

## REQUEST FOR PROPOSALS (RFP)

### LOTTERY CENTRAL MONITORING AND CONTROL SYSTEM #2015-01

#### RESPONSES TO WRITTEN QUESTIONS (Q&A #2) January 27, 2016

This list of questions and responses #2 (Q&A#2) is being issued to clarify certain information contained in the above named Request for Proposals (RFP). The statements and interpretations of Contract requirements, which are stated in the following responses are not binding on the State, unless the State expressly amends the RFP. Nothing in the State's responses to these questions is to be construed as agreement to or acceptance by the State of any statement or interpretation on the part of the entity asking the question as to what the Contract does or does not require. Some questions have been edited for brevity and clarity, and duplicate questions may have been combined or eliminated.

The following are questions submitted pursuant to the RFP and the State Lottery and Gaming Control Agency's ("MLGCA") responses to those questions:

**52. QUESTION:** Section 1.49 Performance Bond, Pages 49-50: a) 1.49.4 - Will the State of Maryland accept an annually renewable Performance Bond, as surety underwriters will typically offer their surety support on obligations that do not extend beyond 2-3 years? Non-renewal, cancellation or material modification of the bond by the Surety will not constitute default under this bond.

b) 1.49.6 - If any reduction of the bond amount is granted, the MLGCA shall have the right to increase the amount of the Performance Bond to any amount, up to the original amount, at any time and at the MLGCA's sole discretion. Our research indicates that Surety companies will not approve a bond that contains this language. Will the MLGCA consider an annual bond review and subsequent adjustment, if any, that could result in the same effect at each renewal?

c) Performance Bonds in the U.S. are considered conditional obligations. Forfeiture of the bond penalty (without the opportunity to remedy the situation) is not in favor with the underwriter or the insured entity. The presence of forfeiture language within the contract and bond removes any defenses that are typically offered to the vendor and/or the surety. Will the MLGCA consider a provision in the bond documents that will for an opportunity to remedy an alleged default?

**ANSWER:** a) As stated in Section 1.49.4, "The Performance Bond may be renewable annually".

b) As stated in Section 1.49.6, “The amount and duration of the reduction, if any, will be at the MLGCA’s sole discretion”. Rejection of this provision by the contractor’s surety would likely result in a request for reduction of the bond amount being disapproved by the MLGCA.

c) As stated in Section 1.49.7, “However, the surety shall have the option within thirty (30) days of notice of default to cure the default or tender funds sufficient to pay the cost of completion up to an amount not to exceed the penal sum of the bond. With the concurrence of the MLGCA, the surety may assume the remainder of the Contract to perform or sublet”.

53. **QUESTION:** Section 3.2.10 Mobile Applications, Page 65: How many downloads of each Lottery app do you currently have? How many active users?

**ANSWER:** The Total number of app downloads are:  
MD Lottery app: 125,700  
MD Lottery Keno & Racetrax app: 8,160  
My Lottery Rewards app: 33,354

The active users for the past 30 days are:  
MD Lottery app: 55,456  
MD Lottery Keno & Racetrax app: 7,739  
My Lottery Rewards app: 41,753

54. **QUESTION:** Section 3.2.10 Mobile Applications, Page 65: a) How many active MD Lottery players are using the Mobile App for Keno on average per month?

b) How many active MD Lottery players are using the Mobile App Racetrax on average per month?

c) How many sessions requesting Keno results take place, on average, per month?

d) How many sessions requesting Racetrax results take place on average per month?

e) What is the amount of data being transferred to support the mobile app request per month in Mb’s?

f) What is the current average bandwidth cost of providing data for the mobile app per month?

g) Please provide all “other” cost categories and average cost per month associated with the mobile Keno and Racetrax app.

h) How many different apps are available for Mobile, in addition to the mobile Keno and Racetrax app?

**ANSWER:** a) The average number of users per month on the app is approximately 5,600.

b) The average number of users per month on the app is approximately 5,600 according to Google Analytics. The Racetrax app is the same as the Keno app and reporting stats do not distinguish between Keno and Racetrax users.

c) The approximate average number of sessions per month according to Google Analytics is 73,000 and the average time on the app is approximately 11 minutes and 30 seconds.

d) The approximate average number of sessions per month is 73,000. The Racetrax app is the same as the Keno app and reporting stats do not distinguish between Keno and Racetrax users.

e) According to the current provider, a rough average of the amount of data being transferred based on the last period is 300GB.

f) There is no current bandwidth charge, per se. There is a hosting monthly charge. See Answer to “g)” below.

g) Monthly hosting costs are approximately \$1,000- \$1,500 per month. Monthly maintenance costs are variable and have been very minimal to date.

h) There are three additional apps: MD Lottery, the official app of the MLGCA; MD Lottery – My Lottery Rewards, a loyalty club portal for the MLGCA, and Bonus Crossword, a complementary player app to the Bonus Crossword scratch-off game

55. **QUESTION:** Section 3.4.1 #18, Page 76: Is the number of claim forms to be printed selectable by the retailer or is it fixed at 3?

**ANSWER:** The question asks about “claim forms”, but this Section of the RFP refers to the “claim ticket” which, to clarify, is different from the claim form. Regarding the claim ticket in Section 3.4.1 #18, Yes, the LCMCS shall as stated in the RFP print multiple copies of the claim ticket, specifically three copies - a receipt for the player, a receipt for the Retailer and a copy for the MLGCA. This answer in no way relates to claim forms which elsewhere in the RFP offerors are asked to propose ways to eliminate the paper claim form.

56. **QUESTION:** Section 3.4.1.6 Primary Data Center, Page 79: The requirement states that a data center may be co-located, however, all equipment, access, and personnel are required to be separate from the rest of the data center. We understand the requirement for equipment to be separately secured from other systems and customers, we do not understand why operational staff dedicated to MD must be kept separate from the rest of the data center. Please remove the requirement to have Operations staff separated from other operations staff operating other projects?

**ANSWER:** The contractor shall have staff dedicated to the MLGCA operations and separate dedicated work stations for the MLGCA dedicated staff, but they do not need to be physically separated from other staff.

57. **QUESTION:** Section 3.4.1.7 LCMCS Acceptance Testing Facility, Page 79: Is it acceptable to locate the central servers needed for the testing system (a duplicate of the PDC) equipment at the PDC or BDC, instead of at the LCMCS headquarters? We find this to be a more cost effective approach and also will allow technical staff located at the PDC or BDC to assist with any direct support needed for the testing systems central servers.

**ANSWER:** Yes, provided that connectivity and routing to the Acceptance Testing Facility is separate and isolated from production routing and that the testing facility at MLGCA's location functions as required. The MLGCA will revise this requirement as requested in the question. (See Amendment #2 to the RFP)

58. **QUESTION:** Section 3.4.2.3 Backup Data Center, Page 81; and 3.15 Internal Control System, and 3.26.5 MLGCA Customer Resource Center – There seems to be a conflict between these sections of the RFP. Section 3.4.2.3 requires that the vendor provide space in its PDC or BDC for the MLGCA Backup Data Center. Section 3.15 states that the Back-up ICS will be located in the MLGCA Back-up Data Center at the Claims Center and Back-up Instant Ticket Warehouse. Section 3.26.5 states that the vendor must supply a facility within Lanham zip code 20706 to be used as a Claims Center that references connectivity for the MLGCA's backup ICS system. This leads one to the conclusion that the MLGCA Backup Data Center, backup ICS, Claims Center, Back-up Instant Ticket Warehouse, and the vendor's PDC or BDC must be located together in Lanham zip code 20706. Should the vendor desire to co-locate its PDC in the MLGCA's headquarters building in Baltimore, this requirement for its BDC to then be located in zip code 20706 is in direct conflict with the 100 mile separation requirement for the vendor's PDC and BDC per RFP Section 3.4.2.2 Back-up Data Center (BDC) Location. Could the MLGCA review and provide definitive and non-conflicting guidance?

**ANSWER:** Section 3.15 will be revised to clarify. (See Amendment #2 to the RFP)

**59. QUESTION:** Section 3.4.2.3. #1 Backup Data Center, Page 81: Regarding dedicated and secure/segregated data center space of 200 square feet for MLGCA Backup Data Center. Because the PDC and BDC are allowed to be in the continental US, how does the Lottery plan to make use of space that is, for example, 3 states away for the BDC and or 5 states away for the PDC? How will the Lottery be able to access its own backup servers located multiple states away? Is it acceptable to place the Lottery backup servers and the 200 sq ft in the new Customer Service Center required to be in Lanham or other location such as a vendor's office location in other states? Is it acceptable to house the backup ICS system at the same facility? Is it acceptable to house the Lottery Backup servers 40 miles away from MLGCA offices (Lanham)?

**ANSWER:** The MLGCA will physically visit its backup data center as needed regardless of the location. The contractor shall provide unlimited access to the data center space designated for MLGCA backup equipment. The MLGCA will consider allowing its backup equipment to be located at an alternate location if that location meets its requirements for security and data center environmental controls. In addition, the MLGCA may ask the contractor to assist in replacing failed hard drives for its backup equipment as well as provide supervised access to manufacturer technicians as directed.

**60. QUESTION:** Section 3.9.10. #2, Page 94: States the Lottery must be able to activate and settle on a ticket-by-ticket basis. Does this require the retailer to scan each and every instant ticket's inventory barcode into the Lottery terminal at the time of sale? Are tickets activated individually when they are sold?

**ANSWER:** Yes, for specific Retailers who request it, the Retailer would be required to scan each Ticket to activate for sale.

**61. QUESTION:** Section 3.14.1. #1.d, Page 100: What is an activation pass code? Is an activation pass code required for the retailer to activate a pack of tickets?

**ANSWER:** Yes, a "Manager Passcode" is required for a Retailer to activate Tickets.

**62. QUESTION:** Section 3.15 Internal Control System (ICS), Pages 101-102: Since it is the MLGCA's specified intent to contract for the ICS systems directly and to work with that vendor to establish requirements, please provide any anticipated minimum communication circuit requirements so that prospective vendors can properly estimate costs associated with these circuits that they must supply over the course of the new contract?

**ANSWER:** A data circuit is required from the PDC to MLGCA headquarters for communication from the primary LCMCS to the primary ICS to pass transactions. A data circuit is also required to support data communication between the backup LCMCS and MLGCA headquarters for administrative access. The configuration should meet typical requirements encountered in other jurisdictions for the ICS. However, these circuits should be in place for other communication requirements (MLGCA headquarters to PDC and MLGCA headquarters to BDC). A single circuit could support multiple VLANs.

**63. QUESTION:** Section 3.19.1 Lottery Sales Force Automation (LSFA), Page 110: What model and make of device such as tablet, notebook, and printer are the sales force currently using for access to OnePlace? How many tablets, notebooks, and printers are required to be provided including units for support, training, management personnel, and any other purposes?

**ANSWER:** The MLGCA is currently using 80 i-pad Air and Epson XP410 printers. The Contractor shall be required to repair and or replace any units damaged throughout the contract term.

**64. QUESTION:** Section 3.19.2 Retailer Supply Tracking, Page 111: What is the primary method currently used to provide retailer supplies and thermal paper, delivered by UPS and courier or delivered by vendor field technicians?

**ANSWER:** Retailer supplies are currently delivered primarily by UPS and Contractor technicians.

**65. QUESTION:** Section 3.20 Retailer Website, Page 111: a) Sub-section F requires ADA and State compliance. Please provide those compliance features provided by the current vendor to meet this requirement?

b) Sub-section H requires the successful vendor to host the retailer website and provide end user support. Please provide usage statistics that reflect the average annual retailer web site data traffic and support request quantities so that prospective vendors can size their solutions to support the requirements and plan for additional growth capacity?

**ANSWER:** a) The current LCMCS contractor does not host the MLGCA Retailer website. This is done by a third-party contractor.

b) In 2015, according to Google Analytics, total homepage page views on [retailercorner.mdlottery.com](http://retailercorner.mdlottery.com) were approximately 63,000. Total page views were approximately 141,000.

66. **QUESTION:** Section 3.21.1 Installation and Support Services, Pages 112-114:

- a) With respect to Item #2 of Section 3.21.1.1, it states that new Retailers shall be installed and operational within fourteen (14) days from receipt of the installation notice from MLGCA. Will the MLGCA confirm that this period will not include any time lost due to retailers that may not have met power or equipment placement pre-requisites?
- b) With respect to Item #2.b of Section 3.21.1.3, will the MLGCA confirm that it will provide the Instant Ticket Warehouse(s)?

**ANSWER:**

- a) **Yes, correct.**
- b) **The MLGCA currently plans to provide and staff the primary Instant Ticket Warehouse, but it is open to discuss other solutions. The Contractor shall provide the secondary Warehouse, if required, as defined in Section 3.27.12.2 #4.**

67. **QUESTION:** Section 3.26.2 Task II – Host “MDLOTTERY.COM” Online Network, Page 127: In order to propose a viable solution please provide traffic and usage statistics for the current MDLOTTERY.COM environment?

**ANSWER:** In 2015, according to Google Analytics, mdlottery.com had approximately 50.2 million total sessions with an average of 4 million sessions and 567,000 users (had at least 1 session) per month.

According to the Lottery’s current hosting provider, The CDN usage (mdlottery.com is served in a cache) is approximately as follows:

- \* **Data Transfer: 30TB/year (2.5TB/month average)**
- \* **Hits (Object Requests): 2.1 billion/year (175 million/month average)**
- \* **Bandwidth: 30 mbps daily average**

68. **QUESTION:** Section 3.27.12.2. #4 Disaster Recovery, Page 138: In the event of irreparable damage or an unplanned, extended abandonment of the Instant Ticket Distribution Warehouse, the Contractor shall provide, at no additional cost to the MLGCA, an alternate Instant Ticket distribution location. This alternate distribution location shall be ready to process Instant Ticket orders within fourteen (14) days of notification that the Instant Ticket Warehouse is not available. Question: Please confirm that the vendor is required to provide both a Primary Instant Ticket Warehouse and a Backup Instant Ticket Warehouse within 14 days if the Primary Instant Ticket Warehouse is no longer usable? We did not understand that scratch ticket warehousing

and ticket packaging and distribution services are required under this RFP, please clarify?

**ANSWER: Contractor would be required to obtain and equip the backup Instant Ticket Warehouse in the event the Primary Instant Ticket Warehouse becomes unusable.**

**69. QUESTION:** Section 3.27.14 Power and Power Back-up Equipment, Page 140: This section states that “Each Facility” provide “new” uninterruptable power supply (UPS) and electrical generating capabilities. Should a prospective vendor propose to locate its PDC and/or BDC in one of its own existing multi-state data centers, would new UPS and electrical generation equipment still be required or could the existing robust and contractually maintained equipment suffice? Could the MLGCA also provide a breakdown of those specific facilities that it requires UPS and electrical generation equipment be supplied by the vendor?

**ANSWER: The RFP will be revised to delete the requirement for new equipment, provided that all equipment is properly maintained and meets all RFP requirements. (See Amendment #2 to the RFP)**

**70. QUESTION:** Section 3.30.1 (*First Instance*) Liquidated Damages, Pages 141-143:

- a) A Contractor should have prompt notice of the assessment of a Liquidated Damage as necessary to properly account for such issue and provide necessary remediation (i.e. Notice of Correction) for such condition. Will the MLGCA amend the RFP to include a provision that provides that the MLGCA will provide the written notification of the assessment of the Liquidated Damages within ninety (90) days of the MLGCA’s notice of the event that gave rise to such Liquidated Damages, or otherwise waive its right to collect such Liquidated Damages?
- b) Will the MLGCA confirm that it will not impose liquidated damages under multiple “Conditions” related to the same “incident” (i.e., will not aggregate Liquidated Damages), and instead choose the Liquidated Damages provision most applicable (at the MLGCA’s discretion) to such incident?
- c) As the MLGCA notes, Liquidated Damages are meant as a reasonable assessment of the damages that the MLGCA would incur upon the Contractor’s breach. In order to avoid the MLGCA receiving an unfair windfall if it is entitled to receive other damages in addition to liquidated damages, will the MLGCA confirm that the language in Items #5 and #6 of Section 3.30.1 that provides the MLGCA the right seek other remedies under the Contract or at law, that such



right to seek additional remedies would be in lieu of, and not in addition to, the MLGCA's right to assess Liquidated Damages?

**ANSWER:**

- a) **The RFP will be revised to allow for written notice of the assessment of Liquidated Damages within 90 days from the date of the event resolution. (See Amendment #2 to the RFP)**
- b) **Yes, correct.**
- c) **In the event of a recurring situation that requires the MLGCA to seek remedies other than Liquidated Damages, the MLGCA's right to seek such remedies shall not be precluded by the fact that Liquidated Damages may have previously been assessed.**

71. **QUESTION:** Section 4.2.2.6.20 LCMCS Modification, Enhancements and Upgrades (Ref: Section 3.23), Page 165: Should the correct reference for this requirement be 3.22, not 3.23 as shown?

**ANSWER: Yes, the reference will be corrected to 3.22. (See Amendment #1 to the RFP)**

72. **QUESTION:** How will the Economic benefit section be scored and factored into an Offeror's overall score?

**ANSWER: In Section 5.2 Technical Proposal Evaluation Criteria, Economic Benefit is listed below Level 5 Criteria in sub-Section 5.2.3.6 Additional Considerations. Section 5.2.3.6 should be title "Level 6 Criteria". (See Amendment #1 to the RFP)**

73. **QUESTION:** General - Will the MLGCA provide any performance assessments and/or reports conducted by the MLGCA or its representatives on the current LCMCS vendor.

**ANSWER: The MLGCA has no performance assessments for the current LCMCS Contractor.**

74. **QUESTION:** General – Regarding Keno Bonus, Keno Super Bonus, Multi Match, Bonus Match 5, and and 5 Card Cash, please identify any features, trademarks, patents, or other intellectual property utilized by the MLGCA's that might not be available for use by a non-incumbent vendor? For example the RFP states that MLGCA owns Keno Bonus, does this mean the MLGCA also owns Keno Super Bonus

and that a non-incumbent vendor is allowed to implement Keno Bonus and Keno Super Bonus with all the same features, rules, method of play, etc, which they operate with currently?

**ANSWER:** The RFP states that the MLGCA owns the trademark rights to certain names, including Keno Bonus. Trademark rights give the owner the right to use a name; they do not give the owner the right to features, rules, methods of play, etc. of a game. However, the MLGCA also has a perpetual, royalty-free license to the multiplier patents that apply to Keno Bonus and Keno Super Bonus, and any contractor of the MLGCA shall have a license to use those multiplier patents for games for the MLGCA in Maryland. The games Multi Match, Bonus Match 5, and 5 Card Cash are basic matrix games that feature methods of play for which no special intellectual property rights are needed.

75. **QUESTION:** What is the maximum level for online game and instant game prize payout in percent?

**ANSWER:** MLGCA's statute does not set maximum payouts for games either individually or in total.

76. **QUESTION:** Please provide a current list of the minority vendors used by the Lottery and by Scientific Games including the services or goods provided and the dollar spend?

**ANSWER:** The MLGCA does not use any Minority Business Enterprises (“MBE”). The MBEs utilized on the current contract as sub-contractors by Scientific Games International, Inc. and the goods/services they provide are listed below. The amounts paid to each are listed in the attachment to this Q&A#2.

Cox General Services (Terminated) – Inside Wiring  
Sunshine Building Services – Building Maintenance  
JMS Visual Communications  
Kennedy Personnel Services – Staffing Services  
Sue-Ann’s Office Supplies – Office Supplies  
Envision Communications – Computer Supplies  
Prism Communications, Inc. – Network Services  
Select Specialty – Printing of Training Materials  
Apariq, Inc. - Systems  
Rudolph’s Office & Computer – Office Supplies  
J&K Professional Services – Temporary Staffing  
Ingage Incentives, LLC – Loyalty Award Fulfillment  
Expedited Transportation Service, Inc. – Transportation Services  
Prime Edge Technology, Inc. – Hardware and Software  
L. Meyers & Associates – Security Paper for Terminals

**Tecknomic, LLC – Telecommunications, Computer Operations  
Systems Maintenance & Technology – Inside Wiring**

77. **QUESTION:** Please provide an electronic file in Excel format containing most recent two years sales for online and monitor games by retailer by game by bet type by fiscal year. For add on games like Powerball and Mega Millions etc., please show the sales for Powerplay and Megaplier separate.

**ANSWER:** Sales by game for the past 2 years will be posted on the MLGCA's website [mdlottery.com](http://mdlottery.com).

78. **QUESTION:** Please provide an electronic file in Excel format containing instant scratch sales by price point and instant validation by individual retailer for last two completed fiscal years?

**ANSWER:** Information relating to Instant Ticket sales for the past two years will be posted on the MLGCA's website [mdlottery.com](http://mdlottery.com).

79. **QUESTION:** Please provide copies of any minutes from meetings with retailer groups and the retailer advisory board during the last two years?

**ANSWER:** Minutes are not kept in a traditional sense at MLGCA semi-annual Regional Retailer Advisory Board meetings. Feedback from Retailers relevant to the RFP process had been solicited and is included in the RFP.

80. **QUESTION:** Please provide how many instant games are available for sale at the counter or customer service area by retailer for the most recent fiscal year?

**ANSWER:** Yes, a spreadsheet of monthly Instant Ticket Games displayed by type (ITVM, PAT, PCT, on-counter, in-counter) by Retailer will be posted on the MLGCA's website [mdlottery.com](http://mdlottery.com).

81. **QUESTION:** What approach does the Lottery use to recruit new retailers? Does the Lottery have formal retailer expansion goals? Is the Lottery currently utilizing any type of geo-demographic system for assistance with retailer expansion? If yes, what is the platform currently in use? Are there any restrictions or special requirements such as ADA accessibility for a bar or restaurant to become a lottery retailer?

**ANSWER:** The newly created Retail Recruitment Department is charged in 2016 with increasing the MLGCA's Retailer count to 5,000 locations. New Retailer leads are generated from the field Sales force of 40 District Managers to a team of

three Business Development Managers who manage the application and licensing process. The MLGCA is open to assistance from a variety of sources for Retailer expansion. The MLGCA is required to survey ADA accessibility of all prospective Retail locations.

82. **QUESTION:** What work has previously been done to expand the retailer base and or engage corporate accounts and how successful have they been?

**ANSWER:** The MLGCA Corporate Account Management team continually works to expand and/or engage corporate accounts. The MLGCA is looking for ways to be more successful than it has been in the past.

83. **QUESTION:** Please provide the Lottery's annual marketing plans for players and retailers for the past 2 years and the upcoming year.

**ANSWER:** Flowcharts and planning decks/presentations that will address the MLGCA's annual marketing plans for players will be posted on the MLGCA's website [mdlottery.com](http://mdlottery.com). There is no separate marketing plan for Retailers for this period.

84. **QUESTION:** Please provide details and annual plans related to retailer and player promotions that have been run over the past two years.

**ANSWER:** Information relating to player promotions that have been run over the past two years will be posted on the MLGCA's website [mdlottery.com](http://mdlottery.com).

85. **QUESTION:** How many people are currently registered and how many are active in the Player's Club?

**ANSWER:** The MLGCA currently has 205,200 verified My Lottery Rewards members. In the last 60 days, My Lottery Rewards had 65,112 unique enterers.

86. **QUESTION:** Are there any monitor game theme restrictions for other virtual sports e.g. greyhound, football or car racing?

**ANSWER:** No.

87. **QUESTION:** Please provide organizational charts of staffing provided by the current vendors GTECH (IGT) and SGI for the Lottery.

**ANSWER: Any MLGCA contracts with GTECH are unrelated to this RFP. MLGCA has no organizational chart from the current Contractor.**

88. **QUESTION:** What is the number of field service technicians and base locations throughout the state?

**ANSWER: Offerors should propose staffing levels and site locations for field service staff based on the equipment being proposed and the geography of Maryland. Staffing levels and locations used by the current Contractor are not relevant and will not be provided.**

89. **QUESTION:** Can the MLGCA provide “vector based” artwork for the Maryland Lottery Logo and for the Maryland Lottery games.

**ANSWER: Yes, the requested artwork will be posted on the MLGCA’s website [mdlottery.com](http://mdlottery.com).**

90. **QUESTION:** Section 1.53 Fidelity Bond, Page 51: The Contractor shall submit to the Procurement Officer, within ten (10) days after notice of recommended award, a Fidelity Bond in the amount of Ten Million Dollars (\$10,000,000.00). Such bonds are no longer available in the marketplace and have been replaced with the Vendor’s Executive Risk-Crime and Fiduciary liability policies. Will the Lottery accept such insurance in lieu of the “Fidelity Bond”?

**ANSWER: Yes, Crime Insurance with Employee Dishonesty coverage is an acceptable form of Fidelity Bond.**

91. **QUESTION:** Section 3.32.4.4 CYBER SECURITY/DATA BREACH INSURANCE, Page 155: The Contractor shall maintain Cyber Security/Data Breach Insurance in the amount of \$10,000,000 per occurrence. The coverage shall be valid at all locations where work is performed or data or other information concerning the State’s claimants and/or employees is processed or stored. In order to accommodate flexibility in the acquisition and cost of the required insurance, will the lottery accept the limits on the required cyber insurance being provided in primary and excess layers?

**ANSWER: Yes, coverage limits in primary and excess levels is acceptable.**

92. **QUESTION:** Section 3.30.17 Performance; 3.30.17.1 Condition, Page 148: Please strike out the sentence “*The Send-to-Cut time shall be under two (2) seconds 99% of the time*” or change to 3 seconds because 2 seconds is not feasible due to the high cost that would be required in order to provide this performance level.

**ANSWER:** The RFP, as previously revised by Amendment #1, will be revised to change the Send-to-Cut time to three (3) seconds 99% of the time and at no time exceed four (4) seconds. (See Amendment #2 to the RFP)