

2. **Term.** This Agreement shall remain in effect during the term of the Contract and any extension thereof. Termination hereof is automatic upon delivery of the Escrowed Items and Replacement Escrowed Items to the CLC in accordance with the provisions hereof.

3. **Return of Escrowed Items and Replacement Escrowed Items.** Upon termination of this Agreement for any reason, other than as set forth in Section 2 above, or other than in the event that Scientific Games is in default of its obligations under the Contract or under this Agreement, the Division shall return the Escrowed Items or Replacement Escrowed Items, to Scientific Games by overnight mail to the address shown in Section 11, below, using the return On-Line Gaming System Software Transmittal.

4. **Scientific Games' Representations, Warranties and Covenants.** Scientific Games hereby represents, warrants and covenants to the CLC that:

(a) Escrowed Items and Replacement Escrowed Items contain copies of Scientific Games' proprietary encrypted software, both current and previous, as well as the decryption keys and all relevant technical documentation, that are and will be capable of being used to operate and maintain the on-line gaming system;

(b) at all times, Escrowed Items and Replacement Escrowed Items shall enable the CLC to operate the on-line gaming system independently of the on-line vendor;

(c) Scientific Games owns the Escrowed Items and Replacement Escrowed Items and all intellectual property rights therein, or Scientific Games has user rights concerning such Escrowed Items and Replacement Escrowed Items, which user rights comply with the Contract, free and clear of any liens, security interests, or other encumbrances.

5. **Default.** A default by Scientific Games shall be deemed to have occurred under this Agreement upon the occurrence of any of the following:

(a) if Scientific Games has availed itself of, or been subjected to by any third party, a proceeding in bankruptcy in which Scientific Games is the named debtor, an assignment by Scientific Games for the benefit of its creditors, the appointment of a receiver for Scientific Games, or any other proceeding involving insolvency or the protection of, or from, creditors, and same has not been discharged or terminated without any prejudice to the CLC's rights or interest under this Agreement or the Contract within thirty (30) days; or

(b) if Scientific Games has ceased its on-going business operations, or sale, licensing, maintenance or other support of the Software; or

(c) if Scientific Games fails to have its license renewed by the Division; or

(d) if Scientific Games has its license revoked by the Division; or

(e) if any other event or circumstance occurs that the CLC in good faith determines has prevented or will prevent Scientific Games from fulfilling its obligations to the CLC under this Agreement or the Contract, including, without limitation, the correction of defects in the Software.

6. Notice of Default. The CLC shall give written notice to the Division and to Scientific Games of the occurrence of a default hereunder, except that the Division shall give notice of the default to the CLC and Scientific Games if same is based on either the revocation or non-renewal of Scientific Games' license issued by the Division. Within twenty-four (24) hours of such notice, the Division shall deliver to the CLC in accordance with the CLC's instructions and the terms of this Escrow Agreement, the Escrowed Items and Replacement Escrowed Items then being held by the Division.

7. Consideration. In consideration of the Division's statutory responsibility to regulate the CLC's activities to ensure the integrity of the state lottery, and to oversee the conduct of Scientific Games as a vendor of the CLC, as well as the Division's interest in the uninterrupted operation of the state lottery, it is agreed among all parties to this Agreement that no fee or compensation shall be paid to the Division by the CLC or by Scientific Games for the Division's duties as Escrow Agent. However, reasonable expenses or costs incurred by the Division in the performance of its duties under this Agreement shall be paid to the Division in accordance with Section 12-806(b)(13) of the Connecticut General Statutes.

8. Liability; Indemnification; No Waiver of Sovereign Immunity. The Division shall not, by reason of its execution of its Agreement, assume any responsibility or liability for any transaction between Scientific Games and the CLC.

Scientific Games hereby indemnifies and shall defend and hold harmless the State of Connecticut, the Division, its officers and employees from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, monetary loss, attorney's fees, costs and expenses of any kind arising out of the performance of this Agreement. Notwithstanding and without in anyway diminishing the provisions contained in the Contract between Scientific Games and the CLC referenced in this Agreement, Scientific Games hereby indemnifies and shall defend and hold harmless the CLC, its directors, officers and employees from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, monetary loss, attorney's fees, costs and expenses of any kind arising out of the performance of this Agreement.

Notwithstanding any provision to the contrary contained in this Agreement, it is agreed that the State of Connecticut and the Division have not waived any rights or defenses of sovereign immunity that it may have with respect to any matter arising out of the Agreement.

9. Tests. Upon written notice to Scientific Games and the Division, the CLC or its agent shall have the right to review and conduct tests of Escrowed Items and Replacement Escrowed Items, under the supervision of Scientific Games, to confirm that Escrowed Items or Replacement Escrowed Items contain a current, complete and accurate version of the Source