



Connecticut Lottery Corporation
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REQUEST FOR PROPOSALS

RFP Number: CLC202101
RFP Description: Multi-use 2nd Chance Drawing Platform and 2nd Chance Drawing Services
RFP Issue Date: February 4, 2021
Submission Due Date: March 16, 2021 by 2:00 PM Eastern Time

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

Part I. INTRODUCTION

The Connecticut Lottery Corporation (CLC) is soliciting competitive Proposals from qualified, experienced, and innovative Proposers for a modern, highly secure, easy to use, stand-alone web-based Multi-use 2nd Chance Drawing Platform (Platform) and 2nd Chance Drawing Services (Drawing Services) (collectively, Solution).

The CLC wishes to have a Platform created that can be utilized for multiple 2nd Chance Drawings with simple design and content edits (i.e., a template) where players can create accounts and enter eligible lottery tickets in order to win drawing prizes. The CLC seeks a partner to provide all services associated with designing, developing, implementing, testing, hosting, supporting, maintaining, upgrading (when necessary) and training CLC staff to operate and use the Platform and to manage all 2nd Chance Drawing Services with strict adherence to Official 2nd Chance Drawing Procedures approved by the CLC and the Connecticut Department of Consumer Protection (CT DCP), the CLC's regulatory agency.

Participating Proposers must have proven lottery experience, working knowledge of the lottery industry and extensive background of providing the services described herein to be considered.

No part of the Solution may be subcontracted except approved third-party hosting, third-party software application integrations, and third-party drawing auditing services. Interested Proposers must submit a Proposal in accordance with the requirements and directions of this Request For Proposals (RFP).

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 CT DCP. See Part VI, Paragraph B.

The anticipated initial duration of any resultant contract from this RFP will cover an implementation period plus five (5) years of Platform operations and Drawing Services. The CLC will have the option to extend the contract in its sole discretion for up to three (3) additional years in one (1) or more extensions and in any combination of months or years under the same terms and conditions as the initial contract period. Proposers must provide

pricing for implementation and the five (5) year initial contract term. Pricing for the three (3) extension years is preferred, but not required.

It is anticipated that the CLC will run three (3) 2nd Chance Drawings during fiscal year (FY) 2022, and four (4) 2nd Chance Drawings each fiscal year in FY23 through FY26. The CLC's fiscal year runs July 1 to June 30. Additional drawings or 2nd Chance Drawings may be added at the CLC's discretion.

Each 2nd Chance Drawing will have defined parameters, including official procedures containing the specified number of drawings, prizes, eligibility, entry type (i.e., one time or advancing), etc.

The CLC will provide all marketing and branding assets (e.g., instant ticket images, logos, access to any licensed materials, content verbiage, etc.), as needed for the Solution.

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 any Proposer.

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 releases approximately fifty-five (55) scratch games per year, along with suites of Fast Play games and currently offers ten (10) draw games.

From time to time, the CLC offers 2nd Chance Drawings that include an additional opportunity for players to enter eligible instant tickets for a chance to win a prize. These 2nd Chance Drawings are often built around prizes associated with licensed property used in the specified game or additional monies from the specified game's prize structure. When a 2nd Chance Drawing is offered, the CLC contracts an independent vendor to create a single use 2nd Chance Drawing website to collect player registrations, which serve as drawing entries, and to provide the Drawing Services with strict adherence to the Official 2nd Chance Drawing Procedures approved by the CLC and the CT DCP. At this time, the CLC wishes to have a platform created that can be utilized for multiple 2nd Chance Drawings with simple design and content edits and a partner to manage all Drawing Services.

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 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. The relationship among the Successful Proposer, the CLC, and all 2nd Chance Drawing partners (e.g., CT DCP) will be based on mutual trust and respect. The Successful Proposer is expected to adopt the same attitudes, concerns, and commitment towards the CLC's games, financial performance, legal and regulatory compliance, integrity, security, and successful and timely completion of the Solution implementation as are held by the CLC.

B. SCHEDULE

Proposer Written Questions	*February 17, 2021; 2:00 PM EST
CLC Written Responses	Anticipated on or about March 3, 2021
Proposal Submission Date	*March 16, 2021 at 2:00 PM EST Proposals must be submitted to the Attention of: Purchasing Officer Sue Starkowski, Connecticut Lottery Corporation, 777 Brook St., Rocky Hill, CT 06067
CLC Follow-Up Questions (if necessary)	Anticipated on or about April 8, 2021
Proposer Written Responses to Follow-Up Questions (if necessary)	*April 12, 2021
CLC Notification to Finalists Invited for Oral Presentations/Site Visits <i>(CLC will determine virtual/on-site presentations upon notice to Finalists)</i>	Anticipated on or about April 14-15, 2021
Finalist Oral Presentations/Site Visits	*April 19-21, 2021
CLC Preliminary Notice of Award	Anticipated on or about May 10, 2021
Target Go-Live Date	September 1, 2021

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

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=CISplash, 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 Sue Starkowski (Purchasing Officer). Please direct all questions and other communications regarding this RFP to her by email only at sue.starkowski@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. The Purchasing Officer will not respond to any questions or clarification requests, or inquiries concerning the status of a Proposer's Proposal or the RFP, **after February 17, 2021**. 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 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. CONTINUING DISCLOSURE OBLIGATIONS

Part IV, Paragraph B of this RFP is 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.

E. ADDITIONAL PROPOSER INFORMATION

The CLC may ask 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 promptly respond to CLC's requests may result in rejection of that Proposer's Proposal, or the CLC may elect to accept that Proposal as-is.

F. 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 legally 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 Solution as intended in the RFP, the Proposal, or the contract.

G. 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 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 the products or perform the services sought under this RFP itself;
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 Proposer is unable to fulfill the CLC's requirements for any reason, including due to negotiation failures. 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" or "FOIA" – the Freedom of Information Act, Connecticut General Statutes §§ 1-200 et seq.

"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.

"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 2nd Chance Drawings or the lawful performance of the contract, or that may commonly be followed or accepted by highly experienced 2nd Chance Drawing providers, in effect on such date.

“Availability Requirement” – has the meaning set forth in Part VI, Paragraph L.2.

“Breach of Security” – whether caused by 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 CLC Sensitive Information in the control, custody, or possession of the Successful Proposer; (ii) any actual or reasonably suspected compromise to the security, integrity, or availability of the 2nd Chance Drawings; 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 and other CLC office closures. A reference to days in this RFP shall be construed as Business Days unless the phrase “Calendar 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 Part VI, Paragraph D of this RFP.

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

“Cure Period” – has the meaning set forth in Part VI, Paragraph F.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 Solution 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 player information; and other information protected by applicable state and federal data security and privacy laws.

“Drawing Services” – see “2nd Chance Drawing Services” definition.

“Finalist” – participating Proposers chosen by the CLC as top candidates to participate in oral presentations and/or site visits.

“Go-Live Date” – as defined in the RFP Schedule, Part I, Paragraph B or that first date of operation of the Successful Proposer’s Multi-use 2nd Chance Drawing Platform designated by the CLC when the CLC uses the Platform for normal 2nd Chance Drawings.

“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 Plan” – has the meaning set forth under Part VI, Paragraph L.2.

“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 VI, Paragraph F.1.a (false representations and warranties), Paragraph F.1.b (abandonment), Paragraph F.1.d (adverse harm to CLC), and Paragraph F.1.e (failure to maintain CT 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.

"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.

"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.

"Liquidated Damages" – has the meaning set forth in Part VI, Paragraph L.1.a.

"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.

"Multi-use 2nd Chance Drawing Platform" or "Platform" – main web-based repository to collect player entries for 2nd Chance Drawings in association with specific instant game(s). All CLC designated 2nd Chance Drawings would be hosted through and reside within the Platform.

"MUSL" – the Multi-State Lottery Association.

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

"Official 2nd Chance Drawing Procedures" – the procedures governing the administration, operation, and management for each 2nd Chance Drawing, as determined by the CLC and approved by the CT DCP, including but not limited to, drawing dates, entry methods, prizes, drawing preparation, drawing process, and determination of winner(s).

"Owner" – an individual or legal entity with 10% or more equity in the Proposer.

"Performance Security" – has the meaning set forth in Part VI, Paragraph K.

"Permitted Uses" – has the meaning set forth in Part VI, Paragraph D.

"Platform" – see "Multi-use 2nd Chance Drawing Platform" definition.

"Preliminary Notice of Award" – notice of the CLC's tentative selection of a Successful Proposer. The CLC may rescind a Preliminary Notice of Award at any time and for any reason prior to execution of a contract.

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

“Proposer Confidential Information” – has the meaning set forth in Part IV, Paragraph B.

“Records” – has the meaning set forth in Part VI, Paragraph M.

“Return Event” – has the meaning set forth in Part VI, Paragraph N.

“RFP” – this Request For Proposals, including all its attachments and any subsequently issued addenda.

“RNG” – Random Number Generator.

“2nd Chance Drawing” – a single or series of drawings associated with specified CLC lottery game(s) providing players an additional opportunity to win a prize.

“2nd Chance Drawing Platform” or “Platform” – the combination of software, hardware, applications and programs, licenses, databases, networks, servers, operating systems, storage, communications channels, facilities, equipment, components, infrastructure, hosted environment, and any options selected by the CLC, designed and configured to administer or enable the administration of legally compliant Internet-based 2nd Chance Drawings.

“2nd Chance Drawing Services” or “Drawing Services” – all actions by or on behalf of the Successful Proposer required or helpful to successfully perform a 2nd Chance Drawing, including without limitation, managing registrations and entries received via the Platform, conducting all 2nd Chance Drawings at the Successful Proposer’s offices, or other agreed upon locations, and fulfilling 2nd Chance Drawing prizes when required.

“Solution” – means, collectively, the Multi-use 2nd Chance Drawing Platform and 2nd Chance Drawing Services together with all design, development, and implementation 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 Solution that the CLC seeks to procure.

“Successful Proposer” – the business that the CLC selects and awards a contract to pursuant to this RFP and any individual or entity retained or hired by it to fulfill some or all of the requirements in this RFP.

“UAT” – User Acceptance Testing.

“Unauthorized Person” – has the meaning set forth in Part VI, Paragraph L.2.

“Websites” – has the meaning set forth in Part I, Paragraph B.

Part III. STATEMENT OF NEEDS

The minimum requirements and specifications for the products and services sought under this RFP are set forth below. This Part is not intended to be comprehensive – the CLC will finalize the scope of work and its goals and objectives with the Successful Proposer prior to contract execution. Each Proposer is responsible for addressing all relevant issues, providing all legally and regulatory-compliant deliverables, and doing all things necessary for or incidental to the performance of work that includes, but is not limited to, the products and services identified below.

A. EXPECTATIONS OF PROPOSER

In order to obtain the products and services requested in this RFP, the CLC requires a Proposer with extensive lottery experience that will:

1. Demonstrate marketplace success at building and hosting Multi-use 2nd Chance Drawing Platforms or 2nd Chance Drawing websites in positions of category leadership.
2. Demonstrate innovation and expertise in the design, development and management of 2nd Chance Drawing websites.
3. Demonstrate best-in-class Drawing Services management.
4. Demonstrate the ability to lead integration across all projects to ensure consistency and excellence in the Proposer's work/product.
5. Provide an account representative who shall coordinate and monitor the timely performance of all phases of the Multi-use 2nd Chance Drawing Platform implementation from development to activation.
6. Provide responsible, experienced, and knowledgeable professionals to work with the CLC account to provide Drawing Services and on-going Platform maintenance and support.
7. Promptly respond to incidents involving the integrity and security of the Solution.
8. Maintain same-level operations without disruption in the case of a disaster, emergency, or any other incident.

Timeliness of response and accessibility are critical elements of the services the CLC is seeking. Accessibility and responsiveness of the project team is of the greatest importance, although these elements will also be considered in relation to the Successful Proposer's other employees. The project team must be accessible to the CLC and readily available to attend meetings and other events on short notice and must respond promptly to the CLC if contacted to address questions or concerns, review materials, etc., either by telephone, video conference, or in-person (as circumstances dictate).

B. SOLUTION REQUIREMENTS & SPECIFICATIONS

The Successful Proposer shall provide all services associated with designing, developing, implementing, testing, hosting, administrating, supporting, maintaining, securing and upgrading (when necessary), and training CLC staff to operate and use an integrated, comprehensive, responsive Software as a Service (SaaS) web-based Multi-use 2nd Chance Drawing Platform and 2nd Chance Drawing Services in accordance with the requirements and provisions as set forth herein.

1. **The Platform must have the following capabilities/components:**

a. Registration & Accounts

- i. Register new players and create individual player accounts.
- ii. Limit registration to persons age 18 and older and only permit registration from a computer or device located within the State of Connecticut.
 - a) The Proposer must utilize an electronic age verification solution from a credible third-party provider, and the Proposal must include:
 1. The name of the third-party provider, its corporate website and credentials;
 2. A detailed explanation of the age verification process, including the information the user will need to enter (note: the CLC is seeking solution that can verify age and identify without requiring players to provide sensitive information, such as social security number or credit history) and the methodology for verification (e.g. database cross-checking, etc.). Screenshots/visuals of the process will be helpful; and

3. A detailed explanation of how it will protect both the CLC and the CLC's players from fraud and identity theft.
 - iii. Securely collect and store player registrations.
 - iv. Contain a player registration database.
 - v. Utilize user authentication, authorization, and access controls to prevent unauthorized access to the Platform and to Data.
 - vi. Allow registered players to view their drawing entries – *both expired and pending* – until the official expiration date for the 2nd Chance Drawing has occurred.
- b. Ticket Entry & Collection
- i. Secure encrypted collection, maintenance, and storage of player entries of qualifying tickets (including winning or non-winning tickets for eligible instant games as determined by the CLC and approved by DCP) for 2nd Chance Drawings. The Successful Proposer will be solely responsible and liable for the security of the information contained in the entries submitted via the Platform.
 - ii. Allow for players to both scan (on mobile devices) and/or manually enter qualifying tickets for drawing entries.
 - iii. Accommodate varied definitions of qualifying tickets and alternate entry paths for individual 2nd Chance Drawings as determined by the CLC.
 - a) For example, the CLC may launch a 2nd Chance Drawing Program that offers players the ability to enter with no purchase required (i.e., free entry), or the CLC may launch a 2nd Chance Drawing associated with a family of instant games with different price points where the number of entries corresponds to the price of the ticket (e.g., \$1 ticket = 1 entry, \$5 ticket = 5 entries; *all identifying information would be in the string of numbers entered*), in addition to the traditional 2nd Chance Drawing wherein one qualifying ticket, regardless of price, entitles the player to one entry.
 - iv. Ability to include or exclude winning tickets from the entry process.
 - v. Ability to include multiple eligible instant games per 2nd Chance Drawing.
 - vi. List all registered and active player drawing entries.
- c. Display of Information
- i. Display drawing schedules and prizing information.
 - ii. Display drawing results.
 - iii. Display official rules and procedures.
 - iv. Display CLC advertising and promotional content.
 - v. Display responsible play messaging.
- d. Functionality
- i. Provide website availability on all devices (e.g., mobile, desktop, tablet).
 - ii. Provide a UAT test environment for the CLC to approve all design elements, content, graphics and site functionality prior to the Go-Live Date set forth in this RFP, and for each 2nd Chance Drawing created thereafter.
 - iii. Be efficient, reliable, flexible, and scalable to grow with the business needs and rules of the CLC.
 - iv. Seamlessly link and/or integrate with the CLC's website/portal and mobile applications. If requested by CLC, the Proposer should assist with integration with third-party applications, at no cost to CLC.
 - v. Allow for cosmetic web design alterations and the posting of specific content, executed by the Proposer for each 2nd Chance Drawing as directed by the CLC.
 - vi. Comply with all Applicable Laws, including ADA requirements.
- e. Communication & Customer Support
- i. Allow players to register for emails and text messages from the CLC.
 - ii. Ability to send push notifications, email, and text messages to players regarding new games, promotions, events and other news the CLC wishes to communicate.

- iii. Include a mechanism for players to opt-in and opt-out of the communications, and the ability to select some or all alerts and communication based on various criteria, such as new game launches, promotions, etc.
- iv. Provide technical support and monitoring of the Platform, including a database of frequently asked questions (FAQ) to be available to the players only, an email support messaging system for players to report problems, and both email and telephone customer service support for the Platform.

2. **Drawing Services must include:**

- a. Performance of all related services in strict compliance with the Official 2nd Chance Drawing Procedures and CT DCP requirements.
- b. Conducting secure official drawings on behalf of the CLC, using RNG systems certified by a third-party vendor (and approved by the CLC), with oversight by the CT DCP.
- c. Video recording and live streaming of all drawings. A copy of the video recording will be supplied to the CLC via a secure FTP server.
- d. Provision of an independent auditor to be physically present to certify drawing winner(s) and that the drawing was conducted in accordance with the Official 2nd Chance Drawing Procedures.
- e. Encrypted delivery of all preliminary and final drawing reports.
- f. When required, prize winner notification, prize fulfillment, and lottery tax payment and reporting services, including:
 - i. Payment of required federal and state tax withholdings on behalf of prize winners.
 - ii. Timely issuance of required tax forms (i.e., IRS Form W-2G) directly to winner(s) and provision of copies to the CLC.
 - iii. Deposit all appropriate federal and state tax withholdings in accordance with Applicable Laws.

C. SECURITY REQUIREMENTS

The Proposer shall provide with its Proposal a written security program for the entire Solution, including the Platform, Drawing Services, and information collected and processed through 2nd Chance Drawings. The Successful Proposer's written security program will be subject to the approval of both the CLC and the CT DCP. The proposed security program shall include, but not be limited to, the following elements:

1. Approach to Security:

The Proposer must continually demonstrate understanding of the overriding importance of security in all phases of design, materials procurement, production, information storage and transmission and creation of drawing files. Such understanding is to be made manifest in the procedures, methods, controls and accounting systems. The Proposer must maintain clear and specific precautions, safeguards, inspections, reporting and other measures which attend to all aspects of the Solution. Failure to meet or to maintain CLC-approved security standards may result in termination of the contract. The Successful Proposer is required to give full cooperation and disclosure, pursuant to authorized requests for information, relative to investigation of actual or perceived breaches in security or integrity of the Solution. Failure to submit requested information in a timely manner as determined by the CLC, in its sole discretion, may result in termination of the contract.

2. Physical Security:

The Proposer's written security program must address the physical security measures the Proposer will implement to prevent unauthorized entry to the building and data center where the CLC's secure server(s) will be located, as well as meet any applicable federal, state and local fire and safety regulations. At a minimum, the Successful Proposer's physical security program must:

- a. Prevent unauthorized persons from accessing information and data center facilities.

- b. Upon demand, make available a record of all entries and exits from the data center facility.
- c. Include access control, surveillance systems (i.e., closed circuit TV (CCTV)), and intrusion detection systems that will sound an alarm at a manned location on and off premises at each site.
- d. Operate a CCTV system to monitor and record all activities at entrances/exits, computer rooms, and other high security/sensitive areas related to the Solution.
- e. All costs incurred as a result of implementing security measures shall be the Proposer's responsibility. The CLC reserves the right to require additional security measures, as it deems necessary.

3. Information Security:

The Proposer's written security program must address the technical, organizational, and administrative, and security controls and countermeasures the Successful Proposer will implement to protect the confidentiality, integrity, and availability of (i) the Platform and (ii) Data, including CLC Sensitive Information, processed by the Platform over which the Successful Proposer has direct or indirect access, possession, or control from and against internal and external threats or hazards. Proposers should address any written policies, controls, and training they have associated with (a) accessing, processing, transmitting, and storing information whether on their computer network or on the Platform, (b) preventing any compromise to the security of its information systems, computer networks or data files which could in turn affect the Platform or Drawing Services, Data stored on the Platform or possessed by the Successful Proposer, or CLC's connected information systems or networks, and (c) responding to security incidents involving Data.

Unless otherwise permitted by the CLC, the Successful Proposer's data centers must be physically located in the United States. Storage of Data at rest and all backups shall be located solely in data centers in the United States.

4. Drawing Security:

The Successful Proposer shall maintain a security plan which it uses to secure the server location and incorporates a least access privilege approach to securing the system. In Proposer's description of its drawing security, Proposer must describe its method for creating the digital master drawing file using unique random numbers associated with each valid entry. This may include a request to review a sample file. The Proposer must fully describe methods to be used to detect valid, duplicate and non-valid or stolen ticket entry problems. This will include, but not be limited to, protective measures against unauthorized access to the system. Also to be included is a description of measures that have been taken to detect any and all attempted intrusions into the system. The Proposer shall identify any potential security problems and specify its method of handling these problems.

The Proposer shall disclose to the CLC's Director of Security any documented or known security breaches that have occurred with the Proposer within the past five (5) years.

5. Disaster Recovery, Continuing Operations Plan, Backup Facilities & Sources:

The Successful Proposer shall maintain an up-to-date, written disaster recovery plan, which shall be periodically tested to ensure minimal interruption to services provided to the CLC in case of emergency or disaster at the Proposer's facility. This plan shall be reviewed and approved by the CLC. The Proposer shall submit their current Disaster recovery plan for CLC review, including a summary of how the Proposer will maintain contract obligations in the event of an emergency.

During the contract term and extensions, the Successful Proposer shall have a plan to provide backup facilities, sources and staffing to ensure that it can always meet its contractual obligations. If there is a delay or disruption of services to the CLC, it shall be the responsibility of the Successful Proposer to contact the appropriate CLC staff. All costs associated with delay or disruption losses are the responsibility of the Successful Proposer.

The CLC retains the right to inspect and approve the backup facility. The inspection will include, but not be limited to, a comprehensive review of the facility's physical security systems and security policies and procedures and all information systems used in performing the requirements of this contract.

6. Breach of Security:

Any breach of the Successful Proposer's security during the term of the contract, and especially any theft or disappearance of Data or unauthorized access to the Successful Proposer's facilities or servers, software files, etc., shall be immediately reported to the CLC's Director of Security, with written details to follow within twenty-four (24) hours. The CLC will supply appropriate instructions for expediting communication in such occurrences.

7. Security Inspections:

As determined by the CLC's Director of Security and the CT DCP, the Successful Proposer will fully comply with and be subject to annual unannounced security inspections to determine the effectiveness of its overall security plan. The CLC will bear the cost of travel, lodging and meals for such inspections.

D. OFFERED OPTIONS

This RFP is designed to give the CLC the greatest flexibility in procuring products and services that it deems to be in its best interests and provide it with the ability to respond to changing conditions as they arise. Proposers may offer options not identified or requested in this RFP. If a Proposer would like to propose ways to enhance or support the Platform or meet the CLC's Solution goals and objectives, then Proposers are encouraged to identify these opportunities as "Offered Options." Proposers must provide separate pricing for Offered Options even though pricing may be at "no charge." The CLC may choose not to purchase any Option, and makes no commitment regarding the timing for acquisition of any Option. Please note that due to current legal and regulatory restrictions, the CLC is not able to offer interactive games or point accumulation at this time.

Furthermore, Proposers participating in this RFP agree that products and services, that are not identified in this RFP or in any resulting contract with a Successful Proposer, may be purchased by the CLC from the Successful Proposer without the need to issue a new procurement solicitation, provided that they have a similar use as the products and services specified or are of a nature similar to those purchased by other lotteries with similar procurement goals and objectives as the CLC. The CLC will be responsible for all costs associated with such products and services provided it pursuant to this paragraph.

PART IV. SUBMISSION REQUIREMENTS & PROPOSAL CONTENTS

A. SUBMISSION REQUIREMENTS

1. Delivery of Submissions:

Proposers must submit one (1) original and ten (10) printed copies of their full Proposals. Proposers must also submit an electronic "searchable" PDF/Word (on CD/DVD/USB Stick) version of their full Proposals (See Part IV, 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.

Original Proposals must be signed in ink by an authorized representative of Proposer; copies of the Proposal can have photocopied signatures. The CLC may reject an unsigned Proposal. The person signing the Proposal must initial errors, alterations, or corrections on the original. Each paper copy of the Proposal must contain a copy of the signatures and initials, if any. If there is a conflict among the Proposals delivered to the CLC, the original shall prevail.

2. Package Labeling:

Proposals must be delivered completely sealed 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/Proposal Effectiveness:

A Proposer may withdraw a Proposal in-person or in writing provided that the CLC's Purchasing Officer receives the withdrawal request prior to the Submission Date. Proposals are considered valid, and may not be withdrawn, cancelled, or modified, for one hundred eighty (180) Calendar Days after the Submission Date or the CLC's receipt of any best and final offers requested, or until the commencement date of any resulting contract, whichever is later.

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 data that they consider 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," (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 CD/DVD/USB Stick containing a copy of its complete Proposal (including pricing) with Proposer Confidential Information redacted and clearly labeled as the "Public Copy."

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 it has a good faith belief that such portions are exempt from 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, defend the CLC (including its directors, officers, and employees whether named in their individual or official capacities) from and against any and all demands, claims, lawsuits (through any appeals), proceedings, investigations, and enforcement actions (collectively, Claims) and all damages, awards, losses, liabilities, judgments, fines, penalties, costs, and expenses of whatever kind associated with such Claims, including, without limitation, attorney and professional fees and court costs, as well as costs of enforcing Proposer's indemnification obligations (collectively, 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 or (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, but concise. All pages of the Proposal must be numbered at the bottom right-hand corner of the page. Each original Proposal and each copy must be separately bound in a 3-ring binder and presented in the following numerically tabbed order:

Tab 1: Introduction Letter & Approach

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. Explanation of 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. Identification of the primary point of contact for the RFP, including name, title and contact information.
6. Certification that the Proposer 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: Three (3) Lottery 2nd Chance Website Case Histories

Proposers must submit three (3) case histories of recent and relevant lottery work on a menu-formatted and narrated DVD or link, or a written version of the case histories. The case histories must also be supplied on CD/USB Stick format for the CLC's reference. If the Proposer has good examples of work that builds a brand

and drives product sales at the same time, the CLC would like to see them. Please include a succinct description or overview, including objectives, strategy, consumer/creative insight, performance metrics, results, and site availability, for each project and a notation of the timeframe in which the work ran. This succinct description must be included on both the DVD and in written format, not to exceed three (3) pages in length for each case history. Case histories must be from the Proposer submitting the Proposal.

In addition, please include three (3) examples of 2nd Chance Drawing websites that you have created for other lotteries for the CLC's review and testing purposes (e.g., create and manage accounts, forgot password or two factor authentication, enter tickets and view ticket history, etc.).

Tab 3: Proposer Mock-ups of Platform

Proposers must submit mock-ups of how the proposed Platform will look and function. Please include hard copies and digital copies of wire frames, page layouts, design, etc.

Tab 4: 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 address, description of the products and services provided, and the date the products and services were provided. 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 5: Proposer's Response to RFP Statement of Needs

This Tab should establish the Proposer's understanding of the CLC's requirements and specifications in Part III of this RFP, demonstrate the Proposer's ability to meet those requirements and specifications, and explain clearly and concisely the Proposer's plan for accomplishing the specified work, including the specific methodology, techniques, management oversight, and staffing Proposer will use.

1. The Proposer shall describe its overall approach to implementing and operating a successful Multi-use 2nd Chance Drawing Platform, including its projected timeline for implementation of the Platform. The final Implementation Plan of the Successful Proposer will be subject to CLC approval.

a. The implementation timeline should set out the objectives and priorities, milestone dates, roles and responsibilities of individual(s) and organization(s), tasks and activities and other matters agreed upon by the CLC and the Successful Proposer with respect to the implementation, hosting, and maintenance and support of the Platform and performance of Drawing Services based on an anticipated contract start date of June 21, 2021 and Go-Live Date of September 1, 2021.

b. Proposers must detail the steps involved in installing and implementing the components of the Solution ensuring the successful Go-Live Date that the CLC has established. Should Proposer's have reason to believe that the CLC's anticipated Go-Live Date will not be realized as expected, the CLC requires an explanation for that alternate date.

2. The Proposer shall describe how it will provide analytics including insights, results, performance metrics and site availability for the Platform.

3. The Proposer shall describe its plan and timetable for troubleshooting and resolving issues that may occur with the Platform.

4. The Proposer shall describe its approach to customer service, including first point of contact, maximum response time, use of automatic email responses, and procedures identifying response methods based on a customer's contact methods or preferences. Be sure to include when Proposer's customer service efforts end and your expectation of when CLC's begin.

5. The Proposer shall outline its methodology for drawing facilitation, security and management, ticket entry, prize fulfillment, lottery tax payment services, customer metrics and usage log.

6. The Proposer shall describe how its Platform will securely collect and store demographic data from the players and include the ability to provide reports related to that demographic data and player activity within the site.

7. The Proposer shall describe its approach to train CLC personnel on the operation and use of the Platform, including any future training when changes are made to the Platform. Include a description of training materials and procedure manuals that will be provided.

8. The Proposer shall describe the ongoing technical maintenance and upgrades that will be provided at no cost to the CLC to ensure that the Platform is the most current.

9. The Proposer shall identify the responsibilities of the Proposer's project team, of the CLC's project team, and of any of CLC's other providers (e.g., gaming system vendor).

Tab 6: Exceptions, Variances, & Deviations

Proposers are responsible for carefully reviewing each requirement and specification identified in Part III of this RFP. If a Proposer has any exceptions to or variances from the requirements and specifications, 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 7: Proposer's Business Structure & 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 10% or more equity in the Proposer.

1. Full business name and the street and mailing address of its principal place of business and any other location(s) from which the work under this RFP will be performed. Each Proposer must state whether it is registered or qualified with the Connecticut Secretary of 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. Background, qualifications, and capabilities:

a. Identify Proposer's founding and history; ownership structure; the names of principals/Owners; number of employees; and number of years in business providing the products and services requested in this RFP. Provide Proposer's organization chart.

b. Identify companies for which the Proposer is currently providing or has provided similar services of size and scope requested in this RFP within the last five (5) years.

3. Legal structure and key participants, including:

a. If a corporation: the names of all corporate officers, directors, and Owners.

b. If a partnership, LLP, LLC, or joint venture: the names of all general partners, limited partners or members, and Owners.

c. Any parent company or subsidiaries of Proposer.

4. Account Staffing. The Proposer shall provide a description of Key Persons assigned to the CLC account including name, title, location, experience, and responsibilities of each for the implementation and ongoing administration of the Multi-use 2nd Chance Drawing Platform and Drawing Services 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 performing work under the contract (vacancies due to termination or resignation, personal circumstances, and incapacity of workers excepted). The Successful Proposer is also required to notify the CLC of any material change in the background status of any Key Person, 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 termination or resignation, or material change. The CLC has the right at any time to direct the immediate removal and replacement of any Key Person 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 issues, including CT DCP licensing issues.

5. Any known related party relationships (professional or personal) between the Proposer (or its Owners, officers, directors, primary members) and a CLC director, officer, or employee.

6. 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.

7. The details of all pleas, indictments, convictions, investigations, findings, or judgments 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.

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, 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 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 clients that are in the gaming industry. 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 8: 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 default or for cause. If so, 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, please 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 contracts. If so, for each instance when penalties or liquidated damages were assessed, explain the reason(s) and the amount of such penalty/liquidated damages. Summary data is permitted per year, however, the CLC reserves the right to request the per instance data, and the Proposer agrees to promptly provide it to the CLC in a form and format that permits CLC's assessment; and
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 9: 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. If audited statements are unavailable, then provide unaudited financial statements and complete federal tax returns for the last three (3) tax filing 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.

This information should only be submitted with the original Proposal and not with all copies. Proposers must mark and submit their financial statements in a separately sealed package from their Proposals. The CLC will accept a Proposer's financial statements in hard copy or on a CD/DVD/USB Stick.

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 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, 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 disclosure in the annual report of a publicly traded United States corporation or that would require disclosure 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 10: Price Proposal

Proposers must provide a complete, signed Price Proposal (Attachment A). This template provides a consistent format that all Proposers must use to submit pricing. The CLC will not accept pricing submitted on Proposer quotation forms. Further, Proposer should not include its standard terms and conditions, unless expressly requested by the CLC.

Proposers must also provide pricing for any products and services beyond the anticipated work under the RFP. Price Proposals must cover **all** direct, ancillary, and other costs and expenses associated with providing the products and services to the CLC. Unless priced separately, the CLC will consider all costs and expenses to be included in a Proposer's Price Proposal. The CLC will not be responsible for any travel expenses incurred by the Successful Proposer during the solicitation period or any travel expenses incurred under the contract, if awarded.

Tab 11: Affidavits & 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_\(SEEC_Form_10\).pdf](https://ctlottery.org/Content/pdfs/Bids/Forms/Notice_to_Executive_Branch_State_Contractors_and_Prospective_State_Contractors_of_Campaign_Contribution_and_Solicitation_Limitations_(SEEC_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.**

PART V. 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. Price is an important factor, but it may not be the only basis for award. The CLC may consider any objective and subjective factors it deems relevant such as, but not limited to: a Proposer's experience, reputation, capabilities, and available resources; its management, operational, and financial responsibility and stability; the experience and qualifications of staff it assigns to the CLC's account; the range of products and/or services it proposes to provide; its location; customer reviews; its diverse supplier status and/or use of diverse suppliers; its understanding of the CLC's business or quasi-public/government entities; its familiarity with the framework governing the CLC as set forth in the Connecticut General Statutes and the Regulations of Connecticut State Agencies; its demonstrated flexibility, efficiency, responsiveness, and timeliness in providing products and services; and its previous work experience with the CLC or similar organizations.

Prior to making its selection, the CLC may request additional information or oral presentations from some or all Proposers. The CLC may also conduct discussions with Finalists 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. Some or all Finalists may be asked to submit best and final terms.

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 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. ORAL PRESENTATION

The CLC may invite some or all Finalists to make oral presentations if the CLC in its sole discretion deems such presentations necessary before making its final award recommendation. Finalists will be asked to submit an outline of the content that would be covered in their presentation should the CLC invite them to present.

Presentations must be made by the personnel who will be assigned to the CLC's account. If the CLC elects to have presentations, then they will take place in-person at CLC headquarters in Rocky Hill, CT or by other available means (e.g., video conference), at the CLC's discretion within the timetable of this RFP. Further presentation instructions will be distributed to invited Proposers at the time of invitation; however, Proposers should expect a short time frame to prepare their presentations. A Proposer's failure to attend a requested oral presentation may disqualify it from further evaluation.

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 all conditions of the Preliminary Notice have been met.

Award Publicity Prohibition: The Successful Proposer(s) shall 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(s) 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 any background check, CT DCP licensing, and other requirements the CLC may impose as a condition of the contract.

The Successful Proposer and its Key Persons must be separately licensed by the CT DCP. 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.

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 Proposal, 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, the CLC will cease negotiations and has the option of engaging another party for the products and/or services being procured under this RFP, whether or not that party was a Proposer.

PART VI. SPECIAL PROVISIONS

The CLC contemplates that, in addition to the terms in this RFP, the contract between the CLC and the Successful Proposer will include, without limitation, the following draft special provisions. The final contract offer of the CLC 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 and their respective employees must:

- Provide consistent, high quality product and service solutions;
- Act with uncompromising integrity and honesty and with due 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 its 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 actual or potential issues, problems, defects, changes, performance degradations, incidents, breaches, and other matters concerning the contract or any work immediately to the CLC upon detection, and provide the CLC full and prompt access to any and all documentation and reports related thereto upon its request.

B. CT DCP LICENSING REQUIREMENTS; BACKGROUND CHECKS

Due to the sensitive nature of the contract, the Successful Proposer and Key Persons must be separately licensed by the CT DCP in accordance with Section 12-815a of the Connecticut General Statutes. The Successful Proposer will pay all application fees and costs associated with obtaining and maintaining such licenses without pass-through to the CLC. The CLC or the CT 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.

Estimated CT DCP licensing fees are as follows:

- Vendor License: \$250.00 per corporation
- Occupational Licenses: \$100.00 per Class I employee; \$20 per Class II director, officer, or Owner

The CLC, the CT 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 CT DCP licensing requirements.

C. 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 Successful Proposer will provide each such person with the prohibition notice that will be attached to the contract. Each such person will remain ineligible to play or win for the duration of the contract, regardless of his/her receipt of such notice.

D. 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, created, processed by, or that can be derived from the Platform (e.g., analytics, reports). Sensitive information need not be novel, unique, copyrightable, or constitute a trade secret to constitute CLC Confidential 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 express written consent in each instance (collectively, the Permitted Uses). The Successful Proposer will limit access to CLC Sensitive Information to its Key Persons who 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 exercise a level of care to prevent the disclosure and misuse of Data equal to or exceeding the level of care that it exercises to keep and protect its own non-public, sensitive, confidential, and proprietary information, but not less than reasonable care and diligence.

To the extent MUSL requirements, accepted lottery industry practices, and Applicable Law imposes any greater restrictions or prohibitions with respect to the disclosure and use of any Data, the Successful Proposer will comply with such greater restrictions or prohibitions. The CLC may require the Successful Proposer obtain signed confidentiality agreements from its Key Persons incorporating confidentiality requirements no less restrictive than those set forth in this paragraph.

If the Successful Proposer receives a request for disclosure of any Data (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.

E. DATA PRIVACY & INFORMATION SECURITY

Without limiting the Successful Proposer's confidentiality obligations, if the CLC shares Data with the Successful Proposer or if the Successful Proposer develops, generates, collects, uses, stores, or otherwise processes Data, then the Successful Proposer, at no cost or expense to the CLC, will: (i) implement and maintain appropriate administrative, technical, physical, electronic, and procedural measures to protect Data against a Breach of Security and (ii) notify the CLC in the event of a Breach of Security and take appropriate corrective action.

F. TERMINATION

1. Termination for Cause. The CLC may terminate the contract or any portion(s) of the contract 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 CT 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 CT 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. A termination under this Paragraph F.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 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 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 Solution setup and installation work performed and any third-party software license fees actually incurred and irrevocably committed to, 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 amount for work actually and satisfactorily performed prior to the termination effective date for which it has not yet been paid (other than disputed fees, if applicable).

All agreed upon expenses will be properly supported by documentation that clearly proves the amount and incurrence of the expense. 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.

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

H. 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 successor vendor to provide a replacement Solution. The CLC may utilize part of the last year of the contract or of any extension thereof for conversion to a replacement solution. 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 Solution-related Data stored in the Successful Proposer's Solution and providing all necessary or helpful assistance.

Without limitation, the Successful Proposer will (i) meet from time to time with the CLC's designated successor 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 replacement solution, and (iii) avoid unnecessary delays with or interference in end of contract conversion work.

I. GENERAL 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 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 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 Solution (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 does or threatens to infringe, misappropriate, or otherwise violate any Intellectual Property Rights of any third-party (Infringement Claim), the Successful Proposer'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 Solution or third-party Intellectual Property.

- b. If the CLC's permitted access to or use of the Solution (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, in addition to any rights or remedies the CLC may have, the CLC will have the right to terminate the contract with respect to the entire Solution or an infringing or allegedly infringing aspect of it, at CLC's election, and the Successful Proposer will refund to CLC: a.) the full Platform license fees paid by CLC over the contract, plus the unused portion of annual maintenance and support fees paid by CLC for the then-current maintenance period as determined from the effective date of termination of the contract or in each case with respect to the infringing or allegedly infringing aspect of it; and
- c. The full services fees paid by CLC over the contract, including for the creation and implementation of the Solution or the infringing or allegedly infringing portion it. 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 noninvolvement in the defense of any Action; any minimum amount of insurance the Successful Proposer 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 an Action brought against any Indemnified Party by an employee of the Successful Proposer, by any limitation on the amount, type, or availability of damages, compensation, or benefits paid to the employee under applicable workers' 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 Action 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.

J. 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).

1. Property insurance insuring all buildings, fixtures, and equipment provided or used in providing the Solution 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.
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, agents, and representatives. 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 a minimum combined single limit of not less than \$1,000,000 per incident for bodily injury (including death), personal injury, 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 requirements of the State of Connecticut and Employer's Liability insurance with minimum limits of \$500,000 per accident, \$500,000 per employee, and \$500,000 per disease per policy year. If the Successful Proposer has no statutory obligation to maintain workers' compensation insurance, then it must provide the CLC a letter affirming that it is exempt and agreeing to indemnify, hold harmless, and, if requested, defend the CLC and the State of Connecticut from any loss or liability. If during the course of the contract the Successful Proposer becomes subject to the statutory requirements for workers' compensation, then it must comply with such requirements and provide the CLC a certificate of insurance evidencing such coverage.
5. Professional/Technical Errors and Omissions Liability insurance in the minimum amount of \$5,000,000 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.
6. Fidelity Bond/Crime insurance with a minimum single loss limit of \$500,000 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, or agents, 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, or agents 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.
7. Cyber/Privacy Liability insurance in the minimum amount of \$15,000,000 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, 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.

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 fidelity bond/crime 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. Fidelity bond/crime 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 may acquire against the additional insured parties by virtue of the payment of any loss under such insurance. The Successful Proposer will obtain from its insurers any policy endorsement that may be necessary to affect this waiver of subrogation; the Successful Proposer 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 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, the Successful Proposer must provide new, updated Certificate(s) of Insurance 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.

K. 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 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 to 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.

L. SERVICE LEVELS & LIQUIDATED DAMAGES

1. General:

a. By submitting a Proposal, Proposers agree to the liquidated damages provisions specified in Paragraph L.2 (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 Paragraph L.2 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 Paragraph L.2.

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 any of its subcontractors, 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 VI, Paragraph L 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 Paragraph L.2 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 options and services are offered by the Successful Proposer to support the Solution, 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 Paragraph L.2, 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 Solution 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 Solution (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 Paragraph L.2 are reasonable, are not disproportionate to the loss likely to occur, and are not penalties. In the Liquidated Damages provisions in Paragraph L.2, there shall be no pro-ration of Liquidated Damages for partial periods (e.g., partial days or partial hours). Additionally, "day" or "Calendar Day," whenever used in Paragraph L.2, will mean a twenty-four (24) hour period, commencing at 12:00 a.m. Eastern Time and ending at 11:59 p.m. Eastern Time. However, the CLC agrees that the Successful Proposer shall be allowed a grace period (following the initial hourly or Calendar 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 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.

b. 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 VI, Paragraph F.1 of this RFP.

c. 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.

1. 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 Liquidated Damages were imposed, and all corrections have been subjected to testing or other verification at the discretion of the CLC.

2. As appropriate, the Successful Proposer shall conduct 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 CT DCP.

d. 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 Paragraph L.2 (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 Paragraph L.2 are determined to be unenforceable, then the balance of Paragraph L.2 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.

e. 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.

f. 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.

g. 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.

2. Liquidated Damages:

Installation, Implementation & Start-up:

The Successful Proposer shall complete, except as otherwise approved by the CLC, all agreed upon installation, implementation, and start-up tasks and deliverables in a proper and timely manner pursuant to the Solution Implementation Plan (which sets out the objectives and priorities, timeline and milestone dates, roles and responsibilities of individual(s) and organization(s), tasks and activities and other matters agreed upon by the CLC and the Successful Proposer with respect to the implementation, hosting, and maintenance and support of the Platform and performance of Drawing Services), unless that date is amended by mutual agreement. The CLC, in its discretion, may impose Liquidated Damages for each calendar day of startup delay beginning with the contracted production start date at the rate of one thousand dollars (\$1,000) per day of delay, to a maximum of fifty thousand dollars (\$50,000). In the event that the startup delay exceeds fifty (50) calendar days, CLC may elect, in its discretion, to terminate the contract, immediately upon notice, and receive, within thirty (30) days following the date of such notice of termination, a refund of all amounts paid under the contract.

Timely Deliverables:

Each and every deliverable required by the CLC or necessary for the proper functioning and operation of the Platform must be delivered in accordance with the Implementation Plan, unless otherwise mutually agreed. Deliverables, include, but are not limited to, reports, files, and other documents required by the CLC on a recurring

basis. The CLC may impose Liquidated Damages of up to one thousand dollars (\$1,000) per day per deliverable for any delays.

System Availability:

During each calendar month, the Platform shall be available at least 99.9% of the time (Availability Requirement). The percentage of Availability Requirement is calculated by dividing the total amount of minutes that the Platform is available during the month by the total amount of minutes in such month less scheduled downtime and by multiplying the factor by one-hundred.

The Platform shall be deemed “available” so long as the majority of players can access and use the Platform for the purpose of logging in, registering, submitting tickets, or redeeming points. In the event that the 2nd Chance Drawing Platform is unavailable for a consecutive period of one (1) hour or more, the CLC shall be entitled to Liquidated Damages of one thousand dollars (\$1,000) per hour of unscheduled down time, or fraction thereof, in excess of one (1) hour.

In the event that the Successful Proposer fails to satisfy the availability requirement more than two (2) times during twelve (12) calendar months, the CLC may terminate the contract for cause.

Scheduled Downtime:

Any and all scheduled downtime for maintenance, (e.g., to install software updates, patch equipment, etc.) must be submitted to the CLC in writing for approval at least twenty-four (24) hours prior to the scheduled service outage.

In the event that the Successful Proposer fails to satisfy the notice requirement more than two (2) times during twelve (12) calendar months, the CLC may terminate the contract for cause.

Unauthorized Content Modifications:

The Successful Proposer shall not modify any player-facing content or user interface without the prior written consent of the CLC, nor shall the Successful Proposer modify, nor to the best of its ability allow any third-party to make any modification to any software or hardware without providing prior written notice to the CLC. “Modification” does not include replacement of a Platform component with an essentially similar working component or functionality to remedy a Platform failure. The CLC shall be entitled to Liquidated Damages of up to five thousand dollars (\$5,000) per violation in addition to any other damages that may occur as a result of such unauthorized Modification.

Unauthorized Access or Compromise:

The Successful Proposer shall preclude personnel, not authorized by the CLC and/or the CT DCP, (Unauthorized Person) from accessing, modifying, or otherwise interfering with the Platform, and any Data or software. Each person and every act that permits access, modification, or interference by an Unauthorized Person is a Breach of Security. The CLC shall be entitled to Liquidated Damages of up to ten thousand dollars (\$10,000) per person, for each incident. If, in a 365-day period, the Successful Proposer violates this provision two (2) or more times, the CLC may terminate the contract for cause.

Failure to Report Incidents:

It shall be the responsibility of the Successful Proposer to promptly report all material incidents related to, or affecting, the Platform. Incidents shall be reported by telephone within one (1) hour of the discovery of the incident, followed by a written communication to the CLC President within twenty-four (24) hours of the incident. At a minimum, each of the following types of events shall require a written report:

- Any time the Platform is not available for more than five (5) minutes during a Calendar Day;
- Incidents where data security and/or integrity is at risk;
- Widespread access interruption;
- Unauthorized access to or compromise of the Platform; or
- Breach of Security incidents.

The CLC may impose Liquidated Damages up to five thousand dollars (\$5,000) per Calendar Day from the time the incident was discovered or should have been discovered, until the incident is properly reported.

Failure to Comply with Proper Drawing Procedures:

If, without prior authorization, the Successful Proposer deviates from specific instructions, usual, customary, or established drawing procedures for drawings and that deviation, in the CLC's sole discretion, compromises the integrity of the drawing, the CLC may assess Liquidated Damages up to twenty thousand dollars (\$20,000) per occurrence. If, in a 365-day period, the Successful Proposer violates this provision two (2) or more times, the CLC may terminate the contract for cause.

M. MAINTENANCE OF CERTAIN RECORDS; AUDIT RIGHTS

The Successful Proposer 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 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 CT 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 or the Successful Proposer's last act under the contract, whichever is later. The Successful Proposer will furnish the CLC and its independent and state auditors requested copies of any Records, at no cost.

The CLC, with advance notice, may 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 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 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.

N. RETURN OF DATA AND CLC INTELLECTUAL PROPERTY

It is critical that the CLC has access to 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), Data 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 Part VI, Paragraphs F and G of this RFP for so long as the Successful Proposer maintains possession or control of it.

O. 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, Solution 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.

Attachment A - Price Proposal

RFP Number: CLC202101
 RFP Description: Multi-use 2nd Chance Drawing Platform and 2nd Chance Drawing Services

PROPOSER’S FULL NAME: _____

In submitting this Price Proposal, the Proposer acknowledges and agrees unless explicitly noted as “not included” that: (a) the price supplied is all-inclusive – including, but not limited to, the costs of all labor, materials, and equipment, delivery/off loading and services, overhead, insurance, bonds or letters of credit, profits, permits and licenses, inspections, travel and related expenses, costs to remedy any deficient performance; and any and all other costs and expenses; and (b) the Connecticut Lottery Corporation will make no, and have no liability to make, additional payment of any kind for the products/services performed under the price(s) as proposed. Unless priced separately, the CLC will consider all costs and expenses for services and products to be included in a Proposer’s Price Proposal.

The CLC is exempt from paying all Connecticut state taxes, including sales and use taxes, as well as certain federal taxes. Vendor shall not charge the CLC any such taxes on products/services.

Development of Multi-use 2nd Chance Drawing Platform

All-inclusive Fixed, One Time Fee to provide Multi-use 2nd Chance Drawing Platform per the exact specifications, or better, as outlined in this RFP.

Deliverables	Price USD
Multi-use 2nd Chance Drawing Platform, including development, implementation, testing & training	\$
Application Software	\$

Multi-use 2nd Chance Drawing Platform

(Includes Hosting, Software Licenses & Support and Maintenance)

The following represents the total fixed price for the Platform services provided on an annual basis following Go-Live.

NOTE: Fixed Pricing for the Initial Contract Term is required. Fixed Pricing for the Extension years are preferred, but optional.

Contract Term	Price per Month	Price per Year
Initial Contract Term After Go-Live (9/1/2021-8/31/2026)	\$	\$
Extension 1 (9/1/2026-8/31/2027)	\$	\$
Extension 2 (9/1/2027-8/31/2028)	\$	\$
Extension 3 (9/1/2028-8/31/2029)	\$	\$

2nd Chance Drawing Services

NOTE: Fixed Pricing for the Initial Contract Term is required. Fixed Pricing for the Extension years are preferred, but optional.

Contract Term	Annual Price for Three (3) Drawings/Year	Annual Price for Four (4) Drawings/Year	Annual Price for Five (5) - Ten (10) Drawings/Year	Price per Drawing (Additional, as requested by CLC)
Initial Contract Term After Go-Live (9/1/2021-8/31/2026)	\$	\$	\$	\$
Extension 1 (9/1/2026-8/31/2027)	\$	\$	\$	\$
Extension 2 (9/1/2027-8/31/2028)	\$	\$	\$	\$
Extension 3 (9/1/2028-8/31/2029)	\$	\$	\$	\$

By: _____
(Print name)

Title: _____

(Signature)*

Date: _____

***NOTE:** In order to be considered valid, this Price Proposal must be signed by a principal officer or owner of the business entity that is submitting the Proposal.

Offered Options

(Optional)

Proposers may offer options not identified or requested in this RFP. If a Proposer would like to propose ways to enhance or support CLC’s Multi-use 2nd Chance Drawing Platform or meet the CLC’s program goals and objectives, then Proposers are encouraged to identify these opportunities as “Offered Options.” Proposers must provide separate pricing for Offered Options even though pricing may be at “no charge.” The CLC may choose not to purchase any Option, and makes no commitment regarding the timing for acquisition of any Option.

NOTE: Due to current legal and regulatory restrictions, the CLC is not able to offer interactive games or point accumulation at this time.

Description of Offered Option*:

Pricing of Offered Option:

Contract Term	One Time Fee	Price per Month	Price per Year
Initial Contract Term After Go-Live (9/1/2021-8/31/2026)	\$		
Extension 1 (9/1/2026-8/31/2027)	\$		
Extension 2 (9/1/2027-8/31/2028)	\$		
Extension 3 (9/1/2028-8/31/2029)	\$		

**Proposers must use this pricing template for each Offered Option described in Proposal.*

Hourly Rate

For services above and beyond the scope of this RFP, Proposer is offering the following hourly rate for the functions below.

Function	Hourly Rate
	\$
	\$
	\$
	\$