

**MISSISSIPPI LOTTERY CORPORATION
LIST OF QUESTIONS RECEIVED BY JULY 8, 2019**

RE: RFP NO. 5 -- REQUEST FOR PROPOSALS FOR ONLINE LOTTERY GAMING SYSTEM

ANSWERS TO WRITTEN QUESTIONS DEADLINE: JULY 16, 2019 (5:00 P.M. CST)

	VENDOR #3 QUESTIONS – RFP NO. 5	MS LOTTERY CORPORATION ANSWERS
1	<p>Part I-General Information, Section 1.1 Introduction, Pg. 6: The requirement states: The Corporation requires that instant ticket sales begin on or before December 1, 2019 (the “Startup Deadline”); thus, all components of the System must be in place, fully operational and tested prior to that Startup Deadline. The Corporation requires that online ticket sales begin on or before February 10, 2020 (the “Online Deadline”); thus, all of the Systems and online lottery game products and services must be in place, fully operational and tested prior to that Online Deadline. The Corporation currently expects to begin with instant ticket price points at \$1, \$2, \$3, \$5, and \$10 and may offer higher instant ticket denominations within the Contract term. The Corporation plans for the Vendor that is selected to provide the System, goods and services contemplated by this RFP (the “Successful Vendor”) to develop and implement software and systems and do all things necessary to enable the Corporation to offer at a minimum the following online games during the course of the Contract:</p> <ul style="list-style-type: none"> • 3 DIGIT • MEGA MILLIONS • 4 DIGIT • CASH4LIFE • 5 DIGIT • LOTTO AMERICA • POWERBALL <p>Question: Can the Lottery please provide games rules for the 3 Digit, 4 Digit and 5 Digit games including allowed bet amounts, play types, advanced draw rules, draw times, number of plays per ticket, etc.?</p>	<p>These rules will be determined in the future when games will begin the development stage. Rules will be similar to existing games in other lotteries.</p>

2	<p>Part I-General Information, Section 1.1 Pg. 6: The requirement states: ... The Corporation’s retailer base (“Retailers”) as of the Startup Deadline is currently expected to be approximately fifteen hundred (1,500) to seventeen hundred (1,700) (subject to change in the discretion of the Corporation). Thereafter, based on subsequent developments and sales and the recommendation of the President to the Board, the Retailer base may be expanded to three thousand (3,000) or more during the term of the Contract. Additionally, the Corporation currently plans to staff and operate three (3) Claim Center Offices throughout the State of Mississippi in addition to its headquarters to be located in the Greater Jackson Metropolitan Area. Accordingly, the System proposed by the Vendors must be sufficiently scalable and fully functional to properly handle the growing needs of the Corporation as they evolve from time to time in the discretion of the Corporation.</p> <p>Question: Will the Lottery please provide the names and addresses for the first 1,500-1,700 retailer locations? If this information is unavailable, will the Lottery please provide a deadline for providing this information?</p>	Retailer information will be provided to the successful bidder as retailers are approved.
3	<p>Part I-General Information, Section 1.2 Corporation Objectives, Pg. 6: The requirement states: Seventh bullet point, “To ensure that the System is fully operational and installed and all instant ticket products are in retail locations and available for sale to the public in all Retailer locations approved by the Corporation at least two weeks prior to the December 1, 2019 Startup Deadline;”</p> <p>Question: It is our understanding that the requirement is for the System and instant ticket products to be available December 1, 2019 to any Retailer locations that are approved by the Corporation two weeks prior to December 1, 2019. Please confirm that instant tickets are not required to be in retailer locations two weeks prior to December 1, 2019.</p>	All retailers approved by the Corporation by November 17, 2019, must have tickets delivered, activated and available for initiation of sales in their location prior to December 1, 2019.
4	<p>Part I-General Information, Section 1.4 Governing Law, Pg. 8:</p> <p>Question: Is the 30-day timespan in this requirement referring to calendar or business days?</p>	Calendar days.

5	<p>Part I-General Information, Section 1.10 Right to Use Information in the Proposal, pg. 10: This requirement reads: “Upon submission, all materials submitted to the Corporation by Vendors shall become the property of the Corporation and may be used as the Corporation deems appropriate.</p> <p>Question: Please verify whether the materials submitted to the Corporation by Vendors that become the property of the Corporation remain subject to the limitations of the Mississippi Public Records Act of 1983.</p>	<p>As stated in Section 1.5 of the RFP, “After all Vendors have been notified of the award of a Contract, Vendors’ Proposals will be available for public review, subject to the limitations of the Mississippi Public Records Act of 1983, Miss. Code Ann. §§ 25-61-1 et seq., as amended, and the Corporation’s Public Records Request Policy.”</p>
6	<p>Part II-Proposal Process, Section 2.5 Proposal Submission, Pg. 12:</p> <p>Question: Will the Lottery like any soft copies of the Proposal Package provided on USB?</p>	<p>An original hard copy and seven (7) additional copies are required. The additional copies can be provided in a digital format on a USB device which is compatible with both USB and USB-C. Be advised that blank, corrupt or unreadable forms of digital media will not be considered responsive to RFP requirements.</p>
7	<p>Part II-Proposal Process, Section 2.5 Proposal Submission, Pg. 12:</p> <p>Question: Will the Lottery like Vendors to provide a hard copy redacted version of their proposal with the confidential content removed?</p>	<p>No. Section 1.5 of the RFP governs the marking and identification of Confidential Information, and an original and seven (7) copies are required.</p>
8	<p>Part II-Proposal Process, Section 2.5 Proposal Submission, Pg. 12:</p> <p>Question: Please clarify how many hard copies of the Price Proposal the Lottery requires?</p>	<p>An original hard copy and seven (7) additional copies are required. The additional copies can be provided in a digital format on a USB device which is compatible with both USB and USB-C. Be advised that blank, corrupt or unreadable forms of digital media will not be considered responsive to RFP requirements.</p>

9	<p>Part III-Contractual Terms and Conditions, Section 3.9 Ownership of Materials and Rights of Use, Pg. 21:</p> <p>Question: Please clarify the intended scope of rights the Corporation seeks to obtain from the Vendor through the license grant in this provision. For instance, as drafted, this grant could be interpreted to mean that the successful Vendor will need to grant a license to the Corporation for all printing presses used to produce tickets for the Corporation since they could be considered “equipment ... used in connection with the System or performance of the Contract”. Similarly, if that essentially unbounded right to use Vendor’s materials and intellectual property (including its patents), that incumbent Vendor could be considered unable to charge for its products and services in the next procurement unless it has created an entirely new portfolio of products and systems since the Corporation will already have the right to use everything it has to offer. Since this seems unlikely, could the Corporation please provide explanation of its purpose and goals for this provision so that the bidders can provide reasonable redlined changes to the Instant Ticket Lottery Games Services Agreement that ensures the Lottery obtains the continuity in goods and services it needs and the Vendor is not required to sacrifice its ownership rights to its lottery product portfolio.</p>	<p>The Corporation’s intention regarding Vendor Licensed Intellectual Properties is to avoid an interruption of business that would negatively affect Lottery sales. The Corporation’s rights pertaining to Vendor Licensed Intellectual Properties are limited to Successful Vendors, Proprietary Materials used in connection with the System or performance of the contract in the event of breach, expiration or termination of the contract, but only for a period required for the Corporation to transition to a new vendor without disruption of business.</p>
10	<p>Part III-Contractual Terms and Conditions, Section 3.9 Ownership of Materials and Rights of Use, Pg. 21:</p> <p>Question: Please clarify that the transfer of ownership described in the first paragraph of this section applies only with respect to the described materials that are developed, produced or provided by the Vendor exclusively for the Corporation. This will include materials such as ticket art, customized software, Corporation-specific web applications and similar materials and not items such as core computer hardware designs, operating system software, production processes and methods and all the other components that are proprietary to the Vendor and fundamental to its existence as a lottery supplier and a going concern.</p>	<p>As provided in the first paragraph of Section 3.9, the Corporation’s ownership rights apply to the enumerated materials which are “developed, produced or provided in connection with the services provided exclusively for the Corporation under the Contract” (emphasis added).</p>

11	<p>Part III-Contractual Terms and Conditions, Section 3.9 Ownership of Materials and Rights of Use, Pg. 21:</p> <p>Question: Please confirm that, as is standard and customary in commercial agreements of the type of the contract: (i) items of the type listed that are owned by the Vendor that pre-exist the Contract will remain the property of Vendor; and (ii) neither this Section 3.9 nor any other section of the RFP or the Instant Ticket Lottery Games Services Agreement is intended to limit the Successful Vendor’s intellectual property rights in any goods or services that are generally provided to the Vendor’s other customers.</p>	Confirmed.
12	<p>Part III-Contractual Terms and Conditions, Section 3.9 Ownership of Materials and Rights of Use, Pg. 21:</p> <p>Question: Will the Corporation, as part of contract negotiations, consider reasonable limits on the license rights granted under of this section?</p>	The Corporation will consider reasonable limits during negotiations, although the Corporation reserves the right to negotiate with other bidders if a Contract has not been executed within fifteen (15) days of the Corporation’s selection of a Successful Bidder.
13	<p>Part III-Contractual Terms and Conditions, Section 3.12 Intellectual Property Indemnification, Pg. 22:</p> <p>Question: Please confirm and clarify that the indemnification obligations in this Section apply only to third party claims that the listed items infringe such third party’s intellectual property rights. Also, please confirm and clarify that the Vendor will have indemnification obligations only with respect to “development, possession, license, modification, disclosure or use” solely by the Corporation, and that the Vendor will not have indemnification obligations to the extent that the Corporation or another Corporation vendor develops, possesses, licenses, modifies, discloses or uses any of the listed items in violation of, or in a manner not contemplated by, the contract.</p>	Section 3.12’s indemnification obligations apply to “any and all suits, damages, expenses, . . . and other damages” brought by any person in any way related to the Successful Vendor’s, the Corporation’s or the Corporation’s vendors’ “development, possession, license, modification, disclosure or use’ of the listed items furnished by the Successful Vendor and used in the performance of the Contract.

14	<p>Part III-Contractual Terms and Conditions, Section 3.12 Intellectual Property Indemnification, Pg. 22:</p> <p>Question: Please clarify the meaning of “secure process.”</p>	<p>“Secure process” in this context is meant to describe any proprietary procedure susceptible to protection as intellectual property.</p>
15	<p>Part III-Contractual Terms and Conditions, Section 3.13 Warranties, Pg. 23:</p> <p>Question: Given that the contract will provide for various categories of liquidated damages, please consider removing the representation and warranty in the first sentence of the third (3rd) paragraph, that states, “The Successful Vendor represents, warrants and agrees that all Systems, analyses, items designed and other items procured pursuant to this RFP, its Proposal and the Contract have been and shall be prepared or done in a workman-like manner consistent with the highest standards of the industry in which the services are normally performed.”</p>	<p>The Corporation declines to remove this representation and warranty.</p>
16	<p>Part III-Contractual Terms and Conditions, Section 3.17 Indemnification, Pg. 24:</p> <p>Question: Please confirm and clarify that the Vendor will have indemnification obligations only for negligence or willful misconduct in performing under the contract and only for third party claims.</p>	<p>The Corporation declines to amend Section 3.17, Indemnification, in the manner requested.</p>
17	<p>Part III-Contractual Terms and Conditions, Section 3.17 Indemnification, Pg. 24:</p> <p>Question: Please confirm that Vendor has no indemnification obligation to the extent that Corporation, or any third party (other than Vendor and its subcontractors and employees) acting for or on behalf of Contractor contributes to the underlying loss or for use of any materials, goods or equipment in violation of, or in a manner not authorized by, the contract.</p>	<p>The Corporation declines to amend Section 3.17, Indemnification, in the manner requested.</p>
18	<p>Part III-Contractual Terms and Conditions, Section 3.17 Indemnification, Pg. 24:</p> <p>Question: Please clarify that the scope of parties whose acts and omissions may give rise to an indemnification obligation are those over whom the Vendor will reasonably be expected to have responsibility by under the language “or any person directly or indirectly employed by the Successful Vendor or a subcontractor of the Successful Vendor.”</p>	<p>The Corporation believes the scope of the parties whose acts and omissions may give rise to an indemnification obligation are clearly delineated in Section 3.17 as “the Successful Vendor, or a subcontractor or joint venture of the Successful Vendor, or any person directly or indirectly employed by the Successful Vendor or a subcontractor of the Successful Vendor.”</p>

19	<p>Part III-Contractual Terms and Conditions, Section 3.20 Insurance, Pg. 25:</p> <p>Question: Will the Lottery please further define “Social Engineering Fraud Insurance”?</p>	<p>Coverage for losses sustained by means of social engineering, which is defined as the art of manipulating people in an online environment, encouraging them to divulge—in good faith—sensitive, personal information, such as account numbers, passwords, or banking information. Social engineering can also take the form of the "engineer" requesting the wire transfer of monies to what the victim believes is a financial institution or person, with whom the victim has a business relationship, only to later learn that such monies have landed in the account of the "engineer." Social Engineering Fraud coverage <i>may</i> be included in Cyber Liability Insurance policies.</p>
20	<p>Part III-Contractual Terms and Conditions, Section 3.21 Liquidated Damages, Pg. 26:</p> <p>Question: Please confirm that the amount of liquidated damages to be set out in the contract will be reasonable and in line with industry standards.</p>	<p>As provided in Section 3.21, a Vendor must submit as part of its proposal suggested amounts for each type of liquidated damages listed. These amounts will be subject to negotiation during the contract negotiation phase. The Corporation reserves the right to negotiate with other bidders if an agreement has not been reached on these amounts and a Contract has not been executed within fifteen (15) days of the Corporation’s selection of a Successful Bidder.</p>
21	<p>Part III-Contractual Terms and Conditions, Section 3.21 Liquidated Damages, Pg. 26:</p> <p>Question: Please confirm that to the extent that an event occurs for which liquidated damages may be assessed under more than one category, the Corporation is not entitled to recover under multiple categories.</p>	<p>Bidders are required by the RFP to propose liquidated damages in their Proposals. To the extent that bidders desire to propose conditions upon the imposition of liquidated damages, they may do so, but the Corporation is under no obligation to accept such conditions.</p>
22	<p>Part III-Contractual Terms and Conditions, Section 3.21 Liquidated Damages, Pg. 26:</p> <p>Question: Please confirm that the Corporation will assess liquidated damages within a reasonable period of time, otherwise, it waives its right to assess, and the Corporation will provide written notification of a proposed assessment of liquidated damages and provide the Vendor with the right to protest such assessment.</p>	<p>Bidders are required by the RFP to propose liquidated damages in their Proposals. To the extent that bidders desire to propose conditions upon the imposition of liquidated damages, they may do so, but the Corporation is under no obligation to accept such conditions.</p>

23	<p>Part III-Contractual Terms and Conditions, Section 3.21 Liquidated Damages, Pg. 26:</p> <p>Question: Please confirm that liquidated damages cannot be assessed against the Vendor if the underlying product of service has not been furnished by the Vendor or its subcontractors.</p>	<p>Bidders are required by the RFP to propose liquidated damages in their Proposals. To the extent that bidders desire to propose conditions upon the imposition of liquidated damages, they may do so, but the Corporation is under no obligation to accept such conditions.</p>
24	<p>Part IV-Required Information, Section 4.6 Disclosure of Litigation and Legal Matters, Pg. 29:</p> <p>Question: Please confirm what time period the Corporation seeks this information to cover. As drafted it could require disclosure going back to the date of incorporation which will be decades of information.</p>	<p>Please include all responsive matters for the last ten (10) years.</p>
25	<p>Part IV-Required Information, Section 4.8 Financial Soundness, Pg. 30:</p> <p>Question: Will the Lottery allow Vendors to provide the required financial statements as PDF files on electronic media?</p>	<p>An original hard copy and seven (7) additional copies are required. The additional copies can be provided in a digital format on a USB device which is compatible with both USB and USB-C. Be advised that blank, corrupt or unreadable forms of digital media will not be considered responsive to RFP requirements.</p>
26	<p>Part IV-Required Information, Section 4.11 Projects Staff, Pg. 31:</p> <p>Question: Since each of these positions is required to reside in the Greater Jackson Metropolitan Area, it may be difficult to identify each individual by the time of proposal submission. Will the Lottery consider allowing the Vendor to provide the job requirements for these positions if the Vendor is unable to identify the individual at the time of proposal submission?</p>	<p>If the Vendor cannot identify individuals for these positions by the time of proposal submission, it may provide the name of temporary individuals at the time of proposal submission to fill these positions for up to ninety (90) days. If, after ninety (90) days, the Successful Vendor has not identified individuals for each position required to permanently reside in the Greater Jackson Metropolitan Area, the Successful Vendor will be assessed liquidated damages in an amount to be determined at the time of contract negotiations for each day that each permanent resident position is not filled.</p>
27	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.1.1.1 Online Lottery Games and Operating System, Pg. 33:</p> <p>Question: Will the Lottery consider providing a more specific definition of the System components to be included in the cost quotation (Section 6.2 Pricing Formula) in order to enable the Vendors to accurately cost the projected System deliverables and the Lottery to receive proposals that represent a consistent System configuration, including defining the total number of terminals (1,500, or 1,700 or 3,000) to be included in the cost quotation and any other material deliverables the Lottery deems appropriate.</p>	<p>The language in this section of the RFP will remain as written.</p>

28	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.1.2.1 Retailer Operated Terminals, Pg. 36:</p> <p>The requirement reads: “The terminal models proposed shall be of a size and appearance that will ensure Retailer acceptance. The terminals must be new and certified by an approved laboratory such as Underwriters Laboratories. The terminals also must use open system architecture standards and industry standard communication protocols. Each terminal must have an easily operated keyboard or interactive touch screen to allow for sales, the validation and cancellation of online tickets, all instant ticket sales functions and accounting and must print reports. All terminals must allow for fixed length tickets only.”</p> <p>Question: Ticket stock is one of the highest operational costs for Vendor (and therefore the Lottery). Section 5.3.4 requires a fixed ticket length of 4.66” while Attachment F, pg. 2 states ticket dimensions to be 5” in length and 3.5” in width.</p> <p>We assume the Lottery will want to sell draw game tickets with multiple plays per tickets including what is quickly becoming the industry norm of 10 plays per ticket. In addition, we also assume the Lottery will allow single play draw tickets. The difference in the amount of paper needed to print a 10 play ticket and a single play draw ticket is significant. Printing a single play ticket on a 5” ticket will significantly increase the cost of paper for both the Vendor and the Lottery. Will the Lottery consider changing this requirement to allow variable length tickets?</p>	Variable ticket length is acceptable.
29	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.1.2.1 Retailer Operated Terminals, Pg. 36:</p> <p>The requirement reads: “The terminal models proposed shall be of a size and appearance that will ensure Retailer acceptance. The terminals must be new and certified by an approved laboratory such as Underwriters Laboratories. The terminals also must use open system architecture standards and industry standard communication protocols. Each terminal must have an easily operated keyboard or interactive touch screen to allow for sales, the validation and cancellation of online tickets, all instant ticket sales functions and accounting and must print reports. All terminals must allow for fixed length tickets only.”</p> <p>Question: If the answer to the above question is “No,” can the Lottery confirm if the fix length ticket requirement is 5” or 4.66”?</p>	N/A.

30	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.1.2.1 Retailer Operated Terminals, Pg. 36:</p> <p>The requirement reads: “The terminal models proposed shall be of a size and appearance that will ensure Retailer acceptance. The terminals must be new and certified by an approved laboratory such as Underwriters Laboratories. The terminals also must use open system architecture standards and industry standard communication protocols. Each terminal must have an easily operated keyboard or interactive touch screen to allow for sales, the validation and cancellation of online tickets, all instant ticket sales functions and accounting and must print reports. All terminals must allow for fixed length tickets only.”</p>	Between 3.25” and 3.5” is acceptable.
31	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.1.2.1 Retailer Operated Terminals, Pg. 37-38:</p> <p>Requirement reads: “... Retailer terminals must also accomplish the following instant game transactions: pack receipt/confirmation, pack activation, pack settle settlement, pack returns (full and partial) inventory reports and real time ‘TOP Prize remaining’ report that include top level prize remaining for each instant game and that has the capability of feeding the real time information directly to the Website.”</p> <p>Question: A real time feed between the Gaming System and an external website requires additional hardware and software (additional cost) in order to provide proper gaming system security. Will the Lottery consider allowing hourly or once daily updates to the website instead of real time feeds?</p>	Hourly updates to the website instead of real time feeds is acceptable.
32	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.1.5.3 Prize Validation and Payment System, Pg. 40:</p> <p>Question: Will the Lottery please confirm the payment of prizes of up to \$249,999 is applicable to headquarters, each of the 3 Claim Center Offices and the one kiosk? Will the Lottery please provide a description of the “kiosk”?</p>	Per the language in Section 5.1.5.3 “These functions are to be operated by the Corporation’s staff at its headquarters (for prizes of all values, including grand prize annuity payments) and at three (3) Claim Center Offices and one (1) kiosk (for prizes valued up to \$249,999.99).”

33	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.1.6 Internal Control Systems (ICS), Pg. 43:</p> <p>Question: As required, we will provide space to co-house a backup to the ICS system at the facility where the backup gaming services are located. However, will the Lottery please clarify who has access to ICS system infrastructure in event of hardware or ICS system failure as the Vendor typically does not have access to this infrastructure and the location of this infrastructure may be out of the state of Mississippi?</p>	<p>Upon the event of a failure which requires physical access to the hardware, the Corporation will coordinate, discuss, and put forth a plan to repair/replace the equipment as well as provide a list of individuals at the time who are authorized access to the ICS system.</p>
34	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.2.3 Equipment Maintenance and Supplies, Pg. 44:</p> <p>The requirement reads: The Successful Vendor will also be responsible for providing all supplies the Corporation and all active Retailers including but not limited to, ticket stock, ribbons, play slips, play stations, pens, pencils and neon or equivalent signs.</p> <p>Question: Does the Corporation have requirements and/or specifications for the “neon or equivalent signs”?</p>	<p>Vendor should propose sign type and specifications based on their expertise on what is currently most effective in the lottery industry.</p>

35	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.2.3 Equipment Maintenance and Supplies, Pg. 44:</p> <p>The requirement states, “The Successful Vendor will be required to respond to all service requests within two (2) hours in metropolitan areas and within five (5) hours in non-metropolitan areas within the State, as determined by the Corporation.</p> <p>Question: Will the Corporation provide a list of cities and/or locations that are determined to be “metropolitan” or “non-metropolitan” within the State?</p>	<p>The State of Mississippi has a total of five metropolitan statistical areas (MSAs) that are fully or partially located in the state. 17 of the state's 82 counties are classified by the United States Census Bureau as metropolitan.</p> <ol style="list-style-type: none"> 1. Gulfport-Biloxi MSA <ul style="list-style-type: none"> • Hancock County • Harrison County • Stone County 2. Hattiesburg MSA <ul style="list-style-type: none"> • Forrest County • Lamar County • Perry County 3. Jackson MSA <ul style="list-style-type: none"> • Copiah County • Hinds County • Madison County • Rankin County • Simpson County 4. Memphis, TN-AR-MS MSA <ul style="list-style-type: none"> • DeSoto County • Marshall County • Tate County • Tunica County 5. Pascagoula MSA <ul style="list-style-type: none"> • George County • Jackson County
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36	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.3.1 Hotline Services, Pg. 45:</p> <p>The requirement states, “The Successful Vendor will be required to provide a Retailer hotline for purposes of receiving and responding to inquiries and requests from Retailers. The hotline will be housed at the Successful Vendor's main data center...”</p> <p>Question: Given that it is common industry practice to utilize consolidated retailer call centers to provide a higher level of service to the retailers (e.g. Retailer Hotline), will the Lottery please confirm that vendors may propose the use of a consolidated retailer call center (e.g. retailer hotline), which may or may not be located at the same physical location as either Primary or Backup Data Center locations?</p>	<p>The vendor may propose the use of a consolidated retailer call center based in the United States which may or may not be located at the same physical location as either Primary or Backup Data Center locations.</p>
37	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.3.1 Hotline Services, Pg. 45:</p> <p>The requirement states, “The Successful Vendor will be required to provide a Retailer hotline for purposes of receiving and responding to inquiries and requests from Retailers. The hotline will be housed at the Successful Vendor's main data center...”</p> <p>Question: Will the Lottery amend the requirement above to read as follows: “The hotline <i>may</i> be housed at the Successful Vendor’s main data center...”?</p>	<p>The vendor may propose the use of a consolidated retailer call center based in the United States which may or may not be located at the same physical location as either Primary or Backup Data Center locations.</p>
38	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.3.3 Retailer Recruitment, Pg. 46:</p> <p>Question: Will the Lottery please clarify what is meant by “the designation of retailers of online sales?”</p>	<p>In the context of Section 5.3.3 when read in its entirety, the Successful Vendor will be expected to monitor and evaluate the retail market to identify better performing retailer types and retail formats. The Successful Vendor should also recommend opportunities for the Corporation to fulfill its mission and maximize revenues in a rapidly evolving retail landscape.</p>
39	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.3.4 Ticket Stock and Play Slips, Pg. 46:</p> <p>Question: This section states tickets will be a fixed length of 4.66 inches. Attachment F, pg. 2 states ticket dimensions to be 5” fixed length and 3.5” fixed width. Will the Corporation please confirm the correct ticket dimensions? Will the Lottery consider changing this requirement to allow variable length tickets?</p>	<p>Variable ticket length is acceptable.</p>

40	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.3.6 Electronic Displays, Pg. 47:</p> <p>Question: This section states the Successful Vendor must provide electronic displays for terminals. Does the Corporation have requirements (size(s), resolution, refresh rate, mounts/stands, inputs, outputs, etc.) for the specifications of this device?</p>	<p>The vendor should propose the best solution for Electronic Displays based on current industry practices.</p>
41	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.4 Security Plan, Pg. 47:</p> <p>Question: Can the MLC please clarify that the requirement is for a SAS 70 and not SAS 7 type audit?</p>	<p>This reference to “an annual Statement of Auditing Standards (SAS) No. 7 Third Party Controls Review performed at the Vendor’s expense by an independent CPA firm to be selected and approved by Corporation” is replaced by “AMENDMENT NO. 1 TO REQUEST FOR PROPOSALS NO. 5, REQUEST FOR PROPOSALS FOR ONLINE LOTTERY GAMING SYSTEM,” posted July 5, 2019.</p>
42	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.6 Ticket Inventory Control and Management, Pg. 37:</p> <p>Question: Section 5.6 of the Online Lottery RFP No. 5 (pages 49-50) references the “instant inventory system.” Please confirm that the Online Vendor is responsible for providing the instant inventory system.</p>	<p>The successful online gaming vendor will provide the associated equipment (hardware, software, monitors, manifest printers and communications to the CGS and the instant ticket vendor) to perform all pick and pack/distribution functionality as part of the Successful Vendor’s proposed solution for “instant game management, including game start/end, pack status changes, inventory accounting and ticket validation activities.”</p>
43	<p>Part V-Online Lottery Game Services and Lottery Gaming System and Services, Section 5.6 Ticket Inventory Control and Management, Pg. 37:</p> <p>Question: Please confirm that the Online Vendor will provide all required systems hardware, equipment (pick and pack computer equipment, monitors, manifest printers), software, communication lines (to Central System and to the Instant Vendor) associated with the instant inventory system.</p>	<p>The successful online gaming vendor will provide the associated equipment (hardware, software, monitors, manifest printers and communications to the CGS and the instant ticket vendor) to perform all pick and pack/distribution functionality as part of the Successful Vendor’s proposed solution for “instant game management, including game start/end, pack status changes, inventory accounting and ticket validation activities.”</p>
44	<p>Part VI-Cost, Section 6.2 Pricing Formula, Pg. 51: The requirement reads, “The single cost quotation should be presented on a separate, signed page,” but not where that page is to be provided. Neither is this specified in RFP Section 2.5, Proposal Submission.</p> <p>Question: Does the Lottery expect Vendors to provide the single cost quotation in Section 6.2 or at the end of the Cost Proposal?</p>	<p>As required by Section 2.5, “All copies of the cost/price portion of the Proposal required by Part VI must be submitted in sealed and labeled envelopes separate from the information required by all other part[s] of this RFP.”</p>

45	<p>Part VI-Cost, Section 6.3 Determination of Net Sales, Pg. 51:</p> <p>Question: Will the Lottery consider amending the language as follows:</p> <p>Instants – as written: “Instant ticket sales shall be equal to the total number of tickets activated during the week, less any tickets returned.”</p> <p>Suggested correction: “Instant ticket sales shall be equal to the retail “face value” of all tickets activated during the week, less the value any tickets returned.”</p>	<p>The Corporation amends the referenced language in Section 6.3 of the RFP to “Instant ticket sales shall be equal to the retail face value of all tickets activated during the week, less the face value of any tickets returned.”</p>
46	<p>Part VI-Cost, Section 6.3 Determination of Net Sales, Pg. 51:</p> <p>Question: Will the Lottery consider amending the language as follows:</p> <p>Online – as written: “Online games shall be equal to all tickets sold during the week, less any tickets cancelled.”</p> <p>Suggested correction: “Online game sales shall be equal to the gross online ticket sales revenue generated during the week, less any cancelled transactions.”</p>	<p>The RFP will be amended to reflect the requested verbiage.</p>
47	<p>Lottery Gaming Systems Agreement, Section 5.a.ii Compensation, Pg. 3: The requirement reads, “the total number of instant tickets activated during the week, less instant tickets: (A) returned; (B) given as “free ticket” prizes; (C) returned as defective; (D) reported stolen by a retailer; or (E) issued by MLC as a promotion during the term of this Agreement; multiplied by the “face value” (i.e., non-promotion retail sales price) of instant tickets for the applicable game.”</p> <p>Question: Item (D) excludes payments to Vendor for tickets “reported stolen by a retailer.” As the Vendor has limited control over the physical handling of any instant tickets once delivered to a retailer, will the Lottery amend this language and remove the following language “(D) reported stolen by a retailer.”</p>	<p>The Corporation declines to amend the RFP as requested.</p>