

**REQUEST FOR PROPOSAL
DIGITAL DRAW SYSTEM**



**RHODE ISLAND LOTTERY
1425 PONTIAC AVENUE
CRANSTON, RI 02920
401-463-6500
www.rilot.com**

SECTION A – GENERAL INFORMATION

1. LOCATION

- A. The Division of Lotteries of the Rhode Island Department of Revenue (hereinafter “RIL”) is located at 1425 Pontiac Avenue, Cranston, Rhode Island 02920.

2. BACKGROUND

- A. The purpose of this Request for Proposal (RFP) is to obtain proposals from Vendors experienced in providing and supporting Digital Draw Systems (DDS) to generate winning numbers for certain RIL games described in Exhibit A.
- B. The RIL plans to purchase four (4) Systems, with two (2) located at the RIL Headquarters and two (2) backup Systems to be located at the RIL’s Central Computer System Provider’s (IGT) backup data center in West Greenwich, Rhode Island.
- C. The System must also package the results of each drawing into a high-definition drawing animation which can be uploaded to the RIL website, YouTube site, and to the local television station(s) designated by the RIL for broadcast.

3. TYPE AND LENGTH OF CONTRACT

- A. The terms of this Contract shall commence on the execution date of the Contract and shall be for five (5) years. The RIL will have the sole right to extend the Contract for up to five (5) additional one (1) year periods under the same terms and conditions of the initial Contract.
- B. The Contract that the RIL expects to award as a result of this RFP will be based upon the proposal submitted by the successful Bidder and all requirements as presented in this RFP. The RIL reserves the right to either award this Contract without further negotiation with the successful Bidder, or to negotiate terms with the successful Bidder if the best interests of the RIL would be served by doing so.
- C. The RIL reserves the right to award this Contract on price alone.
- D. The laws of the State of Rhode Island, including the State’s General Conditions of Purchase, shall govern the Contract resulting from this RFP.

- E. It is the policy of the RIL to make every effort possible to assure the participation of small, minority, and female-owned businesses pursuant to Section 4 entitled, "Vendor Qualification", of the RIL's procurement regulations, promulgated pursuant to 37-2 of the General Laws of the State of Rhode Island and as mandated in Title 37, Chapter 14.1 of the General Laws of the State of Rhode Island entitled, "Minority Business Enterprise".
- F. Contract will be awarded to one (1) sole Vendor.

4. TERMINATION FOR CAUSE

- A. The RIL may terminate this Contract upon written notice of a breach by the Vendor, if such breach is not cured, provided that a cure is feasible, within the timeframe for the cure set forth in the written notice of the breach. Breach events include, but are not limited to, Vendor's failure to perform as set forth by this Contract or Vendor's failure to provide equipment, goods, and services that meet the specifications and requirements set forth in this Contract, and without limitation the representations and warranties set forth in this Contract.
- B. The Vendor may terminate this Contract upon written notice of a breach by the RIL, if such breach is not cured, provided that a cure is feasible, within the timeframe set forth in the written notice of the breach. Breach events include RIL's breach of this Contract or any related software license contract or the RIL's failure to pay as set forth in this Contract.

5. TERMINATION FOR CONVENIENCE

- A. The RIL may terminate this Contract upon issuing a thirty (30) day notice, paying compensation only for good and valuable product and services received, as determined by the RIL.
- B. If the Contract is terminated, compensation, if any, shall be limited to reasonable expenses for products, materials, supplies, and services rendered for which the Vendor has not yet been compensated. The RIL will make no payments for unfinished work, work in progress, or raw materials acquired unnecessarily in advance, in excess of the RIL's delivery requirements, or initiated after receipt of notice of termination.

6. IMMEDIATE TERMINATION

- A. The RIL may terminate this Contract, effective immediately without advance notice, allowance for cure, and without penalty or legal liability to the RIL if:

1. The Vendor furnished any statement, representation, warranty or certification in connection with this Contract, which is materially false, deceptive, incorrect, or incomplete;
2. The Vendor becomes subject to any bankruptcy or insolvency proceeding under federal or state law to the extent allowed by applicable federal or state law, including bankruptcy laws;
3. The Vendor terminates or suspends its business or lets its insurance lapse or be cancelled;
4. The RIL reasonably believes that the Vendor has become insolvent or unable to pay or perform its obligations consistent with applicable federal or state law;
5. An officer, director, or employee of the Vendor in contact with the RIL account is, or has been, convicted of a felony, any gambling-related offense, whether a misdemeanor or felony, or any federal or state ongoing criminal conduct or Racketeer Influenced and Corrupt Organization Act (RICO) offenses by a court of competent jurisdictions;
6. A lawsuit is filed against the Vendor claiming that the Vendor's processes or materials violate any valid patent, trademark, copyright, intellectual property right or contract; and the RIL reasonably believes that the lawsuit may impair the Vendor's performance of this Contract; and/or
7. During the course of this Contract, any officer, employee, agent, or contractor of the Vendor and any of the individual's spouse, child, sibling, or parent seeks to sell or pass any RIL ticket, play any RIL game, or claim any RIL prize.

If termination occurs for any of the causes set forth above, the RIL shall have no further obligation to the Vendor other than payment for services rendered and materials provided prior to termination. Payment will be made only upon submission of invoices and proper proof of the Vendor's claim. This provision in no way limits the remedies available to the RIL in the event of a termination under this provision.

7. SCOPE OF OWNERSHIP

- A. The RIL shall have ownership of the equipment, goods, hardware, software (unless a license is required and set out as a cost), and other products and services to be delivered by the Vendor under the Contract. Such services shall include, but not be limited to, any unfinished

products (no matter the stage of completion) that are the result of the Vendor's partial or complete performance under the Contract.

- B. If the Bidder requires any part of its software or hardware to remain proprietary or licensed to the RIL, the Bidder must clearly state such claim in its RFP response. Any licensing fees associated with the software used in products produced in response to this RFP shall be included as a separate item in the Cost Proposal.
- C. The selected Vendor agrees that no ideas or materials shall be used by the Vendor at any time during or after the term of the Contract to advertise any competitive product of the RIL.
- D. The selected Vendor must confirm its understanding that if the Contract is terminated for any reason, the Vendor shall agree to deliver to the RIL any and all products, materials, or other items specified herein which the RIL might request, within thirty (30) days of request.
- E. The RIL retains the right to inspect any phase of services to be provided either on a continuing or spot-check basis.
- F. The selected Vendor shall assure that details of the RIL's marketing programs, advertising, and/or game designs are not disclosed to persons or organizations other than the personnel and/or subcontractors of the Vendor whose assistance in production of the DDS is necessary.

8. LIQUIDATED DAMAGES

- A. The RIL and the Bidders agree that it would be extremely impractical and difficult to determine actual damages that the RIL will sustain in the event of a breach by the selected Vendor. Additionally, the RIL and the Bidders further agree that the goods and services to be provided under this RFP and resulting Contract are not readily available on the open market, and any breach by the selected Vendor will delay and disrupt the RIL's operations and will result in damages. The RIL and the Bidders agree that the assessment of liquidated damages is reasonable, and are not to be construed as a penalty.
- B. In no case shall liquidated damages be measured in terms of potential lost revenue or potential lost net profit to the RIL, unless and to the extent that a court of competent jurisdiction should determine that a liquidated damages provision is unenforceable as a matter of law.
- C. Assessment of liquidated damages shall be in addition to, and not in lieu of, such other remedies as may be available to the RIL. Except and to the extent expressly provided herein, the RIL shall be entitled to recover liquidated damages under each and every section applicable to any given

breach, occurrence, or incident. Liquidated damages may include, but not be limited to, reputational damages and other losses that the RIL may incur due to a breach by the selected Vendor.

- D. Upon determination that liquidated damages are to be, or may be, assessed, the RIL shall notify the selected Vendor of the assessment in writing. The availability of any period of cure will depend on the situation and will be in the sole discretion of the RIL.

SECTION B – REQUIREMENTS OF RESPONDENTS

1. BID RESPONSE REQUIREMENTS

- A. Bidders are expected to provide the RIL with all information, demonstrations, and evidence, which will make possible the selection of a Bidder to be awarded this Contract in a manner which serves the best interests of the RIL.
- B. Bidders must provide a detailed implementation schedule including delivery date of DDS to the RIL.
- C. Bidder must submit a brief written statement that explains why it best meets the objectives of the RIL and this RFP. The statement shall describe any additional features, aspects, or advantages of Bidder products and services in any relevant area not covered elsewhere in its proposal. (The written statement shall not exceed two (2) pages.)
- D. Bidder is given wide latitude in the degree of detail it offers and/or the extent to which it reveals plans, designs, systems, processes, and procedures.
- E. Bidders are cautioned that the RIL has the right to use any and all ideas presented in reply to this RFP. Any portions of a Bidder's response that the Bidder considers to be proprietary or confidential should be designated in writing as such by the Bidder; provided however, all submissions shall be subject to disclosure as required by the Access to Public Records Act (Rhode Island General Laws 38-2-1 et seq.). The final determination as to whether any portion of the response is proprietary or confidential shall be made in the sole discretion of the RIL. Except as otherwise noted, the document(s) submitted are to be fully responsive to the specific requirements stated in the RFP.
- F. Prior to the award of this bid, if the successful Bidder is an out-of-state Vendor that has not previously provided services to the Lottery, the Service Provider will be required, in accordance with R. I. Gen. Laws § 7-1.2-1401, to file an Application for Certificate of Authority as a Business Corporation/Foreign Business Corporation with the Rhode Island

Secretary of State, on its website, www.sos.ri.gov, and must remain a member in good standing. This will require an initial filing fee as well as yearly filing. For further information, contact the Secretary of State at 401-222-3040. An-out-of-state Vendor must submit with the Proposal a certification stating that the Vendor agrees to abide by this condition if selected as the Service Provider.

2. VENDOR EXPERIENCE/REFERENCES

- A. Bidders must have previous experience with providing and maintaining a DDS for lottery games.
- B. Bidders shall submit a list of lotteries to which it has provided a DDS, what functionality was delivered, and the names, titles, e-mail addresses, and telephone numbers of the individuals from those lotteries that can be contacted as a reference.

3. SUMMARY DESCRIPTION OF VENDOR COMPANY

- A. Bidders must provide the following information in their bid response:
 - 1. Name and address of principal place of business;
 - 2. Date of establishment of company and whether public or private company;
 - 3. If a corporation, the names of all corporate officers, directors, and stockholders having five percent (5%) or more in equity or securities of the corporation;
 - 4. If a company or other association, the names of all the members, officers, and directors;
 - 5. If a partnership or joint venture, the names of all of the general partners, limited partners, or joint venturers;
 - 6. If a sole proprietorship, the name of the owner;
 - 7. Summary description of resources and financial stability of company;
 - 8. Name, location, and title of individual(s) who would be assigned to service the RIL;
 - 9. Audited financial statements for the last three (3) years; and
 - 10. Information on experience in providing DDS to other state lotteries.

- B. To allow for a complete evaluation of the integrity, background, and character of potential suppliers, each bidding Vendor, and parent corporation if the Vendor is a subsidiary corporation, shall disclose the following:
1. The details of any conviction, judgment, and the nature of any investigations by local, state, or federal law enforcement authority in a state or federal court against the Bidder or any allegation related directly or indirectly to any business activity involving participation in the lottery business in any state;
 2. The details of any litigation during the past three (3) years that is completed, in progress, or pending between the Bidder and any party, private or governmental;
 3. The details of any bankruptcy, insolvency, reorganization, or any pending litigation involving fraud or deceit against the Bidder; and
 4. Who, if anyone, would receive a commission or other value from the Bidder, if Bidder is selected Vendor.
- C. Failure to provide the detailed information required by the RFP may result in disqualification of a bidding Vendor from the evaluation process. The awarding of this Contract shall be at the sole discretion of the RIL.
- D. The RIL may refuse to award this Contract to a Vendor, or any affiliated entity, if any of the following apply:
1. False statements have been made in any information provided in the above-required disclosures; and/or
 2. Any of the entities, or principals of entities, have been convicted of an offense involving dishonesty, fraud, or any gambling-related offense.
- E. The bidding Vendor shall state whether or not any of the following have occurred:
1. During the last two (2) years, the bidding Vendor was assessed any penalties under any of its existing or past contracts with any state, provincial, or other lottery, and if so, indicate the public jurisdiction, the reason for the penalty, and the penalty amount of each incident;
 2. During the last two (2) years, the bidding Vendor has had to delay or nullify any contractually-required services under any of its

existing or past contracts with any state, provincial, or other lottery, and

3. During the last two (2) years, the bidding Vendor, subsidiary, or intermediary company, parent company, or holding company was the subject of any order, judgment, or decree of any state or federal authority barring, suspending, or otherwise limiting the right of the bidding Vendor to engage in any business, practice, or activity.

4. SUBCONTRACTING

- A. If the Bidder proposes to subcontract any part of the Contract with the RIL, the Bidder shall state in writing in the proposal a description of the subcontractor's organization and the proposed sub-contractual arrangements. The subcontractor must be approved by the RIL and comply with all security and insurance requirements.
- B. The selected Vendor is prohibited from subcontracting, assigning, or otherwise transferring any interest therein, or its power to execute such agreement to any other company, corporation, or entity without the previous consent and written approval of the RIL. In the event the RIL approves the use of subcontractors in performance of this Contract, the prime Vendor shall continue to be liable to satisfy all the terms, provisions, and conditions of the RFP and Contract.

SECTION C - TECHNICAL REQUIREMENTS

1. DDS REQUIREMENTS

- A. The DDS must:
 1. Be compliant with requirements of the Americans with Disabilities Act.
 2. Require at least two (2) people be defined within the system to be present and initiate and conduct drawings. The DDS system must be enforced using two (2) factor authentication (user ID and password). Persons must not share credentials. DDS must log all of this activity within the system. Login and log activity report must be available within the system and must able to be run by date and time (for a day or over a given period of time).
 3. Print results onto material which can be archived for at least thirty (30) days.
 4. Include a method to verify the validity of the game output, include current hardware/software/configurations of the machine, game

matrix, non-repeating draw sequence number per game and total per machine, persons present for the draw, date and time of draw, game results, and any other important information determined by the Bidder.

5. Provide hardware such that at the time will be accurate without manual updating or maintenance for the life of the DDS, if time and date are included.
6. Assure that the integrity of game output not be influenced by outside environmental effects, including temperature, humidity, electrical, magnetic, or radio frequency interference, and must detect when outside parameters are outside tolerances and alert operators. Alternatively, Bidder shall provide guidance to what the operating parameters are and mechanisms to ensure they are met.
7. Operate on standard North American electrical power, commonly referred to as 110V or 120V 60Hz and must be able to be plugged in to a NEMA 5-15 receptacle and must be able to run on “modified sine wave” electrical output from an uninterruptable power supply, unless manufacturer specifically prohibits this type of power and provides a mechanism to detect and inform the operator that the power being delivered is not acceptable.
8. Include a power backup system and continue full operation for at least ninety (90) minutes, and operator must be notified that the machine is operating on backup power.
9. Provide that all components used to ensure operation and integrity of game operation and output must be physically secured from everyone except service personnel. All physical access to these components, even by service personnel, must be evident to the end user/operator in a way that cannot be bypassed or hidden.
10. Allow that any machine hardware, software, configuration files, and any other part of the machine, and the game configuration cannot be changeable by anyone except service personnel. Any changes must result in notification or evidence to the end user/operator in a way that cannot be bypassed or hidden.
11. Not allow for general purpose interface to be accessible. (No USB/video/serial/etc. cables coming out of secured box. No access to external USB ports, etc.)
12. Have clearly visible, unique, external identifier that is not removable or changeable without leaving evidence of tampering. This identifier shall include, at a minimum, Manufacturer Name,

Model Name or Number (if applicable). The identifier should consist only of printable ASCII characters, including space.

13. Include full documentation of hardware, software, configuration files, and any other part of the machine. In particular, any software or hardware used in the machine, and any of the same used outside the machine (e.g. for validation), must include full documentation describing its operation, including algorithms, source code, physical design, etc. This documentation must be able to be verified to match the actual configuration of the machine.
14. Include four (4) complete drawing systems, with monitors, keyboards, and mice; four (4) laser printers with connection cables, and four (4) locked enclosures to secure DDS components.
15. Generate a draw audit report (report details will be provided by the RIL once the RFP is awarded) detailing all the drawing information pertaining to the drawing. This includes, but is not limited to, the draw date and time, game matrix, DDS numbers drawn along with associated prizes, and signature lines for draw operator, witnesses, and auditor.
16. Be able to interface with the RIL's IGT online system as well as any future RIL online wagering gaming system.
17. Be able to interface with any additional third-party systems that may request or receive draw results or the video animated drawings for each game's drawings
18. Provide secure connectivity to any RIL authorized external system.
19. Support draw official initiated drawings. Automated functionality must be available if it is warranted at a later point in time.
20. Log all draw activity to a central log within the system to a level where the drawing can be reviewed and certified by the RIL after the drawing.
21. Retain historical draw logs and provide the ability to archive the saved logs.
22. Support the ability for the games defined on the DDS to be configurable to either have defined prize levels associated with each game or not.
23. Generate a secure protected export file(s) containing the draw data and draw reports.

24. Assure that every game will produce an exportable, high-definition graphical animation file which shall include both the game and RIL logos.
25. Provide the ability to exclude numbers for games/promotional drawings identified by the RIL from being selected by the DDS using an excluded number file as well as configurable to include and exclude numbers from subsequent drawings in multiple drawing scenarios.
26. Randomly generate numbers and support the defining of prize levels within the system (for designated games only) so that DDS generated numbers are automatically associated to a prize defined within the system for a particular drawing.

2. TESTING AND CERTIFICATION REQUIREMENTS

- A. The selected Vendor must successfully complete its own internal quality assurance testing on the system before delivery to the RIL. The RIL must receive a detailed description of the Vendor's quality assurance testing procedures before system delivery.
- B. The selected Vendor is responsible for installing any new software and updates to the DDS. Installation of new software and updates must be done on site by the Vendor.
- C. Throughout the term of the Contract, the selected Vendor, and not the RIL, shall be responsible for its own system testing on all changes made to the system.
- D. The Vendor must give the RIL a copy of the results of all system tests.
- E. The system must demonstrably comply with the RIL operations and security requirements stated in this RFP.
- F. The system must be certified by an independent, third-party testing laboratory approved by the RIL. Certification must be for the Rhode Island Jurisdiction. Transfer letters will not be accepted. Selected Vendor shall be responsible for all certification testing costs.
- G. The RIL may, at any time throughout the term of the Contract, require additional acceptance tests of the system as the RIL deems reasonably appropriate.

SECTION D - END-USER REQUIREMENTS

1. DESCRIPTION

A. Bidders must describe:

1. The physical enclosure of the DDS and the mitigating processes to prevent single-person entry.
2. How the system will prevent unauthorized changes in development, test, implementation, and use of the product. Bidders should describe any and all methods for preventing, detecting, and reporting unauthorized access or modifications to the system.
3. Any ISO certifications Bidder has, such as ISO 9001:2015, along with proof of that certification(s).
4. The methods that prevent prediction of the selected values before the selection event.
5. The proposed method that will be used to initiate the draw.
6. How the system will seed the random numbers.
7. How the algorithm will be managed, controlled, and verified to ensure that no change has occurred since the last draw.
8. Any proprietary security features your system has that are not listed in this RPF, i.e. checksums, etc.
9. The reports able to be generated by the proposed DDS.
10. The audit program or capability incumbent in the DDS, including the archival and recall features for drawing logs.
11. All information that will be found on a draw printout. This should include, but not be limited to, draw date, draw time, game name, game matrix, winning numbers generated, and officials performing the draw.
12. How the proposed DDS will support, at a minimum, user administration, password resets, password length, password expiration, previous passwords, user account disablement, and account creation.
13. The various administrative and user account types needed to run the system.

14. The authentication capabilities and how each system access will be limited to authorized users.
15. The capability for expansion and modification of the proposed DDS, by users, to add new games, modify current games, including, but not limited to, the maximum set of numbers and tiers that the proposed DDS can process at one time.
16. The ability of the system to maintain an audit trail to permit the reconstruction of the processing associated with all games and all draws since inception.
17. The timeframe anticipated to perform a draw using the proposed system from start to finish with regards to starting the drawing, producing the certification reports and files, and generating the drawing animation files.
18. The proposed animation file format and provide samples.
19. The process for getting the animated draw files to television stations, RIL's YouTube page, etc.

SECTION E - PERFORMANCE REQUIREMENTS

1. PERFORMANCE REQUIREMENTS OF DDS

- A. Winning numbers must be generated correctly based on the values defined for each draw game, including draw dates and times. Describe this process.
- B. DDS must be able to display winning numbers in order drawn and additionally in ascending order, if appropriate for the game being drawn, and otherwise as defined by the user.
- C. The system must support "test drawings". Describe this process and how the system audit log captures this data and differentiates these from official draws.
- D. System must require at least two (2) independent individuals to be present with unique access devices (such as locks/keys or biometric identifiers) in or to gain physical access to the machines.
- E. System should have a logging function that captures all activity on the system thereby allowing for a review of the activity. Audit log entries must include a digital timestamp.
- F. System must produce exportable log files.

- G. The system must not allow a “screen saver” or “power save” mode.
- H. The system must not allow a drawing to be performed using only one (1) set of credentials.
- I. Each system must have a direct method of saving draw result data and draw animations to a USB flash drive more than once if needed.
- J. System must provide or support the ability to print winning numbers, logs, and other reports including reports that are designed to prevent nefarious activities.
- K. Drawings can only occur at or around their scheduled draw dates and times.
- L. Winning numbers should auto-print, with retrieval and reprinting capabilities.
- M. The DDS configuration must be standalone (air gap).
- N. There must be one (1) UPS per system to ensure recovery from loss of power.

SECTION F - TRAINING

1. TRAINING REQUIREMENTS

- A. Bidders must propose an on-site system training program, which ensures, at a minimum, RIL personnel and its auditors are fully qualified to operate the system correctly and efficiently. Describe proposed training program.
- B. Operations training must include, at a minimum, complete and comprehensive tutorial instruction on all the system interface screens.
- C. Bidders must describe recommended training for future games/enhancements.
- D. The selected Vendor must provide the RIL with training manuals in digital form on the operation of the system once the system parameters and configuration are set and agreed upon by the RIL.

SECTION G – VENDOR REQUIRED SUPPORT

1. SUPPORT, SERVICE, AND MAINTENANCE

- A. Selected Vendor must provide year-round customer service support twenty-

four (24) hours, seven (7) days a week.

- B. Bidders must describe their own customer support team, which cannot be outsourced.
- C. The maintenance of the DDS must be performed on site by the personnel employed by the selected Vendor and not by third-party contractors.
- D. Provide detail and annual pricing regarding warranty and ongoing service and maintenance plan, including, but not limited to: hotline troubleshooting; evaluation; game matrix and feature addition/change/modification; animation revisions; and DDS support for the initial term and each Contract renewal period.

SECTION H – INDEMNIFICATION

1. PATENT/COPYRIGHTS/TRADEMARK/LICENSE INFRINGEMENT

- A. Selected Vendor agrees to indemnify and hold harmless the RIL, employees, retailers, its successors, assignees, customers, and users from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity, or service supplied by the Vendor or its subcontractors, or the operation of such equipment, software, commodity, or service, or the use or reproduction of any documentation provided with such equipment, software, commodity, or service infringes any United States or foreign patent, copyright, trademark, license, trade secret, or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. The selected Vendor shall be liable to the RIL resulting from such claim, and shall agree to assume the defense of any and all such suits and pay the cost and expenses incidental thereto, subject to the right of the RIL to retain additional legal counsel at its own expense.
- B. In addition, should the equipment, software, commodity, or service, or the operation thereof, become, or in the Vendor's opinion be likely to become, the subject of a claim or infringement, Vendor shall at Vendor's sole expense (i) procure for the RIL the right to continue using the equipment, software, commodity, or service or, if such option is not reasonably available to the Vendor (ii) replace or modify the same with equipment, software, commodity, or service of equivalent function and performance so that it becomes non-infringing.

- C. The RIL shall not agree to indemnify the Vendor for any reason.

SECTION I – INSURANCE

1. REQUIRED INSURANCE

- A. Selected Vendor shall maintain adequate insurance for the performance of the Contract and, by submission of a bid, agree to indemnify and save harmless and to defend all legal or equitable actions against the RIL, and any employees, retailers, successors, assignees, customers, and users thereof for and from all claims of liability, which are or may be the result of the Vendor's actions during the performance of the Contract. The purchase or non-purchase of such insurance or the involvement of the Vendor in any legal or equitable defense of any action brought against the Vendor based upon work performance pursuant to the Contract will not waive any defense which the RIL, and any employees, retailers, its successors, assignees, customers, and users thereof might otherwise have against such claims, specifically including the defense of sovereign immunity where applicable, and the RIL and any employees, retailers, successors, assignees, customers, and users thereof shall not be financially responsible for the consequences of work performed pursuant to said Contract.
- B. A company authorized to do business in the State of Rhode Island must provide the insurance policies. The Vendor shall insure that the insurance company sends the applicable certificates to the Director of the RIL.

2. GENERAL LIABILITY INSURANCE

- A. Selected Vendor shall maintain general liability insurance with limits of not be less than two million dollars (\$2,000,000) for injury to any one (1) person, four million dollars (\$4,000,000) for any one (1) occurrence of personal injury, and two million dollars (\$2,000,000) for any one (1) occurrence of property damage.

3. PROPERTY INSURANCE

- A. Selected Vendor shall insure all buildings, furniture, fixtures, computer, and communications equipment used in fulfilling the requirements of this Contract. Coverage shall insure personal property, including contents, equipment, and mobile items against fire, theft, collision, and flood. The RIL shall not be responsible for insuring any equipment or facilities included in or associated with this Contract.

4. AUTOMOTIVE LIABILITY

- A. Selected Vendor shall provide insurance covering drivers and vehicles employed in connection with the operation of this Contract with limits of not less than one million dollars (\$1,000,000) for personal injury to each person and two hundred fifty-thousand dollars (\$250,000) for property damage.

5. ERRORS AND OMISSIONS INSURANCE

- A. Selected Vendor must maintain errors and omissions insurance with limits of not less than five million dollars (\$5,000,000) per claim to be in force and effect at all times and which will indemnify the RIL for direct loss which may be incurred due to any error caused by the Vendor, its officers, employees, agents, subcontractors, or assigns regardless of negligence. The RIL shall be named as an additional insured on this policy.

6. LITIGATION/PERFORMANCE BONDS

- A. Each Bidder must submit with its bid a litigation bond in the amount of one hundred thousand dollars (\$100,000). A claim upon the bond may be made by the RIL if:
 - 1. The Bidder brings any legal action or protest against the State of Rhode Island, RIL, or any individual member thereof, or any employees of the RIL, over the award of this Contract.
 - 2. The RIL is the prevailing party at the conclusion of the litigation.
 - 3. The court decision determines that the action or any portion thereof was frivolous, was brought in bad faith, or was not brought upon reasonable grounds.
- B. The bond shall remain in effect for two (2) years from the bid submission date. Bidders may request, and the RIL may grant, a release of the bond after six (6) months from the bid submission date in return for a release and covenant, in a form acceptable to the RIL, not to sue. The selected Vendor may request such a release, and the release may be granted, at the time of Contract execution.

SECTION J – EVALUATION AND SELECTION

1. EVALUATION PROCESS

- A. The RIL intends to conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this RFP. All responses

will be reviewed and scored by an Evaluation Committee. The Committee will evaluate each proposal that is properly submitted and provide its findings to the RIL Director, who will make the final selection.

- B. An award will be made to the highest-evaluated Bidder who, in the sole judgment of the RIL, meets all of the requirements of the specifications, terms, and conditions contained herein.
- C. Bidders are to understand that the criteria used in the selection process are both objective and subjective and that price is not the only determining factor. Integrity, experience, financial resources, and capabilities of the Bidder, and other relative matters will also be taken into consideration, as well as record of successes (and failures if applicable) with other lotteries.
- D. The RIL reserves the right to determine which Bidders have met the requirements of the RFP and to determine whether any deviation of the requirements of the specifications, terms, and conditions contained herein is merely minor or technical in nature.
- E. The RIL also reserves the right to accept bids which deviate in a minor or technical manner.
- F. All proposals submitted must meet a minimum evaluation score of twenty-five (25) points in order to have the pricing component evaluated. Any proposals scoring less than twenty-five (25) will be dropped from further consideration.
- G. The RIL reserves the right to accept or reject any, or all, bids, proposals, award on cost alone, cancel the solicitation, and to waive any technicality in order to act in the best interests of the RIL and to conduct additional negotiations as necessary
- H. All proposals submitted will be evaluated based on the ratings scale below. Proposals must meet a minimum evaluation score of twenty-five (25) points in order to have the pricing component evaluated. Any proposals scoring less than twenty-five (25) points will be dropped from further consideration.

RFP Response Quality	15 Points
Experience	20 Points
Financial Stability	20 Points
Price	<u>45 Points</u>
Total Points	<u>100 Points</u>

SECTION K – RESPONSES

1. COMPLIANCE WITH FORMAT

- A. All responses must conform to the RIL's request. Bidders, in their responses, must refer to the specific sections in this RFP.
- B. Responses must be submitted in a manner that will enable the RIL Evaluation Committee to analyze each Bidder's response fairly and arrive at a meaningful comparison of proposals.
- C. Except for preprinted brochures or similar material, all pages of the proposals must be clearly numbered in sequential order.

2. PREPARATION COSTS

- A. The RIL will not be responsible for any costs incurred by a Bidder in the preparation and submittal of Bidder's response.

3. RESPONSE REQUIREMENTS

- A. Responses not conforming to the requirements of the RFP will not be considered.
- B. All responses must be valid for one hundred eighty (180) days from the proposal submittal date.

4. REJECTION RIGHTS

- A. The RIL reserves the right to reject any or all proposals.
- B. Any proposal not containing sufficient information to permit a thorough analysis may be rejected, as will any response that fails to meet the minimum requirements detailed in the RFP.

SECTION L – RESTRICTIONS ON COMMUNICATIONS

1. RESTRICTIONS ON COMMUNICATIONS

- A. Contact with RIL personnel is limited to written questions sent to the attention of the Evaluation Committee either by e-mail (tkiernan@rilot.ri.gov) or faxed to 401-463-5669 by the date stipulated herein.

- B. Contact with any RIL personnel or officials elected or appointed in the State of Rhode Island in an effort to influence the awarding of this Contract shall be grounds for rejection of Bidder.
- C. Prior to the approval of this Contract, Bidders shall not represent themselves to RIL staff or retailers as having the endorsement of the RIL, nor as the RIL's supplier of a DDS.
- D. Extraordinary requests for exceptions to these restrictions may be directed, in writing, to the RIL Director.
- E. Any Bidders causing, or attempting to cause, a violation or circumvention of this ethical standard may, in the sole discretion of the RIL, be disqualified from further consideration.

SECTION M – SCHEDULE OF EVENTS

1. SCHEDULE OF EVENTS

- A. The RIL reserves the right to change the dates listed below. If changes are made, all applicants known to have received the original RFP will be contacted.

RFP Release	Friday	12/06/19
Written Questions Due	Monday	12/16/19
Responses to Questions	Friday	12/20/19
Proposals Due	Monday	01/13/20

SECTION N -SUBMITTAL DATE AND FORMAT

1. INSTRUCTIONS FOR RESPONSE SUBMITTAL

- A. The original and five (5) copies of the Bidder's proposal, including all attachments, in the same order as the specific sections of the RFP, as well as the original and five (5) copies of the Bidder pricing sheets, must be received by the RIL no later than 4:00 p.m., Eastern Daylight Savings Time (EDST), on Monday, January 13, 2020. Public opening of the technical proposals (not pricing) will be held on Tuesday, January 14, 2020, at 10:00 a.m.
- B. Any proposals received after 4:00 p.m. EDST on Monday, January 13, 2020, will not be accepted.
- C. Proposals and pricing sheets must be submitted in separate envelopes addressed to:

Gerald S. Aubin
Director
Rhode Island Lottery
1425 Pontiac Avenue
Cranston, RI 02920

- D. Each envelope should be clearly marked to indicate its contents as follows:

“Sealed Bid –Technical Proposal”
“Sealed Bid – Pricing Proposal”

EXHIBIT A

The DDS must produce output for the RIL's Numbers Game, conducted twice each day, and the RIL's Wild Money game drawn once each day. The RIL will provide the game logos. The RIL is looking for animated drawings representing a drawing studio and ball drawing machines to simulate the actual drawings of the RIL Daily Numbers and Wild Money games. The RIL may conduct periodic raffle-type games for which animation could also be required.

GAME NAME: Daily Numbers Mid-Day
DRAW DAYS/TIMES: 1:20 p.m. Monday-Sunday
DESCRIPTION: Four (4) sets of numbers zero (0) thru nine (9)
One (1) number drawn from each set
Numbers can repeat

GAME NAME: Daily Numbers Evening
DRAW DAYS/TIMES: 6:59 p.m. Monday-Saturday/6:29 p.m. Sunday
DESCRIPTION: Four (4) sets of numbers zero (0) thru nine (9)
One (1) number drawn from each set
Numbers can repeat

GAME NAME: Wild Money
DRAW DAYS/TIMES: 6:59 p.m. Monday-Saturday/6:29 p.m. Sunday
DESCRIPTION: One (1) set of numbers one (1) thru thirty-five (35)
Five (5) numbers drawn
One (1) number (Extra Ball) drawn from remaining thirty (30) numbers
Numbers cannot repeat

The DDS should also have the ability to provide raffle-type drawings with multiple tiers as defined by the RIL, as well as generating numbers with no associated pool. Bidders must indicate maximum raffle pool.