

**State of Arkansas  
ARKANSAS LOTTERY COMMISSION**

**Little Rock, Arkansas**

**SECOND ADDENDUM**

TO: Vendors  
FROM: Arkansas Lottery Commission  
DATE: 07/15/09  
SUBJECT: "ALC-090001 Instant Ticket Lottery Game Services"

The following change(s) to the above referenced Request for Proposal have been made as designated below:

- Change of specification(s)
- Additional specification(s)
- Change of bid opening time and date
- Other

**CHANGE OF SPECIFICATIONS**

- **PAGE 3, PAST PERFORMANCE:** Delete "In accordance with provisions of Arkansas Lottery Commission Major Procurement Rules Section (7)(C)(iii)(g)" and substitute "In accordance with provisions of Arkansas Lottery Commission Major Procurement Rules Section (7)(C)(x)(g)".
- **PAGE 6, SECTION 1.8:** Delete "Untimely vending machine repair" and "Unavailability of the telemarketing and Inventory Control System" from the bullet points of this Section.
- **PAGE 7, SECTION 1.13, PARAGRAPH 1:** Delete "performance security in an amount of at least two percent (2%) of the total proposal price submitted by the Vendor" and substitute "performance security in an amount of Five million dollars (\$5,000,000.00)".
- **PAGE 7, SECTION 1.13, PARAGRAPH 1:** Insert the following sentence at the end of Paragraph 1:  
  
"The performance security may be renewed on an annual basis"
- **PAGE 8, SECTION 1.14, PARAGRAPH 4:** Delete "descriptive information concerning subcontractor's organizational activities" and substitute "descriptive information concerning subcontractor's business organization".
- **PAGE 8, SECTION 1.18, PARAGRAPH 2:** Delete "article, or appliance furnished or used in the performance of the Contract." and substitute "article, or appliance furnished by vendor or used in the performance of the Contract."
- **PAGE 8, SECTION 1.19, PARAGRAPH 1:** Insert the words "and that are developed solely for use by the ALC" at the end of the first sentence of Paragraph 1.

- **PAGE 8, SECTION 1.19, PARAGRAPH 3:** Delete "The Successful Vendor grants to the ALC a perpetual, royalty free license" and substitute "The Successful Vendor grants to the ALC an annual, royalty free license".
- **PAGE 9, SECTION 1.19, PARAGRAPH 4:** Delete "The Successful Vendor agrees to grant the ALC non-exclusive intellectual property usage rights for games and properties owned by the Vendor at no cost during the term of the Contract period of this Proposal." and substitute "The Successful Vendor agrees to grant the ALC non-exclusive intellectual property usage rights for online games and properties owned by the Vendor at no cost during the term of the Contract period of this Proposal."
- **PAGE 9, SECTION 1.24, PARAGRAPH 1:** Delete "The Vendor shall be bound to confidentiality of any information" and substitute "The Vendor shall be bound to confidentiality of any confidential information".
- **PAGE 11, SECTION 1.28, PARAGRAPH 1:** Delete: "in the ALC's sole judgment" and substitute "in the ALC's reasonable judgment".
- **PAGE 11, SECTION 2.0, PARAGRAPH 2:** Delete the sentence "It plans to employ up to ninety (90) people statewide and have two (2) district and prize payment center offices across the state as well as a headquarters and prize payment center in Little Rock, Arkansas by the start-up of instant ticket sales on or before October 29, 2009." And substitute "It plans to employ approximately ninety (90) people statewide and plans to staff and operate four (4) prize payment centers, including a headquarters located in the Little Rock and three (3) district offices outside of Little Rock by the start-up of instant ticket sales on or before October 29, 2009"
- **PAGE 11, SECTION 2.0, PARAGRAPH 4:** Delete "two thousand five hundred (2,500) and its retailer base may be expanded to up to five thousand (5,000)" and substitute "two thousand five hundred (2,500) and its retailer base may be expanded to up to three thousand two-hundred (3,200)".
- **PAGE 15 & 16, SECTION 3.5, PARAGRAPH 3:** Insert the following sentence to the end of Paragraph 3:  
  
"The minimum requirement of four thousand square feet (4,000 sq. ft.) of secured, segregated space for ALC described in this Paragraph shall be in addition to the requirement of nine thousand square feet (9,000 sq. ft.) of secured warehouse space for use by ALC."
- **PAGE 16, SECTION 3.5, PARAGRAPH 4:** Insert the following sentence to the end of Paragraph 4:  
  
"The minimum requirement space for the three (3) lockable offices described in this paragraph shall be in addition to the minimum square footage listed in Paragraph 3 of this Section."
- **PAGE 17, SECTION 3.9, PARAGRAPH 2:** Delete "online game supplies" and substitute "game supplies" in the parentheses in Paragraph 2 of this Section.
- **PAGE 18, SECTION 3.14:** Delete the sentence "At least twenty thousand (20,000) single unit instant ticket dispensers or their equivalent must be provided each year during the Contract term." and substitute "At least six thousand (6,000) twelve (12) game unit instant ticket dispensers at start-up, or their equivalent, with up to fifteen

percent (15%) replacement units or their equivalent provided each year during the Contract term.”

- **PAGE 20, SECTION 4.1:** Delete the words “Crime insurance in the amount of at least \$5,000,000.00” from the bullet points in this Section.
- **ALC-090001 INSTANT TICKET LOTTERY GAME SERVICES REQUEST FOR PROPOSAL DATED JUNE 19, 2009 AND ADDENDUM TO ALC-090001 INSTANT TICKET LOTTERY GAME SERVICES REQUEST FOR PROPOSAL JUNE 30, 2009:** Delete all references to “Official Price Proposal Sheet” and substitute “Official Instant Ticket Lottery game Services Proposal Price Sheet”.

**ADDITIONAL SPECIFICATIONS**

- **SECTION 5. EVALUATION CRITERIA FOR SELECTION:** Add the following after paragraph five (5):

**EVALUATION CRITERIA:** Lowest Overall Cost Proposal(s) and Earliest Start Date Proposal(s):

The Lowest Overall Cost Proposal will receive the maximum allocated points (Fifty – 50 points). All other proposals will receive a percentage (%) of the points available based on the following formula: The base cost relationship to the lowest overall costs proposal submitted will be allocated according to the following formula:  $\text{Lowest Overall Costs Proposed} / \text{Other Overall Proposed Costs Response(s)} \times \text{Fifty (50) Evaluation Criteria Points} = \text{Points Awarded}$ .

The Earliest Start Date Proposal asks the Vendor to place such a proposed start date on which they will offer a fully functional system in the appropriate column and comply with all other aspects of the Request for Proposal. The formula will be as follows:  $\text{Other Proposed Instant Game Start Date Response(s)} / \text{Earliest Proposed Instant Games Start Date Response(s)} \times 5 \text{ Evaluation Criteria Points} = \text{Points Awarded}$ .

A start date of 10/29/09 or beyond will receive zero (0) evaluation criteria points for the Instant Ticket Lottery Game Services Contract.

**Bid opening date and time will remain the same.**

The specifications by virtue of this addendum become a permanent addition to the above-referenced Request for Proposal. FAILURE TO RETURN THIS SIGNED ADDENDUM MAY RESULT IN REJECTION OF YOUR BID. BIDS WILL BE ACCEPTED UNTIL THE TIME AND DATE SPECIFIED. THE BID ENVELOPE MUST BE SEALED AND SHOULD BE PROPERLY MARKED WITH THE BID NUMBER, DATE, AND HOUR OF BID OPENING AND BIDDER'S RETURN ADDRESS. IT IS NOT NECESSARY TO RETURN "NO BIDS" TO THE ARKANSAS LOTTERY COMMISSION.

Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

