

Questions and Answers - Business Plan - SP-15-0097

| Question # | Section | Page # | Question | Answers |
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| 1 | 3.9 I | 18 | In the Vendor Disclosures the document requires information regarding “contracts to supply gaming goods and service.” Does “gaming goods and services” refer to goods and services used in the actual games (i.e. drawings, tickets, gaming systems) or does it also refer to consulting services provided to lotteries? | See Addendum 1, Sub-Section 3.9 (I). |
| 2 | 1.15 | 5 | Are financial, judicial, and criminal records required by the bid documents become public record? | See Sub-Section 1.15 of the RFQ and The Arkansas Freedom of Information Act (FOIA). |
| 3 | E.4 | Tech Proposal Pkt. Pg. 2 | Tech Proposal requires four letters of recommendations from the last two contracts. Is this four from each contract or two from each for a total of four? Is there any value to providing letters of recommendations from more than two contracts? | See Addendum 1 for Revised Tech Proposal Pkt. Pg. 2. |
| 4 | 2 | 1.1 | The RFQ says it is seeking services of “an independent consulting firm.” Can companies that provide services to OAL’s gaming suppliers be considered independent? | Yes |
| 5 | | | Would entering into a contract to provide services under this RFQ preclude a company from responding to bids to provide gaming services to the OAL over the next seven years? | No |

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| 6 | 3.12 | 19 | The RFQ has offered two alternatives for Performance Security (3.12). A third option, frequently used in lottery contracts, would be an irrevocable letter of credit—this provides the same surety as either of the other instruments but allows the vendor more flexibility in financing the surety. Could the RFQ be amended to allow an irrevocable letter of credit from a commercial bank? | See Addendum 1, Sub-Section 3.12. |
| 7 | 1.8 | 3-4 | It appears that this request for qualification does not require pricing. Is that correct? | See Addendum 1, Sub-Section 1.8 (A) (5). |
| 8 | 1.4 | 2 | Kindly clarify the meaning of the phrase: <i>“Vendor’s questions will be answered as a courtesy and at Vendor’s own risk”</i> . | See Addendum 1, Sub-Section 1.4. |
| 9 | 1.8 (B)(1)(d) | 4 | Delivery of physical copies within 24hrs from request may be a challenge especially for an out-of-state or international vendor. Would such copies be acceptable in electronic format? If the answer above is no, are we correct to assume that the physical copies can be printouts of the proposal, i.e. unsigned copies? | No, Copies must be delivered in the media as required by the State and must include all signatures. |

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| 10 | 1.13 | 5 | Vendor has the capacity and anticipates carrying out the entire assignment without the use of any subcontractors. However if after envisaged award and thorough requirement analysis the requirement for a subcontractor arises, can such be declared (and vetted) at the time? | Yes it is possible, but OAL shall have the right to approve or deny the request or subcontractor(s). |
| 11 | 1.18 B | 6-7 | “The State shall solely determine the items to be negotiated.” Are we correct to assume that such items will be made known to the apparent qualified Vendor in advance of the negotiation commencement and that it will be given a chance to revert with comments? | Yes |
| 12 | 1.21 | 7 | Vendor X is not required by law to have an equal opportunity policy document. It is however an equal opportunity employer. It is our understanding that the submission of a written statement of this fact together with a signed equal employment opportunity policy statement, including willingness to abide with the relevant requirements of the State of Arkansas should we be awarded the bid, will suffice for the purposes of the proposal. Please confirm that our understanding is correct. | See Sub-section 1.21 – Confirmed. |
| 13 | 3.1 | 13 | 1. It is our understanding that the five (5) years mentioned in subsections B, C and G, refers to the time lapsed between the date of proposal submission and the <i>end</i> | 1. Yes |

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| | | | <p>of the presented projects/jurisdiction assignment. Please confirm that our understanding is correct.</p> <p>2. We further understand that the Vendor’s prior experience of developing Best Practices for the achievement of the stated Scope of Work, fall within the scope of this section 3.1. Kindly confirm our understanding.</p> <p>3. Vendor X is comprised of a team of independently contracted consultants, all having significant lottery experience at their own right even prior to their involvement with Vendor X As such expertise is inherent in Vendor X offering, we understand that the “own” lottery experience of the individual consultants that will be deployed in Arkansas may also be used for satisfying the scope of this section 3.1, in addition to that of Vendor X as a company. Please advise whether our understanding is correct.</p> | <p>2. The State has not set a requirement regarding “Best Practices”. Vendors must meet all requirements as stated in 3.1 and may include in their response any information they feel is relevant to the required information in the Technical Response Packet.</p> <p>3. Your understanding is correct.</p> |
| 14 | 3.2 A | 13 | <p>Vendor X strives to ensure the dignity of all client jurisdictions is respected. While we anticipate staff of OAL will interact with us to make sure we understand any particular dignity issues in Arkansas, we would also appreciate any direction to sources of relevant information to enable us</p> | <p>OAL has no specific sources of relevant information.</p> |

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| | | | to be ahead of the curve on this topic. | |
| 15 | 3.2 H | 12 | We understand that the provision of the stated items shall be in accordance to the outcome of the pricing negotiations and the resulting final contract. Please confirm whether our understanding is correct. | Confirmed |
| 16 | 3.3 D | 15 | It may be beneficial and cost effective for some of the meetings to take place via voice or video conferencing. Would this be acceptable to OSP? | This may be acceptable for some meetings. It will depend entirely on the subject of the meeting and the individuals who will need to attend from or on behalf of OAL. OAL will discuss this more fully with the Successful Vendor. |
| 17 | 3.9 F | 17 | This requirement is not directly applicable to Vendor X. In accordance to the <i>Double Taxation Avoidance Convention</i> . Vendor X, as a is without an office in the United States, qualifies for and is entitled to conduct business in the United States without being subject to taxation in the United States. We assume that a signed statement of this fact would suffice to satisfy the specific requirement. Please confirm that our understanding is correct. | The requirement shall stand as written. |
| 18 | 3.12 | 19 | This section is in conflict with section 1.3. Given that no pricing proposal is part of this bid, how does OSP envisage that the apparent successful Vendor is able to submit a performance security equal to the value of the contract, prior to the conclusion of the pricing negotiations and hence the exact definition of the contract value? Please | This is not a conflict. The Vendor receiving the highest ranking score for their technical proposal shall be selected as the apparent qualified Vendor. OAL will then enter into pricing negotiations with that qualified Vendor. <i>Per Section 1.3</i> . Once the pricing negotiations are successfully finalized, the OAL will issue a Notice of Intent to Award Contract. The successful Vendor will know the contract value at that time and must submit |

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| | | | clarify or amend accordingly. | the performance security within ten working days from the date it receives the Notice of Intent to Award Contract. <i>Per Section 3.12</i> |
| 19 | 5.1 G | 22 | It is our understanding that such registration is required after the Vendor has been selected. Kindly confirm that our understanding is correct. | Confirmed |
| 20 | 3.10 | 18 | RFQ asks a vendor to disclose any civil or criminal litigation or indictment involving such Vendor. We are a large nationally and internationally recognized financial advisory service provider. We occasionally, though rarely, are named as a defendant in civil litigation and have no criminal actions pending. Can we simply acknowledge this in our response or are we required to provide specific details? Doing the latter is problematic given our size and the confidentiality we must adhere to when dealing with client-related matters. | See Addendum 1, Sub-section 3.10 |