



REQUEST

FOR

PROPOSALS

FOR

Instant Ticket Design, Development and Production Services

February 14, 2011

(Revised March 7, 2011)

C110001

PART 1 – GENERAL INFORMATION

1.1 INTRODUCTION

The New York State Division of Lottery (the “Lottery”), on behalf of the State of New York, is issuing this Request for Proposals (RFP) to solicit Proposals from Vendors seeking the award of a contract for instant ticket design, development, and production services.

The Lottery intends to award one primary contract under which the contractor will be guaranteed not less than 50% of the business, and multiple alternate contracts under which the contractors will be utilized as needed.

The Lottery is the only office authorized to clarify, modify, amend, alter or withdraw the specifications, terms, conditions, and other provisions of this RFP and any contract awarded as a result of this RFP. Every Vendor responding to this RFP must include in its Proposal a signed contract in the form attached as **Appendix J** of this RFP. This contract will become binding and effective after approval by the Lottery and the New York State Offices of the Attorney General and the State Comptroller.

This RFP defines objectives, requirements, and a proposal evaluation approach that represents the best interests of the State of New York in conformance with Lottery policies, State regulations and New York State laws. The contents of this RFP, any modifications, and the selected Proposal will become contractual obligations if a contract is awarded. Failure of the selected Vendor to accept these obligations may result in cancellation of the contract award.

1.2 BACKGROUND INFORMATION

General Overview

The Lottery's Instant Game sales for the fiscal year ended March 31, 2010 were over \$3.6 billion. Instant Games accounted for 53% of the Lottery's \$6.78 billion total annual sales in traditional games (not including video lottery games). The Lottery maintains a growing retailer base of over 17,000 retailers of which over 15,000 actively sell Instant Games. As part of the retail network, over 4,000 Instant Ticket Vending Machines (ITVMs) are installed statewide. These machines consist mostly of 16-Bin EDSQ, 24-Bin EDSQ and GTECH 24-bin GamePoints. As the Lottery moves forward its plan is to remove any non-interconnected vending machines and replace with units that have connectivity to the central system.

Currently, the Lottery introduces between 37 and 45 Instant Games annually. Games are launched on a consistent schedule of Tuesday during the first week of every month. Generally, tickets for 3 new games are packed and delivered every month to over 13,000 retailers that participate in a “Hassle-Free” program. When

warranted, the Lottery will introduce 4 games. In addition, the Lottery launches a single game 3 times per year to bridge 5 week gaps that may occur due to the timing of monthly launches.

Ticket quantities for each game typically range from 10+ million to 30+ million; however, there may be a need for a reduced production run, as low as 6+ million for an overlay special version (a.k.a. specialty) game or less than 1 million for very limited distribution games. Staple games (e.g., Bingo, Win for Life and Lucky 7's) are usually re-ordered in quantities between 30+ million and 50+ million. The Lottery cannot estimate how many specialty games will be introduced within any given year, nor will the Lottery guarantee that the award of a contract will result in the use of any particular contractor's services or specialty game product(s) at any time during the contract term.

Staple games currently represent approximately 45% of Lottery Instant ticket sales. A staple game currently printed by one Vendor may, under a contract or contracts awarded pursuant to this RFP, be printed by any Vendor capable of printing tickets for the Lottery as determined by the evaluation of Proposals submitted in response to this RFP. Pricing, game features, rights to use the game title or other intellectual property, and the printing process and delivery needs of the Lottery will factor into the Lottery's decision on future re-orders of a staple game.

The Lottery expects Instant Game sales for the first year of the contract term to be approximately \$3.8 billion resulting from forty-two (42) game launches and production of an estimated 660 million tickets. (Staple game re-orders will be in addition to the expected 660 million new game tickets). The plan anticipates six (6) \$1.00 games at 30 million each, fourteen (14) \$2.00 games at 18 million each, eighteen (18) \$5.00 games at 11 million each, and three (3) or four (4) \$10 - \$20 games with varying order quantities. For subsequent years during the contract term, the plan anticipates projected increases in sales from a similar number of games launched with higher order quantities.

A critical consideration in the development of any Instant Game design and/or program is acceptance of the game or program by retailers and players within New York City and the New York Metro market. Although per capita sales are higher for upstate markets, the New York Metro market still accounts for at least 65% of instant sales.

The Lottery employs a number of different Instant ticket play methods, including key number match, Tic-Tac-Toe, "your score beats their score," as well as Autowin features.

Lottery Instant ticket dimensions are scaled to reflect their price points:

- \$1 games measure 2" x 4" (sometimes slightly larger than 2")
- \$2 games measure 3" x 4" and 4" X 4"

\$5 games measure 6" x 4" and larger

The exceptions include, but are not limited to, the extended play game designs for Bingo/Cashword, etc., which are 6" x 4"

\$10 games measure 6" x 4" and larger

\$20 or higher games, if produced, would measure 6" x 4" or larger

The Lottery's 17,000 full-service retailers use terminals connected to the Lottery's computer network to validate tickets and to receive inventory and billing summary results. The Lottery's Instant Games are distributed through a distribution center located near Albany, New York currently operated by GTECH Corporation. The distribution center provides warehousing, direct order taking from retailers, telemarketing services, order fulfillment and shipment to retailers.

For each new game launch (e.g., three new games per month), tickets are delivered from the production facility to the distribution center four weeks in advance of the launch date to allow the distribution center to load validation files and pre-pack shipments to the Lottery's "Hassle-Free" retailers. Approximately 13,000 retailers receive early shipments of new games on the first Tuesday of every month.

On Thursday of the launch week, new games are offered on the terminal system as well as through telemarketing to the non-hassle-free retailers who can order tickets for next business day delivery. Thereafter, tickets for the new games are available for direct ordering by all retailers with an expected next-business-day delivery.

The Lottery currently provides retailers with a variety of display systems including 6" dual-game interlocking Lucite units (Schafer); 4" 4-game interlocking Lucite units (Schafer); 16-game in-counter units (Take-A-Ticket); 32-game on-counter units (Schafer); metal clips for hanging tickets and vending machines.

The Lottery aggressively markets approximately nine major Instant Game offerings annually with specific promotional campaigns including: statewide television and radio commercials; targeted print, out of home, and digital advertising efforts; and statewide retail support, all running for an approximate four-week period.

The Lottery also uses the home page of its website nylottery.org to promote Instant Games and to direct visitors to locations where Instant tickets are sold. The Lottery may also overlay second-chance promotions, specialized displays (e.g. gift envelopes), or direct-mail coupons to help draw attention to new Instant Games. A key point-of-sale advertising component is the use of oversized ticket displays especially during the launch period for new games.

The laws governing the Lottery are subject to changes that may affect the Instant Game program. The Lottery is recommending that the New York State Legislature

consider the following proposals for changes in the law during the 2011 legislative session:

- Removing restrictions on the places where Quick Draw tickets may be sold
- Raising the limit on the percentage of Lotto ticket sales revenues that can be used for prize payments from 40% to 50%
- Permitting the introduction of up to 5 Instant Games annually in which up to 75% of ticket sales revenues may be used for prize payments and clarifying the Lottery's authority to sell instant tickets in different (non-paper) forms
- Permitting increased prize payouts for multi-jurisdictional games (both video and traditional)
- Authorizing the Lottery to impose civil penalties on licensees
- Clarifying that Lottery license requirements apply to both ticket sales agents and video lottery agents
- Delinking tobacco and Lottery licenses
- Delinking Racing and Wagering and Lottery licenses
- Authorizing video lottery facility operators to appoint peace officers
- Authorizing casinos to be operated by the Lottery
- Allowing more discretion to Invest annuity prize funds to generate higher investment returns

1.3 MINIMUM QUALIFICATIONS

A Proposer must have three years of related lottery experience, printing experience in North America and at least three clients who are members of either the North American Association of State and Provincial Lotteries or the World Lottery Association. In addition, the Proposer must be legally qualified to do business in New York State and deliver the products offered in the Proposal to New York State.

1.4 SCHEDULE

The following dates are established for informational and planning purposes. The Lottery reserves the right to change any of the dates.

RFP Issued	February 14, 2011
First Vendors' Questions Due 4:00 pm	February 28, 2011
Lottery Responses to First Questions	March 7, 2011
Second Vendors' Questions Due 4:00 p.m.	March 14, 2011
Lottery Responses to Second Questions	March 18, 2011
Vendor Proposals Due – 4:00 pm	April 7, 2011
Apparent Winning Proposal Designated	May 5, 2011

1.5 VENDOR/CONTRACTOR DIFFERENTIATION

Throughout this RFP the terms "vendor," "proposer," "bidder," and "offerer" may be used interchangeably in reference to the preparation and submission of Proposals and any requirements preceding the award of the contract. In describing post-contract award requirements, an effort is made to use the term "successful vendor."

1.6 HEADINGS

The headings used in this RFP are for convenience only and shall not affect the interpretation of any of the provisions hereof.

1.7 PERMISSIBLE CONTACTS

In compliance with the Procurement Lobbying Law, described below, the Contracting Officer and Finance Officer designated below are the only points of contact with regard to all contractual matters relating to the services described herein, unless additional points of contact are designated by the Contracting or Finance Officer.

ALL VENDORS RESPONDING TO THIS RFP AND ALL COMMUNICATIONS CONCERNING THIS PROCUREMENT MUST BE ADDRESSED IN WRITING TO THE CONTRACTING OFFICER OR FINANCE OFFICER AS NOTED BELOW:

New York State Division of Lottery
Finance Office
One Broadway Center
Schenectady, NY 12301-7500
ContractingOfficer@lottery.ny.gov

Gail P. Thorpe, Contracting Officer
(518) 388-3329

or

Deborah L. Martino, Finance Officer
(518) 388-3325

1.8 PROCUREMENT LOBBYING RESTRICTIONS

As required by the Procurement Lobbying Law (State Finance Law Sections 139-j and 139-k), this RFP includes and imposes certain restrictions on communications between the Lottery and a proposer during the procurement process. A proposer

is restricted from making contacts from the earliest solicitation of offers through final award and approval of the resulting contract by the Lottery and the Office of the State Comptroller (“restricted period”) to other than designated staff members unless the contact is permitted by the statutory exceptions set forth in State Finance Law Section 139-j (3) (a). Designated staff members are identified in Section 1.7 of this RFP. Lottery employees are also required to obtain certain information when contacted during the “restricted period” and to make a determination of the responsibility of the proposer/bidder pursuant to State Finance Law Sections 139-j and 139-k. A violation can result in a determination of non-responsibility, which can result in disqualification for a contract award. In the event of two determinations within a four-year period, an offeror will be debarred for a period of four years from obtaining a governmental procurement contract award. Further information about these requirements can be found at:
<http://www.ogs.state.ny.us/aboutOgs/regulations/defaultAdvisoryCouncil.html>.

The Lottery reserves the right to terminate the contract in the event that the Lottery determines that the certification filed by the proposer in accordance with State Finance Law 139-k was intentionally false or intentionally incomplete. Upon such determination, the Lottery may exercise its termination right by providing written notification to the proposer in accordance with the written notification terms of this contract.

The BIDDER DISCLOSURE/CERTIFICATION FORM (Appendix G) must be completed and submitted with the Proposal.

1.9 RESTRICTIONS ON COMMUNICATIONS WITH LOTTERY STAFF

Questions or comments concerning this procurement must be addressed in writing to the Contracting or Finance Officer, as directed above, in accordance with the requirements of the Procurement Lobbying Law set forth in Sections 139-j and 139-k of the State Finance Law. Lottery employees are permitted to communicate with Vendors concerning this RFP only under circumstances described in the New York State Procurement Lobbying Law. Any Vendor causing or attempting to cause a violation or circumvention of those requirements may be disqualified from further consideration for a contract award.

1.10 PRE-OFFERING MEETING

There will be no pre-offering meeting for this procurement.

1.11 QUESTIONS AND INQUIRIES

Questions from Vendors regarding this RFP must be submitted in writing, either by e-mail or standard mail, and must be delivered to the Contracting or Finance Officer no later than the date and time specified in Section 1.4. **Neither faxed**

questions nor telephone questions are acceptable. Responses to all questions will be provided to all prospective bidders.

Vendors are cautioned that an RFP inquiry must be written in generic terms and must not contain cost information. The inclusion of specific information about a Vendor's cost Proposal in an inquiry may result in the Vendor's disqualification.

Any changes to the RFP resulting from such requests will be communicated via published addenda. Written acknowledgment of all addenda issued prior to the Proposal due date shall become part of the Vendor's Proposal reply. A form for each acknowledgment will be provided with each addendum. The acknowledgment form is incorporated into this RFP as **Attachment 1**.

1.12 NON-COLLUSIVE BIDDING REQUIREMENT

In accordance with Section 139-d of the State Finance Law, if the contract is awarded based upon the submission of bids, the contractor must warrant, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. The contractor must further warrant that, at the time contractor submitted its bid, an authorized and responsible person executed and delivered to the Lottery a Non-Collusive Bidding Certification on the contractor's behalf.

Each respondent must submit an original Non-Collusive Bidding Certification Form (Appendix F) with its Proposal.

1.13 FREEDOM OF INFORMATION LAW (FOIL)

During the evaluation process, the content of each bid/proposal will be held in confidence and details of any bid/proposal will not be revealed (except as may be required under the Freedom of Information Law or other law). The Freedom of Information Law provides for an exemption from disclosure for trade secrets or information the disclosure of which would cause substantial injury to the competitive position of a commercial enterprise. That exception applies both during and after the evaluation process. **If you believe your firm's Proposal contains such a trade secret or other confidential or proprietary information, you must submit a request with your proposal to exempt such information from disclosure.** Your request must be in writing, must state the reasons why the information should be exempted from disclosure and must be submitted at the time of submission of the subject information. Requests for exemption of the entire contents of a bid/proposal from disclosure have generally not been found to be meritorious and are discouraged. Please limit any requests for exemption of information from disclosure to bona fide trade secrets or specific information, the disclosure of which would cause a substantial injury to the competitive position of the firm. **Pricing information may not be designated as proprietary or confidential.**

1.14 SPECIFIED, INVITED AND OFFERED OPTIONS

A **Specified Option**, as noted in this RFP, is identified as being of specific interest to the Lottery. The Lottery anticipates acquiring such from the Successful Vendor; although the Lottery may choose not to exercise such an option. **The Vendor is required to include and price all Specified Options in the Proposal.**

An **Invited Option**, as noted in this RFP, is identified as being of specific interest to the Lottery, although the Lottery makes no commitment to any quantity or timing for the acquisition. **The Vendor is not obligated to include an Invited Option in the Proposal.**

An **Offered Option** is an option not identified in this RFP, but which may be identified by the Vendor and included in the Proposal. This is an opportunity for Vendors to offer options that the Lottery may not have been aware of at the time the RFP was written. The Lottery makes no commitment to quantity or timing for acquisition of Offered Options. The Vendor is encouraged to propose options regarding innovative functions, features, services, and solutions. **These options must be clearly defined in the Technical Proposal without pricing information.**

Specified and Invited Options are identified throughout this RFP and in the Pricing Sheets. All **Offered Options** identified by the Vendor must be specifically noted as such throughout the Vendor's Technical Proposal.

1.15 PROPOSALS

Vendors must submit a complete Proposal as described below and in accordance with the format defined in PART 4 - Information Required from Vendors. A Proposal that does not comply with these requirements may be deemed non-responsive. The Proposal must be separated into two (2) volumes as defined in Part 4 and submitted to the Lottery as defined below in Item D – Proposal Submission.

A. Proposal Contents:

Each Vendor is expected to provide the Lottery with information, evidence and demonstrations that will make possible a contract award that best serves the stated interests of the Lottery and the State of New York. Vendors are given wide latitude in the degree of detail they offer or the extent to which they reveal plans, designs, systems, processes, and procedures.

There is no limit on the number of pages in each Proposal; however, Vendors should prepare their Proposals simply and economically, providing a straightforward and concise description of their abilities to satisfy the requirements of this RFP. Proposals that are of excessive length, or containing a preponderance of boilerplate text, are discouraged. Special bindings, colored displays, promotional material, etc., will receive no additional evaluation credit. Emphasis in each Proposal should be on completeness and clarity of content.

Failure by a Vendor to provide the appropriate information or materials in response to each stated requirement or request for information may result in lower scores during the evaluation or determination of a non-responsive proposal. Responses to complex RFP requirements that are stated in a form semantically equivalent to “vendor agrees to comply” may be rejected for non-responsiveness at the discretion of the Lottery.

B. Material Deviations:

Material requirements of the RFP are those designated as mandatory, without which an adequate analysis and comparison of Proposals is impossible, or those that affect the competitiveness of Proposals, or the cost to the Lottery.

A Proposal that does not meet all material requirements of this RFP or that fails to provide all required and mandatory information, documents, or supporting materials, or includes language that is conditional or contrary to the requirements of this RFP may be rejected as non-responsive.

The Lottery, in its sole discretion, reserves the right to determine whether a Proposal meets the material requirements of the RFP.

C. Proposal Format:

Each Vendor must submit a complete Technical and Pricing Proposal in the format provided below and in response to the requirements described in Part 3 – Scope of Work and Deliverables and Part 4 – Information Required from Vendors – Proposal.

Each Proposal must be submitted in two (2) separate volumes as defined below and the technical proposal must be signed in ink by an official authorized to bind the Vendor to its provisions and must include a statement as to the period during which the entire proposal remains valid. This period must be at least 220 days from the due date for responses to this RFP.

Volume I – Technical (non-price) Proposal:

Each Technical Proposal shall include descriptive and technical matter only and must be appropriately labeled on the outside of the enclosure with the Vendor's name and address and the RFP number. **No pricing information shall be contained in the Technical Proposal.**

Except where required, there shall be no attachments, enclosures, or exhibits other than those essential to providing a complete understanding of each Proposal. Each section of the Proposal must be clearly identified with appropriate headings, and responses should be separated by tabs and in the order presented in this RFP. Ensure that each Proposal submittal is complete, including signatures and attachments as required by this RFP.

Two (2) originals and six (6) copies of the Technical Proposal must be delivered to the Lottery's Contracting Officer. In addition, two (2) electronic versions of the Technical Proposal must be submitted on a Compact Disc using a PDF file. **The electronic versions must include all proposal sections within a single file to facilitate searches for terms across the breadth of the Proposal. One version will mirror the full Technical Proposal and the other version shall be a redacted version (indicating the places where trade secrets, competitive information or personal identifying information have been removed) of the Technical Proposal to facilitate FOIL requests. Please mark each CD clearly as to its contents.**

The contents of the Technical (non-price) Proposal volume must follow this outline, employing divider pages with tabs to separate the response sections:

1. Transmittal Letter: The transmittal letter shall contain names, addresses, and telephone numbers of individuals who are authorized by the Vendor to address matters related to the Proposal including, but not limited to, contractual, technical, site visit, and background investigation issues. The transmittal letter must also contain explicit formal Agreement by the Vendor to comply with all contractual provisions and contain a statement that the Proposal will remain valid at least 220 days from due date of Proposals.
2. Acknowledgment of all RFP addenda in the form provided in **Attachment 1**.
3. Signed Contract (Appendix J).

4. Proposal Bond (Section 1.17).
5. Disclosure of Litigation and Other Information (see Section 1.20).
6. Response to specifications and in the order provided for in Part 4 – Information Required from Vendors, including technical documentation as appendices.
7. Designation of trade secrets or competitive information in the form described in Section 1.13 of this RFP.
8. Submission of certifications and representations as required by this RFP.
9. Listing of Intellectual and Licensed Property (Sections 2.22 & 2.23)

To assist Vendors in completion and submittal of the required documents, a Submittal Checklist is incorporated into this RFP as **Attachment 3**; a completed Checklist must be included with the Vendor's Technical Proposal.

Note: No pricing information shall be included in any of the documents other than the designated Pricing sheets designated as Attachment 2.

Volume II – Pricing Proposal:

The Pricing Proposal must be prepared as provided in Part 4 and in the form provided as **Attachment 2** of this RFP. Vendors should carefully review the basis and terms of compensation set forth; any deviation from this format may cause the Proposal to be deemed non-responsive.

Two (2) originals and two (2) copies of the Pricing Proposal must be delivered to the Lottery's Contracting Officer. One CD, or other approved electronic media, must also be provided.

The contents of the Price Proposal volume must follow this outline:

1. Transmittal letter.
2. Pricing in the format provided as **Attachment 2** of this RFP, which contains Attachments 2-A through 2-K.

E. Proposal Submission:

Both volumes of each Proposal must be submitted to the Lottery, as defined below, and received by the date and time defined in Section 1.4 - Schedule. Originals should be clearly marked so as to differentiate from the copies.

VENDORS ARE RESPONSIBLE FOR ASSURING THAT THE FOLLOWING IDENTIFYING INFORMATION APPEARS ON THE OUTSIDE OF EACH ENVELOPE:

“Sealed Proposal” label, contract number, company or organization name, due date and time. If a delivery service is used which prohibits such markings on the envelope or package, this information must be placed on the outside of an interior envelope or package.

The Finance Office address for proposals submitted by contract carrier, courier delivery, personal delivery or by U.S. Postal Service is:

Gail P. Thorpe, Contracting Officer
New York State Division of Lottery
Finance Office
One Broadway Center
Schenectady, NY 12301-7500

NOTE: fax and e-mail submissions are not acceptable and will not be considered.

F. Proposal Receipt and Opening:

If a Proposal is to be delivered by a method other than U.S. Postal Service, the bidder should contact the Contracting or Finance Officer prior to delivery to assure proper receipt of the Proposal. If hand delivered, the Lottery will provide a time stamped receipt indicating when the Proposal is received at the Security Desk in the Lottery’s lobby on the ground floor of One Broadway Center. This will be the official time of receipt. Upon request, the Lottery will confirm receipt of any Proposal by electronic mail.

Upon receipt of a Proposal, the Price Proposal volume will be secured by the Lottery’s Internal Audit unit and will not be opened until after the Technical Evaluation process is complete. Each Technical Proposal volume will be distributed to the Evaluation Committee members at the start of the evaluation process.

G. Late Proposal:

A Proposal must be received by the Lottery Finance Office on or before the due date and time specified. The Vendor is responsible for timely

receipt of its Proposal and should plan for delivery accordingly. Failure of a Vendor to submit a Proposal by the specified time may result in rejection or disqualification of the Proposal. A Proposal rejected or disqualified for lateness may be returned unopened to the Vendor.

H. Joint Proposals:

Two or more firms may join together to submit a Proposal in response to this RFP. If a joint Proposal is submitted, the Proposal shall define the responsibilities that each firm is proposing to undertake. Of the firms submitting a joint Proposal, one must be designated as the primary Vendor. Any contract award issued as a result of this submission will be made exclusively to the primary Vendor. A joint Proposal must designate a single authorized official from one of the joint firms to serve as the sole point of contact between the Lottery and the joint responding firms.

I. Multiple Proposals from one Vendor Prohibited:

A Vendor shall submit a single Proposal only. Within the single Proposal, and separate from the response to the requirements of this RFP, the Vendor may identify options, including solicited and unsolicited products, services, and features that the Vendor believes may be appealing and useful to the Lottery. The inclusion of options accommodates the purpose of defining alternatives through multiple Proposals.

J. Costs Associated with Preparation of Proposals:

Neither the Lottery nor the State of New York shall be liable for any of the costs incurred by a Vendor in preparing or submitting a Proposal. The Lottery and the State assume no responsibility or liability for costs incurred by a Vendor prior to the award of a contract. The responsibility and liability of the Lottery and the State shall be limited to the provisions of the contract.

1.16 CLARIFICATION PROCESS

The Lottery may request clarification from a Vendor for the purpose of resolving any ambiguity or questioning information presented in the Proposal. Clarifications are an opportunity to explain, but not to enhance a Proposal. Requests for clarification may occur throughout the Proposal submission review and/or the Technical Proposal evaluation process. Clarification responses shall be in writing and shall address only the information requested. Responses shall be submitted to the Lottery within the time stipulated at the occasion of the request. As applicable, clarifications will be treated as addendums to the vendor's Proposal.

1.17 PROPOSAL VALIDITY AND PROPOSAL BOND

Proposals must remain valid for a period of 220 days.

Each Vendor must submit a Proposal Bond with the Proposal. The Proposal Bond must be acceptable to the Lottery in form and substance, and issued by a qualified issuer as described below, in the amount of one hundred thousand dollars (\$100,000). This bond will guarantee the availability of the goods and services at the price(s) quoted in the Proposal for a period of 220 days after submission of the Proposal. In lieu of a Proposal Bond, the Lottery will accept a certified check from the Vendor in the same amount. The check or Proposal Bond shall be made payable to the New York Lottery.

The check or Proposal Bond will be returned to each Vendor upon approval by the New York State Comptroller of the contract awarded to the successful Vendor or the multiple contracts awarded to the successful Vendors.

The Proposal Bond shall be issued by a reliable surety company with a record of successful continuous operation and qualified to do business in the State of New York. Refer to Section 2.28 for additional qualifications and information.

1.18 LITIGATION BOND

A Litigation Bond is not required under this procurement.

1.19 DISCLOSURE AND INVESTIGATIONS DURING PROPOSAL EVALUATION

Subsequent to Proposal submission, the Lottery may initiate investigations into the backgrounds of the Vendor and individuals or entities related to any officers, directors, members, principals, investors, owners, subcontractors, employees, or any other individuals or entities related to the Vendor, as deemed appropriate. Such background investigations may include fingerprint identification and background reporting by the New York State Division of Criminal Justice Services (DCJS) and the Federal Bureau of Investigation (FBI), and such additional investigation as may be required.

The Lottery may reject a Proposal based upon the results of background checks. Any person who knowingly provides false or intentionally misleading information on behalf of a Vendor in connection with any investigation by the Lottery may cause the Vendor's Proposal to be rejected, or a contract award to be canceled.

If a Vendor or a substantial subcontractor is a subsidiary of a parent entity, the Lottery may require disclosures from the parent entity as necessary.

1.20 DISCLOSURE OF LITIGATION AND OTHER INFORMATION

Since the Lottery has a strong interest in the continuing ability of successful Vendor(s) to produce secure, high quality products and services, the Lottery requires that each Vendor list and summarize pending or threatened litigation, administrative or regulatory proceedings or similar matters. As part of this disclosure requirement, each Vendor must state whether it or any owner, officer, director, or partner has ever been convicted of a felony. Failure to disclose such matters may result in rejection of the Proposal or in termination of a contract. Such disclosures must be included in the Proposal.

This is a continuing disclosure requirement; any such matter commencing after submission of a Proposal and, with respect to the successful Vendor(s) after the approval of a contract, must be disclosed in a timely manner in a written statement to the Lottery.

1.21 CHANGE IN FINANCIAL CONDITION

If a Vendor who has submitted a Proposal in response to this RFP experiences a substantial change in financial condition prior to the award of a contract pursuant to this RFP, or if a successful Vendor experiences a substantial change in financial condition during the term of a contract with the Lottery, the Director of the Lottery must be notified in writing at the time the change occurs or is identified. Failure to notify the Lottery of such a change may result in rejection of a Vendor's Proposal or termination of the contract.

1.22 CHANGE IN OWNERSHIP

If a Vendor experiences a material change in ownership prior to contract award or during the term of a contract with the Lottery, the Lottery must be notified in writing at the time the change occurs or is identified. "Material change in ownership" is defined as any merger, acquisition, assignment or change in parties who comprising ownership greater than 5% of a Vendor or the parent company of a Vendor. Failure to notify the Lottery of such a change may result in the rejection of a Vendor's Proposal or termination of the contract. The Lottery reserves the right, based on its assessment of a material change in ownership, to reject a Vendor's Proposal or terminate the contract.

1.23 NEWS RELEASES

A news release pertaining to this RFP or the services, evaluation, data, or contract to which it relates may not be made without prior written Lottery approval, and then only in accordance with express written instructions from the Lottery. No results of the contract may be released without prior approval by the Lottery and then only to persons designated.

1.24 ADVERTISING

Each respondent agrees not to use the New York Lottery's name, logos, images, nor any data or results arising from this procurement or contract as part of any commercial advertising without prior written approval by the Lottery, and then only in cooperation with the Lottery.

1.25 AWARD

In determination of award(s), the qualifications of the bidder, the conformity with the specifications of services to be supplied and the delivery terms will be considered. The contract award(s) will be based on "Best Value," the evaluation method for awarding a contract to the Vendor(s) whose Proposal(s) optimize(s) quality, cost, and efficiency among responsible offers. The determination will be based on a scoring of Technical and Cost Proposals as defined in Part 5 of this RFP.

1.26 STATE'S RESERVED AUTHORITY

In addition to any authority described elsewhere in this RFP, the Lottery reserves the authority to:

- A. Award a contract for all, part or none of the services requested by this RFP;
- B. Waive any informality or technical defect if, in the Lottery's judgment, the best interests of the State will be so served.
- C. Eliminate any non-material mandatory specification(s) that cannot be complied with by any of the prospective bidders;
- D. Amend the RFP and direct bidders to submit Proposal modifications accordingly;
- E. Change any of the scheduled dates stated herein;
- F. Reject any or all Proposal(s) received in response to this RFP, and to reissue a modified version of this RFP;
- G. Withdraw the RFP at any time, at its sole discretion;
- H. Seek clarifications and revisions to Proposals;
- I. Use Proposal information obtained through site visits, management interviews and the State's investigation of a bidder's qualifications, experience, ability or financial standing, and any material or information submitted by the bidder in response to the Lottery's request for clarifying information in the course of evaluation and/or selection under this RFP;

- J. Disqualify any offerer whose conduct and/or Proposal fail to conform to the requirements of the RFP;
- K. Negotiate with the successful offerer within the scope of the RFP in the best interests of the State;
- L. Set aside the original successful offerer if it is determined that the offerer is non-responsible. The Lottery may then award a contract to the offerer with the next highest total combined score;
- M. Set aside a conditional award to the successful offerer should the Lottery be unsuccessful in finalizing an Agreement with that offerer within a time frame acceptable to the Lottery; such time frame is to be determined solely by the Lottery based on the best interests of the State. The Lottery may then award a contract to the offerer with the next highest total combined evaluation score.
- N. Make multiple contract awards.

1.27 RFP APPENDICES AND ATTACHMENTS

The following documents are incorporated into this RFP:

- Appendix A: Standard Clauses for NYS Contracts
 - Appendix B: NYS Vendor Responsibility Questionnaire
 - Appendix C: Consultant Disclosure - Forms A & B
 - Appendix D: Equal Employment Opportunity
 - Appendix E: Minority and Women-Owned Business Enterprise Program
 - Appendix F: Non-Collusive Bidding Certification
 - Appendix G: Procurement Lobbying – Bidder/Offerer Disclosure
 - Appendix H: MacBride Fair Employment Principles
 - Appendix I: Sales & Use Tax Contractor Certification
 - Appendix J: Contract Form
 - Appendix K: Electronic Payment Authorization Form and Substitute Form W-9
 - Appendix L: Sample - Bar-coded Coupon
 - Appendix M: Net Sales Less Prize Liability Projections
-
- Attachment 1: Vendor Acknowledgement of Addendum
 - Attachment 2: Pricing Proposal Forms
 - Attachment 3: Document Submittal Checklist

1.28 PROTEST OR APPEAL

In the event that a Proposer decides to protest the contract award decision, the following protest procedures will be followed:

- Any protest of the award decision(s) must be submitted to the Lottery's Contracting Officer, no later than ten (10) business days following the date of written Notification of Award to the unsuccessful Proposer.
- The protest must clearly state in writing the basis for the protest and include all relevant documentation supporting such protest.
- The Lottery will conduct a review of the protest and will issue a written determination to the protesting party within fifteen (15) business days of receipt of the protest. If additional time for issuance of the determination is necessary, the Lottery will inform the Proposer of the delay and of the time frame within which a determination may be expected. The final written determination provided to the Proposer will constitute the Lottery's final administrative determination of the protest.
- If an unsuccessful Proposer decides to appeal the Lottery's protest determination, the unsuccessful Proposer must submit such an appeal to the New York State Office of the State Comptroller (OSC) within ten (10) business days of receipt of the Lottery's final written determination. The appeal must be in writing and a copy must be served on the Lottery, the successful bidder(s), and any other party that participated in the review of the protest conducted by the Lottery; the unsuccessful Proposer's appeal must contain written affirmation that a copy of the appeal has been served as required by this paragraph.
- The protest appeal to the OSC Bureau of Contracts must be in writing and must contain specific factual and/or legal allegations setting forth the basis on which the protesting party challenges the contract award by the Lottery. The protest must be filed with: Charlotte Breeyear, Director, Bureau of Contracts – 11th Floor, New York State Office of the State Comptroller, 110 State Street, Albany, NY 12236.
- The Lottery will submit an answer to the appeal to the OSC Bureau of Contracts simultaneously with the delivery of the contract to the OSC Bureau of Contracts for its review, or within seven (7) business days of the submission of the appeal, whichever is later. The Lottery's answer to the appeal must include written affirmation that, simultaneous with the submission to OSC, the answer was transmitted to the protestor and the successful Proposer(s).
- A successful Proposer may, but is not required to, submit an answer to the appeal with the OSC Bureau of Contracts. Such answer must include written affirmation that the answer was simultaneously delivered to the Lottery and the protestor and must meet the filing requirements as noted above for the Lottery.
- The OSC Bureau of Contracts shall evaluate the merits of the protest, the Lottery's determination and any response submitted by an interested party. In its review, the OSC Bureau of Contracts may require the Lottery, the protesting

party, the successful Proposer(s), or any other interested party to address additional issues raised; may obtain information from an outside source; or may determine whether it deems it necessary to conduct a fact-finding hearing, and the level of formality of any hearing conducted.

- The OSC Bureau of Contracts shall issue a written determination addressing the issues raised by the appeal. All interested parties shall be provided with a copy of the determination. The determination shall be made part of the procurement record.

PART 2 – CONTRACTUAL PROVISIONS

2.1 GOVERNING LAW

The Proposal submission process, the evaluation of Proposals, the award procedure, and any contract resulting from this RFP shall be governed by the laws of the State of New York and shall be interpreted according to New York law. Any and all litigation arising under this RFP or any contract resulting hereunder shall be instituted in the appropriate court of the State of New York; and, by submitting a Proposal, a Vendor is deemed to waive access to any other court which may have concurrent jurisdiction within or outside New York State.

2.2 STANDARD CLAUSES FOR ALL NEW YORK STATE CONTRACTS

Appendix A, a listing of the State of New York Standard Contract Clauses is attached. **Appendix A** becomes part of all New York State contracts.

2.3 TERM OF CONTRACT

Upon approval of the New York State Offices of the Attorney General and the State Comptroller, the term of the contract resulting from this RFP will be seven years beginning on July 28, 2011.

2.4 COMPENSATION

Part 1: The primary and alternate contractors will receive compensation based on printing pricing as defined in the Vendor's Pricing Proposal.

Part 2: The primary contractor will receive additional compensation through an Instant Game Management/Marketing Program as follows:

- Percentage of Total Net Instant Sales Less Prizes: The Vendor will be required to quote a contractor fee expressed as a percentage of the total net Instant sales less prize liability. Prize liability shall be based on each game's prize payout as defined in the working papers prize structure. This contractor fee will be paid weekly to the primary contractor at the point instant ticket books settle. **Appendix M** of this RFP provides history and projections of net sales less prize liability.
- Sales Less Prize Incentive: As a further incentive, the Lottery will also provide a cash payment to the primary contractor if benchmark levels of traditional Net Sales less Prize Expense are achieved. The first time that New York Lottery traditional Net Sales less Prize Expense exceeds \$3 billion the primary contractor will receive a one time payment of \$500,000. Thereafter, each time a \$200 million incremental level is achieved (\$3.2

billion, \$3.4 billion, etc.) an additional payment of \$500,000 will be made. The incentive payments will be made after completion of the Lottery's Audited Financial Statements and based upon those accrued annual sales and the associated prize expenses.

Note: Section 4.9 of this RFP details the requirements for pricing.

2.5 PAYMENT and CONTRACT INVOICING

The contractor agrees to submit timely, itemized invoices and reconciliations based on the services provided and the payment calculations described within this document. Invoices must be directed to the Finance Office. The Lottery shall promptly process all payments due to the contractor that conform to the provisions of this RFP and are approved by the Lottery's contract administrator. Upon approval, the Lottery shall direct such payments under the contract(s) awarded from this RFP from the amounts collected from Lottery retailers each week for sales activities and adjustments (the "Lottery Receipts"). Following contract award, each successful Vendor shall provide information for the bank account to which payments due to the Vendor will be directed. For the purpose of the provisions of the State Finance Law and the Lottery for Education Law governing the retention of a portion of sales revenues as compensation, each successful Vendor shall be considered a "licensed sales agent."

2.6 ELECTRONIC PAYMENT (EPAY) PROGRAM

If throughout the term of the contract there is a change in the payment methodology outlined above, the contractor will be required to enroll in the Electronic Payment (epay) Program through the New York State Office of the State Comptroller (OSC). In order to participate in this program it will be necessary for the contractor to submit both an Electronic Payment Authorization Form and the Substitute Form W-9 directly to OSC as provided below.

The Electronic Payment Authorization Form and the Substitute Form W-9 are included in this RFP as **Appendix K**. The purpose of the Substitute Form W-9, which will capture the contractor's taxpayer identification number, business name, and business contact person, is to allow OSC to establish a Vendor file in the State Central Accounting System. Note: IRS Form W-9 is not acceptable for this purpose.

Only an original of the Electronic Payment Authorization Form will be accepted and should be submitted with an attached voided check (as verification of the contractor's banking information). The Electronic Payment Authorization Form, together with Substitute Form W-9, should be mailed to OSC's Bureau of Accounting Operations at the address below. If a Vendor chooses not to submit a voided check, its Financial Institution can complete section two of the Authorization Form and return it directly to:

NYS Office of the State Comptroller – Bureau of Accounting Operations
Warrant & Payment Control Unit
110 State Street
Albany NY 12236

If the contractor is already enrolled in the NYS epay program, then only Substitute Form W-9 requires completion and submittal to OSC. Additional information and procedures for enrollment into the epay program can be found at OSC's website: <http://www.osc.state.ny.us/epay>.

2.7 NYS STANDARD VENDOR RESPONSIBILITY QUESTIONNAIRE

Vendor agrees to fully and accurately complete the NYS Standard Vendor Responsibility Questionnaire, which is attached as **Appendix B** (hereinafter the "Questionnaire"). The Vendor acknowledges that the State's execution of the contract will be contingent upon the Lottery's determination that the Vendor is responsible, and that the Lottery will be relying upon the Vendor's responses to the Questionnaire in making that determination. The Vendor agrees that if it is determined by the Lottery that the Vendor's responses to the Questionnaire were intentionally false or intentionally incomplete, upon such determination, the Lottery may terminate the contract by providing ten (10) days written notification to the contractor. In no event shall such termination of the contract by the Lottery be deemed a breach thereof, nor shall the Lottery be liable for any damages for lost profits or otherwise, which may be sustained by the contractor as a result of such termination.

Additionally, upon award of a contract the responsibility review may extend to parent and subsidiary corporations of the contractor where the related company is a critical component of the contractor's capacity to fully perform a contract and to a subcontractor where the subcontractor is known at the time of the contract award and the subcontract will equal or exceed \$100,000 over the life of the contract.

The NYS STANDARD VENDOR RESPONSIBILITY QUESTIONNAIRE (Appendix B) must be completed and submitted with the Proposal.

2.8 OMNIBUS PROCURMENT ACT COMPLIANCE

If the contract is for \$1 million or more, by entering into the contract the contractor agrees (i) to make reasonable efforts to encourage the participation of New York State business enterprises as subcontractors and suppliers on the contract and retain documentation of such efforts to be provided to the State upon request; (ii) to comply with the federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended; (iii) to make reasonable efforts to provide notification to New York State residents of employment opportunities on the contract through listing any such positions with the Job Service Division of the New York State Department of Labor

or providing such notification in such a manner as is consistent with existing collective bargaining contracts or agreements and to retain documentation of such efforts to be provided to the State upon request; and (iv) to cooperate with the State of New York in seeking to obtain offset credits from foreign countries as a result of the contract.

2.9 STIPULATION REGARDING NORTHERN IRELAND

In compliance with Section 174-b of the New York State Finance Law, the contractor must stipulate that the contractor and any legal entity in which the contractor holds a ten percent or greater ownership interest and any individual or legal entity that holds a ten percent or greater ownership interest in the contractor either (i) has no business operations in Northern Ireland; or (ii) shall take lawful steps in good faith to conduct any business operations such person or persons has or have in Northern Ireland in accordance with the MacBride Fair Employment Principles (as set forth in Section 174-b of the New York State Finance Law) and shall permit independent monitoring of compliance with such principles.

The NORTHERN IRELAND STIPULATION FORM (Appendix H) must be completed and submitted with the Proposal.

2.10 TAX LAW SECTION 5-A

The Vendor awarded a contract pursuant to this RFP must comply with the requirements of Tax Law section 5-a, which requires persons awarded contracts valued at more than \$100,000 with state agencies, public authorities or public benefit corporations to certify that they, their affiliates, their subcontractors, and the affiliates of their subcontractors have a valid certificate of authority to collect New York State and local sales and compensating use taxes. A contractor, affiliate, subcontractor, or affiliate of a subcontractor must be certified as having a valid certificate of authority if such person has made sales delivered within New York State of more than \$300,000 during the relevant period. The Office of the State Comptroller (OSC) or other responsible approver cannot approve the contract unless the contractor is registered with the New York State Tax Department to collect sales and compensating use taxes. The forms listed below must be filed in compliance with Tax Law Section 5-a. Contractors can visit the New York State Department of Taxation and Finance website to obtain more information:

http://www.tax.state.ny.us/pdf/publications/sales/pub223_606.pdf.

Appendix I – ST-220-TD

http://www.tax.state.ny.us/pdf/2006/fillin/st/st220td_606_fill_in.pdf

Appendix I – ST-220-CA

http://www.tax.state.ny.us/pdf/2006/fillin/st/st220ca_606_fill_in.pdf

NOTE: ST-220-TD is to be filed directly with the Tax Department at the address provided on the form; ST-220-CA is to be filed with the Lottery as part of the Vendor's Proposal submission.

2.11 CONSULTANT DISCLOSURE

The contractor must comply with the requirements of New York State Finance Law Section 163(4) (g), which imposes certain reporting requirements on contractors doing business as consultants with New York State. In furtherance of these reporting requirements, the contractor agrees to complete and submit Contractor's Planned Employment report (**Appendix C – Form A**) within two (2) business days after receiving notice of a contract award and Contractor's Annual Employment Report (**Appendix C – Form B**) by May 15th for each fiscal year (April 1 – March 31) the contract term is in effect. Page two of each form provides the necessary addresses for submitting the form.

While the Planned Employment report (Form A) is a one-time projection of the planned employment under the upcoming contract term, the Annual Employment Report (Form B) is a reporting of the actual employment history for the previous fiscal year.

Forms A and B should be completed as follows:

- **Employment Category:** The contractor must use specific occupation titles as listed in the O*net occupational classification system found through the U.S. Department of Labor's Employment and Training Administration (www.online.onetcenter.org). The classification system provides a code for various occupational titles; the contractor should use the code which best defines the employment titles to be utilized under the contract.
- **Number of Employees:** Enter the number of employees in the employment category employed to provide services, or who have performed services (Form B), during the report period, including part-time employees and employees of subcontractors.
- **Number of Hours (to be) Worked:** Enter the number of hours to be worked (Form A), or worked (Form B) under the employment category for the report period.
- **Amount payable (paid) under the Contract:** Enter the estimated amount to be paid (Form A), or actually paid (Form B) for each employment category for the report period.
- **Scope of Contract (Form B only):** Choose the category that best describes the predominate nature of the services performed under the contract.

2.12 CONTRACTOR REQUIREMENTS AND PROCEDURES FOR EQUAL EMPLOYMENT AND BUSINESS PARTICIPATION OPPORTUNITIES FOR

MINORITY GROUP MEMBERS AND NEW YORK STATE CERTIFIED MINORITY/WOMEN-OWNED BUSINESSES.

In accordance with Article 15-a of the New York State Executive Law (Participation by Minority Group Members and Women with Respect to State Contracts) and in conformance with the Regulations promulgated by the Minority and Women's Business Development Division of the New York State Department of Economic Development set forth at 5 NYCRR Parts 140-145, the offeror/contractor agrees to be bound by the following provisions to promote equality of economic opportunity for minority group members and women, and the facilitation of minority and women-owned business enterprise participation.

A. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION REQUIREMENTS

By submission of Proposal in response to this solicitation, the offeror agrees with all of the terms and conditions of Clause 12 of Appendix A – Equal Employment Opportunities for Minorities and Women. In addition, as part of the Proposal, each respondent must submit a copy of the respondent's Equal Employment Opportunity ("EEO") Policy. If the respondent does not already have an EEO Policy in effect, then an EEO Policy must be adopted and a copy of the new policy must be submitted. **Appendix D contains Instructions for Completion (D-1) Work Force Employment Staffing Plan (D-2) and the Work Force Employment Utilization Periodic Report (D-3) described below.**

Proposal and contract requirements:

1. Each Proposal must include a Staffing Plan (**Appendix D-2**) describing the work force expected to be used on the contract. If it is impossible to describe the portion(s) of the respondent's work force that will be devoted to performing the contract, then the staffing plan must describe the respondent's total work force, including apprentices. The staffing plan must show the ethnic backgrounds, gender, and Federal occupational categories of the members of the work force.
2. During the term of the contract, the successful Vendor will be required to submit periodically, as defined below, to the Lottery a Work Force Utilization Report (**Appendix D-3**) showing the work force actually used in performing the contract, categorized by ethnic background, gender, and Federal occupational categories.

If the Staffing Plan provides for only the work force devoted to this contract, quarterly reporting is required. If the Staffing Plan includes the respondent's total work force, semi-annual reporting is required.

3. All of the foregoing equal employment and affirmative action requirements are applicable to all subcontracts related to this contract. The successful Vendor shall include in every subcontract in connection with this contract the requirement that subcontractors shall undertake or continue existing programs of affirmative action and, when requested, provide to the contractor information on the ethnic background, gender, and Federal Occupational Categories of the employees to be utilized on this contract.
4. The contractor will be required to follow the EEO Policy throughout the term of the contract.
5. As to the performance of the contract, contractors and subcontractors shall undertake or continue programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, equal opportunity shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation.
6. As a part of the contractor's EEO policy statement, the contractor, as a precondition to entering into a valid and binding State contract, shall agree to the following in the performance of the contract:
 - (i) The contractor will not discriminate against any employee or applicant for employment, will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on State contracts.
 - (ii) The contractor shall state in all solicitations or advertisements for employees that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status;
 - (iii) If requested by the Lottery, the contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union, or representative will not discriminate, and that such union or representative will affirmatively

cooperate in the implementation of the contractor's obligations herein.

As a precondition to contract award, the contractor's EEO Policy must contain a statement agreeing to comply with the requirements of Appendix A, Clause 12 and the elements listed above during the performance of this contract.

B. MINORITY/WOMEN-OWNED BUSINESS PARTICIPATION

It is the policy of New York State to maximize the opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises, as offerors, subcontractors and suppliers for its procurement contracts. Information on the availability of New York State subcontractors and suppliers can be found in the Directory of Certified Minority and Women-Owned Business Enterprises available from the New York State Department of Economic Development, http://www.empire.state.ny.us/Small_and_Growing_Businesses/mwbe.asp

In accordance with Article 15-A of the New York State Executive Law and 5 NYCRR § 141.2, the Division of the Lottery has established a goal of 19.60% participation by New York State Certified Minority Owned Business Enterprises and 17.44% participation by New York State Certified Women Owned Business Enterprises as sub-contractors/suppliers in this proposed contract. Attached to this RFP is a copy of the Minority and Women Owned Business Utilization Plan Form (**Appendix E-2**).

Proposal and contract requirements:

1. Each Proposer must include a summary of its MBE/WBE utilization plan in its Proposal. The plan shall include the business name of the supplier/sub-contractor, a description of the proposed products or services to be provided, contact information for a representative of the supplier/sub-contractor, and the estimated value of the payments over the term of this contract.
2. The successful Vendor must submit the complete Utilization Plan within fourteen (14) days after notification of the contract award for review and acceptance by the Lottery. Instructions for completing the Utilization Form are contained in Appendix E-1.
3. The contact information for the designated officer who will be assigned the responsibility and authority to monitor the MWBE program for this contract shall be provided in Appendix E-1.

4. Any modifications or changes to the agreed participation by certified Minority or Women-Owned Business Enterprises (MWBEs), over the term of the contract, must be reported on a revised Utilization Plan.
5. During the term of the contract, the successful Vendor will be required to submit to the Lottery a **Quarterly Activity Report (Appendix E-3, Parts 1 & 2)** showing MWBE's actually used in performing the contract; this information shall be broken down by subcontractor/supplier and dollar amount of purchase/service. **The Quarterly Activity Report must be received by the Lottery 10 calendar days following the end of the previous quarter. The State's fiscal year is April 1 through March 31; the quarterly end dates are: June 30, September 30, December 31, and March 31.**
6. In accordance with 5 NYCRR § 142.13, a contractor who willfully and intentionally fails to comply with the minority and women-owned business enterprise participation requirements of 5 NYCRR Parts 140-145 as set forth in this RFP shall be liable to the Lottery for damages, which shall be calculated based on the actual cost incurred by the Lottery related to the Lottery's expenses for personnel, supplies and overhead related to establishing, monitoring, and reviewing certified minority- and women-owned business enterprise programmatic goals and Affirmative Action and Equal Opportunity compliance. If the Lottery elects to proceed against a contractor for breach of contract as provided in 5 NYCRR § 142.13, the Lottery shall be precluded from seeking enforcement pursuant to Executive Law § 316.

2.13 WORKER'S COMPENSATION REQUIREMENTS
PROOF of COMPLIANCE WITH WORKERS' COMPENSATION COVERAGE
REQUIREMENTS: (ACCORD forms are NOT acceptable proof of Workers'
Compensation coverage).

In order to provide proof of compliance with the requirements of the Workers' Compensation Law pertaining to workers' compensation coverage, contractors shall:

- A) Be legally exempt from obtaining workers' compensation insurance coverage; or
- B) Obtain such coverage from insurance carriers; or
- C) Be a Board-approved self-insured employer or participate in an authorized self-insurance plan. Contractors seeking to enter into contracts with the State of New York **shall provide one of the following forms to the Lottery** at the time of Proposal submission:

1) **Form CE-200**, *Certificate of Attestation for New York Entities With No Employees and Certain Out of State Entities, That New York State Workers'*

Compensation and/or Disability Benefits Insurance Coverage is Not Required which is available on the Workers' Compensation Board's website (www.wcb.state.ny.us); or

2) *Certificate of Workers' Compensation Insurance:*

3) **Form C-105.2 (9/07)** if coverage is provided by the contractor's insurance carrier, **contractor must request its carrier** to send this form to the Lottery; or

4) **Form U-26.3** if coverage is provided by the State Insurance Fund, contractor must request that the State Insurance Fund send this form to the Lottery; or

5) *Certificate of Workers' Compensation Self-Insurance - Form SI-12*, available from the New York State Workers' Compensation Board's Self-Insurance Office; or

6) *Certificate of Participation in Workers' Compensation Group Self-Insurance Form GSI-105.2*, available from the contractor's Group Self-Insurance Administrator. **All forms must name THE NEW YORK STATE LOTTERY, as the Entity Requesting Proof of Coverage (Entity being listed as the Certificate Holder).**

PROOF of COMPLIANCE WITH DISABILITY BENEFITS COVERAGE REQUIREMENTS:

In order to provide proof of compliance with the requirements of the Workers' Compensation Law pertaining to disability benefits, contractors shall:

A) Be legally exempt from obtaining disability benefits coverage; or

B) Obtain such coverage from insurance carriers; or

C) Be a Board-approved self-insured employer.

Contractors seeking to enter into contracts with the State of New York **shall provide one of the following forms to the Lottery** at the time of bid submission or shortly after the opening of bids:

A) **Form CE-200**, *Certificate of Attestation for New York Entities With No Employees and Certain Out of State Entities, That New York State Workers' Compensation and/or Disability Benefits Insurance Coverage is Not Required* which is available on the Workers' Compensation Board's website: www.wcb.state.ny.us; or

B) **Form DB-120.1**, *Certificate of Disability Benefits Insurance*. Contractor must request its business insurance carrier to send this form to the Lottery; or

C) **Form DB-155**, *Certificate of Disability Benefits Self-Insurance*. The Contractor must call the Board's Self-Insurance Office at 518-402-0247 to obtain this form. **All forms must name THE NEW YORK STATE LOTTERY as the Entity Requesting Proof of Coverage (Entity being listed as the Certificate Holder).**

2.14 PROOF OF INSURABILITY

Each Proposal must include proof of insurance or insurability for all the insurance coverage required in the RFP or contract.

2.15 HIRING OF LOTTERY PERSONNEL

At all times during the Proposal evaluation period and continuing for one year following either the award of a contract or the rejection of all Proposals, Vendors are prohibited from officially or unofficially making any employment offer or proposing any business arrangement whatsoever to any Lottery employee involved in the evaluation of Proposals, the contract award, or contract negotiations. A Vendor making such an offer or proposition may be disqualified from further consideration.

2.16 SUCCESSFUL VENDOR RESPONSIBILITIES AS CONTRACTOR

The contractor will be required to assume responsibility for all contractual activities offered in the Proposal whether or not the contractor performs such activities. Further, the Lottery will consider the contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

The successful Vendor may have subcontractors; however, the successful Vendor must accept full responsibility for the performance of any such subcontractor. If any part of the work is to be subcontracted, responses to this RFP must include a list of subcontractors, as defined in Part 4 of this RFP.

2.17 APPROVAL OF STAFFING

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

2.18 SUBCONTRACT APPROVAL

The Lottery must approve subcontractors and may require the successful Vendor to replace subcontractors who are determined to be unacceptable upon inception or during the term or any extension thereof. Subcontractors are subject to background checks of personnel and principals, and may also require Vendor licensing.

2.19 DELEGATION AND/OR ASSIGNMENT

No delegation of any duties under this contract shall be binding upon the State until the Lottery has given written consent to such delegation; nor shall assignments of rights to moneys due or to become due under this contract be permitted to any firm other than contractor, except by express written consent of the Lottery.

2.20 CODE OF CONDUCT FOR VENDOR

The Lottery is an extremely sensitive enterprise because of the nature of the business and because it is government operated; therefore, it is essential that its operation, and the operation of other enterprises which would be linked to it in the public mind, avoid not only impropriety but also the appearance of impropriety. Due to this, contractors associated with the Lottery are expected to:

- A. Offer goods and services only of the highest standards;
- B. Use their best efforts to prevent the industry from becoming embroiled in unfavorable publicity;
- C. Make sales presentations in a responsible manner; and when it is necessary to point out the superiority of their goods or services over those of their competitors, to do so in such a manner as to avoid unfavorable publicity for the industry;
- D. Avoid promotional activities which could be interpreted as improper and result in embarrassment to the industry;
- E. Report security problems or potential security problems only to the New York Lottery Director.
- F. Not offer or give any gift, gratuity, favor, entertainment, loan or any other thing of material monetary value to any Lottery employee, or to any individual influencing the outcome of this project.

2.21 TICKET PURCHASE AND PRIZE PAYMENT RESTRICTIONS

Restrictions apply to the purchase of tickets and payment of prizes to individuals related to the Successful Vendor or the Successful Vendor's significant subcontractors. No officer, employee, or immediate supervisor of such employee, or relative living in the same household as these individuals shall purchase a New York Lottery draw or Instant Game ticket or be paid a prize in any New York Lottery draw or Instant Game if (i) he or she conducts duties directly pursuant to the Contract; or (ii) he or she has access to information made Confidential by the Lottery. The Successful Vendor shall ensure that this requirement is made known to each affected individual and must define how it will comply with this requirement.

2.22 TITLE TO AND USE OF INTELLECTUAL PROPERTY

The Lottery and the Vendor shall agree that Intellectual Property associated with any product or service provided by (or developed solely by) the Successful Vendor during the term of this Contract and used by the Lottery will remain the property of the Vendor; however, the Vendor will grant a license to the Lottery to make use of any such Intellectual Property on a perpetual basis with respect to Lottery conduct of games. The Vendor may not separately charge the Lottery a fee for the right to use any Intellectual Property owned by the Successful Vendor. As part of its Proposal, the Vendor must provide a list of Intellectual Property currently owned by the Vendor that may be relevant to this procurement.

2.23 LICENSED INTELLECTUAL PROPERTY

To the extent that the Vendor utilizes or relies upon the Intellectual Property rights of a third party in fulfilling its obligations under the Contract, the Vendor will provide the Lottery with whatever assurance the Lottery deems necessary that the use of such third party Intellectual Property is permissible. In addition, in the event of failure to perform or breach of Contract the Vendor must ensure continued right of use of licensed Intellectual Property by the Lottery. The Lottery will not pay a fee for rights already held by the Vendor; however, if fees are incurred for the licensing of Intellectual Property owned by any third party relevant to the fulfillment of the services under this RFP, any fees to be paid by the Lottery for use of a third party's Intellectual Property will be negotiated on a case by case basis. As part of its Proposal, the Vendor must provide a list of any third party's Intellectual Property relevant to this procurement that the Vendor is currently licensed to use.

2.24 INFORMATION SECURITY BREACH AND NOTIFICATION ACT

Section 208 of the New York State Technology Law (STL) and Section 899-aa of the New York State General Business Law (GBL) require that State entities and

persons or businesses conducting business in New York who own or license computerized data which includes private information including an individual's unencrypted personal information plus one or more of the following: social security number, driver's license number or non-driver ID, account number, credit or debit card number plus security code, access code or password which permits access to an individual's financial account, must disclose to a New York resident when their private information was, or is reasonably believed to have been, acquired by a person without valid authorization. Notification of breach of the security of that private information to all individuals affected or potentially affected must occur in the most expedient time possible without unreasonable delay, after necessary measures to determine the scope of the breach and to restore integrity, but with delay if a law enforcement agency determines that notification would impede a criminal investigation. When notification is necessary, the State entity or person or business conducting business in New York must also notify the following New York State agencies: the Attorney General, the Office of Cyber Security & Critical Infrastructure Coordination (CSCIC) and the Consumer Protection Board (CPB). Information about the law and the notification process is available at: <http://www.cscic.state.ny.us/security/securitybreach/>.

2.25 LOTTERY SECURITY REQUIREMENTS

The Contractor, including its employees, officers, agents and subcontractors, shall be required to comply with all present and future security policies of the Lottery. In addition, the Contractor, its subcontractors, project managers, their employees, officers and agents, and any and all persons involved in projects and work assignments under this contract will be required, prior to access to any Lottery site, to be given a security clearance by Lottery. Anyone seeking access to a Lottery site must provide his or her name, address, date of birth, company affiliation, and a company point of contact for employment verification, at least one week prior to any site visit. Once preliminary access approval is granted by the Lottery, all visitors to a site must provide two (2) forms of valid identification, including one photo ID and written authorization that they are acting on behalf of a designated employer or contractor. Only after site authorization is confirmed will access to the Lottery site be approved.

A. Physical Security During the Delivery of Contracted Services

(i) The Contractor shall be solely responsible for the safety and security of the project sites, facilities, and components under this Contract, with the exception that the Contractor is not responsible for overall building security at locations under the control and management of Lottery, State, local or federal agencies. The Contractor remains responsible, however, for security of project components or equipment within such buildings, e.g. secure equipment enclosures within the space provided by such agencies. The Contractor shall be responsible for and shall correct its failure or theft

of any components or portion of the project due to the Contractor's inadequate physical and/or information security at its cost and expense.

(ii) The physical security and the information security of project data shall be provided at a level commensurate with that normally established for a similar system in today's heightened security environment. All components of site security shall be of suitable strength and design, and shall reasonably withstand attempts to gain unauthorized access.

B. Access by Personnel

(i) The Contractor, its officers, agents, subcontractors, and their employees and independent contractors, shall be required to comply with all applicable facility and information security policies and procedures of the Lottery and the State in performing the scope of work under this RFP. Such policies and procedures shall be communicated to the Contractor as a condition precedent to the Contractor's obligations under this paragraph.

(ii) The Contractor warrants that each individual performing work under this RFP is legally eligible to work in the United States and that such eligibility shall be maintained at all times during the contract term while the individual is accessing any Lottery site, information systems or data contained therein. In addition, prior to accessing any Lottery site, project information systems or data contained therein, the Contractor, and its officers, agents, sub-contractors, and their collective employees and independent contractors performing work under this RFP, shall be required to:

(a) Obtain security clearance from the Lottery, which may include, at the Lottery's discretion, a criminal history and/or background investigation of each individual proposed to perform work under the Contract. Each individual assigned to the project by or through the Contractor shall be required to submit identifying information to the Lottery.

(b) Obtain from the Lottery and prominently display on their person, Lottery issued identification cards at all times while physically present at any Lottery site.

(iii) When an emergency or other circumstances occur which render immediate compliance with the foregoing requirements impractical, the Lottery may, in its sole judgment, defer an individual's compliance with the foregoing requirements and grant temporary access. Such deferment shall not be construed as a waiver of the Lottery's right to subsequently require security clearance as to any individual previously granted such temporary access; provided however, that even in such circumstances,

the Lottery shall approve such individual's access prior to such individual accessing a site, system or data and the Lottery may accompany such individual at all times when on-site.

(iv) The Lottery reserves the right, in its sole discretion, and without liability to the Contractor's officers, agents, subcontractors, and their collective employees and independent contractors assigned to work under this RFP, to withhold approval of and refuse to permit access prior to such individual accessing a site, system or data and the Lottery may accompany such individual at all times when on-site. The Lottery reserves the authority, in its sole discretion, and without liability to the Contractor's officers, agents, subcontractors, and their collective employees and independent contractors assigned to work under the Contract, to withhold approval of and refuse to permit access to Lottery facilities, electronic information systems or data contained therein to any individual proposed by or through the Contractor (A) who refuses to comply with the security procedures outlined in this section, or (B) where the Lottery determines that the individual may present a risk to the Lottery's security interests. The Lottery shall not be liable for payments or damages of any kind if the Contractor is delayed or unable to perform under this RFP as a result of the Lottery's denial of access to any individual(s) pursuant to this section.

2.26 FORM OF CONTRACTUAL AGREEMENT

The successful Vendor will be expected to sign a contractual agreement with the Lottery in the form attached to this RFP as **Appendix J** (the "Contract"). The Lottery does not intend to negotiate any changes in the provisions of the contract form subsequent to award. **Any exception to the contract form must be raised in a Vendor question submitted to the Lottery pursuant to the schedule set forth in Section 1.4 of this RFP and in accordance with Section 1.11 of this RFP.**

2.27 CONTRACT ELEMENTS

The contract resulting from this RFP will include the following parts:

- Appendix A – Standard Terms for all New York State Contracts
- Addendums to the Contract
- Contractual Agreement
- Clarifications and Addendums to the RFP
- RFP
- Clarifications to the Vendor's Proposal
- Vendor's Proposal

In the event of a conflict in the provisions of these documents, the order of precedence shall be as listed above from the highest to the lowest.

2.28 SEVERABILITY

If a court of competent jurisdiction determines any portion of a contract to be invalid, it shall be severed and the remaining portion of a contract shall remain in effect.

2.29 SURETY AND INSURER QUALIFICATIONS

All required bonds and insurance must be issued by companies which are "A" or higher rated by A.M. Best & Co., have a record of successful continuous operation, are licensed, admitted, and authorized to do business in the State of New York, and are approved by the Lottery. Required coverage and limits must be put into effect as of the effective date of the contract and must remain in effect throughout the term of the contract, as determined by the Lottery. The successful Vendor must submit copies of each required insurance contract, and any renewals thereof, to the Lottery upon the Lottery's request. The insurance policies must provide thirty (30) days' advance written notice to the Lottery of cancellation, termination or failure to renew any policy.

2.30 PERFORMANCE BOND

A performance bond is not required under this procurement.

2.31 FIDELITY BOND

A fidelity bond is not required under this procurement.

PART 3- SCOPE OF WORK AND DELIVERABLES

3.1 WORK AND DELIVERABLES

Contractor shall provide deliverables, services, staff, and all other things necessary to complete the requirements of the contract.

3.2 SCOPE

Marketing Support and Sales / Product Development

As defined below, the primary Vendor will be required to provide both dedicated and shared staff resources to assist the New York Lottery in growing its Instant Game business. Some positions are to be dedicated to New York, while others can be corporate resources shared by more than one customer.

All travel costs by the Vendor associated with the requirements outlined in this RFP will be borne solely by the Vendor. The Lottery will not be responsible for any travel related costs.

Two times a year, the primary contractor will pay for visits by two Lottery staff members to travel to the printing facility to review current printing processes and meet with contractor staff. Additionally, at the beginning of the contract term and once each year the primary contractor will pay for two Lottery staff members to visit any plant producing New York Lottery tickets for a review of security, internal controls, computer security, and review of any drawings activity if conducted anywhere other than the Lottery – this includes physical or virtual drawings.

For the primary contract, the Lottery may require the contractor to provide qualitative web-based or in-person focus groups to be conducted two times per year.

Full Time Dedicated Staff (2)

Project Coordinator

The primary Vendor will be required to provide a dedicated, full-time person who is expected to be located at the Vendor's own primary office(s). This person must possess sufficient knowledge of and experience in the lottery industry to immediately be an effective contributor to the New York Lottery account.

This person will be responsible for:

- coordination with printing and production facilities
- ongoing development and delivery of Instant Games including but not limited to prize structures, ticket designs, scheduling, inventory management, delivery issues, and production issues
- working with senior Lottery staff as needed to evaluate products at retail and assist in the development of product improvements or development of new products.

Retailer Development

The primary Vendor will also be required to provide a dedicated, full-time retailer development person with at least five years of Lottery instant ticket related experience whose primary place of residence is in New York State or a contiguous state.

This person will be assigned to work with underperforming or such other retailer group defined by the Lottery. This person should be equipped with proven methods and experience that significantly improve the sales, customer service, and player experience from individual retailers. This position requires frequent statewide travel.

Shared Staff (3)

Senior Account Manager

The Lottery will require a Senior Account Manager assigned to the New York Lottery account who will devote on average approximately 30% - 40% of his or her time to New York activity. This person will be available at least once a month for on-site strategy planning sessions and will be responsible for:

- senior level coordination with Vendor and Lottery management
- Instant Game sales and marketing development and initiatives
- resolving critical scheduling/shipment issues
- following through on security and validation file issues.

Art Director

The primary Vendor shall make available an Art Director or designee who will respond to the New York Lottery directly and timely as needed to develop current concepts and regularly work on future concept development. This person should be capable of providing direct assistance to the New York Lottery graphic artists involved in game development.

Research Specialist

The Lottery will require services as provided by a Research Specialist to work with New York Lottery Research and Development staff on projects involving historical New York Lottery sales data to assist in identifying changes in sales patterns, demographics, retail environment trends, lottery delivery methods and display, and player attitudes.

The Research Specialist will be required to work with the Lottery to examine individual game sales results in an effort to identify elements that may improve both sales and profits.

In addition to New York research, effective sales tools identified through global and domestic research should be presented to the New York Lottery on a regular basis, not less than annually. The Research Specialist should be actively involved in recommending new strategies using gaming data from New York and other jurisdictions to improve sales.

Physical Production of Tickets

All Vendors will be required to provide an individual assigned to coordinate with the Lottery on all game development, production and support throughout the life of the game. Alternate Vendors will not be required to designate a person exclusively for the New York account, but staff must be available to perform these functions.

There is no guarantee of the number of games to be printed by any Vendor. All Vendors qualified as a result of this RFP to print New York Lottery Instant Games, regardless of status as primary or alternate, will be responsible for the following:

- A. The Vendor shall be responsible to manage all aspects of a game's development including game design, ticket graphics and prize structure, as well as the production and delivery of Instant Game tickets to New York warehouse(s), located in the capital district. The design will include creative concept development (including game development artwork) and the provision of various design options for Lottery review and consideration. Design options should include tickets from other lottery jurisdictions with relevant sales performance over time, customized tickets relevant to the New York market and new concepts designed to continue Instant business growth. Design encompasses not only the appearance of the ticket, player appeal, and the ability to stand out at retail, but also the ticket's entertainment value or play value as it relates to the overall ticket concept.

The Vendors will need to work hand-in-hand with the Lottery's research and development staff to achieve optimum ticket designs and production

timeliness. The Lottery currently utilizes Adobe Creative Suites (CSS). The Vendor must provide all proposed artwork in a file format that will allow the Lottery to make design changes in-house. Artwork files must be available via File Transfer Protocol (FTP) or comparable method.

- B. The Lottery requires from each successful Vendor a specific point person who will be responsible for alerting Lottery Operations of any operational issues such as problems with game files, ticket quality, etc. This notification must be made within 24 hours of the Vendor becoming aware of an operational concern. In the case of the primary Vendor, the Senior Account Manager may not be designated as the operational contact.
- C. The Vendor will be responsible for producing Instant Game tickets in accordance with specifications set forth in each game's working papers. The Vendor will be responsible to create and include technical specifications as agreed upon between the Lottery and the Vendor. The Vendor shall ensure that a complete Federal and State Trademark name search and clearance by legal counsel has documented that acquisition of intellectual property rights for each game is completed prior to execution of any working papers. Vendor will be held responsible for such Trademark search and legal clearances and will hold the state harmless from any claims. In addition, the working papers must include a schedule outlining critical dates for ticket delivery, including:
- Date Lottery approval required
 - Date ticket printing begins
 - Date validation files will arrive at the Lottery (Note: these must be received by the Lottery on a CD no later than 3:00 p.m. the day before tickets are delivered).
 - Date tickets are to arrive at the NY Lottery designated warehouse(s).
 - Provide a "good books shipped list" on a CD to facilitate determining the extent of any issues affecting defective books that may have been sent to retail or may be missing.
- D. For each game produced, two separate validation files must be provided to the Lottery. Generally for games priced at \$5 or less, one file will contain all winners of \$24.99 or less and the other file will contain the remaining winning tickets. For games priced at \$10 or higher, one file will contain all winners of \$50 or less and the other file will contain the remaining winning tickets. The format for files will be shared upon contract award, but data includes such fields as game number, book number, number of winners, low, mid or high-tier VIRN, prize level code, carton number, status, etc. These files must be provided in text file format as defined by the Lottery.

For each game produced, one inventory file showing all good and omitted books must be provided. All three referenced files are to be received

by the Lottery via CD overnight. The Lottery and the Vendor will work toward a future FTP solution/transfer.

- E. All game tickets produced must contain an inter-leaved two-of-five bar code which complies with GTECH KVPCRYPT (revision 1 or later) module, or such successor online system and module as may be implemented by the Lottery; specifications will be shared, as needed, upon contract award.
- F. For each game produced, a unique UPC code will be printed on the back of each ticket.
- G. The New York Lottery currently uses the Scientific Games, Inc. security process/feature of FailSafe™ in its processing and verification of New York Lottery Instant Game tickets. It is the Lottery's intent to continue to produce tickets with a secure process/feature. The Lottery will be entering into an agreement with Scientific Games, Inc. or another company to provide instant ticket security measures. As a **Specified Option**, provide the processes and features that your company proposes to secure instant tickets and provide the per 1,000 production cost of such processes and features. The price proposed will be applicable to any tickets the New York Lottery has produced by any Vendor.
- H. Although it is not the intent of the New York Lottery to use activation cards, they may be requested. If requested, activation cards are to be packaged face up in the front of each book of tickets. The card must display an interleave 2 of 5 barcode which contains a 4-digit game identification number and a seven-digit book number. The game and book number data will also be printed in human readable form. The cost of activation cards shall be priced as a **Specified Option**.
- I. For every pack of tickets shipped to the Lottery, an 'insert' card must be included with the intent to serve as a display piece either in a Lucite dispenser or vending machine. The insert card will be produced on card stock equal to or similar to card stock used to produce live tickets. The ticket will include four color process artwork approved by the Lottery to represent the game contained in the pack. If specialty inks or paper are used to create the game, the insert card should be produced with similar quality papers and inks or an accurate reproduction of the game for display purposes. The insert card currently in use is 4 x 6 inches. An upper 4-inch section will most likely represent the ticket artwork with a perforation separating the lower 2 inch section either of the actual ticket or artwork that if removed will not affect the intent of the insert card. The back of the insert card will contain text as approved by the Lottery that provides instructions or graphics printed in black. All designs will be defined in working papers and approved by the Lottery.

- J. A game number and name identifier is to be displayed on one side edge of each pack to allow a retailer to easily identify the game while the pack is stored. This may be accomplished by including a ½ inch to ¾ inch tab on the 6 x 4 insert card to be folded over the edge of the book or any other means approved by the Lottery as proposed by a respondent to this RFP.
- K. For each game produced, the Lottery will require 25,000 oversized promotional cards used for point of sales display. Artwork will be required on both sides. The artwork may be different on each side. The size is currently 6.5 x 10 inches however the dimensions may be reasonably varied to accommodate the tickets or other Lottery product intended to be promoted. The oversized cards are to be produced on card stock. Distribution will generally be to the Instant Game ticket warehousing vendor; however, the Lottery may designate up to 10 locations (fulfillment houses, depots, regional offices) per production of the oversized samples. Shipment of the oversized tickets will be paid for by the Instant ticket Vendor. The Lottery may decline to receive production of oversized tickets for a particular printing; however, we reserve the right to increase production on a future run.
- L. The Lottery has adopted a unique, reverse-numbered Instant ticket accounting system that enables Lottery retailers to perform a daily Instant ticket inventory by viewing the next numbered ticket in a book and subtracting that number from the book total to arrive at the total sold versus the total remaining, thus accommodating retailers who sell from either the front or back of a given book. The Lottery plans to continue the use of this reverse-numbered Instant ticket inventory accounting system due to its popularity among Lottery retailers statewide.
- M. For each game produced, the printer shall be responsible to coordinate with GTECH Corporation, the Lottery's full-service lottery system vendor, in a timely manner to ensure that the tickets will dispense easily from their Instant Ticket Vending Machines (ITVMs). Coordination includes providing sample tickets to confirm bursting occurs properly.
- N. The Lottery is committed to deliver an exact number of top prizes so that it can responsibly deliver the marketing promise on the face of the ticket. The Vendor must describe how it will make this possible.
- O. For each game produced, the Vendor will be required to provide a self contained interactive play or demonstration video file to be uploaded on the Lottery's website. The file will be supplied as specified by the Lottery and is intended to provide visitors of the Lottery's site a visual experience of the game's play.

- P. For each game produced, the Vendor will be required to submit an End of Game or Production Prize Structure Summary report that indicates the expected and actual number of winning tickets by prize level to be delivered to the New York Lottery.

Shipping Requirements

- A. A standard skid 40" wide and 48" deep must be used for all shipments.
- B. Each skid will be stacked with the highest box number on the bottom layer of boxes and the lowest box number on the top layer of boxes. The skids must be packed so that the boxes do not extend beyond the width or depth of each skid. The total height of each skid from floor to top of skid should not exceed 66". Each layer of boxes on the skid must be separated with cardboard spacers. Each skid must be covered with stretch wrap on all four sides and the top. Each skid must be numbered in sequence with skid No. 1 containing box No.1 with the last skid in the shipment containing the highest numbered box in the shipment. Any special requirements for skid size or number of cartons per skid will be identified in each game's working papers.
- C. Skids must be arranged in sequence on the truck with the lowest numbered skid in the nose of the trailer and the highest numbered skid at the rear of the trailer.
- D. All additional items, such as oversized tickets and agent samples (void tickets), must be packaged on a separate pallet from the live tickets.
- E. Shipping boxes will be numbered beginning with No. 1 and ascending. Shipping boxes will be packed in sequence with the lowest book number in the game or shipment in box No. 1 and ascending.
- F. Each box must have at least two labels affixed to the box. The information contained on the label will be the name of the game, the box number, from/through book numbers, the number of books in the box and the number of omitted books. This information must be both printed and in bar code format.
- G. A shipping report delivered with the delivery truck must list the gross number of tickets, number of omitted tickets, and net number of tickets. It must also list the range of book numbers (lowest to highest numbers) and the bill of lading.
- H. An original and back-up CD containing the following reports must be included.

- Summary carton manifest that will list carton number, book range, number of good books and number of omitted books.
- Detail carton manifest that will list the books in each carton with omitted books hi-lighted.
- Short books cartons that will list cartons with other than full packaging.
- Skid contents report that will list all skids by number and for each skid will indicate the starting and ending box number, number of books, and book range.
- Shipping summary that will list the gross number of tickets, number of omitted tickets, net number of tickets, and book range.

PART – 4 INFORMATION REQUIRED FROM VENDORS

In preparation of the Proposal, each Vendor should pay special attention to the requirements and information being requested in order to respond fully to the RFP. Any Proposal found to be incomplete or placing conditions in response to the requirements may be deemed non-responsive and removed from further consideration.

4.1 BUSINESS ORGANIZATION

- A. The Vendor must state the full name and address of its organization and, if applicable, any branch office or other subordinate element that will perform or assist in the performance of the work hereunder. The Vendor shall indicate whether it operates as an individual, partnership, corporation, joint venture, or other specified form of business organization. Each Vendor must state whether it is qualified and/or registered to do business in the State of New York.
- B. The Vendor must indicate the name, address and telephone number of the individual from its organization that is authorized to enter into and bind the organization to the terms and conditions of its Proposal.

4.2 FINANCIAL VIABILITY

The Vendor must submit information demonstrating the Vendor's financial viability, integrity and stability, including, but not limited to, annual reports and client lists for the past three years. Further, to the extent not already provided in the Vendor Responsibility Questionnaire, the Vendor shall describe key corporate personnel, ownership control, and facilities available to satisfy the requirements of the proposed contract.

4.3 EXPERIENCE OF THE VENDOR'S ORGANIZATION

General Requirements:

The Vendor must demonstrate in its Proposal that its organization is of sufficient size and has the qualifications required to perform the requested services as defined in this RFP. The Proposal must include the following:

- Thorough description of the organization, including employee capacity to undertake and successfully carry out the proposed services.
- Resumes of the managing individuals describing relevant education, knowledge, training, and experience. The Lottery expects that the same managers will have overall responsibility for all projects

conducted pursuant to this RFP. Exceptions may be made only with the approval of the Lottery.

- Description of how the organization's quality assurance program will be applied to the Proposal.

The Proposal must describe the prior experience of the bidding organization (including any proposed subcontractors) that the Vendor considers relevant to the successful accomplishment of the work required herein. The Proposal must include sufficient description and detail to demonstrate the relevance of such experience, specifically as related to the design, development, and production of Instant tickets.

References:

The Proposal must name as references at least three clients who are members of either the North American Association of State and Provincial Lotteries or the World Lottery Association (as required in Section 1.3 of this RFP – Minimum Qualifications). References must include company name, contact person (name, title, telephone number, email address, and mailing address). Also, each reference must include a general statement of the type of work performed for the reference. References will be used to substantiate the Technical Proposal.

4.4 PROJECT MANAGEMENT AND STAFFING

The Proposal must identify the full time dedicated staff - project coordinator and retail development person and shared staff – senior account manager, art director, and research specialist, as defined in Section 3.2 of this RFP, who will be assigned under the resulting contract. A resume indicating the relevant experience of each individual must be provided.

4.5 SUBCONTRACTORS

If applicable, the Proposal must list all subcontractors, including firm name and address, contact person, and a complete description of work to be subcontracted. Descriptive information relative to the subcontractor's organization and capabilities must be included. If the Vendor does not intend to utilize subcontractors, that should be indicated in the Technical Proposal.

4.6 RESEARCH AND PRODUCT DEVELOPMENT

The primary contractor will be responsible to not only work with the Lottery to develop and print Instant Games but also to provide market development services beyond the Lottery's current environment of products and distribution / retail channels. As part of the Technical evaluation, each Vendor will be

evaluated on its plan to advance Lottery Instant sales through improvement of traditional methods as well as innovative techniques. The level of staffing assigned to the Lottery account – support or high level – will be a consideration under the Technical evaluation of Proposals.

In its Technical Proposal, each Vendor must demonstrate its innovation and creativity in developing concepts into new products and delivery systems by submitting a discussion of concepts and experience of the Vendor in non-traditional distribution methods. The discussion must demonstrate how the Vendor will more effectively accommodate current or potential retailers and players of lottery products; internet instant products, that may or may not require printing; promotion and display of products; and retailer development and servicing initiatives. In order to demonstrate its expertise in achieving high quality, marketable, and innovative products, the Vendor must also provide production samples.

4.7 TICKET PRODUCTION AND DISTRIBUTION

Vendor shall specify in the Technical Proposal the methods of printing and production by which a Vendor intends to produce and package the tickets to be used in the proposed games; the methods to be employed to ensure random distribution of winning tickets within the deck of tickets for each pool; the means by which the Lottery is to maintain control of winning tickets; and the method of packaging to ensure accuracy of counts in ticket packages. The Contractor must be able to account for all tickets printed.

For any ticket stocks proposed, the Vendor is required to include in its Proposal results of security evaluations, which identify any and all known means of compromise regardless of the practicality of such compromise and describe measures taken to reduce the risk of compromise of its products

Each Vendor must include in its Proposal one book (250 tickets) of production run tickets for games produced on 10 pt. virgin, recyclable card stock, and coated two sides. These tickets are to be of the same size and quality as those that would be printed if the Vendor is awarded a contract. The tickets submitted may be subjected to security testing by an independent testing laboratory and will be evaluated on a "pass/fail" basis. In the event the submitted tickets fail this security testing, the Vendor's Proposal may be rejected.

In order to assess each Vendor's ability to produce high quality Instant tickets with strong marketability in a fast-paced retail environment, and in addition to the production run tickets that are to be submitted for independent testing, each Vendor must submit examples of at least 10 different designs that demonstrate the Vendor's ability to meet the Lottery's expectations for player appeal, graphic presentation, play value, and creativity. Each submission must include at least

one example of a design for a \$1, \$2, \$5, and \$10 ticket. These submitted tickets will be part of the evaluation process.

Each Vendor shall specify the method and carrier by which packaged tickets will be transported from a Vendor's production facilities to the delivery point designated by the Lottery. Deliveries are to be f.o.b. to the designated point. For purposes of responding to this RFP, the Vendor should assume that deliveries will be made to locations in or near Albany, NY and will require delivery to primary and back-up sites if requested.

The shipment of any and all such tickets produced by a Vendor shall be only to the places designated by the Lottery and to no other locations. Any such other shipment may be grounds for immediate cancellation of the contract without liability to the Lottery.

4.8 SECURITY PLAN

The Vendor must demonstrate an understanding of the overriding importance of security in all phases of design, materials procurement, production, transportation, storage, distribution, validation and disposition of game tickets; and such understanding is to be made manifest in the procedures, methods, controls and accounting systems of the program plan.

It is intended that all sections and paragraphs of this RFP have implied the essential need for security though such may not be explicitly stated. A Vendor's Proposal must make clear and specific the precautions, safeguards, inspections, reporting and other measures in place within the entire program and its parts. The Vendor must specifically note that plant security for ticket production must be approved by the Lottery before production ticket printing commences. The Lottery must be convinced that the Vendor has the capability and integrity required to maintain constant vigilance against any breach of security. Failure to meet or to maintain Lottery-approved security standards may be grounds for exclusion from further consideration, or if a contract has been awarded, may be grounds for cancellation of the contract.

Subsequent to the award of the contract, it will be incumbent upon the contractor to notify the Director of the Lottery, or in his/her absence, the Lottery's Chief Operating Officer, of any potential for breaches in product security within 24 hours by telephone to be followed up in writing within 7 days. Failure to notify within this time frame may result in termination of the game and forfeiture by the contractor of payment for unsold tickets. The contractor will have 30 days from date of initial notification to the Lottery to correct any security problem. Failure of the contractor to correct deficiencies may result in cancellation of the contract.

A business continuity plan must be proposed including plans to continue the process to complete ticket orders that are in any stage of development or

production when a business-affecting accident occurs. In addition, this plan must address measures taken to mitigate business risks. At a minimum, this business continuity plan must address activities at the ticket production facility.

4.9 PRICING PROPOSAL

Part 1 – Ticket Pricing:

As defined in Section 1.14, below are the **Specified** and **Invited Options** identified by the Lottery. This section outlines the requirements for each item; **Attachments 2-A** through **2-J** provide for the pricing of each.

Specified Options:

A. Printed Tickets

Using **Attachment 2-A** through **2-G**, prices must be quoted as total price to the Lottery per 1,000 tickets delivered, inclusive of all services and materials provided to the Lottery, based on the range of tickets (5 million and under, 5,000,001 to 10,000,000, etc.) and for the following ticket sizes: 2" x 4", 2.5" x 4", 3" x 4", 4" x 4", 5" x 4", 6" x 4", and 8" x 4".* As reflected in the pricing sheets, the "base price" per 1,000 applies to the 250-ticket book; for the 125-ticket and 100-ticket book sizes, a Vendor must indicate price as a percentage (+) or (-) of the base price.

Base Ticket - the base price for all ticket sizes must include:

- Seven display colors on the front of the ticket
- One display color on the back of the ticket
- Five overprint colors
- Four-color process when determined as a preferable printing process
- Expanded imaging (latex across width of ticket)
- Full UV coating
- 10pt virgin recyclable card stock, coated 2 sides
- 25,000 oversized samples
- 50,000 regular-size samples
- 6" x 4" Insertion cards in every pack
- Delivery tolerance plus or minus 3%
- Guaranteed delivery of all high prizes
- Validation barcode and UPC label printed on back of ticket
- Ticket price screened on back of ticket
- Fail Safe-type bar code
- Reverse ticket numbering
- Numbering of tickets starting from 1 to book size (ex. 250)

* If a Vendor wishes to provide pricing on a ticket size other than those required above, the ticket size and price may be provided as an **Offered Option** as defined in Section 1.14 of this RFP.

Special Features – The Lottery may choose any of the features below on any ticket order. Pricing either as a fixed price or per 1,000, as specified in **Attachment 2-H** must be provided for the features listed below. As defined in Section 1.14 of this RFP, a Vendor may also provide additional features as **Offered Options**.

- Additional display color
- Additional overprint color
- Additional color on ticket back
- Specialty inks: such as metallic, fluorescent, and holographic effects
- Translucent gel, Clearmark or comparable marking system
- Latex on the back of tickets to facilitate additional game play
- Holographic paper
- Foil paper
- Scoring
- Stub features
- Multiple color imaging of play symbols
- Die-cutting
- Pulsing colors within a game
- Alternating scenes within a game
- Printing on back of ticket (set-up fee): 25,000 live tickets with “FOR PROMOTIONAL USE ONLY, NOT FOR SALE” printed on back

Alternate Ticket Sizes - future game development may introduce alternate sizes to those stated above. In the event that unusual sizes may become available, a Vendor also must indicate a price as a percentage of the base price related to square inches of the base ticket or by some other clearly defined pricing methodology. For example a 4 x 4 ticket (16 square inches) to be printed as 4.5 x 4 (18 square inches) may be priced as a straight increase of 12.5% increase in price or any other pricing factor such as – cost over base will increase as a factor of square inch increase + 20% increase in square inches. A Vendor must indicate this pricing extrapolation in **Attachment 2-H**.

Ticket Re-orders – The Vendor must quote a fixed discount for ticket re-orders on **Attachment 2-H**.

Ticket Security Process/Feature - As provided in Section 3.2.G of this RFP, the Vendor must provide a per 1,000 production price for the Vendor’s security processes and features. Pricing shall be reflected in **Attachment 2-H**.

B. Activation Cards

As provided in Section 3.2.H of this RFP, the Vendor must provide separate pricing, expressed as per 1,000 production price, for activation cards. Pricing shall be reflected in **Attachment 2-I**.

C. Bar Coded Coupons

Vendors must include separate pricing in **Attachment 2-I** for bar coded coupons to support its direct response and other marketing programs. **(See Appendix L for sample bar-coded coupon)**. Pricing per 1,000 coupons is requested for the production ranges reflected in the Attachment. The bar coding on these coupons will either be identical to an Instant Game barcode requiring keyless validation and a four-digit control number for validation or an on-line game promotional barcode consisting of a five-digit promotion code, ten-digit sequential number and a single check digit. Coupon pricing should be based on the following dimension: 2 ½" x 6 1/8" (dollar bill size). Coupons should include up to 6 colors on the front and 2 colors on the back and must be printed on paper stock that will allow barcode readability at the retailer location. Coupons should be bundled/packaged in groups of 100.

D. Electronic Files

Electronic Coupon files

The Vendor must include separate pricing on **Attachment 2-I** for an electronic file to enable an outside printer to create coupons containing validation and barcode information as if it were a normal Instant ticket. The file shall be capable of validation on the New York Lottery's network. In addition, delivery of the electronic file will contain the usual validation and inventory CDs delivered to the Lottery just as though this were a regular Instant Game. Historically, the Lottery has requested files from 120,000 records to 2 million records.

Electronic Instant Games

The Vendor must include separate pricing on **Attachment 2-I** for the development and delivery of an Instant Game consistent with all production requirements contained with this RFP up to, but excluding, the physical production of the paper ticket. The pricing shall be a flat rate regardless of initial ticket quantity. In addition, a price shall be quoted for reorders of additional pools regardless of the reorder quantity.

All game development and design requirements consistent with those used to create a printed New York Lottery Instant Game must be employed for the electronic Instant Game requirement. These will include a game's design, artwork, play value, prize structure, electronic game generation files, audit processes, validation and inventory requirements. The process of converting the

electronic files to a physical paper ticket and associated finishing and packaging will not be part of this pricing requirement.

Invited Option(s):

As provided in Section 1.14 of this RFP, the Invited Option listed below is of specific interest to the Lottery, although the Lottery makes no commitment to any quantity or timing for the acquisition. Pricing as specified in **Attachment 2-J** may be provided.

- Holographic Ink

Part 2 – Instant Game Management/Marketing Program Pricing:

As defined in Section 2.4 of this RFP, the Primary Vendor will receive a contractor fee based on the total net Instant sales less prize liability. Using **Attachment 2-K**, the Vendor must quote a contractor fee expressed as a percentage (x.0000%) of the total net Instant sales less prize liability.

4.10 COMPLIANCE WITH REQUIREMENTS

Contractor must state compliance with the requirements outlined in the RFP and submit completed forms as required.

4.11 ADDITIONAL INFORMATION AND COMMENTS

The Vendor should include any other information that is believed to be pertinent but not specifically asked for elsewhere.

PART 5 – EVALUATION AND SELECTION

5.1 INTRODUCTION

This section describes the evaluation process that will be used to determine which Proposal provides the greatest overall benefits to the State. The ability of the Lottery to evaluate a Vendor's Proposal is dependent upon the completeness and proper submission of the Proposal. The failure of a Vendor to provide information requested by this RFP, to submit the Proposal according to the required format, or to respond appropriately to a clarification request or demonstration request, may result in rejection of the Vendor's Proposal or reduction in scoring during the evaluation.

5.2 EVALUATION METHODOLOGY

The Lottery will conduct a comprehensive, fair, and impartial evaluation of Proposals received in response to this RFP. In making a selection, the Lottery will be represented by an Evaluation Committee (the "Committee") composed of Lottery staff members. The Lottery reserves the right to make changes in the Committee's membership as necessary.

Scoring of the technical Proposals will be by consensus of the Committee. The Pricing Proposals will be scored by one or more individuals from the Finance Office designated by the Committee and will be based on a pre-determined formula. The relative weight of technical to price will be: technical [80%]; price [20%].

5.3 EVALUATION STEPS

The evaluation and award process will be comprised of all of the following:

- A. Pass/Fail evaluation of minimum qualifying requirements of the Vendor as provided for in Section 1.3 of the RFP.
- B. Review of Proposals to assess compliance with Proposal submission requirements, including responsiveness to terms, conditions and requirements.
- C. Detailed evaluation of proposed functions, features, services, and references, using the requirements and criteria defined in this RFP.
- D. Proposal clarifications.
- E. Scoring of Technical Proposals by the Committee.

- F. Assessment and scoring of Pricing Proposals after finalization of the technical scoring process by one or more individuals from the Finance Office designated by the Evaluation Committee.
- G. Compilation by the Contracting Officer or Finance Officer of the technical scores and financial score into a summary score sheet.
- H. Recommendation to the Lottery Director of the apparent winner.
- I. Acceptance by Lottery Director of recommendation of award.
- J. Notice of Award.

5.4 INFORMATION FROM OTHER SOURCES

The Lottery reserves the right to obtain from sources other than the Vendor, information concerning a Vendor, the Vendor's offerings and capabilities, and the Vendor's performance, that the Lottery deems pertinent to this RFP and to consider such information in evaluating the Vendor's Proposal. This may include, but is not limited to, the Chairperson of the Committee engaging consultants and additional experts from outside the Committee to better inform the Committee's findings, as well as references from other lotteries and gaming jurisdictions.

In addition, as provided in Section 4.3, references will be checked regarding the Vendor's past experience. The Committee will select an equal number of current or previous clients for each Vendor. The Lottery reserves the right to contact references as many times as is necessary and to contact as many references as is necessary, to obtain a complete understanding of the Vendor's performance and experience.

5.5 SITE VISITS

The Lottery reserves the right to conduct site visits during the technical evaluation process. The costs related to these site visits will be borne by the Lottery.

5.6 SCORING OF OPTIONS

During the evaluation of Technical Proposals, the Committee intends to score only:

1. Specified Options.
2. Invited and Offered Options which are specifically included by the Vendor in the base ticket price.

The Lottery will not score Invited or Offered Options that are separately priced and designated outside of the base ticket price. Whether or not the Options that are included within the base ticket price will favorably influence the Vendor's score in the relevant technical section will depend on the value perceived by the Lottery.

5.7 EVALUATION & SELECTION CRITERIA

Proposals determined to comply with the requirements set forth in this RFP and submission requirements outlined in Part 4 – Information Required from Vendors – Proposal – of this RFP will be evaluated based on the following criteria:

A. Technical Evaluation [80%]

- Experience of Vendor's Organization 10 points
- Project Management and Staffing 25 points
- Research and Product Development 25 points
- Ticket Production and Distribution 15 points
- Security Plan 5 points

B. Pricing Evaluation [20%]

The Vendor with the lowest price will be awarded the full points allocated to the pricing evaluation. The score for each of the remaining Vendors will be proportionate to the lowest bidder based on a pre-determined formula.

5.8 FINAL COMPOSITE SCORE/DETERMINATION OF AWARD PROCESS

- The technical and financial scores will be combined to determine the final composite score for each Vendor.
- The primary contract award will be made to the Vendor who achieves the highest composite score and who is determined to be a responsible Vendor.
- An alternate contract may be awarded to all Vendors who achieve a minimum qualifying score of 50 out of the 80 points available under the technical evaluation. Any proposer not meeting this minimum qualifying score will not receive an award.

5.9 NOTICE OF AWARD

A contract award notification letter will be sent to the successful offeror(s) indicating a conditional award subject to approval by the Office of the Attorney General and Office of the State Comptroller. No public discussion or news

releases relating to this RFP or the resulting contract(s) shall be made by any offeror without the prior approval of the Lottery.

5.10 DEBRIEFINGS

At the time of award notification, offerors will be advised of the opportunity for a debriefing by the Lottery regarding the evaluation of that offeror's Proposal.

Appendix A

**Standard Clauses for NYS Contracts
(See Appendix J)**

APPENDIX B

NYS Vendor Responsibility Questionnaire

For-Profit Business Entity

Not-for-Profit Business Entity

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY**

BUSINESS ENTITY INFORMATION				
Legal Business Name			EIN	
Address of the Principal Place of Business/Executive Office			Phone Number	Fax Number
E-mail		Website		
Authorized Contact for this Questionnaire				
Name:			Phone Number	Fax Number
Title			Email	
List any other DBA, Trade Name, Other Identity, or EIN used in the last five (5) years, the state or county where filed, and the status (active or inactive): (if applicable)				
Type	Name	EIN	State or County where filed	Status

I. BUSINESS CHARACTERISTICS	
1.0 Business Entity Type – Please check appropriate box and provide additional information:	
a) <input type="checkbox"/> Corporation (including PC)	Date of Incorporation
b) <input type="checkbox"/> Limited Liability Co. (LLC or PLLC)	Date Organized
c) <input type="checkbox"/> Limited Liability Partnership	Date of Registration
d) <input type="checkbox"/> Limited Partnership	Date Established
e) <input type="checkbox"/> General Partnership	Date Established County (if formed in NYS)
f) <input type="checkbox"/> Sole Proprietor	How many years in business?
g) <input type="checkbox"/> Other	Date Established
If Other, explain:	
1.1 Was the Business Entity formed in New York State?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If 'No' indicate jurisdiction where Business Entity was formed:	
<input type="checkbox"/> United States State _____	
<input type="checkbox"/> Other Country _____	
1.2 Is the Business Entity currently registered to do business in New York State with the Department of State? Note: Select 'Not Required' if the Business Entity is a Sole Proprietor or General Partnership	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not required
If 'No' explain why the Business Entity is not required to be registered in New York State.	
1.3 Is the Business Entity registered as a Sales Tax Vendor with the New York State Department of Taxation and Finance?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If 'No', explain and provide detail, such as "not required", "application in process", or other reason for not being registered.	
1.4 Is the Business Entity publicly traded?	<input type="checkbox"/> Yes <input type="checkbox"/> No

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY**

I. BUSINESS CHARACTERISTICS		
CIK Code or Ticker Symbol		
1.5 Is the responding Business Entity a Joint Venture? <i>Note: If the Submitting Business Entity is a Joint Venture, also submit a questionnaire for each Business Entity comprising the Joint Venture</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No
1.6 Does the Business Entity have a DUNS Number?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Enter DUNS Number		
1.7 Is the Business Entity's Principal Place of Business/Executive Office in New York State? If 'No', does the Business Entity maintain an office in New York State?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
Provide the address and telephone number for one New York office.		
1.8 Is the Business Entity a New York State Certified Minority Owned Business Enterprise (MBE), Women Owned Business Enterprise (WBE), New York State Small Business or a Federally Certified Disadvantaged Business Enterprise (DBE)?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If 'Yes', check all that apply: <input type="checkbox"/> New York State Certified Minority Owned Business Enterprise (MBE) <input type="checkbox"/> New York State Certified Women Owned Business Enterprise (WBE) <input type="checkbox"/> New York State Small Business <input type="checkbox"/> Federally Certified Disadvantaged Business Enterprise (DBE)		
1.9 Identify Business Entity Officials and Principal Owners. For each person, include name, title and percentage of ownership, if applicable. <i>Attach additional pages if necessary.</i>		
Name	Title	Percentage Ownership (<i>Enter 0% if not applicable</i>)
II. AFFILIATES AND JOINT VENTURE RELATIONSHIPS		
2.0 Does the Business Entity have any Affiliates? <i>Attach additional pages if necessary.</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No
Affiliate Name	Affiliate EIN (<i>If available</i>)	Affiliate's Primary Business Activity
Explain relationship with the Affiliate and indicate percent ownership, if applicable (enter N/A, if not applicable):		
Are there any Business Entity Officials or Principal Owners that the Business Entity has in common with this Affiliate?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Individual's Name	Position/Title with Affiliate	
2.1 Has the Business Entity participated in any Joint Ventures within the past three (3) years? <i>Attach additional pages if necessary</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No
Joint Venture Name:	Joint Venture EIN (<i>If available</i>):	Identify parties to the Joint Venture:

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY**

III. CONTRACT HISTORY	
3.0 Has the Business Entity held any contracts with New York State government entities in the last three (3) years? If “Yes” attach a list including the Contract Number, Agency Name, Contract Amount, Contract Start Date, Contract End Date, and the Contract Description.	<input type="checkbox"/> Yes <input type="checkbox"/> No

IV. INTEGRITY – CONTRACT BIDDING	
Within the past five (5) years, has the Business Entity or any Affiliate	
4.0 been suspended or debarred from any government contracting process or been disqualified on any government procurement?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.1 been subject to a denial or revocation of a government prequalification?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.2 been denied a contract award or had a bid rejected based upon a finding of non-responsibility by a government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.3 had a low bid rejected on a government contract for failure to make good faith efforts on any Minority Owned Business Enterprise, Women Owned Business Enterprise or Disadvantaged Business Enterprise goal or statutory affirmative action requirements on a previously held contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.4 agreed to a voluntary exclusion from bidding/contracting with a government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.5 initiated a request to withdraw a bid submitted to a government entity or made any claim of an error on a bid submitted to a government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
For each “Yes” answer above provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, the government entity involved, and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

V. INTEGRITY – CONTRACT AWARD	
Within the past five (5) years, has the Business Entity or any Affiliate	
5.0 been suspended, cancelled or terminated for cause on any government contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5.1 been subject to an administrative proceeding or civil action seeking specific performance or restitution in connection with any government contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5.2 entered into a formal monitoring agreement as a condition of a contract award from a government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
For each “Yes” answer provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, the government entity involved, and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

VI. CERTIFICATIONS/LICENSES	
Within the past five (5) years, has the Business Entity or any Affiliate	
6.0 had a revocation, suspension or disbarment of any business or professional permit and/or license?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6.1 had a denial, decertification, revocation or forfeiture of New York State certification of Minority Owned Business Enterprise, Women Owned Business Enterprise or federal certification of Disadvantaged Business Enterprise status, for other than a change of ownership?	<input type="checkbox"/> Yes <input type="checkbox"/> No
For each “Yes” answer provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, the government entity involved, and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY**

VII. LEGAL PROCEEDINGS	
Within the past five (5) years, has the Business Entity or any Affiliate	
7.0 been the subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.1 been the subject of an indictment, grant of immunity, judgment or conviction (including entering into a plea bargain) for conduct constituting a crime?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.2 received any OSHA citation and Notification of Penalty containing a violation classified as serious or willful?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.3 had a government entity find a willful prevailing wage or supplemental payment violation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.4 had any New York State Labor Law violation deemed willful?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.5 entered into a consent order with the New York State Department of Environmental Conservation, or a Federal, State or local government enforcement determination involving a violation of federal, state or local environmental laws?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.6 other than the previously disclosed: (i) Been subject to the imposition of a fine or penalty in excess of \$1,000 imposed by any government entity as a result of the issuance of citation, summons or notice of violation, or pursuant to any administrative, regulatory, or judicial determination; or (ii) Been charged or convicted of a criminal offense pursuant to any administrative and/or regulatory action taken by any government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
For each "Yes" answer provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, the government entity involved, and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

VIII. LEADERSHIP INTEGRITY	
NOTE: If the Business Entity is a Joint Venture Entity, answer 'N/A – Not Applicable' to questions 8.0 through 8.4.)	
Within the past five (5) years has any individual previously identified, any other Business Entity Leader not previously identified, or any individual having the authority to sign, execute or approve bids, proposals, contracts or supporting documentation with New York State been subject to	
8.0 a sanction imposed relative to any business or professional permit and/or license?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.1 an investigation, whether open or closed, by any government entity for a civil or criminal violation for any business related conduct?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.2 an indictment, grant of immunity, judgment, or conviction of any business related conduct constituting a crime including, but not limited to, fraud, extortion, bribery, racketeering, price fixing, bid collusion or any crime related to truthfulness?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.3 a misdemeanor or felony charge, indictment or conviction for: (i) any business-related activity including but not limited to fraud, coercion, extortion, bribe or bribe-receiving, giving or accepting unlawful gratuities, immigration or tax fraud, racketeering, mail fraud, wire fraud, price fixing or collusive bidding; or (ii) any crime, whether or not business related, the underlying conduct of which related to truthfulness, including but not limited to the filing of false documents or false sworn statements, perjury or larceny?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.4 a debarment from any government contracting process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
For each "Yes" answer provide an explanation of the issue(s), the individual involved, the government entity involved, the relationship to the submitting Business Entity, relevant dates, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY**

IX. FINANCIAL AND ORGANIZATIONAL CAPACITY	
9.0 Within the past five (5) years, has the Business Entity or any Affiliates received a formal unsatisfactory performance assessment(s) from any government entity on any contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, the government entity involved, and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	
9.1 Within the past five (5) years, has the Business Entity or any Affiliates had any liquidated damages assessed over \$25,000?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, contracting party involved, the amount assessed and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	
9.2 Within the past five (5) years, has the Business Entity or any Affiliates had any liens, claims or judgments (not including UCC filings) over \$25,000 filed against the Business Entity which remain undischarged or were unsatisfied for more than 90 days?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the lien holder or claimant's name, the amount of the lien(s) and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	
9.3 In the last seven (7) years, has the Business Entity or any Affiliates initiated or been the subject of any bankruptcy proceedings, whether or not closed, regardless of the date of filing, or is any bankruptcy proceeding pending?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide the Business Entity involved, the relationship to the submitting Business Entity, the Bankruptcy chapter number, the Court name, and the docket number. Indicate the current status of the proceedings as "Initiated," "Pending" or "Closed." Provide answer below or attach additional sheets with numbered responses.	
9.4 During the past three (3) years, has the Business Entity and any Affiliates failed to file or pay any tax returns required by federal, state or local tax laws?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide the Business Entity involved, the relationship to the submitting Business Entity, the taxing jurisdiction (federal, state or other), the type of tax, the liability years, the tax liability amount the Business Entity failed to file/pay and the current status of the tax liability. Provide answer below or attach additional sheets with numbered responses.	
9.5 During the past three (3) years, has the Business Entity and any Affiliates failed to file or pay any New York State unemployment insurance returns?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide the Business Entity involved, the relationship to the submitting Business Entity, the years the Business Entity failed to file/pay the insurance, explain the situation and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	
9.6 During the past three (3) years, has the Business Entity or any Affiliates had any government audits? If "yes" did any audit reveal material weaknesses in the Business Entity's system of internal controls? If "Yes", did any audit reveal non-compliance with contractual agreements or any material disallowance (if not previously disclosed in 9.6)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
For each "Yes" answer provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, the government entity involved, and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY**

X. FREEDOM OF INFORMATION LAW (FOIL)	
10.0 Indicate whether any information supplied herein is believed to be exempt from disclosure under the Freedom of Information Law (FOIL). Note: A determination of whether such information is exempt from FOIL will be made at the time of any request for disclosure under FOIL.	<input type="checkbox"/> Yes <input type="checkbox"/> No
Indicate the question number(s) and explain the basis for the claim.	

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT BUSINESS ENTITY**

Certification

The undersigned: recognizes that this questionnaire is submitted for the express purpose of assisting the State of New York or its agencies or political subdivisions in making a determination regarding an award of contract or approval of a subcontract; acknowledges that the State or its agencies or political subdivisions may in its discretion, by means which it may choose, verify the truth and accuracy of all statements made herein; and acknowledges that intentional submission of false or misleading information may constitute a felony under Penal Law Section 210.40 or a misdemeanor under Penal Law Section 210.35 or Section 210.45, and may also be punishable by a fine and/or imprisonment of up to five years under 18 USC Section 1001 and may result in contract termination.

The undersigned certifies that he/she:

- is knowledgeable about the submitting Business Entity’s business and operations;
- has read and understands all of the questions contained in the questionnaire;
- has not altered the content of the question set in any manner;
- has reviewed and/or supplied full and complete responses to each question;
- to the best of their knowledge, information and belief, confirms that the Business Entity’s responses are true, accurate and complete, including all attachments; if applicable;
- understands that New York State will rely on information disclosed in this questionnaire when entering into a contract with the Business Entity; and
- is under obligation to update the information provided herein to include any material changes to the Business Entity's responses at the time of bid/proposal submission through the contract award notification, and may be required to update the information at the request of the state's contracting entity or the Office of the State Comptroller prior to the award and/or approval of a contract, or during the term of the contract.

Signature of Owner/Officer _____

Printed Name of Signatory _____

Title _____

Name of Business _____

Address _____

City, State, Zip _____

Sworn to before me this _____ day of _____, 20____;

_____ Notary Public

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
NOT-FOR-PROFIT BUSINESS ENTITY**

BUSINESS ENTITY INFORMATION				
Legal Business Name			EIN	
Address of the Principal Place of Business/Executive Office			Phone Number	Fax Number
E-mail		Website		
Authorized Contact for this Questionnaire				
Name:			Phone Number	Fax Number
Title			Email	
List any other DBA, Trade Name, Other Identity, or EIN used in the last five (5) years, the state or county where filed, and the status (active or inactive): (if applicable)				
Type	Name	EIN	State or County where filed	Status

I. BUSINESS CHARACTERISTICS	
1.0 Business Entity Type – Please check appropriate box and provide additional information:	
a) <input type="checkbox"/> Corporation (including PC)	Date of Incorporation
b) <input type="checkbox"/> Limited Liability Co. (LLC or PLLC)	Date Organized
c) <input type="checkbox"/> Limited Liability Partnership	Date of Registration
d) <input type="checkbox"/> Limited Partnership	Date Established
e) <input type="checkbox"/> General Partnership	Date Established County (if formed in NYS)
f) <input type="checkbox"/> Sole Proprietor	How many years in business?
g) <input type="checkbox"/> Other	Date Established
If Other, explain:	
1.1 Was the Business Entity formed in New York State?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If 'No' indicate jurisdiction where Business Entity was formed:	
<input type="checkbox"/> United States State _____	
<input type="checkbox"/> Other Country _____	
1.2 Is the Business Entity currently registered to do business in New York State with the Department of State? <i>Note: Select 'not required' if the Business Entity is a General Partnership.</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not required
If "No" explain why the Business Entity is not required to be registered in New York State.	
1.3 Is the Business Entity registered as a Sales Tax vendor with the New York State Department of Tax and Finance?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Explain and provide detail, such as 'not required', 'application in process', or other reasons for not being registered.	
1.4 Is the Business Entity a Joint Venture? <i>Note: If the submitting Business Entity is a Joint Venture, also submit a separate questionnaire for the Business Entity comprising the Joint Venture.</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
NOT-FOR-PROFIT BUSINESS ENTITY**

I. BUSINESS CHARACTERISTICS

1.5 Does the Business Entity have an active Charities Registration Number?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Enter Number: _____ If Exempt/Explain: _____ If an application is pending, enter date of application: _____ Attach a copy of the application		
1.6 Does the Business Entity have a DUNS Number?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Enter DUNS Number _____		
1.7 Is the Business Entity's principal place of business/Executive Office in New York State?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If 'No', does the Business Entity maintain an office in New York State?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Provide the address and telephone number for one New York Office.		
1.8 Is the Business Entity's principal place of business/executive office:		
<input type="checkbox"/> Owned <input type="checkbox"/> Rented Landlord Name (if 'rented') _____ <input type="checkbox"/> Other Provide explanation (if 'other') _____		
Is space shared with another Business Entity?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Name of other Business Entity _____		
Address _____		
City _____	State _____	Zip Code _____ Country _____
1.9 Is the Business Entity a Minority Community Based Organization (MCBO)?		<input type="checkbox"/> Yes <input type="checkbox"/> No
1.10 Identify current Key Employees of the Business Entity. Attach additional pages if necessary.		
Name	Title	
1.11 Identify current Trustees/Board Members of the Business Entity. Attach additional pages if necessary.		
Name	Title	

II. AFFILIATES AND JOINT VENTURE RELATIONSHIPS

2.0 Does the Business Entity have any Affiliates? Attach additional pages if necessary (If no proceed to section III)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Affiliate Name	Affiliate EIN (If available)	Affiliate's Primary Business Activity
Explain relationship with the Affiliate and indicate percent ownership, if applicable (enter N/A, if not applicable):		
Are there any Business Entity Officials or Principal Owners that the Business Entity has in common with this Affiliate?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Individual's Name	Position/Title with Affiliate	

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
NOT-FOR-PROFIT BUSINESS ENTITY**

III. CONTRACT HISTORY	
3.0 Has the Business Entity held any contracts with New York State government entities in the last three (3) years? ? If “Yes” attach a list including the Contract Number, Agency Name, Contract Amount, Contract Start Date, Contract End Date, and the Contract Description.	<input type="checkbox"/> Yes <input type="checkbox"/> No

IV. INTEGRITY – CONTRACT BIDDING	
Within the past five (5) years, has the Business Entity or any Affiliate	
4.0 been suspended or debarred from any government contracting process or been disqualified on any government procurement?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.1 been subject to a denial or revocation of a government prequalification?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.2 been denied a contract or had a bid rejected based upon a finding of non-responsibility by a government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.3 agreed to a voluntary exclusion from bidding/contracting with a government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.4 initiated a request to withdraw a bid submitted to a government entity or made any claim of an error on a bid submitted to a government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
For each “Yes” answer provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

V. INTEGRITY – CONTRACT AWARD	
Within the past five (5) years, has the Business Entity or any Affiliate	
5.0 been suspended, cancelled or terminated for cause on any government contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5.1 been subject to an administrative proceeding or civil action seeking specific performance or restitution in connection with any government contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5.2 entered into a formal monitoring agreement as a condition of a contract award from a government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
For each “Yes” answer provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

VI. CERTIFICATIONS/LICENSES	
6.0 Within the past five (5) years, has the Business Entity or any Affiliate had a revocation, suspension or disbarment of any business or professional permit and/or license?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If “Yes” provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

VII. LEGAL PROCEEDINGS	
Within the past five (5) years, has the Business Entity or any Affiliate	
7.0 been the subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.1 been the subject of an indictment, grant of immunity, judgment or conviction (including entering into a plea bargain) for conduct constituting a crime?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.2 received any OSHA citation and Notification of Penalty containing a violation classified as serious or willful?	<input type="checkbox"/> Yes <input type="checkbox"/> No

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
NOT-FOR-PROFIT BUSINESS ENTITY**

VII. LEGAL PROCEEDINGS	
Within the past five (5) years, has the Business Entity or any Affiliate	
7.3 had any New York State Labor Law violation deemed willful?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.4 entered into a consent order with the New York State Department of Environmental Conservation, or a federal, state or local government enforcement determination involving a violation of federal, state or local environmental laws?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.5 other than the previously disclosed: (i) Been subject to the imposition of a fine or penalty in excess of \$1,000, imposed by any government entity as a result of the issuance of citation, summons or notice of violation, or pursuant to any administrative, regulatory, or judicial determination; or (ii) Been charged or convicted of a criminal offense pursuant to any administrative and/or regulatory action taken by any government entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
For each "Yes" answer provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

VIII. LEADERSHIP INTEGRITY	
Note: If the Business Entity is a Joint Venture, answer 'N/A- Not Applicable' to questions 8.0 through 8.4.	
Within the past five (5) years has any individual previously identified, any other Key Employees not previously identified or any individual having the authority to sign execute or approve bids, proposals, contracts or supporting documentation with New York State been subject to	
8.0 a sanction imposed relative to any business or professional permit and/or license?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.1 an investigation, whether open or closed, by any government entity for a civil or criminal violation for any business related conduct?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.2 an indictment, grant of immunity, judgment, or conviction of any business related conduct constituting a crime including, but not limited to, fraud, extortion, bribery, racketeering, price fixing, bid collusion or any crime related to truthfulness?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.3 a misdemeanor or felony charge, indictment or conviction for: (i) any business-related activity including but not limited to fraud, coercion, extortion, bribe or bribe-receiving, giving or accepting unlawful gratuities, immigration or tax fraud, racketeering, mail fraud, wire fraud, price fixing or collusive bidding; or (ii) any crime, whether or not business related, the underlying conduct of which related to truthfulness, including but not limited to the filing of false documents or false sworn statements, perjury or larceny?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.4 a debarment from any government contracting process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
For each "Yes" answer provide an explanation of the issue(s), the individual involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
NOT-FOR-PROFIT BUSINESS ENTITY**

IX. FINANCIAL AND ORGANIZATIONAL CAPACITY	
9.0 Within the past five (5) years, has the Business Entity or any Affiliates received any formal unsatisfactory performance assessment(s) from any government entity on any contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	
9.1 Within the past five (5) years, has the Business Entity or any Affiliates had any liquidated damages assessed over \$25,000?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the contracting party involved, the amount assessed and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	
9.2 Within the past five (5) years, has the Business Entity or any Affiliates had any liens, claims or judgments over \$15,000 filed against the Business Entity which remain undischarged or were unsatisfied for more than 120 days?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, the lien holder or claimant's name(s), the amount of the lien(s), claim(s), or judgments(s) and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	
9.3 Within the last seven (7) years, has the Business Entity or any Affiliate initiated or been the subject of any bankruptcy proceedings, whether or not closed, regardless of the date of filing, or is any bankruptcy proceeding pending?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide the Business Entity involved, the relationship to the submitting Business Entity, the Bankruptcy Chapter Number, the Court name, the Docket Number. Indicate the current status of the proceedings as "Initiated," "Pending" or "Closed". Provide answer below or attach additional sheets with numbered responses.	
9.4 During the past three (3) years, has the Business Entity and any Affiliates failed to file or pay any tax returns required by federal, state or local tax laws?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide the Business Entity involved, the relationship to the submitting Business Entity, the taxing jurisdiction (federal, state or other), the type of tax, the liability year(s), the Tax Liability amount the Business Entity failed to file/pay, and the current status of the Tax Liability. Provide answer below or attach additional sheets with numbered responses.	
9.5 During the past three (3) years, has the Business Entity and any Affiliates failed to file or pay any New York State unemployment insurance returns?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide the Business Entity involved, the relationship to the submitting Business Entity, the year(s) the Business Entity failed to file/pay the insurance, explain the situation, and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	
9.6 During the past three (3) years, has the Business Entity or any Affiliates had any government audits? If "Yes", did any audit reveal material weaknesses in the Business Entity's system of internal controls If "Yes", did any audit reveal non-compliance with contractual agreements or any material disallowance (if not previously disclosed in 9.6)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
For each "Yes" answer provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates and any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.	

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
NOT-FOR-PROFIT BUSINESS ENTITY**

X. FREEDOM OF INFORMATION LAW (FOIL)	
10.0 Indicate whether any information supplied herein is believed to be exempt from disclosure under the Freedom of Information Law (FOIL). Note: A determination of whether such information is exempt from FOIL will be made at the time of any request for disclosure under FOIL.	<input type="checkbox"/> Yes <input type="checkbox"/> No
Indicate the question number(s) and explain the basis for your claim.	

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
NOT-FOR-PROFIT BUSINESS ENTITY**

Certification

The undersigned: recognizes that this questionnaire is submitted for the express purpose of assisting the State of New York or its agencies or political subdivisions in making a determination regarding an award of contract or approval of a subcontract; acknowledges that the State or its agencies or political subdivisions may in its discretion, by means which it may choose, verify the truth and accuracy of all statements made herein; and acknowledges that intentional submission of false or misleading information may constitute a felony under Penal Law Section 210.40 or a misdemeanor under Penal Law Section 210.35 or Section 210.45, and may also be punishable by a fine and/or imprisonment of up to five years under 18 USC Section 1001 and may result in contract termination.

The undersigned certifies that he/she:

- is knowledgeable about the submitting Business Entity’s business and operations;
- has read and understands all of the questions contained in the questionnaire;
- has not altered the content of the question set in any manner;
- has reviewed and/or supplied full and complete responses to each question;
- to the best of their knowledge, information and belief, confirms that the Business Entity’s responses are true, accurate and complete, including all attachments; if applicable;
- understands that New York State will rely on information disclosed in this questionnaire when entering into a contract with the Business Entity; and
- is under obligation to update the information provided herein to include any material changes to the Business Entity's responses at the time of bid/proposal submission through the contract award notification, and may be required to update the information at the request of the state's contracting entity or the Office of the State Comptroller prior to the award and/or approval of a contract, or during the term of the contract.

Signature of Owner/Officer _____

Printed Name of Signatory _____

Title _____

Name of Business _____

Address _____

City, State, Zip _____

Sworn to before me this _____ day of _____, 20____;

_____ Notary Public

APPENDIX C

Consultant Disclosure

Form A: State Consultant Services – Contractor’s Planned Employment

Form B: State Consultant Services – Contractor’s Annual Employment

FORM B

<p>OSC Use Only: Reporting Code: Category Code:</p>
--

<p>State Consultant Services Contractor's Annual Employment Report Report Period: April 1, to March 31,</p>

<p>Contracting State Agency Name: _____ Agency Code: _____ Contract Number: _____ Contract Term: / / to / / Contractor Name: _____ Contractor Address: _____ Description of Services Being Provided: _____</p>
--

<p>Scope of Contract (Choose one that best fits): Analysis <input type="checkbox"/> Evaluation <input type="checkbox"/> Research <input type="checkbox"/> Training <input type="checkbox"/> Data Processing <input type="checkbox"/> Computer Programming <input type="checkbox"/> Other IT consulting <input type="checkbox"/> Engineering <input type="checkbox"/> Architect Services <input type="checkbox"/> Surveying <input type="checkbox"/> Environmental Services <input type="checkbox"/> Health Services <input type="checkbox"/> Mental Health Services <input type="checkbox"/> Accounting <input type="checkbox"/> Auditing <input type="checkbox"/> Paralegal <input type="checkbox"/> Legal <input type="checkbox"/> Other Consulting <input type="checkbox"/></p>

Employment Category	Number of Employees	Number of Hours Worked	Amount Payable Under the Contract
Total this page	0	0	\$ 0.00
Grand Total			

<p>Name of person who prepared this report: _____ Preparer's Signature: _____ Title: _____ Phone #: _____ Date Prepared: / /</p>

The State Consulting Services Annual Employment Report is due no later than May 15th each fiscal year the contract is in effect. The completed State Consulting Services Annual Employment Report (Form B) must be submitted to:

OSC by mail: NYS Office of the State Comptroller
Bureau of Contracts
110 State Street, 11th Floor
Albany, NY 12236
Attn: Consultant Reporting
By fax: (518) 474-8030 or (518) 473-8808

DCS by mail: NYS Department of Civil Service
Alfred E. Smith Office Building
Albany, NY 12239
Attn: Counsel's Office

Lottery by mail: NY Lottery
Finance
One Broadway Center
Schenectady, NY 12305
By fax: (518) 388-3334
By email: gthorpe@lottery.state.ny.us

If you have any questions regarding this requirement of Consultant Disclosure Law please contact Gail Thorpe at (518) 388-3329. For more information and forms in PDF or MS Word format you can visit <http://www.osc.state.ny.us/agencies/gbull/g-226.htm>

APPENDIX D

Equal Employment Opportunity (EEO) Policy Statement

Appendix D-1: Instructions

Appendix D-2: Staffing Plan

Appendix D-3: Work Force Employment Utilization Quarterly Report

**WORK FORCE EMPLOYMENT UTILIZATION REPORT
SERVICE and/or CONSULTANT FIRMS
INSTRUCTIONS FOR COMPLETION**

PURPOSE: The *Work Force Employment Utilization Report for Services and/or Consultant Firms* is prepared by all contractors, and subcontractors if any, providing services (skilled or non-skilled) or professional consulting services to a state agency to document their actual employment of minority group members and women during the period covered by the report. The report has a format similar to forms used by the Federal government for reporting equal employment opportunity data. When the *contract specific work force* can be identified, the report covers all employees (including apprentices or trainees) working on the project. If the contract specific work force *cannot* be separated out, the contractor's *total work force* is reported. The completed reports are used by the contracting state agency to monitor the contractor's and subcontractor's compliance with the contract's equal employment opportunity requirements.

GENERAL INFORMATION:

1. **Name of contracting state agency** and state agency code (five-digit code).
2. **Reporting period** covered by report (mm/dd/yy to mm/dd/yy); **check** to indicate **Quarterly** or **Semi-Annual Report**.
3. **Contractor firm name** (prime contractor on summary report submitted to agency) and **address** (including city name, state and zip code); **check** if the contractor is a NOT-FOR-PROFIT.
4. **Type of Report:** **check** to indicate whether report covers (i) the **Contract Specific Work Force** or (ii) the **Company's Total Work Force** (in the event the contract specific work force cannot be separated out).
5. Contractor **Federal Employer Identification number** or payee identification number (prime contractor i.d. on summary report); **check** to indicate prime or subcontractor report.
6. **Contract Amount** is dollar amount based on terms of the contract.
7. **Contract number** is the agency assigned number given to the contract (seven digits).
8. **Location of work** including county and zip code where work is performed.
9. Indicate **Product or Service provided** by contractor (brief description).
10. **Contract start date** is month/day/year work on contract actually began.
11. Contractor's **estimate of the percentage of work completed** at the end of this reporting period.

FEDERAL OCCUPATIONAL CATEGORIES: The contractor's work force is broken down and reported by the nine **Federal Occupational Categories (FOC's)** consistent with the Federal government's EEO-1 categories for the private sector labor force. These are: *Officials and Managers, Professionals, Technicians, Sales, Office & Clerical (Administrative Support), Craft Workers, Operatives, Laborers and Service Workers*. The categories are general in nature, and include all related occupational job titles. The contracting agency can provide assistance in categorizing specific jobs.

TOTAL NUMBER OF EMPLOYEES: Record the *total number of all persons employed* in each FOC during the reporting period, regardless of ethnicity (either working on the specific contract OR in the contractor's total work force, based on the type of report indicated above). Report the total number of male (M) employees in column (1) and the total number of female (F) employees in column (2) for each FOC. In columns (3) thru (10) report the numbers of male and female *minority group members* employed, based on the following defined groups:

- **Black (not of Hispanic origin):** all persons having origins in any of the Black African racial groups;
- **Hispanic:** all persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American or either Indian or Hispanic origin, regardless of race;
- **Asian or Pacific Islander:** all persons having origins in any of the Far East countries, South East Asia, the Indian subcontinent or the Pacific Islands;
- **Native American or Alaskan Native:** all persons having origins in any of the original peoples in North America.

TOTAL % MINORITY = sum of all minority group members (male and female) employed in the FOC divided by the total number of all employees in that FOC (column 1 + column 2).

TOTAL % FEMALE = total number of female employees in the FOC (column 2) divided by the total number of all employees in that FOC (column 1 + column 2).

TOTALS: column totals should be calculated (sum each column) for all FOC's combined. Total minority and female percentages should be calculated as shown above, based on the column totals.

SUBMISSION: The work force utilization report is to be completed by both prime and subcontractors and **signed and dated** by an *authorized representative* before submission. This **Company Official's name, official title and telephone number** should be printed or typed where indicated on the bottom of the form.

The **prime contractor** shall complete a report for its own work force, **collect** reports completed by each subcontractor, and **prepare a summary report for the entire combined contract work force**. The reports shall include the total number of employees in each occupational category for all payrolls completed in the monthly reporting period. The prime contractor shall submit the summary report to the contracting agency as required by *Part 542 of Title 9 Subtitle N of the NYCRR* pursuant to *Article 15-A of the Executive Law*.

WORK FORCE EMPLOYMENT STAFFING PLAN

Project/RFP Title _____ Location of Contract _____
 Contractor/Firm Name _____ Address _____
 County _____ Zip _____
 State _____ Zip _____

Check applicable categories (1) Staff Estimates include: Contract/Project Staff ___ Total Work Force ___ Subcontractors ___
 (2) Type of Contract: Construction Consultants ___ Commodities ___ Services/Consultants ___

Total Anticipated Work Force											Total Percent Minority Employees	Total Percent Female Employees
Federal Occupational Category	Total Number of Employees		Black (Not of Hispanic Origin)		Hispanic		Asian or Pacific Islander		Native American/ Alaskan Native			
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		
Officials/Admin												
Professionals												
Technicians												
Sales Workers												
Office & Clerical												
Craft Workers												
Operatives												
Laborers												
Service Workers												
TOTALS												

Company Official's Name _____ Title _____
 Company Official's Signature _____ Date _____
 Telephone Number _____

**WORK FORCE EMPLOYMENT UTILIZATION PERIODIC REPORT
SERVICES AND/OR CONSULTANT FIRMS**

Agency NYS Division of the Lottery /code 20050 Reporting Period _____
 Check one Quarterly Semi-Annual Report

Contractor/Firm Name _____ Address: _____
 City _____ State _____ Zip _____

Type of Report Contract Specific Work Force Total Work Force
 Check if NOT-FOR-PROFIT

Federal Id/Payee Id. No. _____ Contract No. _____

Check One Prime Contractor Subcontractor Product/Service Provided _____

Contract Amount _____ Contract Start Date _____ Percent of Job Completed _____

Federal Occupational Category	Number of Employees										Total Percent Minority Employees	Total Percent Female Employees	
	Total Number of Employees		Black (Not of Hispanic Origin)		Hispanic		Asian or Pacific Islander		Native American/ Alaskan Native				
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female			
Officials/Admin													
Professionals													
Technicians													
Sales Workers													
Office & Clerical													
Craft Workers													
Operatives													
Laborers													
Service Workers													
TOTALS	0	0	0	0	0	0	0	0	0	0	0	0	0

Company Official's Name _____ Title _____
 Company Official's Signature _____ Date _____
 Telephone Number _____

APPENDIX E

Minority and Women-Owned Business Enterprise Program

Appendix E-1: Instructions

Appendix E-2: Utilization Plan

Appendix E-3, Part 1: Quarterly Subcontracting/Supplier Activity Report

Appendix E-3, Part 2: Quarterly Report Detail

**INSTRUCTIONS FOR COMPLETING THE NEW YORK STATE LOTTERY'S
MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE PROGRAM
VENDOR/CONTRACTOR'S MWBE UTILIZATION PLAN FORM**

As mandated by Article 15-A of the Executive Law and the new subtitle N of 9 NYCRR 540 et seq, the Division of the Lottery has established participation goals by New York State Certified Minority owned Business Enterprise (MWBE) and New York State Certified Women Owned Business Enterprise (WBE) as subcontractors/suppliers in this contract as reflected in the RFP. Contractors must submit a MWBE utilization plan indicating how they intend to comply with the established goals. The attached Utilization Plan Form (E-2) or similar form may be used to record this information.

For the directory of New York State certified MWBE's, please visit the New York State's Division of Minority and Women-owned Business Development website at:

http://www.nylovesbiz.com/Small_and_Growing_Businesses/mwbe.asp

Completion of the Form:

The contractor should only complete the shaded areas. It is important that the contractor provide detailed contact information including: name, phone number and email address. The Lottery will complete all the unshaded areas including: agency information, contract details, and summary of allocation of MWBE utilization and related value.

Within the utilization section of the form, the contractor must list the names and addresses of all subcontractors or suppliers that will be utilized during this contract. The following items should be completed for each vendor listed:

- Subcontractor's Federal ID#;
- Subcontractor information as follows:
 - By checking the appropriate boxes, indicate whether the subcontractors are "SUB" or "SUP", minority-owned business enterprise "MBE" or women-owned business enterprise "WBE", and if they are NYS Certified.
- Brief description of the work the subcontractor's will provide.

Note: additional sheets may be used if necessary.

Attestation and Form Acceptance

The preparer must attest to the information provided by signing in the appropriate space; in addition, print the name of the contractor, provide telephone number, and date.

The last section, bottom right, will be completed by the Lottery upon its review of the form. The contractor will be notified of the acceptance or deficiency of the MWBE Utilization Plan Form.

If assistance is required in completing this form or locating a New York State certified vendor to utilize as subcontractors or suppliers, please contact the Lottery's Contracts Officer at (518) 388-3329.

**NEW YORK STATE DIVISION OF THE LOTTERY
VENDOR/CONTRACTOR'S MINORITY AND WOMEN-OWNED BUSINESS UTILIZATION PLAN FORM**

AGENCY NAME _____
 AGENCY CONTACT _____
 AGENCY PHONE _____

CONTRACTOR NAME AND ADDRESS	CHECK APPROPRIATE BOX		DATE SUBMITTED		TOTAL VALUE OF CONTRACT		
	<input type="checkbox"/> SUPPLIER <input type="checkbox"/> CONTRACTOR		CONTRACTOR'S FID#		CONTRACT EFFECTIVE DATES		
PROJECT DESCRIPTION	GOALS MBE WBE		JOB NUMBER (IF APPLICABLE)		CONTRACT NUMBER		
MWBE SUBCONTRACTOR/SUPPLIER NAME & ADDRESS	CHECK ONE	SUBCONTRACTOR/SUPPLIER TAXPAYER/FEDERAL ID #	MBE (CHECK)	WBE (CHECK)	NYS CERTIFIED (CHECK)	DESCRIPTION OF WORK	\$ VALUE OF CONTRACT
	SUB _____ SUP _____		YES _____ NO _____	YES _____ NO _____	YES _____ NO _____		
	SUB _____ SUP _____		YES _____ NO _____	YES _____ NO _____	YES _____ NO _____		
	SUB _____ SUP _____		YES _____ NO _____	YES _____ NO _____	YES _____ NO _____		
	SUB _____ SUP _____		YES _____ NO _____	YES _____ NO _____	YES _____ NO _____		

	<u>\$ AMOUNT</u>	<u>% OF TOTAL</u>
(A) TOTAL CONTRACT BID AMOUNT:	_____	_____
(B) TOTAL SUBCONTRACTS FOR COMMODITIES AND SERVICES TO MBE'S:	_____	_____
(C) TOTAL SUBCONTRACTS FOR COMMODITIES AND SERVICES TO WBE'S:	_____	_____

CONTRACTOR'S ATTESTATION: MY FIRM PROPOSES TO USE THE MWBE'S LISTED ON THIS FORM.

PREPARED BY: (SIGNATURE OF CONTRACTOR)	PRINT NAME OF CONTRACTOR	TELEPHONE NUMBER	DATE
--	--------------------------	------------------	------

FOR OFFICE USE ONLY
REVIEWED BY:
DATE:
MWBE FIRMS CERTIFIED:
MWBE FIRMS NOT CERTIFIED:

NOTICE: this report is required pursuant to Executive Law; failure to report will result in noncompliance.

**NEW YORK STATE DIVISION OF THE LOTTERY
MWBE CONTRACT COMPLIANCE PROGRAM
CONTRACTOR'S QUARTERLY SUBCONTRACTING/SUPPLIER ACTIVITY REPORT
FOR THE PERIOD OF _____**

1. NAME AND ADDRESS:	2. PROJECT/CONTRACT GOALS:	3. DATE SUBMITTED	4. CONTRACT NO: _____
	MBE _____		JOB NO.: _____
	WBE _____		LOCATION/REGION: _____
FEDERAL ID/SOCIAL SECURITY NO.*	5. PROJECT WORK DESCRIPTION:*		6. CONTRACT EFFECTIVE DATES:*

SUBCONTRACTING/SUPPLIER ACTIVITY REPORT

7. REPORT SUBCONTRACTOR'S SUPPLIERS AWARDED/PURCHASED THIS QUARTER	# AWARDED THIS PERIOD	AMOUNT AWARDED THIS PERIOD	# AWARDED TO NYS CERTIFIED		TOTAL DOLLAR AMOUNT AWARDED THIS PERIOD TO NYS CERTIFIED		PERCENTAGE	
			MBE	WBE	MBE	WBE	MBE	WBE
DOLLAR RANGE: \$0-\$24,000								
\$25,000 +								
TOTAL								

PREPARED BY: (SIGNATURE OF CONTRACTOR)	PRINT NAME OF CONTRACTOR	TELEPHONE NO.	DATE
--	--------------------------	---------------	------

This report is required by contract specifications. Failure to report will result in noncompliance with contract specifications.

*Delete information if reported on previous submittal.

APPENDIX F

Non-Collusive Bidding Certification

**Non-Collusive Bidding Certification
Required By Section 139-D of the State Finance Law**

By submission of this bid, bidder and each person signing on behalf of bidder certifies, under penalty of perjury, that to the best of his/her knowledge and belief:

[1] The prices of this bid have been arrived at independently, without collusion, consultation, communication, or agreement, for the purposes of restricting competition, as to any matter relating to such prices with any other Bidder or with any competitor;

[2] Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by the Bidder prior to opening, directly or indirectly, to any other Bidder or to any competitor; and

[3] No attempt has been made or will be made by the Bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

A BID SHALL NOT BE CONSIDERED FOR AWARD NOR SHALL ANY AWARD BE MADE WHERE [1], [2], [3] ABOVE HAVE NOT BEEN COMPLIED WITH; PROVIDED HOWEVER, THAT IF IN ANY CASE THE BIDDER(S) CANNOT MAKE THE FORGOING CERTIFICATION, THE BIDDER SHALL SO STATE AND SHALL FURNISH BELOW A SIGNED STATEMENT WHICH SETS FORTH IN DETAIL THE REASONS THEREFORE:

[AFFIX ADDEDUM TO THIS PAGE IF SPACE IS REQUIRED FOR STATEMENT.]

Subscribed to under penalty of perjury under the laws of the State of New York, this _____ day _____, 2009 as the act and deed of said corporation.

Title

Signature

APPENDIX G

Bidder/Offerer Disclosure/Certification Form

BIDDER/OFFERER DISCLOSURE/CERTIFICATION FORM

CONTRACT/PROJECT DESCRIPTION:

CONTRACT/PROJECT NUMBER:

RESTRICTED PERIOD FOR THIS PROCUREMENT: From date: To Date:

PERMISSABLE CONTACTS:

1. CONTACTS - Contractor affirms that it understands and agrees to comply with the procedures on procurement lobbying restrictions regarding permissible contacts in the restricted period for a procurement contract in accordance with State Finance Law §§ 139-j and 139-k. I agree

2. BIDDER/OFFERER DISCLOSURE OF PRIOR NON-RESPONSIBILITY DETERMINATIONS Pursuant to Procurement Lobbying Law (SFL §139-j)

(a) Has any Governmental Entity made a finding of non-responsibility regarding the individual or entity seeking to enter into the Procurement Contract in the previous four years?

Yes No

If yes, please answer the following question:

(b) Was the basis for the finding of non-responsibility due to a violation of State Finance Law §139-j?

Yes No

(c) If "Yes" was the basis for the finding of non-responsibility due to the intentional provision of false or incomplete information to a governmental entity?

Yes No

If "Yes", please provide details regarding the finding of non-responsibility:

Governmental Entity: _____

Date of Finding of Non-Responsibility: _____

Basis of Finding of Non-Responsibility (attach additional sheets if necessary):

(d) Has any governmental agency terminated or withheld a procurement contract with the above-named individual or entity due to the intentional provision of false or incomplete information?

Yes No

If yes, provide details:

Governmental Entity: _____

Date of Termination or Withholding of Contract: _____

Basis of Termination or Withholding: (add additional pages if necessary)

3. TERMINATION CLAUSE:

Contractor certifies that all information provided to the Agency with respect to State Finance Law §§139 (j) and 139 (k) is complete true and accurate. If found to be in violation of State Finance Law §§139 (j) and 139 (k), the contract will result in termination.

I agree

Name of Contractor's Firm/Company: _____

Contractor Address: _____

Contractor's signature: _____

I understand that my signature represents that I am signing and responding to both certifications listed above

Print Name: _____

Occupation of Person signing this form: _____

Email Address: _____

APPENDIX H

MacBride Fair Employment Principals

Northern Ireland Stipulation

NORTHERN IRELAND STIPULATION

In compliance with section 165.5 of the State Finance Law, every bidder or proposer is required to stipulate regarding activities in Northern Ireland by responding to the following questions with regard to the bidder or proposer or any legal entity in which the bidder or proposer holds a 10% or greater ownership interest or any individual or legal entity that holds a 10 % interest in the bidder or proposer.

1. Does such person have business operations in Northern Ireland?

YES

NO

2. If the answer to question 1 is YES, will the person take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principals relating to nondiscrimination in employment and freedom of workplace opportunity regarding such operations in Northern Ireland and permit independent monitoring of compliance with such principals?

YES

NO

APPENDIX I

Sales & Use Tax (Section 5-a – Tax Law)

ST-220-TD: Contractor Certification to Tax Department

ST-220-CA: Contractor Certification to Covered Agency



Contractor Certification

(Pursuant to Section 5-a of the Tax Law, as amended, effective April 26, 2006)

ST-220-TD

(6/06)

For information, consult Publication 223, *Questions and Answers Concerning Tax Law Section 5-a (see Need help? below)*.

Contractor name				
Contractor's principal place of business		City	State	ZIP code
Contractor's mailing address (if different than above)				
Contractor's federal employer identification number (EIN)		Contractor's sales tax ID number (if different from contractor's EIN)		Contractor's telephone number ()
Covered agency name	Contract number or description		Estimated contract value over the full term of contract (but not including renewals) \$	
Covered agency address			Covered agency telephone number	

General information

Section 5-a of the Tax Law, as amended, effective April 26, 2006, requires certain contractors awarded certain state contracts valued at more than \$100,000 to certify to the Tax Department that they are registered to collect New York State and local sales and compensating use taxes, if they made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000, measured over a specified period. In addition, contractors must certify to the Tax Department that each affiliate and subcontractor exceeding such sales threshold during a specified period is registered to collect New York State and local sales and compensating use taxes. Contractors must also file a Form ST-220-CA, certifying to the procuring state entity that they filed Form ST-220-TD with the Tax Department and that the information contained on Form ST-220-TD is correct and complete as of the date they file Form ST-220-CA.

For more detailed information regarding this form and section 5-a of the Tax Law, see Publication 223, *Questions and Answers Concerning Tax Law Section 5-a, (as amended, effective April 26, 2006)*, available at www.nystax.gov. Information is also available by calling the Tax Department's Contractor Information Center at 1 800 698-2931.

Note: Form ST-220-TD must be signed by a person authorized to make the certification on behalf of the contractor, and the acknowledgement on page 4 of this form must be completed before a notary public.

Mail completed form to:

**NYS TAX DEPARTMENT
DATA ENTRY SECTION
W A HARRIMAN CAMPUS
ALBANY NY 12227**

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Director of Records Management and Data Entry, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the United States and outside Canada, call (518) 485-6800.

Need help?



Internet access: www.nystax.gov
(for information, forms, and publications)



Fax-on-demand forms: 1 800 748-3676



Telephone assistance is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday.

To order forms and publications: 1 800 462-8100

Sales Tax Information Center: 1 800 698-2909

From areas outside the U.S. and outside Canada: (518) 485-6800

Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110



Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 972-1233.

I, _____, hereby affirm, under penalty of perjury, that I am _____
(name) *(title)*
of the above-named contractor, and that I am authorized to make this certification on behalf of such contractor.

Make only one entry in each section below.

Section 1 — Contractor registration status

- The contractor has made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made. The contractor is registered to collect New York State and local sales and compensating use taxes with the Commissioner of Taxation and Finance pursuant to sections 1134 and 1253 of the Tax Law, and is listed on Schedule A of this certification.
- The contractor has not made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made.

Section 2 — Affiliate registration status

- The contractor does not have any affiliates.
- To the best of the contractor's knowledge, the contractor has one or more affiliates having made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made, and each affiliate exceeding the \$300,000 cumulative sales threshold during such quarters is registered to collect New York State and local sales and compensating use taxes with the Commissioner of Taxation and Finance pursuant to sections 1134 and 1253 of the Tax Law. The contractor has listed each affiliate exceeding the \$300,000 cumulative sales threshold during such quarters on Schedule A of this certification.
- To the best of the contractor's knowledge, the contractor has one or more affiliates, and each affiliate has not made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made.

Section 3 — Subcontractor registration status

- The contractor does not have any subcontractors.
- To the best of the contractor's knowledge, the contractor has one or more subcontractors having made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made, and each subcontractor exceeding the \$300,000 cumulative sales threshold during such quarters is registered to collect New York State and local sales and compensating use taxes with the Commissioner of Taxation and Finance pursuant to sections 1134 and 1253 of the Tax Law. The contractor has listed each subcontractor exceeding the \$300,000 cumulative sales threshold during such quarters on Schedule A of this certification.
- To the best of the contractor's knowledge, the contractor has one or more subcontractors, and each subcontractor has not made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000 during the four sales tax quarters which immediately precede the sales tax quarter in which this certification is made.

Sworn to this ____ day of _____, 20 ____

(sign before a notary public)

(title)

Individual, Corporation, Partnership, or LLC Acknowledgment

STATE OF _____ }
 : SS.:
COUNTY OF _____ }

On the ____ day of _____ in the year 20____, before me personally appeared _____, known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that
_he resides at _____,
Town of _____,
County of _____,
State of _____; and further that:

[Mark an X in the appropriate box and complete the accompanying statement.]

- (If an individual): _he executed the foregoing instrument in his/her name and on his/her own behalf.
- (If a corporation): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.
- (If a partnership): _he is a _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said partnership as the act and deed of said partnership.
- (If a limited liability company): _he is a duly authorized member of _____ LLC, the limited liability company described in said instrument; that _he is authorized to execute the foregoing instrument on behalf of the limited liability company for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said limited liability company as the act and deed of said limited liability company.

Notary Public

Registration No. _____



Contractor Certification to Covered Agency

(Pursuant to Section 5-a of the Tax Law, as amended, effective April 26, 2006)

ST-220-CA

(6/06)

For information, consult Publication 223, *Questions and Answers Concerning Tax Law Section 5-a* (see *Need Help?* on back).

Contractor name		For covered agency use only Contract number or description	
Contractor's principal place of business	City	State	ZIP code
Contractor's mailing address (if different than above)		Estimated contract value over the full term of contract (but not including renewals)	
Contractor's federal employer identification number (EIN)	Contractor's sales tax ID number (if different from contractor's EIN)		\$
Contractor's telephone number	Covered agency name		
Covered agency address		Covered agency telephone number	

I, _____, hereby affirm, under penalty of perjury, that I am _____

(name)

(title)

of the above-named contractor, that I am authorized to make this certification on behalf of such contractor, and I further certify that:

(Mark an X in only one box)

The contractor has filed Form ST-220-TD with the Department of Taxation and Finance in connection with this contract and, to the best of contractor's knowledge, the information provided on the Form ST-220-TD, is correct and complete.

The contractor has previously filed Form ST-220-TD with the Tax Department in connection with _____
(insert contract number or description)

and, to the best of the contractor's knowledge, the information provided on that previously filed Form ST-220-TD, is correct and complete as of the current date, and thus the contractor is not required to file a new Form ST-220-TD at this time.

Sworn to this ____ day of _____, 20 ____

(sign before a notary public)

(title)

Instructions

General information

Tax Law section 5-a was amended, effective April 26, 2006. On or after that date, in all cases where a contract is subject to Tax Law section 5-a, a contractor must file (1) Form ST-220-CA, *Contractor Certification to Covered Agency*, with a covered agency, and (2) Form ST-220-TD with the Tax Department before a contract may take effect. The circumstances when a contract is subject to section 5-a are listed in Publication 223, Q&A 3. This publication is available on our Web site, by fax, or by mail. (See *Need help?* for more information on how to obtain this publication.) In addition, a contractor must file a new Form ST-220-CA with a covered agency before an existing contract with such agency may be renewed.

If you have questions, please call our information center at 1 800 698-2931.

Note: Form ST-220-CA must be signed by a person authorized to make the certification on behalf of the contractor, and the acknowledgement on page 2 of this form must be completed before a notary public.

When to complete this form

As set forth in Publication 223, a contract is subject to section 5-a, and you must make the required certification(s), if:

- i. The procuring entity is a *covered agency* within the meaning of the statute (see Publication 223, Q&A 5);
- ii. The contractor is a *contractor* within the meaning of the statute (see Publication 223, Q&A 6); and
- iii. The contract is a *contract* within the meaning of the statute. This is the case when it (a) has a value in excess of \$100,000 and (b) is a contract for *commodities* or *services*, as such terms are defined for purposes of the statute (see Publication 223, Q&A 8 and 9).

Furthermore, the procuring entity must have begun the solicitation to purchase on or after January 1, 2005, and the resulting contract must have been awarded, amended, extended, renewed, or assigned *on or after April 26, 2006* (the effective date of the section 5-a amendments).

Individual, Corporation, Partnership, or LLC Acknowledgment

STATE OF }
: SS.:
COUNTY OF }

On the ___ day of _____ in the year 20___, before me personally appeared _____,
known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that
_he resides at _____,
Town of _____,
County of _____,
State of _____; and further that:

[Mark an X in the appropriate box and complete the accompanying statement.]

- (If an individual): _he executed the foregoing instrument in his/her name and on his/her own behalf.
(If a corporation): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.
(If a partnership): _he is a _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said partnership as the act and deed of said partnership.
(If a limited liability company): _he is a duly authorized member of _____, LLC, the limited liability company described in said instrument; that _he is authorized to execute the foregoing instrument on behalf of the limited liability company for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said limited liability company as the act and deed of said limited liability company.

Notary Public

Registration No.

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).
This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.
Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.
Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.
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Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110
Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 972-1233.

APPENDIX J

Contract Form

LOTTERY INSTANT TICKET DESIGN,
DEVELOPMENT AND PRODUCTION SERVICES
CONTRACT # C110001

THIS AGREEMENT made this ____ day of _____, 2011 by and between the NEW YORK STATE DIVISION OF THE LOTTERY, an executive agency of the State of New York having an office at One Broadway Center, Post Office Box 7500, Schenectady, New York 12301-7500 (the "Lottery"), and [name of company] having an office at [address of company] (the "Contractor").

WHEREAS the Lottery issued a Request for Proposals on February 14, 2011 soliciting proposals from qualified firms for instant ticket design, development, and production services, and clarified the requirements of the Request for Proposals with a list of Questions and Answers issued March 7, 2011 and March 18, 2011 (collectively, the "RFP"); and

WHEREAS the Contractor submitted a Technical Proposal and a Financial Proposal dated April [], 2011 (collectively, the "Proposal"), which are deemed acceptable to the Lottery;

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises hereinafter set forth, the parties hereto agree as follows:

1. Scope of Services. The Contractor agrees to furnish the Lottery with professional services to manage the design, development and production components of the Lottery's Instant ticket business, as more fully set forth in the RFP and the Proposal. Both the RFP and the Proposal are hereby incorporated into this Agreement with the same force and effect as if they were fully set forth herein. Contractor shall exercise professional skill, care, and diligence in the performance of its obligations under this Agreement. Contractor hereby accepts such engagement upon the provisions of the RFP and the Proposal except as modified by this Agreement.

2. Term. This Agreement shall be for a term of seven (7) years commencing as of the date of approval by the State Comptroller.

3. Compensation.

In full consideration for all goods and services specified in the RFP and the Proposal, the Lottery agrees to pay, and the Contractor agrees to accept, compensation in accordance with the prices set forth in the Proposal. No minimum amount is guaranteed by this Agreement and the Contractor shall not have any right to make a claim therefor.

4. Approvals Required. This Agreement, and any extension of the term of this Agreement or any amendment of the provisions of this Agreement, shall not be effective and binding upon the Lottery, the State of New York, or the Contractor unless and until approved by the Attorney General and the State Comptroller. The Lottery agrees to exercise its best efforts to obtain such approval.

5. Mutual Cooperation. The parties agree to cooperate fully in good faith and to assist each other, to the extent reasonably practicable, in order to accomplish that objectives described in the RFP.

6. Termination.

(a) The Lottery shall have the right to terminate this Agreement for any of the following causes:

- (i) a material breach by the Contractor of any of the provisions of this Agreement;
- (ii) a determination by a court of competent jurisdiction that the Contractor is bankrupt or insolvent;
- (iii) a good faith determination by the Lottery that continuation of the contract could place the integrity of the Lottery in jeopardy; or
- (iv) a conviction of the Contractor or any of its directors, officers, or employees of any criminal offense connected to the Contractor's business which, in the sole reasonable opinion of the Director of the Lottery, would be prejudicial to public confidence in the Lottery.

(b) In the event that the Lottery decides to exercise the right to terminate this Agreement for cause, the Lottery shall give the Contractor advance written Notice of Intention to Terminate for Cause (“Notice”). Such Notice shall state clearly and specifically the cause for which termination is sought, and the Contractor shall be entitled to a period of thirty (30) days from receipt of such Notice to correct or cure the cause so described to the reasonable satisfaction of the Lottery in which case such Notice shall be deemed withdrawn and a nullity. If termination is sought because of a criminal conviction as described in subparagraph (iv) of Paragraph (a) of this section 6, the cause for termination shall be deemed to be cured if the Contractor causes or obtains the dismissal, resignation, retirement, or other removal of the person convicted of such offense during such thirty (30) day period.

(c) The Lottery reserves the right to terminate this Agreement in the event it is found that the certification filed by the Contractor in accordance with New York State Finance Law § 139-k was intentionally false or intentionally incomplete. Upon such finding, the Lottery may exercise its termination right by providing written notice to the Contractor in accordance with the written notice terms of this Agreement.

7. Force Majeure

(a) A Force Majeure occurrence is an event or effect that cannot be reasonably anticipated or controlled and without the fault or negligence of the non-performing party. As herein used, Force Majeure includes, but is not limited to, fire, explosion, unusually severe action of the elements, strike or labor disturbance, rationing, war, terrorism, act of any governmental authority or agency, civil disturbance, governmental interference, or any other cause which is beyond the control of the party affected, and which, by the exercise of reasonable diligence, said party is unable to prevent delays arising as a result thereof or to predict and through advance planning avoid such delays.

(b) Except as otherwise provided in the contract, neither the Successful Vendor nor the Lottery shall be liable to the other for any delay in, or failure of performance of, any covenant contained herein nor shall any such delay or failure of performance constitute default hereunder, to the extent that such delay or failure is caused by Force Majeure. The existence of such causes of delay or failure shall extend the schedule for performance to such extent as may be necessary

to complete performance in the exercise of reasonable diligence after the causes of delay or failure have been removed.

(c) Any such delay in or failure of performance shall not in and of itself give rise to any liability for damages; however, the Lottery may elect to terminate the Contract for cause should its continuing operations, in its sole judgment, be materially threatened or harmed by reason of extended delay or failure of performance.

(d) During a period of non-performance due to Force Majeure, payments from the Lottery to the Successful Vendor will be suspended.

8. Confidentiality and Non-Disclosure.

(a) For the purposes of this section, “Confidential Information” means any information not generally known to the public, whether oral or written, that a disclosing party (the “Disclosing Party”) identifies as confidential and discloses to the receiving party (the “Recipient”) in connection with services to be provided to the Lottery pursuant to this Agreement. Subject to applicable law, Confidential Information may include, but is not limited to, operational and infrastructure information relating to: proposal documents, plans, drawings, specifications, reports, product information; business and security processes and procedures; personnel and organizational data, and financial statements; information system IP addresses, passwords, security controls, architectures and designs; and such other data, information and images that the Disclosing Party deems confidential. The Disclosing Party will identify written Confidential Information by marking it with the word “Confidential” and will identify oral Confidential Information as confidential at the time of disclosure to the Recipient.

(b) Confidential Information does not include information that, at the time of disclosure by the Disclosing Party to the Recipient:

- (i) is already in the public domain or becomes publicly known through no act of the Recipient;
- (ii) is already known by the Recipient free of any confidentially obligations;
- (iii) is information that the Disclosing Party has approved in writing for disclosure; or

(iv) is required to be disclosed by the Recipient pursuant to law so long as the Recipient provides the Disclosing Party with notice of such disclosure requirement and opportunity to defend prior to any such disclosure.

(c) The Recipient may use Confidential Information solely for the purposes of providing services to the Lottery pursuant to this Agreement. The Disclosing Party's disclosure of Confidential Information to the Recipient shall not convey to the Recipient any right to or interest in such Confidential Information, and the Disclosing Party shall retain all right and title to such Confidential Information at all times.

(d) The Recipient shall hold Confidential Information confidential to the maximum extent permitted by law. The Recipient shall safeguard Confidential Information with at least the same level of care and security, using all reasonable and necessary security measures, devices and procedures that the Recipient uses to maintain its own confidential information.

(e) Upon written request by the Disclosing Party, the Recipient shall return all written Confidential Information to the Disclosing Party.

9. Records Retention. Records required by this Agreement to be retained by the Contractor shall be retained for the periods specified in Appendix A, attached hereto. Such records may be retained in their original form or in any other reliable and readily retrievable format, at the option of the Contractor.

10. Notices. All notices required by this Agreement shall be sufficient if in writing and sent by certified mail return receipt requested and all other communications shall be sufficient if communicated in writing to the following addresses or to such other addresses as may be designated from time to time by the parties in writing:

(a) As to the Lottery:
Director of the Lottery
NYS Division of the Lottery
One Broadway Center
Post Office Box 7500
Schenectady NY 12301-7500

(b) As to the Contractor:

[Name and Address]

11. Liability and Indemnification. The Contractor shall be responsible for all damages to life and property due to activities of the Contractor, as well as the subcontractors (if any), agents or employees of the Contractor in connection with performance of services under this agreement. The Contractor shall indemnify, defend, and save harmless the New York Lottery, the State of New York, and their officers, employees, agents, assigns and retailers from and against any and all third party claims, liabilities, losses, damages, costs, or expenses, including reasonable attorneys' fees, which may be incurred, suffered, or required in whole or in part by an actual or alleged act or omission of:

- (a) The Contractor, its officers, employees, agents, successors and assigns, and/or
- (b) A Subcontractor, its officers, employees, agents, successors and assigns.

12. Relationship. The relationship of the Contractor to the Lottery arising out of this Agreement shall be that of an independent contractor. The Contractor, in accordance with its status as an independent contractor, agrees that it will conduct itself consistent with such status, that it will neither hold itself out as, nor claim to be, an officer or employee of the Lottery or the State by reason hereof, and that it will not by reason hereof, make any claim, demand or application for any right or privilege applicable to an officer or employee of the Lottery or the State, including, but not limited to, workers' compensation coverage, unemployment insurance benefits, social security coverage, or retirement membership or credit. All personnel of the Contractor shall be within the employ of the Contractor only or shall be duly contracted subcontractors of the Contractor, which alone shall be responsible for their work, the direction thereof, and their compensation. Nothing in this Agreement shall impose any liability or duty on the Lottery or the State, on account of any acts, omissions, liabilities or obligations of the Contractor or any person, firm, company, agency, association, corporation, or organization engaged by the Contractor as expert, consultant, independent contractor, specialist, trainee, employee, servant or agent, for taxes of any nature, including, but not limited to, unemployment

insurance and workers' compensation, and the Contractor hereby agrees to indemnify and hold harmless the Lottery and the State against any such liabilities.

13. Documents Incorporated. Appendix A, "Standard Clauses for all New York State Contracts," the RFP, and the Proposal are hereby incorporated herein to the same force and effect as if set forth at length hereat.

14. Order of Precedence. Any conflict between the provisions of this Agreement and the documents incorporated herein shall be resolved according to the following order of precedence, from the highest to the lowest:

- (a) Appendix A – Standards Terms for New York State Contracts;
- (b) Any amendments to the Agreement;
- (c) Agreement;
- (d) Request for Proposal and any clarifying responses by the Lottery;
- (e) Vendor Proposal and any clarifying responses by the vendor.

15. Miscellaneous Provisions.

(a) A waiver of enforcement of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement nor shall it preclude the affected party from subsequently enforcing such provision.

(b) This instrument and the documents incorporated herein represent the entire agreement between the Lottery and the Contractor, and no modification thereof shall be binding unless the same is in writing and signed by the respective parties.

(c) The headings contained in this Agreement are intended for ease of reference only and shall not be interpreted to limit or modify any of the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

NYS Agency Contract No. C110001

In addition to the acceptance of this Agreement, my signature below certifies that copies of this signature page will be attached to all other exact copies of this contract.

[CONTRACTOR]

NEW YORK STATE
DIVISION OF THE LOTTERY

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTORNEY GENERAL

COMPTROLLER
Thomas P. DiNapoli

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

STATE OF _____)
) ss.:
COUNTY OF _____)

On this ____ day of _____, 2011, before me personally came _____, to me known, who being duly sworn, did depose and say that he or she resides in _____ (if the place of residence is in a city, include the house and street number), that he or she is the _____ [title] of _____, the entity which executed this contract, and that he or she was authorized to execute this contract on behalf of said entity.

Notary Public

Appendix A

STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licensor, licensee, lessor, lessee or any other party):

1. **EXECUTORY CLAUSE.** In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. **NON-ASSIGNMENT CLAUSE.** In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the State's previous written consent, and attempts to do so are null and void. Notwithstanding the foregoing, such prior written consent of an assignment of a contract let pursuant to Article XI of the State Finance Law may be waived at the discretion of the contracting agency and with the concurrence of the State Comptroller where the original contract was subject to the State Comptroller's approval, where the assignment is due to a reorganization, merger or consolidation of the Contractor's business entity or enterprise. The State retains its right to approve an assignment and to require that any Contractor demonstrate its responsibility to do business with the State. The Contractor may, however, assign its right to receive payments without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. **COMPTROLLER'S APPROVAL.** In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6.a).

4. **WORKERS' COMPENSATION BENEFITS.** In accordance with Section 142 of the State Finance Law, this contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

5. **NON-DISCRIMINATION REQUIREMENTS.** To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, sexual orientation, age, disability, genetic predisposition or carrier status, or marital status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. WAGE AND HOURS PROVISIONS. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law. Additionally, effective April 28, 2008, if this is a public work contract covered by Article 8 of the Labor Law, the Contractor understands and agrees that the filing of payrolls in a manner consistent with Subdivision 3-a of Section 220 of the Labor Law shall be a condition precedent to payment by the State of any State approved sums due and owing for work done upon the project.

7. NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

9. SET-OFF RIGHTS. The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. RECORDS. The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of the Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION.

(a) **FEDERAL EMPLOYER IDENTIFICATION NUMBER and/or FEDERAL SOCIAL SECURITY NUMBER.** All invoices or New York State standard vouchers submitted for payment for the sale of goods or services or the lease of real or personal property to a New York State agency must include the payee's identification number, i.e.,

the seller's or lessor's identification number. The number is either the payee's Federal employer identification number or Federal social security number, or both such numbers when the payee has both such numbers. Failure to include this number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or New York State standard voucher, must give the reason or reasons why the payee does not have such number or numbers.

(b) PRIVACY NOTIFICATION. (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law. (2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in New York State's Central Accounting System by the Director of Accounting Operations, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN. In accordance with Section 312 of the Executive Law, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00, whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State; or (iii) banking services, insurance policies or the sale of securities. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Governor's Office of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of Section 165 of the State Finance Law, (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES. In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
30 South Pearl St -- 7th Floor
Albany, New York 12245
Telephone: 518-292-5220
Fax: 518-292-5884
<http://www.empire.state.ny.us>

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business Development
30 South Pearl St -- 2nd Floor
Albany, New York 12245
Telephone: 518-292-5250
Fax: 518-292-5803
<http://www.empire.state.ny.us>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS. Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

22. COMPLIANCE WITH NEW YORK STATE INFORMATION SECURITY BREACH AND NOTIFICATION ACT. Contractor shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law Section 899-aa; State Technology Law Section 208).

23. COMPLIANCE WITH CONSULTANT DISCLOSURE LAW. If this is a contract for consulting services, defined for purposes of this requirement to include analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health, and mental health services, accounting, auditing, paralegal, legal or similar services, then, in accordance with Section 163 (4-g) of the State Finance Law (as amended by Chapter 10 of the Laws of 2006), the Contractor shall timely, accurately and properly comply with the requirement to submit an annual employment report for the contract to the agency that awarded the contract, the Department of Civil Service and the State Comptroller.

24. PROCUREMENT LOBBYING. To the extent this agreement is a "procurement contract" as defined by State Finance Law Sections 139-j and 139-k, by signing this agreement the contractor certifies and affirms that all disclosures made in accordance with State Finance Law . To the extent this agreement is a "procurement contract" as defined by Sections 139-j and 139-k are complete, true and accurate. In the event such certification is found to be intentionally false or intentionally incomplete, the State may terminate the agreement by providing written notification to the Contractor in accordance with the terms of the agreement.

25. CERTIFICATION OF REGISTRATION TO COLLECT SALES AND COMPENSATING USE TAX BY CERTAIN STATE CONTRACTORS, AFFILIATES AND SUBCONTRACTORS. To the extent this agreement is a contract as defined by Tax Law Section 5-a, if the contractor fails to make the certification required by Tax Law Section 5-a or if during the term of the contract, the Department of Taxation and Finance or the covered agency, as defined by Tax Law 5-a, discovers that the certification, made under penalty of perjury, is false, then such failure to file or false certification shall be a material breach of this contract and this contract may be terminated, by providing written notification to the Contractor in accordance with the terms of the agreement, if the covered agency determines that such action is in the best interest of the State.

Appendix K

**Electronic Payment Authorization Form and
Substitute Form W-9**



03/25/09

New York State
Office of the State Comptroller
Electronic Payments Authorization Form for
Government Entities, Vendors, Not-for-Profits

Authorization is:
(check one)
 New
 Change

Section 1. PLEASE COMPLETE THE ITEMS BELOW (See Instructions On Reverse Side)

____ OR _____ OR _____
Federal Employer Identification Number (FEIN) Social Security Number Municipal Code (12 Char)

Payee Name & Address: (Please Type or Print)

Payee Name Line 1 (Must match voided check if attached)

Payee Name Line 2 (If needed)

Address Line 1 (Limit to 30 characters/spaces)

Address Line 2 (If needed) (Limit to 30 characters/spaces)

City (Limit to 20 Characters) State 9 Digit Zip Code

Account Type (Check One): Savings (Section 2 must be completed by Financial Institution and sent directly to OSC for processing.)
 Checking (Attach ORIGINAL 'VOIDED' check OR have Financial Institution complete Section 2.)

Remittance Advice E-mail Address: _____
(Limit to 46 characters/spaces. Payees will receive remittance data only by e-mail or from their bank; paper copies will not be forwarded)

I certify that I have read and understand this Electronic Payments authorization, including the Recovery of Funds Deposited in Error on the back of this form, for the State of New York to deposit funds into the designated bank account through an electronic fund transfer. I further understand that in order for New York State to process electronic payments, I consent to the Office of the State Comptroller (OSC) providing the above shown FEIN or Social Security number to state agencies responsible for sending payment vouchers to OSC.

Authorized Name: _____ Title: _____
(Please type or print)

Phone Number: (____) _____ -- _____ E-mail Address: _____

Signature: _____ Date: _____

Section 2. FINANCIAL INSTITUTION CERTIFICATION to be completed if directing funds into a 'Savings Account' OR if a voided check is not attached to this form.

I certify that the account number and type of account is maintained in the name of the payee named above. As a representative of the named financial institution, I certify that this financial institution is ACH capable and agrees to receive and deposit payments to the account shown.

Financial Institution Name: _____

Route Transit Number (Bank ABA): _____ Account No. _____

Institution Officer: _____ Phone Number: (____) _____ -- _____
(Please print or type)

Signature: _____ Title _____ Date: _____

For the protection of our customers, where required, the Financial Institution must mail this form directly to:

NYS Office of the State Comptroller-Bureau of Accounting Operations
Warrant & Payment Control Unit
110 State Street - 9th Floor -
Albany, NY 12236
Telephone: (518) 474-6019 or 402-4067 E-mail: epunit@osc.state.ny.us

Notification required under Personal Privacy Protection Law

The information provided on this form is required under Section 109 of the New York State Finance Law, as well as, the New York State and Federal tax laws (See New York State Tax Law §674, 26 USC §6041). This information will be provided only to the designated financial institution(s) and/or their agent(s) for the purpose of processing payments. Failure to provide the requested information may delay or prevent the receipt of payments through the Electronic Payment Program.

The information provided shall be maintained in the "Payee Name and Address" file maintained by the Director of the Bureau of Accounting Operations, 110 State Street, Albany, NY 12236, 518-474-4017.

Accurate Payee Name and Addresses

It is extremely important that the Payee Name, Address, City, State and Zip Code shown on the front of this form be **identical** to the 'remit to' address shown on all invoices sent to State agencies. Payments are made electronically to your bank account **only** if the address entered by a State agency on a payment voucher will, when matched to US Postal Service addresses, result in a 9-digit Zip Code that is identical to the 9-digit Zip Code supplied on the front of this form. This verification provides an extra measure of assurance that an error entering your FEIN or SSN on a payment voucher will not result in a payment being erroneously sent to someone else's account. Payees are therefore requested to ensure that all invoices, bills and statements sent to New York State agencies contain complete and accurate 'remit to' addresses. Payees who continue to receive check payments should contact the State agency that initiated the payment voucher to provide them with the correct 'remit to' address.

E-Mail Notification:

An important benefit of the Electronic Payment Program is the **advance** E-mail notification that provides the ACH Payment Trace Number, payment amount and a secure link to identify the components of the remittance being electronically sent. We strongly urge all enrollees to provide an e-mail address so payment information can be sent directly to the payee. It is further suggested that you provide a group mailbox for your e-mail address. Where e-mail is not selected, payees can initiate Internet queries using OSC's database (<https://www1.osc.state.ny.us/pay>) to retrieve the payment remittance information.

New Enrollment:

Please complete all information in Section 1 on the front of this form. Check 'New' at the top of the form. If attaching an original voided check, payee name must agree with the name on the voided check or a copy of a DBA must be provided (starter checks, copies, and deposit slips will not be accepted). If you do not attach an original voided check, your Financial Institution must complete the 'Section 2 Financial Institution Certification' and mail the original form **directly** to the NYS Office of the State Comptroller at the address provided. The payee name on the front of this form must be filled out as follows:

Line #1 -- Full Payee Name

Line #2 -- Government entities must indicate the title of their Chief Financial Officer.

For vendors and not-for-profits, addresses must include the **9-digit Zip Code** (assigned by the Post Office).

Changes to Existing Enrollment Authorizations:

All changes require your Payee Name, a recent payment number (check or trace number), your name, title and telephone number.

If you need to change your email address	Send an e-mail message to: epunit@osc.state.ny.us
If you need to change your mailing address	Send the required change by e-mail or FAX (including your signature) to Attn: E-Pay Unit, (518) 473-6836. To confirm that we have received your faxed changes, please call (518) 474-6019 or 402-4067.
If you need to change the Payee ID, Payee Name or Financial Institution Information	Complete and mail a new original Authorization Form including your Payee ID (FEIN, SSN or Municipal Code). Copies will not be accepted. Check ' Change ' at the top of the form. Please note - for your protection, we will not accept e-mail or fax notification of changes to payee ID, names and financial institution information.
Counties, Cities, Towns and Villages	Also notify the Office of the State Comptroller's Division of Local Government Services and Economic Development of name, address and chief financial officer title changes.
School Districts and BOCES	Also notify the State Education Department of name and address changes.
Vendors and Not-for-Profits	Also notify all state agencies that initiate payments of payee ID, name and address changes.

Recovery of Funds Deposited in Error:

In the event that an erroneous electronic payment is sent, the State reserves the right to 'reverse' the electronic payment. In the event that a 'reversal' cannot be implemented, the State will utilize any other lawful means to retrieve payments to which the payee was not entitled.

Cancellations:

The agreement represented by this authorization remains in effect until cancelled by the payee or if the ACH record is inactive for two or more years. To cancel, the payee's authorized official must provide **signed** written notification including payee ID, payee name and the requestor's name, title and telephone number, to the address provided on the front of this form. This written notification may also be faxed to the E-Pay Unit at (518) 473-6836. **To confirm that we have received your faxed cancellation, please call (518) 474- 6019 or 402-4067.**



**NEW YORK STATE OFFICE OF THE STATE COMPTROLLER
SUBSTITUTE FORM W-9:
REQUEST FOR TAXPAYER IDENTIFICATION NUMBER & CERTIFICATION**

TYPE OR PRINT INFORMATION NEATLY. PLEASE REFER TO INSTRUCTIONS FOR MORE INFORMATION.

Part I: Vendor Information

1. Legal Business Name:	2. If you use a DBA, please list below:
-------------------------	---

3. Entity Type (Check one only):

Sole Proprietor
 Partnership
 Limited Liability Co.
 Business Corporation
 Unincorporated Association/Business
 Federal Government
 State Government
 Public Authority
 Local Government
 School District
 Fire District
 Other _____

Part II: Taxpayer Identification Number (TIN) & Taxpayer Identification Type

1. Enter your TIN here: *(DO NOT USE DASHES)*

--	--	--	--	--	--	--	--	--	--

2. Taxpayer Identification Type (check appropriate box):

Employer ID No. (EIN)
 Social Security No. (SSN)
 Individual Taxpayer ID No. (ITIN)
 N/A (Non-United States Business Entity)

Part III: Address

1. Physical Address:	2. Remittance Address:
Number, Street, and Apartment or Suite Number	Number, Street, and Apartment or Suite Number
City, State, and Nine Digit Zip Code or Country	City, State, and Nine Digit Zip Code or Country

Part IV: Exemption from Backup Withholding and Certification

For payees exempt from Backup Withholding, check the box below. Valid explanation required for exemption. See instructions.

Exempt from Backup Withholding

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. Under penalties of perjury, I certify that the number shown on this form is my correct Taxpayer Identification Number (TIN).

Sign Here:

_____	_____
Signature	Date
_____	_____
Print Preparer's Name	Phone Number Email Address

Part V: Contact Information – Individual Authorized to Represent the Vendor

Vendor Contact Person: _____ Title: _____

Contact's Email Address: _____ Phone Number: (____) _____

DO NOT SUBMIT FORM TO IRS - SUBMIT FORM TO NYS OFFICE OF THE STATE COMPTROLLER

FOR OSC USE ONLY

NYS Office of the State Comptroller Instructions for Completing Substitute W-9

New York State (NYS) must obtain your correct Taxpayer Identification Number (TIN) to report income paid to you or your organization. NYS Office of the State Comptroller uses the Substitute Form W-9 to obtain certification of your TIN in order to ensure accuracy of information contained in its payee/vendor database and to avoid backup withholding.¹ We ask for the information on the Substitute Form W-9 to carry out the Internal Revenue laws of the United States. You are required to give us the information.

Any payee/vendor who wishes to do business with New York State must complete the Substitute Form W-9. Substitute Form W-9 is the only acceptable documentation. We will not accept IRS Form W-9.

Part I: Vendor Information

1. **Legal Business Name:** For individuals, enter the name of the person who will do business with NYS as it appears on the Social Security card or other required Federal tax documents. An organization should enter the name shown on its charter or other legal documents that created the organization. Do not abbreviate names.
2. **DBA (Doing Business As):** Enter your DBA name.
3. **Entity Type:** Mark the Entity Type doing business with New York State.

Part II: Taxpayer Identification Number (TIN) and Taxpayer Identification Type

1. **Taxpayer Identification Number:** Enter your nine-digit Social Security Number, Individual Taxpayer Identification Number (ITIN)² or Employer Identification Number.
2. **Taxpayer Identification Type:** Mark the type of identification number provided.

Part III: Address

1. **Physical Address:** List the location of where your business is physically located.
2. **Remittance Address:** List the location where payments should be delivered.

Part IV: Exemption from Backup Withholding and Certification

Generally, reportable payments made by New York State are subject to Backup Withholding. Exemption from Backup Withholding applies to government and non-United States Business Entities³. Please sign, date, provide the preparer's name, telephone and email address. The preparer should be employed by your organization.

Part V: Contact Information

Please provide the contact information for an executive at your organization. This individual should be a person who makes legal and financial decisions for your organization.

¹ According to IRS Regulations, OSC must withhold 28% of all payments if a payee/vendor fails to provide OSC its certified TIN. The Substitute Form W-9 certifies a payee/vendor's TIN.

² An ITIN is a nine-digit number used by the United States Internal Revenue Service for individuals not eligible to obtain a Social Security Number, but are required to file income taxes. To obtain an ITIN, submit a completed W-7 to the IRS. The IRS will notify you in writing within 4 to 6 weeks about your ITIN status. In order to do business with New York State, **you must submit IRS Form W-8** along with our Substitute Form W-9 showing your ITIN. IRS Form W-8 certifies your foreign status. To obtain IRS Forms W-7 and W-8, call 1-800-829-3676 or visit the IRS website at www.irs.gov.

³ In order to do business with New York State, **you must submit IRS Form W-8** along with our Substitute Form W-9. IRS Form W-8 certifies your foreign status and exempts you from United States information return reporting and backup withholding rules. To obtain IRS Form W-8, call 1-800-829-3676 or visit the IRS website at www.irs.gov.

Appendix L

Sample – Bar-Coded Coupon



**BUY ONE TICKET.
GET ONE FREE!**

You must present coupon prior to purchase.



Good for one free \$1 Take 5 Quick Pick ticket (1 game) when you buy at least one \$1 Take 5 ticket (1 game). This coupon may be processed at any New York Lottery retailer.

000VOIDVOIDVOI



**FOR PROMOTIONAL
USE ONLY**

ATTENTION: PLAYER

Present this coupon to any full-service New York Lottery Retailer with a completed Take 5 Playcard and receive a FREE \$1 Take 5 Quick Pick ticket.

ATTENTION:

LOTTERY RETAILER

This is an official New York Lottery Take 5 coupon. Limit is one \$1 coupon with the purchase of at least one \$1 Take 5 ticket. A separate Take 5 Quick Pick ticket will be printed for the one free game.

To process this coupon:

- Press the "TAKE 5" key;
- Press the "COUPON" key;
- Scan the barcode;
- Process the playcard or for Quick Pick only, press "Quick Pick" key and press "Send" key.

Cannot be combined with any other offer.

WARNING: Tickets may not be sold to minors under the age of 18.

EXPIRES 12/31/11

Appendix M

Net Sales Less Prize Liability Projections

Appendix M

<u>Actual Instant Settles (in millions):</u>	<u>FY 2005/06</u>	<u>FY 2006/07</u>	<u>FY 2007/08</u>	<u>FY 2008/09</u>	<u>FY 2009/10</u>	<u>FY 2010/11 (Proj)</u>
Gross Instant Settlements	\$3,324.5	\$3,642.5	\$3,650.8	\$3,692.1	\$3,648.3	\$3,614.3
Less: Promo Settlements	\$10.6	\$14.7	\$23.0	\$3.2	\$5.3	\$1.1
Less: Tradeup	\$24.5	\$23.6	\$27.9	\$33.2	\$25.2	\$28.4
Net Instant Settlements	\$3,289.5	\$3,604.2	\$3,599.9	\$3,655.7	\$3,617.9	\$3,584.9
Less: Prize Liability (per Prize Structure)	\$2,241.1	\$2,470.5	\$2,466.3	\$2,502.7	\$2,460.7	\$2,432.4
Net Instant Settlements less Prize Liability	\$1,048.4	\$1,133.7	\$1,133.7	\$1,153.1	\$1,157.2	\$1,152.5

<u>Projected Instant Settles (in millions):</u>	<u>FY 2011/12</u>	<u>FY 2012/13</u>	<u>FY 2013/14</u>	<u>FY 2014/15</u>	<u>FY 2015/16</u>	<u>FY 2016/17</u>	<u>FY 2017/18</u>
Net Instant Settlements	\$3,620.8	\$3,657.0	\$3,693.5	\$3,730.5	\$3,767.8	\$3,805.4	\$3,843.5
Less: Prize Liability (at 68% of settles)	\$2,462.1	\$2,486.7	\$2,511.6	\$2,536.7	\$2,562.1	\$2,587.7	\$2,613.6
Net Instant Settlements less Prize Liability	\$1,158.6	\$1,170.2	\$1,181.9	\$1,193.7	\$1,205.7	\$1,217.7	\$1,229.9

Note: The projections above assume 1% growth in net instant settles and a 68% average prize liability over the term of the contract. These projections will be used to calculate the total cost of a bidder's proposal by applying the "Sales less Prizes" bid % to the Net Instant Settlements less Prize Liability for each year. Actual results over the term of the contract may vary depending on game design, jurisdictional competition, or legislative actions.

Attachment 1

Vendor Acknowledgement of Addendum



Vendor Acknowledgement of Addendum

RFP: Instant Ticket Design, Development and Production Services

Amendment Number: _____

Date Issued: _____

By signing below, the Vendor acknowledges this amendment.

Vendor Name: _____

Company: _____

Attachment 2

Pricing Proposal Forms

New York Lottery Instant Game Pricing

Ticket Size: 2" High x 4" Wide

<u>Quantity</u>		Base price for books of <u>250</u> tickets	% + (-) of base price for books of <u>125</u> tickets	% + (-) of base price for books of <u>100</u> tickets
		<u>(Price per 1,000)</u>		
Under	5,000,000	_____	_____	_____
5,000,001	10,000,000	_____	_____	_____
10,000,001	15,000,000	_____	_____	_____
15,000,001	20,000,000	_____	_____	_____
20,000,001	30,000,000	_____	_____	_____
30,000,001	40,000,000	_____	_____	_____
40,000,001	50,000,000	_____	_____	_____
50,000,001	& Over	_____	_____	_____

New York Lottery Instant Game Pricing

Ticket Size: 2 1/2" High x 4" Wide

<u>Quantity</u>		Base price for books of <u>250</u> tickets	% + (-) of base price for books of <u>125</u> tickets	% + (-) of base price for books of <u>100</u> tickets
<u>(Price per 1,000)</u>				
Under	5,000,000	_____	_____	_____
5,000,001	10,000,000	_____	_____	_____
10,000,001	15,000,000	_____	_____	_____
15,000,001	20,000,000	_____	_____	_____
20,000,001	30,000,000	_____	_____	_____
30,000,001	40,000,000	_____	_____	_____
40,000,001	50,000,000	_____	_____	_____
50,000,001	& Over	_____	_____	_____

New York Lottery Instant Game Pricing

Ticket Size: 3" High x 4" Wide

<u>Quantity</u>		Base price for books of <u>250</u> tickets	% + (-) of base price for books of <u>125</u> tickets	% + (-) of base price for books of <u>100</u> tickets
		<u>(Price per 1,000)</u>		
Under	5,000,000	_____	_____	_____
5,000,001	10,000,000	_____	_____	_____
10,000,001	15,000,000	_____	_____	_____
15,000,001	20,000,000	_____	_____	_____
20,000,001	30,000,000	_____	_____	_____
30,000,001	40,000,000	_____	_____	_____
40,000,001	50,000,000	_____	_____	_____
50,000,001	& Over	_____	_____	_____

New York Lottery Instant Game Pricing

Ticket Size: 4" High x 4" Wide

<u>Quantity</u>		Base price for books of <u>250</u> tickets	% + (-) of base price for books of <u>125</u> tickets	% + (-) of base price for books of <u>100</u> tickets
		<u>(Price per 1,000)</u>		
Under	5,000,000	_____	_____	_____
5,000,001	10,000,000	_____	_____	_____
10,000,001	15,000,000	_____	_____	_____
15,000,001	20,000,000	_____	_____	_____
20,000,001	30,000,000	_____	_____	_____
30,000,001	40,000,000	_____	_____	_____
40,000,001	50,000,000	_____	_____	_____
50,000,001	& Over	_____	_____	_____

New York Lottery Instant Game Pricing Schedule

Ticket Size: 5" High x 4" Wide

<u>Quantity</u>		<u>(Price per 1,000)</u>	Base price for books of <u>250</u> tickets	% + (-) of base price for books of <u>50</u> tickets	% + (-) of base price for books of <u>125</u> tickets	% + (-) of base price for books of <u>100</u> tickets
Under	5,000,000	_____	_____	_____	_____	_____
5,000,001	10,000,000	_____	_____	_____	_____	_____
10,000,001	15,000,000	_____	_____	_____	_____	_____
15,000,001	20,000,000	_____	_____	_____	_____	_____
20,000,001	30,000,000	_____	_____	_____	_____	_____
30,000,001	40,000,000	_____	_____	_____	_____	_____
40,000,001	50,000,000	_____	_____	_____	_____	_____
50,000,001	& Over	_____	_____	_____	_____	_____

New York Lottery Instant Game Pricing Schedule

Ticket Size: 6" High x 4" Wide

<u>Quantity</u>		<u>(Price per 1,000)</u>	Base price for books of <u>250</u> tickets	% + (-) of base price for books of <u>50</u> tickets	% + (-) of base price for books of <u>125</u> tickets	% + (-) of base price for books of <u>100</u> tickets
Under	5,000,000	_____	_____	_____	_____	_____
5,000,001	10,000,000	_____	_____	_____	_____	_____
10,000,001	15,000,000	_____	_____	_____	_____	_____
15,000,001	20,000,000	_____	_____	_____	_____	_____
20,000,001	30,000,000	_____	_____	_____	_____	_____
30,000,001	40,000,000	_____	_____	_____	_____	_____
40,000,001	50,000,000	_____	_____	_____	_____	_____
50,000,001	& Over	_____	_____	_____	_____	_____

New York Lottery Instant Game Pricing Schedule

Ticket Size: 8" High x 4" Wide

<u>Quantity</u>		<u>(Price per 1,000)</u>	Base price for books of <u>250</u> tickets	% + (-) of base price for books of <u>50</u> tickets	% + (-) of base price for books of <u>125</u> tickets	% + (-) of base price for books of <u>100</u> tickets
Under	5,000,000	_____	_____	_____	_____	_____
5,000,001	10,000,000	_____	_____	_____	_____	_____
10,000,001	15,000,000	_____	_____	_____	_____	_____
15,000,001	20,000,000	_____	_____	_____	_____	_____
20,000,001	30,000,000	_____	_____	_____	_____	_____
30,000,001	40,000,000	_____	_____	_____	_____	_____
40,000,001	50,000,000	_____	_____	_____	_____	_____
50,000,001	& Over	_____	_____	_____	_____	_____

New York Lottery Instant Game Pricing

Attachment 2-H

(Page 1 of 2)

Special Features

(Pricing is per 1,000 unless otherwise specified)

Additional display color

Additional overprint color

Additional color on ticket back

Speciality inks: such as metallic, fluorescent, and holographic effects

Translucent gel, Clearmark or comparable marking system

Latex on the back of tickets to facilitate additional game play

Holographic paper

FOIL paper

Scoring

Stub features

Multiple color imaging of play symbols

Pulsing colors within a game (**fixed price**)

Alternating scenes within a game (**fixed price**)

Die-cutting (**fixed price**)

Printing on back of ticket (**fixed price set-up fee**):

25,000 live tickets with "FOR PROMOTIONAL USE ONLY, NOT FOR SALE" printed on back

New York Lottery Instant Game Pricing

Attachment 2-H

(Page 2 of 2)

Alternate Ticket Sizes:

(Pricing Extrapolation)

Ticket Reorders:

(Expressed as a fixed discount of base)

Ticket Security Process/Feature:

(Price per 1,000)

New York Lottery Instant Game Pricing

Attachment 2-1

Barcoded Coupons Pricing Schedule
Coupon Size: 2 1/2" High x 6 1/8" Wide
Books of 100 with edges glued and cardboard backing

<u>Quantity</u>	<u>(Price per 1,000)</u>	<u>(Flat Rate)</u>
100,000 350,000	_____	
350,001 650,000	_____	
650,001 850,000	_____	
850,001 1,100,000	_____	
1,100,001 1,350,000	_____	
1,350,001 1,600,000	_____	
1,600,001 2,600,000	_____	
2,600,001 3,600,000	_____	
3,600,001 4,600,000	_____	
4,600,001 & over	_____	

Electronic Files

Electroinic Coupon Files (flat rate) _____

Electroinic Instant Games (flat rate) _____

Activation Cards (price per 1,000) _____

New York Lottery Instant Game Pricing

Invited Option(s)

Holographic Ink (price per 1,000)

**New York Lottery
Instant Game Pricing**

Instant Game Management/Marketing Fee

(X.0000%)

Attachment 3

Document Submittal Checklist

**Instant Ticket Design, Development and Production Services
Submittal Checklist**

Document	Section of RFP	Received	Comment
Technical Proposal (with original signature and in the form defined in the RFP)	§1.15 & Part 4		
Pricing Proposal (in the form defined in the RFP)	§1.15 & Part 4		
Transmittal letter with Vendor Statement that the Proposal will remain valid at least 220 days from due date of Proposals	§1.15 & 1.17		
Signed Contract – Appendix J	§1.1		
Vendor Acknowledgement of Addendums	§1.11		
Freedom of Information Law - designation of trade secret or other confidential or proprietary information	§1.13		
Non-Collusive Bidding Certificate (Appendix F)	§1.12		
Procurement Lobbying Bidder/Offeror Disclosure/Certification Form (Appendix G)	§1.8		
NYS Vendor Responsibility Questionnaire (Appendix B)	§2.5		
Equal Employment Opportunity (EEO) <ul style="list-style-type: none"> • Policy Statement (Appendix D) • Staffing Plan (D-2) 	§2.10		
Minority and Women-Owned Business Enterprise Program (Appendix E) <ul style="list-style-type: none"> • Summary of MBE/WBE Utilization Plan 	§2.10		
MacBride Fair Employment Principals (Northern Ireland Stipulation Form) (Appendix H)	§2.7		
Sales & Use Tax (Appendix I) <ul style="list-style-type: none"> • ST220-CA (submit to Lottery) • ST220-TD (submit to DTF) 	§2.8		
Proposal Bond (\$100,000)	§1.16		

Vendor _____