



REQUEST FOR PROPOSALS

(This is an inquiry, not an order. Please reply promptly.)

NORTH CAROLINA STATE LOTTERY COMMISSION: CONTACT INFORMATION	
Date Issued:	September 9, 2024
Requisition Number:	N/A
Proposal Response Due:	December 16, 2024
Issued By:	Anthony Downey, Purchasing Manager
Telephone /Fax/Email:	T – 919-301-3433 F – 919-715-0342 adowney@lotterync.net
Ship To Address:	2728 Capital Boulevard, Suite 144, Raleigh, NC 27604
Delivery/Start Date:	Upon Contract Execution
Comments:	Please provide proposal for Retail Digital Signage Program

ITEM	QUANTITY	UNIT OF MEASURE	ITEM DESCRIPTION	UNIT PRICE	EXTENDED PRICE
			See Attachment A for cost submission		
Payment Terms: 30 Days				Subtotal	
Ship Via:				Applicable Tax	
FOB				Shipping	
Quotation Valid For _____ Days			Tax Exempt #400055	TOTAL	

Additional Information:

Attachments: Yes No Substitute Products Allowed: Yes No Terms & Conditions: Yes No

VENDOR CONTACT INFORMATION	
Date:	
Company Name:	
Authorized Signature:	
Title:	
Telephone /Fax/Email:	
Tax ID Number:	
Comments:	

Additional Information:

Bidder is a certified HUB Vendor: Yes No Bidder is a resident NC Vendor: Yes No

If you are interested in participating in the Price-Matching Preference, please fill out the e-Quote Executive Order #50Form. The form can be located using at <https://files.nc.gov/ncdoa/pandc/Documents/Contract-Administration-and-Monitoring-Guide/eQuoteExecutiveOrder50Form.pdf> Please sign the form and either attach the form to your Proposal bid response or fax it to 919-715-0342.

North Carolina State Lottery Commission d/b/a The North Carolina Education Lottery

REQUEST FOR PROPOSAL: Retail Digital Signage Program

1.0 Intent of the Request for Proposal

Background:

The North Carolina State Lottery Commission, d/b/a the North Carolina Education Lottery, ("NCEL" or "Lottery" or "Commission") is seeking proposals from qualified companies to provide a comprehensive retail digital signage program, which will include digital menu boards and digital play centers placed inside select lottery retail sales and claim center locations across North Carolina as well as other related services. The objective of the program is to increase sales, provide flexible marketing and messaging options at retail locations, and enhance player engagement.

The comprehensive retail digital signage program that the NCEL seeks shall include, among other things, the following key elements:

- Site survey/audit to assess placement and other installation requirements;
- Hardware selection, procurement, installation and ongoing maintenance [Note: the NCEL is open to proposals where it leases equipment or where it owns equipment];
- Content strategy, software development and content management system options, including a content management system that the NCEL can utilize independently to manage the content and deploy messaging that can be specific to particular retail locations;
- Client and program support to include 24/7/365 monitoring, troubleshooting and issue resolution, provided according to agreed-upon service level expectations;
- Ongoing content and hardware optimization and analytics; and
- Integration of equipment from the NCEL's recent and still active digital retail signage pilot program.

Parties responding to this request for proposal may also propose additional specified options.

The Contractor selected through this RFP process ("Successful Contractor") will primarily work with the NCEL Brand Management & Communications Department in the execution of Services as contemplated under this RFP. All Proposals and any Contract are automatically subject to the requirements of, and must comply with, the North Carolina State Lottery Act, and the regulations, policies and procedures of the NCEL as they may be adopted or amended from time to time (collectively, the "Regulations, Policies and Procedures"). Copies of these documents may be obtained from the NCEL.

The NCEL currently intends to execute only one contract as a result of this RFP (the "Procurement") with a term of five (5) years from the date of execution, two (2) two-year renewal terms, and one (1) one-year renewal term; provided, however, the NCEL is open to a longer contract term if that results in a better value for the NCEL. Nothing obligates the NCEL to sign any Contract, or only one Contract, and the NCEL may do whatever it determines in its sole discretion to be in the best interests of the NCEL and the State of North Carolina.

The NCEL desires to obtain what it believes to be the best flexible solution within the required specifications with optimal price-value and responsiveness to the NCEL's needs. Though price is an important consideration, a proposal's overall value is of greater significance for evaluative purposes. All Potential Contractors must fully acquaint themselves with the NCEL's needs and requirements and obtain all necessary information and understanding to be able to submit responsive and effective Proposals.

About the Agency:

The North Carolina State Lottery Commission ("Commission") is an independent, self-supporting, and revenue-generating agency of the State of North Carolina. It is governed by Chapter 18C of the North Carolina General Statutes. The Commission's primary purpose is to generate funds for educational programs and other programs identified by the North Carolina General Assembly. The North Carolina Education Lottery is a cutting edge \$5.1 billion entertainment organization which has raised more than \$11 billion for education since its 2006 launch. It is regarded as one of the most successful and responsible lotteries in the country.

2.0 RFP Clarification Questions

Responding Contractors may submit written questions regarding this RFP via email to the Contact Person according to the schedule specified in Section 6.1 (Summary of Key Dates). Submit questions in both PDF and Microsoft Word formats.

An RFP inquiry from a Responding Contractor:

1. Must be written in generic (i.e., non-proprietary) terms inasmuch as all responses to inquiries will be published on the NCEL's website (<https://www.nclottery.com/Business>) and available to Responding Contractors and the public;
2. Must not contain price data or information; and
3. Must cite a specific RFP section number.

3.0 Scope of Services

The NCEL seeks proposals from qualified bidders to provide turnkey solutions to support a planned Digital Signage program at select lottery retail locations across the state of North Carolina. The system, services, content management and ongoing support for the NCEL's Digital Signage initiative should be comprehensive, scalable, flexible, and aligned with the features and specifications outlined in this document.

The number of menu boards and play centers to be deployed will be based on total cost/budget; however, the NCEL's goal is for digital signage (that is, complete digital menu displays) to be installed at approximately 2000 NCEL retail locations and for approximately 500 digital play centers to be installed with select NCEL retailers. In addition to these new materials, it is expected that 60 current digital menu board and 40 digital play center pilot locations will also be integrated into the new digital signage program deployment. Each menu board and play center must be fully functional upon installation at its approved NCEL retail location. The NCEL highly prefers a project plan and timeline where the full installation of the menu boards and play centers is fully complete within 8 to 12 months after it executes a contract with the Successful Contractor; however, the NCEL is open to considering accelerated or longer installation timeline proposals and it will evaluate each proposal's value to the agency and lottery retailers.

The NCEL seeks an initial five-year agreement with the option to extend the agreement on the same terms by utilizing additional renewal time periods: two (2) two-year renewal terms, and one (1) one-year renewal term.

With respect to the numbered requirements outlined in Section 3 of this procurement, the bidder's response must include a "Yes" or "No"; as needed or desired, provide explanatory or informational text for the Evaluation Committee. If a requirement cannot be met or met only partially, provide a detailed clarification explaining the Responding Contractor's capabilities and limitations. For additional information about responding to the Scope of Services requirements, please see section 5.2.

As with other requirements in this RFP, the Successful Vendor may pursue – though is not required to pursue – independent subcontracting arrangement(s) with other third-parties in order to fulfill the NCEL's

requirements. An interested bidder may submit a written question to Anthony Downey via email at Anthony.Downey@lotterync.net to request information regarding the NCEL's existing vendor partner(s), with whom the bidder may choose explore potential private, arm's-length negotiations for subcontracting services.

3.1 Staff and Formal Project Plans

Requirements:

1. Support the Digital Signage program and meet NCEL business needs with a dedicated account manager / project leader and an appropriately-resourced team to service the NCEL's account.
2. Draft and implement with fidelity a formal plan approved by the NCEL throughout the life of the Agreement. Such plans shall, at minimum, address implementation, maintenance, and on-going support and encompass NCEL requirements, including project timelines.
3. Ability to propose and follow NCEL-approved communication protocols and escalation procedures when working with staff and NCEL retailers.

3.2 General Requirements: Installation, Equipment, Maintenance

3.2.1 Plan and Perform Site Surveys at Identified NCEL Retailer Locations

The Successful Contractor will be required to perform site surveys at NCEL retailer locations to assess the feasibility of the digital signage installation at each location. The NCEL will provide the Successful Contractor a list of NCEL retailer locations to be surveyed for potential installation of digital menu boards, a digital play center, or both. Ultimately, between ~2000 -2500 lottery retailer locations will be included in the Digital Signage Program.

Requirements:

1. Capacity to conduct site surveys at lottery retailer locations across North Carolina identified on a list provided by the NCEL and in a manner consistent with a project plan approved by the NCEL in order to assess the suitability of each retail location for participation in the Digital Signage Program, which will result in the deployment of ~2000 new digital menu board, ~500 new digital play centers, and existing pilot materials.
2. Workers responsible for conducting individual site surveys shall have the capacity to assess at least the following:
 - a. Determine the best in-store placement for digital signage equipment;
 - b. Size requirements;
 - c. Installation requirements;
 - d. Connectivity requirements;
 - e. Site-specific considerations that have the potential to impact installation, maintenance, or long-term viability of digital signage at the location; or
 - f. Other key information needed to determine if the site is a good or poor candidate for installation of digital signage equipment.
3. Capacity to document each site survey conducted on a form approved by the NCEL.
4. Complete location-level site survey data shall be provided or available to the NCEL upon request.
5. Work with the NCEL team to determine best approach to program launch including project plan, dependencies and timeline.

6. Possession of any necessary licenses, certifications, bonds, or insurance required to conduct site surveys or install digital signage equipment at NCEL retail locations.

3.2.2 Hardware Selection and Procurement

The Successful Contractor shall furnish all hardware necessary to implement the Digital Signage program, regardless of whether all components are explicitly identified in this procurement document.

The NCEL is open to accepting Digital Signage proposals where it owns hardware or where it leases hardware. In either case, the Successful Contractor shall meet the following requirements.

Requirements:

1. Ability to procure all hardware and related items for the Digital Signage program.
2. Using wireless connectivity only, the selected hardware must facilitate the presentation of digital content, including state-of-the-art animation and other media, in a manner free of lag, freezing, or stuttering.
3. The digital play center screen should have touchscreen capability that can be turned on/off.
4. The Successful Contractor's procurement practices shall preclude unauthorized changes to the selection, purchase, or installation of hardware and equipment.
5. In the event a product recall issues from an equipment supplier, an equipment manufacturer, the Consumer Products Safety Commission (or other similar authority) involving hardware or components used in the Digital Signage Program, then the Successful Contractor shall replace such items with an approved-substitute at no cost to the NCEL.

3.2.3 Digital Play Centers

The digital play centers must utilize state-of-the-industry technologies to provide attractive, easy to use, efficient, scalable, and reliable lottery experiences for all players, including the following required features and capabilities below.

Requirements:

1. Five hundred (500) new digital play centers with a pricing model for future purchases of additional play center units. [Note: For pricing and procurement purposes, in addition to the new play centers, 40 existing digital play centers from the NCEL's pilot program are also to be deployed. See Section 3.2.6.]
2. Each digital play center shall incorporate the following features / specifications:
 - a. 32" vertical digital touch screen tablet
 - b. Power
 - c. Backside access (for wires/access to tablet)
 - d. Snap frame on back side for printed changeable poster/graphic
 - e. ADA compliant
 - f. Writing surface

- g. Small pencil holder
- h. Brochure/literature unit with 18 slots to hold (3.5" x 8.5") brochures and play slips
- i. Space for an IGT ticket checker unit (approximately: 12" high; 6.75" wide; 3.5" deep)
- j. Small trash receptacle
- k. Front side storage under writing surface

3.2.4 Hardware Installation, Asset Management, and Maintenance

Whether the Successful Contractor sell or leases hardware to the NCEL for the Digital Signage Program, NCEL requires turn-key services regarding the installation, management, and maintenance of equipment.

Requirements:

1. Create an installation plan for the Digital Signage program for NCEL review and approval.
2. Execute installation plan for all sites and complete installation and deployment within the required time frame approved by the NCEL.
3. Install replacement equipment as needed or in accordance with the provisioning and maintenance schedules approved by the NCEL.
4. Create and maintain site-level database of all equipment associated with the digital signage program. Provide access to NCEL as needed/requested.
5. If the bidder's proposal involves the NCEL purchasing equipment (rather than leasing), then the Successful Contractor must have capacity and resources to coordinate asset tagging and tracking with the NCEL.
6. A preventive maintenance program for all equipment to support the useful life of the equipment, mitigate unplanned downtime, and avoid downtime. All equipment must look and perform as close to new as possible for the life of the contract.
7. Emergency repair or replacement services with a commitment to minimal downtime, including a clear protocol for urgent issues.
8. Capacity to conduct remote hardware/software monitoring, troubleshooting, and issue resolution concerning deployed digital signage equipment.
 - a. Provide on-site support to NCEL Retailer locations for hardware or software issues that cannot be resolved remotely; ensure minimal disruption to NCEL program operations and NCEL retailer operations.
 - b. Establish efficient remote support capabilities, including a helpdesk and online troubleshooting, for quick resolution of minor issues.
9. Capacity to provide on-demand reporting to NCEL concerning deployed hardware showing key performance metrics, including, downtime reports; wireless signal strength; successful/pending bug fixes and software updates; and other metrics evidencing technical performance.

3.2.5 Hardware Performance Requirements

Requirements:

1. All mounting and hardware for the various configurations that may be used to install digital signage items and peripherals at an NCEL retailer location.
2. The digital displays shall have the ability to be updated any time of the day with content or software fixes/patches.
3. In non-emergency situations, the Vendor deploy software updates only within a designated maintenance window (typically 0200-0500).
4. In non-emergency situations, the Vendor deploys software updates only after providing NCEL with at least 48-hour notice.
5. The display and related equipment must support high-definition video, full frame rate video, and the like on continuous basis: 24 hours/day, year-round.
6. Physical features to mitigate or prevent potential tampering with or vandalism of hardware, including but not limited to disabling or protecting unused, available USB or HDMI ports on equipment.

3.2.6 Incorporation of Existing Pilot Program Resources

Requirements:

1. The NCEL recently implemented a digital signage "pilot" program that included the installation of two (2) side by side 49" digital menu boards in 60 retail locations. The digital menu boards in these locations may be incorporated into the new digital signage program or the Successful Contractor may replace this hardware.
 - a. Will bidding contractor meet this requirement by incorporating and supporting the installed digital displays at 60 retail locations?
 - b. Will bidding contractor meet this requirement by installing new digital signage at NCEL retailer locations that participated in the digital signage pilot?
2. As part of its digital signage pilot program the NCEL produced but never deployed 40 digital play center that shall be incorporated into this new digital signage program. They are currently warehoused in North Carolina. Each of these pilot digital play centers must be equipped with a digital tablet/display with a screen measuring 32". The play center cabinets are custom and trademarked by another vendor. Note: The NCEL will consider and evaluate new designs for the remaining digital play center housing unit/cabinets to be deployed in the Digital Signage Program.
 - a. Appropriate screens and other peripheral equipment shall be procured and installed in the existing pilot digital play centers.
 - b. Fully functional pilot digital play centers shall be deployed to select NCEL retail locations.

3.2.7 Claim Center Digital Signage; Materials for Headquarters

The NCEL has 6 claim centers across the state, including its Headquarters claim center in Raleigh. These six locations will be part of the Digital Signage Program and are in addition to the ~2000 retail locations referenced in this procurement.

Requirements:

1. Specific digital menu board and play center hardware for 6 Claim Centers. The HQ Claim Center currently has an 85" screen that should be incorporated. Other regional office claim centers have yet to be assessed for screen size. Of note, sizing requirements and hardware needs at NCEL offices are likely to differ from those in NCEL retailer environments. Timing on installation at the additional claim centers is TBD.
2. Provide two (2) two UAT test and (1) one production unit for NCEL HQ for the digital menu board.
3. Provide (2) two UAT test and (1) one production unit for NCEL HQ for the digital play center.
4. Provide minimum and recommended bandwidth requirements for all equipment to receive content, updates, and patches.

3.3 General Requirements: Application Development, Content Management System ("CMS"), and Capabilities

3.3.1 Application Development

Provide custom development from the initial idea to the final implementation.

Requirements:

1. Planning and Strategy: The project scope and necessary resources must be clearly defined. A project timeline with key milestones and deliverables is needed, and potential risks should be identified.
2. Design: Must be able to create wireframes, mockups, and prototypes to define the user interface and experience. Technical requirements, including APIs, third-party integrations, and the technology stack, are documented.
3. Development: Must ensure seamless integration of the front-end and back-end, and connection to any necessary third-party services or APIs.
4. Testing: Must ensure end-to-end system testing in a controlled environment, and user acceptance testing (UAT) is conducted to ensure the application meets the end-users' needs.
5. Deployment: Must be able to deploy to the live environment, followed by post-deployment monitoring to ensure it functions as expected.

3.3.2 CMS Platform – Capacity and Functionality

The NCEL requires a flexible, secure Content Management System (CMS) that can be managed both by either the Successful Contractor or, if it desired, the in-house NCEL team.

Requirements:

1. The CMS system must utilize an easy-to-use, intuitive interface such that NCEL staff can fully upload, manage, schedule, and deploy digital content independently without vendor assistance (unless requested). The CMS must be wholly manageable in-house at the NCEL.
2. The CMS must maintain optimum performance time and speed when multiple users work simultaneously within the platform.
3. The CMS must support the delivery of customized content to each NCEL Retailer location, and support administrators' ability to publish unique content to different configured groups of Retailer locations defined by NCEL staff (e.g., a group of chain stores; retailers in a particular county; new locations; etc.).
4. Provide updated documentation with the releases of any software updates or upgrades.
5. Provide updated documentation for CMS administration and general user help and assistance when updates and upgrades occur.

3.3.3 CMS Platform – Technical Specifications and Security Requirements

1. The CMS must be secure and able to protect confidential information it collects or utilizes, if any.
2. The CMS will utilize a DUO compatible MFA that connects to the NCEL Active Directory for authentication.
3. The CMS must store NCEL data separately from other customers. Provide a description of physical/logical system separation and configuration (i.e., single/multiple instances, etc.).
4. The CMS must host NCEL data in a secure server environment that uses network and system technologies (e.g., firewalls, IPS/IDS, SIEM, etc.) to prevent interference or access from unauthorized entities.
5. Advanced technology for Internet security. When accessing the site using a web browser, technologies must be in place to protect information using both server authentication and data encryption, to ensure data is safe, secure and available only to registered users of the system.
6. All software and/or stored procedure changes for scheduled administrative reports, ad hoc reports, screen displays, processing options, and other features required for the Lottery to manage the CMS, meet reporting obligations, and respond to new business needs or rules, shall be included by the Successful Contractor price.
7. The CMS should allow an NCEL administrator to view from a remote location the content of each display.
8. The CMS shall provide real time or near real time updates when content is pushed out to a display.
9. The CMS must allow multi-user administration.
10. The CMS must provide multiple levels of user security to accommodate multiple administrative groups, defined by the NCEL.
11. The CMS must provide for a mechanism to view the actions taken by users for auditing purposes.
12. All system and users requiring access (for any purpose) must be approved by the Lottery.

13. The CMS shall provide scheduled weekly backend data exports via NCEL sftp server.
14. The CMS shall provide emailed reports for the following:
 - a. All equipment that has failed software and/or content downloads
 - i. Retailer#, equipment type, model/S/N, Heartbeat (Y/N)
 - b. All equipment that experiences connectivity failures
 - i. Equipment should remain on this report until the issue is resolved.
 - ii. Retailer#, equipment type, model/S/N, Heartbeat (Y/N)
15. The vendor should provide a network performance baseline or similar metric to compare changes in traffic that could indicate problems and assist in troubleshooting.

3.4 Ongoing Training, Support, and Maintenance

Requirements:

1. Contractor will ensure timely software updates and bug fixes, focusing on performance optimization, security enhancements, and adding new features as necessary.
2. Contractor will provide a comprehensive training program. At minimum, training should enable and empower NCEL personnel to independently operate the CMS platform, utilize all of its tools, leverage reporting tools for custom and routine reports, and train others to use all facets and features of the solution. NCEL shall have the option to record any training provided virtually.
3. Contractor will provide administrator and user manuals and other training resources, with revisions as needed throughout the term of the contract
4. Contractor will provide ongoing or on-demand personal training and/or consulting concerning updates, new versions and features, bug-fixes, and the like.

3.5 Creative Development Services and Research

Requirements:

1. The NCEL has an in-house digital marketing content team that will be responsible for creating and providing content for the digital signage program. The Successful Contractor must have the capacity to provide creative development services, if needed. In particular, it must have the capacity and staff do the following on an ongoing base: develop custom content to fit the NCEL's needs; create templates for content delivery; construct "play lists" for use across the digital signage network; provide other development services, as needed or directed by NCEL.
2. Supply a list of optional creative development services and / or deliverables that the NCEL may, at its sole discretion, choose to utilize. Note: Content for digital signage must be capable of utilizing custom designs and animations, templates and tools that allow for easy customization and updates.
3. Ability to conduct recurring/ongoing analysis to measure the effectiveness of the digital signage program using research means approved by the NCEL.
4. Ability to analyze ongoing digital signage usage and provide recommendations for enhancements in content, layout, and technical performance to help optimize the Digital Signage program.

3.7 Option to Scale the Digital Signage Program to Additional NCEL Retailer Locations

Requirement:

1. An optional plan, including pricing, to expand the Digital Signage program over time to additional NCEL retail locations.

4.0 Proposal – Required Content and Narrative Responses

All of the questions and information requested in this Section of the RFP are required. Provide narrative responses to each question along with supporting documents or exhibits, as needed. *See* section 5.2 (for additional information about required written response).

4.1 Vendor Qualifications and Workforce Capacity

With respect to qualifications and workforce capacity, describe the following:

1. The size of the responding company; its staff resources; the credentials and experience of its key principals.
2. The project team(s) and human resources that responding company would use to staff this project, including identification of key personnel, their credentials, relevant experience, and general roles and responsibilities for the project.
3. For each of the outside vendors, contractors, or partners the responding company has engaged/retained or intends to engage/retain in order to execute the proposal, provide the following:
 - a. Identify the entity by its legal name and trade name;
 - b. Describe the size of its workforce;
 - c. Describe its planned or assigned duties or role in the project; and
 - d. Describe its previous relevant experience relate to the duties it will undertake on behalf of or at the direction responding contractor. [Note: The selected Contractor remains wholly responsible for the contract and procurement requirements, including, without limitation work undertaken by its subcontractors, vendors, employees, and the like.]
4. The responding company's demonstrated experience in managing similar digital signage projects, with a focus on both technical and content aspects.
5. The responding company's experience with deployment of technology to more than 2,000 locations with scalability for additional future deployments. The Responding Contractor must provide a factual discussion, supported by the responses elsewhere in the Proposal, making it clear how its capabilities are flexible and can grow, and can be tailored to the business needs and rules of the Lottery. Flexibility and adaptability are critical as the gaming environment and digital signage requirements can be expected to evolve over the course of the Contract.
6. The responding company's track record of successful project completion, particularly in the retail sectors.
7. The availability of the responding company's resources to provide additional, optional installations after primary installation work is complete.

4.2 Project Plan and Timeline

With respect to project implementation and timeline, please provide the following:

1. The Proposal must contain a detailed implementation plan and time chart (Gantt, PERT, or similar) identifying the major milestones to be accomplished for the business requirements definition, construction, equipment delivery, software programming, installation and testing. The plan must make clear which items are on the critical path for timely implementation. The Lottery's approval is necessary for the final implementation plan of the Successful Contractor. Responsibilities of the Successful Contractor's implementation team, of the Lottery's implementation team, and of any of the Lottery's other goods or services providers must be identified. Retailer roles and responsibilities during conversion must be addressed.
 - a. Responding contractor may include options within the proposed project plan that provide different value propositions for the NCEL, so long as those project plans fully satisfy the requirements of the RFP. (By way of illustration only, the responding contractor may wish to provide a "standard" project plan and an "expedited" project plan for review.)
 - b. In connection with the proposed project plan, provide a detailed project timeline. Identify dependencies that may impact project timeline.
2. Lottery and the Successful Bidder agree that it will be extremely impractical and difficult to determine actual damages sustained by the Lottery. An identification and explanation of any additional responsibilities or tasks that the vendor expects the NCEL to perform.

4.3 Site Surveys / Site Audits

Describe the following or provide the information requested:

1. Describe your capacity to conduct a site survey/site audit of ~2000 NCEL retailer locations across North Carolina identified on a list provided by the NCEL in order to assess the placement of digital menu boards and/or digital play centers.
2. Describe training provided to workers responsible for conducting individual site surveys / site audits and their capacity to assess at least the following at NCEL retailer sites:
 - a. Determine the best placement for digital signage;
 - b. Digital signage size requirements for each store;
 - c. Digital signage installation requirements;
 - d. Site-specific considerations that have the potential to impact installation, maintenance, or long-term viability of digital signage at the location;
 - e. other key information needed to determine if the site is a good or poor candidate for installation of digital signage equipment.
3. Provide a copy of representative materials used to train workers that have undertaken similar work by or on behalf the contractor.
4. Provide a detailed overview of the project plan for site surveys. Please describe the process for prioritizing site review; installation; on-going maintenance considerations, and any other information you deem relevant to your work process.
 - a. Describe how Workers responsible for conducting individual site surveys / site audits will:

- i. Conduct surveys;
 - ii. Evaluate suitability (describe what data points and analysis site auditors will gather and conduct);
 - iii. Determine the best placement for equipment;
 - iv. Make recommendations regarding sign specification / requirements;
 - v. Identify installation requirements at retail sites;
 - vi. Identify, evaluate, and memorialize site-specific considerations that have the potential to impact installation, maintenance, or long-term viability of digital signage at the location;
 - vii. Identify and memorialize other key information needed to determine if the site is a good or poor candidate for installation of digital signage equipment.
 - b. Describe the proposed protocol Workers will follow when on-site at Retailer locations.
 - i. How long will workers typically be on site during a site audit?
 - ii. How will Workers appear to NCEL lottery retailers?
 - iii. If applicable, provide any representative scripts, instructions, training materials, or other relevant materials.
 - c. Describe how vendor will ensure minimal disruption to retailers' business and facility operations
5. Identify any unique construction, installation, or certification credentials that Workers doing site survey possess.
 6. Describe steps you take to screen or vet Workers who act on behalf of responding vendor and that would interact with NCEL retailers.
 7. Describe you tools to provide or make available to the NCEL in location-level site survey data.

4.4 Technical Approach

1. The responding company shall detail its approach to hardware maintenance, outlining preventative and corrective maintenance plans, including service level commitments.
2. The responding company shall detail its approach to software maintenance, outlining preventative and corrective maintenance plans.
3. The responding company shall describe their processes and capabilities for providing remote and on-site support, including response times and escalation procedures.
4. The responding company shall describe in detail its communication hardware and connectivity methods (i.e. – cellular, wireless) used. Note that all retailers may not have in-store wireless available for use.
5. Provide a technical diagram that shows how the CMS system functions with deployed equipment.
6. A Solution Roadmap defines the vision and strategic elements of the solution. The Solution Roadmap is a plan of action for how a Solution will evolve over time. The minimum content should include:
 - Vision for the solution
 - High-level functionality expected for each solution release into production environment
 - High-level timeline

- Description of how customer feedback is collected and incorporated into solution enhancements

Describe the solution roadmap for your product. Include content on release strategies for functionality, roadmap for technical architecture, how scalability of solution is planned.

4.5 HARDWARE SELECTION AND PROCURMENT

All components necessary to implement the Digital Signage project, with the capabilities delineated herein, shall be furnished by the Successful Vendor regardless of whether those components are explicitly identified in this procurement document. In addition, the Successful Vendor shall provide all required components in the quantities necessary whether or not those components were identified during the procurement phase of the project.

1. Describe the process by which the responding contractor will make recommendations and provide pricing on screen hardware selection, size(s), content capacity, mounting/installation & placement. Describe whether the NCEL will own or lease equipment.
2. Describe the responding contractor's procurement capabilities and the availability of materials within its supply chain. Describe ways you mitigate potential consequences of supply chain disruption.
3. Do you anticipate a need for a refresh any hardware components deployed in retail locations? Which items? Describe your plan for "refreshing" obsolete or damaged hardware.
4. Responding Contractor must commit that all proposed hardware and equipment are to be new and unused unless explicitly allowed otherwise by the Lottery.
5. Equipment proposed must be compliant with current electronic technology manufacturing standards and be of current manufacture by the Responding Contractor or their suppliers. All hardware models installed must represent the then-current equivalent or better equipment in case a proposed device is phased out or replaced.

4.6 Digital Play Centers

With respect to digital play centers to be provided by the responding contractor (after NCEL approval of designs) and later installed and maintained by contractor, include the following in your proposal:

1. A sketch and colors of the proposed digital play station.
2. Manufacturing Plans. The Responding Contractor must describe its resources, capability, capacity, and plans for producing (through current inventory, manufacturing, purchasing, or modification) the equipment proposed to meet the requirements of the RFP. The availability of additional plants and secondary sources must be addressed.
3. Manufacturing Quality. The Responding Contractor's Proposal must address manufacturing quality practices, and in particular whether the Responding Contractor is certified under the ISO series or other recognized quality practices standards.
4. Describe the plan for incorporating the 40 pilot play center units the NCEL has currently but as yet not deployed, into the new digital signage program.

4.7. Hardware Installation, Asset Management, and Maintenance

1. Describe how responding contractor will ship hardware and equipment.
2. Describe how equipment will arrive at selected locations for installation.
3. What kind of inventory of equipment will the responding contractor maintain, if any? Where, how, and in what quantities?
4. How will responding contractor create an "asset tracking" program for the Lottery's digital signage equipment installed at retail locations across the state?
 - a. Describe the program and how information will be conveyed to the NCEL.
 - b. Describe the auditability of the asset tracking program.
 - c. As needed, clarify aspects of the proposed "asset tracking" program based on whether the NCEL owns or leases the hardware and equipment.
5. How long does a typical installation take for a digital sign display.
6. Describe the installation process for digital signage.
7. How long does a typical installation take for digital play center.
8. Describe the installation process for a digital play center.
9. At a retail location where digital signage or a play center is being installed, describe what on-site needs or assistance the retail location must provide.
10. What written materials, instructions, or other documents do you propose being provided to the NCEL Retailer? Provide examples, if available.
11. Describe the proposed preventive maintenance program for all equipment, including frequency, tasks undertaken, and relevant personnel.

4.8 Incorporation of Existing Pilot Program Resources

1. Describe the plan to incorporate the current NCEL digital signage pilot locations onto the new digital signage plan, including 60 digital menu boards already deployed at lottery retail locations and 40 digital playcenters that have not been deployed previously.

4.9 General Requirements: Content Management System and Capabilities

4.9.1 The CMS Platform and Application Development

1. Define and describe your CMS platform.
2. What are the components of the CMS platform.
3. Where is the CMS located?
4. Describe your capacity and approach to Application Development and the requirements set forth above at Section 3.3.1.

4.9.2 CMS Platform – Administrative and Business Specifications

With respect to account management, account settings, and user profiles, describe the following:

1. How the CMS limits or controls access to or use materials based upon user roles and account privileges.
2. How the CMS logs a user out of the system after a period of inactivity.
3. How the CMS's user id and password is created, maintained, locked, unlocked and deactivated.
 - a. How the proposed solution implements rules for passwords and account recovery.
4. How NCEL users will be set up to use the CMS.
 - a. How user id and password notifications issue to NCEL staff.
 - b. How user roles will be managed regarding a user's access to specific channels within the system.
5. All capabilities a system administrator will have and how role-based user profiles will be managed.
6. The process(es) for NCEL staff to implement business rules within the CMS.
7. Describe how CMS archives data and specify the archive frequency.
8. Describe how any archived data in the CMS can be retrieved upon request.
9. With respect to scalability across NCEL retail locations:
 - a. Describe how the proposed solution is scalable.
 - b. Describe how the proposed solution is scalable without impacting system performance.
 - c. Describe how the proposed system performs load testing.
10. Any third-party licensed software needed to support the CMS.
11. Any desktop or mobile configuration changes needed to support the CMS.

4.9.3 CMS Platform - User Interface and Experience for Applicants and Licensees

With respect to certain aspects of the user interface and experience for NCEL staff, describe the following:

1. Describe the CMS user interface.
2. Does the CMS include features for messaging, tracking, or reporting? If so, describe these and/or other features.

3. Provide your SLA for the CMS system. Describe the levels of customer support available to the NCEL concerning the CMS.
 - a. Describe your web-based support for the System for users.
 - b. Describe your proposed solution self-help functions for applicants/licensees or NCEL staff (e.g., self-paced, pre-recorded videos; tutorials; manuals; automated chats; etc.).
4. Describe the CMS' reporting functions.
5. An audit log is a set of information that provides documented evidence of the sequence of activities that have occurred at any time for specific events.
 - a. Describe how the proposed solution creates an audit log.
 - b. Describe the data contained within an audit log.
 - c. Describe the frequency and duration of an audit log.
 - d. Describe how the audit log can be exported to an NCEL owned SIEM or otherwise exported from the CMS.

4.9.4 CMS Platform - Security, Resilience, and Recovery

Describe the System's capabilities in your responses to the following inquiries.

1. Describe your company's data storage limit policy, if applicable.
2. Describe your incident response capabilities and provide a copy of your incident response plan as an attachment with the bid response.
3. Describe your disaster recovery plan and continuity of operations capabilities plan.
4. Describe the frequency and test procedures for end to end disaster recovery testing.
5. Provide a copy of your Disaster Recovery Plan (DRP) and/or Continuity of Operations Plan (COOP) as an attachment.
6. Describe your backup plan capabilities and provide a copy of your system backup plan as an attachment with the bid response.
7. Provide a copy of your system backup plan as an attachment.

4.9.5 CMS - Implementation, Testing, and Quality Assurance

Provide responses to the following:

1. Describe how you will provide status reports and with what frequency.
2. Describe the deployment process for the addition of new features and enhancement of current features.

3. Describe your change management process for schedule changes and / or additional features.
4. Describe your test methodology for all testing phases.
5. Describe your Quality Assurance Plan.
6. Describe your signoff process for NCEL approval and commitment for configuration changes, final business requirements, system design, system development / configuration, and system implementation.

4.10 Creative Development Services and Research

1. Describe available creative and content graphic, animation services that would support the creation of content supporting the digital signage program in the case that the NCEL needed the vendor to provide these services

4.11 Service Levels

1. Propose a service level agreement (or set of agreements) concerning the performance of all equipment and software supporting retail digital signage program.
2. Propose a method of monitoring and reporting on the proposed service levels. The performance reports shall provide measurement and analysis of performance against defined service targets. Provide draft samples of the reports with this proposal

[Note: Service reports shall be provided as mutually agreed upon by the Lottery and the Successful Bidder.]

[Note: The NCEL and the Successful Contractor agree that it will be extremely difficult and impractical to determine actual damages suffered by the NCEL when (i) retailers participating in the digital signage program experience degraded quality or an interruption of messaging or use of hardware and equipment; (ii) when the CMS is unavailable or exhibits degraded performance; or (iii) when implementation plans experience meaningful delays. Accordingly, the parties agree that liquidated damages are reasonable, non-exclusive remedy to address such incidents and do not constitute a penalty. The NCEL and the Successful Contractor shall negotiate Liquidated Damages before a contract award is granted based upon agreed service levels and project implementation plans.]

4.12 Option to Scale to Other Retailer Locations (Preferred)

1. Describe any optional plan to expand the scope of the NCEL's retail digital signage beyond the ~2500 retail locations contemplated here.

5.0 Proposal Format

Proposals should be concise and limited to information requested. Each Proposal shall include the following information:

5.1 Qualifications

- A brief description of the company or organization, including major product lines, typical customer and size, organizational structure, etc.
- Brief description of company/organization's and team members' experience and record of accomplishment on similar projects with similar organizations

- If applicable, detail the manner in which it intends to utilize any resources or workers outside the U.S.

5.2 Written Response to Scope of Services (Section 3.0) and Required Content and Narrative Responses (Section 4.0)

- Written responses are required for Sections 3 and 4 of this RFP. Please provide answers to each question in order in your bid submission to the NCEL.
- Directions for responding to Sections 3 and 4 are included in each section.
- Please review Section 6.10 (Proposal Subject to Public Records Laws) before responding and label each answer, narrative response, report, document, etc. as "Confidential" or "Trade Secret," as applicable. Only information that qualifies as confidential or a trade secret under North Carolina Public Records Laws should be marked as such. Do NOT mark the entire Proposal as "Confidential."
- Responding Contractor shall clearly describe any assumptions to successfully complete implementation of the project, including any foreseeable risks.
- The Responding Contractor may propose additional services, products, product components, or features not required, i.e., Offered Options. If an additional service, product, product component, or feature is proposed, it should be clearly marked as an OFFERED OPTION.

5.3 Costs (see Attachment A)

- **Cost proposal must be in a separate document from the rest of the proposal.**
- Submit a comprehensive cost proposal including a detailed itemized proposed overall cost to complete the entire scope of work. The itemized cost proposal *may* include the following components:
 - Site audit
 - Hardware
 - Installation
 - Maintenance, including parts and / or hardware replacement
 - Customer service costs
 - Implementation costs (design, system configuration, customization, implementation of business rules, work flows)
 - Technical Support
 - Training (technical and/or customer)
 - License fees / subscription fees
- As applicable, the cost proposal should include cost of billable hours or flat fees or other cost structures for annual application development, training, data volume, and/or consulting for added integrations and reports
- Any additional costs for unspecified but recommended options/additions/accessories/etc. should be included on separate line(s).
- Subtotals should delineate between implementation costs and any ongoing annual costs.
- Contractors are reminded that the cost quotation should cover all of the Services and items required by this RFP and Procurement, as well as other Services deemed necessary by the Contractor, to be provided by the Successful Contractor during the entire term of the Contract.
- The Successful Contractor shall also be responsible for all charges incidental to the routine conduct of business including, but not limited to mileage, meals, telephone calls, facsimile, copying, color copies, postage and delivery charges from the Successful Contractor to the NCEL.
- Clearly identify any charges applicable to "options" or offerings that are beyond the scope of this procurement's requirements.

5.4 References

- Provide references of similar organizations for whom your organization or key individual(s) within your organization have performed similar services within the last three (3) years. Include company name, contact name, and contact information, as well as a brief summary of the scope of the services and support provided.

5.5 Previous Work Product Samples

- The best evidence a Responding Contractor can provide the NCEL of its capabilities is the work it has done for others. Therefore, Responding Contractor shall provide a portfolio demonstrating its track record of similar work on similar projects. Please describe at least three projects, including information regarding client size, client industry, solution(s) provided, and business objectives achieved by the client.

5.6 Demonstrability of Proposed System

- The NCEL requires that the solution(s) proposed by the Responding Contractor at a minimum be capable of being demonstrated by the Responding Contractor upon request in order to indicate the Responding Contractor's ability to meet requirements. While functions and features demonstrated or benchmarked at the request of the Evaluation Committee need not be identical to those of this RFP, common functionality and operations are expected.

Issuance of this RFP does not constitute a commitment on the part of the NCEL to award or execute a contract. The NCEL retains the right, in its sole discretion, at any time to reject any or all Proposals, in whole or in part, and to cancel, or cancel and reissue this RFP, before or after receipt and opening of Proposals in response thereto, or take any other actions, if it considers it to be in the best interests of the NCEL and the State.

6.0 RFP Process and Other Important Information

6.1 SUMMARY OF KEY DATES

The NCEL reserves the right to change any dates and schedule contained in this RFP, including those shown below. If changes are made, the changes will be communicated on the NCEL's website (<https://www.nclottery.com/Business>) and, to the extent feasible, through email.

September 9, 2024	RFP Issuance Date
September 23, 2024	Deadline for Submission of any and all Questions 4:00 p.m. ET
October 7, 2024	Answers posted
December 16, 2024	Written Proposals due by 4:00 p.m. ET by email or physical delivery (late Proposals will not be accepted) (the " Proposal Submission Deadline ")
	<u>DELIVERY ADDRESS:</u> North Carolina State Lottery Commission Headquarters Attn: Anthony Downey adowney@lotterync.net RFP – Retail Digital Signage Program
January 6-17, 2025	Possible virtual product demonstrations with the Evaluation Committee. NCEL reserves the right to schedule 90-minute meetings with responsive contractors, based upon the strength and responsiveness of written proposals.
March 2025	Target date for Decision of Apparent Successful Contractor
Immediately following	Project begins

contract execution

6.2 CONTACT PERSON

The **sole point of contact** (the “**Contact Person**”) for inquiries and additional information concerning this RFP will be Anthony Downey, Purchasing Manager, who can be reached as follows:

Email: adowney@lotterync.net

Fax: **919-755-0342**

North Carolina State Lottery Commission
RFP – Retail Digital Signage Program
2728 Capital Boulevard, Suite 144
Raleigh, NC 27604

No direct or indirect contact or other solicitation initiated by Potential Contractors or their representatives, in connection with this Procurement, should occur with any Commission employee or Commission member other than the Contact Person. This contact limitation extends from the RFP issuance date until an Apparent Successful Contractor has been approved by the NCEL. Employees of current Contractors who are required to work with the NCEL under existing contracts will be permitted to continue their regular contacts under that agreement; however, they may not have any discussions or exchange any information in connection with or regarding this Procurement or RFP.

6.3 PROPOSAL VALIDITY; INCURRED EXPENSES

All Proposals shall remain valid for one hundred eighty (180) calendar days (the “Proposal Offer Period”) following the Proposal Submission Deadline. A Proposal constitutes an offer by the Potential Contractor to contract with the NCEL in accordance with the terms of the Proposal and this RFP, which offer is irrevocable for the duration of the Proposal Offer Period and may not be withdrawn or amended during the Proposal Offer Period without the written consent of the NCEL, which may be granted or withheld in its sole discretion. The NCEL shall not be liable or responsible for any costs, expenses, reimbursements, or fees incurred by a Potential Contractor in preparing and submitting a Proposal or in performing any other action in connection with this Procurement.

6.4 PROPOSAL SUBMISSION AND FORMAT

Proposals must be received by the Contact Person no later than the Proposal Submission Deadline. A Responding Contractor may submit its unredacted Proposal and supporting documents electronically to the Contact Person in PDF (or another appropriate) format. If submitting physical copies, Responding Contractor must provide one (1) signed original and five (5) paper copies of its Proposal and supporting documents plus one (1) USB flash drive containing an unredacted PDF version (or other suitable format) of its Proposal and supporting documents.

In addition, Responding Contractor may include one redacted electronic copy of its Proposal and supporting documents with information that Contractor deems confidential or contains trade secrets or such other proprietary rights as dictated by law redacted. **Pursuant to North Carolina Public Record Laws, in order for information to be maintained as confidential or trade secret, it MUST be received at the same time as the unredacted versions.**

Late Proposals will not be accepted. Postmarks and/or shipping receipts will not be considered as proof of timely submissions. Also, the Proposal must designate a single authorized official to serve as the sole

contact between the NCEL and the Contractor (in the case of a proposal from a joint venture only one official may be authorized).

6.5 PROPOSAL EVALUATION

A variety of factors (including, but not limited to, experience, integrity, proposed solution, satisfying specified requirements, implementation process and time, data security, cost/price and value to the NCEL, background, financial viability, minority business participation, and ability to perform the Contract) shall be considered by the NCEL in determining the Successful Contractor it believes provides the best overall solution at a fair and reasonable price and consistent with the goals and objectives of the NCEL.

These factors are not necessarily listed in the order of importance or weight. Thus, while Potential Contractors are strongly encouraged to offer the lowest price and total cost and highest value possible, the Potential Contractor offering the lowest price and total cost may not be selected as the Successful Contractor. The NCEL will conduct a fair, comprehensive, and impartial evaluation of all Proposals deemed responsive using an evaluation committee (the "**Evaluation Committee**"). The Evaluation Committee may request clarifications or answers to any questions it may have of a Potential Contractor as a result of any information or representations contained in its Proposal or otherwise identified, and may ask a Potential Contractor to address technical questions or seek additional information regarding any Proposal before completing the initial evaluation.

It is not the intent of the NCEL to disqualify any Proposal based on minor technicalities. However, the NCEL reserves the right to determine if a particular deficiency or inadequacy is significant enough to disqualify the Proposal and Contractor. The NCEL also reserves the right to disqualify the Contractor's Proposal if the Contractor has violated Section 6.2 of this RFP. It is the intent of the evaluation procedure established by the NCEL to determine whether each Proposal meets the needs of the NCEL, as outlined in this RFP, and then to determine which Proposal best suits those needs.

All Proposals submitted will be evaluated for form and content in accordance with the provisions of this RFP.

Failure to provide pricing will result in disqualification. Failure to provide the required information such that the Evaluation Committee is unable to evaluate your product(s) and compare it/them with the products and services of other bidders will result in disqualification.

6.6 BACKGROUND INVESTIGATION

The NCEL reserves the right to investigate, at a minimum, the financial responsibility and security of any Successful Contractor and its Subcontractors. A Contractor must complete and submit as part of its Proposal the Background Disclosure Form, included as Attachment B and made a part hereof. Contractors must also fully comply and cooperate with all investigations conducted under N.C.G.S. §18C-151(c) or §18C-152 and other applicable sections of the Act or Applicable Laws.

A Contractor must complete and submit, as part of its Proposal, for itself and all of the individuals listed in this Section, the Authorization for Contractor Investigation Form, included as Attachment C and made a part hereof, and Acknowledgment and Authorization for Background Check, included as Attachment D and made a part hereof, in both cases to allow the NCEL access to the criminal, civil, and financial history of the Contractor and its employees assigned to this project. Such forms shall authorize access to the backgrounds of the following persons, as well as the Contractor, as applicable: (i) if the Contractor is a corporation, the officers, directors and each person who owns five percent (5%) or more of the equity interests in any member of a Contractor Team; (ii) if the Contractor is a partnership or joint venture, all of the general partners, limited partners or joint ventures; and (iii) for any Contractor, any person who can exercise control or authority, or both, on behalf of the Contractor.

Contemporaneously with the delivery of a Proposal, responding Contractors are required to submit a bond or letter of credit in an amount equal to but not less than five percent (5%) of the Cost Proposal and submit a check or other similar financial instrument of immediately available funds (the "Record Check Fee") to the NCEL to cover the cost of criminal record check conducted under N.C.G.S. §143B-1209.28 pursuant to §18C- 151(a)(3) of the Act.

The Record Check Fee that must be submitted by EACH Contractor with their Proposal shall be in the amount equal to the sum of:

1. One thousand dollars (\$1,000) (the "Corporate Search Fee") for the Contractor and any parent company of the Contractor; plus
2. Two hundred fifty dollars (\$250) (the "Individual Search Fee") for each officer and director of the Contractor and for each shareholder of the Contractor who owns an interest of five percent (5%) or more in the Contractor.

The NCEL intends to conduct full background checks only on the apparent Successful Contractor. After the Contract is awarded, the NCEL will return fees to the non-selected Contractor(s). Any Potential Contractor that has previously submitted to such full background check inquiries in prior NCEL procurement processes and that is currently a Potential Contractor to the NCEL subject to updating requirements, must submit updated information and an affidavit re-confirming all the prior information and reporting all necessary new information, in lieu of Attachments B and E, and parts thereof (if applicable).

6.7 DISPUTE PROCEDURE

All claims and disputes, including but not limited to protests related to this RFP, the Procurement and the award of the Contract to the Successful Potential Contractor shall be handled solely and exclusively under and in accordance with the North Carolina Education Lottery Contractor Dispute Resolution Procedures (the "**Dispute Procedures**"), as adopted and/or amended from time to time by the Commission. See the Commission's website at:

<https://nclottery.com/Content/Docs/6.02%20Vendor%20Dispute%20Resolution.pdf>

Any Potential Contractor that submits a Proposal hereby expressly acknowledges and agrees that: (a) the Dispute Procedures represent the exclusive procedure and the exclusive forum for binding resolution of all claims, disputes, complaints and Dispute Resolution Requests of any kind relating in any way to any RFP, Procurement, Contract, offer, quote, Proposal, bid or agreement entered into by the NCEL; (b) it is estopped from objecting to any court, agency or other entity as to the Dispute Procedures being such sole and exclusive forum for binding resolution; and (c) it agrees to be completely, solely and irrevocably bound by such Dispute Procedures. In addition, each Potential Contractor submitting a Proposal irrevocably waives any claim it might have had to protest or object to this RFP or its contents.

6.8 NEGOTIATION AND EXECUTION OF CONTRACT

A Successful Potential Contractor under this RFP shall negotiate and execute a contract containing such terms and conditions as shall be satisfactory to the NCEL.

Attachment G is a draft of the contract, which contains the terms and conditions required by the NCEL. At the sole discretion of the NCEL, certain provisions may be negotiated and modified subsequent to Contract award. Please be aware that, as an agency of the State of North Carolina, the NCEL is limited in its ability to accept certain provisions that are commonly found in commercial non-governmental contracts.

The occurrence of negotiations with any Potential Contractor(s) conveys no right or status on such Potential Contractor(s). By submitting a Proposal, each Contractor acknowledges and agrees that the NCEL may

negotiate with one or more Contractors, under such circumstances, at such times and in such a manner as NCEL determines to be in the best interest of the NCEL.

6.9 NONEXCLUSIVE RIGHTS

Nothing in this RFP or any Contract resulting from this RFP shall preclude the NCEL from acquiring any related services from other Potential Contractors, individuals, or entities as the NCEL, in its sole discretion, shall determine.

6.10 PROPOSAL SUBJECT TO PUBLIC RECORDS LAWS

All Proposals, data, materials, and documentation originated, prepared, and submitted to the NCEL pursuant to this RFP shall belong exclusively to the NCEL and may become available to the public in accordance with the North Carolina Public Records Act as provided in N.C.G.S. §132-1 et. seq. (the "**Public Records Laws**"). The NCEL will make reasonable attempts to maintain, in accordance with the Public Records Laws and the Act and all applicable laws of the State of North Carolina and the United States of America (all of the forgoing being collectively defined as, the "**Applicable Laws**"), the confidentiality of any trade secrets or confidential information that meets the requirements of N.C.G.S. §132-1.2 of the Public Records Laws (collectively, "**Confidential Information**") if such Contractors properly and conspicuously identify the particular data or other materials which are Confidential Information in accordance with the Public Records Laws. If an action is brought or threatened against the NCEL pursuant to N.C.G.S. §132-9 to compel NCEL to disclose information marked as confidential or a trade secret, NCEL will promptly notify Potential Contractor in writing of such to allow Potential Contractor to determine if it will intervene and defend such action, NCEL, and its Commissioners, officers, and employees. If Potential Contractor opts to not intervene and defend such action and the NCEL, its commissioners, officers, and employees, the NCEL may, in its sole discretion decide whether to defend such action or release the requested records. The NCEL shall have no liability to Potential Contractor with respect to any such disclosures.

6.11 PRICING OPTIONS

Potential Contractors are requested to provide costs for providing the requested deliverables detailed in this RFP. Potential Contractors are also requested to propose rates for any additional optional and/or related equipment and services beyond the anticipated work under the RFP. Potential Contractors are reminded that the cost quotation should cover all the equipment, services, and other items covered and required by this RFP, as well as other services deemed necessary by the Contractors, to be provided by the Successful Contractor. Specifically, the Successful Contractor shall be responsible for all charges incidental to the routine conduct of business including, but not limited to any and all travel expenses including mileage, meals, telephone calls, facsimile, copying, color copies, shipping, postage and delivery charges from the Successful Contractor to the NCEL.

If the Potential Contractor has more than one solution or pricing structure that may be appropriate, please submit pricing for all such options along with sufficient information to allow the Evaluation Committee to determine the differences between the possible solutions.

6.12 PAYMENT

Upon review and approval of the NCEL, the Successful Contractor shall be paid within thirty (30) days from the Successful Contractor's submission of an invoice to the NCEL and after all services and deliverables have been provided to the NCEL.

6.13 COMMITMENT TO NONDISCRIMINATION AND MINORITY PARTICIPATION

The North Carolina State Lottery Act has specific references to minority participation in the formation and operation of the Commission and requires compliance with N.C.G.S. Article 8 Chapter 143 as applicable.

The Commission strongly encourages participation by, and involvement of, minority-owned businesses. In order to achieve or exceed the goals established by the Act and Applicable Laws, and to provide equal business opportunities in the procurement process, the Commission encourages Potential Contractors to contract with minority-owned businesses whenever and wherever possible. Given the Commission policy regarding participation of minority businesses and the express provisions of the Act, a Potential Contractor shall carefully consider the inclusion, of, and shall commit not to discriminate against, minority businesses in the development of its Proposal and provisions of its services.

6.14 NON-DISCRIMINATION

Each Potential Contractor must describe in its Proposal what actions it currently takes, in the areas of: (a) ensuring a workplace free of all discrimination on the basis of race, color, religion, national origin, age, sex, sexual orientation, gender identity, veteran status, disability or otherwise; (b) ensuring a diverse workforce and providing equal opportunities; and (c) ensuring and maintaining a work environment free of harassment, intimidation and coercion. Additionally, all Potential Contractors must complete and return either Affidavits A and B or Affidavit C, which are attached hereto at **Attachment E**, Equal Business Opportunity Forms.

6.15 DISCLOSURE OF LITIGATION AND LEGAL MATTERS

A Responding Contractor should include, **as a separate page**, in its Proposal a disclosure of any pending or overtly threatened civil or criminal litigation or indictment involving such Responding Contractor. Responding Contractor must also disclose any civil or criminal litigation or indictment involving any of its subcontractors participating in its Proposal. Specifically, Responding Contractor must disclose, on behalf of itself and each of the persons or entities described in N.C.G.S. §18C-152(b), all of the items and information described in N.C.G.S. §18C-152(c). This disclosure requirement is a continuing obligation, and any litigation commenced after a Responding Contractor has submitted a Proposal under this RFP must be disclosed to the NCEL in writing within five (5) days after it is filed.

6.16 FINANCIAL SOUNDNESS

Under the Act, a Responding Contractor must provide adequate information to permit an evaluation of its financial responsibility, stability and its capabilities to undertake and complete satisfactorily any Contract awarded and, executed pursuant to this RFP. In that regard, a Contractor must submit a copy of its last three (3) years' financial statements that have been audited by an independent public accounting firm, or if audited financial statements are not regularly produced, the NCEL will accept financial statements that are reviewed (rather than audited) provided that the financial statements are certified as being accurate by an executive officer of Contractor.

**ATTACHMENT A
COST SUBMISSION**

Retail Digital Signage Program

(MUST BE IN A SEPARATE DOCUMENT FROM THE TECHNICAL PROPOSAL)

(Potential Contractor's Name)

Signed by: _____

Title: _____

Date: _____

(Title)

(Date)

BACKGROUND DISCLOSURE FORM

For any subcontractor that comprises at least twenty-five (25%) of the cost of the Responding Contractor’s Proposal (a “25% Subcontractor”), disclose all the same information for each 25% Subcontractor as if each 25% Subcontractor were itself the Responding Contractor. In addition, disclose all of the same information for each member of a joint venture, a strategic partnership or a prime contractor team as if each such joint venture, strategic partner or member of a prime contractor team were itself the Responding Contractor. (Responding Contractor and all members of a joint venture, a strategic partnership or a prime contractor team are sometimes herein referred to as “Responding Contractor Team.”)

[These pages may be copied and used as needed]

PLEASE PROVIDE THE FOLLOWING

INFORMATION:

1. Name of Business:
2. Type of legal entity and the state under whose laws the business entity is organized:
3. EIN:
4. List the name, address, area code and telephone number, and social security number of the Responding Contractor’s officers, directors and each stockholder if the Responding Contractor is a corporation (in the case of a publicly-traded corporation, only those stockholders known to the corporation to own beneficially five percent (5%) or more of such corporation’s securities), as well as the same information for a parent corporation of such Responding Contractor corporation if the parent corporation’s shares are publicly traded; if the Responding Contractor is a trust, the trustee and all persons entitled to receive income or benefits from the trust; if the Responding Contractor is an association, the member, officers and directors; if the Responding Contractor is a partnership or joint venture, all general partners, limited partners or joint venturers:
 - a. Name:

Relationship to Responding Contractor:

Address:

Telephone number, including area code:

Social Security number:

b. Name:

Relationship to Responding Contractor:

Address:

Telephone number, including area code:

Social Security number:

c. Name:

Relationship to Responding Contractor:

Address:

Telephone number, including area code:

Social Security number:

5. Disclose all the states and jurisdictions (domestic and foreign) in which any member of the Responding Contractor Team does business and the nature of the business for each such state or jurisdiction:

6. Disclose all the states and jurisdictions (domestic and foreign) in which any member of the Responding Contractor Team has contracts to supply gaming goods or services, including, but not limited to, sports gambling goods or services, lottery goods and services, and the nature of the good or services involved for each such state or jurisdiction:

7. List all states and jurisdictions (domestic and foreign) in which any member of the Responding Contractor Team has applied for, sought renewal of, has received, has been denied, has pending, or has had revoked a lottery or gaming license or lottery or gaming contract of any kind or has had fines or penalties assessed to their or its license, contract or operation and the disposition of such in each such state or jurisdiction. Include all facts or circumstances underlying the revocation or non-renewal of any lottery or gaming license or contract or any lottery or gaming license or application that has been either denied or is pending and has remained pending for more than six (6) months:

a. State:

Type of license:

Status of license:

Fines or penalties:

Circumstances:

b. State:

Type of license:

Status of license:

Fines or penalties:

Circumstances:

c. State:

Type of license:

Status of license:

Fines or penalties: Circumstances:

8. For each member of the Responding Contractor Team, if applicable, list the details of any finding or pleas, conviction, or adjudication of guilt in a state or federal court, or in another jurisdiction, for any felony or any other criminal offense other than a traffic violation, including, but not limited to, felonies related to gambling or the security or integrity of a lottery by:

Charge:

Date of proceeding:

Custodian of records concerning this proceeding:

Outcome of proceeding:

Charge:

Date of proceeding:

Custodian of records concerning this proceeding:

Outcome of proceeding:

9. For each member of the Responding Contractor Team, if applicable, list the details of any finding or plea, conviction, or adjudication of guilt in a state or federal court, or in another jurisdiction, of any involving gambling, theft, computer offenses, forgery, perjury, dishonesty or for unlawfully selling or providing a product or substance to a minor by:

Charge:

Date of proceeding:

Custodian or records concerning this proceeding:

Outcome of proceeding:

Charge:

Date of proceeding:

Custodian or records concerning this proceeding:

Outcome of proceeding:

10. For each member of the Responding Contractor Team, if applicable, list the details of any bankruptcy, insolvency, reorganization or corporate or individual purchase or takeover of another business, including bonded indebtedness, or any pending litigation:

a. Filing or action:

Date of filing or action:

Court of filing or action:

Date of discharge if bankruptcy:

Pending litigation:

b. Filing or action:

Date of filing or action:

Court of filing or action:

Date of discharge if bankruptcy:

Pending litigation:

11. List the business entities that are a part of the Responding Contractor Team, and list the Fiscal Years for each team member. Complete an Authorization for Contractor Investigation for each (see Attachment C.)

12. List all the individuals constituting the Responding Contractor Team who will work on the Commission Contract. Complete an Authorization for Individual Investigation for each (see Attachment D).

13. Does the Responding Contractor Team or any individual member thereof have an ownership interest in any entity that has supplied consultation services under contract to the Commission regarding this RFP? If yes, please provide details.

14. Does any "public officer" or employee of such public officer have an ownership interest of five percent (5%) or more in any member of the Responding Contractor Team? If yes, please provide details.

15. List any conflict of interest with the products, promotions and goals contemplated by the Commission that could result from other projects in which the Responding Contractor Team or any of the staff members designated to work on the project are involved. Failure to disclose any such conflict may be cause for Contract termination or disqualification of the Proposal.
16. List all lobbyists and consultants working on behalf of the Responding Contractor Team in connection with this Proposal or any subsequent Contract.

Attachment B Certification

I, _____, hereby certify that I am duly authorized to act on behalf of the Responding Contractor and Responding Contractor Team. In that capacity, I hereby certify that the Responding Contractor and all members of the Responding Contractor Team have filed appropriate tax returns as provided by the laws of the State of North Carolina. I further warrant that the information contained in this Background Disclosure Form is true and complete, and acknowledge that a finding that it is not true or complete may result in a cancellation of the Contract.

I further certify that the Responding Contractor and each member of the Responding Contractor Team recognizes and acknowledges that there are certain limitations on their activities, including, but not limited to, limitation on certain political contributions, limitation of the ability to submit Proposals, in response to subsequent Request for Proposals issued by the Commission, limitation on the ability to purchase lottery tickets, and other requirements that the Commission may impose in the future via contract or administrative rules. Current restrictions on the ability to purchase lottery tickets and enter into contracts or other arrangements as well as future restrictions related to gaming activities apply to the employees of the Responding Contractor and the members of the Responding Contractor Team as well as the members of all such employees' households, and the Responding Contractor and each member of the Responding Contractor Team will enforce such restrictions upon its employees and subcontractors.

(Signature of Authorized Representative)

(Print Name)

(Title)

(Date)

ATTACHMENT C

AUTHORIZATION FOR CONTRACTOR INVESTIGATION

I, _____, hereby authorize the North Carolina State Lottery Commission or its designee to conduct a Contractor background investigation (N.C.G.S. §18C-152), including the civil, criminal and financial credit history of _____ . I hereby release all organizations, individuals, agencies, and other employees and agents from any liability that may result from their furnishing such information and authorize all organizations, individuals, agencies and their employees and agents contacted by the North Carolina State Lottery Commission or its designee to provide such information. A photocopy of this release will be valid as an original thereof, even though said photocopy does not contain an original writing of my signature.

(Signature)

(Print Name)

(Title)

(Date)

ATTACHMENT D

ACKNOWLEDGMENT AND AUTHORIZATION FOR BACKGROUND CHECK

I hereby authorize the obtaining of the "consumer reports" and /or "investigation consumer reports" by the Commission at any time after receipt of this authorization and throughout the term of my employer's contract with the Commission, if applicable. To this end, I hereby authorize, without reservation, any law enforcement agency, administrator, state or federal agency, institution, school or university (public or private), information service bureau, employer, or insurance company to furnish any and all background information requested by FirstPoint, Inc., P.O. Box 26140 Greensboro, NC 27402, 800-449-0245, www.firstpointresources.com, the Commission, and/or the Commission's designee. I agree that a facsimile ("fax"), electronic or photographic copy of this authorization shall be as valid as the original. Do not disclose any sealed or expunged records.

Signature _____ Date _____

Please Print Clearly

Name (First, Middle, Last) _____ Date of Birth (mo/day/yr) _____

Maiden Name / Other Name (First, Middle, Last) _____

Date used (yr) from _____ to _____. Driver's License # _____ State _____

Social Security # _____ Male/Female (circle one)

Employer _____ Position _____

Current and previous address(es). Provide all addresses for previous 7 years

Street _____ from _____

City, State, Zip _____ to _____

Street _____ from _____

City, State, Zip _____ to _____

Street _____ from _____

City, State, Zip _____ to _____

California, Minnesota & Oklahoma residents only: I want to receive a free copy of any Consumer Report, Investigative Consumer Report or Credit Report on me that is requested. [yes/no]

Notary:

State of _____, County of _____

Subscribed and sworn to before me this ____ day of _____ 2019.

Notary Public _____

My commission expires _____

[SEAL]

ATTACHMENT E

Equal Business Opportunity Forms

All respondents must complete and return either the attached Affidavits A and B **OR** Affidavit C

The undersigned hereby certifies that they have read the terms of the minority business commitment and are authorized to bind the Responding Contractor to the commitment herein set forth.

(Signature of Authorized Representative)

(Print Name)

(Title)

(Date)

NOTARY:

State of _____, County of _____

Subscribed and sworn to before me this ____ day of _____ 20__.

Notary Public _____

My commission expires _____

[SEAL]

Affidavit B- Listing of Good Faith Efforts

State of _____

County of _____

Affidavit of _____
(Name of Responding Contractor)

I have made a good faith effort to comply under the following areas checked:

Responding Contractors must earn at least 50 points from the good faith efforts listed for their Proposal to be considered responsive.

- 1 – (10 pts)** Contacted minority businesses that reasonably could have been expected to submit a Proposal and that were known to the Contractor, or available on State or local government maintained lists, at least 10 days before the Proposal date and notified them of the nature and scope of the work to be performed.
- 2 --(10 pts)** Made the construction plans, specifications, and requirements available for review by prospective minority businesses, or providing these documents to them at least 10 days before the Proposal are due.
- 3 – (15 pts)** Divided or combined elements of work into economically feasible units to facilitate minority participation.
- 4 – (10 pts)** Worked with minority trade, community, or contractor organizations identified by the Office of Historically Underutilized Businesses and included in the Proposal documents that provide assistance in recruitment of minority businesses.
- 5 – (10 pts)** Attended pre-Proposal meetings scheduled by the Commission.
- 6 – (20 pts)** Provided assistance in getting required bonding or insurance or provided alternatives to bonding or insurance for subcontractors.
- 7 – (15 pts)** Negotiated in good faith with interested minority businesses and did not reject them as unqualified without sound reasons based on their capabilities. (Any rejection of a minority business based on lack of qualification should have the reasons documented in writing.)
- 8 – (25 pts)** Provide assistance to an otherwise qualified minority business in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letters of credit, including waiving credit that is ordinarily required. Assisted minority businesses in obtaining the same unit pricing with the Contractor's suppliers in order to help minority businesses in establishing credit.

- 9 – (20 pts)** Negotiated joint venture and partnership arrangements with minority businesses in order to increase opportunities for minority business participation on a public construction or repair project when possible.
- 10 - (20 pts)** Provided quick pay agreements and policies to enable minority contractors and suppliers to meet cash-flow demands.

The undersigned, if declared to be the Successful Contractor, will enter into a formal agreement with the firms listed in the Identification of Minority Business Participation schedule conditional upon scope of Contract to be executed with the Commission. Substitution of contractors must be in accordance with N.C.G.S. §143-128.2(d). Failure to abide by this statutory provision will constitute a breach of the Contract.

The undersigned hereby certifies that they have read the terms of the minority business commitment and are authorized to bind the Contractor to the commitment herein set forth.

(Signature of Authorized Representative)

(Print Name)

(Title)

(Date)

NOTARY:

State of _____, County of _____

Subscribed and sworn to before me this ____ day of _____ 20__.

Notary Public _____

My commission expires _____

[SEAL]

Affidavit C-- Intent to Perform Contract with Own Workforce

State of _____

County of _____

Affidavit of _____ (Name
of Responding Contractor)

Responding Contractor is a Certified HUB Vendor: Yes No

Responding Contractor is a Minority Vendor: Yes No

I hereby certify that it is our intent to perform 100% of the work required for the Commission contract for the Retail Digital Signage Program.

In making this certification, the Responding Contractor states that the Responding Contractor does not customarily subcontract elements of this type project, and normally performs and has the capability to perform and will perform all elements of the work on this project with its own current work forces; and the Responding Contractor agrees to provide any additional information or documentation requested by the Commission in support of the above statement.

The undersigned hereby certifies that they have read this certification and are authorized to bind the Responding Contractor to the commitments herein contained.

(Signature of Authorized Representative)

(Print Name)

(Title)

(Date)

NOTARY:

State of _____, County of _____

Subscribed and sworn to before me this _____ day of _____ 20____.

Notary Public _____

My commission expires _____ [SEAL]

ATTACHMENT F

COMMISSION VENDOR INFORMATION FORM

Vendor Name (Commonly Used Name)

Full Legal Entity Name (As Listed on Tax Returns)

State of Incorporation

Name of Person Signing Contract

Title

Contractor's Main Contact Person for Commission

Title

Telephone Number

Email Address

Legal Notice Information

Name of Person to Receive Legal Notices

Title

Street Address

Street Address Line 2

City

State

Zip Code

Telephone Number

Email Address

Note: If you wish to have more than one person receive legal notices, please attach additional copies of this form.

**RETAIL DIGITAL SIGNAGE PROGRAM RFP
PROPOSAL REQUIREMENTS CHECKLIST**

Proposal – Signed	
Redacted Proposal	
Attachment A – Cost Proposal - Separate File	
Attachment B – Background Disclosure Form(s)	
Attachment C – Authorization for Contractor Investigation Form(s)	
Attachment D – Authorization for Background Check Form(s) (Notarization Needed)	
Attachment E - Equal Business Opportunity Forms Affidavits A and B, OR Affidavit C (Notarization Needed)	
Attachment F - Vendor Information Form	
Disclosure of Litigation and legal matters - Separate Document	
Record Check Fees (Corporate and Individual)	
Bid Bond or Bid Letter of Credit	
Financial Statements (Last Three Years)	
Cost Proposal (Separate File)	

ATTACHMENT G



SAMPLE CONTRACT

RETAIL DIGITAL SIGNAGE PROGRAM AGREEMENT

This Retail Digital Signage Program Agreement (the "**Agreement**") is made and entered on the date of the last signature below by and between the North Carolina State Lottery Commission (sometimes the "North Carolina Education Lottery") (the "**Commission**"), a state agency created pursuant to the North Carolina State Lottery Act (G.S. § 18C-101 et seq. and Session Law 2023-42) (as may be amended from time to time, the "**Act**"), located at 2728 Capital Boulevard, Suite 144, Raleigh, North Carolina, 27604, and _____, located at _____, a _____ organized under the laws of the _____ ("**VENDOR**").

WITNESSETH:

WHEREAS, the Commission was created to organize and operate a state lottery in the State of North Carolina (the "**Lottery**") and is also responsible for licensing and regulating sports wagering and pari-mutual wagering in the State of North Carolina; and

WHEREAS, VENDOR submitted the Proposal, dated _____, 2024 (the "**Proposal**," Exhibit A) to the Commission in response to the Commission's Request for Proposals dated [**RFP PUBLICATION DATE**] (the "**RFP**," Exhibit B), as integrated by the Commission's Questions and Answers concerning the RFP, which were last distributed by the Commission on or around [**Q&A PUBLICATION DATE**] (the "**Questions and Answers**," Exhibit C). Exhibits A, B and C are attached hereto and incorporated by reference herein; and

WHEREAS, subject to the terms and conditions hereinafter set forth, the Commission desires to retain VENDOR to provide retail digital signage and other related services for the Commission, and VENDOR desires to provide such Services and Deliverables for the Commission.

NOW, THEREFORE, for and in consideration of the premises, the mutual promises, covenants, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties hereto hereby agree as follows:

1. SERVICES AND DELIVERABLES

Subject to the terms and conditions set forth in this Agreement, the Commission retains VENDOR to provide digital signage and other related services for the Commission as contemplated by this Agreement, the RFP, and the Proposal (collectively, the "**Services and Deliverables**"), and VENDOR agrees to provide such Services and Deliverables to the Commission. Capitalized terms not otherwise defined herein shall be defined as set forth in the RFP.

2. DUTIES AND RESPONSIBILITIES OF VENDOR

A. VENDOR and its Subcontractors (defined in Section 3(A) below) will work in conjunction with the Executive Director of the Commission, the Commission staff, the North Carolina State Lottery Commission and such other Contractors, subcontractors, employees, agents, retailers, and consultants as directed by the Commission. VENDOR and its Subcontractors will provide the Services and Deliverables to the Commission as detailed in the RFP, the Questions and Answers and the Proposal and as requested, from time to time, orally or in writing or via shipment, by the Executive Director, their designee(s) and/or the Commission. Except as otherwise set forth herein, VENDOR agrees that all Services and Deliverables to be provided to the Commission under this Agreement shall meet or exceed the requirements as set forth in this Agreement, the RFP, the Questions and Answers and the Proposal.

B. VENDOR, and its Subcontractors as requested from time to time, shall meet regularly with the Executive Director or their designee(s) and shall establish work plans, implementation schedules and timetables for completion as and when required by the Executive Director or their designee(s).

C. VENDOR hereby agrees to use its best efforts to make available to the Commission its employees and its Subcontractors as may be necessary or appropriate for the timely performance of VENDOR's obligations pursuant to this Agreement. No employee or agent of VENDOR or any of its Subcontractors shall undertake or participate in, during the term of this Agreement, any other engagement which will interfere with the completion of the work contemplated by this Agreement. VENDOR will provide the Commission, as requested from time to time, written reports of the names and work schedules of VENDOR's and the Subcontractors' employees who will be performing and providing Services and Deliverables pursuant to this Agreement.

D. Scope of Services and Deliverables: Subject to the instructions and decisions of the Commission, VENDOR will be responsible for providing the Services and Deliverables as specified in the RFP, Questions and Answers, and the VENDOR's Proposal.

3. SUBCONTRACTORS

A. VENDOR shall not subcontract or otherwise assign any or all of its rights, duties or obligations under this Agreement to any individual or entity without the prior written consent of the Commission in each instance, which consent may be withheld in the Commission's sole discretion. The Commission shall have the right to approve or disapprove of any subcontractor. VENDOR will provide the Commission with the name, qualifications, experience and expected duties of each proposed subcontractor under this Agreement each time it desires to retain a subcontractor. All approved subcontractors, sub-vendors, employees, joint venturers, partners or other parties working with or for VENDOR in performing or providing Services and Deliverables under this Agreement or for the Commission will be defined collectively as the "**Subcontractors**" and individually as a "**Subcontractor**" and will become a Subcontractor for purposes hereof and must execute such agreements or other documentation as may be necessary pursuant to the Act or as the Commission may require. VENDOR agrees that it will obtain the prior consent of the Executive Director or their designee(s) prior to having any Subcontractor perform any activities for the Commission under this Agreement.

B. Upon the request of the Commission, VENDOR will promptly provide the Commission with copies of all subcontracts and other agreements entered into by VENDOR with respect to its obligations under this Agreement. No such subcontract or other agreement may contain any terms or conditions inconsistent or in conflict with the terms and conditions contained in this Agreement. In the event of any such inconsistent or conflicting provisions, such inconsistencies or conflicts will be resolved in favor of this Agreement.

C. The Commission shall have the right, at any time and from time to time, to instruct VENDOR not to use the services of any Subcontractor, individual or employee in connection with the work to be performed for the Commission under this Agreement, and VENDOR agrees to comply with all such instructions.

D. Notwithstanding anything herein to the contrary, VENDOR will remain fully liable and responsible for all Services and Deliverables and work to be performed under this Agreement, whether or not subcontracted to or performed by a Subcontractor or any other person or entity retained by VENDOR or under VENDOR's control, and VENDOR will ensure the compliance of its employees, and will exercise its best efforts to ensure the compliance of, and in any event be responsible for, Subcontractors and their employees with the terms of this Agreement, the Act and all other applicable laws which govern the performance and provision of Services and Deliverables pursuant to this Agreement and such other standards or policies as the Commission may establish from time to time.

4. INDEPENDENT CONTRACTOR

A. Both the Commission and VENDOR, in the performance of this Agreement, will be acting in their own separate capacities and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees, agents, or partners of the other party for any purposes whatsoever. Neither party will assume any liability for any injury (including death) to any persons, or any damage to any property or other claim arising out of the acts or omissions of the other party or any of its agents, employees, or subcontractors. It is expressly understood and agreed that VENDOR is an independent contractor of the Commission in all manners and respects and that neither party to this Agreement is authorized to bind the other party to any liability or obligation or to represent that it has any such authority, except for the limited authority of VENDOR to procure selected materials and services as authorized by the Commission and as specifically set forth in, and subject to the limitations described in, the RFP and/or this Agreement. No Subcontractor is authorized to bind the Commission to any liability or obligation or to represent that it has any such authority.

B. VENDOR shall be solely responsible for all payments to Subcontractors and all compensation, withholding taxes and benefits for its employees and for providing all necessary unemployment and workmen's compensation insurance for its employees.

5. COMPENSATION

A. As full and complete compensation for all Services and/or Deliverables provided by VENDOR pursuant to this Agreement, the Commission will pay VENDOR, and VENDOR will accept, an amount (the "Vendor's Fee") equal to _____.

B. VENDOR shall be responsible for all charges incidental to the routine conduct of business including, but not limited to travel, mileage, meals, telephone calls, copying, color copies, postage, and delivery charges from VENDOR to the Commission.

C. Except as otherwise provided herein, the Commission shall not under any circumstances be liable or responsible for any costs, expenses, reimbursements, or fees incurred by VENDOR or Subcontractors (or any other individual or entity) in connection with any Services and Deliverables or the VENDOR's performance under this Agreement.

D. Subject to the availability of funds and any other restrictions imposed by the Act, the "Governing Laws and Regulations" (as defined in Section 13) of this Agreement, the Commission will pay to VENDOR all non-disputed amounts due under this Agreement within thirty (30) days upon receipt and verification of the VENDOR's invoice, unless the parties otherwise agree upon a less frequent payment schedule, in accordance with the policies and procedures established by the Commission from time to time and subject to setoff or offset for all sums owed by VENDOR or its Subcontractors. Electronic billing shall be available to the Commission.

6. **TERM**

The term of this Agreement shall commence on the date of the last signature below (the "**Effective Date**") and, unless sooner terminated in accordance with the provisions of Section 18 or other provisions of this Agreement and the RFP, expire on _____ ##, 2030, (the "**Initial Term**"). Notwithstanding the foregoing, the Commission may elect to renew this Agreement for two additional two-year periods and one additional one-year period on the same terms (each an "**Extension Term**", and collectively with the Initial Term, the "**Term**"). Commission may exercise its option to extend this Agreement by providing written notice to VENDOR at least ninety (90) days before the expiration of the Initial Term or, if applicable, the then-current Extension Term.

7. **WORK STANDARD**

A. VENDOR hereby agrees that it and its Subcontractors shall at all times comply with and abide by all terms and conditions set forth in this Agreement, all applicable policies and procedures of the Commission and all requirements of the Act and Governing Laws and Regulations. VENDOR further agrees that it and its Subcontractors shall perform their respective duties and responsibilities as set forth in this Agreement by following and applying the highest professional and technical guidelines and standards applicable to the VENDOR's industry.

B. VENDOR hereby agrees that it and its Subcontractors will perform their respective duties and responsibilities as set forth in this Agreement with integrity and dignity and free from political influence, collusion, and fraud. VENDOR further agrees that and none of its Subcontractors, or any of their respective employees or agents will solicit or accept, or attempt to solicit or accept, any kickbacks or other inducements from any offeror, supplier, manufacturer, subcontractor or other individual or entity in connection with the performance of its obligations under this Agreement.

C. If the Commission becomes dissatisfied with the Services and Deliverables or work product of or the working relationship with any of the individuals assigned to perform Services and Deliverables under this Agreement by VENDOR or any Subcontractors, the

Commission may require the prompt replacement of any or all of such individuals. Important personnel, whether or not identified in VENDOR's Proposal as performing or providing Services and Deliverables under this Agreement, will continue to perform in their designated capacities until such Services and Deliverables are completed unless: (i) they cease to be employed by VENDOR or a Subcontractor; (ii) the Commission requests their removal, in which case a person or persons of suitable competency and acceptable to the Commission, in its discretion, will be substituted forthwith; or (iii) VENDOR wishes to have them replaced by someone of equal or better qualifications and VENDOR obtains Commission's prior written consent to such change.

D. Nothing in this Section 7 shall be construed to prevent VENDOR from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of such key personnel, including secretarial, clerical, and common labor duties. VENDOR shall at all times remain responsible for the performance of all necessary tasks under the scope of this Agreement, whether performed by key personnel or other workers.

E. Nothing in this Agreement shall prohibit the Commission from retaining the services of any individual or entity, whether or not such or similar services were initially contemplated to be performed by VENDOR or a Subcontractor. The Commission is not prohibited by this Agreement from retaining the services of any individual or entity, and it is under no obligation to exclusively use the Services and Deliverables of VENDOR or any Subcontractors.

F. VENDOR hereby designates [REDACTED], or such other person or persons as it may from time to time notify the Commission, as its primary contact with the Commission for purposes of this Agreement. VENDOR must notify the Commission, in writing and within five (5) business days, regarding designation of a new primary contact person for the VENDOR.

8. CHANGES IN WORK

By written or oral request of the Executive Director or their designee(s) to VENDOR, the Commission may from time to time make changes in the Services and Deliverables to be provided by VENDOR or any Subcontractor, or the place of performance or provision of any Services and Deliverables. VENDOR and all applicable Subcontractors shall promptly comply with such requests and take all necessary or appropriate actions to effect such change. If such changes add material obligations or expenses not contemplated by this Agreement (including the Answers, RFP or Proposal), the Commission and VENDOR shall negotiate in good faith any changes required to this Agreement or the compensation to be provided pursuant hereto.

9. BOOKS AND RECORDS

Upon request of the Commission, VENDOR and each Subcontractor shall provide to the Commission a copy of its latest audited financial statements for such year; provided, however, if VENDOR and/or a Subcontractor does/do not obtain audited financial statements, then its/their financial statements must be certified by its chief financial officer. VENDOR and all Subcontractors shall maintain all books, documents, papers, accounting records and other evidence pertaining to the Services to be performed and provided under this Agreement in accordance with the Act, Governing Laws and Regulations, generally accepted accounting principles and any other applicable procedures established by the

Commission from time to time. VENDOR and all Subcontractors shall make all such materials available at its offices at all reasonable times during the term of this Agreement and for five (5) years after the date of final payment under this Agreement, for inspection by the Commission, by any authorized representative of the Commission and/or the State of North Carolina Auditor of State's Office ("**State Auditor**"), and copies thereof shall be furnished to the Commission and/or the State Auditor by the appropriate entity, at no cost to the Commission or the State Auditor, if requested by the Commission or the State Auditor. The Commission and/or the State Auditor shall have the right to audit the records and operations of VENDOR and each Subcontractor with respect to the Services to be performed and provided pursuant to this Agreement. VENDOR and Subcontractor shall also comply with all other requirements of the Act and Governing Laws and Regulations.

10. CONFIDENTIALITY; OWNERSHIP OF WORK PRODUCT, MATERIALS AND RIGHTS OF USE

A. For purposes of this Agreement, when identified in writing or otherwise explicitly indicated, at the time of initial disclosure:

(i) "**Confidential Information**" means any and all items or information of a party which are: (A) marked "Confidential" or some such similar designation; or are (B) valuable, proprietary and confidential information belonging to or pertaining to such party that does not constitute a "Trade Secret" (as hereafter defined) and that is not generally known but is generally known only to said party and those of its employees, independent contractors or agents to whom such information must be confided for business purposes, including, without limitation, information regarding said party's customers, suppliers, manufacturers and distributors. For purposes of this Agreement, the financial statements provided pursuant to Section 9 of this Agreement shall be deemed to be VENDOR's Confidential Information; and

(ii) a "**Trade Secret**" means business or technical information, including but not limited to a formula, pattern, program, device, compilation of information, method, technique, or process that: (A) derives independent actual or potential commercial value from not being generally known or readily ascertainable through independent development or reverse engineering by persons who can obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

B. In recognition of the need of VENDOR to protect its legitimate business interests, **provided that such information is designated or indicated as "Confidential" or "Trade Secret" at the time of its initial disclosure to the Commission**, the Commission hereby covenants and agrees that with regard to any: (i) VENDOR Confidential Information, at all times during the term of this Agreement and for a period of three (3) years following the expiration or termination of this Agreement for any reason; and (ii) VENDOR Trade Secrets, at all times such information remains a Trade Secret under applicable law, the Commission will regard and treat all such items as strictly confidential and wholly owned by VENDOR and will not, for any reason or in any fashion, either directly or indirectly use, disclose, transfer, assign, disseminate, reproduce, copy, or otherwise communicate any such VENDOR Confidential Information or VENDOR Trade Secrets to any individual or entity for any purpose other than in accordance with this Agreement, pursuant to the instructions from a duly authorized representative of VENDOR or except to the extent necessary to fulfill the purposes of this Agreement, its licensing and/or

regulatory obligations under the Act, or conduct the North Carolina Education Lottery. The Commission shall not be liable; however, to VENDOR or to any other person or entity, if despite the Commission's reasonable efforts, VENDOR Confidential Information or Vendor Trade Secrets are disclosed in breach of the foregoing. Notwithstanding anything hereto the contrary the Act, the Governing Laws and Regulations, the Open Meetings Law G.S. §143-318.9 et. seq. and the Public Records Law G.S. §132-1 et. seq. (collectively, the "**Superseding Provisions and Statutes**") shall supersede and control any provision of this Agreement, and the Commission's confidentiality and nondisclosure obligations and liabilities set forth herein, or in the RFP or Proposal, shall be subject to, and never be greater than, as set forth in any of the Superseding Provisions and Statutes. If an action is brought pursuant to N.C.G.S. §132-9 to compel Commission to disclose information marked as confidential or a trade secret, VENDOR agrees that it will intervene in the action through its counsel and participate in defending the Commission, including any public official(s) or public employee(s). Commission agrees to promptly notify VENDOR in writing of any action seeking to compel the disclosure of VENDOR Confidential Information. Commission shall have the right, at its option and expense, to participate in the defense of the action through its counsel. The Commission shall have no liability to VENDOR with respect to the disclosure of VENDOR Confidential Information ordered by a court of competent jurisdiction pursuant to N.C.G.S. §132-9 or other applicable Law.

C. In recognition of the need of the Commission to protect its legitimate business interests, VENDOR hereby covenants and agrees that with regard to any: (i) Commission Confidential Information, at all times during the term of this Agreement and for a period of three (3) years following the expiration or termination of this Agreement for any reason; and (ii) Trade Secrets, at all times such information remains a Trade Secret under applicable law, VENDOR and all Subcontractors will regard and treat all such items as strictly confidential and wholly owned by the Commission and will not, for any reason or in any fashion, either directly or indirectly use, disclose, transfer, assign, disseminate, reproduce, copy, or otherwise communicate any such Commission Confidential Information or Commission Trade Secrets to any individual or entity for any purpose other than in accordance with this Agreement or pursuant to the instructions from a duly authorized representative of the Commission. In addition, to the extent the Act or any other Governing Laws and Regulations law imposes any greater restrictions or prohibitions with respect to any Commission Confidential Information, Commission Trade Secrets or other information or property of the Commission, VENDOR covenants and agrees that it and all Subcontractors shall comply with such greater restrictions or prohibitions. To ensure the compliance by it and all Subcontractors with the provisions of this Section 10(C), VENDOR shall use its best efforts, including, without limitation, obtaining written confidentiality agreements with all Subcontractors which incorporate requirements no less restrictive than those set forth herein and which contain provisions which permit Commission to independently enforce the requirements set forth in such agreements.

D. Notwithstanding the foregoing, the nondisclosure restrictions of Section 10(B) shall not apply to either party's information that is: (i) generally known to the public other than due to a disclosure by the Disclosing Party; (ii) already known to the Receiving Party at the time it is disclosed by the Disclosing Party to the Receiving Party; (iii) independently developed by the Receiving Party; or (iv) received by the Receiving Party from a party that the Receiving Party believed in good faith had the right to make such disclosure.

E. Neither the VENDOR nor any of its approved Subcontractors shall have any proprietary rights or interests in any intellectual properties (including, without limitation,

patents, copyrights, equipment, firmware, mask works, trademarks (and the goodwill associated therewith) and service marks (and the goodwill associated therewith)) (all of the foregoing being collectively defined as the “**Intellectual Property Rights**”) products, materials, intellectual properties developed, data, documentation, approaches, systems, programs, methodologies, designs, specification, or concepts, ideas or other content or items of any kind or nature developed, produced or provided in connection with the Services provided for the Commission under this Agreement (collectively, the “**Commission Intellectual Properties**”). All deliverables, written materials, designs, specifications, tangible or intangible materials, intellectual or other property or other work product of any kind or nature produced, revised, created, modified or prepared by VENDOR and any of its Subcontractors in connection with this Agreement, the RFP or for the Commission (collectively, the “**Work Product**”) will be deemed, to the greatest extent possible, “work made for hire” under Section 101 of the United States Copyright Act, 17 U.S.C. Section 101 to be exclusively owned by the Commission. To the extent that any Work Product does not qualify as a “work made for hire,” VENDOR and each of the Subcontractors hereby irrevocably transfer, assign and convey to the Commission all right, title and interest in the Work Product, together with all copyrights, patents, trade secrets, confidential information, trademarks and service marks (and the goodwill associated therewith) and rights (all of the foregoing being collectively defined as the “**Intellectual Property Rights**”), free and clear of any liens, security interests, hypothecations, pledges, claims or other encumbrances of any kind or nature, to the fullest extent permitted by law. At the Commission’s request, VENDOR and its Subcontractors shall execute, and shall cause its or their personnel to execute, all assignments, applications, writings, instruments or other documentation of any kind or nature deemed necessary or beneficial by the Commission so that the Commission may perfect or protect its rights as provided herein. VENDOR and its Subcontractors shall require its and their employees, and permitted agents, independent contractors, and consultants to execute agreements assigning all of their rights in the Work Products, and all Intellectual Property Rights therein, to the Commission, directly or indirectly, and shall provide the Commission with documentation evidencing its compliance with this requirement upon the Commission’s request. The intent of the Commission is that the Commission is the sole owner of, and is able to continue to use any or all of, the Work Product that it chooses in the conduct of its lottery games and other activities.

11. **NONDISCRIMINATION**

A. Neither VENDOR nor any Subcontractors shall discriminate against any employee or applicant for employment because of their race, color, religion, sex, sexual orientation, gender identity, handicap, disability, national origin, or ancestry. Breach of this covenant by VENDOR, or VENDOR's failure to use its best efforts to require all Subcontractors to comply with this covenant, may be regarded as a material breach of this Agreement. VENDOR and Subcontractors shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, handicap, disability, national origin, or ancestry.

B. Consistent with the Act and all other applicable North Carolina laws, VENDOR agrees to make every reasonable effort to include the participation by minorities in the performance and provision of its Services and Deliverables pursuant hereto. Specifically, and without limitation, any human resources services performed for the Commission will include appropriate attention to the hiring and training of qualified minority applicants in

accordance with the Act, all Governing Laws and Regulations, and the policies and procedures adopted by the Commission from time to time.

12. LIMITATION OF LIABILITY

Any and all payments to VENDOR are expressly contingent upon and subject to the appropriation, allocation and availability of funds to the Commission for the purposes set forth in the Agreement. If the term of the Agreement extends into fiscal years subsequent to that in which it is approved, such continuation of the Agreement is expressly contingent upon the appropriation, allocation and availability of funds by the N.C. Legislature for the purposes set forth in this Agreement. If funds to effect payment are not available, the Commission will provide written notification to Vendor. If the Agreement is terminated under this paragraph, Vendor agrees to take back any affected Deliverables and software not yet delivered under the Agreement, terminate any Services supplied to the Commission under the Agreement, and relieve the Commission of any further obligation thereof. The Commission shall remit payment for Deliverables and Services accepted prior to the date of the aforesaid notice in conformance with the payment terms.

13. COMPLIANCE WITH LAWS

VENDOR agrees to comply with all applicable rules, procedures and regulations adopted from time to time by the Commission under the Act and all other applicable federal, state, and local laws, rules, regulations, ordinances, or executive orders, including, without limitation, the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 1201 et. seq.) and all other labor, employment and anti-discrimination laws, and all provisions required thereby to be included herein, are hereby incorporated by reference (all of the foregoing being sometimes referred to collectively as the "**Governing Laws and Regulations**").

14. ANTITRUST ACTIONS

VENDOR hereby conveys, sells, assigns, and transfers to the Commission all of its right, title, and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States of America and the State of North Carolina relating to any Services or Deliverables provided by VENDOR to the Commission under this Agreement.

15. REPRESENTATIONS, WARRANTIES AND ADDITIONAL COVENANTS

VENDOR hereby represents, warrants, or covenants, as the case may be, to Commission, on its own behalf and with respect to each of its Subcontractors, that as of the Effective Date and at all times throughout the term of this Agreement, as follows:

A. VENDOR has the power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement, and VENDOR has taken all necessary and appropriate action to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement. The execution and delivery of this Agreement and the performance of its obligations under this Agreement are not in contravention of any provisions of law or any material indenture or agreement by which VENDOR is bound and do not require the consent or approval of any governmental body, agency, authority or other person or entity which has not been obtained. This Agreement

constitutes the valid and legally binding obligation of VENDOR, enforceable against VENDOR in accordance with its terms.

B. VENDOR and its Subcontractors have disclosed or will disclose to the Commission all matters required to be disclosed under the Governing Laws and Regulations. VENDOR shall ensure that it is aware of any statutory limitations or restrictions affecting its Agreement with the Commission, such as certain political contributions, its ability to conduct future business with the Commission and/or its ability to conduct business with certain third parties. Any employee of the VENDOR who works directly on the Commission Contract/Account, and members of such employee's households, shall be prohibited from purchasing Commission tickets and/or claiming any Commission prizes.

C. Neither VENDOR, the Subcontractors nor any of its or their respective officers, directors, partners, or major shareholders have ever been found guilty of, or plead guilty to, any crime in any way related to gambling or the security, integrity, or operation of any lottery in any jurisdiction, nor are VENDOR, the Subcontractors nor any of its or their respective officers, directors, partners, or major shareholders currently under indictment for any crime in any way related to gambling or the security, integrity, or operation of any lottery in any jurisdiction. VENDOR shall be obligated to notify the Commission if VENDOR or any one of its officers and directors has been convicted of a felony or any gambling offense in any state or federal court of the United States within ten (10) years of entering into the contract (N.C.G.S. §18C-151(a)(5)).

D. No "public official" has an ownership interest of five percent (5%) or more in VENDOR or any of the Subcontractors.

E. To the extent required by applicable law, VENDOR and all Subcontractors are, and will remain at all times during the term of this Agreement, qualified to do business in the State of North Carolina and will file North Carolina income tax returns.

F. All Work Product: (i) shall be prepared, worked on and completed solely by employees of VENDOR or a Subcontractor in the scope of their employment or by independent contractors of VENDOR or a Subcontractor working under the strict and direct supervision of such employees; (ii) shall be original works of authorship; (iii) shall not infringe, plagiarize, pirate or constitute misappropriations of any Intellectual Property Rights, Confidential Information, Trade Secrets or other intellectual properties or proprietary rights of any individuals or entities; and (iv) shall not be false, misleading, actionable, defamatory, libelous or constitute an invasion of privacy of any individual or entity.

G. Neither VENDOR nor any Subcontractors, nor any of its or their respective employees, officers, directors, partners or major shareholders, shall issue any press release, conduct any press or news conference, participate in any media interview or otherwise make any public statement or announcement on behalf of, with respect to or in connection with this Agreement or the Services and Deliverables without the prior written consent of the Executive Director or their designee(s) in each instance.

H. Neither VENDOR nor any Subcontractors, nor any of its or their respective employees, officers, directors, partners or major shareholders, shall use Commission's name, logos, images or any other information or data related to the Services to be provided pursuant to this Agreement as a part of or in connection with any commercial advertising

without the prior written consent of the Executive Director or his/her designee(s) in each instance.

I. All Services and Deliverables rendered and provided pursuant to this Agreement have been and shall be prepared or done in a workman-like manner consistent with the highest standards of the industry in which the Services and Deliverables are normally performed and provided.

16. OBLIGATIONS OF VENDOR

A. Upon execution VENDOR shall provide the Commission current Certificate of Authority from the North Carolina Secretary of State showing that it and each Subcontractor are qualified to transact business in the State of North Carolina. Vendor shall ensure that the Certificate of Authority remains current at all times during the term of this Agreement.

B. To avoid not only actual impropriety but also the appearance of impropriety, VENDOR is expected to establish and enforce a code of conduct for all employees and Subcontractors that will help achieve the Commission's objective of maintaining integrity in its operation, as well as, follow the rules and procedures established, and from time to time, amended, by the Commission.

C. VENDOR and its Subcontractors shall disclose all written and oral agreements with all lobbyists and consultants doing work on its behalf in the State of North Carolina and before the federal government. VENDOR and its approved Subcontractors shall also comply with all state and federal lobbying laws. This Agreement may be terminated, at the sole option and discretion of the Commission, if VENDOR has not complied with these disclosure requirements.

D. VENDOR agrees to fully disclose to the Commission all matters materially affecting the Commission, this Agreement or the performance of this Agreement and all matters reasonably necessary to perform and legally required background and security investigations with respect to VENDOR, the Subcontractors, their respective officers, directors and employees, and the individuals performing services pursuant to this Agreement or otherwise for the benefit of the Commission or the State of North Carolina. In addition, VENDOR acknowledges that to the extent under Applicable Laws some or all of its employees, officers, directors and its Subcontractors and their respective employees, officers and directors may be required to submit to background and other investigations, VENDOR shall cause any such individuals or Subcontractors to fully cooperate with any such investigations and to provide all necessary information and authorizations in connection therewith. VENDOR further agrees that it will routinely update all information disclosed to the Commission pursuant to this Agreement or the RFP; including, without limitation, any breaches of all representations, warranties and additional covenants set forth in Section 15 hereof, no less often than every six (6) months; provided, however, VENDOR shall as soon as possible notify the Commission upon the occurrence of any event the effect or results of which VENDOR would be required to disclose, or to update a previous disclosure, to the Commission under this Agreement or the RFP and which materially affect the Commission, VENDOR, the Subcontractors, any of their respective officers, directors, partners, major shareholders or employees, this Agreement or the performance of this Agreement. VENDOR further agrees to notify the Commission: (i) as soon as possible, but no more than five (5) days after the filing of any criminal proceeding

or issuance of any indictment involving VENDOR or any Subcontractor or any officer, director or employee of VENDOR or any Subcontractor; and (ii) within thirty (30) days of VENDOR's first learning of any civil or administrative proceeding involving VENDOR or any Subcontractor or any officer, director or employee of VENDOR or any Subcontractor; provided, however, if any such proceeding would have a material adverse effect on VENDOR or a Subcontractor or their ability to perform pursuant to this Agreement, then such notice must be delivered to the Commission no more than five (5) days after VENDOR learns of such proceeding.

E. VENDOR must, contemporaneously with the execution of this Agreement, post and maintain at least throughout the term of this Agreement (i) a performance bond (the "Performance Bond") or letter of credit with the Commission in an amount equal to fifty thousand dollars (\$50,000), and (ii) a payment bond (the "Payment Bond") or letter of credit with the Commission in an amount equal to fifty thousand dollars (\$50,000), unless such bond or letter of credit is replaced by alternate acceptable security if approved by the Commission in its sole discretion. The security provided by VENDOR pursuant to the Performance Bond shall provide funds to the Commission in the event the Commission suffers any liability, loss, damage or expense as a result of VENDOR's failure to fully and completely perform any or all of the requirements contained in this Agreement, including, without limitation, VENDOR's obligation to indemnify the Commission pursuant hereto. The security provided by VENDOR pursuant to the Payment Bond shall provide funds to the Commission in the event the Commission suffers any liability, loss, damage or expense as a result of VENDOR's failure to fully and completely pay any obligation contained in this Agreement. The Bonds may be renewable annually, provided that: (i) each Bond provides that, in the event such Bond will not be renewed for an additional year, the Commission will be provided written notice thereof at least thirty (30) days prior to the expiration thereof; and (ii) if such Bond is not renewed for an additional year, VENDOR must obtain a replacement equivalent Bond or letter of credit to be in place so that at no time is VENDOR in violation of its obligation pursuant to this Section to maintain a performance bond and a payment bond at least throughout the term of this Agreement.

F. VENDOR shall at all times maintain at least the following types and amounts of insurance during the term of this Agreement and for a period of two (2) years thereafter:

(i) Commercial General Liability (CGL) insurance on an ISO form number CG 00 01 (or equivalent) covering claims for bodily injury, death, personal injury, or property damage occurring or arising out of the performance of this Agreement, including coverage for premises, products, and completed operations, on an occurrence basis, with limits no less than \$2,000,000 per occurrence, \$5,000,000 aggregate;

(ii) Workers Compensation insurance with statutory limits, as required by the state in which the work takes place;

(iii) Employer's Liability insurance with limits no less than \$1,000,000 per accident for bodily injury or disease. Insurer will be licensed to do business in the state in which the work takes place;

(iv) Automobile Liability insurance on an ISO form number CA 00 01 covering all hired and non-owned automobiles with limit of \$1,000,000 per accident for bodily injury and property damage;

(v) Cyber Liability, Technology Errors & Omissions, and Network Security & Privacy Liability insurance, including extended reporting conditions of two (2) years with limits no less than \$2,000,000 per claim and in the aggregate, inclusive of defense cost;

(vi) Umbrella/Excess coverage with limits of at least ten million dollars (\$10,000,000) per occurrence, in aggregate;

(vii) Business Interruption Insurance with limits not less than five million dollars (\$5,000,000); and

(viii) Such other types and amounts of insurance as the Commission shall from time to time reasonably require; and

G. Such insurance policies shall name the Commission as an additional insured, and shall provide that such policies cannot be terminated, canceled, or modified without giving VENDOR and Commission written notice at least ten (10) days prior to the effective date of any termination, cancellation, or modification. VENDOR shall be required to provide proof of insurance coverage in accordance with this Agreement and its Proposal prior to execution of this Agreement and at least annually during the term hereof. Renewed bonds (if applicable) and/or insurance policies must be submitted to the Commission within five (5) days prior to the expiration of the then existing bonds and/or insurance policies. All bonds and insurance required of VENDOR by this Agreement must be issued by companies or financial institutions which are finally rated A or better (or a comparable rating) by a nationally recognized rating agency and duly licensed, admitted and authorized to transact business in the State of North Carolina.

17. **TAXES**

The Commission will not be responsible for any taxes levied on VENDOR or any Subcontractor as a result of the execution, delivery or performance of the Services and Deliverables or this Agreement. VENDOR and Subcontractors shall pay and discharge any and all such taxes in a timely manner.

18. **TERMINATION**

A. Notwithstanding anything herein to the contrary, the Commission may cancel and terminate this Agreement if VENDOR fails to correct or cure any breach of this Agreement within three (3) business days of the earlier of: (a) VENDOR's having knowledge of such breach; or (b) VENDOR's receiving oral or written notice of such breach from the Commission; or

B. VENDOR may cancel and terminate this Agreement if the Commission, after sixty (60) calendar day's prior written notice from VENDOR, fails to correct or cure any breach of this Agreement.

C. The Commission may cancel and terminate this Agreement with thirty (30) calendar day's prior written notice to VENDOR with no early termination fees.

D. In the event that either party hereto is unable to perform any of its obligations under this Agreement, or to enjoy any of its benefits because of natural disaster, actions or

decrees of governmental bodies or communication line failure, or other events of force majeure not the fault of the affected party, the affected party shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, each party's obligations under this Agreement shall be immediately suspended. If the period of non-performance exceeds thirty (30) days from the receipt of notice of an event described in this Section, the party whose ability to perform has not been so affected may terminate this Agreement by giving written notice thereof to the other party.

- E. If, for any reason other than a breach of this Agreement by the Commission, VENDOR is unable to perform its obligations hereunder, the Commission shall acquire a usufruct in all contractual items owned by VENDOR or any Subcontractor which is used in conjunction with, and is necessary to, the performance of this Agreement, which usufruct shall exist until the expiration or termination of this Agreement.

19. INDEMNIFICATION

VENDOR agrees to indemnify and hold harmless the Commission, the Commission, its Executive Director, directors and officers, the State of North Carolina and its agencies and political subdivisions, and their respective agents, officers and employees, against any and all suits, damages, expenses (including, without limitation, court costs, attorneys' fees and other damages), losses, liabilities and claims of any kind, caused by or resulting from: (a) any breach of this Agreement or any other act or omission of VENDOR, the Subcontractors, or any of its or their respective agents or employees, whether the same may be the result of negligence, responsibility under strict liability standards, any other substandard conduct or otherwise; or (b) the development, possession, license, modifications or use of any copyrighted or non-copyrighted composition, trademark, service mark, service process, patented invention or item, trade secret, article or appliance furnished to the Commission, or used in the performance of the Services or this Agreement, by VENDOR, its employees or any Subcontractor.

20. CONFLICT RESOLUTION PROCEDURES

Prior to bringing any judicial enforcement action with respect to any claims or controversies arising in connection with the performance of this Agreement, VENDOR must first pursue and exhaust any and all remedies available to it in accordance with the dispute resolution procedures adopted by the Commission, as amended from time to time (collectively, the "**Dispute Resolution Procedures**").

21. NOTICES

A. All notices and statements provided for or required by this Agreement shall be in writing, and shall be delivered personally to the other designated party, or mailed by certified or registered mail, return receipt requested, or delivered by a recognized national overnight courier service, as follows:

If to Commission:	North Carolina State Lottery Commission 2728 Capital Boulevard, Suite 144 Raleigh, North Carolina 27604 Attn: M. Mark Michalko, Executive Director
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With copy to:
North Carolina State Lottery Commission
2728 Capital Boulevard, Suite 144
Raleigh, North Carolina 27604
Attn: William Traurig, Chief Legal Officer

If to VENDOR: [REDACTED]

B. Either party hereto may change the address and/or person to which notice is to be sent by written notice to the other party in accordance with the provisions of this Section.

22. TRANSITION PERIOD

A. For ninety (90) days, either prior to the expiration date of this Agreement, or upon notice of termination of this Agreement, VENDOR shall assist the Commission, upon written request, in extracting and/or transitioning all data in the system in the format determined by the Commission ("Transition Period").

B. The Transition Period may be modified in an SLA or as agreed upon in writing by the parties in a contract amendment.

C. During the Transition Period, VENDOR's provision of Services and Deliverables to the Commission shall continue without alteration.

D. Vendor agrees to compensate the Commission for all damages and/or losses the Commission incurs as a result of VENDOR's failure to comply with this Section.

E. Upon termination, and unless otherwise stated in an SLA, and after providing the data to the Commission as indicated above in this Section with acknowledged receipt by the Commission in writing, the VENDOR shall permanently destroy or render inaccessible any portion of the Commission's data in VENDOR'S and/or Subcontractor's possession or control following the completion and expiration of all obligations in this Section. Within thirty (30) days, VENDOR shall issue a written statement to the Commission confirming the destruction or inaccessibility of the Commission's Data.

F. The Commission at its option, may purchase additional Transition services as may be agreed upon in a supplemental agreement.

23. MISCELLANEOUS

A. This Agreement, together with the Proposal, the Answers and the RFP, contains the entire agreement and understanding concerning the subject matter hereof between the parties hereto. Notwithstanding anything herein to the contrary, in the event of an inconsistency among this Agreement, the Proposal and/or the RFP, the terms of this Agreement, as may be amended pursuant hereto, shall control the Answers, the terms of the Answers shall control the RFP, and the terms of the RFP shall control the Proposal. No waiver, termination, or discharge of this Agreement, or any of the terms or provisions hereof, shall be binding upon either party hereto unless confirmed in writing. This Agreement may not be modified or amended, except by a writing executed by both parties hereto. No waiver by either party hereto of any term or provision of this Agreement or of

any default hereunder shall affect such party's rights thereafter to enforce such term or provision or to exercise any right or remedy in the event of any other default, whether or not similar.

B. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NORTH CAROLINA. ONLY AFTER EXHAUSTION OF ALL REMEDIES AND PROCEDURES IN THE DISPUTE RESOLUTION PROCEDURES OF THE COMMISSION, IF APPLICABLE LAW PERMITS ANY FURTHER APPEALS, ANY SUCH APPEAL MUST BE BROUGHT SOLELY IN THE SUPERIOR COURT OF WAKE COUNTY, NORTH CAROLINA. VENDOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT WHICH IT MAY NOW OR HEREAFTER HAVE TO APPEAL ANY FINAL DECISIONS OF THE COMMISSION MADE PURSUANT TO THE DISPUTE RESOLUTION PROCEDURES, AND VENDOR IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY APPEAL BEING SOLELY IN THE SUPERIOR COURT OF WAKE COUNTY, NORTH CAROLINA.

C. Neither party hereto shall assign this Agreement, in whole or in part, without the prior written consent of the other party hereto, and any attempted assignment not in accordance herewith shall be null and void and of no force or effect; provided, however, nothing herein shall prevent the Commission from freely assigning this Agreement, without requiring VENDOR's prior written consent, to any entity which operates or will operate the Lottery or regulates sports wagering, horse race betting, or other authorized gaming in the state. For purposes of this Section, any sale or transfer of a controlling equity interest in, or substantially all of the assets of, VENDOR will be deemed an assignment for which the Commission's consent is required.

D. This Agreement shall be binding on VENDOR, and its Subcontractors, successors and permitted assigns.

E. The headings contained herein are for the convenience of the parties only and shall not be interpreted to limit or affect in any way the meaning of the language contained in this Agreement.

F. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute the same Agreement. Any signature page of any such counterpart, or any electronic facsimile thereof, may be attached or appended to any other counterpart to complete a fully executed counterpart of this Agreement, and any telecopy or other facsimile transmission of any signature shall be deemed an original and shall bind such party.

G. If any provision of this Agreement shall be held void, voidable, invalid, or inoperative, no other provision of this Agreement shall be affected as a result thereof, and accordingly, the remaining provisions of this Agreement shall remain in full force and effect as though such void, voidable, invalid, or inoperative provision had not been contained herein.

H. Upon the request of either party, the other party agrees to take, and VENDOR agrees to cause any Subcontractor to take, any and all actions, including, without

limitation, the execution of certificates, documents or instruments, necessary or appropriate to give effect to the terms and conditions set forth in this Agreement.

24. ADDITIONAL SERVICES

In the event the Commission desires to retain the services of VENDOR for activities or materials in addition to those contemplated by this Agreement, and VENDOR agrees to perform such services, payment therefore shall not exceed the rates identified in this Agreement unless agreed to in writing by the Commission. Any such services, the rates and the terms of payment shall be approved, in writing, prior to the commencement of any such additional work. In no event shall VENDOR or any Subcontractor be paid for work not authorized, or for work in excess of that authorized, in writing by the Commission.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement to be effective as of the Effective Date.

"COMMISSION"
**NORTH CAROLINA STATE
LOTTERY COMMISSION**

By: _____
M. Mark Michalko
Its: Executive Director

Date: _____

"VENDOR"
VENDOR FULL LEGAL NAME

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A
[PROPOSAL AND COST PROPOSAL]

EXHIBIT B
[RFP]

EXHIBIT C
[QUESTIONS AND ANSWERS]