorized agent upon whom service of process in any proceedings against the applicant may be made. This may be an officer or owner of the applicant entity, or other specified individual or entity, or the sole proprietor.			
Name _____			
Address _____			

Briefly explain all business conducted and intended to be conducted by the application entity involving Connecticut.

I attest under the penalties of the Connecticut General Statutes, Section 53a-157b, Chapter 226 and 226b and the Regulations of the Department of Consumer Protection that the information herein is true. I understand that misinformation or the omission of facts on this application may result in fine, suspension, or denial of this license or criminal referral.

Any license that may hereafter be granted to said person is predicated upon the statements and answers constrained herein and that for any material false information or misleading statement or answer or lack of total disclosure to any part of this application, said application may be denied or license may be fined, suspended or revoked.

By the signing of this application, the applicant entity acknowledges that if a license is granted, it will become the duty of the applicant/licensee to file with the Department of Consumer Protection such reports and financial data as may be required by State Statutes or by such Regulations as the Department of Consumer Protection has adopted or may hereafter adopt, and to make such payments and/or fees as may be required by law. If the applicant/licensee fails to abide by these requirements, the applicant/licensee shall incur the penalties set forth in the Connecticut General Statutes, Section 53a-157b, Chapters 226 and 226b and in such Regulations as said Department of Consumer Protection has adopted or may hereafter adopt.

The applicant entity agrees to provide the Department of Consumer Protection with a full description of any significant operational changes as said changes occur.

The entity's background may be investigated by the Department of Consumer Protection, the Department of Public Safety and other agencies of the state.

Applicant

Title

Date

Concessionaire, Totalizator, Vendor or Affiliate Application

INSTRUCTIONS AND INFORMATION

**PLEASE READ ALL INSTRUCTIONS AND INFORMATION BEFORE COMPLETING, APPLICATION, APPLICATIONS
WILL NOT BE ACCEPTED IF INCOMPLETE OR IF ANY REQUIRED DOCUMENT IS MISSING.**

This application form shall be completed by any person(s) conducting gaming related business. This form shall also be completed by related affiliate(s) to any business organization as described above, as well as any entity so directed by the Connecticut Department of Consumer Protection (DCP).

Information requests shall be answered completely. Such information is to be provided as of the date of application unless otherwise specified.

If a question is not applicable to the type of business being conducted, indicate "N/A" on the application.

Once filed, you may not withdraw this application without the permission of the DCP.

We recommend that you keep a copy of your completed application for your records.

All applications are confidential to the extent permitted by law.

You must complete and submit the attached IRS 4506-T form with this application to authorize the DCP to verify, AS NECESSARY, any tax information submitted pursuant to this application.

Note that all responses and attachments shall be in the English language or shall include a translation to English.

DOCUMENTS REQUIRED

The application will be returned or the issuance of license delayed if the applicable required documents are not included.

For whichever category of business organization you checked on the first page of this application provide the required documents as listed below:

If applicant entity is a general, limited partnership or LLP – Submit a certified copy of the partnership agreement.

If applicant entity is a corporation – Submit:

1. The articles of incorporation (or charter) and the by-laws, certified by the Secretary of State or other appropriate official. If not incorporated under the laws of the State of Connecticut, primary applicant shall register as a foreign corporation with the Connecticut Secretary of State.
2. Resolution of the board of directors or a certified copy of the minutes of the board of directors, under seal and signed by the secretary of the corporation which resolution or minutes authorize the officer of the corporation signing this application to so sign this specific application and the IRS 4506-T form on behalf of the corporation.
3. A statement showing classes of stock and number of shares of Authorized, Issued and Outstanding, market value, vote per share and current list of the names, addresses, and number of shares for all holders of outstanding shares, if entity is not publically traded. If entity is publically traded, provide this information only for all 5% and greater owners of applicant's stock. DCP may require the applicant to submit this information for all owners of applicant entity's stock, if publically traded.
4. A statement explaining in full detail all stock warrants options or common stock equivalents which are authorized, issued and exercisable. Include applicable list of participant names, addresses and amount of holdings.
5. Copies of filings by the applicant with the Securities and Exchange Commission and any state agency regulating transactions of securities or business offerings as required and applicable for the preceding twelve-month period.
6. A statement explaining in full detail any of applicant's securities or business offerings that have been suspended from trading of any action taken against them by any regulatory agency.

If applicant entity is an unincorporated association – Submit a certified copy of the articles of association or other legal instrument under which applicant is organized showing the purpose thereof and the by-laws, if any.

If applicant entity is an LLC – Submit a certified copy of the membership agreement.

If any of the written documents or agreements listed above DO NOT accurately describe your business organization, submit a full description of the written or oral agreements under which applicant operates.

All applicants shall submit the following documents:

The application will be returned or the issuance of license will be delayed if any of the below documents are missing.

1. An organizational chart:
 - a. Of the applicant entity's structure, which shall include position descriptions and the names of the individuals holding such positions. (Note a Class II Occupational License application shall be completed by principal management employees, directors, trustees and anyone so directed by the department).
 - b. An entity organization chart which shall include any person(s) which has any ownership of 5% or more of the applicant entity and any person(s) that applicant entity has ownership in. (Note an Affiliate License application shall be completed by any person(s) so directed by the department).
2. A statement listing all other jurisdictions applicant entity does business in (if any) and the nature of business.
3. The name, business address, telephone number and email address of applicant entity's representative for:
 - Legal Services
 - Accounting Services
 - Banking and Financing

4. Complete copies of the applicant entity's most recent federal, state and municipal income tax returns. If applicant entity is delinquent or in dispute over the filing of any report or the payment of any tax as required by federal, state or municipal statutes, provide a statement fully describing the reasons for delinquency or dispute. Include the government agencies and time periods involved.
5. A copy of the applicant entity's certified financial statements for the preceding year or if certified statements do not exist, a copy of the preceding year's financial statements attested to under oath. Financial statements shall include, but not be limited to, an income statement, balance sheet, and statement of retained earnings or owners' equity.
6. If providing certified financial statements, provide a copy of the management representation and lawyer's contingency letters provided to the applicant entity's certified public accountant.
7. One of the following certificates as proof of compliance with Connecticut General Statutes, Section 31-268a which requires that no state department, board or agency may renew a license, registration, or permit to operate a business in this state unless the applicant first presents sufficient evidence of current compliance with the worker's compensation coverage requirements of the General Statutes, Section 31-284:
 - a. Certificate of Self-Insurance issued by a Workers' Compensation Commissioner pursuant to Connecticut General Statutes, Section 31-284.
 - b. Certificate of Compliance issued by the Insurance Commissioner pursuant to Connecticut General Statutes, Section 31-286.
 - c. Certificate of Insurance issued by any stock or mutual insurance company or mutual association (or its agent) authorized to write workers' compensation insurance in this state.

In circumstances where an applicant claims exemption from the workers' compensation coverage requirements of the Connecticut General Statutes, the Department may accept an affidavit of exemption (attached).

Questions

Please be sure to answer every question and provide the necessary exhibits.

Is there any other person(s) having a financial, property, leasehold, ownership or beneficial interest in the applicant's business organization?

_____ YES, Exhibit Attached _____ NO

Exhibit shall include the names and addresses of each person(s).

1. Is there any person(s) that provides (or will provide) major contractual services, equipment or property related to legalized gambling?

_____ YES, Exhibit Attached _____ NO

Exhibit shall include the names, addresses, nature of services (to be) rendered and equipment or property (to be) provided and state if such person(s) are related through control, family or business association with the applicant, its owners, members, partners, associates, officers, directors and holders or equity or debt. Also include copies of all pertinent written documents, instruments, agreements and contracts or state the substance of oral contracts and understandings.

2. Is the applicant entity directly or indirectly controlled by another person(s)?

_____ YES, Exhibit Attached _____ NO

Exhibit shall include a statement showing how such control is exercised and the extent of the control.

3. Are any of the owners, members, partners, associates, officers, directors, and holders of equity or debt of the applicant entity related through control, family or business association to any other person(s) doing business with any gambling entity by providing and/or receiving goods or services?

_____ YES, Exhibit Attached _____ NO

Exhibit shall include the names and addresses of person(s) providing and/or receiving goods or services to (from) the applicant entity, the names and addresses of related individuals and a full description of the goods provided or services rendered. Indicate the dollar amount and percentage of business such represents if known and if a fee or other consideration was (or is to be) paid or received for these transactions, indicate the value and to whom such was paid or received.

4. Are any of the owners, members, partners, associates, officers, directors, and holders of equity or debt of the applicant entity related through control, family ownership or business association to any other person(s) through which the applicant entity provided (or is to provide) and/or received (or is to receive) mortgages, loans, leases, realty, or equipment?

_____ YES, Exhibit Attached _____ NO

Exhibit(s) shall include the names and addresses of person(s) providing and/or receiving mortgages, loans, leases, realty or equipment to the applicant entity and the names and addresses of the related person(s). Provide a full description of the items provided or received including dollar value and if a fee or other consideration was (or is to be) paid or received, please indicate the value and to whom such was paid or received.

5. Are any of the owners, members, partners, associates, officers, directors, and holders of equity or debt of the applicant entity related through control, family ownership or business association to any other person(s) through which the applicant entity provided (or is to provide) and/or received (or is to receive) mortgages, loans, leases, realty, or equipment?

_____ YES, Exhibit Attached _____ NO

Exhibit(s) shall include the names and addresses of person(s) providing and/or receiving mortgages, loans, leases, realty or equipment to the applicant entity and the names and addresses of the related persons(s). Provide a full description of the items provided or received including dollar value and if a fee or other consideration was (or is to be) paid or received, please indicate the value and to whom such was paid or received.

6. Have voluntary or involuntary proceedings in bankruptcy ever been instituted by or brought against the applicant?

YES, Exhibit Attached NO

Exhibit shall include a full disclosure concerning the person(s) and matters involved, identifying the court and the proceedings by dates and file numbers, stating the facts upon which the proceedings were based and the disposition of the matter.

7. Does the applicant entity have current or material (more than \$100,000 in the aggregate) litigation, unsatisfied judgments, decrees, restraining orders and/or current contingencies?

YES, Exhibit Attached NO

Exhibit shall include such details as dates, principal parties thereof; basis for such and explanation of the impact such may have upon the applicant's operation if the applicant is rendered an unfavorable decision.

8. Does the applicant entity, its owners, members, partners, associates, officers, directors and holders of equity or debt now have (or ever had) any interest or connection, in or out of the State of Connecticut, through employment or ownership with the following:

Any racing, jai alai, lottery, off-track betting, casino, charitable gaming or any other form of entity involved in wagering?

YES, Exhibit Attached NO

Any application that has been denied by any legalized gambling agency or authority?

YES, Exhibit Attached NO

Any license related to racing, jai alai, lottery, off-track betting, casino, charitable gaming or any other form of entity conducting legal wagering that has been suspended or revoked?

YES, Exhibit Attached NO

Exhibit shall include the names and addresses of involved person(s), nature of interest or Connecticut (giving dates), place of wagering activity, name under which such wagering activity was conducted, and complete description of events pertaining to legalized gambling activity, license application, license approval or denial, license suspension or revocation.

9. Does the applicant entity currently hold any license, permit or other authorization regarding legalized gambling operations including, but not limited to, casino, horse racing, greyhound racing, pari-mutuel operation, lottery, sports betting, charitable giving?

YES, Exhibit Attached NO

Exhibit shall include the type of gambling operation, type of license or registration held, licensing or registration agency (including state or municipality), date applied, name applied under, license, registration or permit number and expiration date.

10. Has the applicant entity ever had a license, registration, permit or other authorization regarding legalized gambling in the State of Connecticut or any other jurisdiction denied, suspended or revoked or ever been fined, suspended or appears as a respondent to any administrative action undertaken by a licensing agency or similar authority in or outside the State of Connecticut for any reason whatsoever?

_____ YES, Exhibit Attached _____ NO

Exhibit shall state the agency taking such action, the date each action was taken, the reasons therefore and the results.

11. Is the beneficial owner of any stock a person or organization other than the owner of record or subscriber?

_____ YES, Exhibit Attached _____ NO

Exhibit shall include the name of the owner or subscriber, the name of the beneficial owner, the condition under which the owner of subscriber holds and votes or has subscribed for such stock and a copy of any contract or other instrument relating to such conditions.

12. Have any of the applicant's securities or business offerings ever been suspended from trading, or has there been any action taken against them by any regulatory agency?

_____ YES, Exhibit Attached _____ NO

Exhibit shall include full details regarding said suspension and/or action.

**STATE OF CONNECTICUT
DEPARTMENT OF CONSUMER PROTECTION
License Services
450 Columbus Blvd, ste 801
Hartford, Connecticut 06103**

APPLICATION FOR A CLASS II OCCUPATIONAL LICENSE FOR THE FOLLOWING CATEGORIES:

Key Executive Officer	Trustee Other Control Person	Agent Director	Partner Shareholder	Owner	Managing Members
--------------------------	---------------------------------	-------------------	------------------------	-------	---------------------

(Please type or print name)

Applicant's Name (Last) _____ (First) _____ (Middle) _____

Pursuant to Section 12-574(g)/12-815a(d)(2) of the Connecticut General Statutes, I apply for an Occupational license for the following categories for the license year ending:

LICENSE CATEGORY	BUSINESS ORGANIZATION

License Fee _____, enclose check payable to "Treasurer State of Connecticut."

NOTE: Chapter 226/229a of the Connecticut General Statutes mandates that each Class II Occupational License applicant be fingerprinted and photographed. Enclosed are FBI and Connecticut State Police cards for your use. Also, please attach or clip one passport size full face color photograph.

GENERAL INFORMATION

1. Applicant agrees that any license which may hereafter be granted to said individual is predicated upon the statements and answers herein contained and that for any false or misleading statement or answer said license may be revoked. Applicant's background will be investigated by the Department of Consumer Protection, Department of Public Safety and other agencies of the State. Fingerprints and photographs shall be required.
2. False information or lack of total disclosure on any aspect of this application may result in license denial.
3. Information requests must be answered completely by the applicants. Such information is to be provided as of the date of application unless otherwise specified. Information that has been previously submitted to the Department of Consumer Protection should be so indicated and need not be resubmitted with the application if complete. If a question is not applicable to your application, please write "Not Applicable."
4. Applicant must indicate each license category(s) and business organization(s) for which the application is being submitted. If more than one category or business organization is applicable, please list each separately. It is the responsibility of the applicant to IMMEDIATELY notify the Department of Consumer Protection of any position or status change which will affect the license category and/or business organization for which the applicant has been licensed.

5. To preclude any misunderstanding on the applicant's part, the following terms are defined for your assistance in preparing this application:
- (a) Business Organization – A partnership, firm, corporation, trust or other form of business or legal entity, other than a financial institution regulated by a state or federal agency which is not exercising control over an Association licensee.
 - (b) Control – The power to exercise authority over or direct the management and policies of a person or business organization.
 - (c) Management – Any person or entities having responsibility to manage, direct, or administer the affairs of a person or business organization. Management includes, but is not limited to, members of the board of directors of a corporation, officers in charge of principal business functions, or principal owners.
 - (d) Related or Related Party – Of any licensee: its affiliates, principal owners, management and members of their immediate families; and any other party who has the ability to significantly influence, directly or indirectly, the licensee from fully pursuing its owner separate management operating policies. This includes any power of attorney or fiduciary capacity delegated to any of the above.
 - (e) Principal Owner or Principal Stockholder – means the owner(s) of record or known beneficial owner(s) of more than 10 percent of a business organization's debt, equity or voting interest, or who receives more than 10 percent of income earned or distributed from a business organization.
 - (f) Legalized Gambling Entity – means any conditional licensee, licensee or possible licensee who may conduct or participate in legalized gambling in or out of the State of Connecticut.
 - (g) Agent – means anyone to whom control or management, as defined herein, or any person actually or ostensibly authorized to represent and act on behalf of any principal.
 - (h) Key Executive and Other Control Person – means any person, to which the terms “control,” “management,” “related” or “principal owner” apply.
 - (i) Immediate Family – means spouse, children, stepchildren, adopted children as they relate to the applicant.

SPECIFIC INFORMATION

The majority of questions and requirements of this application are self-explanatory. However, clarification of certain questions is presented below. Should the applicant need further explanation of any aspect of this application, applicant should contact the Gaming Division of the Department of Consumer Protection at (860) 594-0643.

- 2. If current addresses and telephone numbers of previous spouses are unknown, indicate last known address and clearly label as such.
- 3. (A) if applicable, include both full married and maiden names. “Address” refers to residential address, but if different from mailing address, please indicate such. The “Occupation” should include both the general occupation and specific title held, if applicable. It should be further noted that a person may be a full-time student and may also hold an official title in a business or organization or serve in a capacity as an officer, director, etc., and should be disclosed under “Occupation/Title.”

5. (A) "Percentage Ownership" relates to both investment in the business indicated above and/or any loans or other debts. Specify type of ownership with each percentage. "Salaries or Benefits" should indicate as (1) the amount of salary or benefit reported on the W-2 annually and (2) should indicate the amount of other annual benefits such as, but not limited to, cars, housing, entertainment and travel, life insurance, deferred compensation plans or other compensation whether taxable or non-taxable as income by any federal, state or municipal taxing authority.
- (B) "Title or Descriptive Relationship" should indicate whether individual is, in addition to an employee in 5(a), an officer, director, owner, principal stockholder or maintains other business relationships. "Description of Responsibilities" and time required to perform such are self-explanatory. With regard to the "Percentage of Ownership/Debt Equity," please indicate the cost and market value and clearly label each. "Compensation or Other Dollar Amount Benefit per Year" should indicate as (1) the amount representing actual salary or direct compensation, and as (2) the amount indicating the other annual benefits such as, but not limited to, cars, housing, entertainment and travel, life insurance deferred compensation plans or other compensation provided whether taxable or non-taxable as income by any federal, state or municipal taxing authority. If the applicant feels that further clarification or explanation of the second compensation amount would be beneficial in processing this application for licensing, such should be indicated on separate sheet(s) and submitted as the exhibit number 5(B).
- (D) The exhibit should include the name of each corporation or partnership or other business organization and the doing business as (dba)' name. Also include state(s) in which such now operates or has operated and/or whether such application(s) were approved, issued, denied, suspended, revoked or is currently being considered.
- (E) Such exhibit statement should include, but not be limited to, date(s), jurisdiction(s) and reason(s) for such appearance(s).
6. The "Statement of Financial Position" should be as of June 30 or a more recent month ended of the current year. As stated, all entries should be shown at current market value unless unavailable and otherwise indicated as representing a different basis. **All assets and liabilities of the applicant and spouse must be listed.** The following instructions and comments are offered for your assistance:
- (A) Schedule 'A' – Cash on Hand & In Banks - Depository and location, provide information regarding the name and physical location of such cash. In answering whether such cash is pledged, this means pledged as collateral or restricted by other provisions of the applicant's investments or debt positions.
- (B) Schedule 'B' – Government & Marketable Securities – Description should include type of stock or bonds, name of issuing entity as well as issue and maturity date, if bonds. All marketable investments such as treasury notes and other notes not shown as loans receivable should be included here.
- (C) Schedule 'C' – Non-Marketable Securities – Description should include all bonds and notes which are restricted or controlled and were not issued as a public offering. The basis of such valuation as shown in the "Statement of Financial Position" must be disclosed. If such items are worthless, indicate so. Currently non-marketable stock, which represents suspended trading or worthless public stock, must be disclosed.
- (D) Schedule 'D' – Restricted or Control Stocks – Schedule should include all stocks of closely held corporations or closed corporations.

- (E) Schedule ‘E’ – Partial Interest in Real Estate Equities – Schedule should include any real property held in partnership or together with other individuals other than spouse. The type of property should be described as to building, land, residential, business, etc.
 - (F) Schedule ‘F’ – Real Estate Owned – Schedule should include every property owned by applicant and spouse. The type of property should be indicated as outlined for Schedule ‘E’ above.
 - (G) Schedule ‘G’ – Mortgages and Loans Receivable – Schedule should include all information requested for each loan or mortgage provided by the applicant. The mortgagor/lendee represents to whom such funds were loaned by the applicant.
 - (H) Schedule ‘H’ – Notes Payable to Financial Institutions – This schedule represents amounts payable only to regulated financial institutions.
 - (I) Schedule ‘I’ – Amounts Payable to Others – This schedule represents all loans other than mortgages payable under Schedules ‘E’ and ‘F.’ Lender is the person or entity who loaned the applicant such monies.
 - (J) In the “Statement of Financial Position,” the sections providing for “Other Assets” and “Other Debts” may be utilized to provide disclosure of any partnership investments, overdrawn positions, etc., in addition to any miscellaneous items of assets or liabilities not provided for elsewhere. The applicant should not confuse the classification of loans receivable or payable with partnership drawing accounts or corporation loans receivable or payable with equity investments. If a business organization discloses a loan on its “Statement of Financial Position” (Balance Sheet), the same classification should be used by the applicant on his/her personal statement of financial position. If the “Statement of Financial Position” and/or any schedule would benefit by a note(s) disclosing information which would assist in clarification and/or processing this application, such may be included by the applicant as an exhibit and so labeled (e.g., individual may act in the capacity of an individual or corporate officer regarding securing of loans and such may affect his personal financial position as shown).
8. Type of source and type of income received represent cash, property, etc., and trust, stipend, etc., respectively.
 13. This exhibit should include all current litigations or contingencies which has not been shown as a liability on the “Statement of Financial Position,” since it is uncertain. In addition, all liabilities which have been shown on the “Statement of Financial Position” which are the result of litigation or contingencies, should be elaborated upon in this exhibit. In regard to the impact of an unfavorable decision, please include a dollar amount or other effect of a possible unfavorable decision.
 14. These questions are directed to applicants, who represent a legalized gambling entity in any capacity or a related entity of such who does business with individuals or business organizations who may benefit directly or indirectly from related control, related ownership, or related business association.

1A. PERSONAL INFORMATION

Applicant's Name (Last) (First) (Middle)

Alias(es), Nicknames, Maiden Name (Other Name Changes, Legal or Otherwise)

Legal Residence Zip Code

Mailing Address

Telephone () Residence () Business

Email address

Social Security Number Date of Birth

Place of Birth City State Country, if Foreign Born

Height Weight Color of Eyes Color of Hair

A. Of what country are you a citizen? _____

B. If you are not a citizen of the United States list:

1. Port of Entry to the United States: _____

2. Name and address of sponsor upon your arrival: _____

C. If you are a naturalized citizen, provide the following information:

Petition Number Date Granted Court City/State of Court Certification Number

D. If you are a legally authorized Permanent Resident Alien, provide the "A" number from your Alien Registration Card (1 151 or 1 551) and attach a copy of such. _____

E. If you do not have an Alien Registration Card but are an alien authorized to be employed in the United States, please provide the "A" number from that authorization and attach a copy of such. _____

Applicant's Initials _____

2. **MARITAL INFORMATION:**

Single _____ Married _____ Separated _____ Divorced _____ Widowed _____

Current Spouse's Full Name (Maiden): _____

Legal Residence: _____

Mailing Address: _____

Telephone: Residence (_____) Business (_____)

Date of Birth _____ Place of Birth _____ (City _____ State _____ Country, if Foreign Born)

Occupation _____ Spouse's Employer _____

Employer's Address _____

Previous Marriages: If ever legally separated, divorced or annulled, indicate below:

Name of Spouse Date of Order or Decree Nature of Action City, County and State

List the names and current addresses of previous spouse(s): See "Specific Information Page 2"

Name		Address			
	Street	City	State	Zip	Telephone #
	Street	City	State	Zip	Telephone #
	Street	City	State	Zip	Telephone #
	Street	City	State	Zip	Telephone #

Applicant's Initials _____

3. **FAMILY INFORMATION:** *(For decedents, give full name (maiden), and date of birth only).*

A. **Children and Dependents:**

List names, residence addresses, dates of birth, and most recent occupations of all children, including stepchildren and adopted children:

Name (Maiden)	Birth Date	Address	Occupation

4. **MILITARY INFORMATION:**

Have you ever served in any armed forces? Yes _____ No _____

Branch	Date of Entry
Date of Separation	Type of Discharge
Rating at Separation	Serial Number

While in the military service, were you ever convicted of an offense as a result of summary action, a trial, or special or general court martial? Yes _____ No _____

If "Yes," submit as Exhibit No. 4, a statement fully describing each offense, date and nature of disposition for each conviction.

Applicant's Initials _____

EMPLOYMENT, BUSINESS ASSOCIATIONS & FINANCIAL POSITION

5.A. Beginning with your current employment, list your work history, all businesses with which you have been involved, and/or all periods of unemployment for the last ten years.

Month and Year (From-To)	Name/Mailing Address of Employer/Business		Name of Supervisor
Title/Occupation	Description of Duties	Type of Business	Reason for Leaving
Salaries or Benefits 1. 2.	Percentage of Ownership/Debt Equity	Percentage of Time and Number of Hours Required to Perform Duties per Year	Business Organization Involved in Legalized Gambling? Yes ___ No

Month and Year (From-To)	Name/Mailing Address of Employer/Business		Name of Supervisor
Title/Occupation	Description of Duties	Type of Business	Reason for Leaving
Salaries or Benefits 1. 2.	Percentage of Ownership/Debt Equity	Percentage of Time and Number of Hours Required to Perform Duties per Year	Business Organization Involved in Legalized Gambling? Yes ___ No

Month and Year (From-To)	Name/Mailing Address of Employer/Business		Name of Supervisor
Title/Occupation	Description of Duties	Type of Business	Reason for Leaving
Salaries or Benefits 1. 2.	Percentage of Ownership/Debt Equity	Percentage of Time and Number of Hours Required to Perform Duties per Year	Business Organization Involved in Legalized Gambling? Yes ___ No

If necessary, submit as Exhibit No. 5A, a continuation of your employment history utilizing the above format.

Applicant's Initials _____

B. Beginning with your current business associations, list all corporations, partnerships, or any other business entities with which you have been associated as an owner, proprietor, partner, associate, officer, director, principle stockholder or related capacity within the last ten years.

Month and Year (From-To)	Name/Mailing Address of Employer/Business		Title or Descriptive Relationship
Percentage of Ownership/Debt Equity	Dollar Value at Cost & Market	Compensation or Other Dollar Amount Benefit per Year 1. 2.	Business Organization Involved in Legalized Gambling? Yes ___ No

Month and Year (From-To)	Name/Mailing Address of Employer/Business		Title or Descriptive Relationship
Description of Responsibilities		Type of Business	Percentage of Time and Number of Hours Required to Perform Responsibilities per Year
Percentage of Ownership/Debt Equity	Dollar Value at Cost & Market	Compensation or Other Dollar Amount Benefit per Year 1. 2.	Business Organization Involved in Legalized Gambling? Yes ___ No

Month and Year (From-To)	Name/Mailing Address of Employer/Business		Title or Descriptive Relationship
Description of Responsibilities		Type of Business	Percentage of Time and Number of Hours Required to Perform Responsibilities per Year
Percentage of Ownership/Debt Equity	Dollar Value at Cost & Market	Compensation or Other Dollar Amount Benefit per Year 1. 2.	Business Organization Involved in Legalized Gambling? Yes ___ No

If necessary, submit as Exhibit No. 5B, a continuation of your business associations in the above format.

Applicant's Initials _____

C. Have you ever held a privileged or professional license or permit, including but not limited to, the following, in any state?

Liquor	Pharmacist
Real Estate Broker or Salesman	Securities Dealer
Accountant	Legalized Gambling (Type)
Lawyer	Firearms
Doctor	

Yes _____ No _____

If answer to the above Question "C" is "Yes," submit as Exhibit No. 5C, a full disclosure indicating: (1) type of each license or permit; (2) each issuing state and/or country; (3) specific dates(s) of each license/permit held; (4) complete description of any and all disciplinary actions(s) or litigation taken against you in your licensed capacity.

D. Does the applicant now have (or ever had) any other interest or connection with the following:

Any racing, jai alai, lottery, off-track betting, casino entity, or any other form of entity conducting legal wagering?

Yes _____ No _____

Any application which has been denied by any legalized gambling agency or authority?

Yes _____ No _____

Any racing, jai alai, lottery, off track betting, casino operation, or any other form of entity which has had a license suspended or revoked?

Yes _____ No _____

If answer to any of the foregoing parts of the above Question "D," is "Yes," submit as Exhibit No. 5D, a full disclosure indicating: (1) names and addresses of involved individuals and/or business organizations; (2) nature of interest or connection (giving dates); (3) place of wagering activity; (4) name under which such wagering activity was conducted; (5) complete description of events pertaining to legal gambling activity; license application, license approval or denial, license suspension or revocation.

E. Have you ever been fined, suspended or appeared as a respondent to any administrative action undertaken by a licensing agency, or similar authority, in or outside the State of Connecticut, for any reason whatsoever?

Yes _____ No _____

If the answer to the above Question "E" is "Yes," submit as Exhibit No. 5E, a statement describing the full particulars of your appearance(s).

Applicant's Initials _____

6. Statement of Financial Position as of _____ 20____, at Current Market value (Unless Unavailable and Otherwise Indicated). **All Assets and Liabilities of the Applicant and Spouse must be listed:**

ASSETS	In Dollars (Omit Cents)
Cash on Hand and in Banks – See Schedule ‘A’	
Govt. & Marketable Securities – See Schedule ‘B’	
Non-Marketable Securities – See Schedule ‘C’	
Securities Held by Broker in Margin Accounts	
Restricted or Control Stocks – See Schedule ‘D’	
Partial Interest in Real Estate Equities – See Schedule ‘E’	
Real Estate Owned – See Schedule ‘F’	
Mortgages and Loan Receivables – See Schedule ‘G’	
Cash Value – Life Insurance (not face value)	
Other Assets – Itemize & Include Basis	

TOTAL ASSETS: _____

LIABILITIES AND NET WORTH	In Dollars (Omit Cents)
Notes Payable to Financial Institutions – Secured – See Schedule ‘H’	
Notes Payable to Financial Institutions – Unsecured – See Schedule ‘H’	
Due to Brokers	
Amounts Payable to Others–Secured – See Schedule ‘I’	
Amounts Payable to Others–Unsecured – See Schedule ‘I’	
Accounts and Bills Due	
Other Unpaid Taxes & Interest – Itemize	
Real Estate Mortgages Payable – See Schedules ‘E’ & ‘F’ (Part 2)	
Other Debts – Itemize	

TOTAL LIABILITIES: _____

NET WORTH: _____

TOTAL LIABILITIES & NET WORTH: _____

Applicant’s Initials _____

Schedule 'A' - Cash on Hand & In Banks

Depository	Location	In Name of	Are These Pledged?	Amount

Schedule 'B' – Government & Marketable Securities

No. of Shares or Face Value (Bonds)	Description	In Name of	Are These Pledged?	Cost Value	Current Value

Schedule 'C' – Non-Marketable Securities

No. of Shares or Face Value (Bonds)	Description	In Name of	Are These Pledged?	Basis of Valuation	Cost Value	Current Value

Schedule 'D' – Restricted or Control Stocks

No. of Shares or Face Value (Bonds)	Description	In Name of	Are These Pledged?	Basis of Valuation	Cost Value	Current Value

Applicant's Initials _____

Schedule 'E' – Partial Interest in Real Estate Equities – Part 1

Type of Property	Address	Title in Name of	Date Acquired

Schedule 'E' – Part 2

Cost Value	Mortgagee Name & Address	Mortgage Balance	Market Value

Schedule 'F' – Real Estate Owned by Applicant and/or Spouse – Part 1

Type of Property	Address	Title in Name of	Date Acquired

Schedule 'F' – Part 2

Cost Value	Mortgagee – Name & Address	Mortgage Balance	Market Value

Schedule 'G' – Mortgage & Loans Receivable

Name & Address of Morgagor/Lendee	Original Amount	Current Balance	Effective Rate	Secured or Unsecured	Original Date

Schedule 'H' – Notes Payable to Financial Institutions

Name & Address of Financial Institution	Original Amount	Current Balance	Effective Rate	Secured or Unsecured	Original Date

Applicant's Initials _____

Schedule 'I' – Amounts Payable to Others

Name & Address of Lender	Original Amount	Current Balance	Effective Rate	Secured or Unsecured	Original Date

7. Submit as Exhibit No. 7, a statement indicating complete disclosure of all assets pledged. Fully describe to whom each asset is pledged, the agreement governing such pledge and the requirements for release of such pledge. _____ Not Applicable

8. Submit as Exhibit No. 8, a statement indicating all additional major sources of income during the previous twelve months including but not limited to blind trusts and stipends which have not been included in Question 5 (A) and (B). Fully describe the type of source, type of income received, including the dollar value of such, or other consideration received, and list the names and addresses of the entities or individual sources described. _____ Not Applicable

9. Do you have a safe deposit box, other depository and/or access to any depository? Do you have an interest in, a signature or authority over a bank account, securities account, or other financial account in this or a foreign country, which has not been previously disclosed in Question 6, Schedule 'A'? Yes _____ No _____

If the answer to Question 9 is "Yes," submit as Exhibit No. 9, a statement containing the box number, type of depository or account, account number, location, names and addresses of other person's depository or account, and a description of the type of interest in such box or accounts.

10. Submit as Exhibit No. 10, complete copies of the applicant's most recent federal, state and municipal tax returns.

11. To the best of your knowledge have you, the applicant, complied with all requests for financial disclosures as required by the State of Connecticut, Department of Consumer Protection? Yes _____ No _____

If the answer to Question 11 is "No," submit as Exhibit No. 11, a statement fully explaining reason(s) for failure to provide disclosure information.

12. Have you, in the past, as an individual, member of a partnership, or principal stockholder, director or officer of a corporation, ever been party to a bankruptcy or to a lawsuit as either a plaintiff or defendant? Yes _____ No _____

If the answer to Question 12 is "Yes," submit as Exhibit No. 12, a statement describing the full particulars of the bankruptcy or lawsuit(s).

Applicant's Initials _____

13. Submit as Exhibit No. 13, a statement disclosing all current, and material (more than \$100,000.00 in the aggregate) litigation, unsatisfied judgments, decrees, orders and currently disclosable contingencies. Provide such details as dates, principal parties thereto, and factual and legal basis for such. Explain the impact such may have upon the applicant if an unfavorable decision is rendered. _____ Not Applicable

14. Are you, as applicant, related through control, family or business association to any other individual or business organization doing business with any legalized gambling entity?
Yes _____ No _____

If the answer to Question 14 is "Yes," submit as Exhibit No. 14, a statement containing the names and addresses of individual or business organizations providing and/or receiving the goods or services to (from) the gambling entities. Include names and addresses of the related individuals and a full description of the goods or services rendered. Indicate the dollar amount and percentage of business such represents, if known. If a fee or other consideration was (or is to be) paid or received for these transactions, indicate the value and to whom such was paid or received.

15. Are you, the applicant, delinquent in or in dispute over the filing of any report or the payment of any tax as required by federal, state or municipal laws?
Yes _____ No _____

If the answer to Question 15 is "Yes," submit as Exhibit No. 15, a statement fully describing the reasons of delinquency or dispute. Include the government agencies and time periods involved.

16. Have you or your spouse EVER been convicted of any crime, felony, misdemeanor, disorderly persons offense, or other offense, including motor vehicle crimes (other than a traffic violation)?
Yes _____ No _____

If the answer to Question 16 is "Yes," submit as Exhibit No. 16, a statement fully describing each offense, name and address of the court, and date and nature of disposition for each conviction. Indicate self or spouse.

17 A. Have you, the applicant, ever been questioned by a city, state, or federal law enforcement agency, commission or committee in connection with your alleged commission of a crime?
Yes _____ No _____

17 B. Have you ever been subpoenaed to appear or testify before a federal, state or county grand jury, board or committee in connection with a claim that you have committed a crime?
Yes _____ No _____

If any answer to Question 17 A or B is "Yes," submit as Exhibit No. 17A or 17B, a statement describing the full particulars, circumstances and reasons associated with the incident(s).

Applicant's Initials _____

EXHIBITS FURNISHED AS REQUIRED BY THIS APPLICATION

Exhibit Number	Name of Individual (1) By Whom Made or (2) Under Whose Direction Exhibit was Prepared (Show Which). If Exhibit is not Applicable, Indicate N.A.	Official Title
4		
5A		
5B		
5C		
5D		
5E		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17 A or B		

Applicant's Initials _____

TAX RETURNS VERIFICATIONS

By the signing of the attached Internal Revenue Service Form 4506 (Request for Copy or Transcript of Tax Form), the applicant authorizes the Department of Consumer Protection to verify, **AS NECESSARY**, any tax information submitted pursuant to this application.

Applicant is required to complete items 1 through 3 on such form and sign (only), do not date.

This form is required in addition to submission of Exhibit 11.

No payment by applicant is required. If the Department of Consumer Protection deems it necessary to obtain tax return copies from the IRS in order to verify that the tax return copies provided by applicant are the same as filed with the IRS, fee will be paid by the Department of Consumer Protection.



STATE OF CONNECTICUT

DEPARTMENT OF CONSUMER PROTECTION

RELEASE AUTHORIZATION (INDIVIDUAL)

To all Courts, Probation Departments, Selective Service Boards, Employers, Educational Institutions, Banks, Financial and Other Such Institutions, including Credit Reporting Services, and all Governmental Agencies – Federal, State and Local, without exception, both foreign and domestic. I have authorized the Connecticut Department of Consumer Protection and the Connecticut State Police to conduct an investigation into my background and activities.

Therefore you are hereby authorized to release any and all information pertaining to me, documentary or otherwise, as requested by any employee or agent of the Connecticut Department of Consumer Protection or the Connecticut State Police, and to provide copies of same as requested, provided that he or she certifies to you that I have an application pending before the Connecticut Department of Consumer Protection, or that I am presently a licensee, registrant or person required to be qualified under the provisions of the applicable Connecticut General Statutes and/or Connecticut Department of Consumer Protection regulations.

This authorization shall supersede and countermand any prior request or authorization to the contrary.

A photocopy of this authorization will be considered as effective and valid as the original.

(LEGAL SIGNATURE OF APPLICANT)

NAME OF APPLICANT (PRINT OR TYPE)

DATE OF BIRTH

ADDRESS (Number and Street)

SOCIAL SECURITY NUMBER

CITY, STATE, ZIP

Subscribed and sworn to before me on this _____ day of _____ 20__

NOTARY PUBLIC

COMMISSION EXPIRATION DATE (seal)

APPENDIX E

Service Levels & Liquidated Damages

Liquidated Damages and related Service Levels are separated into three categories: (A) performance prior to and on the Go-Live Date, (B) performance starting on the Go-Live Date and through termination date, and (C) performance during termination transition. RFP Part V, Paragraph O – Service Levels & Liquidated Damages – contains language applicable to all the categories, conditions, and damages described here.

A. Performance Prior to and on the Go-Live Date

The Successful Proposer shall complete, except as may be otherwise approved by the CLC in writing, all agreed-upon actions and services in a proper and timely manner pursuant to the Conversion Plan mutually agreed to between the CLC and the Successful Proposer. The CLC, in its discretion, may impose Liquidated Damages for various delays or deviations from the agreed upon Conversion Plan. In the event the Go-Live Date delay exceeds fifty (50) Calendar Days, CLC may elect, in its sole discretion, to terminate the contract upon written notice to the Successful Proposer and receive, within thirty (30) Calendar Days following the date of such notice, a refund of all amounts paid under the contract, unless waived by the CLC. No Liquidated Damages pursuant to this Paragraph shall be payable by the Successful Proposer if the delay in installation, implementation, and startup is caused solely by the CLC's delay in performing, or failure to perform, its obligations under the contract.

The Successful Proposer shall complete all installation, testing, and conversion listed below per the agreed upon Conversion Plan:

1. **Software Development and Testing Prior to CLC Acceptance Testing (UAT).** Software must meet specification standards provided by CLC, and not have frequent and/or repetitive errors that should have been resolved prior to UAT.
 - a. Damages: In the event that UAT results in discovery of frequent or substantive errors that show inaccurate attention to specifications, Liquidated Damages may be imposed up to the amount of \$10,000 for each additional round of UAT that results from such errors, or deviations from CLC specifications.
 - b. In the event that the Successful Proposer does not comply with these requirements, Liquidate Damages may be imposed up to the amount of \$10,000 for each additional round of UAT that results from such errors.
2. **Successful Completion of CLC Acceptance Testing.** The Successful Proposer must resolve in a timely manner all issues discovered by CLC during UAT. Frequent and/or repetitive errors discovered during UAT sessions will be cause for Liquidated Damages at the sole and reasonable determination of the CLC.

Damages: In the event that the Successful Proposer does not comply with these requirements, Liquidated Damages may be imposed up to \$10,000 for each day of delay to completion of UAT.
3. **Installation of All Equipment and Communications Services.** All equipment must be ready, installed, tested and functioning normally per the agreed upon Conversion Plan.

Damages: In the event that the Successful Proposer does not comply with these requirements, Liquidated Damages may be imposed up to \$10,000 for each day of delay.
4. **Timely deployment of new Gaming System.** Successful Proposer's Gaming System must be approved by the CLC for launch by the Go-Live Date. Readiness in advance of the Go-Live Date, as agreed to by the CLC, may be rewarded considering progress or completion of the Conversion Plan requirements in advance of the Go-Live Date.

Damages: In the event that the Successful Proposer does not comply with this requirement, Liquidated Damages may be imposed up to \$20,000 for each day of delay past the Go-Live Date (even if the CLC approves of the delay).

5. **Missing Deliverables.** All deliverables must be present and functioning as designed and approved on the Go-Live Date, or as otherwise agreed to by the CLC.

Damages: In the event that the Successful Proposer does not comply with the requirements. Liquidated Damages may be imposed up to \$5,000 per deliverable, for each day of delay past the Go-Live Date (even if the CLC approves of the delay).

6. **Staffing.** The Successful Proposer must be fully staffed according to a Conversion Plan agreed to by the CLC.

Damages: In the event that the Successful Proposer is not fully staffed according to the Conversion Plan, Liquidated Damages may be imposed up to \$5,000 per open position per day.

7. **Data Conversion.** The Successful Proposer must successfully and timely, according to the agreed upon Conversion Plan, load all required Data from the existing system, and balance it, and the new System must be able to load, balance and reprocess transactions from the existing system on a nightly basis.

Damages: In the event that the Successful Proposer does not comply with the requirements, Liquidated Damages may be imposed up to \$5,000 per day of deviation from the Conversion Plan.

8. **Security Program.** A fully documented Security Program that has been updated to reflect actual conditions of the System, the Successful Proposer's location, and any other criteria that was not accurately known at time of Proposal submission must be submitted to the CLC for review and approval prior to entering UAT.

- a. Damages: In the event that the Successful Proposer has not submitted their Security Program to the CLC one hundred fifty (150) days prior to the Go-Live Date, Liquidated Damages may be imposed up to \$5,000 per day of delay.

- b. Damages: In the event that the Successful Proposer has not corrected or adjusted their Security Program within thirty (30) days of receiving all agreed upon recommendations provided by the CLC, Liquidated Damages may be imposed up to \$5,000 per day of delay.

- c. Damages: In the event that the Successful Proposer has not received approval of their Security Program ninety (90) days prior to the Go-Live Date, Liquidated Damages may be imposed up to \$10,000 per day of delay.

B. Performance Starting on the Go-Live Date and Through Termination Date

1. Central Gaming System Down

Condition:

The central Gaming System shall be defined to be "down" if tickets cannot be sold, tickets cannot be canceled (under the allowed conditions), or winning tickets cannot be validated during the System Day. The total time during which the central Gaming System is down during the day shall be the sum of all time during the System Day when the central Gaming System is "down."

Damages:

In the event that the central System has been down, the CLC may impose Liquidated Damages as a result of the total time during each System Day that the central System is down, except for the first three (3) minutes, according to the following schedule:

- Liquidated Damages of up to \$4,000 may be assessed for each one (1) minute of System downtime.
- In the event that two (2) downtime incidents in excess of three (3) minutes each have already occurred in a rolling seven (7) day period, the grace period of three (3) minutes shall be rescinded, and Liquidated Damages shall begin immediately with any subsequent outage in that rolling seven (7) day period .

2. Central Gaming System Degraded Performance

The CLC expects the System to simultaneously meet all of the following performance measures:

- a. The System must initially support a network of three thousand two hundred (3,200) active retailer terminals, and ultimately accommodate up to five thousand (5,000) active retailer terminals, should an expansion opportunity be desired by the Lottery.
- b. The System as delivered must be capable of handling up to fifty thousand (50,000) sales transactions per minute on a continuous basis.
- c. The System as delivered must be capable of processing up to two thousand (2,000) combined validations and/or cancel transactions per minute, while selling at the rate described in this section.
- d. Each single play (single panel) on-line ticket shall be produced in no more than four (4) seconds from completion of data entry ("Send" is pressed or play slip is inserted) to printing of the ticket. Faster response time is desirable.
- e. Ability to sell a minimum of one hundred (100), single play, quick pick tickets without requiring operator re-entry.
- f. Variable length, multi-play (up to 10 [ten] board) on-line tickets shall be produced in no more than six (6) seconds after completion of data entry ("Send" is pressed or play slip is inserted) to printing of the ticket. Faster response time is desirable.
- g. All other transactions (e.g. instant pack transactions, winning ticket validations, cancels, and brief on-line and instant ticket reports, etc.) shall be produced in no more than five (5) seconds after completion of data entry ("Send" is pressed) to printing of the ticket or report. Faster response time is desirable.

Condition:

The central System shall evidence "degraded performance" of no more than three (3) minutes during the System Day on any day. The central System shall be considered as having degraded performance when:

1. Retailer terminals do not meet all of the performance measures listed in A – G of this section.
2. The System can process transactions from less than 95% of the installed and operational terminals.
3. Critical functions of System management and administration including, but not limited to, file transfers to the CLC cannot be conducted by the management terminals.
4. Instant ticket inventory management is degraded, including the ability to receive, order, pack, and ship instant tickets, etc. in a manner concordant with production schedules.
5. The System can process transactions from all terminals, but not for all gaming products and retailer-related activities; degraded performance exists if the central System does not allow sales, cashes, cancels of on-line/Fast Play tickets, issuing/validations of vouchers, and degraded performance exists if the central System does not support activations, disables, settlements and validations of instant tickets.
6. During a defined promotion period the System cannot issue tickets and conduct transactions in accordance with the defined promotion.
7. Transactions are not logged to at least two (2) systems (local or remote) and one (1) of the CLC's ICS.

Damages:

In the event that the central system has "degraded performance" that collectively exceeds three (3) minutes per day, the CLC may impose Liquidated Damages as a result of the total time during each System Day that the central system is "degraded", except for the Cure Period of the first three (3) minutes, according to the following schedule:

A. Damages for Conditions 1, 2, 3 and 4:

- i. Liquidated Damages of up to \$1,500 may be assessed for each minute of degraded time.
- ii. In the event that two (2) degraded performance incidents in excess of three (3) minutes each have occurred in a rolling seven (7) day period, the grace period of three (3) minutes shall be rescinded, and Liquidated Damages shall begin immediately with a subsequent degraded performance incident in that rolling seven (7) day period.

B. Damages for Conditions 5 and 6:

Multijurisdictional games: For "degraded performance" that collectively exceeds three (3) minutes per System Day, the CLC may impose Liquidated Damages as a result of the total time that the System is "degraded", except for the Cure Period of the first three (3) minutes, according to the following schedule:

- i. Liquidated Damages of up to \$1,500 may be assessed for each minute of degraded time.
- ii. In the event that two (2) degraded performance incidents in excess of three (3) minutes each have occurred in a rolling seven (7) day period, the grace period of three (3) minutes shall be rescinded, and Liquidated Damages shall begin immediately with a subsequent degraded performance incident in that week.

Non-multijurisdictional games: The Successful Proposer shall have a thirty (30) minute Cure Period. Liquidated Damages shall be limited to \$10,000 per hour for each non-multijurisdictional game in which there is not correct, full functionality in the conduct of a sale or cashing. Sale and cashing are independent events that may result in separate Liquidated Damages assessments. For example, if the CLC cannot sell Play 3 Day for one (1) hour, then Liquidated Damages would be \$10,000. If the CLC cannot sell or cash Play 3 Day for one (1) hour, then Liquidated Damages would be \$20,000 (\$10,000 for the non-sale, and \$10,000 for the non-cash).

C. Damages for Condition 7:

The Successful Proposer shall have a Cure Period of thirty (30) minutes. Liquidated damages may be imposed up to \$10,000 per hour after the Cure Period.

3. Unavailability/Degradation of the Back Office Functions

Condition:

The Successful Proposer must ensure that no System malfunction results in the CLC's inability to perform CLC back office functions, including but not limited to: warehouse functions, security functions, running reports, and entering retailer updates.

Damages:

In the event that the CLC's back office function becomes unavailable or operates in a degraded state due to the Successful Proposer's System, the Successful Proposer may be charged Liquidated Damages, after an initial fifteen (15) minute grace period, of up to \$10,000 per day, starting when the Successful Proposer knew or should have known of the unavailable/degraded function until the function has been restored to its normal performance. All determinations as to the unavailability or degraded state of the back office function shall be made by the CLC in its sole discretion.

4. **Failure to Support an Instant Ticket Game**

Condition:

The Successful Proposer must ensure that instant ticket game functions and transactions are available and operating properly. The System must process instant ticket transactions and produce reports for all instant games ordered by the CLC from its instant ticket supplier(s).

Damages:

In the event that the Successful Proposer does not comply with the requirements, Liquidated Damages may be imposed up to \$10,000 per day for any instant games for which timely and/or correct instant ticket transaction processing does not occur.

5. **Failure to Support a Fast Play Game**

Condition:

The Successful Proposer must ensure that Fast Play game functions and actions are available and operating properly. Fast Play games must be developed, tested, and loaded. Transaction printing, recording and reporting for all Fast Play games must occur accurately and timely.

Damages:

In the event that the Successful Proposer does not comply with the requirements, Liquidated Damages may be imposed up to \$10,000 per day for any Fast Play games for which those requirements are not met.

The CLC may impose Liquidated Damages of up to \$1,000 per day for failure to supply, support and properly test new Fast Play games as requested by the CLC.

6. **Providing Connectivity**

Condition:

The Successful Proposer must provide connectivity from its System to the ICS and any other third-party software or hardware within the timeframe established by the CLC's written request.

Damages:

In the event that the Successful Proposer is unwilling or unable to provide connectivity from its System to the ICS, or any other third-party software or hardware within the timeframe established by the CLC's written request, the Successful Proposer may be charged Liquidated Damages of up to \$5,000 per day, for each connectivity request, beginning from the implementation date set by the CLC for that connectivity request. Once initial connectivity has been established, the Successful Proposer may be charged Liquidated Damages of \$250 per hour for loss of connection.

7. **Unauthorized Access**

Condition:

The Successful Proposer shall prevent individuals not authorized by the CLC from accessing Gaming System computer facilities, the computerized systems, and any Gaming System Data or software.

Damages:

If the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages up to \$10,000 for each individual and for each incident in violation. Each and every act that permits access by an unauthorized individual is an incident.

8. **Unauthorized Software, Hardware Modifications and/or Content Modification**

Condition:

The Successful Proposer shall not modify any software or hardware without the prior written approval of the CLC.

Damages:

If the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages up to \$10,000 per violation in addition to any other damages that may occur as a result of such unauthorized modification.

If the Successful Proposer modifies any software or hardware without the prior written approval of the CLC, then the CLC may issue a written order that the change or modification be removed and the System restored to its previous operating state at the Successful Proposer's expense. "Modification" does not include replacement of a System component with an essentially similar working component in the event of necessary maintenance.

9. Invalid Ticket or Ticket Validation

Condition:

The Gaming System must neither produce nor validate a ticket that the CLC does not determine to be a valid winning game ticket according to its drawing results, game rules and prize claim procedures.

Damages:

If the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages of \$1,000 per occurrence. In addition, the Successful Proposer will be liable for the prize amount of the erroneously produced and/or validated ticket to the extent a prize(s) was already or must be paid in accordance with the game rules and prize claim procedures, or paid as determined by the CLC President and CEO, or their designee.

10. Improper Identification of Plays/Defective or Non-Conforming Ticket

Condition:

The Gaming System must not produce defective or non-conforming tickets due to any terminal equipment, printer malfunction, communication error, or hardware or software failure that causes loss of revenue or the inability to pay appropriate prizes.

Damages:

If the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages of up to \$1,000 per occurrence. In addition, the Successful Proposer will be liable for the prize amount of the ticket to the extent a prize(s) was already or must be paid in accordance with the drawing results, game rules and prize claim procedures, or as determined by the CLC President and CEO, or their designee.

11. System Data Backup

Condition:

The Successful Proposer must ensure that System daily backup is performed and the Data is stored safely and securely for a period of five (5) years.

Damages:

If the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages of up to \$10,000 for each occurrence of a failed/missing backup.

12. Failure to Properly Set System Parameters, Configuration, Terminal News Message or Any Other Settings

Condition:

The Successful Proposer must ensure that System configuration, parameters, terminal news message or any other settings are properly set as to not cause any type of erroneous processing or misinformation.

Damages:

If the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages of up to \$10,000 per day, until the situation has been rectified. All determinations as to the significance of harm

caused by the incorrect configuration settings, parameters or terminal messaging shall be made by the CLC in its sole discretion.

13. System Patches

Condition:

The Successful Proposer must perform semiannual operating system patches properly on all of the Gaming System servers.

Damages:

If the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages of up to \$1,000 per day, for each day after the 180-day period has passed since the last operating system patch.

14. Communications Network Outages

Outages and degraded performance to the communication equipment and network provided by the Successful Proposer may result in the assessment of Liquidated Damages For the purpose of this section, outages and degraded performance is considered any condition that renders multiple retailers unable to conduct ordinary terminal actions and transactions. For purposes of this RFP, failure of communications equipment at a Retailer’s premises shall be considered part of a terminal repair (See, Section B.16 of this Appendix E). The remainder of this paragraph addresses other network elements that are the obligation of the Successful Proposer to provide or to arrange for, and to manage once installed. Failures may result in a systemic outage event affecting the network at large, or affecting a smaller quantity of retailers.

Condition:

1. The System loses connection to five percent (5%) or more of the retailer terminal network and there is a general outage of service for those retailers. This may be caused by failure of Successful Proposer staff to correctly carry out their established duties in supporting or administering the network or by failure of a Successful Proposer-specified protectively redundant network element to support a fail-over.
2. Failure of the network infrastructure to provide continuously reliable service to retailers.

Damages:

In the event that five percent (5%) or more of the communications network is down, the CLC may impose Liquidated Damages as a result of the total time during each System Day that the network is down, except for the first three (3) minutes, according to the following schedule:

- Liquidated damages in an amount up to \$1,500 may be assessed for each one (1) minute of network outage.
- In the event that two (2) network downtime incidents in excess of three (3) minutes each have already occurred in a rolling seven (7) day period, the grace period of three (3) minutes shall be rescinded, and Liquidated Damages shall begin immediately with any subsequent outage in that rolling seven (7) day period.

In the event that network availability is less than the Service Level cited in the Successful Proposer’s Proposal (Technical Specifications, Section 3.3 – Communications Network), or as agreed to by the CLC, Liquidated Damages may be assessed for that month at the rate of \$50 per day per terminal.

15. Terminal Provisioning: Equipment Adds, Movement, Removal, Changes

Condition:

The Successful Proposer shall install, move and remove terminals (including their associated retailer-site peripherals and communications equipment) in accordance with the provisioning schedules that are agreed to by the Successful Proposer and the CLC.

Damages:

In the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages may be imposed up to \$500 per day per retailer location, until provisioning is completed.

16. Terminal and Peripherals Repair

Condition:

The Successful Proposer shall ensure that “non-operational” terminals (and their associated peripherals and communications devices) are repaired or replaced and become operational within the agreed upon time of a non-operational condition.

A retailer terminal is considered non-operational if any one of the following occurs:

- Tickets cannot be sold or canceled
- Validations cannot be performed
- Instant Ticket processing cannot be performed
- The terminal reader and/or scanner cannot process wagers or play slips
- The retailer display screen cannot reflect the information desired by the CLC
- The retailer printer does not function properly

The repair schedule is tiered by retailer weekly draw and Fast Play game sales, measured by the most recently completed calendar quarter. All new retailers added to the System will be set up as tier 2, while transferred retailers will be in the prior retailers’ tier.

1. 90 minutes for sales equal to or greater the \$7,000.
2. 120 minutes for sales greater than \$3,000 but less than \$7,000
3. 240 minutes for sales equal to or less than \$3,000

For less critical failures that do not render the terminal non-operational such as those defined by the CLC, the Successful Proposer a twenty-four (24) hour grace period to complete a repair from the time of retailer notification.

Damages:

If there has been a maintenance delay beyond the agreed upon repair schedule for non-operational terminals, Liquidated Damages may be imposed \$180 per terminal per hour.

For terminals with other less critical failures, Liquidated Damages may be imposed up to \$120 per day beyond the grace period, until a repair has been completed.

For chronic failures applying to individual retailers, in which the retailer terminal has failed and required a dispatch and repair three (3) times or more in any 30-day period (including terminal replacements), Liquidated Damages may be imposed up to \$500 per chronic retailer location. Chronic failure does not apply to tampering or abuse by the retailer or its customers.

17. Terminal Preventative Maintenance

Condition:

The Successful Proposer and the CLC shall agree on a preventative maintenance cycle for retailer terminals. Such attention tendered to retailer terminals helps ensure that failures are minimized and do not become chronic.

Damages:

In the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages may be imposed up to \$120 per day per retailer location until the condition is rectified.

18. Supply Shortage

Condition:

The Successful Proposer shall furnish retailer supplies including, but not limited to, ticket stock, play slips and any essential supplies and consumables for all games (not including instant tickets or point-of-sale advertising materials).

Damages:

In the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages may be imposed up to \$500 per retailer per day of downtime due to ticket stock, or degraded operation due to lack of supplies.

19. Failure to Modify Existing Draw Games or to Install Additional Games

Condition:

The Proposer shall modify existing games or install additional games and their supporting controls, within ninety to one hundred twenty days (90-120), as agreed upon during contract negotiations, from delivery of the CLC's written approval for a set of game specifications, unless an extension is authorized in writing by the CLC, or a schedule is otherwise established following written request of the CLC for System enhancements. In addition, the Proposer's modification/installation must complete a CLC acceptance test and receive the CLC's written approval, within the specified and negotiated time frame.

Damages:

In the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages may be imposed up to \$10,000 per day that the modified or additional game is not installed per the specifications.

20. Failure to Produce an Administrative Software Change

Condition:

The Proposer shall modify, add, and install software to their System, including but not limited to produce reports, screen displays, administrative applications, or add data to the data warehouse in the form of new tables and datasets within sixty (60) days from delivery of written approval by the CLC of a set of change specifications. This timeline will apply unless an extension is authorized in writing by the CLC or a schedule is otherwise established following a written request of the CLC for changes. The Proposer's change must complete a CLC acceptance test and receive written approval within the time frame specified.

Damages:

In the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages may be imposed up to \$1,000 per day that the modified or additional software is not installed per the specifications.

21. Failure to Provide Software Testing and Quality Software Turnover

Condition:

The Successful Proposer must provide a quality assurance test plan, a report on the quality assurance test, and quality-tested software. Successful Proposer must supply fully tested or adequately tested software for CLC UAT, and ultimately, production, by the date in the approved release plan, and that software must meet the specifications standards established by the CLC.

Damages:

In the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages may be imposed up to \$5,000 for the first violation in a release (return or retraction of the software) and up to \$10,000 for each subsequent violation in that same release.

22. System Restoration

Condition:

The Successful Proposer must restore the CLC's UAT System for retrieval of up to the previous twelve (12) months of Gaming System Data, within twenty-four (24) hours of the CLC's written request.

Damages:

In the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages may be imposed up to \$250 for each hour beyond the initial twenty-four (24) hours, excluding Holidays and weekends.

23. Insufficient Vendor Internal and/or External Staffing

Condition:

The Successful Proposer and the CLC will agree to a set of criteria for the staffing of operational, development, System support, field service, and marketing support based on performance measures and standards. The CLC will notify the Successful Proposer of its failure to meet the performance measures and standards. The Successful Proposer will have fourteen (14) Calendar Days from its receipt of written notice by the CLC to remedy the failure.

Damages:

In the event that the Successful Proposer fails to maintain sufficient staffing, Liquidated Damages may be imposed up to \$250 per day, per position, for each day after thirty (30) days from written notification until the condition is corrected.

24. Retailer Call Center

Condition:

The Successful Proposer must provide response to inquiries submitted through the retailer call center system in a professional, accurate and timely manner. With a systemic problem causing high call volume, the call system may play a prerecorded message and queue the calls. Under ordinary operational circumstances, Successful Proposer must provide a live operator response to ninety percent (90%) of retailer calls within two (2) minutes on a weekly basis. Accurate information from those calls must be recorded in the call center system, as well as provided to retailers.

Damages:

In the event that call center calls are not serviced in the manner set forth in this section, Liquidated Damages may be imposed up to \$5,000 for any week during which the ninety percent (90%) minimum within two (2) minutes is not met.

In the event that inaccurate information is communicated to retailers or incorrect labeling of retailer calls for dispatch (i.e. non-operational terminal is recorded as operational), Liquidated Damages may be imposed up to \$100 per incident.

25. Availability of Recorded Calls

Condition:

The Successful Proposer must make recorded retailer call center calls available in an audio format to the CLC within twenty-four (24) hours of the CLC's written request.

Damages:

In the event that the Successful Proposer fails to comply with requirements, Liquidated Damages may be imposed up to \$100 per day for each day after the initial twenty-four (24) hours until the recorded calls are provided.

26. Failure to License Employees, Staff and Significant Subcontractors

Condition:

Employees, staff and significant subcontractors engaged by the Successful Proposer to perform work or services on this contract during operation of the System must be licensed by DCP. The Successful Proposer must not allow unlicensed employees, staff or significant subcontractors access to, or direct them to work on, the System.

Damages:

In the event that the Successful Proposer fails to comply with the requirements, Liquidated Damages may be imposed up to \$10,000 per unlicensed employee per day.

27. Timely and Accurate Reports/Files

Condition:

The Successful Proposer shall produce and deliver timely, sufficient and accurate management reports or files within the specified timeframes, as categorized and approved in writing by the CLC. The time schedule shall also determine a Cure Period for the delivery of late, incomplete, or incorrect reports/files. Reports/Files will be categorized into three (3) groups (A, B and C) according to time criticality and schedules, and the Liquidated Damages will reflect that.

Group A consists of critical reports/files needed to conduct a drawing, and without which a drawing will be delayed. Included in this group are any reports/files deemed necessary to prepare for, conduct, or report results of a drawing. Group A reports/files do not have a Cure Period.

Group B consists of all other time-sensitive reports/files, including but not limited to those needed for the Electronic Funds Transfer (EFT) process, CLC website, ICS nightly balancing, Retailer Maintenance. Group B reports have a Cure Period of two (2) hours.

Group C consists of all other reports/files normally provided by the Successful Proposer, or those requested by CLC that are not considered by the CLC to be in Group A or B. Group C will have a Cure Period of one (1) day from the normal delivery date, or other date agreed upon by CLC and the Successful Proposer.

Damages:

For each late, insufficient, or inaccurate report/file in Group A, once the approved Cure Period has passed, the CLC may impose Liquidated Damages up to \$1,000 per hour, per report/file, until the report/file is provided, made sufficient or corrected.

For each late, insufficient, or inaccurate report/file in Group B, once the approved Cure Period has passed, the CLC may impose Liquidated Damages up to \$500 per day, per report/file, until the report/file is provided, made sufficient or corrected.

For each late, insufficient, or inaccurate report/file in Group C, once the approved Cure Period has passed, the CLC may impose Liquidated Damages up to \$500 per day, per report/file, until the report/file is provided, made sufficient or corrected.

28. Failure to Report Incidents

Condition:

It will be the responsibility of the Successful Proposer to immediately report all significant incidents related to the operation of the Gaming System, especially incidents involving the Security Program. The immediate reporting shall be delivered personally or by telephone within one (1) hour of the discovery of the incident, followed by an email or other written correspondence to the Director of Security or CLC's Manager of Vendor Compliance within four (4) hours of the incident, describing what has happened and what is being done to resolve it. A written incident report describing what happened, what caused it, and how it was or will be resolved must be provided to the CLC within seventy-two (72) hours, or within a different time period

as agreed upon by the Successful Proposer and the CLC. All written reports and notifications may be sent by email or courier directly to the CLC's Manager of Vendor Compliance. At a minimum, each of the following types of incidents shall require reporting:

1. System takeovers/failovers;
2. Equipment or communications failures;
3. Operator errors;
4. Out of balance conditions;
5. Emergency software or hardware changes;
6. Security issues, to include physical, network, Data, retailer, and threats;
7. Breach of any aspect of the System or Security Program;
8. Any incident in Successful Proposer's opinion and experience with CLC that could impact the integrity or public confidence of CLC or lottery games.

Damages:

In the event that the Successful Proposer fails to fully and timely report incidents as defined in this Section and required by this RFP, the CLC may impose Liquidated Damages up to \$1,000 per hour, until an incident is correctly reported. For failure to timely report breach incidents, the CLC may impose Liquidated Damages up to \$10,000 per hour until the incident is correctly reported. In the event that the Successful Proposer fails to comply with the seventy-two (72) hour requirement, Liquidated Damages may be imposed up to \$1,000 per day.

29. Failure to Perform Required Audits

Condition:

The Successful Proposer must perform required auditing, SSAE16 SOC 1 Type 2 Compliance Audit performed annually by an independent CPA, as well as other CLC and lottery industry multi-jurisdictional group audits.

Damages:

In the event that the Successful Proposer fails to comply with requirements, Liquidated Damages may be imposed up to \$250 per day, until the audit is completed.

30. Failure to Comply with Required Standards or to Remedy Audit Findings/Shortcomings

Condition:

The Successful Proposer must address and remedy any findings or recommendations made as a result of a System, Security Program and/or operational audit, must comply with required CLC, lottery association, or lottery multi-jurisdictional group or game standards, and must provide a full reporting of what has been done to address or remedy the relevant situation.

Damages:

In the event that audit findings or recommendations are not corrected within sixty (60) days of notification, unless specifically exempted by the CLC President, Liquidated Damages may be imposed up to \$5,000 at the end of the initial sixty (60) day period, and up to an additional \$5,000 for each subsequent thirty (30) day period for which any audit finding or recommendation corrections have not been completed.

In the event the Successful Proposer fails to comply with any required CLC or multi-jurisdictional association standard, Liquidated Damages may be imposed up to \$5,000 for each subsequent seven (7) day period beyond an initial thirty (30) day Cure Period for which compliance has not been achieved.

31. Disaster Recovery

Condition:

In the event that the CGS at the primary site becomes inoperable due to a disaster, the Successful Proposer shall be required to switch System operations to the back-up facility within fifteen (15) minutes of the primary System becoming inoperable.

Damages:

In the event the Successful Proposer fails to bring the System up at the Backup Data Center, the CLC may assess Liquidated Damages in an amount up to \$4,000 for each one (1) minute of System downtime. If the Successful Proposer fails to have the Primary Data Center fully operational within ninety (90) Calendar Days of a disaster, or as otherwise agreed to by the CLC, the CLC may assess Liquidated Damages in the amount up to \$25,000 per day.

32. Failure to Comply

Condition:

The Successful Proposer is required to comply with all commitments of the RFP, the Proposal, and the contract, and all clarifications and amendments to these documents. If the Successful Proposer fails to provide products, services, Data, or documents as obligated thereby, the CLC may invoke Liquidated Damages where not otherwise addressed in Section (X) on Liquidated Damages.

Damages:

In the event that the Successful Proposer fails to provide an obligated product, service, Data, or document, the CLC may impose Liquidated Damages up to \$500 per day or per incident (at the CLC's discretion) until the condition is rectified.

C. Performance During Termination Transition

- 1. Timely Cooperation with Transition Activities and Vendors.** The Successful Proposer must ensure that qualified and knowledgeable staff members attend transition meetings. Participation and timely responsiveness is mandatory, whether directly to the CLC or successor vendor or their subcontractors.

Damages:

In the event that Successful Proposer is not properly attending and participating in transition meetings, and responding to requests in a timely manner, Liquidated Damages may be imposed up to \$5,000 per incident.

- 2. Timely and Accurate Supplying of Requested Data.** The Successful Proposer must provide Data in a timely manner, and in agreed upon formats throughout that transition process. The timeliness, completeness, and accuracy of the Data is essential, and efforts that deliver otherwise may delay that conversion project.

Damages:

In the event that Successful Proposer does not supply timely and accurate Data as requested, Liquidated Damages may be imposed up to \$5,000 per incident of delay in providing Data or providing accurate Data.

- 3. Removal of Equipment, Supplies in Retail Locations.** As detailed in the applicable Conversion Plan, and confirmed by the CLC in advance of the applicable the Go-Live Date, the Successful Proposer must provide CLC with their retailer equipment removal plan, and remove all of their equipment in retail locations as agreed to by the CLC. Regardless of Liquidated Damages assessment, CLC assumes no liability for any Retailer equipment that is not timely removed after the applicable the Go-Live Date.

Damages:

In the event that Successful Proposer does not remove its equipment in all Retail locations as determined and agreed upon with Successful Proposer, Liquidated Damages may be imposed up to \$500 per Retailer location, per incident of delay.

4. **Timely and Proper Destruction of Data.** At least thirty (30) days prior to the applicable the Go-Live Date, the Successful Proposer must submit for approval their data destruction plan. The timely submission and approval of the plan is required before any data destruction can begin. The Successful Proposer must also certify that data destruction has been completed per the plan.

Damages:

In the event that Successful Proposer does not submit a data destruction plan on a timely basis, CLC may impose Liquidated Damages up to \$500 per day of delay. If the Successful Proposer fails to complete the data destruction according to the agreed upon plan, and certify completion to the CLC, CLC may impose Liquidated Damages up to \$5,000 per week of delay in destruction or certification.

CTLOTTERY.ORG



CT Lottery

Term: 100124-01 02 Aug 2020 03:49
 10846-0000000384-45 154e5ffa



\$1.00 - 1 Draw
 SUN AUG02 20
 DAY

8 6 5 Str/Box \$1.00 QP

10846-0000000384-45





CTLOTTERY.ORG



CT Lottery

Term: 100124-01 02 Aug 2020 03:49
 10846-0000000512-84 c8049dd



\$2.00 - 2 Draws
 SUN AUG02 20 -
 MON AUG03 20
 DAY

X 4 6 Back Pair \$1.00 QP

10846-0000000512-84





CTLOTTERY.ORG



CT Lottery

Term: 100124-01 02 Aug 2020 03:50
 10846-0000000768-87 6e9ebd5d



\$15.00 - 5 Draws
 TUE AUG04 20 -
 SAT AUG08 20
 NIGHT

9 3 8 Combo \$3.00

10846-0000000768-87





CTLOTTERY.ORG



Term: 100124-01 02 Aug 2020 03:51
10846-0000001152-55 aa055ead



\$2.00 - 1 Draw
SUN AUG02 20
DAY

8 6 7 3 Straight \$2.00 QP

10846-0000001152-55



CTLOTTERY.ORG

CTLO



Term: 100124-01 02 Aug 2020 03:52
10846-0000001408-14 df45c009



\$7.50 - 5 Draws
MON AUG03 20 -
FRI AUG07 20
DAY

4 9 7 3 Box \$1.50

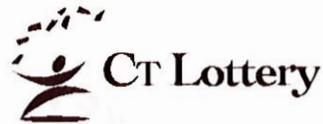
10846-0000001408-14



CTLOTTERY.ORG

CTLO

CTLOTTERY.ORG



Term: 100124-01 02 Aug 2020 04:18
10846-0000006400-66 79034b7e



\$28.00 - 7 Draws
SUN AUG02 20 -
SAT AUG08 20
NIGHT

8 2 7 6 Str/Box \$4.00 QP

10846-0000006400-66



CTLOTTERY.ORG

CTLOTT



Term: 100124-01 02 Aug 2020 03:55
10846-0000001536-89 c97278dc



\$1.00 - 1 Draw
SUN AUG02 20

A. 07 10 12 16 25 K: 24 N QP

10846-0000001536-89



CTLOTTERY.ORG

CTLO



Term: 100124-01 02 Aug 2020 03:57
10846-0000004480-86 4d9acedb



\$37.50 - 26 Draws
SUN AUG02 20 -
THR AUG27 20

A. 02 14 17 22 34 K: 08 Y

10846-0000004480-86



CTLOTTERY.ORG

5

CTLOTT



Term: 100124-01 02 Aug 2020 03:57
10846-0000004224-88 63dfe717



\$7.50 - 1 Draw
SUN AUG02 20

A. 01 06 14 19 20 K: 26 Y QP

B. 03 13 15 28 34 K: 04 Y QP

C. 01 05 19 21 35 K: 06 Y QP

D. 15 16 17 21 31 K: 07 Y QP

E. 06 20 25 27 34 K: 05 Y QP

10846-0000004224-88



CTLOTTERY.ORG

CTLOTTERY.ORG

CT



Term: 100019-01 02 Aug 2020 03:56
10846-0000001920-46 7d52eb54



\$25.00 - 26 Draws
SUN AUG02 20 -
THR AUG27 20

A. 01 18 19 20 29 K: 10 N QP

10846-0000001920-46



CTLOTTERY.ORG

OPC

CTLO



Term: 100124-01 02 Aug 2020 04:20
10846-0000006528-23 6787e8ac



\$25.00 - 26 Draws
TUE AUG04 20 -
FRI OCT30 20

A. 07 12 24 26 28 44

10846-0000006528-23



CTLOTTERY.ORG

CTLOTTERY.ORG



Term: 100124-01 02 Aug 2020 04:00
10846-0000005376-71 ab2f5b02



\$5.00 - 1 Draw
TUE AUG04 20

- A. 05 08 12 24 27 44 QP
- B. 11 13 14 16 22 27 QP
- C. 08 17 18 21 22 39 QP
- D. 05 09 15 23 33 35 QP
- E. 03 06 10 14 19 22 QP

10846-0000005376-71



CTLOTTERY.ORG

CTLOTTERY.ORG



Term: 100124-01 02 Aug 2020 03:59
10846-0000004736-94 7468ef40



\$50.00 - 26 Draws
MON AUG03 20 -
THR OCT29 20

A. 02 03 24 38 41 LB: 08QP

10846-0000004736-94



CTLOTTERY.ORG



Term: 100124-01 02 Aug 2020 03:59
10846-0000004608-16 60ae15e9



\$10.00 - 1 Draw
MON AUG03 20

A. 01 25 26 37 41 LB: 04QP

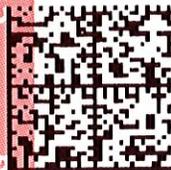
B. 14 16 18 20 45 LB: 05QP

C. 15 17 19 26 37 LB: 16QP

D. 15 22 34 40 43 LB: 04QP

E. 02 19 26 30 47 LB: 08QP

10846-0000004608-16



CT
LOTTERY.ORG
Y.ORG



Term: 100124-01 02 Aug 2020 04:08
10846-0000006144-61 8479b457



\$6.00 - 2 Draws
TUE AUG04 20 -
FRI AUG07 20

A. 11 17 36 38 64 MB: 24 QP
MEGAPLIER = Yes

10846-0000006144-61



CT
LOTTERY.ORG
Y.ORG



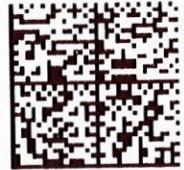
Term: 100124-01 02 Aug 2020 04:00
10846-0000005120-50 3b3d8b6a



\$10.00 - 1 Draw
TUE AUG04 20

A. 16 17 36 50 58 MB: 15 QP
B. 10 36 52 60 69 MB: 14 QP
C. 09 11 34 38 44 MB: 20 QP
D. 05 21 22 49 53 MB: 11 QP
E. 21 37 45 55 59 MB: 23 QP
MEGAPLIER = No

10846-0000005120-50



CTLOTTERY.ORG



Term: 100124-01 02 Aug 2020 04:00
10846-0000004992-32 693e835d



\$3.00 - 1 Draw
WED AUG05 20

CTLOTTERY.ORG

A. 08 12 41 52 57 PB: 21 QP
Power Play = Yes

10846-0000004992-32



CTLOTTERY.ORG



Term: 100124-01 02 Aug 2020 03:59
10846-0000004864-66 3a1cf7a6



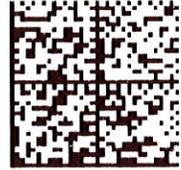
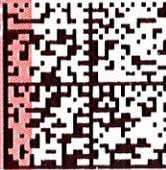
\$10.00 - 1 Draw
WED AUG05 20

CTLOTTERY.ORG

A. 21 32 42 53 59 PB: 14 QP
B. 16 20 41 52 58 PB: 11 QP
C. 09 31 36 50 68 PB: 09 QP
D. 11 17 29 56 67 PB: 04 QP
E. 03 22 36 39 41 PB: 23 QP

Power Play = No

10846-0000004864-66



CTLOTTERY.ORG



Term: 100124-01 02 Aug 2020 04:00
 10846-0000005504-96 1f427a37
KENO™ \$1.00 - 1 Draw

1 SPOT
 03 QP
 BONUS: NO
 GAME NUMBER 489724

10846-0000005504-96





CTLOTTERY.ORG



Term: 100124-01 02 Aug 2020 04:01
 10846-0000005632-58 14447a0d
KENO™ \$20.00 - 5 Draws

3 SPOT
 09 11 49 QP
 BONUS: YES
 GAME NUMBER 489724 THRU 489728

10846-0000005632-58





CTLOTTERY.ORG



Term: 100019-01 02 Aug 2020 04:26
 10846-0000015488-68 1cb4ca92
KENO™ \$200.00 - 20 Draws

10 SPOT
 04 19 21 26 39 43 47 64 71 77
 BONUS: YES
 GAME NUMBER 489724 THRU 489743

10846-0000015488-68







Term: 117082-01 01 Aug 2020 10:25
 5003-000000-029-351688-1760 a61bfa6b
 VERIFY YOUR TICKET WAS PRINTED AT TIME OF YOUR
 PURCHASE BY CHECKING DATE AND TIME STAMP ABOVE ↗



PROGRESSIVE JACKPOT STARTS AT \$5,000
 CURRENT JACKPOT:
\$16,667

\$1 GAME WINS 20% OF THE JACKPOT
\$2 GAME WINS 40% OF THE JACKPOT
\$5 GAME WINS 100% OF THE JACKPOT

Within a GAME: Match all 3 of YOUR NUMBERS to any of the WINNING NUMBERS, win prize shown for that GAME. Match 2 of YOUR NUMBERS to any of the WINNING NUMBERS and find DBL in that GAME, WIN DOUBLE the prize shown for that GAME. Each GAME plays separately.

GAME 1			GAME 2			GAME 3		
21 TWONE	8 EIGHT	6 SIX	23 TWENTYTHREE	4 FOUR	27 TWENTYSEVEN	23 TWENTYTHREE	14 FOURTEEN	21 TWONE
Prize \$5.00 FIV DOL			Prize \$10.00 TEN DOL			Prize \$20.00 TWENTY		
GAME 4			GAME 5			GAME 6		
11 ELEVEN	5 FIVE	28 TWENTYEIGHT	23 TWENTYTHREE	11 ELEVEN	29 TWENTYNINE	DBL	17 SEVENTEEN	24 TWENTYFOUR
PROGRESSIVE TOP PRIZE			Prize \$20.00 TWENTY			Prize \$50.00 FIFTY		

WINNING NUMBERS
23 **11** **5** **21** **26**
TWENTYTHREE ELEVEN FIVE TWENTYONE TWENTYSIX

Overall odds of winning 1 in 3.84



Term: 117082-01 01 Aug 2020 10:25
 5004-000000-023-657338-9398 3138a654
 VERIFY YOUR TICKET WAS PRINTED AT TIME OF YOUR
 PURCHASE BY CHECKING DATE AND TIME STAMP ABOVE ↗



PROGRESSIVE JACKPOT STARTS AT \$5,000
 CURRENT JACKPOT:
\$16,667

\$1 GAME WINS 20% OF THE JACKPOT
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Within a GAME: Match all 3 of YOUR NUMBERS to any of the WINNING NUMBERS, win prize shown for that GAME. Match 2 of YOUR NUMBERS to any of the WINNING NUMBERS and find DBL in that GAME, WIN DOUBLE the prize shown for that GAME. Each GAME plays separately.

GAME 1			GAME 2			GAME 3		
21 TWONE	25 TWENTYFIVE	14 FOURTEEN	12 TWELVE	13 THIRTEEN	DBL	5 FIVE	22 TWENTYTWO	23 TWENTYTHREE
Prize \$40.00 FORTY			Prize \$200 TWO HUN			Prize \$200 TWO HUN		
GAME 4			GAME 5			GAME 6		
24 TWOFOR	18 EIGHTEEN	11 ELEVEN	2 TWO	19 NINETEEN	6 SIX	16 SIXTEEN	28 TWENTYEIGHT	1 ONE
Prize \$10.00 TEN DOL			Prize \$20.00 TWENTY			Prize \$100 ONE HUN		
GAME 7			GAME 8			GAME 9		
3 THREE	15 FIFTEEN	13 THIRTEEN	4 FOUR	DBL	20 TWENTY	25 TWENTYFIVE	1 ONE	27 TWENTYSEVEN
PROGRESSIVE TOP PRIZE			Prize \$20.00 TWENTY			Prize \$40.00 FORTY		

WINNING NUMBERS

20 **13** **25** **30** **28** **29** **1** **17**
TWENTY THIRTEEN TWENTYFIVE THIRTY TWENTYEIGHT TWENTYNINE ONE SEVENTEEN

Overall odds of winning 1 in 3.75





Term: 117082-01 01 Aug 2020 10:25
 5005-000000-032-211598-5234 e649a820

VERIFY YOUR TICKET WAS PRINTED AT TIME OF YOUR PURCHASE BY CHECKING DATE AND TIME STAMP ABOVE ↗



PROGRESSIVE JACKPOT STARTS AT \$5,000

CURRENT JACKPOT:

\$16,667

\$1 GAME WINS 20% OF THE JACKPOT
\$2 GAME WINS 40% OF THE JACKPOT
\$5 GAME WINS 100% OF THE JACKPOT

Within a GAME: Match all 3 of YOUR NUMBERS to any of the WINNING NUMBERS, win prize shown for that GAME. Match 2 of YOUR NUMBERS to any of the WINNING NUMBERS and find DBL in that GAME, WIN DOUBLE the prize shown for that GAME. Each GAME plays separately.

YOUR NUMBERS

GAME 1 Prize \$250 <small>TW HUN FIF</small>			GAME 2 PROGRESSIVE TOP PRIZE			GAME 3 Prize \$2000 <small>TWENTY</small>		
GAME 4 Prize \$250 <small>TW HUN FIF</small>			GAME 5 Prize \$5000 <small>FIFTY</small>			GAME 6 Prize \$500 <small>FIV HUN</small>		
GAME 7 Prize \$10.00 <small>TEN DOL</small>			GAME 8 Prize \$5.00 <small>FIV DOL</small>			GAME 9 Prize \$500 <small>FIV HUN</small>		
GAME 10 Prize \$5000 <small>FIFTY</small>			GAME 11 Prize \$10.00 <small>TEN DOL</small>			GAME 12 Prize \$100 <small>ONE HUN</small>		

WINNING NUMBERS

24 <small>TW FOUR</small>	13 <small>THIRTEEN</small>	28 <small>TWENTY EIGHT</small>	5 <small>FIVE</small>	11 <small>ELEVEN</small>
39 <small>THIRTY NINE</small>	25 <small>TWENTY FIVE</small>	12 <small>TWELVE</small>	10 <small>TEN</small>	8 <small>EIGHT</small>

Overall odds of winning 1 in 3.42





FATHER'S DAY is JUNE 16th

Forget the socks. Give Dad a chance to win up to **\$1,000,000** with **PREMIERE PLAY** scratch tickets!

Term: 100019-01 01 Aug 2020 07:46
10845-0009552384-66 c6f699ce

**CCPG
LIVE
CHAT**

If you or someone you know has a gambling problem CALL 1-888-789-7777
FREE ONLINE CHAT at ccpg.org/chat
or text CTGAMB to 53342



\$1.00 - 1 Draw
TUE AUG04 20

A. 06 09 13 34 42 44 QP

10845-0009552384-66

Connect with us!



Term: 100124-01 02 Aug 2020 03:52
10840-0000018946-88 50ee433a

CONNECTICUT



\$48.00 - 24 Draws

WED AUG05 20 -
SAT OCT24 20

Exchange

A. 01 02 26 32 45 PB: 20

Power Play = No

10840-0000018946-88



Term: 100019-01 01 Aug 2020 04:02
10845-0000007424-68 2daf008f

Congratulations! You're a Winner!

Thank you for your purchase. Enjoy your \$1 Cash Voucher. Have you tried Fast Play yet? Your Voucher will follow – Good luck!



\$1.00 - 1 Draw
SAT AUG01 20

A. 03 05 06 07 20 K: 13 N QP

10845-0000007424-68



Term: 100019-01 01 Aug 2020 04:01
00978977717712769922

Congratulations
You are a
CASH WINNER!

Enjoy your \$1 Cash Voucher. You can use this Voucher for a \$1 Fast Play ticket, \$1 off any lottery purchase or redeem for cash.

Please give this ticket to a CT Lottery retailer for validation and payment.

\$1.00

00978977717712769922

