



General Terms and Conditions of Purchase

These General Terms and Conditions apply to all purchases of goods and services by the Connecticut Lottery Corporation (CLC). Upon Vendor's submission of a proposal or quote to provide goods or services to the CLC these Terms and Conditions shall be binding. Unless otherwise agreed by the CLC in writing, no different or additional terms and conditions of Vendor, including, without limitation, any terms contained in any Vendor acknowledgment, proposal, agreement, invoice, website, or online click-through consent or acceptance form will bind the CLC, even if the CLC must accept these terms and conditions in order to receive the goods or services.

1. Definitions.

1.1 Vendor means the party named on the Purchase Order contracting with the CLC, as well as any CLC-approved subcontractor engaged by the Vendor to perform services or provide goods on the Vendor's behalf.

1.2 Purchase Order means the order form or other solicitation (e.g., request for quote) issued by the CLC to the Vendor that describes the goods or services being procured. If a blanket Purchase Order is issued by the CLC, the CLC will purchase only those quantities of goods or services that it specifically requests under separate subsequent written orders.

1.3 Contract means the agreement between the CLC and the Vendor consisting in particular descending order of priority: the Purchase Order, these or then-current General Terms and Conditions of Purchase, any other CLC issued or approved documents related to the procurement of the goods or services (including change orders and Contract amendments), and any provisions contained in Vendor's response to a Purchase Order accepted by the CLC. The Contract constitutes the entire agreement and understanding of the parties with respect to the goods or services. Where the CLC's Purchase Order indicates that goods or services are procured under a State of Connecticut contract (State Contract), these General Terms and Conditions of Purchase supplement the State Contract and also apply.

Other capitalized terms used in these General Terms and Conditions of Purchase are defined in the context in which they are used.

2. Delivery; Acceptance. Vendor's timely and proper delivery is of the essence. Unless the CLC otherwise agrees in writing, delivery is not complete until the goods are provided or services are performed within the time, in the manner, and at the place designated on the Purchase Order and accepted by the CLC. Vendor will, at its sole cost and expense, provide all licenses, labor, supervision, management, tools, equipment, materials, transportation, insurance, and facilities and perform all tasks needed for the proper execution and completion of the Purchase Order, unless otherwise stated on the face of the Purchase Order. For Cloud and Licensed Software Purchases: Delivery of software occurs when the software is made available to the CLC, the software documentation and all necessary information to install and activate the software (including keys and entitlement documentation) is provided, and the software is ready for installation or operational use. If software installation is part of the order, delivery shall have occurred only when the software has passed CLC acceptance testing (such acceptance testing being an integral part of the installation service), or, in the absence thereof, when the software is installed and ready for the intended use, fulfilling the agreed specifications. Unless expressly agreed otherwise in writing, Vendor grants the CLC a worldwide, irrevocable, transferable, sub-licensable, non-exclusive, royalty-free license to use the software.

3. Inspection. Goods and services shall be subject to CLC inspection, testing, and evaluation, as applicable, prior to their acceptance. The CLC may refuse any goods or services, and cancel all or any part of the goods or services, the CLC, in its sole judgement, deems defective or nonconforming, regardless of prior payment. The CLC's acceptance of all or some of the goods or services shall neither bind the CLC to accept future deliveries nor deprive

it of the right at a later date to reject goods or services already accepted. If any goods or services are found defective or nonconforming, the CLC may also, at its option: (i) require Vendor, in the case of goods, to promptly repair or replace the goods or, in the case of services, re-perform the services, at Vendor's sole cost and expense; (ii) recover a refund from Vendor (including shipping and any other expenses incurred by the CLC); (iii) purchase substitute goods or services on the open market and recoup any excess costs of the purchase or losses from Vendor either by direct reimbursement from Vendor or set-off against any monies the CLC may owe Vendor; (iv) accept the defective or nonconforming goods or services and obtain a reduction in price; and/or (v) terminate the Contract.

4. Warranties. In addition to those warranties customarily made by Vendor or specifically offered to the CLC, express or implied, Vendor warrants that all goods will be: (i) new, latest model goods, unless otherwise requested by the CLC; (ii) safe and free from defects in material and workmanship; (iii) with regard to goods designed or created by Vendor, free from defects in design and infringement of third-party intellectual property rights; (iv) fit for their ordinary use, or if known by Vendor, fit for the CLC's intended purpose; and (v) conform to specifications, drawings, performance requirements, and descriptions provided by the CLC or samples furnished by Vendor, as well as applicable industry quality and performance standards. If services are provided by Vendor, in addition to other express or implied Vendor warranties, Vendor warrants that all services will be performed: (i) in a timely, cooperative, professional, and ethical manner; (ii) with the level of care, diligence, and skill generally accepted and exercised by businesses in the industry in which Vendor operates without limiting the higher standards that may be required by the CLC; (iii) free from infringement of any intellectual property, proprietary, or contractual right, or violation of any personal or other right, of any third-party; and (iv) if services are provided on the CLC's premises, the services will be performed in compliance with all reasonable requests, rules, and regulations of the CLC communicated to Vendor, including, without limitation, any security or privacy requirements. For Cloud or Licensed Software Purchases: Vendor further warrants the performance of services in line with mutually agreed service levels without interruption. Vendor will and does hereby transfer and assign to the CLC, or afford the CLC the benefits of all manufacturer and supplier representations, warranties, guarantees, service contracts, and similar agreements available to Vendor for the goods and services for their full term (irrespective of any time limitation on the Vendor's representations, warranties, guarantees, indemnities, and similar agreements). Unless the CLC otherwise agrees in writing, neither Vendor nor the CLC disclaim, modify, or limit any implied warranties, including, without limitation, the implied warranties of merchantability and fitness for a particular purpose or use or any other warranties, express or implied, in fact or by law, or arising by reason of custom or usage in the trade, by course of dealing, or by course of performance.

5. Change Orders. The CLC may upon written notice to Vendor make changes within the general scope of the Contract the CLC deems in its best interests, and Vendor agrees to promptly comply with such changes. Changes within the general scope of the Contract include, by way of example and not limitation, modifications to the specifications of the goods or services, replacement of goods or services due to their discontinuation, or substitution of goods or services with improved (i.e., latest model) or innovative goods or services that become available provided the modified, replacement, or improved goods or services are similar in nature and have a similar use as the originally purchased goods or services. If changes affect the cost of or the time required for performance of the Contract, the CLC and Vendor will negotiate a mutually acceptable equitable adjustment in the price or the completion date, or both.

6. Prime Contractor Responsibility and Subcontractors. Vendor is solely responsible for providing the goods or services, and is the CLC's designated point of contact for all issues under the Contract. Vendor may not subcontract any goods or services to any individual or entity without the CLC's prior written consent, in each instance. If Vendor receives CLC's consent, Vendor will: (i) ensure its subcontractors are qualified and experienced; (ii) remain fully and solely liable for the performance of its subcontractors; (iii) guarantee subcontractor compliance with all requirements of the Contract, including insurance requirements under Section 12; and (iv) indemnify, hold harmless and, upon the CLC's request, defend the CLC against all Claims (defined in Section 11) arising out of or related to Vendor's use of the subcontractors and the subcontracted work.

7. No Assignment. Vendor may not assign (by merger, acquisition, or otherwise) any of its rights under the Contract to any other person or entity, without, in each instance, the CLC's prior written consent. Vendor may not subcontract, transfer, or otherwise dispose of any of its obligations under the Contract, except as provided in Paragraph 6. Any unauthorized assignment, delegation, or subcontracting is null and void.

8. Invoicing and Payment Terms. Unless the CLC otherwise agrees in writing, the CLC will exercise reasonable efforts to pay Vendor within thirty (30) business days from the later of (i) the date of the CLC's acceptance of the goods or services, or (ii) the CLC's receipt of a properly prepared Vendor invoice. All invoices, at a minimum, must contain the CLC's order number to avoid delay in payment. Electronic billing and payment will be available to the CLC. The CLC will not pay interest charges or other penalties for late payments.

9. Taxes. The CLC is exempt from all Connecticut and certain federal taxation. Vendor will not charge the CLC for any taxes on purchases unless permitted by law.

10. Ownership; Works Made For Hire. Unless the CLC otherwise agrees in writing, all documents, research, reports, studies, plans, data, information, or other items of work that: (i) are produced or created by or on behalf of Vendor in the course of providing goods or performing services under the Contract (collectively, Developed Work), including the intellectual property rights in such Developed Work (except for Vendor Retained IP defined below), or (ii) result from any discussions between the CLC and Vendor in the framework of a possible relationship or order, shall become the exclusive property of the CLC as "Works Made For Hire." In the event any Developed Work is not considered "Works Made For Hire," Vendor hereby assigns to the CLC all rights in and to the Developed Work, including all rights in copyright. All Vendor Retained IP shall remain the intellectual property of Vendor; provided, however, Vendor hereby grants the CLC a perpetual, royalty-free, non-exclusive license to use and sublicense Vendor Retained IP for the CLC's intended purposes. "Vendor Retained IP" means any work which (i) is proprietary to Vendor (including anything licensed to Vendor by a third-party); (ii) is clearly identified to the CLC in writing as proprietary to Vendor and not to be property of the CLC; and (iii) is not designed or otherwise created for the CLC.

11. Indemnification. Vendor is solely responsible for any loss, injury (including death), or damage (including incidental and consequential damages) that may be done or suffered by reason of Vendor's negligence or failure to perform any contractual obligations. Vendor will indemnify, hold harmless and, upon the CLC's request but at Vendor's sole cost and expense, defend the CLC and the State of Connecticut (including its agencies), and each of their respective directors, officers, employees, agents, and representatives whether named in their official or individual capacities (collectively, Indemnified Parties), from and against all demands, claims, lawsuits (through any appeals), proceedings, investigations, or actions of any nature, and in each case, will on demand, pay and reimburse the CLC for all liabilities, damages, awards, judgments, losses, and costs and expenses of every kind, including, without limitation, costs of attorneys and professionals of the CLC's choice, arising from or by reason of: (i) Vendor's (a) acts or omissions, (b) any alleged or actual breach of any representation or warranty or other term or condition of this document, or (ii) any compromise to the security, confidentiality, or integrity of CLC Confidential Information (See Section 17) (collectively, Claims).

If the CLC requests Vendor to defend a Claim, the CLC reserves the right to approve counsel chosen by Vendor. In addition, the CLC retains the right to approve the terms of any settlement or compromise that affects the CLC's rights or imposes any obligations on the CLC. Alternatively, the CLC has the right to defend a Claim itself and select counsel of its own choice. If the CLC exercises such right, Vendor will promptly reimburse the CLC for all legal costs and expenses as they are incurred.

Vendor's indemnification obligations are in no way limited by any insurance Vendor is required to have under the Contract, the types of insurance Vendor maintains or their coverage, the market availability or unavailability of insurance, the ability or inability of Vendor to procure insurance or, in the case of a Claim brought against the Indemnified Parties by an employee of Vendor, by any limitation on the amount, type, or availability of damages or compensation or benefits payable by Vendor under applicable workers' compensation, disability benefits, or other employee benefits law. Vendor's indemnification obligations in this section shall survive the completion, expiration, or earlier termination of the Contract. If the CLC is required to enforce Vendor's indemnity and defense obligations, then it will reimburse the CLC for its costs and expenses in doing so upon its demand.

12. Insurance. Vendor, at its sole cost and expense, will procure and maintain during the Contract insurance (e.g., commercial general liability, workers' compensation) of such types and in such minimum amounts sufficient to cover Vendor's indemnification obligations, or as may otherwise be required by the CLC in writing. Vendor must promptly provide its current certificate(s) of insurance, if requested by the CLC, before the commencement of the Contract and upon each policy renewal during the Contract. If Vendor performs any work on the CLC's premises,

all Vendor insurance policies, except workers' compensation and errors and omission coverage, must: (i) name the "Connecticut Lottery Corporation, the State of Connecticut, and each of their respective directors, officers, employees, agents, and representatives" as additional insured parties, and (ii) contain a waiver of all rights of subrogation against the additional insured parties by Vendor's insurance carrier(s). Furthermore, except for workers' compensation coverage, all required insurance policies shall 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.

13. Freedom of Information Act. The CLC as a quasi-public agency is subject to the Connecticut Freedom of Information Act and records related to the Contract are subject to public disclosure, unless specifically exempted by law.

14. Maintenance of Certain Records. Vendor (and Vendor's subcontractors) must maintain all records, books, and other documents and data pertaining to the Contract. This information must be available to the CLC, its auditors, and the Connecticut Department of Consumer Protection ("DCP"), if requested, for the duration of the Contract and for a period of five (5) years thereafter.

15. Advertising and Printed Materials. Vendor shall not, either directly or indirectly, name the CLC, use the CLC logo, or otherwise make any reference to the fact that Vendor has supplied or contracted to supply goods and services to the CLC in its advertising, news releases, brochures, social media, or other materials, or on its website, without the CLC's prior written consent, in each instance.

16. Force Majeure. Neither party shall be in default for any delay or performance failure if and to the extent such delay or non-performance is beyond their control, not occasioned by their fault or negligence, could not have been prevented by reasonable precautions, and cannot reasonably be resolved through the use of alternate sources, work-around plans, or other means. Upon the occurrence of an event which may result in a delay or performance failure, the affected party shall promptly notify the other party by the most expedient method possible (to be confirmed in writing) of the occurrence and the steps it is taking or will take to minimize the impact of the event on the Contract. Following the non-affected party's receipt of a Force Majeure notice, the parties will confer to determine what equitable and reasonable adjustments may be necessary due to the effect of the Force Majeure, including, without limitation, each party's remaining performance and financial obligations. The affected party will resume full performance of its interrupted obligations as soon as practicable, if possible to do so.

17. Confidentiality; Information Security & Privacy. In performing the Contract, Vendor may be privy to the CLC's sensitive, proprietary, and confidential information (CLC Confidential Information), whether or not marked "Proprietary" or "Confidential," and whether documentary, electronic, oral, observational, or otherwise. Vendor will maintain appropriate administrative, technical, and physical safeguards that equal or exceed those identified in Conn. Gen. Stat. § 4e-70(b)(1) through (5) to protect against anticipated threats or hazards to the security, integrity, and confidentiality of CLC Confidential Information, and protect against unauthorized access to or use or disclosure of CLC Confidential Information. The CLC may impose additional or alternate confidentiality and security obligations depending on, among other factors, the type and amount of CLC Confidential Information shared and the goods or services procured. Vendor must immediately report any actual or suspected information security or data breach to the CLC, cooperate in any investigation of such incidents, and in consultation with the CLC provide appropriate remediation services to individuals affected by such incidents at Vendor's sole cost and expense. Vendor will provide initial notification detailing the circumstances and extent of such incident (and full **notification** to follow, if all details cannot be provided in the initial **notification**) **to the CLC via email to** itmanager@ctlottery.org and legal@ctlottery.org. In the event of any damage or loss of CLC Confidential Information due to the error or negligence of the Vendor, the Vendor will promptly cooperate with and assist the CLC in recovering or recreating such information free of charge.

18. Compliance with Laws. Vendor will comply with all applicable federal, state, and local laws, regulations, orders, ordinances, and standards in providing the goods or services, including, without limitation, Connecticut laws and regulations (Applicable Law). Without limiting the forgoing, Vendor agrees to comply with the following as applicable: C.G.S. § 12-815a pertaining to the licensing of CLC vendors by the DCP; C.G.S. § 31-370 pertaining to worker safety and health; and C.G.S. § 4-61dd pertaining to whistleblower protections. The CLC will advise Vendor

of any DCP licensing requirements, and Vendor agrees to cooperate with the CLC in satisfying them.

19. Mandatory State Contracting Provisions. The Contract between the CLC and Vendor will include some or all of the mandatory State of Connecticut contracting provisions found on the CLC's website at ctlottery.org/ProcurementForms. The inclusion of such provisions is dependent upon the overall value of the Contract.

20. Ethics in Public Contracting. Vendor certifies that: (i) its selection as vendor by the CLC is made without collusion or fraud; (ii) it has not offered or received any kickbacks or inducements from any other vendor, supplier, manufacturer, or subcontractor in connection with the Contract; and (iii) it has not conferred on or promised to any State of Connecticut or quasi-public employee, entity, agent, or public official connected in any way to the Contract, any gift, loan, subscription, deposit of money, service, or anything of more than nominal value, unless consideration of substantially equal or greater value was exchanged and such consideration was not related to and was not intended to influence any decision regarding its selection as a CLC vendor. Vendor further certifies that it is not currently debarred or otherwise prohibited from contracting or submitting proposals or bids for contracts with any agency, quasi-public agency, or political subdivision of the State of Connecticut, or any other state body or other governmental entity within the United States.

21. Supplier Diversity. The CLC supports initiatives that contribute to the establishment, preservation, and strengthening of Connecticut's small businesses, as well as the state's minority-, women-, disabled veteran-owned, and other underutilized small businesses in its procurement activities. While not required under the Contract, Vendor is encouraged to provide for the participation of these businesses through partnerships, joint ventures, subcontracts, and other contractual opportunities.

22. No Waiver; Rights Cumulative. The CLC's delay or failure to assert any right is not a waiver of such right. The CLC's remedies are cumulative and it is permitted to seek any other remedies under law or in equity.

23. Disputes. Except for actions for injunctive relief, the CLC and the Vendor will first attempt to resolve any dispute arising under this Contract through good faith negotiation between their respective managerial representatives. In the event the dispute cannot be resolved within five (5) business days (or such other period as the parties may mutually agree in writing), the dispute will escalate to the appropriate executives of each party who are at a higher level of management than the representatives. Failing agreement within twenty (20) business days following escalation (or such other period as the parties may mutually agree in writing), the parties are free to exercise all legal and equitable rights they may have. All reasonable requests for information made by one party to the other will be honored. Vendor and its subcontractors will continue to perform their obligations while any dispute concerning the Contract is pending resolution.

24. Connecticut Law and Courts. The Contract, and all claims or causes of action (whether in contract, tort, or otherwise) that may arise out of or relate to its creation, provisions, or performance, shall be governed by and enforced in accordance with the internal laws (as opposed to the conflicts of law provisions) of the State of Connecticut, including Connecticut's statutes of limitations. Any suit, action, or proceeding arising out of or relating to the Contract, whether in contract, tort, or otherwise, must be brought and conducted exclusively in the Connecticut Superior Court located in the Hartford Judicial District. If, however, jurisdiction is not proper in the Connecticut Superior Court located in the Hartford Judicial District, but is proper only in a United States District Court, the matter shall be brought and adjudicated solely in the United States District Court for the District of Connecticut (Hartford). Vendor irrevocably submits to the personal jurisdiction of such courts and waives any objections regarding the venue of any suit, action, or proceeding being solely in such courts, that such courts are an inconvenient forum, or do not have jurisdiction over Vendor. The United Nations Convention on Contracts for the International Sale of Goods does not apply to the Contract.

25. Attorney's Fees. Vendor will be required to pay any and all costs and expenses incurred or suffered by the CLC, its directors, officers, agents, employees, lottery retailers, and the State of Connecticut in enforcing Vendor's compliance with its obligations under the Contract, including, without limitation attorney's fees and costs.

26. Amendment. Except for change orders described in Section 5 of these General Terms and Conditions, the Contract may only be modified or amended by a writing executed by both parties.