

The Commonwealth of Massachusetts
Massachusetts State Lottery Commission
150 Mount Vernon Street, Dorchester, MA 02125



REQUEST FOR RESPONSE

Document Title:
Full-Service iLottery Platform and Related Services

COMMBUYS Bid Number: BD-25-1062-LOT-LOTDO-115053
MSLC Document Number: RFR LOT # 2601

Intent to Post Release Date: April 14, 2025
RFR Release Date: April 25, 2025
RFR Response Due Date/Time: June 13, 2025, at 10:00 AM

Please note: This is a single document associated with a complete Bid (also referred to as Solicitation) that can be found on www.COMMBUYS.com. All Bidders are responsible for reviewing and adhering to all information, forms and requirements for the entire Bid, which are all incorporated into the Bid. Bidders may also contact the COMMBUYS Helpdesk at COMMBUYS@state.ma.us or the COMMBUYS Helpline at 1-888-MA-STATE. The Helpline is staffed from 8:00 a.m. to 5:00 p.m. Monday through Friday Eastern Standard or Daylight time, as applicable, except on federal, state and Suffolk County holidays.

1	REQUEST FOR RESPONSE INFORMATION	10
1.1	<i>BACKGROUND.....</i>	10
1.2	<i>OBJECTIVES</i>	10
1.3	<i>DEFINITIONS</i>	12
1.4	<i>RFR CALENDAR/TIMELINE.....</i>	12
1.4.1	Intend to Bid	13
1.4.2	Bidder Questions	14
1.5	<i>RFR INSTRUCTIONS</i>	14
1.5.1	Response Submission.....	14
1.5.2	Response Format	15
1.5.3	Standard Compliance Box.....	16
1.5.3.1	Significance	16
1.5.3.2	Response Type	16
1.5.4	Cost Proposal	16
1.5.5	Response Provisions	17
1.5.6	Disqualification of Responses	18
1.6	<i>RFR EVALUATION PROCESS.....</i>	18
1.6.1	Phase I Review	18
1.6.2	Phase II Review	18
1.6.3	Phase III Review	18
1.7	<i>PRESENTATIONS / INTERVIEWS</i>	19
1.8	<i>RFR TERMS AND CONDITIONS</i>	19
1.8.1	RFR General Information	19
1.8.2	Procurement Specifications	20
1.8.2.1	Alternatives	20
1.8.2.2	Best Value Selection and Negotiation.....	20
1.8.2.3	Bidder Protest	20
1.8.2.4	Bidder Communication	20
1.8.2.5	Brand Name or Equal	21
1.8.2.6	Contract Manager/Representative	21
1.8.2.7	Change in Financial Condition.....	21
1.8.2.8	COMMBUYS Market Center	21
1.8.2.9	COMMBUYS Subscription	22
1.8.2.10	Conflict of Interest	22
1.8.2.11	Costs	22
1.8.2.12	Electronic Communication/Update of Bidder’s/Vendor’s Contact Information	23
1.8.2.13	Environmental Response Submission Compliance	23
1.8.2.14	Estimated Provisions.....	23
1.8.2.15	Freight.....	24
1.8.2.16	Travel Expenses	24
1.8.2.17	Mandatories and Desirables	24
1.8.2.18	Minimum Bid Duration	24
1.8.2.19	News Releases	24
1.8.2.20	Payments	24
1.8.2.21	Prime Vendor Responsibility.....	24
1.8.2.22	Public Records.....	25
1.8.2.23	Reasonable Accommodation	25
1.8.2.24	Restriction on the Use of the Commonwealth Seal.....	25
1.8.2.25	Prohibition Against Selling or Distributing Information.....	25

Full-Service iLottery Platform and Related Services

1.8.2.26	Force Majeure.....	25
1.8.2.27	State Data	25
1.8.2.28	Intellectual Property	27
1.8.2.29	Confidentiality of Proposal	28
1.8.2.30	Confidential Information	28
1.8.2.31	Data Privacy and IT Security	29
1.8.2.32	Warranties	29
1.8.2.33	Performance Guarantee Bond	29
1.8.2.34	Insurance	29
1.8.2.35	Remittance to the MSLC	30
1.8.2.36	Infringement Remedies	30
1.8.2.37	Entire Agreement and Order of Precedence	30
1.9	COMPONENTS OF PROCUREMENT	31
1.9.1	Duration and Renewal Options.....	31
1.9.2	Acquisition Method	31
1.9.3	Single or Multiple Contracts	31
1.9.4	Adding Vendors a After Initial Contract Award	31
1.9.5	Contract Guidelines	32
1.9.6	Contract Performance and Additional Business Specifications	32
1.9.6.1	Evaluation and Selection of Bidder	32
1.9.6.2	Change in Terms.....	32
1.9.6.3	Contract Negotiation and Amendments	32
1.9.6.4	Termination or Suspension	32
1.9.6.5	Transition Responsibilities	32
1.9.6.6	Permits and Compliance	33
1.9.6.7	Rejection of Proposals.....	33
1.9.6.8	Fees Subject to MSLC Signatory Authorization	33
1.9.6.9	Confidentiality Policy Regarding Bidder’s Support Staff and/or Vendors	33
1.9.6.10	Concurrent Contracts Running (Renewals and Transitions)	33
1.9.6.11	Price Limitation	33
1.9.6.12	Submission of Proposal Materials and Presentation	34
1.9.6.13	Fiduciary Status of the Bidder/Firm; Chapter 268A.....	34
1.9.6.14	Security Breach Law, M.G.L. c. 93H	34
1.9.6.15	Security and Confidentiality.....	34
1.9.6.16	Audit	34
1.9.6.17	Prevailing Wage	34
2	PHASE I – MANDATORY FORMS AND COMPLIANCE	35
2.1	MINIMUM QUALIFICATIONS.....	35
2.2	LEGAL AND OTHER REQUIREMENTS	35
2.3	MANDATORY FORMS AND ENCLOSURES.....	35
3	PHASE II - TECHNICAL REQUIREMENTS	36
3.1	Gaming System	36
3.1.1	Configuration at the Primary Data Center (PDC)	36
3.1.1.1	Mission Critical Servers	37
3.1.1.2	Failover.....	37
3.1.1.3	Operations Procedures	37
3.1.1.4	Secure Connections.....	38
3.1.1.5	System Performance and Scalability	38

Full-Service iLottery Platform and Related Services

3.1.1.6	Time-Synchronizing.....	38
3.1.1.7	Disaster Recovery.....	39
3.1.1.8	Logging.....	39
3.1.2	<i>Configuration at the Backup Data Center (BDC)</i>	39
3.1.2.1	Backup Systems.....	40
3.1.2.2	System Backup Sizing.....	40
3.1.2.3	Secure Connections.....	40
3.1.2.4	Time Synchronizing.....	40
3.1.2.5	Disaster Recovery.....	41
3.1.2.6	Logging.....	41
3.1.3	<i>System Security and Control Features and Functions</i>	41
3.1.3.1	Notifications.....	41
3.1.3.2	Auditing.....	41
3.1.3.3	Transaction Research.....	42
3.1.3.4	Unique Transaction Numbers.....	42
3.1.3.5	Transactions Protected.....	42
3.1.3.6	Unauthorized Access and Irregular Activity.....	42
3.1.3.7	Authentication, Authorization and Access Controls.....	43
3.1.3.8	System Integrity.....	43
3.1.3.9	Software Checksums.....	43
3.1.3.10	Game Monitoring.....	43
3.1.3.11	Secure On-Site and Off-Site Storage.....	44
3.1.3.12	Anomalous Condition Reporting.....	44
3.1.3.13	Principle of Least Privilege.....	44
3.1.3.14	Compliance with Security Requirements.....	44
3.1.3.15	Innovation.....	45
3.1.3.16	Additional System Controls.....	45
3.1.3.17	Maintenance Requirements.....	45
3.1.3.18	iLottery System Environments.....	45
3.1.3.19	Daylight Savings Support.....	46
3.1.4	<i>Performance Criteria</i>	46
3.1.5	<i>Disaster Recovery Plan</i>	47
3.1.6	<i>Communication Networks</i>	48
3.1.6.1	Network Design and Implementation.....	48
3.1.6.2	Network Operating Features.....	49
3.1.6.2.1	Fault notification.....	49
3.1.6.2.2	Secure External Transmissions.....	49
3.1.6.2.3	Protocol for Incomplete Transactions.....	49
3.1.6.2.4	Publicly Available Communications Protocols.....	49
3.1.6.2.5	Strong Network Security.....	50
3.1.6.2.6	Network Device Access.....	50
3.1.6.2.7	Principle of Least Privilege.....	50
3.1.6.2.8	Compliance with Network Security Requirements.....	50
3.1.6.2.9	Protection against Unauthorized Access or Service Disruption.....	51
3.1.6.2.10	Bandwidth.....	51
3.1.6.2.11	Connection to Systems and Networks Not Dedicated/Private.....	51
3.1.6.2.12	Other Network Security Controls.....	51
3.1.6.3	Network Administration Services.....	51
3.1.6.3.1	Configuration Management.....	52
3.1.6.3.2	Performance Management.....	52
3.1.6.3.3	Carrier Interface.....	52

Full-Service iLottery Platform and Related Services

3.1.6.4	Network Monitoring and Fault Resolution	52
3.1.6.4.1	Network Monitoring System	52
3.1.6.4.2	Network Event Recording	53
3.1.6.4.3	Network Monitoring Protocols	53
3.1.6.4.4	Communications Expertise	53
3.1.7	<i>Internal Control System (ICS)</i>	53
3.1.7.1	ICS Configuration	53
3.1.7.2	ICS Reporting.....	54
3.1.7.3	ICS Balancing (Retail and iLottery)	54
3.1.7.4	ICS Interface Files	54
3.1.7.5	ICS Documentation	54
3.1.7.6	ICS Maintenance	54
3.1.7.7	ICS Lockdown Alternative	55
3.1.7.8	ICS Security.....	55
3.1.8	<i>Drawing Controls</i>	55
3.1.8.1	Game Close	56
3.1.8.2	Closing, Drawing, and Cashing Time Window	56
3.1.8.3	Drawing Information.....	56
3.1.8.4	Winning Numbers API Driven Entry	57
3.1.8.5	Multiple Winners per Tier	57
3.1.8.6	Roll to Next Drawing	57
3.1.8.7	Parimutuel Support.....	57
3.1.8.8	Automated Data Exchange.....	57
3.1.9	<i>System Enhancements and Change Management</i>	58
3.1.9.1	Project Management	58
3.1.9.2	Requirement Gathering Management.....	58
3.1.9.3	Release Management	58
3.1.9.4	Issue Tracking System	58
3.1.9.5	Enhancement Process	59
3.2	<i>Player Account Management</i>	59
3.2.1	Know Your Customer (KYC).....	59
3.2.2	Player Registration.....	59
3.2.3	Secure Upload Center	60
3.2.4	Exception Handling	60
3.2.5	Player Geolocation Services (GLS)	60
3.2.6	Player Authentication	60
3.2.7	Password Reset.....	61
3.2.8	Player Information	61
3.2.9	Player Wallets	61
3.2.9.1	Account Deposit and Withdrawals.....	62
3.2.10	Player Account Security	62
3.2.11	Fraudulent Accounts.....	62
3.2.11.1	Fraudulent Account Liability	63
3.2.12	Player Data and History	63
3.2.13	Limited Access Accounts.....	63
3.2.14	Locking/Closing/Terminating Player Accounts	64
3.2.15	Player Support and FAQ.....	64
3.2.15.1	Security Support	64
3.3	<i>Player Account Migration</i>	64
3.4	<i>Website and Mobile App Integration</i>	64

Full-Service iLottery Platform and Related Services

3.4.1	Website and Mobile App Integration Plan	65
3.4.2	Retail Eligible Players	65
3.4.3	Out-of-State Players.....	65
3.4.4	Accessibility.....	65
3.5	<i>Claims and Payments</i>	66
3.5.1	Payment Methods	66
3.5.2	Claims.....	67
3.5.3	Payments	68
3.5.3.1	Payment Acceptance	69
3.5.3.2	Payment Issuance	69
3.5.3.2.1	Anti-Money Laundering (AML) Compliance.....	70
3.5.3.2.2	Claim Form	70
3.5.3.2.3	Prize Payments.....	70
3.5.3.2.4	Claim Center Prize Payments	70
3.5.3.2.5	Annuity Payments	71
3.5.3.2.6	Debt Offset Checks.....	72
3.5.3.2.7	Uncashed Winning Wagers	72
3.5.3.2.8	Cashing Policy.....	72
3.5.3.2.9	Tax Withholding Reporting	72
3.5.3.2.10	Retention of Prize Winners	73
3.5.3.2.11	Reporting.....	73
3.5.3.2.12	Exporting of Data	73
3.5.3.2.13	Winners File	73
3.5.3.2.14	Claim Information	74
3.5.3.2.15	Claim Payment Activity	74
3.5.3.2.16	One-Time Cashing	74
3.5.3.2.17	Document Storage	74
3.5.3.2.18	Prize Claim Hold	74
3.5.3.2.19	Completion of Prize Claim.....	74
3.5.3.2.20	Exceptions and Overrides.....	75
3.5.3.2.21	Payment Integration	75
3.6	<i>Back-Office System</i>	75
3.6.1	Player Account Management	76
3.6.2	Content Management System (CMS)	76
3.6.3	Claims.....	76
3.6.4	Payments Integration – Taxes and Offsets	77
3.6.5	Game Management	77
3.6.6	Financial Management	77
3.6.7	Audits and Audit Trails.....	78
3.6.8	Single Sign on	78
3.6.9	Users and Access Control.....	79
3.6.10	Training	79
3.6.11	Additional Information	79
3.7	<i>Games</i>	79
3.7.1	Games Support	80
3.7.2	Industry Standard Certification(s).....	81
3.7.3	eInstants	81
3.7.3.1	Systematic Management and Third-Party Integration.....	81
3.7.3.2	eInstants Requirements	82
3.7.3.3	Game Studio.....	82
3.7.3.4	Customizations.....	83
3.7.3.5	Bespoke Games.....	83
3.7.3.6	Progressives	83

Full-Service iLottery Platform and Related Services

3.7.3.7	eInstant Licensed Properties.....	83
3.7.3.8	eInstant Licensed Products	84
3.7.3.9	eInstant Branded Products	84
3.7.3.10	Launch Process	84
3.7.3.11	Strategic Plan	84
3.7.3.12	eInstant Documentation.....	84
3.7.3.13	eInstant Marketing Package	84
3.7.3.14	eInstant Launch Team.....	85
3.7.3.15	Price Points	85
3.7.3.16	Game Controls	85
3.7.3.17	Personalization	85
3.7.3.18	MSLC Standards.....	85
3.7.3.19	eInstant Custom Games.....	85
3.7.3.20	Virtual Games	86
3.7.3.21	Experiential Prizes.....	86
3.7.3.22	Additional Features.....	86
3.7.4	Draw Based Games	86
3.7.4.1	Examples	86
3.7.4.2	Purchase Options	87
3.7.4.3	Purchase Features.....	87
3.7.4.4	Special Features	87
3.7.4.5	Game Changes	87
3.7.4.6	Parimutuel Games.....	87
3.7.4.7	Additional Games	87
3.7.4.8	Monitor Style Games	88
3.7.4.9	Supporting Information	88
3.7.4.10	Step Down Management.....	88
3.8	<i>Marketing</i>	88
3.8.1	Marketing Strategy Meetings	89
3.8.2	Annual Marketing Plan	89
3.8.3	Player Acquisition	90
3.8.4	Customer Relationship Management (CRM)	90
3.8.5	Marketing Technology (MarTech) Stack	91
3.8.6	Bonusing and Promotional Capabilities	92
3.8.7	Rewards/Loyalty Program	92
3.8.8	Paid Media Strategy.....	92
3.8.9	Creative Development	92
3.8.10	Affiliate Program.....	93
3.8.11	Annual Research	93
3.8.12	Additional Services.....	94
3.9	<i>Retail Inclusions</i>	94
3.10	<i>Data and Analytics</i>	95
3.10.1	Player Data.....	96
3.10.2	Data Warehouse	96
3.11	<i>Customer Support Center</i>	98
3.11.1	CSC Player Support Combined	98
3.11.2	CSC Location	98
3.11.3	CSC Staffing Hours	99
3.11.4	CSC Information Retention	99
3.11.5	CSC Player History.....	99
3.11.6	CSC Integration with CRM.....	99

Full-Service iLottery Platform and Related Services

3.11.7	CSC System Development	99
3.11.8	CSC ADA Communications	100
3.11.9	CSC Supported Languages	100
3.11.10	CSC AI and Automation Details	100
3.11.11	CSC IVR Utilization	100
3.11.12	CSC Self-Service Options	100
3.11.13	CSC Recovery Plan	100
3.11.14	CSC Outbound Calls	101
3.11.15	CSC Agent Training Program	101
3.11.16	CSC Staffing Plan	101
3.11.17	CSC Agent KPI Goals	101
3.11.18	CSC Player Escalation Process	101
3.11.19	CSC Meeting Cadence	102
3.11.20	CSC Additional Capabilities	102
3.11.21	CSC Service Level Expectations	102
3.11.22	CSC Outages	102
3.11.23	CSC Response Times	102
3.11.24	CSC Hold Times	103
3.11.25	CSC Maintenance	103
3.12	<i>Responsible Gambling</i>	103
3.12.1	RG - Standards	103
3.12.2	RG - Spending Limits	104
3.12.3	RG - Time Limits	104
3.12.4	RG – Total Play Time Display	104
3.12.5	RG – Win/Loss Display	104
3.12.6	RG – Voluntary Self-Exclusion	104
3.12.7	RG - Cool Off Period	105
3.12.8	RG - Reporting	105
3.12.9	RG - Messaging	105
3.12.10	RG – Compliance with RG Frameworks	105
3.12.11	RG – Meetings	105
3.13	<i>Staffing</i>	106
3.13.1	Fully Dedicated Roles	106
3.13.2	Proposed Implementation Team	110
3.13.3	Proposed Operational Team for Contract Duration	110
3.13.4	Other Suggested Staff	111
3.14	<i>Operations Security Plan</i>	111
3.15	<i>Implementation Plan</i>	112
3.15.1	Project Management	112
3.15.1.1	Formal Implementation Plan and Timeline	113
3.15.1.2	Risk Mitigation Strategy	114
3.15.1.3	Requirements and Technical Specifications	114
3.15.2	Lottery Acceptance Testing	115
3.15.2.1	Technical Support	116
3.15.2.2	Testing Methodology	116
3.15.2.3	Switchover to BDC	117
3.15.2.4	Test System Maintenance	117
3.15.2.5	Backups	117
3.15.2.6	Change and Version Control	117
3.15.2.7	Lottery Acceptance Testing Environment	117
3.15.2.8	Documentation and Support	118

Full-Service iLottery Platform and Related Services

3.15.2.9	Release Notes	118
3.15.2.10	Implementation Staff and Support	118
3.15.2.11	Entry and Exit Criteria	118
3.15.2.12	Documentation, Training, and Support	119
3.15.2.13	Test Schedule	119
3.15.2.14	Software Quality Assurance & Testing Practice	119
3.15.2.15	MSLC Independent Testing	120
3.15.3	Software Development Lifecycle	120
3.15.4	Change Control and Configuration Management	120
3.15.4.1	Generate Change Request	121
3.15.4.2	Approved Changes Only	121
3.15.4.3	Change Introduction	121
3.15.4.4	Software Checksums	121
3.15.4.5	Component Identification	121
3.15.4.6	Traceability of Components	122
3.15.4.7	Change Tracking	122
3.15.4.8	Configuration Status and Inventory	122
3.15.4.9	Documentation	122
3.15.4.10	Incident Reporting	122
3.16	<i>Business Continuity, Disaster Recovery and Failover</i>	123
3.16.1	PDC Unavailability	123
3.16.2	Failover	123
3.16.3	Disaster Recovery and Business Continuity Plan	124
3.17	<i>Invited Options</i>	124
3.17.1	Omni Wallet	125
3.17.2	Media Buying	125
3.18	<i>Offered Options and Additional Services</i>	125
4	PHASE III - COST PROPOSAL	127
5	LIQUIDATED DAMAGES	129
5.0	<i>Liquidated Damages Terms and Conditions</i>	129
5.1	<i>Method of Payment</i>	130
5.1.1	Vendor Liable for Liquidated Damages Caused by Its Subvendor	130
5.2	<i>Service Level Agreements / Liquidated Damages</i>	130
5.2.1	Go-Live and Failure to Deliver System Functionality	130
5.2.1.1	Failure to Submit a Final Implementation Plan	130
5.2.1.2	Timely Cooperation with Go-Live Activities	131
5.2.1.3	Timely and Accurate Supplying of Requested Data	131
5.2.1.4	Acceptance Testing	131
5.2.1.5	Software Release Documentation	131
5.2.1.6	Failure to Install Software Modifications and Deliver System Functionality	131
5.2.1.7	System Functionality at Implementation (Go-Live)	132
5.2.1.8	ICS Functionality at Implementation (Go-Live)	132
5.2.2	Lost Profits Liquidated Damages	132
5.2.2.1	iLottery System Down – Revenue Generating Components	132
5.2.3	Fixed Liquidated Damages	133
5.2.3.1	iLottery System Back Office Functionality	133
5.2.3.2	iLottery System Degraded Processing Performance	133
5.2.3.3	System Functionality Post Go-Live through Life of Contract	134

Full-Service iLottery Platform and Related Services

5.2.3.4	iLottery System ICS Operability and Balancing	134
5.2.3.5	iLottery System Timely and Accurate Reports and Processing	134
5.2.3.6	iLottery System Warranty on Customer Service Center	135
5.2.3.7	iLottery System Unauthorized Access or Compromise	135
5.2.3.8	iLottery System Failure to Report Events.....	135
5.2.3.9	Games Service Level Agreements	136
5.2.3.10	Promotions Service Level Agreements	136
5.2.3.11	Failure to meet Multi-jurisdictional Standards.....	137
5.2.3.12	Damage to MSLC Brand Equity	137
5.2.3.13	Failure to Restrict Underage Access	137
5.2.3.14	Payout and Risk Operations (PRO).....	137
5.2.3.15	Other Service Level Agreements	138
ATTACHMENTS		142

1 REQUEST FOR RESPONSE INFORMATION

1.1 BACKGROUND

The Massachusetts State Lottery Commission (MSLC) was established by the state legislature in 1971 in response to the need for revenues for the 351 cities and towns of Massachusetts. The MSLC's mission is to operate in a manner that secures the integrity of our games and protects the well-being of our customers while maximizing revenues for our beneficiaries.

The MSLC is guided by a five-member Commission chaired by the State Treasurer and Receiver General. Joining the State Treasurer on the Commission are the Secretary of Public Safety, the State Comptroller, and two gubernatorial appointees. The Commissioners set overall policy for the MSLC and advise and make recommendations to the Executive Director of the MSLC regarding its operation and administration. The Executive Director is appointed by the State Treasurer.

Since selling our first ticket on March 22, 1972, the MSLC has generated over \$155 billion in revenues, awarded over \$109 billion in prizes, returned over \$33 billion in net profit to the Commonwealth for unrestricted local aid provided to cities and towns, and paid over \$8.8 billion in commissions and bonuses to our statewide network of retailers.

In Fiscal Year 2024, MSLC revenues totaled a record \$6.168 billion, resulting in a net profit of \$1.159 billion, the second highest in the MSLC's 52-year history (\$1.193 billion in Fiscal Year 2023). The MSLC's network of approximately 7,200 retailers earned \$350.7 million in commissions and bonuses in Fiscal Year 2024, also a record.

The MSLC paid out an all-time high of over \$4.525 billion in prizes to our players in Fiscal Year 2024. At 73.4% of all revenues, the MSLC's annual payout percentage is consistently the highest of any U.S. lottery.

In the summer of 2024, the MSLC was authorized to sell lottery products online. All net proceeds from iLottery products will support a grant program for early childhood education and care. Retail sales will continue to generate local aid for cities and towns.

In anticipation of iLottery, the MSLC has to date acquired approximately 450,000 fully Know Your Customer (KYC) verified, unique MSLC Player Account registrations on our website and mobile app.

For annual Financial Statements, visit:

<https://www.masslottery.com/about/commission/meeting-and-performance-management-history>

For more information on games offered at retail locations, visit:

<https://www.masslottery.com/games/draw-and-instants>

1.2 OBJECTIVES

The MSLC has the following objectives for issuing this Request for Response LOT# 2601 ("RFR") and entering into the resulting contract:

1. To acquire an iLottery System and services, with the system to be fully tested, installed, and operational by the summer of 2026.

2. Select a vendor to partner with the MSLC to responsibly launch and grow an iLottery System to generate funding for early childhood education and care in Massachusetts.
3. Implement an agile, flexible iLottery System that easily incorporates new games, promotions, bonuses, and features, whether from the system vendor or third-party companies, that will meet the needs of the MSLC and robust and flexible enough to grow and evolve over the term of the contract.
4. Obtain a system and services that are innovative and secure, leverage data and technology, and drive constant evolution of the iLottery Program.
5. Implement a system that will satisfy distinct financial reporting requirements for iLottery and retail and their respective beneficiaries (early childhood education and care for iLottery, local aid for cities and towns for retail). The MSLC will be required to calculate and report a net profit for iLottery separate from that of the retail lottery. As a result, all reports (prize payment reports, invoice reports, draw liability reports, etc.) will need to break out iLottery and retail lottery transactions for all games that are sold on both systems. For example, if Megabucks is sold on both systems and a prize is paid from the iLottery System, the reports will need to reflect the portion of that prize that is related to iLottery sales and the portion of that prize that is related to retail lottery sales.
6. Implement an iLottery System that is essentially a completely separate business line capturing all related revenue and expense items within this iLottery business line and completely separate from MSLC's retail and current operations. This includes the resulting profits from iLottery directed to the specific beneficiary for this line of business, early childhood education and care.
7. Provide a system and services with the ability to leverage enhancements provided to other lottery or gaming customers, whether for payment options integration, game integration, player bonus and promotion build-out, user-interface changes or other enhancements.
8. Obtain a system and solutions that put user-experience and security at the forefront of design that leads to high standards for player satisfaction.
9. Offer efficient, personalized marketing strategies that maximize MSLC Return on Investment (ROI), and provide exceptional customer service, catering to the needs of Massachusetts players and expectations.
10. Maintain the highest standards, according to the National Council for Problem Gambling and the North American Association of State and Provincial Lotteries (NASPL), for responsible gaming.
11. Maintain the highest standards for Know Your Customer, age verification, and geolocation verification of players within the Commonwealth of Massachusetts.
12. Provide a system and games that meet Americans with Disabilities Act (ADA) requirements and require all third-party game providers to meet these requirements.
13. Obtain systems and services that are operationally sound, incorporate the highest level of integrity and security, and minimize risk for MSLC and its players.
14. Feature single sign-on for player application integration, using iLottery player credentials, while allowing for iLottery in-app play and shared player account management (PAM).
15. Offer a wide variety of games that push playstyle boundaries to attract a myriad of demographics, utilizing technology to increase the speed of delivery and options for game studios.
16. Facilitate the integration of retail and iLottery by establishing cross-promotions and other initiatives.
17. Continuously identify areas of friction, then develop and implement solutions.
18. Ensure that all proposed systems and services are ready to be operational on the agreed-upon schedule.

1.3 DEFINITIONS

Bidder - a business, organization or subsidiary of the business or organization making a formal submission to work with the MSLC.

GGR – Gross Gaming Revenue. Gross Sales minus prize payout.

Go-Live – The start date at which all hardware and software have been deployed to begin sales within iLottery.

iLottery Platform – The hardware, software and other elements that permit iLottery to be offered by the Bidder. This may cover the types of web browsers and types of mobile devices utilized within the iLottery environment with the MSLC.

iLottery Program – The overall iLottery System, as well as the sales and marketing included to offer and promote iLottery with the MSLC.

iLottery System – The overall iLottery hardware and software, including but not limited to platform, data centers, databases, base software, PAM, games, game providers, ICS, KYC, GLS, reporting, interfaces, integrations and other elements that make up the entire solution to offer iLottery with the MSLC.

NGR – Net Gaming Revenue. Gross Gaming Revenue minus bonuses.

Portal - A centralized, web-based platform that serves as a gateway to information, services, and resources, offering users a single point of access to various applications and tools from different sources.

1.4 RFR CALENDAR/TIMELINE

The following is the tentative time schedule for the MSLC's selection of qualified Bidders under this RFR. All dates are subject to change by the MSLC with the notice on COMMBUYS.

EVENT	DATE
Intent to Post Release Date	April 14, 2025
RFR Release Date	April 25, 2025
Intent to Bid Due	May 2, 2025, at 10:00 a.m.
Deadline for Submission of Bidder Questions – Round 1	May 9, 2025, at 10:00 a.m.
Official Response posted to COMMBUYS for RFR Q&A Round 1	May 16, 2025 (Estimated)
Deadline for Submission of Bidder Questions – Round 2	May 23, 2025, at 10:00 a.m.
Official Response posted to COMMBUYS for RFR Q&A Round 2	May 30, 2025 (Estimated)
Bidder Submission Deadline (Electronic Submission)	June 13, 2025, at 10:00 a.m.
Bidder Submission Deadline (Hard Copy Submission)	June 20, 2025, at 10:00 a.m.
Potential Presentations/Demonstrations for Selected Bidder(s)	July 21 – Aug 1, 2025 (Estimated)
Notification of Apparent Successful Bidder(s)	Approximately August 15, 2025
Contract Start Date	Approximately September 2025
Go-Live Date	July 1, 2026

1.4.1 Intend to Bid

Vendors who intend to submit a proposal in response to this Request for Response (RFR) are encouraged, but not required, to submit an Intent to Bid letter. Below are the instructions for submitting the Intent to Bid:

1. Submission Deadline:
 - The Intent to Bid must be submitted by May 2, 2025, by 10:00 a.m.
2. Submission Method:
 - The Intent to Bid letter must be submitted via email to: LConroy@masslottery.com
 - The email subject line shall read: Intent to Bid - [Vendor Name] - [RFR Number/Title].
3. Required Information:

The Intent to Bid letter shall include the following:

 - Vendor Name: The full legal name of the organization or company submitting the intent along with any subsidiary or partnerships.
 - Contact Information: The name, title, phone number, and email address of the primary contact for this RFR.
 - RFR Reference: The title and/or number of the RFR.
 - Confirmation of Intent: A brief statement confirming your intent to submit a proposal in response to this RFR.

1.4.2 Bidder Questions

Questions concerning the RFR must be submitted in writing to:

Lee C. Conroy, Procurement Manager
Massachusetts State Lottery Commission
ATTN: RFR LOT# 2601
Email Address: LConroy@masslottery.com

Contact with any other Commonwealth or MSLC employee is expressly prohibited.

An RFR inquiry from a Bidder:

- Must be written in generic (i.e., non-proprietary) terms.
- Must not contain price data.
- Must cite a specific RFR section number and title (if applicable).

1.5 RFR INSTRUCTIONS

1.5.1 Response Submission

Bidders must submit their proposals through the Commonwealth's online procurement system, COMMBUYS (www.COMMBUYS.com). Bidders are advised to check this site regularly, as this will be the sole method used for notification of changes.

All times in this RFR are in Eastern Time. Responses must be received no later than the response due date and time indicated in the RFR event calendar, or they will not be evaluated. Bidders must have their responses fully loaded and accepted in COMMBUYS prior to the RFR Response Due date and time listed in the event calendar. Bidders are urged to allow sufficient time to upload their entire response.

Times are Eastern Time, as displayed on the COMMBUYS system clock displayed to Bidders after logging in. If there is a conflict between the dates in this Procurement Calendar and the dates in the Bid's Header, the dates in the Bid's Header on COMMBUYS shall prevail. Bidders are responsible for checking the Bid record, including Bid Q&A, on COMMBUYS for Procurement Calendar updates.

COMMBUYS Support and Useful links:

- Job aid on how to submit a quote: <https://www.mass.gov/doc/how-to-create-a-quote-in-commbuys/download>
- Webcast: [How to Locate and Respond to a Bid in COMMBUYS](#), which will familiarize Bidders with COMMBUYS terminology, basic navigation, and provide guidance for locating bid opportunities in COMMBUYS and submitting an online quote.
- Technical assistance is available during the procurement process. Every effort is made to respond to inquiries within one business day.
 - **Website:** Go to www.commbuys.com for Vendor Training Resources.
 - **Email:** Send inquiries to the COMMBUYS Helpdesk at OSDHelpDesk@mass.gov
 - **Telephone:** Call the COMMBUYS Help Desk at 1-888-627-8283 or 617-720-3197. The Help Desk is staffed from 8:00 AM to 5:00 PM Monday through Friday Eastern Standard or Daylight Time, as applicable, except on federal and state holidays.
 - Bidders are advised that COMMBUYS will be unavailable during regularly scheduled maintenance hours, during which all users will be notified.

- Bidders **MUST** have their complete bid fully loaded and submitted prior to the Bidder Submission Deadline time and date listed in the calendar. COMMBUYS will not allow bids to be submitted after the posted time.
- Responses and attachments received after this deadline date and time will not be evaluated. A facsimile or email response will not qualify as a “submission” for deadline purposes. Facsimile and email responses will not be accepted.
- All Bidders are advised to allow adequate time for submission by considering potential online submission impediments like Internet traffic, Internet connection speed, file size, and file volume. The MSLC is not responsible for delays encountered by Bidders or their agents or for a Bidder’s local hardware failures, such as computers or related networks, associated with bid compilation or submission. Bids submitted via COMMBUYS are time-stamped by the COMMBUYS system clock, which is considered the official time of record.
- If a large file fails to upload, the Bidder must save the contents as multiple files. If a large file fails to upload, Bidders must break up the file and append _Part1, _Part2 to the end of the Description and File Name.

1.5.2 Response Format

Failure to follow these requirements may result in the disqualification of the Bidder’s response. Bidders are required to use the Response Templates, which can be downloaded from COMMBUYS.

Bidders must submit an electronic copy of their complete response to the RFR (Phase I, II, and III) in Microsoft Word or PDF format via COMMBUYS provided by the electronic response deadline.

Required elements of a valid proposal response incorporate the following:

- (a) Cover Letter
- (b) Statement of Minimum Qualifications
- (c) Representations and Warranties
- (d) Legal and Other Requirements
- (e) Disclosure Statement
- (f) All Mandatory Forms and Enclosures
- (g) Technical Response – Response format must use/follow RFR document and structure.
- (h) Cost Response(s) (Attachment M)

Bidder’s Phase II Technical/Narrative Response is limited to five hundred (500) pages using a font size no smaller than twelve (12), including all related attachments.

Ten (10) hard copies of the technical response only must be provided by the hard copy response deadline and be delivered to the following address:

Massachusetts State Lottery Commission
Attn: Lee Conroy
150 Mount Vernon Street
Suite 300
Dorchester, MA 02125

The hard copies submitted must be identical to the electronic response uploaded to COMMBUYS.

THE COST TABLE MUST **NOT** BE INCLUDED WITH THE HARD COPIES.

Responses (digital and hard copy) must be received no later than the response due date and time indicated in the Event Calendar above or they may not be evaluated.

The above documents and submissions will all be considered part of the Bidder’s RFR response and will ultimately be incorporated into the awarded Vendor’s contract.

NO COST INFORMATION SHALL BE INCLUDED ANYWHERE IN THE NARRATIVE RESPONSE. ALL COST INFORMATION MUST BE CONTAINED IN A SEPARATE ATTACHMENT AND UPLOADED TO COMMBUYS USING THE SUPPLIED COST TABLE (ATTACHMENT M).

1.5.3 Standard Compliance Box

Each numbered section and subsection in the Phase II – Technical Requirements are immediately followed by a Standard Compliance Box, as follows:

SIGNIFICANCE	RESPONSE TYPE
(Type)	(Type)

1.5.3.1 Significance

The following definitions apply to the box marked “Significance”:

INFORMATION	The section or subsection contains information that does not require a specific response. The information provided may contain details relevant to other sections of this RFR and could assist with the Bidder’s response.
MANDATORY	The section or subsection and its requirements must be responded to and adhered to. Failure to do so may/will result in the disqualification of the Bidder’s proposal.
IMPORTANT	The section or subsection is considered essential to the MSLC and should be adhered to. Failure to meet the stated requirements is not a cause for disqualification of the proposal but may have a negative impact on the evaluation of the proposal.
DESIRABLE	The section or subsection is desired by MSLC. Meeting the stated requirements may have a positive impact on the evaluation of the proposal.

1.5.3.2 Response Type

The following definitions apply to the box marked “Response Type”:

NONE	The section or subsection does not require any response at all.
ACCEPTANCE	The section or subsection contains information and only requires YES or NO.
FULL	The section or subsection requires the Bidder to provide a full narrative response, including all information required to allow MSLC to assess the Bidder’s compliance with the requirement.

1.5.4 Cost Proposal

- The Bidder must use the Cost Table provided and should make no changes, additions, or deletions.

- Any cost proposal(s) must be submitted as a separate attachment on COMMBUYS named “(Company Name) Cost Proposal – RFR# 2601”.
- Bid response **must** consist of the Vendor’s Cost Table (Attachment M). Pricing **must** remain firm for the entire contract period.
- The Bidder **must** include a fully complete Cost Table, which includes a breakdown of charges and explanatory materials necessary for a full understanding of the data contained in the Cost Table.
- When applicable, insert the expression N/C (No Charge) in the appropriate price column. If there is nothing inserted in a price column, the Procurement Management Team will assume N/C (No Charge).
- All costs and/or figures must be provided in US currency.
- Further Cost Proposal information and a required five-year forecast from the Bidder on Gross Sales and NGR are detailed in Section 4 PHASE III - COST PROPOSAL.

It is the policy of the Commonwealth of Massachusetts to pay bills on a forty-five (45) day cycle. Costs that are not specifically identified in the Bidder’s response and accepted by the MSLC as part of a contract, will not be compensated under any contract awarded pursuant to this RFR. Neither the MSLC nor the Commonwealth will be responsible for any costs or expenses incurred by Bidders responding to this RFR.

Vendors may propose alternatives for equivalent, better or more cost-effective performance than specified under the Vendor’s original quote at any time during the life of the contract and any subsequent renewals.

1.5.5 Response Provisions

When responding to this RFR, Bidders shall take note of the following provisions:

- A. The MSLC reserves the right to request additional information from Bidders responding to this request. Additionally, upon reviewing the responses, the Procurement Management Team (“PMT”) may decide to have Bidders make presentations.
- B. The MSLC reserves the right to reject any and all responses to this request, to waive any minor informality in a response, and to request clarification of information from any Bidder responding at any time during the procurement process. The MSLC reserves the right to amend or cancel this RFR at any time.
- C. All responses and their contents will become the sole property of the Commonwealth/MSLC upon receipt and will not be returned to the Bidder.
- D. The MSLC will not reimburse any Bidder for any costs associated with the preparation or submittal of any response to this request or for any travel and/or per diem incurred in any presentation of such responses.
- E. The narrative response shall address all items included in each section of the RFR.
- F. The MSLC reserves the right to obtain from sources other than the vendor, information concerning a vendor, the vendor’s capabilities, and the vendor’s performance under other contracts that the MSLC deems relevant to this bid and the Bidder, and to consider such information in evaluating the vendor’s bid.

1.5.6 Disqualification of Responses

- A. **Late Proposals:** Proposals that are received after the deadline date and time shall be automatically disqualified.
- B. **Non-responsive Proposals:** A response that fails to meet any material term, condition, requirement, or procedure of this RFR may be deemed unresponsive and disqualified. The MSLC reserves the right to waive or permit cure of non-material errors or omissions. Non-responsive proposals may/shall also include, but are not limited to, those responses that fail to address or meet any mandatory item.
- C. **Collusion:** Collusion by two or more Bidders agreeing to act in a manner intended to avoid or frustrate fair and open competition is prohibited and shall be grounds for rejection or disqualification of a proposal or termination of this contract. Bidders will be required to complete a "Certificate of Non-Collusion" as one of the mandatory forms to this RFR, located in the Phase I template.
- D. **Debarred Bidders or Subvendors:** A Bidder, who is currently subject to any Commonwealth or federal debarment order or determination, shall not be considered for evaluation by the PMT. If a Bidder's proposal is dependent upon the services of a named subvendor and the disqualification of this named subvendor would materially alter the proposal, then that proposal shall be deemed unresponsive if the named subvendor is found to be debarred. Proposals that indicate that subvendors will be used but do not rely on any specifically named subvendor shall not be deemed unresponsive if the disqualification of a proposed subvendor will not materially alter the proposal.

1.6 RFR EVALUATION PROCESS

The RFR Evaluation Process will be conducted in three phases. A review team will complete the Phase I Review for all proposal submissions. The purpose of the Phase I Review is to eliminate any bids that are non-responsive to the requirements of the RFR. Bids that are deemed to be qualified based on the Phase I Review will be submitted to the PMT for additional review. The PMT will consist of staff from the MSLC. The PMT will make its recommendation, and the Executive Director will then present the recommendation to the Commissioners of the MSLC, who will accept or reject the recommendation. (Phase I, Phase II and Phase III of this RFR will be evaluated separately.)

1.6.1 Phase I Review

Bidders' responses will be reviewed based on the listed criteria and completeness of the response, including mandatory forms and compliance to submission criteria. Bids that do not comply with these components will be rejected and will not proceed to the Phase II Review. The MSLC reserves the right to waive or permit cure of non-material errors or omissions.

1.6.2 Phase II Review

Qualified bids, based on the Phase I Review, will be considered for the technical review in Phase II by the PMT. The Phase II Review may also include any presentation/interview/site visit as may be requested by the PMT; the PMT may adjust a Bidder's score based on any clarification of the Bidder's response at any such presentation/interview.

1.6.3 Phase III Review

The cost will be evaluated in relation to the Phase II Review and scoring of Bidders' responses. The successful bid will be determined based on the one that represents the "best value" overall and achieves the procurement goals.

1.7 PRESENTATIONS / INTERVIEWS

The PMT shall have the option to invite any or all of the Bidders to make presentations/come in for interviews. Presentations/interviews provide the PMT with an opportunity to evaluate the Bidder through the presentation of their proposal. The decision to engage in interviews will solely be in the purview of the PMT. It will be within the full discretion of the PMT to determine which Bidders move onto the presentations/interviews.

If the decision is made to request presentations/interviews, then only Bidders that receive an invitation to participate in presentations/interviews will proceed to cost evaluation and Phase III. Bidders who do not receive an invitation to interview will be eliminated from further consideration under this RFR. Bidders will not be informed of their rank at the time of the presentation/interview.

The Project Management Team (PMT) has scheduled vendor presentations from July 21, 2025, through August 1, 2025. In responding to this RFR, Bidders must be prepared to present during a designated time slot assigned to their organization over that two-week period.

The presentations are expected to be full-day sessions, during which Bidders will be required to provide an informational presentation and a comprehensive demonstration of their proposed iLottery System. A detailed agenda, including the specific time slot for each Bidder, will be shared in advance with those invited to present.

These dates are subject to change; Bidders must stay up to date for new bid and event information on the COMMBUYS website.

The time allotments and the format shall be the same for all presentations/interviews. The PMT may waive the location and medium requirements of a presentation/interview upon the written request of a Bidder due to special hardships, such as a Bidder with disabilities or limited resources. In these circumstances, the PMT may conduct presentations through an alternative written or electronic medium (e.g., telephone, videoconference, TTY, or Internet).

A Bidder is limited to the presentation of material contained in its proposal, with the exception that a Bidder may incorporate information relating to and addressing specific questions posed by the PMT. Any other correction or modification of the proposal or the presentation of supplemental information shall not be permitted. A Bidder's attempt to submit such corrections, modifications or supplemental information during a presentation/interview may subject the Bidder's proposal to disqualification. A Bidder's failure to agree to a presentation/interview may result in disqualification from further consideration. Presentations may be recorded by the MSLC as a matter of public record.

On-Site Visits (Optional). The PMT reserves the right to conduct on-site visits/inspections of any or all Bidder locations at any time prior to the awarding of this contract to verify the Bidder's ability to perform the services required. The PMT shall schedule the time of these site visits and shall provide notice at least three (3) business days before a visit. Failure to agree to a site visit may result in the disqualification of a Bidder's proposal. Only those firms that were evaluated in Phase II will be the subject of an on-site inspection, in the event the PMT elects to conduct such an on-site inspection.

1.8 RFR TERMS AND CONDITIONS

1.8.1 RFR General Information

To the maximum extent possible and subject to the best interests of the MSLC, the MSLC follows the rules and regulations set forth in the 801 Code of Massachusetts Regulations ("CMR") 21.00: Procurement of Commodities and Services in this RFR. Words used in this RFR shall have the meanings defined in 801 CMR 21.00. Additional definitions may also be identified in this RFR. All terms,

conditions, requirements, and procedures included in this RFR must be met for a response to be qualified as responsive. A response that fails to meet any material terms, conditions, requirements, or procedures of this RFR, at the sole discretion of the MSLC, may be deemed unresponsive and disqualified. The MSLC reserves the right to waive or permit cure of non-material errors or omissions. The MSLC and/or the PMT reserves the right to modify, amend or cancel the terms of the RFR at any time.

Unless otherwise specified, all communications, responses, and documentation regarding this RFR must be in English, all measurements must be provided in feet, inches, and pounds; equipment must be new and of current manufacturing models and unused, and all cost proposals or figures in U.S. Currency. All functionality of the system must be aligned with Massachusetts' time zone, Eastern Standard/Daylight Time. All responses must be submitted in accordance with the specific terms of this RFR.

1.8.2 Procurement Specifications

1.8.2.1 Alternatives

A response that fails to meet any material term or condition of the RFR, including the submission of required forms, may lose points or be deemed unresponsive and disqualified. Unless otherwise specified, Bidders are encouraged to submit responses proposing alternatives that provide equivalent, better, or more cost-effective performance than achievable under the stated RFR specifications. Such a response shall describe how any alternative achieves substantially equivalent or better performance to the RFR specification. These alternatives may include related services that may be available to enhance performance during the period of the contract. The response shall describe how any alternative achieves substantially equivalent or better performance to that of the RFR specifications. The MSLC will determine if a proposed alternative method of performance achieves substantially equivalent or better performance. The goal of this RFR is to provide the best value for commodities and services to achieve the procurement goals of the MSLC. Bidders that propose discounts, uncharged commodities and services or other benefits in addition to the RFR specifications may receive a preference or additional points under this RFR as specified.

1.8.2.2 Best Value Selection and Negotiation

The PMT may select the response(s) that demonstrates the "Best Value" overall including proposed alternatives that will achieve the procurement goals of the MSLC. MSLC and selected Bidder(s) may negotiate a change in any element of performance, cost and/or deliverable pursuant to awarding of a contract, subsequent thereto if mutually agreed upon in writing, which results in lower costs or is more cost-effective or is an overall better value.

1.8.2.3 Bidder Protest

A Bidder wishing to protest the award recommendation must do so within seven (7) calendar days of the date the MSLC Commission award recommendation is posted on the Bid Page (the protest period). Protests received outside the protest period will not be considered and any attempt to reserve a right to protest outside the protest period is ineffective. Protests must be submitted in writing to the email address identified above. Protests received in any other manner will not be considered. Disagreement with scoring or best value, flat assertions of unfairness or bias, alleged errors that would not affect the outcome, or general disappointment in the award do not form a proper basis for a protest.

1.8.2.4 Bidder Communication

Bidders are prohibited from communicating directly with any employees of the MSLC, including any

MSLC departments and divisions and affiliated commissions, boards, and trusts¹ or any member of the PMT regarding this RFR and may be disqualified for doing so at the discretion of the PMT, except as specified in this RFR, and no other individual Commonwealth employee or representative is authorized to provide any information or respond to any question or inquiry concerning this RFR. Bidders may communicate with the contact person for this RFR in the event this RFR is incomplete, or the Bidder is having trouble obtaining any required forms electronically through COMMBUYS (<https://www.commbuys.com>).

1.8.2.5 Brand Name or Equal

Unless otherwise specified in this RFR, any reference to a particular trademark, trade name, patent, design, type, specification, producer, or supplier is not intended to restrict this RFR to any manufacturer or proprietor or to constitute an endorsement of any service. The MSLC will consider clearly identified offers of substantially equivalent services submitted in response to such references.

1.8.2.6 Contract Manager/Representative

The selected Bidder must assign a service representative(s) who the MSLC may contact regarding the service performance during the contract term. The MSLC reserves the option to require this individual(s) to be replaced if it finds that the individual(s) is not responsive or compatible. It is the vendor's responsibility to keep the vendor's contract manager information current. If this information changes, the vendor must notify the MSLC immediately.

1.8.2.7 Change in Financial Condition

Bidders are required to immediately inform the Executive Director or designee of the MSLC in writing of any major change in the financial condition or organization of the company. Misrepresentation or failure of the Bidder to notify the MSLC shall be grounds for contract award cancellation and/or termination.

1.8.2.8 COMMBUYS Market Center

COMMBUYS is the official source of information for this RFR and is publicly accessible at no charge at www.commbuys.com. Information contained in this document and in COMMBUYS, including file attachments, and information contained in the related Bid Questions and Answers (Q&A), are all components of the RFR, as referenced in COMMBUYS, and are incorporated into the RFR and any resulting contract.

Bidders are solely responsible for obtaining all information distributed for this RFR via COMMBUYS. RFR Q&A supports the Bidder's submission of written questions associated with an RFR and publication of official answers.

It is each Bidder's responsibility to check COMMBUYS for:

- Any amendments, addenda, or modifications to this RFR, and
- Any RFR Q&A records related to this RFR.

The Commonwealth accepts no responsibility and will provide no accommodation to Bidders who submit a response based on an out-of-date RFR or on information received from a source other than

¹ For purposes of this RFR, "MSLC" includes the following departments, divisions, boards, trusts, and commissions: Office of the State Treasurer and Receiver General ("Treasury"), Advisory Board to the Comptroller, State Retirement Board, Board of Bank Incorporation (Division of Banks and Loan Agencies), Water Pollution Abatement Trust (now known as the Clean Water Trust), Pension Reserves Investment Management Board, Massachusetts Convention Center Authority, Massachusetts School Building Authority, Teachers' Retirement Board, Alcoholic Beverages Control Commission, Health Care Security Trust, Commissioners on Fireman's, Economic Empowerment Trust Fund.

COMMBUYS.

Bidders may not alter (manually or electronically) the RFR language or any RFR component files. Modifications to the body of the RFR, its specifications, or terms and conditions, that change the intent of this RFR, are prohibited and may disqualify a response.

1.8.2.9 COMMBUYS Subscription

Bidders may elect to obtain a free COMMBUYS Seller subscription, which provides value-added features, including automated email notification associated with postings and modifications to COMMBUYS records.

All Bidders submitting a response to this RFR agree that, if awarded a contract: (1) they will maintain an active seller account in COMMBUYS; (2) they will, when directed to do so by the procuring entity, activate and maintain a COMMBUYS-enabled catalog using Commonwealth Commodity Codes; (3) they will comply with all requests by the procuring entity to utilize COMMBUYS for the purposes of conducting all aspects of purchasing and invoicing with the Commonwealth, as added functionality for the COMMBUYS system is activated; and (4) in the event the Commonwealth adopts an alternate market center system, successful Bidders will be required to utilize such system, as directed by the procuring entity. Commonwealth Commodity Codes are based on the United Nations Standard Products and Services Code (“UNSPSC”).

The COMMBUYS system introduces new terminology, which Bidders must be familiar with in order to conduct business with the Commonwealth. To view this terminology and to learn more about the COMMBUYS system, please visit the COMMBUYS Resource Center.

1.8.2.10 Conflict of Interest

Prior to the award of any contract, the Bidder shall certify in writing to the MSLC that no relationship exists between the Bidder and the MSLC that interferes with fair competition or is a conflict of interest, and no relationship exists between the Bidder and another person or organization that constitutes a conflict of interest with respect to a state contract. No official or employee of the Commonwealth who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this project shall, prior to the completion of the project, voluntarily acquire any personal interest, either directly or indirectly, in this contract or proposed contract.

The Bidder shall provide assurance that it presently has no interest and shall not acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder. The Bidder shall also provide assurances that no person having any such known interests shall be employed during the performance of this contract.

Costs

The costs that are not specifically identified and defined in the Bidder's response and accepted by the MSLC will not be compensated. If there is potential for additional or hidden costs to be incurred by the MSLC, the awarded vendor must present this in writing to the MSLC and receive written approval before proceeding. The MSLC is not responsible for any costs or expenses incurred by Bidders in responding to this RFR.

NOTE: Any requests for price adjustments due to newly imposed or increased tariffs or any unforeseen fees following contract execution, or a subsequent purchase order issued under the contract must be submitted in writing to MSLC. Such requests will be evaluated on a case-by-case basis and will require documentation that includes the item impacted and a detailed cost breakdown. Approval of any price adjustments is at the sole discretion of the MSLC and contingent upon written authorization by the MSLC and budget availability. Any substantial changes (e.g. price, quantity, delivery, etc.) to the originally issued purchase order may result in the cancellation of the purchase order at the sole discretion of the MSLC. In the event of removal or reduction of an imposed tariff or fee, the vendor

shall notify the MSLC within ten (10) days and reduce the MSLC's cost accordingly. If due to a tariff or fee impacting the availability or cost of proposed goods, vendors are encouraged to consider alternate suppliers or sourcing strategies that will provide comparable or better performance.

1.8.2.11 Electronic Communication/Update of Bidder's/Vendor's Contact Information

It is the responsibility of the prospective Bidder and qualified company to keep the current email address of the Bidder's contact person and/or prospective contract manager, if awarded a contract, and to monitor that email inbox for communications from the PMT, including requests for clarification. The PMT and the MSLC assume no responsibility if a prospective Bidder's/awarded v designated email address is not current or if technical problems, including those with the prospective Bidder's/awarded vendor's computer, network or Internet service provider ("ISP") cause email communications sent to/from the prospective Bidder/awarded vendor and the PMT to be lost or rejected by any means including email or spam filtering.

1.8.2.12 Environmental Response Submission Compliance

Documents and items that cannot be submitted electronically, like confidential business references submitted or requests for material samples, respectively, must follow all the Quote submission requirements, including Bid Opening Date/Time, Bid Package and Environmental Response Submission Compliance provisions.

In an effort to promote greater use of recycled and environmentally preferable products and minimize waste, all materials submitted shall comply with the following guidelines:

- All copies shall be printed double-sided.
- All submittals and copies shall be printed on recycled paper with a minimum post-consumer content of thirty percent (30%) or on tree-free paper (i.e., paper made from raw materials other than trees, such as kenaf). To document the use of such paper, a photocopy of the ream cover/wrapper shall be included with the response.
- Unless absolutely necessary, all responses and copies shall minimize or eliminate the use of non-recyclable or non-reusable materials such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three-ringed binders, glued materials, paper clips, and staples are acceptable.
- Bidders shall submit materials in a format that allows for easy removal and recycling of paper materials.
- Bidders are encouraged to use other products that contain recycled content in their response documents. Such products may include, but are not limited to, folders, binders, paper clips, discs, envelopes, boxes, etc. Where appropriate, Bidders shall note which products in their responses are made with recycled materials.
- Unnecessary samples, attachments, or documents not specifically asked for shall not be submitted.

1.8.2.13 Estimated Provisions

The MSLC makes no guarantee that any commodities or services will be purchased from any qualification resulting from this RFR. Any estimates and/or past or current procurement volumes referenced in this RFR are included only for the convenience of Bidders and are not to be relied upon as any indication of future purchase levels.

If, due to unforeseen circumstances, the scope of services is substantially changed or modified, the MSLC maintains the right to amend the contract to increase or decrease the maximum obligation to obtain the best value. The vendor will be bound by the terms of the contract and the MSLC will not be responsible for price increases due to market fluctuations or product availability.

1.8.2.14 Freight

Unless otherwise specified herein, all products and services shall be "FOB Destination". The MSLC will not assume any separate freight, mileage, travel time or any other associated charges in addition to the bid price. Any charges of this nature must be included in the bid price.

1.8.2.15 Travel Expenses

Vendor must assume all reasonable travel and related expenses incurred by vendor in the performance of its obligations under this agreement. All labor rates in this agreement will be considered "fully loaded"; including, but not limited to meals, hotel/housing, airfare, car rentals, car mileage and out-of-pocket expenses.

1.8.2.16 Mandatories and Desirables

Mandatory specifications in this RFR are identified with the words "must", "shall", "will", "mandatory" expects, or "is required". A mandatory specification is one that must be met for a response to be considered responsive. Any response that fails to meet a mandatory specification of the RFR, may/will be deemed non-responsive and will be disqualified. Desirable specifications are designated with the words; "is desired", "desirable" and "highly desirable". Unless there is an explicit indication to the contrary stated in this RFR, Bidders may receive evaluation points for "desirable" goods and services.

1.8.2.17 Minimum Bid Duration

The Bidder must certify in their response that the submitted response, including costs, will remain in effect for one hundred and eighty (180) days from the date of bid submission until either the Bidder withdraws the response in writing, a contract is executed, or the procurement is canceled, whichever occurs first.

1.8.2.18 News Releases

The successful Bidder shall not issue any news releases, advertising or promotional materials pertaining to the performance of the contract without prior approval by the Executive Director of the MSLC.

1.8.2.19 Payments

Payment shall be made for services only after such services have been delivered and accepted by the MSLC. Payments shall be made only in arrears. No advance payments can be made to vendors. Payment will be made forty-five (45) days after acceptance and following receipt of the invoice. Accelerated payment may/will only occur if the Bidder submits a prompt pay discount option. Invoices submitted to Massachusetts government entities must not include sales tax.

1.8.2.20 Prime Vendor Responsibility

The MSLC requires a single point of contact; the Bidder acknowledges and accepts responsibility for the performance of any contract that may result from this RFR. Subvendors may be used, but the Bidder accepts full responsibility for the subvendor's performance. All subvendor contractors must be identified by the Bidder and the Bidder must describe the type of contractual arrangement that will exist with all subvendors. The MSLC reserves the right to decline the use of a specific subvendor(s) under the scope of work described in this RFR. The Bidder shall be responsible for meeting all the terms of the contract resulting from the RFR. Prior approval, as well as ongoing approval of the MSLC, is required for any subcontracted service of the contract. Bidders are responsible for the satisfactory performance and adequate oversight of their subvendors. Subvendors are required to meet the same local, state and federal financial and program reporting requirements and are held to the same reimbursable cost standards as successful Bidders. Notwithstanding the foregoing, the MSLC reserves its rights under 1.9.3 (Single or Multiple Contracts) and 1.9.4 (Adding vendors after Initial Contract Award) and elsewhere in this RFR.

1.8.2.21 Public Records

All responses and information submitted in response to this RFR are subject to the Massachusetts Public Records Law, Massachusetts General Laws (“M.G.L.”), Chapter 66, Section 10 and Chapter 4, Section 7, Subsection 26. Any statements in submitted responses that are inconsistent with these statutes will be disregarded and all submissions will be treated as confidential until the contract is awarded, all terms are negotiated, and documents are executed.

1.8.2.22 Reasonable Accommodation

The Bidders with disabilities or hardships that seek reasonable accommodation, which may include the receipt of RFR information in an alternative format, must communicate such requests in writing to the RFR contact person. Requests for accommodation will be addressed on a case-by-case basis. A Bidder requesting accommodation must submit a written statement that describes the Bidder’s disability and the requested accommodation to the contact person for the RFR. The PMT reserves the right to reject unreasonable requests.

1.8.2.23 Restriction on the Use of the Commonwealth Seal

Bidders and vendors are not allowed to display the Commonwealth of Massachusetts Seal in their response package or in any subsequent marketing materials if they are awarded a contract. Use of the Coat of Arms and the Great Seal of the Commonwealth for advertising or commercial purposes is prohibited by law.

1.8.2.24 Prohibition Against Selling or Distributing Information

Any Bidder awarded a contract under this RFR is prohibited from selling or distributing any information collected or derived from the contract and/or procurement process, including lists of participating or eligible Commonwealth of Massachusetts employee names, telephone numbers, email addresses or mailing addresses.

1.8.2.25 Force Majeure

A *force majeure* occurrence is an event or effect that cannot be reasonably anticipated or controlled and without the fault or negligence of the non-performing party. As herein used, *force majeure* means acts of war; terrorism; action of the elements; governmental interference; rationing; or any other cause that is beyond the control of the party affected and which, by the exercise of reasonable diligence, said party is unable to prevent delays arising as a result thereof or to predict and through advance planning avoid such delays.

Neither the vendor nor MSLC shall be liable to the other for any delay in or failure of performance under the contract resulting from this RFR due to a *force majeure* occurrence. Any such delay in or failure of performance must not in and of itself give rise to any liability for damages; however, MSLC may elect to terminate the contract for cause should its operations, in its sole judgment, be materially threatened by reason of extended delay or failure of performance.

1.8.2.26 State Data

State Data includes (a) personally identifiable information (PII) collected, used, processed, stored, or generated as the result of the contract activities, including, without limitation, any information that identifies an individual, such as an individual’s social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, names of parents, email address, payment card information, or an individual’s name in combination with any other of the elements here listed; (b) data regarding sales, prizes, promotions, financials, analytics, and market research, (c) information pertaining to devices, IP addresses, location, mobile or Internet service providers, cookies, emails, and SMS messages, and (d) any and all other information or data of any kind directly or indirectly collected, created, gathered, processed, used, stored, or generated as the result of the contract activities. State Data also includes any materials that use State Data, regardless of whether the data is used in aggregate or combined with other information, and regardless of any

claimed unique display, arrangement, or analysis.

- **Ownership.** State Data is and will remain the sole and exclusive property of the MSLC and all rights, titles, and interests in the same are reserved by the MSLC. The vendor disclaims any ownership or right to use any State Data or any works derived from State Data that incorporates State Data or that purports to be an original or creative work. The vendor will treat State Data as Confidential Information as that term is used in this contract.
- **Vendor Use of State Data.** The vendor is provided with a limited license to State Data for the sole and exclusive purpose of providing the contract activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the contract activities. The vendor shall: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the contract activities, such use and disclosure being in accordance with this contract, any applicable Statement of Work, and applicable law; (c) keep and maintain State Data in the Continental United States and (d) not use, sell, rent, transfer, distribute, commercially exploit, or otherwise disclose or make available State Data for the vendor's own purposes or for the benefit of anyone other than the MSLC without the MSLC's prior written consent. The vendor's misuse of State Data may violate state or federal laws.
- **Extraction of State Data.** The vendor shall, within five (5) business days of the MSLC's request, provide the MSLC, without charge and without any conditions or contingencies whatsoever, including but not limited to the payment of any fees due vendor, an extract of the State Data in the format specified by the MSLC, which includes but is not limited to the data contemplated pursuant to G.L. c. 10, section 24(b)(viii).
- **Backup and Recovery of State Data.** Unless otherwise specified in a Statement of Work, the vendor is responsible for maintaining a backup of State Data aligned with the Commonwealth of Massachusetts retention requirements and for an orderly and timely recovery of such data. Unless otherwise described in a Statement of Work, the vendor shall maintain a contemporaneous backup of State Data that can be recovered within two (2) hours at any point in time.
- **Loss or Compromise of Data.** In the event of any act, error or omission, negligence, misconduct, unauthorized access or breach, data integrity breaches, ransomware, or unintentional exposure on the part of the vendor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by the vendor such as, but not limited to hacking, breaches, weak passwords, ransomware, theft of physical devices, unintentional exposure or others that relate to the protection of the security, confidentiality, or integrity of State Data, the vendor shall, as applicable: (a) notify the MSLC as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the MSLC in investigating the occurrence, including making available all relevant records, logs, files, data reporting, forensic evidence, indicators of compromise, chain-of-custody and other materials required to comply with applicable law or as otherwise required by the MSLC; (c) in the case of PII or Protected Health Information ("PHI"), at the MSLC's sole election, (i) with approval and assistance from the MSLC, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the MSLC for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any

other actions required to comply with applicable law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the MSLC in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting the vendor's obligations of indemnification, defend, and hold harmless the MSLC for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the MSLC in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by MSLC without charge; and (i) provide to the MSLC a detailed plan within ten (10) calendar days of the occurrence describing the measures vendor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, shall comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of vendor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps the vendor has taken to protect the affected individual; what steps the affected individuals can take to protect themselves; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by the vendor. The MSLC will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, shall be reviewed and approved by the MSLC in writing prior to its dissemination. The parties agree that any damage relating to a breach of this section is to be considered direct damage and not consequential damage. The MSLC requires an independent third-party security audit to validate corrective actions after a breach.

1.8.2.27 Intellectual Property

All deliverables, written materials, designs, 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 subvendors exclusively and specifically for MSLC in connection with the contract, the RFR and/or the vendor's proposal (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 of 1976, 17 U.S.C. Section 101 to be exclusively owned by MSLC. Consistent with the foregoing, nothing contained herein shall limit or be deemed to limit vendor's intellectual property ownership rights and interests with respect to any and all property, programs, systems, data, documentation, information, materials, modifications, adaptations and intellectual property which was in its respective possession and/or in which vendor and/or its subvendors held an interest prior to the contract, as well as that which will be developed by vendor and/or its subvendors independent of the contract and not exclusively for the benefit of MSLC whether or not it constitutes basic, unmodified proprietary software systems that are generally provided to their respective customers. To the extent that any Work Product does not qualify as a "work made for hire," vendor and each of the subvendors hereby irrevocably transfer, assign and convey to MSLC 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) (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 MSLC's request, vendor and its subvendors shall execute, and shall cause it's or their personnel to execute, all assignments, applications, writings, instruments or other documentation of any kind or nature deemed necessary or beneficial by MSLC so that MSLC may perfect or protect its rights as provided herein. Vendor and its subvendors 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 MSLC, directly or indirectly, and shall

provide MSLC with documentation evidencing its compliance with this requirement upon MSLC's request. The intent of MSLC is that MSLC is the sole owner of and can continue to use any or all of the Work Product that it chooses in the conduct of its lottery games and other activities.

1.8.2.28 Confidentiality of Proposal

Unless necessary for the approval of a contract, the substance of a proposal must remain confidential until the effective date of any contract resulting from this RFR.

1.8.2.29 Confidential Information

The term "Confidential Information" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; or, (c) should reasonably be recognized as Confidential Information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was or is: (a) subject to disclosure under the Massachusetts Public Records Law; (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, though, or on behalf of, the receiving party). With respect to State Data, these exceptions to the definition of Confidential Information do not apply and State Data is always considered to be Confidential Information.

- **Obligation of Confidentiality.** The parties agree to hold all Confidential Information of the other in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third-parties other than employees, agents, or subvendors of a party who have a need to know in connection with this contract or to use such Confidential Information for any purposes whatsoever other than the performance of this contract. The parties agree to advise and require their respective employees, agents, and subvendors of their obligations to keep all Confidential Information confidential. Disclosure to a subvendor is permissible where: (a) use of a subvendor is authorized under this contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subvendor's responsibilities; and (c) the vendor obligates the subvendor in a written contract to maintain the MSLC's Confidential Information in confidence. At the MSLC's request, any employee of the vendor or any subvendor may be required to execute a separate agreement to be bound by the provisions of this section.
- **Cooperation to Prevent Disclosure of Confidential Information.** Each party shall use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party shall advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- **Remedies for Breach of Obligation of Confidentiality.** Each party acknowledges that a breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available, including, in the case of the MSLC and at the sole election of the MSLC, the immediate termination, without liability to the MSLC, of this contract or any Statement of Work corresponding to the breach or threatened breach.
- **Surrender of Confidential Information upon Termination.** Upon termination of this contract

or a Statement of Work, in whole or in part, the vendor shall, within five (5) calendar days from the date of termination, return to the MSLC any and all Confidential Information received from the MSLC, or created or received by the vendor on behalf of the MSLC, which are in the vendor's possession or custody. Should the MSLC determine that the return of any Confidential Information is not feasible, the vendor shall destroy the Confidential Information and shall certify the same in writing within five (5) calendar days from the date of termination to the MSLC.

1.8.2.30 Data Privacy and IT Security

The Bidder agrees that confidential data, in particular cloud storage, which must be in a FedRAMP/HITECH compliant solution, must comply with all applicable statutes and regulations regarding the privacy and security of this data. All servers and devices must have currently supported and hardened operating systems, the latest anti-virus, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. All confidential data shall be encrypted using at least AES-256 encryption for data at rest and TLS 1.3 for data in transit to ensure confidentiality and integrity. The environment must have aggressive intrusion-detection and firewall protection.

The State reserves the right to conduct onsite inspections to monitor compliance with this contract, including the privacy and security requirements provided herein, applicable laws and federal regulations until such time as the confidential data is disposed of in accordance with this contract.

1.8.2.31 Warranties

The Bidder warrants that any systems, software and services provided under this agreement will operate to conform to the specifications, terms, and requirements of this agreement. All system components, including but not limited to the components provided, including any replacement or upgraded system software components provided by Bidder to correct deficiencies or as an enhancement, shall operate with the rest of the system without losing any functionality.

1.8.2.32 Performance Guarantee Bond

The vendor shall at all times have financial resources sufficient, in the sole opinion of MSLC, to ensure performance of the contract and shall provide proof upon request. The MSLC may require a performance bond (as specified in a statement of work) if, in the sole opinion of the MSLC, it will ensure performance of the contract.

1.8.2.33 Insurance

The vendor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subvendor or assignee to obtain and maintain in force, the following insurance:

- Commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate or excess; and
- The vendor shall maintain worker's compensation and employers' liability insurance as required by the Commonwealth of Massachusetts for all employees engaged under the contract. Any non-resident contractor shall have insurance for benefits payable under the Massachusetts Workers' Compensation Law for any employee located and hired in Massachusetts. With respect to any other employees protected by the Worker's Compensation laws of any other state, the vendor shall have insurance or participate in a mandatory state fund to cover the benefits payable to any of these employees.
- Special cause of loss coverage covering all property subject to the following bullet herein, in an amount not less than eighty percent (80%) of the whole replacement value of the property.
- All data and any property which has been received from the State or purchased with funds provided for that purpose under this agreement shall be the property of the State and shall be returned to the State upon demand or upon termination of this agreement for any reason.

- The vendor shall maintain cyber liability and technical errors and omissions insurance with limits of not less than five million dollars (\$5,000,000) for each cyber incident or technology wrongful act that provides coverage for:
 - Liability for network security failures or privacy breaches, including loss or unauthorized access, use or disclosure of data, whether by the vendor or any subvendor or cloud service provider used by the vendor or subvendor.
 - Costs associated with a privacy breach, including notification of affected individuals, customer support, forensics, crisis management / public relations consulting, legal services of a privacy attorney, credit monitoring, and identity fraud resolution services for affected individuals.
 - Expenses related to regulatory compliance, government investigations, fines, fees, assessments, and penalties were insurable by law.
 - Liability for technological products and services provided by or created by the vendor, including intellectual property infringement or misappropriation.
 - Liability for professional services provided by the vendor.
 - Payment Card Industry (PCI) fines, fees, penalties, and assessments.
 - Cyber extortion payment(s) and response costs.
 - First and third-party business interruption loss resulting from a network security failure or system failure.
 - Costs of restoring, updating, or replacing data.
 - Liability losses are connected to network security, privacy, and media liability.

The policies described herein shall be on policy forms and endorsements approved for use in the Commonwealth of Massachusetts and issued by insurers licensed in the Commonwealth of Massachusetts.

The Vendor shall furnish to the MSLC, a certificate(s) of insurance for all insurance required under this agreement. The Vendor shall also furnish to the MSLC, certificate(s) of insurance for all renewal(s) of insurance required under this agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

1.8.2.34 Remittance to the MSLC

The awarded vendor must agree to a remittance transfer cadence as determined by the MSLC, ensuring the MSLC is able to obtain all funds owed based on the revenue share agreed upon through contractual negotiated rates. These transfers must comply with all applicable MSLC, state, and federal requirements. Under no circumstances is the vendor permitted to delay, withhold, or otherwise impede the transfer of funds generated from iLottery sales owed to the MSLC.

1.8.2.35 Infringement Remedies

If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by vendor or its subvendors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, the vendor shall, at its expense: (a) procure for the MSLC the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to the vendor, (b) replace or modify the same so that it becomes non-infringing, or (c) accept its return to the MSLC with appropriate credits to MSLC against the vendor's charges and reimburse the MSLC for any losses or costs incurred as a consequence of ceasing its use and returning it.

1.8.2.36 Entire Agreement and Order of Precedence

This contract, which includes Statement of Work, and schedules and exhibits, is the entire agreement of the parties related to the contract activities. This contract supersedes and replaces all previous understandings and agreements between the parties for the contract

activities. If there is a conflict between documents, the order of precedence is:

- First, the Commonwealth Terms and Conditions for Information Technology Contracts;
- Second, the Standard Contract Form and the Standard Contract Form Instructions and Contractor Certifications;
- Third, the RFR as it may be amended by the MSLC; and
- Fourth, the vendor's response to the RFR, as it may be amended by MSLC and the vendor, including any negotiated terms and conditions allowable pursuant to law or regulations. NO TERMS ON VENDOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES, OR DOCUMENTATION HEREUNDER, EVEN IF ATTACHED TO THE MSLC'S DELIVERY OR PURCHASE ORDER, WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE MSLC OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE MSLC AND THE AUTHORIZED USER, EVEN IF ACCESS TO OR USE OF CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

1.9 COMPONENTS OF PROCUREMENT

1.9.1 Duration and Renewal Options

The MSLC intends to enter a five (5) year contract with the selected Bidder(s) for the purchase and needs as provided herein. The MSLC may, at its sole option, extend the contract for three (3) additional three (3) year period(s) for a maximum contract term not exceeding fourteen (14) years, under the same or better terms and conditions as negotiated if deemed in the best interest of the MSLC. Bidders who offer price guarantees for the life of the contract will be held to that offer or such better terms as may be negotiated and agreed upon by and between the MSLC and the selected Bidder. Any additional related services may be performed under change orders or amendments.

1.9.2 Acquisition Method

- | | |
|--|--|
| <input type="checkbox"/> Outright Purchase | <input type="checkbox"/> Lease Purchase |
| <input type="checkbox"/> License | <input type="checkbox"/> Rental (not to exceed 6 months) |
| <input type="checkbox"/> Fee for Service | <input checked="" type="checkbox"/> Revenue share |
| <input type="checkbox"/> Tax-exempt Lease Purchase | <input type="checkbox"/> Other (specify) |
| <input type="checkbox"/> Term Lease | |

1.9.3 Single or Multiple Contracts

The target maximum number of awarded vendors is one (1). The MSLC reserves the right to award any contract to a single vendor or multiple vendors in the best interest of the MSLC. The Bidder must agree to cooperate with such other Bidders and must not commit or permit any act that may interfere with the performance of work by any other Bidder.

1.9.4 Adding Vendors After Initial Contract Award

If, over the life of the contract, the PMT determines that additional vendors should be added, these may first be drawn from qualified companies that responded to this bid but were not awarded contracts. If necessary, to meet the requirements of the Commonwealth, the bid may be reopened to obtain additional responses/quotes.

1.9.5 Contract Guidelines

It is the intent of this contract that the MSLC is the only user.

1.9.6 Contract Performance and Additional Business Specifications

1.9.6.1 Evaluation and Selection of Bidder

The MSLC shall have sole authority to evaluate and make the final selection of Bidder(s) for contract negotiation(s) pursuant to this RFR. The selection will be made after the evaluation of both technical (Phase I & II) and cost proposals (Phase III) by the PMT and final approval by the Commissioners of the MSLC.

1.9.6.2 Change in Terms

The MSLC reserves the right to change and/or amend the specifications identified in the RFR at any time prior to the closing date. The MSLC reserves the right to negotiate with the selected Bidder(s) as to any element of cost or performance, including, without limitation, elements identified in the RFR and/or the selected Bidder's response, to achieve the best value for the Commonwealth. The MSLC reserves the right to procure some, all, or none of the services specified in this RFR.

1.9.6.3 Contract Negotiation and Amendments

The MSLC may negotiate changes to the specifications, requirements, performance, measures, quantities, and/or term length provided in this RFR at any time, provided that such changes are consistent with the scope of this RFR, as may be amended. The MSLC may negotiate additional terms and/or execute contract amendments with the awarded Bidder(s), which the MSLC reasonably determines are within the scope of this RFR, as may be amended, and necessary to accomplish the purpose for which this RFR was issued and/or may result in best value to the Commonwealth.

1.9.6.4 Termination or Suspension

Once retained, a vendor's service, or a portion thereof, may be terminated or suspended from the MSLC's contract for poor performance, failure to perform, fraud or other cause, including the MSLC's sole determination of performance, at any time without prior notice. The MSLC may terminate vendors from the contract without cause with sixty (60) days prior written notice.

1.9.6.5 Transition Responsibilities

Upon termination or expiration of this contract, vendor shall, for a period of time specified by the MSLC [not to exceed seven hundred and thirty (730) calendar days], provide all reasonable transition assistance requested by the MSLC to allow for the expired or terminated portion of the contract activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such contract activities to the MSLC or its designee(s). Such transition assistance includes but is not limited to: continuing to perform the contract activities at the established contract rates; providing all data necessary for the transition and/or requested by the agency in a timely manner, in agreed upon formats throughout the transition process, and conducting data conversion activities necessary to transition all data as specified by the MSLC. The timeliness, completeness, and accuracy of the data is essential, and efforts that deliver otherwise may delay the transition; facilitating access to any State source code, object code, object and production libraries, reference files, field descriptions, record layouts and technical specifications, along with run documentation for the State software then in vendor's possession including tools, scripts, production schedules and procedures as required to support the applications which may be used in training, knowledge transfer, sizing assessments, operational reviews and other uses required by the State at the time of termination; providing the State-owned documents and information related to the functionality, program code, data model and data base structure, and access methods for the work and manual and automated processes used for the State, within the possession or control of vendor, and reviewing such processes, documents and information with the successor as reasonably requested; cooperating with the successor in creation

of an end of contract conversion plan and executing applicable conversion plan activities specified by the MSLC; cooperating with the successor in conducting migration testing; cooperating with the State's test plans, back out procedures, and contingency plans as part of the migration work; taking all reasonable and necessary measures to transition performance of the work, including all applicable contract activities, training, equipment, software, leases, reports and other documentation, to the MSLC or its designee(s); transferring title in and delivering to the MSLC all completed or partially completed deliverables prepared under this contract as of the contract termination date; and preparing an accurate accounting from which the MSLC and vendor may reconcile all outstanding accounts. This contract will automatically be extended through the end of the transition period.

1.9.6.6 Permits and Compliance

The vendor shall procure and pay for all permits, licenses, and approvals necessary to perform the services solicited in this RFR. The vendor shall comply with all applicable laws, ordinances, rules, orders, and regulations related to the performance of the services solicited. The MSLC may, at its option, request from the vendor, and the vendor shall promptly provide documentation evidencing the vendor's compliance.

1.9.6.7 Rejection of Proposals

The MSLC reserves the right to reject any and all proposals submitted under this solicitation.

1.9.6.8 Fees Subject to MSLC Signatory Authorization

All fees must be approved by the Executive Director of the MSLC or their designee and are subject to verification of performance.

1.9.6.9 Confidentiality Policy Regarding Bidder's Support Staff and/or Vendors

The MSLC may require Bidders' support staff or outside vendors to sign a confidentiality agreement for the Confidential Information they will have or have access to.

1.9.6.10 Concurrent Contracts Running (Renewals and Transitions)

The MSLC shall cancel the contract if funds are not appropriated or otherwise made available to support the continuation of performance in any fiscal year succeeding the first year, in the sole determination of the MSLC, if awarded Bidder's performance fails to meet contract requirements. The MSLC reserves the right, in its sole discretion, to exercise its option to renew, which will not be subject to the vendor's acceptance or agreement. Any assistance required for this transition must be provided in a smooth and timely manner. If at any time the contract is canceled, terminated, or expires, and a contract is subsequently executed with a firm other than the vendor, the vendor has the affirmative obligation to assist in the smooth transition of contract services to the subsequent vendor. The payment obligations undertaken by the MSLC under the contract are subject to the availability of funds to the MSLC. There shall be no liability on the part of the MSLC except to the extent of available funds permitted to be paid from the proceeds of the MSLC operations and other funds available to MSLC. Notwithstanding anything herein to the contrary, with the exception of MSLC, under no circumstances will the Commonwealth of Massachusetts, its general fund or any of its constitutional offices, agencies or political subdivisions be responsible or liable as a result of the contract or any liability created hereby or arising hereunder.

1.9.6.11 Price Limitation

The Bidder must agree that no other state or public entity customer within the Commonwealth of Massachusetts of similar size and with similar terms and conditions shall receive a lower price for the same commodity and service during the contract period, unless this same lower price is immediately effective for the MSLC. Upon request by the MSLC, the Bidder must agree to provide current or historical pricing offered or negotiated with other states or public entities at any time during the contract period in the absence of proprietary information about being part of such contracts.

1.9.6.12 Submission of Proposal Materials and Presentation

All materials, representations and submissions made within the proposal and at the presentation are subject to becoming part of the contract, binding the selected Bidder to uphold the materials, representations and submissions made by the selected Bidder within the proposal and at the presentations.

1.9.6.13 Fiduciary Status of the Bidder/Firm; Chapter 268A

With respect to the performance of its duties and responsibilities hereunder, if awarded the contract, the Bidder/firm acknowledges that it is a fiduciary and that the Bidder/firm will discharge its duties and responsibilities under this agreement in accordance with the fiduciary standards of conduct and other requirements as they apply to the Bidder. The Bidder, in submitting a response acknowledges and agrees to be subject to Massachusetts General Laws, Chapter 268A (the Massachusetts "Conflict of Interest" statute) and is required to act and perform its duties in accordance with such provisions.

1.9.6.14 Security Breach Law, M.G.L. c. 93H

The Bidder hereby acknowledges and agrees to comply with the requirements and responsibilities, including those of providing notice and response, as set forth in G.L. c. 93H concerning Security Breaches and any regulations implemented to effectuate security of "personal information" as defined in § 1 of G.L. c. 93H. Qualified Bidders must agree to protect the information, documents, materials (hard copy or digital) and selected Bidders shall provide the same standards of care or better from disclosure as it would its own information, documents and or materials.

1.9.6.15 Security and Confidentiality

Successful Bidders must comply with any and all state and federal statutory and regulatory requirements in connection with the transmittal of personally identifiable information (PII). The Bidder must also establish minimum security requirements. The Bidder shall comply fully with all security procedures of the Commonwealth and Commonwealth Agencies in the performance of the contract. The Bidder shall not divulge to third parties any Confidential Information obtained by the Bidder or its agents, distributors, resellers, subvendors, officers, or employees while performing contract work, including, but not limited to, security procedures, business operations information, personally identifiable information, or commercial proprietary information in the possession of the Commonwealth Agency.

1.9.6.16 Audit

During the term of this agreement and for a period of six (6) years thereafter as referenced in the Commonwealth of Massachusetts Standard Contract Form Instructions, Massachusetts State Lottery Commission (MSLC), its auditors, the Operational Services Division (OSD), the Office of the Inspector General (IGO) or other authorized representatives shall be afforded access at reasonable times to vendor's accounting records, including sales information on any system, reports or files, in order to audit all records relating to goods sold or services performed pursuant to this agreement. If such an audit indicates that the vendor has materially overcharged the MSLC, then the vendor shall remit the overcharged amount and be responsible for payment of any costs associated with the audit.

1.9.6.17 Prevailing Wage

All or part of the service(s) available under this RFR and resulting contract and any subsequent extensions may require the payment of prevailing wages pursuant to G.L. c. 149, Sections 26 through 27D (construction); Section 27F (trucks, vehicles and other equipment performing public works functions (non-construction); Section 27G (moving office furniture) and 27H (state cleaning contracts). The Department of Labor Standards (DLS) will provide the prevailing wages. In addition, Bidders and proposers must agree to comply with the Prevailing Wage Law, as administered by the DLS. Questions regarding the Prevailing Wage Law may be answered by accessing the DLS website at www.mass.gov/dols or by calling the DLS Prevailing Wage Program at (617) 626-6975.

2 PHASE I – MANDATORY FORMS AND COMPLIANCE

Compliance with all criteria listed below is **mandatory** in order for a bid to be accepted for further review. Lack of compliance with the Phase I criteria will automatically disqualify the Bidder. Phase I of Bidder's response shall demonstrate compliance with each of the conditions qualifying an institution to propose as outlined below.

2.1 MINIMUM QUALIFICATIONS

Bidders submitting proposals must meet the following minimum qualifications to be given further consideration. Failure of a Bidder to meet the minimum qualifications applicable to this RFR will result in immediate rejection. The Bidder's response to each minimum qualification component shall be "yes" or "no" followed by a detailed statement of explanation. **Please be advised that Bidders are requested to confirm and specifically describe how the Bidder meets each of these minimum qualifications using the "Minimum Qualifications" form included in the Phase I template.**

1. The Bidder must have been actively engaged in the traditional or Internet lottery industry for a minimum of five (5) years.
2. The Bidder must be in a contractual agreement offering lottery services within at least one (1) NASPL jurisdiction.
3. The Bidder's proposed iLottery solution within this RFR must currently be deployed within at least one (1) NASPL or World Lottery Association (WLA) jurisdiction.
4. The Bidder must own or possess an unrestricted, perpetual license to the core codebase of the iLottery system being proposed, ensuring full control over system functionality and future enhancements.

2.2 LEGAL AND OTHER REQUIREMENTS

Subject to the following legal and contract requirements, all Bidders must certify to and/or provide in their Phase I response:

1. All mandatory forms and requirements.
2. Certify Compliance with Standards: The Bidder shall ensure that all deliverables adhere to and comply with industry standards.
3. Certify to Security and Confidentiality: The Bidder shall hold in strictest confidence any information and material which is related to the MSLC other than that information which is now in the public domain through no fault of the Bidder, prior disclosure received by third-party, subsequent lawful disclosure or obligated to be produced by order of a court of competent jurisdiction.
4. Compliance with Laws. The vendor shall comply with all federal, state and local laws, rules and regulations. The vendor will not increase or add charges for compliance with federal, state, or local laws.

2.3 MANDATORY FORMS AND ENCLOSURES

Phase I of the Bidder's response shall include the completed information and mandatory forms listed in the Phase I Response Template. The Phase I Response Template and the subject forms can be found on COMMBUYS with this RFR. Additionally, the Cost Table (Attachment M) must be submitted as a separate attachment in COMMBUYS. All mandatory forms and enclosures must be signed by an individual having authority to bind the bidding company and the "originals" shall have an original signature in blue ink or an audited electronic signature. Furthermore, the signatory must be listed on the *Contractor Authorized Signatory Listing* form provided in the RFR Phase I Template.

3 PHASE II - TECHNICAL REQUIREMENTS

SIGNIFICANCE	RESPONSE TYPE
INFORMATION	NONE

The following sections (3.1 through 3.18) describe the technical requirements for the iLottery System and related services. To be considered responsive, Bidder proposals must meet the following criteria:

- a) File must be titled “(Vendor Name) Phase II. Technical Response”
- b) In response to the RFR, the Bidder’s proposal must include every chapter, section, and subsection specified in the RFR and in the sequence specified in the RFR.
- c) Identify any element of the proposed solution that is being offered as an option, add-on, or not included in base pricing.
- d) Must not include any cost information other than marking items that are priced separately.

Please Note: The MSLC is not obligated to review responses to identify information relevant to other sections. It is the Bidder’s responsibility to include all pertinent details under the appropriate section heading.

3.1 Gaming System

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Critical to the success of iLottery is a resilient gaming system (software and hardware components that permit the MSLC to allow wagers via the Internet on lottery games such as Draw Based Games (DBG), instant Games and other games at the MSLC’s discretion) that can scale to handle massive traffic increases, is sound with both physical and logical security, and is redundant to maintain continuous 24/7/365 operations, while supporting multi-state and local draw controls, and system changes and enhancements.

To that end, the Bidder must identify:

- a) All iLottery jurisdictions in which the Bidder is live in production, utilizing a similar system.
- b) The iLottery System configuration overview, including configuration diagrams with all associated data centers, for an in-state solution, a Continental U.S. solution, or a private cloud-based solution. Bidders must support active/active configuration. Bidders must illustrate how their system design supports active/active configuration.
- c) If the system proposed is solely the responsibility of the Bidder or the Bidder(s) has shared contractual responsibility for providing, operating, maintaining, securing and updating the proposed system. If not the sole responsibility of the Bidder, identify partner and contractual relationship.

3.1.1 Configuration at the Primary Data Center (PDC)

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

All configurations must be approved by the MSLC prior to implementation. The following list includes topics that are intended to establish minimum requirements. Bidders are encouraged to propose solutions that exceed these requirements while preserving the intent of the stated requirements. All data centers must comply with the Multi-State Lottery Association (MUSL) Rule 2 and meet industry standards for security, environmental controls, and critical infrastructure redundancy. All data centers

must conform to all federal and state regulatory requirements. The Bidder shall depict the proposed PDC configuration and describe any advantages to the MSLC of the Bidder’s configuration. Bidders are advised that placing equipment in co-location facilities is permissible. However, a public-cloud will not be permitted (Azure, AWS, Google). Any cloud proposal must be FedRAMP certified.

All data centers must also conform and continue to conform to any relevant PCI and PII requirements and all security requirements as directed by the MSLC and any associations (e.g., MUSL Rule 2.23.1 specific requirements regarding cloud-based services) that provide game oversight. Data centers shall be certified by the WLA Security Control Standard: 2012 (WLA-SCS:2012) and/or ISO/IEC 27001:2013.

Bidders shall describe the system hardware configuration that will be installed in the Primary Data Center. This shall include any Development, Quality Assurance (QA), User Acceptance Testing (UAT) or Customer Acceptance Testing (CAT) environments. The description should include the hardware manufacturer, form factor product name, processor types and models, and the peripheral configuration, CPU count and capacity, RAM (included amount and capacity), ethernet ports, disk drive types and capacities, nearline and offline storage methods and capacities, unified data storage, blade server technology, online scalability of the system, printer types and speeds, etc. As part of the response, include an overview diagram, strategy, and functionality of the proposed system’s design.

3.1.1.1 Mission Critical Servers

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Servers providing mission-critical gaming and back-office support shall be supported by protective redundancy for high-availability processing. Data storage redundancy shall also be ensured. All operating systems and associated critical server software shall maintain or exceed a release posture of N-2 (not more than two (2) levels off the latest release level). All critical security software patches must be applied in less than forty-eight (48) hours from release. A component failure in one (1) system shall not cause a failure in any other system. Additionally, a component failure in one (1) system shall not result in the loss of a transaction. To meet this requirement, records of transaction data sold on the Central Gaming System (CGS) shall exist in not fewer than two (2) distinct locations to process (i.e., minimally log) transactions as approved by the MUSL Committee [see MUSL Rule 2.18].

3.1.1.2 Failover

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

In case of a failure in an active primary server, the remaining systems must continue to provide uninterrupted service to players and other system users, assuming the load without loss or corruption of any data and transactions received prior to the time of the failure. A failover of any type shall not have an impact on the performance of the system. All failovers (including planned, unplanned, manual or automated) shall be reported to the MSLC.

3.1.1.3 Operations Procedures

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall operate efficiently without failure or downtime, requiring system notifications and alerts as well as thoroughly documented procedures and expectations for operations staff in handling

errors, alerts, failures, incidents and problems. Operations team(s) shall be skilled and trained in troubleshooting, communicating, escalating and fixing/resolving system operation issues, ensuring agreed-upon service levels and expectations are met. Procedures, especially regarding failure situations, shall be straightforward. The system shall be able to identify, alert and recover from failures without operator intervention (“auto-failover”).

Manual failover procedures shall be available. The MSLC performs monthly failovers for a minimum period of twenty-four (24) hours. The MSLC shall request the manual failover process to occur. The MSLC may require an oversight of the process. All manual failovers shall require approval from the MSLC.

Operations procedures shall be available and tested prior to Go-Live and subsequently maintained throughout the life of the contract. Bidders shall follow the Information Technology Infrastructure Library (ITIL), or a similar framework for operational best practice.

3.1.1.4 Secure Connections

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

There shall be no capability to connect to any system from a remote terminal or computer equipment without written MSLC approval. Any such capability, such as remote monitoring or diagnosis of equipment or software, shall employ stringent security mechanisms and alerts and be documented by the iLottery System vendor. Connections to other remote systems and terminals shall be protected by firewalls, encryption, and/or other means. Any routers shall route traffic only to addresses defined in their routing tables as valid. The acceptability of any security approach shall be subject to MSLC approval. The MSLC does allow connections outside Massachusetts. These connections are maintained through “allow” and “deny” lists via VPN connectivity only. All remote access and access rights are to be reviewed regularly, including "allow" and "deny" lists. The Bidder shall depict the security architecture of the system and how it meets these requirements.

3.1.1.5 System Performance and Scalability

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system must be designed to maximize performance and speed across a wide variety of devices and connection types. The Bidder must provide response and load times for common user interactions (e.g., load a game, make a wager, call the registration page, login, etc.) in a table format with an average time to completion as directed by the MSLC. The Bidder shall average response times for both broadband and cellular connections. The system must be scalable to meet the needs of the MSLC and must not experience degraded performance. The Bidder shall describe the capacity of the system to handle high volumes of traffic while providing quantitative figures related to throughput and system processing. Refer to section 3.1.4 (Performance Criteria) for more details.

3.1.1.6 Time-Synchronizing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

All servers shall have a time-synchronizing mechanism to ensure consistent time recording and reporting of events and transactions. Such synchronization shall utilize an external time source or

sources. The Bidder shall discuss how time synchronization is performed and discuss what services and components are included in the synchronization process.

3.1.1.7 Disaster Recovery

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

In the event of irreparable damage at the primary data center or of an unplanned, extended abandonment of the primary data center, the Bidder shall provide at no additional cost those servers, facilities, and other components necessary to resume operations under an operational scenario using backup data center(s). Such servers, facilities, and other components shall be furnished, installed, and operational at all times. Facilities shall meet the MSLC- approved environmental and security measures.

3.1.1.8 Logging

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder must provide the ability to support the system and user logging to allow for troubleshooting of various issues to better support player issues and concerns. Logging shall be supported for security purposes, recording any user sessions (authorized or unauthorized) to allow the MSLC to validate any specific user sessions as required. The Bidder shall provide Intrusion Detection System (IDS) and Intrusion Prevention System (IPS) reports on attempted access to data. The Bidder shall provide a Security Information and Event Management (SIEM) solution and grant access to the MSLC designated team members. The Bidder shall discuss system and user logging capabilities and how SIEM activity may be merged with the MSLC solution. All logs, including audit logs, shall be available and archived. Active logs shall be available for a minimum of six (6) months. All logging shall meet MUSL Rule 2 requirements.

3.1.2 Configuration at the Backup Data Center (BDC)

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

All configurations must be approved by the MSLC and must comply with MUSL Rule 2 prior to implementation. The following items include topics intended to establish minimum requirements. Bidders are encouraged to propose solutions that exceed these requirements while preserving the intent of the stated requirements.

As an alternative to a primary and backup solution, the Bidder may propose using parallel data centers. Parallel data centers must conform and continue to conform to all current federal and state regulatory requirements. Both data centers must also conform to any relevant PCI and PII requirements and all security requirements as directed by the MSLC and any associations (e.g., MUSL, including 2.23.1 specific requirements regarding cloud-based services) that provide game oversight. If parallel data centers are used, both data centers must include a planned failover to each data center to verify the system can run on either data center without loss of any functionality or performance at the cadence defined by the MSLC.

The backup data center must be located within the Continental U.S. in an area that minimizes and separates the risk of concurrent failure from the primary data center, such as isolation on separate power grids.

3.1.2.1 Backup Systems

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide two (2) or more remote backup systems that can take over for the primary data center systems, if necessary. Data transferred to and recorded at the remote backup systems shall always contain the most recent transactions, thereby allowing a takeover. The backup data center shall be configured to allow for an automated data center switch. The wide area network (WAN) connection and shall provide routing of transactions to the backup as well as the primary data center. Central gaming system functions shall be available at the backup data center, as well as being available remotely via communications from the primary data center. This includes, but is not limited to, MSLC (PDC and BDC) connectivity related to Back Office, Testing, Dashboard, Databases, SFTP, etc. Utilization of a Development, Quality Assurance (QA), User Acceptance Testing (UAT) or Customer Acceptance Testing (CAT) system shall not be an acceptable backup system.

Bidders shall describe the system hardware configuration that will be installed in the Backup Data Center(s). The description should include the hardware manufacturer, form factor product name, processor types and models, and the peripheral configuration, (CPU count and capacity, RAM (included amount and capacity) ethernet ports, disk drive types and capacities, nearline and offline storage methods and capacities, unified data storage, blade server technology, online scalability of the system, printer types and speeds, etc. Include, in the response, an overview diagram functionality of the proposed system’s design. The Bidder shall describe the BDC strategy.

3.1.2.2 System Backup Sizing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The remote backup systems shall be of the same processing capacity, configuration, storage capacity and architecture as the primary data center systems. The remote backup systems shall be a “mirror” of the primary.

3.1.2.3 Secure Connections

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

This section has the same specification as the corresponding section in section 3.1.1.4 (Secure Connections) and the response may reference that response, if identical.

3.1.2.4 Time Synchronizing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

This section has the same specification as the corresponding section in section 3.1.1.6 (Time Synchronizing) and the response may reference that response, if identical.

3.1.2.5 Disaster Recovery

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

This section has the same specification as the corresponding section in section 3.1.1.7 (Disaster Recovery) and the response may reference that response, if identical.

3.1.2.6 Logging

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

This section has the same specification as the corresponding section 3.1.1.8 (Logging) and the response may reference that response, if identical.

3.1.3 System Security and Control Features and Functions

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

In addition to the requirements noted in sections 3.1.1 and 3.1.2 (Configuration at PDC and BDC), the Bidder shall provide a system with the following additional features and functions to meet fraud rule management and monitoring requirements for secure and efficient operation. The Bidder shall be accountable for the system and network security, performance, and availability and shall be responsible for the resolution of outages.

All systems and users requiring access must be approved by the MSLC. The system must support controls and procedures that allow the MSLC to audit all system access. The system must provide the ability for the MSLC to administer iLottery. The system shall allow the MSLC access to user functions within the system including, but not limited to, content management, player management, back-office system, games management, retailer affiliate programs, customer service software, analytics, data warehouse, reporting and other functions that iLottery and the MSLC users will access.

The Bidder shall depict the security architecture of the system and associated network and provide details on how they meet the minimum requirements, including any specifics the Bidder believes are not addressed.

3.1.3.1 Notifications

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall list all actions or items that are monitored for fraud and frequency, with a focus on monitoring and logging of fraudulent issues in IP addresses, registration attempts, claims, payments, gaming, velocity controls, and other activities not included in this list. For each item, detail what frequency and what types of notifications are provided to the MSLC if these issues occur and what are the thresholds at which these alerts are provided.

3.1.3.2 Auditing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall maintain a log of transactions for the lifetime of the contract that are subject to auditing for appropriate usage and free from error. The MSLC shall have access to an audit log of transactions. This shall include the users who made any modifications to the system. The MSLC reserves the right to access audit logs and potentially merge logs into the SIEM solution housed by the MSLC. All materials related to MSLC shall be maintained for a period of six (6) years after the contract has concluded.

The MUSL audits are required on the system every two (2) years.

3.1.3.3 Transaction Research

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Authorized MSLC personnel shall be able to research transactions as needed. Reports on transaction log entries shall allow standard queries and sorts. Data shall be immediately accessible in real-time and shall be available to the MSLC from a browser-based reporting system. Further, at least twenty-four (24) months of historical transaction detail, from the later of the date of sale or redemption, shall be immediately accessible to the MSLC from a web-accessible reporting system. The Bidder shall provide details of transaction research and reporting capabilities.

In the event that a new vendor is selected after contract expiry, the Bidder shall transfer all applicable data to the new vendor and the MSLC so data can be retained by the MSLC.

3.1.3.4 Unique Transaction Numbers

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

All transaction serial number assignment methods used by the Bidder shall account for the fact that transactions may reside for extended periods in the system and numerous sources. Transaction serial numbers shall be unique over the term of the contract.

3.1.3.5 Transactions Protected

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall ensure that transactions cannot be tampered with, including but not limited to winner files and transaction log files. The Bidder shall discuss what mechanisms are in place to monitor and prevent unauthorized access to critical files and modification of transaction data.

3.1.3.6 Unauthorized Access and Irregular Activity

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall not be vulnerable to unauthorized access.

The Bidder’s system and network monitoring solution must monitor the network for data network status information, unauthorized access attempts, manipulation of components, and data within the network. The system shall ensure that no part of any transaction can be corrupted, altered, or manipulated.

Any irregular activity on the system or network shall be detected and handled in a manner that prevents the irregular activity from further occurring. This includes controls that detect irregular deposits into or withdrawals from a player account to which the system responds automatically by locking out the player and ceasing the irregular activity until the Bidder can intervene for investigation.

The Bidder must specify the methods by which data center systems and the associated network will be protected against unauthorized access, malware, irregular activity and other threats.

3.1.3.7 Authentication, Authorization and Access Controls

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system must have controls related to user authentication, authorization, and access controls for using and operating the system. The system must be compliant with all requirements accepted as operating principles by the MSLC. The proposal shall clearly identify these controls related to user authentication, authorization, access and reporting.

The Bidder shall define the principles and procedures that have been utilized in other jurisdictions, providing a minimum of two (2) examples where these have been implemented.

3.1.3.8 System Integrity

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall ensure integrity wherein no action, either operational or by tampering, can permit duplicate or unauthorized user or player identities or addresses to be established. The Bidder shall describe how this will be achieved.

3.1.3.9 Software Checksums

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Checksums or standard hash algorithms shall verify the integrity and authenticity of executable programs on the servers for auditing purposes. This requirement applies also to the test system and ICS system. Checksum information shall be provided to the MSLC upon request. The Bidder shall discuss how they maintain control of software distribution such that systems are not able to run inappropriate versions of the software.

3.1.3.10 Game Monitoring

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Real-time monitoring of gaming transaction traffic and system utilization shall be provided. The MSLC shall receive an immediate notification of abnormal system operations and their causes, such as game loading problems, communication difficulties, system downtime, etc. The MSLC shall reserve the right to view dashboards of real-time monitoring within the iLottery System. The Bidder shall define the types of dashboards and real-time monitoring available to show and alert the MSLC of various operations, including any abnormal activities.

3.1.3.11 Secure On-Site and Off-Site Storage

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide secure on-site and off-site storage of the system’s critical files, software, and backup data, subject to the approval of the MSLC. Stored materials retention shall follow a schedule approved by the MSLC. Media stored in archives shall be checked and/or exercised periodically to ensure physical integrity and validity. At the direction of the MSLC, the Bidder may be directed to restore a backup file to a test system to ensure viability. The Bidder shall define their secure on-site and off-site storage procedures and policies and how this might be applied to the MSLC.

3.1.3.12 Anomalous Condition Reporting

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall be capable of displaying and reporting anomalous conditions that may indicate operational problems or attempts at fraud. The MSLC shall always be alerted immediately when anomalous conditions occur.

3.1.3.13 Principle of Least Privilege

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

System users must be granted access only to the system functions and information needed to perform their job functions as designated by the MSLC (Principle of Least Privilege). The policy of the MSLC is to enforce Segregation of Duties (SoD) by implementing Role-Based Access Control (RBAC) to prevent conflicts of interest and unauthorized access.

The Principle of Least Privilege and Segregation of Duties must be performed without bias as both are key to ensuring bad actors inside or in the middle cannot gain access required to perform malicious activity. This is key for personally identifiable information (PII). Users must only have access to the data required to perform their duties. For example, if a user requires a player name but not their SSN, then the user shall not have access to the player’s SSN. If requests are made to access this data, a thorough review must be conducted to ensure the role requires access to the data prior to granting it.

Access rights shall be defined, tested and approved prior to Go-Live and subsequently reviewed regularly. The MSLC reserves the right to audit all user privileges at the MSLC’s requested cadence. The Bidder shall discuss their practices to ensure both the Principle of Least Privilege and Segregation of Duties are being enforced, and the tools, processes and procedures that are in place to meet this requirement.

3.1.3.14 Compliance with Security Requirements

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The MSLC plans to deploy multi-jurisdictional games (e.g., Mega Millions, Powerball, Lucky for Life) on the system. All games offered by a multi-jurisdictional group or consortium of which the MSLC is either

a member or a participating lottery must be compliant with any security requirements promulgated by the multi-jurisdictional game group or consortium.

3.1.3.15 Innovation

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe any innovative methods available to detect and prevent identity theft and fraud at the player, bad actor, vendor, and back-office user levels.

3.1.3.16 Additional System Controls

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide any additional information on other system security components and controls that will be implemented, including but not limited to operating system hardening, login and password controls, user and player password requirements, system security log management, log aggregation techniques, advanced cybersecurity monitoring with notification and deactivation techniques (Security Operations Center), remote access security procedures if remote access is used for tasks such as server administration, and intrusion detection mechanisms.

3.1.3.17 Maintenance Requirements

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall be responsible for maintaining the iLottery System data center components, including but not limited to servers, LANs, telecommunications equipment, and infrastructure items (such as power and HVAC). Any private cloud-based solutions must follow MUSL Rule 2 Section 2.23.1 requirements and shall be subject to both MSLC and MUSL audits.

Bidders must patch and upgrade hardware, systems, software, firmware, and applications based on best practices as well as original equipment manufacturer (OEM) recommendations and support lifecycles in accordance with section 3.1.1.1 (Mission Critical Servers). Documentation of maintenance events must be maintained by the Bidder for the MSLC review. The Bidder is obligated to obtain replacement parts and/or maintenance services that are approved, recommended, or recognized by the original equipment or software supplier as effective.

The Bidder shall discuss their approach to maintenance throughout the life of the contract, focusing on the topics outlined above.

3.1.3.18 iLottery System Environments

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder must make the iLottery System available to the MSLC, MSLC approved third-party vendors and independent testing laboratories in several different environments, including a Vendor Development, Vendor Quality Assurance, Customer Acceptance Testing (CAT) (minimum of two (2) testing environments), and Production (PROD) environments.

Bidders shall describe all environments that will be dedicated to the MSLC and must include the following, at a minimum:

- a) Configuration of each environment
- b) Access control for third-party MSLC vendors
- c) Availability and downtime for each environment
- d) The maximum number of testing environments that can be concurrently operational.

With the number of expected changes over the course of the contract, several CAT environments shall be anticipated for use by the MSLC. The Bidder shall discuss their ability to support multiple, simultaneous CAT environments with the ability to add more, if required.

All expected test environments shall have the ability to advance the time within the environment to test multiple game executions, such as, Powerball and Mega Millions, within an expedited timeframe.

3.1.3.19 Daylight Savings Support

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Describe in detail the Daylight Savings Time change procedure within the system. Including but not limited to:

- a) Manual/ Automated procedures
- b) Associated downtime

3.1.4 Performance Criteria

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

For each item below, confirm the system meets the criteria. Identify jurisdictions where the performance criteria have been met or exceeded.

- a) The system must initially support two hundred and fifty thousand (250,000) concurrent iLottery players and provide a scalable solution to handle increased player capacity.
- b) The system must be scalable to meet the needs of the MSLC.
- c) The system must initially be capable of handling a minimum of four hundred thousand (400,000) iLottery sale transactions per minute on a continuous basis and provide a scalable solution to handle increased transaction capacity.
- d) The system must support up to fifteen million (15,000,000) unique wagering accounts.
- e) The response behavior on web and mobile applications must be within one hundred (100) milliseconds after an action has occurred to ensure the user is aware the application is responsive to requests.
- f) Response time for iLottery wagers must be less than one (1) second from enter-to-send until the wager is confirmed for the player.
- g) Recovery from a server failure at the primary data center must be accomplished in no more than one (1) minute without loss of any transactions.
- h) No downtime is expected, and no data loss is the standard that shall be adhered to.
- i) The Bidder shall accommodate continuous operations. This means the system shall operate twenty-four (24) hours per day, seven (7) days a week, and three hundred and sixty-five (365)

days a year or three hundred and sixty-six (366) days on a leap year. Maintenance windows that result in planned service outages must be negotiated with the MSLC so as not to impact draw times. Bidders must provide the hours of operation for the sections identified below.

Operating Hours for	Minimum Requirements	Bidder – Hours of Operation
Tech Support	24/7/365 (Continental U.S.)	
Player/Customer Support	24/7/365 (Continental U.S.)	
Network / Security Operations Center	24/7/365	
Draw Services	These hours are dictated by MUSL and Non-MUSL draw games and operations cannot be closed until draw settlements are complete	
Claim Compliance and Fraud Operations	Weekdays 8:00 AM to 5:00 PM ET	

Bidders must provide details and examples that are comparable to other live jurisdictions that may closely match what is discussed in this section.

3.1.5 Disaster Recovery Plan

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall provide, and annually update, a Disaster Recovery Plan to integrate into the MSLC’s Business Continuity Plan (the “Plan”) for the critical systems (as noted below), interdependencies, data centers and any other sites it uses for this contract. The Plan must be developed and maintained in alignment with the requirements identified in Section 3.16.3 (Disaster Recovery and Business Continuity Plan) to ensure the computing infrastructure, which supports critical business activities, is restored in accordance with the requirements of the MSLC business functions and legal mandates.

Critical iLottery Systems:

- a) Central Gaming System
- b) Transactional Database
- c) Draw Services
- d) ICS Services
- e) eInstant Services
- f) Third-party games
- g) Report Systems Data Warehouse
- h) Other systems deemed critical through the disaster recovery planning process

The Plan shall be approved by the MSLC and tested prior to Go-Live and at least quarterly thereafter. All tests will be in collaboration with the MSLC to ensure the business processes are validated. The test results must be documented and provided to the MSLC.

The Plan shall be delivered by the Go-Live date and minimally provide the following:

- a) Account for disasters caused by weather, water, fire, environmental spills and accidents, malicious destruction, acts of terrorism, cyber-attacks, ransomware and recovery provisions, and contingencies such as strikes, epidemics, or other major events deemed likely by MSLC.
- b) Continuity of the iLottery System, the PAM, the claim and payment services, the MSLC’s games and player accounts, or other critical business processes as identified by the MSLC.
- c) Safe, secure, off-site storage of backup data and programs.
- d) The Bidder’s key staff contact information, along with their disaster-response responsibilities.
- e) Recovery procedures and documentation.
- f) Coordination with the MSLC’s own disaster recovery and business continuity plan.

If implementation of any portion of the plan becomes necessary, all associated costs are the responsibility of the Bidder.

3.1.6 Communication Networks

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Bidders are responsible for implementing communications infrastructure between all components between the iLottery System not limited to the PDC, BDC, MSLC Back Office, ICS, third-party game providers with the bandwidth to support the player based expected within the MSLC environment.

3.1.6.1 Network Design and Implementation

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall propose and describe a design for a communications network to serve the iLottery System. The Bidder is responsible for seeing that the design is implemented and operated in compliance with the RFR specifications, including the responsibility for network management. Bidders are provided with a wide latitude as to the topology and technologies proposed for the network. The design shall cover at a minimum:

- a) **Player Internet Interface.** Players shall access the system through a Portal. Depending on the configuration status, players may be serviced through the primary or backup data centers.
- b) **Inter-Site Connections.** Since transactions shall be logged at both data centers on a real-time basis, the Bidder shall provide inter-site links for control and data flow.
- c) **Games Management Network.** The design shall accommodate connections for games administration by the Bidder and by the MSLC, which includes secure connections from both the primary and backup data centers to MSLC retail PDC and BDC.
- d) **Data Center Local Area Networks (LAN).** Within the data centers, there shall be multiple LAN connections, dependent upon the Bidder’s configuration.
- e) **Interface to the Games.** The system shall always manage game functions for the players but is not required to provide game content. The system shall be compatible with third-party game content as required by the MSLC.
- f) **Lottery Data Centers/Back Office Connections** and/or other third-party connections.
- g) **Internal Control System.** (ICS) application.
- h) **Lottery Digital Platforms.** The MSLC website and mobile app.
- i) **Player Account Management.** Connectivity to allow players to control their account.
- j) **Customer Support Center.** The design shall support updates to central gaming (players), back-office and CRM connections simultaneously.

Bidders shall discuss how such an implementation may take place within the MSLC environment taking into account the elements requested as part of the design.

The Bidder shall show how the proposed configuration is robust regarding single points of failure, major points of failure afflicting a large proportion of the network, and bottlenecks. For example, these could include internal system configurations, central offices, or selected ISP limitations. The network design shall provide for redundancy and diversity that limits the impact of outages.

3.1.6.2 Network Operating Features

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Communications facilities shall be designed with monitoring, redundancy, diversity and security features to reduce the possibility that a disruption could impact the network and the iLottery System.

3.1.6.2.1 Fault notification

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

System components shall be able to notify the network monitor or system monitor of transmission failures or outages in near real-time after the occurrence of the network outage.

3.1.6.2.2 Secure External Transmissions

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Data communications external to secured facilities shall be encrypted. All data shall be encrypted from the point of transmission to the point of receipt, including any data transmitted directly from the primary systems to the remote backup system, to the MSLC offices and other remote locations. Protected information includes but is not limited to plays, validations, security codes, reports, and downloaded software. Publicly available encryption mechanisms are acceptable if approved by the MSLC and any multi-jurisdictional associations of which the MSLC may be a member.

3.1.6.2.3 Protocol for Incomplete Transactions

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

On incomplete or unresolved transactions, there shall be mechanisms for reconciliation. These may include retries, logging for reporting and error messages to the players, operators and the MSLC. Bidders shall describe these mechanisms.

3.1.6.2.4 Publicly Available Communications Protocols

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall enhance the open systems aspect (e.g., a communication protocol that is not proprietary) of the system by using widely used, publicly available communication protocols. Bidders shall describe their protocols.

3.1.6.2.5 Strong Network Security

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Network security shall be given a high priority and shall employ stringent security mechanisms. Connections to other systems and networks shall be protected at a minimum by firewalls, intrusion detection systems, intrusion prevention systems, strong cryptography for sensitive data transmission, use of security protocols for data transmission (e.g., SSL/TLS, IPSEC, VPN, etc.), device and system logging, router access control lists (ACL), or other MSLC-approved methods. Connections are expected between the iLottery System and other systems and networks such as the Internet, third-party systems, the MSLC office network, the MSLC QA/CAT system(s), and the Bidder’s administrative support system and development/QA system(s). The iLottery System shall be protected from unauthorized access, cyber threats, hacking attempts and other malicious behavior. Bidders shall describe their approach to network security, including features and mechanisms.

3.1.6.2.6 Network Device Access

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

All systems and users requiring access (for any purpose) to the network devices utilized in supporting gaming operations shall be approved by the MSLC. Network devices shall support controls and procedures that allow the MSLC to audit related network device access. Interfaces that permit access to the system environment shall be physically and logically secured when not in use. The network shall be configured such that unauthorized devices may not be connected to the network and granted access without the prior approval of the MSLC. Bidders shall describe network device access.

3.1.6.2.7 Principle of Least Privilege

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Networks related to gaming operations shall be designed on the principle of least privilege. Network access controls shall be utilized to allow only the required network services needed by specific servers or networks to be routed. Unneeded administrative protocols or services shall be unavailable.

3.1.6.2.8 Compliance with Network Security Requirements

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

All network connectivity involving the networks related to gaming operations, as well as connectivity made between these networks and any other systems or networks dedicated to gaming transaction processing (such as WAN connections to the MSLC, the Bidder's administrative support system and development/QA systems) shall comply with standards and guidelines accepted as operating principles by the MSLC and promulgated by any multi-jurisdictional (e.g., MUSL) game organization of which the MSLC is or may be a member.

3.1.6.2.9 Protection against Unauthorized Access or Service Disruption

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall ensure that network devices, both physical and logical, are not vulnerable to unauthorized access, denial of service attacks, password attacks, phishing and similar security threats. The Bidder shall secure the system and be diligent against various attacks such as trojans, worms, ransomware, spyware, adware and other elements that may negatively impact the system or player base.

3.1.6.2.10 Bandwidth

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall supply a high bandwidth network at the PDC and BDC to support rapid access and transaction processing for large numbers of players. Bidders shall identify the bandwidth provided by each communication medium proposed for the system, and an estimate of the traffic it is expected to carry. The Bidder shall define if there is a minimum bandwidth requirement for player endpoints.

3.1.6.2.11 Connection to Systems and Networks Not Dedicated/Private

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Any connection made between the system that processes games transactions, and any other systems or networks that are not private and/or dedicated to the MSLC gaming transaction processing, (such as the MSLC administrative system and the MSLC's administrative support system and development/QA system), shall be routed through devices that detect and block or filter out unnecessary and unauthorized traffic. Traffic shall be supported only by authorized nodes. Software transfers shall be secured.

3.1.6.2.12 Other Network Security Controls

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide additional information on the network security components and controls that will be implemented for the system LANs and the proposed WAN connections, including firewall and IPS/IDS protection, network access controls, network device hardening, login and password controls, network device log management, etc. The acceptability of all network security controls will be subject to the MSLC approval.

3.1.6.3 Network Administration Services

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall be responsible for network administration and management. These services include the elements in the following subsections 3.1.6.3.1 to 3.1.6.3.3.

3.1.6.3.1 Configuration Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Configuration changes and asset records shall be managed, including utilizing an inventory of network resources and operating parameters. Change management control procedures and online storage of network component configuration files are required.

3.1.6.3.2 Performance Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Performance management implies monitoring network utilization and managing resources to maximize capacity and minimize contention. The iLottery System shall be designed to maximize performance and speed across a wide variety of devices and connection types. The Bidder shall discuss how performance management has been used in other jurisdictions and how these tools have improved the performance of the iLottery environment and overall health of the network.

3.1.6.3.3 Carrier Interface

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall interface with the communications carriers to arrange for network maintenance, installations and to maintain service quality. The Bidder shall be responsible for resolving communication problems through the common carriers/external suppliers.

3.1.6.4 Network Monitoring and Fault Resolution

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Fault management consists of actions toward the detection, isolation, and correction of faults in the network. The Bidder shall monitor, record events, detect and resolve problems with the network. Once a fault is identified, it shall be corrected as fast as possible. Issues are to be reported to the MSLC based on criticality. The Bidder shall provide examples of (and the timing to complete) when a fault was identified, the reporting of the fault to the jurisdiction, and the ultimate resolution.

3.1.6.4.1 Network Monitoring System

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Communications testing and monitoring capabilities shall be available at primary and remote backup data center sites. Network monitoring tools shall be able to interface and analyze protocols, view anomalous data for analysis, and create visual and/or audible alarms to provide warnings of problems. The capability shall be included to determine whether a failure has occurred in the equipment at the central or remote backup site or within the wide area communications network.

3.1.6.4.2 Network Event Recording

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Communications testing and monitoring equipment shall have recording, recall/and reporting capability. The standards for the types of events recorded and the period of retention shall be developed jointly with the MSLC. The Bidder shall provide reports in an agreed-upon format to allow the MSLC to evaluate communications network performance.

3.1.6.4.3 Network Monitoring Protocols

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall provide network monitoring tools that employ a standard protocol to facilitate monitoring all along the communications path. This capability shall be extended to new network devices readily, should they be introduced.

3.1.6.4.4 Communications Expertise

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Communication technicians trained in the use of testing and monitoring equipment shall be present at the active system site whenever the iLottery System is operational.

3.1.7 Internal Control System (ICS)

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The ICS application shall be supplied to support iLottery operations and a near real-time data feed for all draw games by an independent, third-party ICS software subvendor, subject to the MSLC's approval. The Bidder shall work with the then-current ICS vendor (presently Elsym). The MSLC reserves the right to obtain documentation verifying the ICS subvendor's independence from a Bidder and/or any of its affiliates. Credentials of the ICS subvendor shall indicate experience and qualification to provide this type of service and software. The ICS subvendor shall be compliant with MUSL Rule 2 Section 2.5, federal, state, and other multi-state lottery group regulations. The Bidder and ICS subvendor shall be responsible for obtaining a System and Organization II (SOC II) report and providing a copy to MSLC on an annual basis. Both Bidder and ICS subvendor shall integrate with the MSLC's broader change management processes.

3.1.7.1 ICS Configuration

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide details for software and hardware that will be provided for each PDC, BDC and test environment. Costs for all hardware and software elements of the ICS, including maintenance and software upgrades, jump boxes, workstations, printers, and continuing support from the ICS subvendor, shall be included in the base price for the term of the contract. The MSLC is open to co-locating ICS systems between both iLottery and retail at the MSLC's data centers. All equipment procured for this purpose shall be considered the property of the MSLC upon delivery.

3.1.7.2 ICS Reporting

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

There shall be an automated balancing process to reconcile game activity, scheduled EFT balances and to identify any discrepancies. Reports shall be automatically generated and issued electronically. Reconciliation shall occur at intervals specified by the MSLC. Audit reports for balancing and reconciliation of iLottery sales shall also be provided. Reports shall be organized and formatted identically to their gaming system counterparts for efficient review and balancing. Bidders shall be responsible for providing appropriate examples for each applicable report.

3.1.7.3 ICS Balancing (Retail and iLottery)

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

For state games, there shall be an automated balancing process to reconcile game activity, scheduled EFT balances and to identify any discrepancies between both the retail and iLottery draw games. Reconciliation shall occur at intervals specified by the MSLC. Audit reports for balancing and reconciliation of the iLottery sales shall also be provided. The verification of the number of prize winners and amounts won by game/draw shall be available. All products selected as part of this process shall be approved by the MSLC.

3.1.7.4 ICS Interface Files

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The ICS shall have the ability to export data in various formats such as Excel, PDF, Word, comma-delimited, etc., run ad hoc reports and make reports available through electronic means as the MSLC deems necessary. Interface files, as defined by the MSLC, for the purpose of daily accounting, general ledger and tax reporting, shall be included in the daily update file to the MSLC’s financial application.

3.1.7.5 ICS Documentation

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Prior to startup, the ICS subvendor shall provide detailed system specifications, flow charts, operating and balancing procedures. The ICS subvendor shall be responsible for updating all documentation if any changes are made which affect the ICS system. The ICS subvendor shall provide detailed documentation for any enhancements or additions for the MSLC approval prior to development. A current copy of the application software, including source code and documentation, must be provided to the MSLC.

3.1.7.6 ICS Maintenance

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The ICS subvendor shall be responsible for maintaining the ICS application software. This includes, but is not limited to, updating the application software whenever the MSLC implements a game or makes

changes to a game that would affect ICS processing. In addition, the MSLC may require modifications to the application software to expedite system balancing. The Bidder or ICS subvendor shall obtain the MSLC’s approval before making any enhancements or modifications to any software. The ICS subvendor is responsible for keeping the ICS application patched and running on current and supported hardware and operating system (OS) software. It is the Bidder’s obligation to acquire and install an appropriate upgrade with the MSLC’s prior approval. If the ICS application requires modification or rewrite due to an upgrade (hardware or software), it is the responsibility of the Bidder to provide the new/modified ICS application. The ICS subvendor shall be available twenty-four (24) hours a day, seven (7) days a week, and three hundred sixty-five (365) days a year (remote availability is acceptable) to provide assistance in resolving any issues. The ICS subvendor shall be held to the service levels defined within Section 5.2.3.14 (Other Service Level Agreements). Backup/recovery capabilities for current or previous days’ transactions shall exist to restore and reprocess in the event an error or out-of-balance situation occurs. The ICS subvendor shall provide a detailed recommendation for a backup/recovery system.

3.1.7.7 ICS Lockdown Alternative

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The MSLC uses a MUSL- approved Lockdown Alternative solution for state draw games and the MUSL draw games where the MSLC ICS transfers draw transaction data at draw break automatically to an MSLC SFTP server. The Bidder and ICS subvendor shall provide a Lockdown Alternative solution, subject to the MSLC’s approval, which complies with “MUSL Rule 2.6(b)” and supports both automatic and manual file transfer of draw transaction data to an MSLC SFTP server at designated pre-draw and post-draw times.

3.1.7.8 ICS Security

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC security shall conduct background investigations of the subvendor personnel maintaining the ICS system. Such background investigations may include fingerprint identification by the MSLC’s security division, the Federal Bureau of Investigation, and any other appropriate public or private agencies selected by the MSLC. The ICS subvendor shall provide requested information on personnel assigned to the MSLC’s account.

The ICS shall utilize adequate logical and physical access controls including multi-factor authentication for all ICS door entries, motion-activated or full-time video surveillance of all ICS areas and other security features listed in MUSL Rule 2.5 to prevent unauthorized access to the ICS environment. Depending on the system design as approved by the MSLC, the MSLC may manage logical and physical access to the ICS environment. The Bidder shall describe the ICS security controls and features.

3.1.8 Drawing Controls

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Drawings shall be coordinated to support all draw games offered through the iLottery Platform. Current draw games offered by the MSLC do not require the Bidder to conduct the drawing, but

support through drawing operations is expected. The Bidder shall provide details of their drawing controls and provide an overview of control room support for draw based games.

3.1.8.1 Game Close

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

At a specified time before any drawing, the system shall communicate to the players the correct status of available games. An appropriate message shall be displayed to a player attempting to wager at closing time. A game close countdown timer shall be capable of display within the environment for use when the MSLC chooses to display it.

3.1.8.2 Closing, Drawing, and Cashing Time Window

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC considers it mandatory to minimize the time window between the close of the games, drawings, and the ability for the player to see and be paid for winning wagers. Once the draw break is complete, the game is expected to open, allowing purchases of the next draw. Bidders shall define the how draw requirements have been met in other jurisdictions. Draw breaks may vary between retail and iLottery, depending on the game provided.

Bidders shall follow game parameters as required by the MSLC. Parameters for current draw based games are as follows (subject to change):

Game	Day(s)	Draw Break	Break Period - Retail	Break Period - iLottery
Numbers Game	Daily - Midday	2:00 pm	1 minute	1 minute
Numbers Game	Daily - Evening	9:00 pm	1 minute	1 minute
Mass Cash (summer 2025)	Daily - Midday	2:00 pm	5 minutes	5 minutes
Mass Cash	Daily - Evening	9:00 pm	5 minutes	5 minutes
Megabucks	Mon, Wed, Sat	9:00 pm	5 minutes	5 minutes
Lucky for Life	Daily	9:30 pm	MUSL dependent	MUSL dependent
Mega Millions	Tues, Fri	10:45 pm	MUSL dependent	MUSL dependent
Powerball	Mon, Wed, Sat	9:50 pm	MUSL dependent	MUSL dependent

3.1.8.3 Drawing Information

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

At the closing of any game, the system shall record, at a minimum, the following information for the game:

- a) Date and time of day
- b) Net game pool
- c) Hash total of plays
- d) Daily handle
- e) Close handle

- f) Future wager reporting
- g) Pool status
- h) Draw identifier

3.1.8.4 Winning Numbers API Driven Entry

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

For all draw games, draw results shall support an MSLC Application Programming Interface (API) for winning number entry and share calculations into the iLottery System, including the drawn winning numbers, prize, multiplier (where applicable) and jackpot amounts. All API calls, successful or not, shall be logged. Bidders shall acknowledge their willingness to work with the MSLC to securely deliver the winning numbers and share values.

3.1.8.5 Multiple Winners per Tier

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall be capable of allowing multiple winners per tier as defined in the rules for each draw based game (DBG).

3.1.8.6 Roll to Next Drawing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall allow future sales for any future open drawing, regardless of the status of prior draw results.

3.1.8.7 Parimutuel Support

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall support prize tiers that may go parimutuel if the set prize pool or liability limits are exceeded. Bidders shall define their experience in supporting Parimutuel games in other jurisdictions to allow the same game to operate in both retail and online.

3.1.8.8 Automated Data Exchange

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall support secure, automated electronic data exchange with other systems as required by the MSLC or multi-jurisdictional entities. The Bidder shall describe in detail the features, capabilities, and configurable parameters related to the integration of data with external systems. (MSLC and Bidder). The Bidder shall define how these automated features are supported in other jurisdictions.

3.1.9 System Enhancements and Change Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Throughout the life of the contract, the MSLC expects annual enhancement roadmap sessions for each fiscal year. Bidders shall provide their strategy for annual roadmap planning and execution, noting that all fiscal year plans shall be final, thirty (30) days prior to the start of the new fiscal year. Ideally, road mapping is cyclical and continuous to avoid gaps in the development and release of new enhancements. Critical to the success of enhancements are the following elements. Bidders are required to provide an overview of their system enhancement process.

3.1.9.1 Project Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall submit a draft implementation plan with its proposal at the start of any internal (iLottery enhancements) and external project (third-party integration). The plan shall highlight, at a minimum, key milestones, dependencies and risks and all will be subject to the MSLC’s approval.

3.1.9.2 Requirement Gathering Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall complete full business and technical requirements gathering sessions as part of its project management phases. The MSLC must receive requirements documents or equivalent, including mockups (web, mobile web and app) for review and approval prior to the start of a development cycle.

3.1.9.3 Release Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall describe their process for system updates/releases, including, but not limited to, security updates, system maintenance, enhancements, bug-fixes, and solution upgrades that will be adhered to for the life of the contract (as approved by the MSLC). Include procedures followed for:

- a) Development methodology
- b) Version control
- c) Change control process
- d) Release cadence
- e) Release backout process

3.1.9.4 Issue Tracking System

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

An issue-tracking system shall be available to the MSLC for UAT and production environments. The Bidder shall discuss their ticketing systems for issue tracking and the environments for which it will be

available. Provide a minimum of two (2) examples, from jurisdictions, with whom the Bidder is or was contracted over the past five (5) years.

3.1.9.5 Enhancement Process

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall propose an enhancement methodology including regular meeting cadence for enhancement/roadmap planning, number of enhancements, release review, issue updates and related items. The Bidder shall define what is included in enhancement planning and what is not included. Enhancements shall be part of the base contract price and not subject to additional charges. Propose the number of hours per year the Bidder will devote to enhancements as part of the base price.

3.2 Player Account Management

SIGNIFICANCE	RESPONSE TYPE
INFORMATIONAL	NONE

In this section, the Bidder must describe in detail the features, capabilities, and configurable parameters of its Player Account Management system (“PAM”) in the sections that follow.

3.2.1 Know Your Customer (KYC)

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder’s PAM shall have capabilities to perform age and identity verification of players, with strict protocols to block attempted registrations that do not meet the most stringent age and identity verification controls. The verification method must also be able to determine player residency and allow or disallow access based on the MSLC-specified criteria.

The Bidder’s PAM shall have the capability to provide or enforce the following age protections: (1) requiring government ID verification and comparison with accompanying facial recognition technology; (2) employing multi-factor authentication or biometric authentication for each login and sale; (3) restricting the allowed number of sign-ins on an account across devices at any given time; and (4) periodic identity re-verification at regular intervals.

Bidders shall describe their KYC and age protection processes and identify their selected KYC partner.

3.2.2 Player Registration

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The PAM shall provide capabilities to support the registration of players and must be designed to ensure that only one (1) account can be created per person. Player accounts are multi-purpose and enable online play, loyalty, and all other present and future programs that require registration.

The Bidder shall describe their player registration process and flow. Include any techniques being recommended to minimize player drop-off (e.g., player begins registration and then willfully quits) during the registration process.

3.2.3 Secure Upload Center

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe their capabilities for registered players, and certain qualified failed registrations, to upload and transfer documents in a secure manner to the MSLC.

3.2.4 Exception Handling

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe how exception handling (e.g., failed registration due to a recent change of last name) will be managed by the system and how legitimate cases are then corrected while maintaining player convenience.

3.2.5 Player Geolocation Services (GLS)

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder’s PAM shall have capabilities to perform geolocation of players across land-based, Wi-Fi, cellular connection types, and any other method designated by the MSLC. The system must apply the most stringent controls to ensure that all wagering occurs within Massachusetts boundaries (including islands) and does not occur within any designated exclusion zones within the state as determined by the MSLC. The system must allow wagers to be placed in as much of the state as possible and include the ability to block traffic within the MSLC- defined distance from the Massachusetts border. The system must present the least possible intrusion to the player's experience as possible.

The GLS solution is subject to final approval by the MSLC and shall be replaced, at the Bidder’s sole expense, if it does not meet or exceed the highest level of standards as established by the agreement between the Bidder and the MSLC. The GLS solution shall be continuously updated based on new exploits identified and improvements applied to the solution.

The Bidder shall describe the geolocation system. If a third-party is used to provide geolocation, the Bidder must name the third-party.

3.2.6 Player Authentication

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall discuss how to use features such as multi-factor authentication (MFA) to ensure that the player logged in is the player participating in play.

The PAM must support a secure method to login users, including mandating minimum password security criteria, including the MFA, as designated by the MSLC. The MFA shall be established on initial

registration. Bidders shall identify if they have the capability to offer an MFA for any new device used by a player. The PAM must have capabilities to restrict player accounts from login for any MSLC-specified reason. The MSLC shall have the capability to impose account suspensions or account de-activation for players who fail to meet restrictions applied by the MSLC such as underage play or who facilitate underage usage.

The Bidder shall define the features available to trigger multi-factor authentication. This may include, but not be limited to, new devices, changing of Wi-Fi, state line detection by geolocation, changes to player account details and others.

The Bidder shall define any MFA options available to make the process more secure while keeping the process as simple as possible for the player. If the Bidder has more than one (1) option, the MSLC would like to understand all the options available.

3.2.7 Password Reset

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The PAM shall support a secure method for players to initiate and complete password resets. The system must also allow for mass password resets to be initiated at any time by the Bidder, at the MSLC’s direction, to protect player accounts. The PAM must have the capability to set a schedule for automated forced password resets as directed by the MSLC. The PAM must be able to disallow players from using a set number of most recent previous passwords.

The Bidder shall describe all password reset options available.

3.2.8 Player Information

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The PAM shall support a player’s ability to update their account information, such as address, phone, email, password, etc.

The Bidder shall list all player editable fields, and which fields are also editable through the back-office and Customer Support Center. Also, include the ability for the player to upload documents or utilize other less cumbersome and more automated methods, such as facial recognition, for compliance/verification.

The Bidder shall propose how to update restricted player information within the account with the ability to perform a KYC when required. The Bidder shall discuss how the proposed solution will work based on experience from other jurisdictions.

3.2.9 Player Wallets

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The PAM shall provide capabilities to fund player-specific deposit accounts (“Player Wallets”) that can be used for player transactions. Player Wallets must use logical separation of deposits, promotions, bonuses, and winnings (“Balance Classifications”) with the ability to strictly control which Balance

Classifications are available for withdrawal by the player. Additionally, the various Balance Classifications must be available for display to players and the MSLC back-office users. The Bidder’s PAM must have the capability to prohibit auto-renewal of funds into a Player Wallet.

The Bidder shall describe their solution for Player Wallets.

3.2.9.1 Account Deposit and Withdrawals

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Regarding wallet account deposit, withdrawal transactions and payment issuance, the Bidder shall provide the flow and timeline for players to withdraw winnings. In addition, answer the following:

- a) Does the system offer expedited withdrawals?
- b) Include average withdrawal time and expedited timeline.
- c) What is the minimum deposit amount?
- d) What is the maximum deposit amount?
- e) What is the minimum purchase amount?
- f) What is the maximum wallet balance amount?
- g) Does the system allow withdrawal free to the player (with no withdrawal fees)?
- h) Does the system permit withdrawal of cents?
- i) What is the minimum/maximum withdrawals amount?
- j) Does the system permit withdrawal outside of Massachusetts?

Pursuant to General Laws Chapter 10 Section 24(a)(v), any cash deposited and unspent in an account belongs solely to the owner of the account and may be withdrawn by the owner at any time subject to the satisfaction of controls or policies authorized by the MSLC to maintain security of customer funds and to prevent fraud and unauthorized or unlawful withdrawals.

Maximum limits for account deposits and transactions shall be set by the MSLC.

3.2.10 Player Account Security

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The PAM shall provide capabilities to securely store and maintain players’ personally identifiable information (PII) such as name, address, phone number, social security number, etc. The system must have multiple back-office user roles to limit access to player account information and history to only the staff who need it to perform their respective job duties.

The Bidder shall describe the method of securing player information.

3.2.11 Fraudulent Accounts

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The PAM shall provide capabilities to catch and prevent fraudulent accounts such as accounts that are set up under false names, stolen information, etc.

The Bidder shall describe the methods of preventing fraud.

3.2.11.1 Fraudulent Account Liability

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall cover all actual costs associated with fraud, including player-made goods.

3.2.12 Player Data and History

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The PAM shall maintain a complete history of player transactions, including deposits, purchases, winnings, claims, uploaded documentation, loyalty activities and any other transactions that are associated with a player. The player account data and history shall be available to back-office users and players.

The Bidder shall confirm that each of the below-mentioned features are included within the PAM:

- a) **Player Account Details:** All information requested during the registration process.
- b) **Current Balance:** Capability of supporting total deposit, wins, bonuses, or promotional credits.
- c) **Deposit:** Capability to add funds using any payment method available.
- d) **Withdraw:** Request to withdraw deposits and winnings using any available payment method.
- e) **Draw Games:** View records of all current, future and past purchases, including the status of subscription/auto-renewal.
- f) **Instant Games:** View records of all previously played game(s) with replay video per wager.
- g) **Favorite Purchase:** Easy access to favorite instant games and saved draw numbers.
- h) **Player Inbox:** Access to non-compliance or player promotional emails.
- i) **Transaction History:** Maintain a record of all transactions including deposits, purchases, bonuses, and withdrawals.
- j) **Tax Documents:** View and download win/loss statements, individual and consolidated W-2G forms or other offset payment forms.
- k) **Bonus:** View all bonuses and the real-time status of each bonus feature.
- l) **Responsible Gambling:** Ability to self-exclude and set deposit limits, play limits or other limits below MSLC's threshold in real-time, and provide links to responsible gambling resources.
- m) **Tools:** To securely upload documents for compliance checks and set various preferences such as MFA enable/disable, unsubscribe to marketing emails, etc.

3.2.13 Limited Access Accounts

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system must be able to mark an account as a limited account and limit certain activities, as designated by the MSLC, such as; wagering, depositing, purchasing, earning entries, and receiving promotions. This is to allow for the MSLC to have risk-free staff production accounts to train staff, retailers, and customers in the use of the system.

The Bidder shall describe the extent to which the iLottery System can limit activities in the system and on the MSLC website and app.

3.2.14 Locking/Closing/Terminating Player Accounts

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide details on how an account may be locked/terminated/closed due to inactivity or other reasons. This shall include details such as account/wallet expiry limits, inactivity period, the reason for account termination, where remaining funds are sent and notification of the account holder. The Bidder shall describe features available to the player as well as features available through the back-office and Customer Support Center. Illustrate features available with visuals and explain capabilities offered in other jurisdictions.

3.2.15 Player Support and FAQ

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe how a player can access help information and connect to the Customer Support Center throughout the player journey.

3.2.15.1 Security Support

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Support shall be available to the player for education on player account security topics such as phishing, smishing, social engineering and other related account security topics.

3.3 Player Account Migration

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC has a large player base with approximately four hundred and fifty thousand (450,000) KYC-registered users. The MSLC is seeking to have this player base migrated to the Bidder’s PAM upon contract award.

The Bidders shall provide a high-level plan, including roles and responsibilities, to complete the migration from the MSLC’s player database into the Bidder’s PAM. The plan shall describe how player data will be transferred into the new system, including the strategy to maximize the accuracy and security of the data. The Bidders are welcome to identify advancements that increase the efficiency of player account migration and management.

The Bidder shall describe any relevant experience associated with migrating player accounts.

3.4 Website and Mobile App Integration

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The MSLC has a website and mobile app (iOS and Android) that allow players to register and login, giving them access to the ticket scanner, mobile claims (Remote Ticket Cashing or RTC), and promotion entries such as Scan to Enter and Second Chance Drawings. These features are expected to remain in place after the integration of iLottery. The Bidder shall be responsible for collaborating with the MSLC’s current website and mobile app vendor to integrate chosen iLottery features, including, but not limited to, the PAM, purchasing flow, and games, into this existing ecosystem.

All costs associated with the integration of iLottery into the MSLC’s existing website and mobile app (iOS and Android) shall be the responsibility of the Bidder and included in the overall scope of the project.

3.4.1 Website and Mobile App Integration Plan

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Provide a detailed description of how the Bidder shall integrate their iLottery Platform with the MSLC website and mobile app.

3.4.2 Retail Eligible Players

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Presently, players are permitted to utilize all features on the MSLC website and mobile app at the age of eighteen (18). The MSLC shall continue to allow players to access these key retail features at the age of eighteen (18). Players under the age of twenty-one (21) shall not be permitted access to iLottery. Once a player reaches the age of twenty-one (21), the player shall be notified that they are eligible to play iLottery.

3.4.3 Out-of-State Players

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Presently, out of state players are permitted to utilize all features on the MSLC website and mobile app. The MSLC shall continue to allow out of state players to access these key retail features when not located in Massachusetts. Out-of-state players shall not be permitted to play iLottery or deposit funds when not located in Massachusetts.

The Bidder shall discuss how the MSLC’s existing out-of-state player base will continue to use the website and app retail features when not located in Massachusetts.

3.4.4 Accessibility

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders must meet federal Web Content Accessibility Guidelines (WCAG) 2.1 AA. The Bidder shall provide a full description of how they meet and exceed this standard, with references to where these standards have been implemented.

3.5 Claims and Payments

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The MSLC requires that the Bidder shall act as the Merchant of Record for the Massachusetts iLottery Program. Critical to these functions is strong fraud monitoring and compliance for payment methods, user flows associated with players, such as deposits, claims, and withdrawals. Other important components for payments and claims are ease of use, diversification in payment methods, and an expeditious withdrawal process that is secure and automated whenever possible. Bidders are responsible for all federal and state tax or offset reporting on the cadence required by each.

The MSLC would like to understand methods to integrate claims services around tax and offset payments within the state. The Bidder shall describe how it has implemented claims and payments within other jurisdictions, identifying jurisdictions where the Bidder was/is the Merchant of Record and the options available for the MSLC, including, but not limited to, virtual claims, player payment methods, payment processing and tax reporting to levels noted in subsections below.

3.5.1 Payment Methods

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The iLottery System shall integrate with multiple payment methods and support all capabilities of an e-wallet including, purchase, deposit, withdrawal and claim processing within the system and when integrated with other systems [see section 3.17.1 (Invited Options – Omni Wallet)]. The Bidder shall be responsible for providing secure, easy-to-use, and efficient payment processors (dual processor system) for each of the above-mentioned player flows. The MSLC does not currently permit transactions by credit card. Any payment method that is unable to restrict credit cards will not be acceptable. However, the ability to integrate credit cards shall be available should the MSLC choose to add the payment method in the future.

The MSLC requires, at a minimum, that the following payment methods options be available at the time of Go-Live, in addition to supporting a dual processing system. Bidders shall note which payment methods are currently in use and available for deposit only or deposit and withdrawal within their system:

- a) VISA debit
- b) MasterCard debit
- c) PayPal (no credit)
- d) ACH
- e) Apple Pay debit
- f) Online banking/Pay with My Bank
- g) Retail voucher (sold at retail through retail lottery terminal with deposit code for iLottery)

The Bidders shall describe the following:

- a) All payment methods Bidder currently offers and has planned for integration before Go-Live.
- b) The user flow for all the above-mentioned payment methods.
- c) Which payment methods are available for withdrawal as well as deposit?
- d) The associated execution/processing time for withdrawals.

- e) Average approval and decline percentages for each.
- f) All payment processors the system uses and any limitations for each.
- g) All fees associated with any of the payment methods for the services rendered.

Include any additional payment methods and processors, deposit and withdrawal information that has not been requested above the Bidder believes the MSLC, and its players would benefit.

3.5.2 Claims

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

As the Merchant of Record, the successful Bidder shall play a key role in player claims, ensuring each claim flow occurs correctly, and that claims processed for each threshold are subjected to compliance checks conducted by the Bidder in conjunction with the MSLC, according to federal and state laws, rules and regulations. The Bidder shall be required to comply with all year-end reporting to the player, the federal and state governments, and the MSLC.

The MSLC expects that the current claims processes and thresholds shall be supported with the ability to adjust the thresholds as necessary throughout the life of the contract, should the MSLC, the Commonwealth of Massachusetts or federal requirements change. This includes claims thresholds and federal and/or state withholding amounts. Bidders shall confirm they can support current claims thresholds as follows:

- a) Wins of one cent (\$0.01) to six hundred dollars and ninety-nine cents (\$600.99) are added directly to the player account.
- b) Wins of six hundred and one dollars (\$601.00) to forty-nine thousand nine hundred and ninety-nine dollars and ninety-nine cents (\$49,999.99) require a claim through the iLottery System, once verified, state and/or federal taxes and any state-required offsets are withheld, then the remaining funds are added directly to the player account.
- c) Wins of fifty thousand dollars (\$50,000.00) and greater require the claims process to be initiated through the iLottery System, but the player must come to the MSLC Headquarters with their claim as required additional documentation is subject to automatic security checks.

The Bidder shall provide a detailed description of the claims process within the iLottery System, including but not limited to:

- a. User flow that covers the end-to-end claim process, including compliance checks.
- b. Document upload, including all steps from a player, the MSLC and operator perspective. Note where processes are automated.
- c. Backend compliance check procedure (manual and automated) for each threshold.
- d. All backend configuration (not limited to thresholds, player emails/notifications) that can be controlled by the MSLC and/or the Bidder.
- e. Processing time associated with each claim threshold.
- f. Wallet interactions.
- g. System’s capability to handle claim-payment within the system (paid by the Bidder) and outside the system (if paid by the MSLC) for each threshold.

The Bidder shall discuss how similar claim systems have been implemented and integrated with other jurisdictions.

3.5.3 Payments

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide comprehensive services to support the payment transactions enabled on the system. The description shall address the following minimum requirements:

- a) **Banking Services.** The Bidder shall have a bank account that will hold all Player Wallet funds and must meet any requirements as designated by the MSLC. The bank account will be used for reconciliation between the MSLC and the Bidder to conduct any financial transfers owed to the MSLC. Reconciliation between the Bidder and the MSLC must occur through electronic means at a frequency and day as designated by the MSLC. The bank account shall be FDIC-insured and held in trust of the MSLC. Where banking deposits exceed one hundred percent (100%) of FDIC insurance, the Bidder shall propose one or more methods to ensure funds remain secure against risks (e.g., bank failure, fraud, etc.). The MSLC shall be given access to bank account records and permissions to request records directly from all banks used for the player or the MSLC funds.
- b) **Compliance and Risk Requirements.** The Bidder shall be responsible for ensuring compliance with all state, federal, anti-money laundering (“AML”), and payment card industry (“PCI”) imposed regulations associated with the acceptance of payments and external transfer of funds. The Bidder shall be solely liable for all risk, such as chargebacks, fraud, etc., related to payment activities. Bidder shall be responsible for creating, maintaining, balancing, and reporting for all payment systems.
- c) **Merchant of Record.** The Bidder shall be required to act as the Merchant and is responsible for all payment acceptance, dispute resolution handling, indemnification of payment fraud, and all expenses associated with these services.
- d) **Payment Card Industry (PCI) Certification.** The Bidder shall meet PCI requirements that are necessary to conduct efficient operations in a manner that does not impede the player’s ability to easily use the system. Proof of a PCI certification shall be provided to the MSLC on an ongoing basis. The scope of PCI compliance shall not implicate the MSLC in any manner and the Bidder must be required to modify its systems in a manner that absolves the MSLC from any PCI scope.
- e) **Responsibility of Payment Fees.** The Bidder shall be responsible for all fees, processing or otherwise, associated with the acceptance and transfer of payments to and from players, including fees associated with the implementation of any future payment methods added to the iLottery System.
- f) **Lottery Approval.** All payment services, including subvendors, are subject to the MSLC approval. The system shall have support for integrating an open banking architecture for banking services and subvendors as necessary by either the Bidder or the MSLC.
- g) **Failover Protection.** The Bidder shall maintain robust transaction routing capabilities for alternative banking services. For example, if “Bank A” changes a policy or experiences an outage, then the system would automatically switch over to “Bank B” to ensure no negative impact to player experience.

The Bidder shall provide diagrams/flowcharts of the banking services requirements in other jurisdictions. This shall depict how the funding and payment of prizes, taxes and offsets would work.

The Bidder shall describe the process of the invoice calculation and settlement in other jurisdictions. The Bidder shall provide examples, where applicable, for the invoice calculation and settlement process. The Bidder shall identify their ability to customize their invoice and billing processes to meet the needs of the MSLC.

3.5.3.1 Payment Acceptance

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe in detail the features, capabilities, configurable parameters and operational support related to payment acceptance. The description shall address the following minimum requirements:

- a) **Payment Processing Services.** The system shall provide all necessary components and services to accept financial transactions from players and to issue financial payments to players.
- b) **Backup and Failover Capabilities.** The payment acceptance system shall be configured in such a way that it can easily switch to additional service providers (e.g., payment processor, acquiring bank, etc.) to maintain uninterrupted payment operations.
- c) **Player Wallet Funding Methods.** Bidder must provide a solution that accepts payments as defined in section 3.5.1 (Payment Methods). The solution must accept Automated Clearing House (“ACH”) bank transfers in a manner that provides the most immediate availability of funds to players. The system must accept a method of funding the wallet through redemption codes as directed by MSLC (e.g., Online Game Card). Including additional payment options is highly desirable, including programs new to the market, such as partnerships that allow third-party loyalty points to be spent on lottery purchases (e.g., frequent flyer miles, hotel points, etc.). The Bidder must list all payment methods that will be available at launch and a roadmap of planned additions. Credit cards are not accepted but may be integrated in the future.
- d) **ACH Funding Verification.** The Bidder shall provide and describe the bank account and owner verification process for ACH funding, including the capability to pre-note for new funding sources.
- e) **Player Facing Fees.** The Bidder shall not assess fees against players, including, but not limited to, payment errors, chargebacks, insufficient funds, etc., unless approved by the MSLC. All fees must follow e-commerce best practices. The Bidder’s process shall ensure that players have every opportunity to avoid unnecessary fees.
- f) **Single Debit Funding and Purchase.** The Bidder shall describe in detail an optional feature allowing a registered player to purchase a game with a debit card or other payment source without funding a wallet and without retaining the payment method information.
- g) **Minimum Purchases and Deposits.** The system shall include the capability to configure minimum purchase and deposit amounts as directed by the MSLC.
- h) **Player Refunds.** The system shall be able to issue refunds to players as directed by the MSLC.
- i) **Saved Payment Types.** The system shall save previously used payment types in a manner that is secure and meets any payment card industry (“PCI”) requirements. Players shall be able to remove a saved payment type from their profile, and the system must retain any historical reporting in such cases.
- j) **Payment Enablement and Disablement.** The system shall support the ability to place a specific payment instrument on hold within a player account while also supporting the ability to re-enable the payment type.
- k) **Prepaid Acceptance.** The system shall be configured to enable the redemption of prepaid instruments (e.g., redemption codes, barcodes, QR codes, gift cards, etc.). Reporting shall also be made available to the MSLC for each of the Prepaid options supported by the system.

3.5.3.2 Payment Issuance

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall be responsible for providing a claim and payment mechanism capable of processing payments (ACH, checks, wire transfer, others) via a Virtual Wallet Account (VWA) to winners, when a threshold requires it, or in specific situations. The system shall track which of the player’s wagers are winners and whether wagers have been paid.

Bidders shall provide an overview of the features, capabilities, configurable parameters, and operational support related to providing the MSLC with software to manage a virtual prize claim center in conjunction with the Bidder. The system features shall maintain control over transaction integrity and detect and identify when a transaction has been altered outside of the transaction processing rules.

3.5.3.2.1 Anti-Money Laundering (AML) Compliance

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall provide all necessary validations to ensure that AML and any other regulatory validations are properly performed prior to the release of any payments.

3.5.3.2.2 Claim Form

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall generate a claim form automatically, when necessary, based on the prize value, which is dynamically populated with any known data necessary to process the claim. This claim form shall comply with the MSLC statutory and regulatory requirements and be securely accessible to the player within the Portal and by authorized MSLC staff. The Bidder shall provide details on the claim form look and feel, how the system requests permission from players to submit applicable IRS forms electronically, how the system handles multiple claimants on a single prize, and how IRS 5754 forms are handled.

3.5.3.2.3 Prize Payments

SIGNIFICANCE	RESPONSE TYPE
DESIRABLE	FULL

A player shall automatically receive winnings if the prize amount is less than six hundred and one dollars (\$601.00) as a deposit into the Player’s vertical wallet account (VWA). The Bidder has the option to support a merchant for mobile cashing. The retailer mobile cashing ability is not yet implemented within the MSLC environment. The Bidder shall provide details on how this has been implemented in other jurisdictions, including any changes to agent invoicing.

If used, the Bidder shall ensure the bank used is a Federal Deposit Insurance Corporation (FDIC) insured bank. Winners shall be notified by a pop-up of the win, and the balance will immediately increase by the amount won prize.

3.5.3.2.4 Claim Center Prize Payments

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Bidders shall provide a solution that enables the processing of prize payments via a VWA or a check to winners without requiring the player to physically visit a claim center. The claim process for all wins of six hundred and one dollars (\$601.00) and greater begins through the system. Only claims over forty-nine thousand nine hundred and ninety-nine dollars and ninety-nine cents (\$49,999.99) and greater, receive a check or wire transfer directly from the MSLC. The solution shall accommodate the following constraints:

- a) Prizes equal to or greater than six hundred and one dollars (\$601.00), state tax withholding (“Tax Withholdings”) shall be calculated based on current rates and withheld from prize payment, and the system must issue, and facilitate delivery of, a W-2G, 1099 or 1042-S to the player in accordance with applicable federal and state requirements, including but not limited to those identified in IRS Publication 1179.
- b) Prizes equal to or greater than five thousand dollars and one cent (\$5,000.01), state and federal tax withholding (“Tax Withholdings”) shall be calculated based on current rates and withheld from prize payment.
- c) Players must be able to view these deductions in their account. Pursuant to Internal Revenue Code (IRC) Section 3402(q)(1) and the Economic Growth and Tax Relief Reconciliation Act of 2001, Sec. 101 (a), Table 7, prizes exceeding five thousand dollars, and one cent (\$5,000.01) shall be subject to applicable federal income tax withholding.
- d) Prizes equal to or greater than six hundred and one dollars (\$601.00), the system shall queue the prize payment processing, less applicable tax withholdings, shall trigger an inquiry for child support owed or past-due tax liability. The MSLC back-office application shall aggregate these offsets into an API for the Bidder’s iLottery System to query.
- e) The system shall use the player’s social security number to determine if any state debt is owed. If an outstanding debt is found, then the debt value shall be entered as an offset into the system for all prizes of six hundred and one dollars (\$601) or greater and the system shall log the offset for reporting purposes. The system shall then deduct the offset from the prize payment and reflect the offset to players. The system shall provide a mechanism to issue a payment for any exceptional situations.
- f) This capability to process claims and payments shall be available for multiple users at multiple MSLC offices.
- g) Provide printing equipment, including three (3) Magnetic Ink Character Recognition (MICR) Printers with the capability to do same-day void/reissues from the MICR printer. Checks shall be printed on MSLC-provided check stock.
- h) These payments shall be reported in a daily payment register.

Information on Massachusetts Gambling Winnings Tax can be found at:
<https://www.mass.gov/technical-information-release/tir-15-14-income-tax-withholding-and-reporting-rules-for-certain-gambling-income>

3.5.3.2.5 Annuity Payments

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Bidders shall utilize the current MSLC annuity system to handle payments of annuity-type prizes that can be paid over a pre-determined period. The Bidder shall submit the full prize amount to the MSLC which shall be utilized to pay the player’s annuity. The solution may require integration with the MSLC’s existing annuity payment system.

3.5.3.2.6 Debt Offset Checks

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Debt offset checks shall occur at a configurable level. The Bidder, using an MSLC back-office API, shall check for child support and other debts owed to the Commonwealth. Bidders shall indicate if they currently support automated debt offset with any jurisdiction. The system shall deduct the offset from the prize payment and reflect the offset to players. The system shall provide the ability to separately collect, manage, and track multiple offsets for a single prize payment claim and make them available within reporting to the MSLC staff. An export file of all offset payments by the player shall be made available to the MSLC daily. Bidders shall provide a solution to allow the MSLC to print a set of checks, including a letter for offset checks, per single win containing any offset debt. The MSLC can provide the Bidder with an example of what is to be included in the letter.

The Bidder shall discuss similar implementations from other jurisdictions to support debt offsets, providing the capability to withhold these amounts and deliver these to the state. Discuss any API implementations that may have been constructed for other jurisdictions that might be of use by the MSLC.

3.5.3.2.7 Uncashed Winning Wagers

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

For prizes of six-hundred and one dollar (\$601.00) and greater, if a player does not claim their iLottery winnings after one (1) year from the date of the win, the system shall be required to automatically track and report these unclaimed prizes in accordance with the MSLC rules for prize expiration on a daily basis. Prizes do not expire until the end of a one (1) year period. Unclaimed prizes for multi-state games (Lucky for Life, Mega Millions and Powerball) shall need to have a report generated at the end of every month for all prizes expired during that month from the previous year (i.e. at the end of January 2025 a report shall be issued for all prizes unclaimed from wins that occurred in January of 2024).

Include an explanation of how unclaimed instant prizes are handled.

3.5.3.2.8 Cashing Policy

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall allow cashing of winning wagers as determined by the MSLC. Currently, the ticket expiration schedule is one (1) year following the draw date of drawing, if applicable. The MSLC shall set other policies as appropriate.

3.5.3.2.9 Tax Withholding Reporting

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall support IRS and the MSLC requirements for withholding from prizes and recording of name, address, and related information necessary for reporting, as noted above. The system shall produce an interface file for reporting to the IRS and the Massachusetts Department of Revenue. Reports shall be available in real-time, and a daily file shall be available for the MSLC, as well as daily

payment (and proof of payment) for federal or state requirements. Files and reports shall meet formatting and layout requirements as specified by the MSLC.

The Bidder shall describe the support available for IRS reporting with any unique features that might be beneficial to the MSLC and its player-base. The Bidder shall define any special state tax reporting capabilities that might be beneficial to the MSLC, knowing that their state tax law may differ from those being discussed.

3.5.3.2.10 Retention of Prize Winners

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall retain records of prize payments of six-hundred and one dollars (\$601.00) or more for a duration set by the MSLC. This includes preserving a mechanism for accessing, summarizing, and researching prize payments. All data shall be available to the MSLC online. All retained data shall be migrated to the next vendor upon contract termination.

The Bidder shall describe how prize winners are retained in other jurisdictions, discussing the retention parameters and flexibility to change as required by the MSLC. The Bidder shall describe any special reporting available to the MSLC in regard to prize winners.

3.5.3.2.11 Reporting

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall maintain detailed prize winner information, allowing for inquiry and reporting. The information shall be transmitted and maintained in an encrypted format.

3.5.3.2.12 Exporting of Data

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall be capable of producing and exporting through electronic means (e.g., comma-delimited, Excel Raw Data, PDF, etc.) daily, weekly, monthly, quarterly, yearly, such as, but not limited to, federal taxes, offset and prize payment checks issued as required by the MSLC.

The Bidder shall discuss the exporting capabilities describing the various methods of extracting data from the iLottery System. The Bidder shall discuss the flexibility of the iLottery System to export data into a range of systems, including data warehouses, data lakes or other BI- related areas. The Bidder shall discuss data initiatives from other jurisdictions and how they have been able to successfully and efficiently extract data for any number of purposes, not limited to the areas identified here.

3.5.3.2.13 Winners File

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

A winner’s report shall be available to the MSLC to choose the time frame and all wins in the chosen threshold range, with the ability to consolidate total wins for duplicate winners.

3.5.3.2.14 Claim Information

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall propose a solution that includes electronic capture of player completed claim information and other forms. The Bidder shall discuss how claim information is captured, automatically completed for the player, and manual collection of other players (including personal) data for claim purposes. The Bidder shall discuss how this data is housed to ensure it is securely saved and transmitted using public encryption methods.

3.5.3.2.15 Claim Payment Activity

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall propose a solution that includes the ability to access claim payment activity in real time. The Bidder shall define the claim form capabilities and how these can be delivered electronically to players or printed at a claim center.

3.5.3.2.16 One-Time Cashing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

A winning wager shall not be able to be cashed more than once. In the instance that multi-draw purchases are available from an iLottery game, then each draw within the range shall be treated as a separate wager by the system.

3.5.3.2.17 Document Storage

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall retain any documentation related to claims for each player in a manner that is compliant with any state, federal, Payment Card Industry (PCI), National Automated Clearing House Association (NACHA), or other regulations, including Massachusetts retention policies. When a player makes a subsequent claim, the system shall not trigger an automated message to players when the necessary documentation is already on file and not required by any MSLC- mandated thresholds. In these cases, the system shall allow the MSLC to expedite the prize claim process.

3.5.3.2.18 Prize Claim Hold

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The system shall be configured to automatically place prize claims on hold based upon criteria/thresholds as defined by the MSLC or the Bidder as the Merchant of Record. The hold shall only be lifted/bypassed by designated MSLC and Bidder personnel.

3.5.3.2.19 Completion of Prize Claim

SIGNIFICANCE	RESPONSE TYPE
--------------	---------------

MANDATORY	FULL
-----------	------

The system shall allow the MSLC to mark a claim as approved, while removing any tax withholdings and offsets, and initiate a final credit to the wagering account that is available for immediate withdrawal for qualified claims. The system shall support a two (2) person verification process before the claim is approved.

The Bidder shall discuss how claims are performed within other jurisdictions. The Bidder shall define any unique features that might benefit the MSLC.

3.5.3.2.20 Exceptions and Overrides

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall allow for exception claims and overrides that do not meet the defined workflow associated with a prize claim. This includes, but is not limited to, the ability to override default tax withholdings or to mark prizes as paid through external systems. An export file of exception claims shall be available to the MSLC.

The Bidder shall discuss their support for exception claims with the ability to override claims in unique situations. The Bidder shall discuss how exception claims are handled in other jurisdictions to ensure any claim the player has presented can be performed knowing the MSLC beneficiary complexities.

3.5.3.2.21 Payment Integration

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall be responsible for integrate with the MSLC payment system for tracking of taxes and offsets paid by players. Bidders shall also be responsible for transmitting these payments to an account specified by the MSLC and reporting these amounts to the Commonwealth’s financial system. This is discussed further in section 3.6.4 (Payments Integration – Taxes and Offsets).

Bidders shall identify how integration with the MSLC and the Commonwealth’s financial system has occurred in other jurisdictions. Bidders shall discuss the use of APIs or other options to support financial data transmission between systems.

3.6 Back-Office System

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall provide a browser-based back-office system that provides information in real-time and meets the ongoing needs and obligations of the MSLC and/or the Bidder to manage operations, system functions, and player account information. Bidders shall describe their overall back-office system, its capabilities, and where it is presently in use. Provide screenshots for, at a minimum, the items in the following subsections 3.6.1 to 3.6.11.

The following accounting requirements shall be available through the MSLC Back-Office reporting system:

- a) All iLottery taxable prizes shall be required to be maintained in the MSLC Back-Office system.
- b) All iLottery taxable prizes shall be reported to DOR and the IRS through the MSLC Back-Office 1220 tax report.
- c) All iLottery taxable prizes shall be able to re-issue a W-2G form through the MSLC Back-Office system.
- d) iLottery prize checks shall be re-issued when required through the MSLC Back-Office System.
- e) iLottery prizes paid shall be voided when required through the MSLC Back-Office System to process a tax adjustment.

3.6.1 Player Account Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall provide a player account management back-office interface that can be utilized to edit or view the following:

- a) Player attributes (e.g., name, address, responsible gaming controls, etc.)
- b) Account preferences, including email, deposit limit, etc.,
- c) Bonus attachments
- d) Document uploads
- e) Fraud/security holds
- f) Disable/enable account functionality
- g) Transaction activity (deposits, withdrawals, claims, bets, replay videos, customer service cases, etc.)
- h) Login history (devices, IP, etc.)
- i) Others (if any)

The Bidder shall describe their back-office features related to player account management, providing examples of where these features have been deployed in other jurisdictions.

3.6.2 Content Management System (CMS)

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The MSLC is seeking the license of the current CMS to be transferred to the iLottery Bidder. The MSLC has integrated a number of customizations into the CMS and the MSLC wishes to maintain this within the iLottery CMS solution. The MSLC shall maintain control of customizations while working with the Bidder to ensure a seamless and streamlined CMS operation.

3.6.3 Claims

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall define the claim functions available, including processing, approvals and reporting from a back-office perspective. The Bidder shall provide any additional features that might be of interest to the MSLC. The Bidder shall provide examples from other jurisdictions and discuss what has been successfully deployed.

3.6.4 Payments Integration – Taxes and Offsets

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

As referenced in section 3.5.3.2.4 (Claim Center Prize Payments), the MSLC maintains a payment system that supports offsets and federal and state tax payments. The Bidder’s system shall withhold taxes and offsets based on the claim and claimant. The Bidder shall integrate with the MSLC payment system to provide the following data, but not be limited to:

- a) Claim information
- b) Claimant or player data related to the claim
- c) Amount of the claim
- d) Taxes due (state and/or federal)
- e) Any offsets related to taxes or child support that are to be included
- f) The aggregate payment amounts for state and federal taxes
- g) The aggregate payment amounts for each agency

The collected data elements and payment amounts to be transferred to the MSLC’s payment system shall be conducted on a cadence provided by the MSLC. The MSLC shall be responsible for the transfers to the state systems and issuing payments to state and federal agencies.

3.6.5 Game Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall define the game management process within the back-office, including, but not limited to, loading, updating, modifying, or removing games, game files, game icons and graphics, game documents such as game help pages and other game-supported files. As the Bidder adds third-party game providers, these shall be integrated into the system and game management shall be supported through this interface.

The Bidder shall discuss the ability to add or modify games when required by the MSLC. The Bidder shall discuss the time frame to disable or deactivate games when requested. The Bidder shall discuss the ability to enable or disable sales of a game to ensure only games authorized by the MSLC are operating. This includes all games, including third-party games.

3.6.6 Financial Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the financial management features available within the back-office, including, but not limited to, reporting access to all custom and standard reports and any financial features that might be of interest to the MSLC, etc.

The Bidder shall provide a list of custom and ad hoc reports needed to support the MSLC (Retailer and iLottery) operations, including multi-state games (share calculation, draw liability, invoice, payment, sales, etc.).

The Bidder shall provide a high-level diagram of the banking services requirements in other jurisdictions as it relates to payments to the state.

The Bidder shall provide a high-level diagram illustrating a proposed structure for MSLC banking services, taking into account that the MSLC will have separate beneficiaries for retail and iLottery.

3.6.7 Audits and Audit Trails

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the audit trail capabilities and details on areas monitored and specific actions captured, etc., within the iLottery System. The Bidder shall describe the access available to this data, if the data can be exported, defining the format available, or what features are available internally to filter the data. The Bidder shall define the specific credentials necessary to access this data and identify any limits and the number of users who might have permission to access this data. The MSLC reserves the right to appoint specific staff members to have audit rights and responsibilities for the back-office system.

The Bidder shall discuss specifics around audits and audit trails, including the following:

- a) **Financial Audit.** Bidders shall discuss availability and how annual audits are handled and how audited financial statements are supplied to the MSLC. The Bidder shall describe processes used in other jurisdictions that may benefit the MSLC.
- b) **Operations Audit.** Bidders shall discuss how internal controls, system controls for online play compliance are maintained and audited annually, including third-party vendor audits. Describe audit certificates received and how these may be distributed to the MSLC. Describe how specific audit reports are performed, including, but not limited to, SSAE 18 (SOC I) type 2 & SOC II Type 2 audit reports (or the latest version of such audits as defined by the American Institute of Certified Public Accountants (AICPA)). Describe how similar reports are performed from any subvendors or third-party game providers.
- c) **System Changes Audit.** Bidders shall discuss how system changes in the iLottery System, including subvendors and third-party game providers, are monitored and audited to regulatory compliance. Describe the evidence provided to the MSLC for compliance purposes, including types of reports and data provided as part of the compliance submission.

The Bidders shall describe how compliance, reporting and certifications are achieved in other jurisdictions detailing what advantages the MSLC can observe from these implementations.

3.6.8 Single Sign on

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The capability for a single sign on solution is required. The Bidder shall describe how their solution allows back-office users to use single sign on functionality across platforms, including third-party applications, operations, retail and iLottery reporting, BI systems, and other systems as defined by the MSLC. MFA shall be provided by the back-office suite.

Bidders shall discuss how integrations with other lotteries' back-office suites have occurred and how single sign on has been supplied and utilized in these solutions.

3.6.9 Users and Access Control

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall identify any limits regarding the number of unique users (i.e., maximum number of users). User-roles must be based on the principle of least privilege and be permission-based on clearly defined user roles/profiles. Outline the access control for each function, reporting and real-time player- level data/transactions (PII data, sensitive areas).

The Bidder shall define how users are created and maintained within the distinct environments, including, but not limited to:

- a) Vendor Quality Assurance (VQA) environment(s)
- b) Customer Acceptance Testing (CAT) environment(s)
- c) Production

The Bidder shall define how users are maintained throughout each environment to ensure users are easily distinguished.

3.6.10 Training

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall define how back-office training is conducted for the MSLC users and how material, such as help documentation, is distributed in an easy to navigate electronic format to allow users to access and utilize it after training is complete. The Bidder shall define their various methods to deliver training and what has been effective at other lotteries.

3.6.11 Additional Information

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders are encouraged to provide additional information on how their back-office system can assist the MSLC in operational management and research of player-related data. Bidders shall provide evidence where it has been implemented at other lotteries and the successes observed from any implementation or improvement.

3.7 Games

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The MSLC seeks an iLottery partner who shall support a diverse portfolio of game options to increase player engagement, align with various segments of players, be user-friendly, fun, and drive total NGR. This shall be done by providing game support through strategic road mapping and analysis, seamless third-party game provider integration and systematic management, offering a robust and innovative portfolio of owned instant games, and providing retail draw based and fast play games through the iLottery Platform.

Full-Service iLottery Platform and Related Services

The following list identifies the current draw based games offered by MSLC, along with their designed prize payouts:

- | | |
|---------------------|--------|
| a) Powerball | 50% |
| b) Mega Millions | 50% |
| c) Megabucks | 61.79% |
| d) Mass Cash | 55.76% |
| e) Lucky for Life | 57.93% |
| f) The Numbers Game | 63% |
| g) Keno | 71.52% |
| h) Wheel of Luck | 70% |
| i) Raffle games | 50-60% |

The following draw-type games are expected within the iLottery System at Go-Live:

- a) Powerball
- b) Mega Millions
- c) Megabucks
- d) Mass Cash
- e) Lucky for Life
- f) The Numbers Game

At the time of Go-Live, the MSLC is seeking an iLottery Platform with both Bidder's owned content and content from several third-party vendors. The MSLC is expecting to work with a Bidder who understands that the success of the MSLC's iLottery Program will depend on all partners working together to support the goals of the MSLC. The MSLC expects the Bidder to manage contracts with all third-party game providers and work with the MSLC as required to onboard providers approved by the MSLC.

The Bidder must ensure all games planned for use within the MSLC, including all third-party games, meet ADA requirements.

3.7.1 Games Support

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

As important as it is to launch games, it is critical to understand how games resonate with players and to understand the reach of each game. Bidders shall detail:

- a) How game success is measured.
- b) How games are analyzed.
- c) How frequently games are analyzed.
- d) How game user experience is analyzed and how feedback or findings are incorporated into future iterations.
- e) What research initiatives have been done on games in the past three (3) years and what changes were implemented because of that research.
- f) How game users, specifically within the MSLC market, are analyzed and feedback or findings are incorporated into future iterations.

3.7.2 Industry Standard Certification(s)

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The bidder’s solution, including but not limited to RNG, all games, base software, PAM, and RGS shall be tested and certified against industry standards approved by MSLC through an independent testing laboratory at the Bidder’s expense at launch and with subsequent updates and releases as required by MSLC.

From a system’s perspective, the Bidder’s proposed system shall be certified to industry standards in other jurisdictions and shall be tested and recertified through an independent testing laboratory at the Bidder’s expense as part of lottery acceptance testing prior to launch.

3.7.3 eInstants

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The MSLC is seeking innovative eInstant games to support a weekly or bi-weekly launch with multiple games. The Bidder shall provide a robust and innovative portfolio of owned, off the shelf (OTS) eInstant games, with a minimum of twenty-five (25) games. For Go-Live, a minimum of twenty-five (25) games are required, which will include games from the Bidder’s portfolio and other game providers. The MSLC reserves the right to choose the games for launch and the MSLC makes no assurances to choose games from the Bidder’s portfolio for every launch and there is no guarantee on how many games the MSLC will choose from any third-party game provider.

After the initial Go-Live, Bidders shall launch at least fifty-two (52) games each fiscal year, which will include games from the Bidder’s portfolio and third-party game providers, at one (1) to two (2) games per launch. Fifty (50) games can be OTS and the MSLC may request up to two (2) games to be bespoke. Note, the MSLC may choose not to utilize all fifty-two (52) games allocated each fiscal year.

3.7.3.1 Systematic Management and Third-Party Integration

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

To ensure strategic alignment and enhance the MSLC-vendor partnership, the Bidder shall, at a minimum, suggest, integrate, contract with, and manage no less than eight (8) third-party game providers with their existing portfolio as agreed upon with the MSLC. The MSLC requires three (3) third-party game providers at Go-Live and five (5) additional third-party game providers over the course of the following two (2) years after the Go-Live date.

To decrease constant integration development costs, and time, and to increase efficiency and the ability to work with smaller studios that may offer unique eInstants or draw games, MSLC deems it highly advantageous for the Bidder to offer and support a content aggregator, allowing the integration of new third-party eInstant game providers within thirty (30) days after the MSLC approval. The MSLC understands that direct integration may be the agreed-upon method with some game providers.

Actions	Third-party Game Provider
Contractual Agreement	30 – 60 days
Integration into Bidder’s platform	30 days after contract signing

Game deployment to MSLC Portal	60 days after contract signing
New Games	2 to 4 weeks after previous game deployment

Detail the Bidder’s ability to:

- a) Manage third-party game providers, as noted above.
- b) Create and ensure consistency and provide direction to third-party game providers for game development workflow, prize structures, working papers, game help pages, marketing packages, game launch and analysis for the MSLC, marketing agency of record and the Bidder.
- c) Recommend, integrate, contract with, and manage third-party game providers.
- d) Provide a content aggregator. List game providers currently on the Bidder’s aggregator and how many eInstants total are available through each portfolio. Also, list which jurisdictions use the Bidder’s content aggregator.
- e) List game providers that currently have games directly integrated into the Bidder’s iLottery System, noting which jurisdictions are utilizing this method.
- f) List how successful the games noted are in comparison to other games provided on a net gaming basis for the first twelve (12) weeks of launch within each jurisdiction.
- g) Enable the Bidder’s and third-party games (off the shelf, customized, makeover, bespoke, progressive) to be deployed with ease.
- h) Ensure all functionality remains the same for the player across all game providers so the player cannot tell the difference between them, their access to them (across the app, mobile web and desktop) including replays and game play history, so that marketing promotions can be applied the same for all (free games, coupons, bonusing capabilities).

The MSLC requires integration of third-party eInstant games to be included as requested by the MSLC. The Bidder and/or the third-party game provider(s) being integrated shall be responsible for integration costs.

3.7.3.2 eInstants Requirements

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Games shall be developed for a mobile-first approach (iOS and Android), for in-app play, and playable on a desktop supported browser. Games played in-app or mobile web shall be available in horizontal and vertical play, when applicable. Bidders shall confirm their ability to meet these requirements.

All eInstants shall have a Demo Mode (free play) that plays identical to the Money Mode version of the game, including utilizing the same prize structure. An option for moving to the Money Mode version of the game from within Demo Mode shall be offered. The Bidder shall note if Demo Mode play/wagers are captured and logged by the system or through ancillary systems.

3.7.3.3 Game Studio

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe how the Bidder’s game studio drives innovation in games from play style, technology, graphics, prize structures and user controls.

The Bidder shall include the number of OTS games currently available in the Bidder’s portfolio.

The Bidder shall discuss all game types and play styles launched over the past three (3) years. Provide examples of where these games have been deployed.

The Bidder shall provide a list of the top twenty-five (25) games, by NGR, from the Bidder’s game portfolio and where they are deployed. The Bidder shall also include where these games rank among all other games in the same markets.

3.7.3.4 Customizations

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe all levels of customizations available for OTS games. Include the process and the time required to complete customization at each level. The Bidder shall provide at least three (3) examples of OTS games that were customized for another jurisdiction. If different levels of customization exist, provide at least one (1) example at each level of customization.

3.7.3.5 Bespoke Games

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall identify the number of native bespoke games created for other jurisdictions over the past three (3) years. The Bidder shall provide examples of native bespoke games, identifying the jurisdiction for which it was produced, and describe the game’s performance in comparison to other games launched.

The Bidder shall include at least one (1) case study detailing the bespoke game creation process from concept to launch.

3.7.3.6 Progressives

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe any native or third-party progressive and linked progressive games launched over the past three (3) years, identify the jurisdictions the games are operating or were operating in. The Bidder shall describe the complexities of the progressive games that may impact the MSLC.

3.7.3.7 eInstant Licensed Properties

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide a list of eInstant licensed properties that the Bidder has negotiated and deployed on their platform. Note where each has launched and its success relative to other games launched in the same market. (The MSLC may want to utilize licensed properties and recognizes that the pricing of licensed properties may vary depending on the brand. Prices for licensed properties are negotiable.)

3.7.3.8 eInstant Licensed Products

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall supply eInstants containing licensed products from third-party vendors, subject to a contractual agreement between the MSLC and the third-party or a licensing agreement with the Bidder.

3.7.3.9 eInstant Branded Products

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide games that are branded completely to the MSLC. Provide thorough details on how games are branded, specific to individual lottery clients. Screenshots and explanations are encouraged. The Bidder’s response must pertain to the standard game offering, under standard game pricing. In no event shall game customization fees apply to the Bidder’s offer to brand games completely to the MSLC.

3.7.3.10 Launch Process

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the eInstant launch process from game selection to post-launch support. Please note any differences in the launch process for games from the Bidder-owned portfolio and games from third-party providers.

3.7.3.11 Strategic Plan

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide a strategic five (5) year plan and roadmap for the provision and release of games, including third-party games.

3.7.3.12 eInstant Documentation

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall list and describe the documentation provided to support the Go-Live and additional game launches, such as a checklist, help pages, working papers, etc. Provide a timeline before game launch that details the pre-launch schedule, including UAT launch, working paper/spec delivery, game help page delivery, etc.

3.7.3.13 eInstant Marketing Package

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall list the contents of the marketing resource package for each launch as well as how many weeks before launch they are available. The package of resources must include game videos and

game images. Discuss how the Bidder supports the MSLC’s marketing team or the acquisition marketing team.

3.7.3.14 eInstant Launch Team

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall list the members of the eInstant launch team, their titles, and their responsibilities as part of the launch process in support of the MSLC objectives.

3.7.3.15 Price Points

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the ability to offer eInstants that have a variety of price points in the same game and the same payout percentage, but with different prize levels.

3.7.3.16 Game Controls

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the game controls available from the game’s main page. Describe how players can locate game adjustments or find game-related information. Discuss the ease of use for players.

3.7.3.17 Personalization

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe if and how game loading can be personalized for the MSLC.

3.7.3.18 MSLC Standards

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall provide eInstant games that meet MSLC standards. This includes, but is not limited to, game performance, latest HTML5 requirements and adhering to Apple and Google acceptance requirements.

3.7.3.19 eInstant Custom Games

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall detail their experience in building custom-built/bespoke/tailor-made games for a lottery. Describe the process of working with North American lotteries in creating a tailor-made game. Include at least one case study detailing the process from concept to launch, and how the game performed in comparison to other similar playstyle games already in the market.

3.7.3.20 Virtual Games

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe their experience in designing virtual games, such as virtual sports. Bidders shall include the jurisdictions where they have virtual games, how the virtual games perform against instant games and the demographics of virtual game players.

3.7.3.21 Experiential Prizes

SIGNIFICANCE	RESPONSE TYPE
DESIRABLE	FULL

The Bidder shall describe any experiential prizes offered in other jurisdictions, including how these were promoted, how these prizes performed and if they remain in use. The MSLC desires to utilize experiential prizes that create memorable experiences by winning non-monetary prizes to promote new games and attract players to the iLottery Platform.

3.7.3.22 Additional Features

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe any additional instant features or game types offered that have not been previously discussed.

3.7.4 Draw Based Games

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall support the implementation of Draw Based Games (DBGs) on the iLottery Platform as directed by MSLC, including any under development, for Go-Live. The MSLC also expects the ability to launch any other DBGs MSLC offers at retail within three (3) months of launch. Any and all DBGs launched and any DBG changes are not to incur any additional costs (development or otherwise). All DBG new launches and changes are part of the base price for the full term of the contract.

The Bidder shall adhere to game change schedules according to the MSLC and multi-state lottery timelines. Any game changes required by the multi-state lottery groups must be adhered to and completed according to all applicable rules and regulations.

The MSLC reserves the right to add additional draw games over the term of the contract at the sole discretion of MSLC.

The Bidder shall provide all necessary requirements to manage DBGs, including wager options, multi-draw selection, number selection, add-ons, and draw operations and management according to applicable MSLC and multi-state agreements, rules and regulations.

3.7.4.1 Examples

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall list the DBGs launched via iLottery and the jurisdictions where they are currently available for sale, as well as the average time to develop and launch. This shall include exclusively online, online and retail, fixed payout and parimutuel.

3.7.4.2 Purchase Options

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe DBG purchase options supported by the Bidder’s system, including single draw, multi-draw, multi-draw subscriptions (create, manage, and end subscriptions), or other innovative methods for players to purchase DBGs.

3.7.4.3 Purchase Features

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the various purchase features offered (with screenshots) for DBGs, such as saved numbers, add-ons, easy pick, combo purchases, or other features.

3.7.4.4 Special Features

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe any special DBG features offered that set the Bidder apart from other Bidders and have not been previously discussed.

3.7.4.5 Game Changes

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe processes and mechanisms in place to handle DBG game changes within the iLottery System with at least two (2) jurisdictional examples.

3.7.4.6 Parimutuel Games

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall provide the ability to support Parimutuel games (Numbers Game), including prize tiers that may go parimutuel if set prize pool or liability limits are exceeded (Mass Cash and Megabucks).

Parimutuel calculations for each game shall be performed by the MSLC’s central gaming system.

3.7.4.7 Additional Games

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall discuss the ability to support the addition of Fast Play, Digital Raffle and Monitor Games to the game play suite in the future.

3.7.4.8 Monitor Style Games

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC has a history of success and significant sales in draw based games with animations displayed on monitors. Bidders shall describe and provide examples of jurisdictions in which they have been able to successfully mirror a similar gaming experience online, as players realize at retail agent locations, essentially offering cohesion between the digital and retail experience. The MSLC shall consider such styles of games in the future after the iLottery system has been deployed.

3.7.4.9 Supporting Information

SIGNIFICANCE	RESPONSE TYPE
IMPORTANT	FULL

Bidders are encouraged to provide additional information supporting their ability to execute, deliver, and support draw games and provide an exciting user experience.

3.7.4.10 Step Down Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall have the ability to step down wagering functions when a game matrix has a planned configuration change. For example, if the Powerball matrix is set to change in four (4) weeks, the ability to automatically throttle down multi-draw wagers in order to prevent the sale of tickets that would be ineligible. The Bidder shall discuss where these features have been implemented and where the step-down wagering function has been used successfully.

3.8 Marketing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC seeks a Bidder to provide a comprehensive iLottery marketing solution that drives digital marketing strategy while managing acquisition, retention, and growth initiatives. The ideal partner will bring expertise in leveraging cutting-edge and innovative marketing technologies to enhance player engagement and generate responsible revenue growth.

The MSLC currently produces all creative assets for retail in-house and does not engage an advertising agency for these services. The selected Bidder will collaborate closely with the MSLC to design and create digital assets for paid media campaigns.

With an initial annual media buying budget of nine million five hundred thousand dollars (\$9,500,000) that is projected to increase by ten percent (10%) every two (2) years, the MSLC requires a flexible and data-driven marketing approach. The Bidder must provide a suite of marketing tools and strategies, including:

Full-Service iLottery Platform and Related Services

- a) Advanced player acquisition, retention and segmentation solutions.
- b) State-of-the-art CRM management, execution and analysis across retail and iLottery.
- c) Robust bonus and promotional capabilities.
- d) A comprehensive rewards and loyalty program.
- e) Development and management of an affiliate program spanning online, retail and strategic partners.

This engagement requires an agile and automated marketing framework and workflows to optimize acquisition, CRM, and marketing performance. The MSLC seeks a partner that can seamlessly integrate innovative marketing solutions to maximize player engagement while upholding responsible gaming principles.

Bidders shall provide in detail what is included in their marketing support and additional support elements that may be available outside the base service.

3.8.1 Marketing Strategy Meetings

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall propose a regular cadence of marketing strategy meetings with the MSLC. Provide a list of proposed meeting(s), including the purpose, frequency and recommended meeting attendees.

At a minimum, the Bidder shall propose one marketing strategy meeting per month with the MSLC to discuss the following:

- a) Formulating the slate of games and game changes.
- b) Introduction schedules.
- c) Reviewing player trends and segmentation strategies.
- d) Promotional strategies to support games.
- e) Player segmentation and other opportunities.
- f) Monitoring and analyzing overall progress against goals.
- g) Discuss any operational issues, system changes, or any additional items that pertain to the system.

Marketing strategy meetings shall be at no additional cost to the MSLC.

3.8.2 Annual Marketing Plan

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall collaborate with the MSLC to create an annual iLottery marketing plan. The Bidder’s fully dedicated Marketing Director shall lead the creation, management and execution of this plan as part of their assigned duties.

The proposed marketing plan for Go-Live shall be provided to the MSLC no less than four (4) months prior to the Go-Live date. The Bidder shall make any necessary adjustments to receive the MSLC approval of the plan within one (1) month of the MSLC’s receipt of the proposed plan. The plan shall be approved by the MSLC before work can commence.

In future years, the proposed marketing plan for the following fiscal year shall be provided to the MSLC no later than March 1. The Bidder shall make any necessary adjustments in order to receive MSLC approval of the plan by April 1. The plan shall be approved by the MSLC before work can commence.

The Bidder shall describe their proposed iLottery marketing plan with a proposed iLottery games roadmap for the first twelve (12) months of sales. The plan shall include:

- a) Acquisition marketing strategy. (include proposal on how to spend)
- b) Sequence of game launches, including seasonal games.
- c) New product enhancements.
- d) Omni-channel opportunities.
- e) Retention and player optimization efforts.
- f) Creation of campaigns to be delivered through the iLottery Platform.
- g) Other iLottery marketing opportunities.

After the first twelve (12) months, the marketing plan shall be based on marketing strategy meetings, measurement, reporting and research in collaboration with the MSLC.

3.8.3 Player Acquisition

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC seeks a vendor with a strong track record in iLottery player acquisition. The Bidder shall demonstrate experience in developing and executing successful acquisition strategies, providing concrete examples of past campaigns with measurable results, including Cost Per Acquisition figures, from other jurisdictions. Bidders shall include a detailed overview of the proposed strategy, execution plan, tracking and analytics methodologies, and the tools and technologies that will be utilized to optimize performance and ensure data-driven decision making.

3.8.4 Customer Relationship Management (CRM)

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC seeks a CRM solution that enhances player engagement, retention and lifetime value through personalized and automated marketing strategies. Bidders should propose a comprehensive approach to CRM, detailing how their solution will support multi-channel communication, automation, personalization, segmentation and analytics. Bidders shall address the following key areas:

1. Multi-Channel Communication & Engagement

The CRM solution must include the ability to create and manage marketing campaigns across multiple communication channels, ensuring a cohesive player experience. Describe how the CRM solution facilitates player engagement across multiple communication channels. Provide details on the capabilities and features of the iLottery System, including:

Full-Service iLottery Platform and Related Services

- a) Methods for executing targeted marketing campaigns across email, SMS, push notifications, and other relevant channels.
- b) Tools and strategies for ensuring message consistency, compliance, and personalization.
- c) Approaches to measuring and optimizing engagement across different player segments.

2. Automated Workflows & Player Journey

The system should enable automation of player engagement strategies through pre-defined and customizable workflows. Explain how the system enables the automation of player interactions through predefined and customizable workflows. Bidders shall provide details on the following:

- a) How automation supports lifecycle marketing, including engagement triggers based on player behavior, inactivity, deposits, or milestone events.
- b) Strategies for implementing drip campaigns and progressive engagement based on a player's journey stage.
- c) Methods for identifying and re-engaging inactive players, including abandoned cart and reactivation campaigns.

3. Personalization & Dynamic Content

The solution must leverage real-time data and behavioral insights to deliver personalized player experiences. Provide an overview of how the CRM solution personalizes player experiences. Include details on:

- a) How dynamic content recommendations enhance player engagement.
- b) The ability to tailor messaging, promotions, and bonus offers based on user activity and preferences.
- c) How the system adapts messaging in real time based on session behavior, transaction history, and contextual data.
- d) Digital communications (e.g., email, push notifications, SMS, etc.)
- e) How and where the data insights can be leveraged and integrated to personalize the player's experience across website/mobile app.

4. Advanced Segmentation & Analytics

The system should support sophisticated segmentation tools to refine targeting strategies. Describe the system's capabilities for segmentation and analytics, including:

- a) Tools for behavior-based segmentation and predictive analytics to identify high-value players, churn risks, and cross-sell opportunities.
- b) The ability to create and test custom audience segments for campaign optimization.
- c) Reporting and dashboard functionalities that provide real-time performance tracking and actionable insights.

Please detail other CRM capabilities available, not previously mentioned, that are believed to benefit the MSLC in achieving its goals.

3.8.5 Marketing Technology (MarTech) Stack

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide a comprehensive MarTech stack that supports acquisition, conversion, and CRM strategies. Bidders shall describe the technologies, platforms and integrations they will provide to enhance marketing effectiveness.

3.8.6 Bonusing and Promotional Capabilities

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC seeks a flexible and scalable bonusing and promotional solution designed to drive player acquisition, engagement, and retention. Bidders should outline their approach to managing and delivering targeted promotional offers that align with the MSLC key marketing and business objectives.

Bidder shall describe the range of bonus types and promotional offers supported by the platform, including, but not limited to:

- a) Welcome bonuses, deposit matches and free play incentives.
- b) Time-based or event-triggered bonuses (e.g., birthday offers, holiday promos).
- c) Achievement or milestone-based rewards.
- d) Ability to provide bonusing in desktop, mobile web and player application environments.
- e) Provide surprise and delight type bonusing.
- f) Provide personalized bonus capabilities.
- g) Ability to bonus based on predictive analytics for future player behavior.

3.8.7 Rewards/Loyalty Program

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide the MSLC with a comprehensive rewards and loyalty program that supports iLottery and retail. Describe in detail the features, capabilities and configurable parameters of its functionality.

3.8.8 Paid Media Strategy

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall describe in detail their ability to develop and lead paid iLottery media strategies. Bidders shall describe how media buying is executed in the iLottery jurisdictions in which they operate. Include whether the buying is executed by a Bidder contracted vendor, the lottery, a lottery contracted vendor, or another fashion, and what the Bidder’s involvement is in each jurisdiction.

3.8.9 Creative Development

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC currently produces all creative assets for retail in-house and does not engage an advertising agency for these services. Bidders shall describe their recommended creative development process

for iLottery marketing assets. Include whether this is performed entirely in house, or if third-party vendors are utilized. If in-house, include whether this function would be performed by employees who are fully dedicated or partially dedicated to the MSLC. Also, include any examples of how the Bidder’s team has collaborated with the creative teams or advertising agencies in other iLottery jurisdictions to design and create digital assets for paid media campaigns.

3.8.10 Affiliate Program

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The successful Bidder shall describe its ability to support an affiliate marketing program – retail partners, online or other. This includes program management, affiliate recruitments (retail working in conjunction with the MSLC), the application process, reporting to the MSLC and affiliate members, providing results, oversight, customer support for affiliates, and communications.

If applicable, Bidders shall provide an example of an effective affiliate program managed for a jurisdiction. Example must include, at a minimum, promotional pieces to affiliates, results of each affiliate vertical type on acquisition, and sample reporting to the MSLC. Bidders must identify if the program is provided by the Bidder or a subvendor. Please indicate the percentage of time the person(s) or the subvendor is dedicated to the MSLC.

3.8.11 Annual Research

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall conduct, on an annual basis, at a minimum, the following research, with results presented to the MSLC:

- a) **State of the Industry.** The Bidder shall provide an annual review of the industry, identifying:
 - a. Overall review of the industry across peer lotteries and the MSLC.
 - b. New games.
 - c. New gaming media.
 - d. Relevant technologies.
 - e. Sales trends.
 - f. Public policy developments.

Based on this review, the Bidder shall propose product and promotional releases and changes for consideration by the MSLC, leveraging industry best practices and the most current data available.

- b) **Player Research.** The Bidder shall conduct annual player research for iLottery as specified by the MSLC and performed by the Bidder, with results presented to the MSLC. This shall include, but not be limited to:
 - a. Player quantitative tracking studies.
 - b. Qualitative focus group testing.
 - c. New game concepts.
 - d. New bonus options.
 - e. New promotions based on player behavior.
 - f. New marketing features that drive both retail and iLottery sales.

The research defined in a) and b) above shall be completed and presented at no additional cost to the MSLC.

Bidders are encouraged to suggest research projects to the MSLC. Bidders shall provide the research initiatives undertaken over the past two years outside of the research defined above.

Additional research funded by the MSLC shall only be completed at the MSLC's request.

3.8.12 Additional Services

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall detail other marketing support capabilities available that have not already been addressed, which may be beneficial to the MSLC in achieving its goals.

3.9 Retail Inclusions

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC recognizes that there are iLottery players who continue to play retail games, that there are many retail players who are not aware of iLottery, that including retailers in all things lottery is a benefit to the MSLC, and that the MSLC must put the player at the center of the journey and strive to provide the player access to MSLC products when the player wants and where they want it.

Bidders shall provide details and results of retail integration and cross promotions in other jurisdictions, including, but not limited to:

- a) Crossover games (within the first one (1) year of contract).
- b) Marketing promotions to drive players to retail that may or may not include coupons.
- c) Retail voucher to iLottery wallet funding options.
- d) Retailer affiliate programs (covered under section 3.8.10 (Affiliate Program)).
- e) Agent Invoicing.
- f) Changes to the host system required for cross promotions.
- g) Retailer locator.

Bidders are encouraged to provide additional proven options to increase retail inclusion in the MSLC iLottery Program and to implement promotional activities to encourage the purchase of lottery tickets at retail.

If there are other player application integration features offered that may be beneficial to the players and the MSLC that were not included, provide examples.

For each system release, game release or enhancement, the Bidder shall ensure no negative impact on log-in and registration services, access to the rewards or iLottery account or to the app/iLottery or game play.

Bidders shall have or currently provide similar services and capabilities in other lotteries. Note the jurisdiction and detail what technical integrations or services for a player app are provided.

3.10 Data and Analytics

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide data analysis services to the MSLC throughout the term of the contract. This includes MSLC access to the full iLottery Program data within the main database/data warehouse, as well as access to canned and standard iLottery reports from the iLottery System and the ability to create its own in-house reporting. The Bidder shall define how data warehouse implementations have occurred in other jurisdictions where integration has occurred between the jurisdiction and the Bidder, providing examples of actual jurisdictional implementations.

The Bidder shall provide data analysis staff who can perform analysis on the iLottery Program and can also extract data from the data sources and schedule reports to be sent to designated MSLC staff and other parties as defined by the MSLC.

The MSLC finds it desirable to conduct analysis outside of marketing analysis (marketing analysis included in section 3.8 (Marketing), to fully understand the efficacy of games, enhancements, payment solutions, responsible gambling activities and more.

Describe the areas of analysis the Bidder is capable of and the experience it has in conducting and assisting jurisdictions in better management of their system and services, including:

- a) **ETL.** Bidders shall describe their solution to extract, transfer and load disparate sources of data from the MSLC’s entire line of businesses (e.g., iLottery, retail, loyalty, etc.)
- b) **Data Integrations.** The ability to automatically extract or acquire data from external sources on a defined schedule or incrementing real-time basis. This shall entail a complete feedback loop, meaning the data can be connected from an acquisition source to player registration and all transactional activity, to marketing campaigns and the resulting trackable actions (e.g., app open, email open, etc.).
- c) **Player Normalization.** The ability to recognize the same player from two or more different data sources, and to merge or make the data relational to a single controlling player profile.
- d) **Business Rules.** The ability to define and apply business rules, as established by the MSLC, to the data sources. For example, the ability to indicate a priority for ‘source of truth’ for two (2) data sets that contain the same data types.
- e) **Data Access.** The ability for the MSLC to readily access, query, and export analysis reports or segmented player lists based on the universe of data available.
- f) **Process Automation.** The ability to automate specific recurring processes, such as a daily extract file (e.g., a player segment file for a recurring email campaign) that is sent to a third-party.

Bidders shall also provide details on the below areas:

- a) Describe the standard reporting system that allows the MSLC to access the iLottery Program data to generate canned reports over a limited time-period or limited number of transactions. Include a list and the purpose of all available canned reports, as well as images of each (excluded from page count) provided as an attachment. Describe the frequency with which available canned reports can be accessed. For example, canned game reports are available on a daily, weekly, monthly, quarterly and yearly basis. Weekly is Sunday through Saturday. Monthly is a calendar month. Describe the process the MSLC will follow to request data analysis projects and the expected response time.

- b) Describe the process the MSLC will follow to request extracted raw data and the expected response time.
- c) Describe the tool(s) that will be provided to the MSLC to access the full range of iLottery Program data stored in the main database/data warehouse.
- d) Describe any additional Business Intelligence, Data and Analytics features offered that are beneficial to the MSLC to achieve its goals, which have not been previously discussed.

3.10.1 Player Data

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall maintain all current and historical player and transactional information. The Bidder shall discuss the makeup and handling of the iLottery System player data. The player database shall include, but is not limited to:

- a) **Player Data.** The system shall support a player database, central to iLottery management functions. Database elements may include, but are not limited to, player ID, name and address, telephone number, email address, bank account information required for EFT transactions, credit (when approved) and debit card information, status and history, W-2G(s), federal and Commonwealth of Massachusetts tax reporting information, account status, and any outstanding debts. Any changes to player data shall be logged in the system with associated details such as date, timestamp, Portal type being accessed, and logging the user making changes (e.g., MSLC employee identifier or player-initiated change).
- b) **Funds Transfer Activity.** The system shall record all internal and external funds transfers, including transaction type, amount, date, timestamp, applicable fees, funding source and funding destination.
- c) **Wager and Winnings Activity.** When a player purchases a wager or wins a prize, the account record must maintain a history of the player’s wagers and prizes. Non-winning results and expired Wagers may be removed, subject to the expiration policies set by the MSLC.
- d) **Promotions History.** When a player receives a promotion offer from the MSLC, the system shall reflect the activity in the database.
- e) **Responsible Gaming Activity.** The system shall record all changes made to responsible gaming controls.
- f) **Survey Attributes.** The player database application shall store and report player responses to surveys and other research activities.
- g) **Data Conversion.** As directed by the MSLC, the Bidder shall be required to convert existing player database(s) to maintain common sign-on credentials for current players.
- h) **Signature Capture.** The application must store a digitized signature for the player.
- i) **Reporting and Download.** The system shall support real-time queries and reporting on the player database, and downloads to Excel of player database information.

3.10.2 Data Warehouse

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC requires that a data warehouse solution be provided that shall include support for and connections to iLottery, existing retail systems, and all the MSLC’s current data sources, which includes at a minimum, the following:

Full-Service iLottery Platform and Related Services

- a) Gaming systems provider
- b) Retailer information and physical location
- c) Retail sales, validations, shopping cart, coupons, vouchers, cross promotions, and etc.
- d) Mobile application
- e) Second chance
- f) Rewards provider
- g) Affiliate program

The connections shall include, but are not limited to, the following tasks: import data, provide data cleansing/formatting functions, and link to a suite of analysis and visualization tools such as, but not limited to, Excel, Tableau or analytical tools that are part of the data warehouse solution.

Bidders shall describe their ability to provide the MSLC with a data warehouse solution with staffing that can monitor and maintain the database, extract data, develop complex reports, and create dashboards.

The Bidder shall provide a diagram that summarizes the data warehouse solution proposed for the MSLC. The diagram shall include all required components to support the MSLC's requirements.

Provide details on the data warehouse solution in the following areas:

- a) The Bidder shall describe the ability to provide data storage for data from the MSLC's entire line of businesses (e.g., iLottery, retail, rewards, etc.).
- b) The Bidder shall describe the ability to develop an overall design for the system, including data structures, security schemes, interfaces, transformations, and other needs.
- c) The Bidder shall describe the ability to extract, transfer, and load disparate sources of data from the MSLC's entire line of business, and those vendor partners.
- d) The Bidder shall describe the ability to provide tools and services for reporting that include, but are not limited to, extracting data, analyzing data, and visualizing data.
- e) Is the Bidder able to provide scheduled, automated reports that combine data from multiple sources? For example, a single report that combines winners from iLottery games, retail games and draw games?
- f) Describe the data transfer timelines from external MSLC vendors as real-time, near real-time, daily, weekly or otherwise.
- g) The Bidder shall describe the ability to provide the staff to manage the data warehouse, as well as provide data services as requested by the MSLC.
- h) The Bidder shall define their experience deploying data warehouses in other jurisdictions.
- i) Provide examples of reports and dashboards created from the Bidder's data warehouse solution.
- j) Provide the ability to view overall player data (transactions, wins, etc.) in one place, that includes iLottery, retailer and other sources.
- k) Provide an example of the staff positions required to manage the data warehouse solution as defined by the MSLC.
- l) Provide training available to the MSLC for data visualization tool usage and report building.
- m) Describe the data retention process to meet or exceed the six (6) year minimum requirement as per the state laws. Player data may be required to be retained for life.
- n) Describe any additional data warehouse features or tools the Bidder offers to assist the MSLC in achieving its goals that have not been previously discussed.

3.11 Customer Support Center

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall staff and operate a Customer Support Center (CSC) for handling player support services that utilize modern support technologies through interactive channels in order to maximize player convenience and satisfaction. The MSLC wants to support players through the channels they are already using, with a highly personalized approach. The CSC service channels shall include, but need not be limited to, a phone call center, email support and chat support.

3.11.1 CSC Player Support Combined

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall provide a full-service player support center solution that incorporates existing MSLC customer support functions, including phone and email. The solution shall be integrated into the mobile app/website help widget. The MSLC staff and the Bidder’s customer support team will work as a unified team. The Bidder shall work with the MSLC to determine the roles and responsibilities after contract award.

Bidders shall detail their ability to provide a full-service player support center solution that includes, but is not limited to, the following:

- a) Jurisdictions where the Bidder has successfully provided a full CSC for player solutions (iLottery player support, player app, including second chance and rewards questions).
- b) How the MSLC staff may be included in the assignment and resolution of inquiries.
- c) To provide a web-based dashboard of inquiries, tracking, resolutions, performance, etc., to the MSLC, segmented by vertical.
- d) To scale up to address peak volumes without degradation of customer service.
- e) To provide personalized service across verticals.
- f) Designated CSC team for the MSLC.
- g) Back-up solution when the MSLC call center fails.

If there is other information regarding the ability to provide a full-service player support that would be beneficial to the MSLC and its players, that has not been covered above, the Bidder shall provide details.

3.11.2 CSC Location

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The CSC shall be located in the Continental United States and must disclose the location of its operational staff, noting if agents work remotely or otherwise. Any change in location of the Customer Support Center(s) shall be presented in writing to the MSLC at a minimum of sixty (60) days in advance of the change and is subject to MSLC approval.

3.11.3 CSC Staffing Hours

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC requires that the CSC be staffed and able to interact with players twenty-four (24) hours a day, seven (7) days a week, for three hundred and sixty-five (365) days of the year (three hundred and sixty-six (366) days for a leap year). The MSLC expects the CSC staff to meet the defined Service Level Agreements (SLAs) when handling incoming communications as well as initiate outbound communications as the situation requires. The Bidder shall describe their experience of staffing a CSC of this type, how to maintain staffing levels and how to train individuals to be successful in this environment.

3.11.4 CSC Information Retention

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Any information that is gathered or utilized by the CSC shall be maintained and accessible for the life of the contract, in accordance with MSLC retention policies. Such information shall be available to electronically transfer and upload to a new contractor/solution upon expiration or termination of this contract.

3.11.5 CSC Player History

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe how CSC agents are able to access a single view of the player that, includes CSC service history, promotional emails and offers and player gaming history such as games played, deposits, withdrawals, etc.

3.11.6 CSC Integration with CRM

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC is seeking to integrate the CSC system with the MSLC’s planned customer relationship management (CRM) solution. Bidders shall describe any limitations to this integration. The goal of this integration is to assign cases from players to be able to collectively track and view communications, completion, and resolution of player emails, calls and chat outreach. This will provide both parties with a complete view of the player’s history of interactions with the CSC as well as with the MSLC support staff. If this integration is not possible, provide best practices to exchange information about player inquiries between the CSC and the MSLC support staff. The Bidder shall detail the experience of CRM integration with other jurisdictions.

3.11.7 CSC System Development

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall specify whether the customer support system is software developed by the Bidder or provided by a third-party or subvendor. In the instance of third-party software, indicate the company name and company website address as well as the duration of the partnership.

3.11.8 CSC ADA Communications

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the ability to assist persons with disabilities when a player may be unable to fully communicate through the available channels.

3.11.9 CSC Supported Languages

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall list all languages the CSC supports and the ability to assist those who do not speak English natively. Supported languages shall include, but not be limited to, English, Spanish, Portuguese, Chinese (Mandarin/Cantonese) and Haitian-Creole at a minimum.

3.11.10 CSC AI and Automation Details

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall detail if the solution utilizes Artificial Intelligence (AI) and automation, with the ability to provide an overview of it and where it is used.

3.11.11 CSC IVR Utilization

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide a single primary Interactive Voice Response (IVR) and explain how the solution will be integrated into the MSLC services.

3.11.12 CSC Self-Service Options

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall discuss whether the solution utilizes self-service options, providing an overview of it and how it is used.

3.11.13 CSC Recovery Plan

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The CSC shall be equipped with staffing and technology redundancy in a manner that mitigates risk (e.g., backup CSC on a different electric grid) and ensures continuous operations. A disaster recovery

plan shall be provided and approved by the MSLC prior to Go-Live and on an annual basis. The Bidder shall expand on the details of the recovery plan and provide examples of this plan to the MSLC.

3.11.14 CSC Outbound Calls

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe how outbound calls are initiated to walk players through the claim process, support expiring prizes or other scenarios and key user flows as necessary.

3.11.15 CSC Agent Training Program

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall detail and provide an agenda of the training program that all CSC agents must go through before handling calls from the MSLC’s players.

3.11.16 CSC Staffing Plan

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the proposed staffing plan that will support the MSLC’s players. Include the titles of all staff members assigned and the channels supported to service the MSLC account.

The Bidder shall indicate if resources are dedicated or shared with other jurisdictions.

The Bidder shall list the specific communications areas resources are responsible.

The Bidder shall provide the staffing levels planned throughout the day to handle the volume of anticipated calls from the MSLC’s players.

3.11.17 CSC Agent KPI Goals

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide the CSC ’s standard agent Key Performance Indicators (KPI) goals and historical performance against these KPIs for the last twelve (12) months. These KPIs shall include the average call time, first call resolution, number of calls escalated, average speed to answer, etc. These need to be provided for all communications channels offered.

3.11.18 CSC Player Escalation Process

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the escalation process for players when an agent does not have the skill or authority to resolve a player issue. Provide examples of when a player issue will be escalated.

Describe any web-based self-service tools and resources that are provided to players. Provide an estimate on the number of contacts to the CSC, web-based self-service eliminates on a monthly basis.

3.11.19 CSC Meeting Cadence

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall propose a meeting cadence to review CSC KPI's, issues and opportunities with the MSLC.

3.11.20 CSC Additional Capabilities

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe any additional Customer Support Center capabilities offered that will assist the MSLC in achieving its goals while also supporting player satisfaction, that has not been previously discussed.

3.11.21 CSC Service Level Expectations

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe Customer Support Center service level expectations that will assist MSLC in achieving its goals while supporting player satisfaction, which has not been previously discussed.

The MSLC reserves the right to request additional performance metrics to be measured and reported on throughout the life of the contract.

3.11.22 CSC Outages

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall ensure all planned outages are scheduled with the MSLC at least two (2) weeks in advance.

The Bidder shall ensure all phone system problems are corrected within four (4) hours of detection.

The Bidder shall ensure all unplanned outages are reported to the MSLC per agreed-upon service levels and incident management processes and procedures.

3.11.23 CSC Response Times

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

All incoming calls shall be answered within thirty (30) seconds.

3.11.24 CSC Hold Times

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Callers shall not be placed on hold or in a queue longer than one hundred twenty (120) seconds. The maximum abandoned inbound call rate is ten percent (10%) per day.

3.11.25 CSC Maintenance

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The CSC shall be regularly updated with the latest software and hardware updates, including, but not limited to, security patches, bug fixes and enhancements. Such updates shall be incorporated into change management processes. The Bidder shall define how this is achieved in other jurisdictions and the cadence at which security patches, bug fixes and enhancements are deployed.

3.12 Responsible Gambling

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders must propose a set of responsible gaming (RG) defaults and limits for MSLC’s consideration that are based on best practices from other jurisdictions and the National Council on Responsible Gambling (NCRG), as well as innovative methods to proactively engage players with responsible gaming tools and messages.

The system must provide the ability to set configurable player account funding limits for daily, weekly, and monthly timeframes as determined by the MSLC. The MSLC has the sole discretion to designate funding limits. The Customer Support Center must have the ability to exclude players for set periods. Lastly, the player must also have the option to easily set cool-off periods and self-exclusion periods themselves through their account.

Bidders shall describe their solution for responsible gambling controls and tools available for the MSLC, a customer support representative, and for a player. Be sure to indicate how quickly responsible gambling changes take effect in the system and what the player can and cannot access when self-excluded. Bidders are encouraged to address the ability for the player to exclude from some games and not others and provide larger programmatic support for responsible gambling.

3.12.1 RG - Standards

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall meet the Internet Responsible Gambling Standards as directed by the MSLC. Bidders must meet the North American Association of State and Provincial Lotteries and National Council on Problem Gambling (NASPL/NCPG) Responsible Gambling Verification Program standards as designated by the MSLC. The Bidder must meet any other industry standards as directed by the MSLC. The Bidder shall define the RG standards met in other lotteries, including any above and beyond declared.

3.12.2 RG - Spending Limits

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system must use a diverse and progressive mix of responsible gaming (“RG”) controls. The RG controls must allow the MSLC to establish minimum, maximum, and default responsible gaming settings for player accounts. The system must provide capabilities for players to define personal limits, within defined time periods, for deposit and loss amounts, and any other function as designated by the MSLC. The RG controls must allow players to instantaneously enable stricter settings (e.g., smaller deposit limit) while imposing buffer periods (e.g., forty-eight (48) hour waiting period) for any attempts to increase limits. The Bidder shall describe RG spending limit features available that have been deployed in other lotteries.

3.12.3 RG - Time Limits

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe responsible gaming controls to allow players to assign play session time limits or other limits as designated by the MSLC. Time limits can include daily, weekly and monthly limits. The system also must provide the ability to automatically trigger prompts that remind the player how long they have been playing in a session. The iLottery System must provide the ability to require a mandatory break period after one hour of play, or assign other limits as designated by MSLC. The Bidder shall describe RG time limit features available which have been deployed in other lotteries.

3.12.4 RG – Total Play Time Display

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder’s system must have the capability to continuously display a timer that appears on the play screen for the duration of game play.

3.12.5 RG – Win/Loss Display

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder’s system must have the capability to display a player’s “Amount Won” and “Amount Played” fields in equal sized fonts at all times during a play session.

3.12.6 RG – Voluntary Self-Exclusion

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall allow players to define periods of exclusion from accessing the system with player-selected increments up to lifetime exclusion as designated by the MSLC. The Bidder shall detail increments and describe RG self-exclusion features available, which have been deployed in other lotteries.

The system shall have the capability of merging with voluntary self-exclusion lists from other organizations in Massachusetts, such as the Massachusetts Gaming Commission. The system must also have the capability to comply with current and/or future multi-jurisdictional voluntary self-exclusion programs.

3.12.7RG - Cool Off Period

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The system shall allow players to set a “Cool Off “period to instantly stop access and play to the system. This could be for a minimum of twelve (12) hours up to six (6) months. When a player requests a “Cool Off” they shall also be provided with information for self-exclusion, which provides the player with the ability to be excluded from accessing the system for periods longer than six (6) months. Once the “Cool Off” period has ended, players shall be prompted to determine if they want to resume play or renew their “Cool Off” period. The Bidder shall describe similar features available that have been deployed in other lotteries.

3.12.8RG - Reporting

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide sample reports that the MSLC can access to monitor responsible gambling. Examples of reports shall be included in the Bidder’s technical response. Indicate if the reports can be accessed on demand or detail frequency.

3.12.9RG - Messaging

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall provide examples and details as to where and how the MSLC is able to provide RG messaging to players within game play, within a player’s account and within CRM or automated messaging (email or otherwise).

3.12.10 RG – Compliance with RG Frameworks

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Bidders shall comply with the NCPG and the WLA frameworks and collaborate with the MSLC, Massachusetts Department of Public Health Office of Problem Gambling Services (Mass DPH OPGS) and the Massachusetts Council on Gaming and Health (MACGH) for any additional messaging that might be required.

Detail how the Bidder can assist the MSLC in becoming Responsible Gambling Verified (RGV) at the Sustaining Level by the NASPL/NCPG, as well as achieve certifications through the Responsible Gaming Framework through the World Lottery Association (WLA).

3.12.11 RG – Meetings

SIGNIFICANCE	RESPONSE TYPE

MANDATORY	FULL
-----------	------

Bidders shall propose a cadence of meetings to collaborate with the MSLC to plan and review responsible gaming strategy and planning for the iLottery Program and to discuss opportunities and improvements.

3.13 Staffing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Over the course of the contract, the MSLC will require different staffing commitments from the Bidder. The expectation is that most roles will be fully dedicated to the MSLC, preferably located within Massachusetts. Staffing levels and locations, and any modifications, must be approved by the MSLC. SLAs shall be in place to govern the work performed and address issues, quality and/or performance.

The MSLC shall approve all personnel and reserves the right to require background checks and non-disclosure agreements at the Bidder’s expense. It is within the MSLC’s sole discretion to require the removal and replacement of any staff as sees fit. Bidders must confirm the availability of staff outside of the MSLC’s working hours of 8:45 AM to 5:00 PM ET for emergencies, system issues, or impacts to player experience. In each of the following sections (3.13.1 through 3.13.4) Bidder shall provide the following proposed personnel, identify their location and whether staff are shared or dedicated:

- a) Fully dedicated roles
- b) Implementation team
- c) Operational team
- d) Other suggested staff

The MSLC reserves the right to negotiate for additional positions as needed over the duration of the contract at a rate to be determined to support the iLottery Program.

3.13.1 Fully Dedicated Roles

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Bidders shall agree to be able to provide at a minimum the following personnel, all of whom are assigned to work exclusively on services to be provided to the MSLC pursuant to this RFR. All positions for the below dedicated resources will be filled, with all employees actively performing their assigned duties, no later than forty-five (45) days after contract execution. The Bidder shall advise the MSLC of any impending changes to staffing assignments for resources assigned to work exclusively on services provided to the MSLC. If there are additional fully dedicated roles the Bidder would like to propose, please include the title(s) and description(s) of the role(s). Also, the MSLC reserves the right to request a change in staffing if alignment is not optimum. While final staffing decisions rest with the MSLC, Bidder shall have an opportunity for input prior to final decisions.

[Vendor] MA Senior Account Manager

- a) At no cost to the MSLC.
- b) This position is one hundred percent (100%) dedicated to the MSLC.
- c) Mandatory location in Massachusetts, with preferred location within sixty (60) miles of the MSLC headquarters in Dorchester.

- d) Serve as the primary contact and advocate on behalf of the MSLC to vendor management on such items as project prioritization, escalation of resources to resolve issues and inquiries, and satisfaction of the MSLC requests.
- e) Independently and proactively identify, track, assess, and escalate issues to the relevant parties on behalf of the MSLC and provide frequent updates to the MSLC on the status to ensure that all issues get resolved satisfactorily and promptly.
- f) Actively participate in the development of solutions to improve operations and performance of the MSLC and its offerings and vendors' services in support thereof.
- g) Serve as a subject matter expert or has access to subject matter experts in all vendor products and services offered in Massachusetts.
- h) Work closely with other subject matter experts to successfully deliver client projects and games with all of the vendor's contracted service providers including, but not limited to, ICS vendor, customer service, game content providers, CRM provider, and game content aggregator.
- i) Track and provide frequent updates on contract compliance as it relates to SLAs, including documentation in the event of liquidated damages.
- j) Empowered by vendor management to resolve complaints, prevent additional issues by improving processes, and provide remedies in the event of non-SLA-related incidents.
- k) Empowered by the vendor to pull in necessary resources to solve critical problems in a timely manner.
- l) Maintain up-to-date knowledge of the MSLC performance, functions, industry trends, and best practices to advise the MSLC team on opportunities for improvement.
- m) Ensure that vendor staff and contracted service providers are kept up to date and compliant with the MSLC rules, policies, and requirements.
- n) Coordinate annual road mapping session for strategic planning for the MSLC with the Bidder.
- o) Available 8:45 am to 5:00 pm ET on Monday through Friday. Ability to travel to Dorchester, MA on short notice [within two (2) days].

[Vendor] MA iLottery Marketing Director

- a) At no cost to the MSLC.
- b) This position is one hundred percent (100%) dedicated to the MSLC, though the position can be remote except for key strategy sessions and meetings required to be on-site.
- c) Preferred location in Massachusetts but not required.
- d) The MSLC prefers that this position to be hired for or transitioned to the Massachusetts account, versus being a contracted service.
- e) This position is responsible for growing the iLottery Program, helping the MSLC hit programmatic key performance indicators, driving overall digital marketing strategy in collaboration with the MSLC and vendor partners through the website, mobile app and mobile web, as well as participate and/or be the lead in other miscellaneous projects and responsibilities that could arise.
- f) Develop short and long-term digital marketing strategy and plans for iLottery to meet agency goals, working in conjunction with vendors and the team to achieve programmatic key performance indicators (KPIs).
- g) Responsible for assisting in planning acquisition and retention campaigns, survey schedule (and writing surveys), and ensuring timely execution and analysis (of campaigns and surveys).

- h) Collaboratively work in conjunction with and advise the MSLC, in all marketing activities for iLottery projects and promotions, ensuring campaigns run smoothly, stay on budget and on time.
- i) Evaluate the success of programs by measuring return on investment, monitoring and tracking results, metrics and trends from all initiatives.
- j) Work with media buying vendor and the MSLC regarding digital ad spending to ensure funds are spent responsibly and on the proper channels.
- k) Work with the MSLC and vendors to develop A/B testing, segmentation, campaign optimization, and relevant segment and vertical content to focus on churn/recency, frequency, and lifetime/monetary value (RFM) of customers.
- l) Serve as liaison and works collaboratively with the media buying vendor, the MSLC creative services team, iLottery CRM vendor, app/rewards vendor, and other vendor partners, state agencies and internal business units to address programmatic needs and ensure deliverables and responsibilities are fulfilled.
- m) Work closely with customer support, games, products and overall customer care.
- n) Responsible for the ongoing and timely review of iLottery campaigns, social media posts, frequently asked questions for iLottery and rewards program websites, landing pages, and more.
- o) Ensure the MSLC stakeholders are informed of iLottery rewards marketing initiatives and provides content for the CRM knowledge base.
- p) Evaluate customer experience and purchase flows for all digital platforms (iLottery, app, rewards program, website, social sites) to identify where opportunities exist to enhance their experience relative to iLottery and decrease friction.
- q) Research, identify, and focus on opportunities to increase conversion and retention and for new acquisition channels and retention methodologies.
- r) Support the MSLC's Director of Marketing and games, product, marketing, customer support and sales teams on programs and initiatives relative to iLottery.
- s) Available 8:45 am to 5:00 pm ET on Monday through Friday. Ability to travel to Dorchester, MA on short notice [within two (2) days].

[Vendor] MA Digital Delivery Lead

- a) At no cost to the MSLC.
- b) This position is one hundred percent (100%) dedicated to the MSLC.
- c) Preferred location is in Massachusetts, with preferred location within sixty (60) miles of the MSLC headquarters in Dorchester.
- d) Define, analyze and document requirements. Clearly communicate translation of requirements to business and technical sources into technical design direction, using various means including specifications, white board discussions, UML modeling techniques, etc.
- e) Work closely with remote product and development teams in all phases of the software development life cycle to conceptualize, design and implement end-to-end digital solutions that meet business objectives.
- f) Work closely with executives, key departmental management and project stakeholders across the organization. Must be able to work collaboratively and effectively with all levels of management and staff within the organization.
- g) Lead demo and feature overview meetings.
- h) Research industry trends and best practices and develop recommendations of technologies and methods to stakeholders at all levels.

- i) Research and analyze strategic and competitive information to constantly optimize the products and their performance.
- j) Available 8:45 am to 5:00 pm ET on Monday through Friday. Ability to travel to Dorchester, MA on short notice (within two (2) days).

[Vendor] MA iLottery Game Coordinator

- a) At no cost to the MSLC.
- b) This position is one hundred percent (100%) dedicated to the MSLC.
- c) Preferred location is in Massachusetts, with preferred location within sixty (60) miles of the MSLC headquarters in Dorchester.
- d) Support day-to-day aspects of instant game development, including contract compliance, delivery timeline, and accuracy of MSLC specifications.
- e) Collaborate with the MSLC team and all game content providers to ensure accuracy and timely delivery of product requirement documents (working papers, help pages, text files, etc.) and game deliverables (prize structure verification, UAT testing, marketing assets, etc.).
- f) Support the testing of all instant games in UAT.
- g) Serve as a central resource between all game content providers and Bidder on technical issues relating to system bugs or limitations relating specifically to instant games, including promotional functionality.
- h) Communicate game specific requests and manages implementation deadlines for instant games.
- i) Participate in discussions concerning game design, delivery timelines, messaging, game play, themes, and prize structure.
- j) Available 8:45 am to 5:00 pm ET on Monday through Friday. Ability to travel to Dorchester, MA on short notice [within two (2) days].

[Vendor] MA iLottery Data Analyst

- a) At no cost to the MSLC.
- b) This position is one hundred percent (100%) dedicated to the MSLC.
- c) Preferred location is in Massachusetts, with preferred location within sixty (60) miles of the MSLC headquarters in Dorchester.
- d) Support day-to-day aspects of compiling data, synthesizing data patterns and performing segmentation.
- e) Collaborate with the MSLC team and all game content providers to ensure accuracy and timely delivery of product analysis, player interactions, and patterns to assist in the construction of game requirements.
- f) Responsible for providing raw data, creating reports, maintaining dashboards and distribution reports.
- g) Serve as a central resource between all game content providers and vendors on data research relating to draw, fast play, and instant games, including promotional functionality.
- h) Communicate game specific requests and manages implementation deadlines for instant games.
- i) Participate in discussions with respect to game design, promotion strategies, messaging, game play, themes and prize structure.
- j) Available 8:45 am to 5:00 pm ET on Monday through Friday. Ability to travel to Dorchester, MA on short notice [within two (2) days].

3.13.2 Proposed Implementation Team

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

For implementation, the Bidder shall provide a team of dedicated personnel who are experienced and able to manage the implementation project. Each subject area will have a counterpart at the MSLC to provide content and context. Provide a brief outline of the key personnel for each area who would be assigned to work with the MSLC if the Bidder were to be awarded a contract, including but not limited to:

- a) Project Management
- b) Software / DB
- c) Data (migration, analysis, BI, ETL, Data Warehouse)
- d) Networking / Infrastructure
- e) Technical / Product
- f) QA / UAT
- g) UI / UX
- h) Compliance / Internal Audit
- i) Finance, claims, payments
- j) System Integration
- k) Games
- l) Marketing
- m) Draw Services / Operations
- n) ICS Subvendor Staff
- o) Customer Support
- p) Cyber Security

If any of the above personnel are the same as those in section 3.13.1 (Fully Dedicated Roles), please note that. For all other personnel identified here, include résumés which outline experience on similar past or current projects.

The Bidder shall advise the MSLC of any staffing options based on the areas outline above to work on services provided to the MSLC. While final staffing decisions rest with the MSLC, Bidder shall have an opportunity for input prior to final decisions.

3.13.3 Proposed Operational Team for Contract Duration

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

For each key area of the iLottery Program, a project manager or team lead shall be expected as a daily point of contact. Provide a brief outline of the key personnel/leads and associated personnel who would be assigned to work with MSLC if the Bidder were to be awarded a contract. Include the percentage of time they are dedicated to the MSLC. If the percentage of time changes, the MSLC must be informed within thirty (30) days. If there are additional staff in other subject areas, include them.

- a) Operational Director/ Account Administrator- the daily point of contact and escalation person for all areas below
- b) Project Manager
- c) Software / DB
- d) Technical / Product
- e) Networking / Infrastructure

- f) QA / UAT
- g) Games
- h) Marketing
- i) Data Warehouse and BI Reporting
- j) Data Analytics
- k) Compliance / Internal Audit
- l) Customer Support
- m) Finance
- n) Draw Service / Operations
- o) TechOps
- p) Cyber Security

If any of the above personnel are the same as those in sections 3.13.1 (Fully Dedicated Roles) or 3.13.2 (Proposed Implementation Team), please note that. For all other personnel identified here, include résumés that outline experience on similar past or current projects.

3.13.4 Other Suggested Staff

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall recommend any other suggested staff for the iLottery Program that may not have been covered in previous sections. If staffing covered in the previous sections is sufficient for a successful iLottery Program from initiation through implementation and ongoing operations through the life of the program, the Bidder can refer to those sections in its response.

3.14 Operations Security Plan

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC requires its systems and operations to be of the highest security and integrity. This requires both the MSLC and the Bidder to maintain a confidential, high-level comprehensive approach to information security controls.

Bidders shall include a sample or outline of an Operations Security Plan in their proposal that has been produced and used in other jurisdictions that are comparable to the MSLC.

The Bidder shall provide an Operations Security Plan ready for approval by the MSLC. Approval of this plan is an entry criterion for acceptance testing. The MSLC and the Bidder must work to mutually agree on an outline for this plan, which shall include at a minimum the sections below.

- a) Business Impact Analysis
- b) Risk, Threat, and Vulnerability Analysis
- c) Security Strategy
- d) Personnel Security Practices
- e) Physical Security
- f) Cyber Security, including tools used to identify, prevent and stop cyber security breaches, attack response and liability
- g) Data Security, including development of data security requirements, data encryption in transit and at rest, transaction logging with time stamps, player sessions and transactions

- h) Systems Security
- i) Network Security
- j) Player and Account Security
- k) PII Security
- l) Telecommunications Access Security
- m) Mobile App and Website Security
- n) Encryption Key Management
- o) Patch Management
- p) Incident Response
- q) Protection of Software and Other Copyrighted Materials
- r) Plan Evaluation
- s) Security Awareness and Training
- t) Plan Maintenance
- u) Validation Maintenance and Testing
- v) Change Management

There shall be a cadence of audits for compliance with the Operations Security Plan including meetings with MSLC staff to review security controls. The Operations Security Plan must follow a format approved by the MSLC, must be approved by the MSLC, and must comply with any associated multi-jurisdictional security requirements. The Operations Security Plan shall clearly define roles and responsibilities. The Bidder shall be defined as the owner of the remediation process, including remediation of any security/IT breach.

The Bidder shall facilitate an annual iLottery System integrity and security assessment conducted by an independent, third-party professional with at least five (5) years of iLottery and gaming system security testing experience. The selection of the independent professional is to be done by the Bidder, subject to the approval of the MSLC. The first assessment must be completed within ninety (90) days of commencing operations and annually thereafter. The Bidder shall cooperate and assist with any audits required by the Massachusetts State Auditor’s Office.

3.15 Implementation Plan

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The implementation process shall include all the new software, hardware, and service elements of the iLottery System to be delivered, installed, tested, and put into production. The iLottery System must integrate seamlessly with other systems and legacy systems as noted in this RFR.

3.15.1 Project Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Project management is important to the MSLC. Project management is paramount for on-time and on-budget delivery of the systems and products described in this RFR. The Bidder shall be responsible for providing a project management team and a technical project manager exclusively dedicated to the iLottery System implementation.

Full-Service iLottery Platform and Related Services

The Bidder must provide regular work status, walkthroughs and status meetings as defined by the MSLC. Additionally, the Bidder must provide access to work records to enable the MSLC staff to monitor project management tasks, milestones, and risks.

The project management requirements in this contract begin within thirty (30) days of the signing of the contract and continue through the transition to the vendor's operational staff.

The Bidder must propose a work team structure (to include both Bidder and the MSLC staff) as well as a process and tools that facilitate the MSLC oversight of the implementation of the iLottery System and services. Samples must be provided of the following implementation/project framework documents utilized by the Bidder in another state of similar scope:

- a) Project Governance Structure
- b) Project Plan
- c) Project Schedule
- d) Requirements Analysis and Traceability Matrix
- e) Gap Analysis
- f) Total Cost of Ownership (TCO)
- g) Status Reporting
- h) Issues Management
- i) Risk Management
- j) Change Management
- k) Resource Management
- l) Financial Management
- m) Quality Assurance and Control Testing
- n) Communications and Training Plan
- o) Knowledge Transfer to Operations

3.15.1.1 Formal Implementation Plan and Timeline

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

Based on a Go-Live date of July 1, 2026, Bidders shall provide a proposal that contains a detailed implementation plan and cutover strategy with a timeline identifying the major milestones to be accomplished for successful Go-Live (planned implementation date) of the iLottery System based on the objectives outlined in Section 1.2 (Objectives).

This includes, but is not limited to, defining business requirements, data center construction, assembling and delivering equipment, software programming, server installation, testing software, mobile app and hardware. The plan must make clear which items are on the critical path for timely implementation.

Responsibilities of the Bidder's implementation team, the MSLC's implementation team, and any of the MSLC's other providers must be identified. The MSLC will approve the final implementation plan from the Bidder. The MSLC requires that the iLottery System be available for the MSLC acceptance testing no later than six (6) months from contract execution.

The Bidder shall provide a detailed implementation plan and timeline that includes, but is not limited to, the following:

- a) All major milestones and critical path items.

- b) Detailed initial distribution plan.
- c) Facilities and build out and move-in plan.
- d) Installation plan, including all hardware and communications equipment for each data center within the iLottery network.
- e) Development, testing and installation of all software.
- f) Lottery acceptance testing of all software, hardware, network equipment, computers, laptops, mobile phones, tablets and any peripherals.
- g) Training of all employees, operators, CSC staff and the MSLC employees.
- h) Integration of required iLottery systems and processes.
- i) Eight (8) third-party game providers.

3.15.1.2 Risk Mitigation Strategy

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall include a risk mitigation strategy that identifies any key risks, includes a strategy to minimize limitations (such as coming up late on Go-Live, coming up without key iLottery System functionality or without the full complement of games), minimizes disruption to sales and paying winners. The risk mitigation strategy shall identify decision maker(s) for risk acceptance and/or risk remediation steps required before Go-Live.

If the implementation involves interim configurations, facilities, staffing, or business procedures, the plan must explicitly describe them and note their development and use within the schedule. Costs associated with interim facilities are strictly the Bidder’s obligation.

3.15.1.3 Requirements and Technical Specifications

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC believes that business analysis plays a key role in bridging business problems with technology solutions as well as analyzing, documenting and ultimately solving business problems with technology. This section is intended to provide criteria that will be used to evaluate the business analysis practices for the delivery of the implementation and steady-state operations.

The MSLC expects the Bidder to perform detailed requirements gathering sessions with the MSLC as part of the Software Development Life Cycle (SDLC).

The Bidder shall provide a request system, dedicated to the MSLC, to be used by the MSLC for making any type of requests, including, but not limited to, new promotions, iLottery System enhancements, defect tracking, and ad-hoc reports or any new report enhancements. The same system must also be used by the Bidder’s development team to update the status on all requests. For any rejected requests, the explanations and notes for the rejections must be provided directly by the Bidder’s iLottery System developer(s) with Bidder’s project managers’ approval initials and be recorded in the request system. For any open and active requests in the request system, project estimations and status must be updated in real time.

The Bidder shall describe its business analysis practice, proposed request system, and its role within the SDLC, ensuring to cover, but not limited to, the following areas:

- a) Requirements Management
- b) Functional and Non-Functional Requirements

- c) Process Mapping
- d) iLottery System Release
- e) Database and Reporting Specialist
- f) Shared Records for Change Management
- g) Technical iLottery System Development
- h) iLottery System Analysis
- i) Business Model Analysis
- j) Business Cases
- k) Use Cases
- l) Strategic Planning
- m) Process Improvement
- n) Cost Benefit Analysis
- o) Training Material
- p) Quality Assurance Testing

3.15.2 Lottery Acceptance Testing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The MSLC takes a comprehensive approach to acceptance testing and reserves the right to perform any acceptance testing necessary per the MSLC’s acceptance testing model. Any proposed upgrades from the Bidder must be submitted for acceptance testing. These are due on or before the start of the MSLC acceptance testing period. Bidders shall describe their comprehensive testing processes and how this can support lottery acceptance testing using the material below as an outline.

The MSLC shall conduct a series of acceptance tests that the Bidder is obliged to support. Acceptance testing shall be conducted from the testing facility equipped by the Bidder at the MSLC headquarters or a MSLC-designated location. Acceptance testing shall be under the oversight of the MSLC or conducted by an impartial third-party engaged by the MSLC (except as further detailed below), to demonstrate compliance with the MSLC business requirements, the Bidder contractual requirements and technical specifications.

All new programs and any changes to existing programs must be tested thoroughly by the MSLC prior to installation. Acceptance testing is used to ensure all programs utilized in the iLottery System operation are performing accurately and reliably, prior to installation. In addition, acceptance testing also ensures all accounting, management reporting and support functions operate accurately and reliably, prior to implementation. All software installations, including mobile/web applications and iLottery System applications, must be approved in writing by the MSLC prior to installation.

The MSLC assumes a shared responsibility with the Bidder for the development and execution of the acceptance test. The Bidder, however, is ultimately responsible for the quality of the iLottery System and software releases. The MSLC approval, based on acceptance test results for the implementation of software, does not change the Bidder’s absolute responsibility for the continued quality and effectiveness of the software.

When the Bidder is ready to deliver any iLottery System product, the MSLC will judge whether the product is acceptable according to previously agreed-upon criteria. The method for handling problems must be agreed to by the Bidder and the MSLC. Before acceptance testing, the Bidder shall provide recommended test cases for the full scope of acceptance testing as defined in the associated test plan(s), and must assist the MSLC in identifying time schedules, procedures for evaluation, software,

environments and resources required, additional test cases as the MSLC sees fit and acceptance criteria.

The purpose of acceptance testing is to validate that the iLottery System can effectively support user needs and business processes, including, but not limited to:

- a) Recover from various equipment, power and communication failures and return to full network operation within the required time without loss of data.
- b) Process transactions by meeting or exceeding the MSLC’s throughput requirements.
- c) Produce all mandatory reports for both draw games and eInstant accounting.
- d) Ensure the mobile and web app on the supported devices send appropriate responses for all transactions, both valid and invalid, on supported mobile devices, laptops and accompanying software.
- e) Provide management workstation functionality to all the MSLC management workstations.
- f) Process all transaction types, both valid and invalid, correctly on supported mobile devices, laptops and accompanying software.
- g) Process all transaction types using various methods of entering the information.
- h) Process all prize levels in accordance with the MSLC requirements, including the generation of prize checks, ACH, etc., from claim systems.
- i) Respond correctly as various thresholds are reached.
- j) Perform all player and administration functions.
- k) Process barcoded items correctly.
- l) Comply with all specifications provided by the MSLC.

Any proposed upgrades from the Bidder may be required to submit for quality testing. These are due on or before the start of the acceptance testing period.

The MSLC shall have the sole decision for determining whether quality meets the acceptance criteria for system approval. If required, the Bidder shall be responsible for the cost of third-party testing by an MSLC-selected vendor/firm.

3.15.2.1 Technical Support

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall provide technical support in the form of consultation, answering questions, assistance in diagnosing problems, and providing additional hardware and software capabilities as requested by the MSLC.

3.15.2.2 Testing Methodology

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The MSLC shall define the tests it will conduct to prove the basic capabilities of the iLottery System. The full acceptance testing shall include all capabilities of the iLottery System, mobile and web access on multiple devices and browser types, system and management reports, showing that all data is properly maintained, and appropriate accounting principles are observed. At the MSLC’s discretion, the Bidder must restart testing on a particular day after implementing a fix to a particular failure to meet a requirement. Immediately after each test session, the Bidder must supply the log file to the MSLC. Once an error is found that the Bidder must fix, there must be a record of what changes were

made and the outcome of the changes. Additionally, at its sole discretion, the MSLC may include additional testing days to demonstrate year-end processing and other date-dependent iLottery System functions.

3.15.2.3 Switchover to BDC

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The ability of the BDC to take over total operation of the iLottery System and subsequently return operational control to the PDC shall be tested every three (3) months, running from BDC for one (1) week prior to rolling back to PDC. The same ability must be tested for the production system at the BDC. Transmission of data to the MSLC’s backup system must be tested. This must all occur transparently to players and the MSLC staff.

3.15.2.4 Test System Maintenance

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Daily and weekly tasks necessary to keep the acceptance test environment operational shall be performed by the Bidder. This includes completing drawings for any draw games that occur using a script provided by the MSLC. Additionally, the test system must complete financial balancing before integrations are tested with third-parties (including ICS). Data within the test environment shall be reset/refreshed on a schedule [no less than two (2) times annually], and on an as-needed basis, as determined by the MSLC. Test data must be simulated, unless otherwise approved by the MSLC. Simulator tools for load testing shall be leveraged. The test environment shall follow applicable change management processes. Controls shall be in place to properly secure the test environment and data, as applicable.

3.15.2.5 Backups

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Backups of the test system shall occur at a minimum on a weekly basis. The test system must be fully restorable to previous states in a timely manner.

3.15.2.6 Change and Version Control

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder must provide a mechanism by which the MSLC and any MSLC authorized third-party must verify software tested with hash and signature generation of critical files and accepted by the MSLC is the same software moved into production (with approved hashes and signatures), and that no other software is moved into production without MSLC approval. Hashes and signatures must be generated, and match approved, tested software prior to migrating to Production.

3.15.2.7 Lottery Acceptance Testing Environment

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

To support acceptance testing, the Bidder shall have the data center facilities, systems, network hardware and software, and laptops with approved browsers and mobile device configurations with software deployed, including all communications mechanisms installed at an MSLC-designated testing area. The ability to test all configurations must be permanently placed at the MSLC headquarters or another designated MSLC facility.

3.15.2.8 Documentation and Support

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall provide the following documentation to the MSLC thirty (30) days prior to availability of the iLottery System for MSLC lottery acceptance testing:

- a) Training documentation
- b) Written procedure manuals specific to MSLC
- c) Installation plans
- d) Change control procedures
- e) Additional user manuals
- f) Technical documentation including:
 - a. Data dictionary(ies)
 - b. Database schema
 - c. Database entity relationship diagram

3.15.2.9 Release Notes

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Each release of the software for testing by the MSLC shall be accompanied by release notes. The release notes must provide evidence of good configuration management practices, namely, each release must be identified by a version number and the changes must be succinctly defined. The Bidder must also provide the results of its internal testing process, which includes, but is not limited to, test plans, test cases, use cases, final test report(s), and a master defect log. The MSLC may/will request support from the Bidder in the planning and creation of its testing artifacts for their quality assurance test activities.

3.15.2.10 Implementation Staff and Support

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

During the implementation testing period, the Bidder shall provide technical staff, onsite as required, as a resource to collaborate and support the MSLC’s acceptance testing. This includes test environment management, operations and configuration as needed in accordance with the MSLC’s test plan.

3.15.2.11 Entry and Exit Criteria

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall commence, and complete quality assurance (QA) testing based on entry and exit criteria defined by the MSLC. The MSLC will consider the iLottery System ready for acceptance testing once all hardware and software items are installed and configured to operate in the MSLC’s environment and in accordance with the MSLC’s standards. The MSLC will have successfully completed testing when all components of the iLottery System have been tested and all significant issues identified during testing are resolved by the Bidder and validated by the MSLC. The Bidder and the MSLC will develop and agree upon detailed criteria to be met prior to the iLottery System being put into production.

3.15.2.12 Documentation, Training, and Support

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Documentation, training and support shall be delivered to the MSLC prior to the start of lottery acceptance testing. Support shall be continuous throughout the life of the contract.

3.15.2.13 Test Schedule

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Bidders shall work with the MSLC to define the lottery acceptance testing schedule and timelines, including effort for test planning, test case development, test execution, defect remediation builds and final regression test.

The MSLC will work with the Bidder to determine the entrance and exit criteria as well as the suspension and resumption criteria for each test cycle in advance of the start of acceptance testing. This also includes the system acceptance criteria before any software or configuration changes are made in the production environment. The testing schedule shall be closely monitored, and testing delays communicated and addressed in a timely manner.

3.15.2.14 Software Quality Assurance & Testing Practice

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall describe the company’s software quality assurance & testing practice ensuring it covers the following areas:

- a) Overall Test Strategy
- b) Test Methodology
- c) Test Planning Process
- d) Test Case Development Process
- e) Test Tools
- f) Test Systems and Configuration
- g) System Integration Testing Process
- h) User / Client Acceptance Testing Process
- i) Defect Management
- j) Communications/Reporting/Metrics
- k) DR/Failover Testing
- l) Performance Testing

- m) Staffing & Lottery Support Model
- n) Continuous Improvement Process

3.15.2.15 MSLC Independent Testing

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall be responsible for budgeting up to one million dollars (\$1,000,000) for independent third-party iLottery implementation support as chosen by the MSLC. An implementation of this type will be highly complex and involve many different potential vendors, systems, and data. The MSLC will be seeking implementation, project management, QA and system cutover support to ensure the transition occurs seamlessly. The MSLC requests that one million dollars (\$1,000,000) be allocated for this support, but the cost shall not be included in the price proposal. The Bidder shall acknowledge and agree with this expectation.

3.15.3 Software Development Lifecycle

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder shall define their typical Software Development Lifecycle (SDLC), defining the types outlined below of development builds to be used, and produce an example of a typical scheduled release cycle outlining the types and frequency of release being developed and deployed.

Development Build:

- a) Product Release
- b) Patching Release
- c) Maintenance Release
- d) Break/Fix Release
- e) Emergency Release

Business Enhancement Release:

Describe how code builds are developed, addressing the following concepts:

- a) Development Strategy
- b) Quality Assurance Testing
- c) Preproduction Development Testing
- d) Production Deployment

Describe the typical environment plan utilized throughout the SDLC.

Describe how scheduled release plans are developed and approved for deployment in collaboration with the MSLC.

3.15.4 Change Control and Configuration Management

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall operate under defined change control and configuration management procedure practices for all environments. The Bidder must develop control procedures for software change management and documentation, including updating of service and operational manuals, written procedures, and updating the source code maintained in an escrow account. This may not impede or slow the development process. Configuration management practices, as described below, shall apply to all of the following components: documentation, procedures, specifications, program application source and object code, operating systems, database platforms, other third-party applications, systems and network hardware, major hardware components, and any other major iLottery System components.

Strict performance according to the configuration management specifications below is required.

3.15.4.1 Generate Change Request

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall generate a document describing any requested change and why it is required. All change requests must be approved in writing by the MSLC.

3.15.4.2 Approved Changes Only

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder shall ensure, through procedural and iLottery System controls that only MSLC-approved changes, on an approved schedule, can be made. Reports and displays must be available to the MSLC to review all related change and configuration management activities.

3.15.4.3 Change Introduction

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

All changes to servers, network devices, or applications must first be completed on the related testing systems. All changes approved and completed for production systems must also be completed on the backup system.

3.15.4.4 Software Checksums

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

Checksums shall be required for software at the time it is released for MSLC testing and must be available at any time for testing applications and for the production systems.

3.15.4.5 Component Identification

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

iLottery System components must be documented with version and release numbers, patch versions, or model and serial numbers.

3.15.4.6 Traceability of Components

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

iLottery System components must be traceable, identifying the history, use and location of a component.

3.15.4.7 Change Tracking

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder must track all changes made to iLottery System components, provide reports showing when and by whom a change was made and for what purpose and must avoid update conflicts. Change logs must reference associated planning documents and approvals.

3.15.4.8 Configuration Status and Inventory

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder must have the ability to produce a configuration status report identifying the current configuration of any iLottery System component, as well as an inventory report including all iLottery System components.

3.15.4.9 Documentation

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder must provide and maintain comprehensive iLottery System documentation, including, but not limited to, network diagrams, security standards and processes, multi-jurisdictional security standards compliance documents, change control processes and procedures, data dictionaries, third-party licensing documentation, etc.

3.15.4.10 Incident Reporting

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The Bidder must immediately report all significant incidents based on severity levels identified by the MSLC related to the operation of the system by email and either personally, phone or message in discovery of the incident, followed by a notice addressed based on root cause analysis to the MSLC's contact person (and any designees) of the incident (subject to negotiation), with all known details. Each severity level is subject to an agreed-upon level of reporting based on level one (1) through level four (4).

A formal incident report addressed to the MSLC's contract manager must be received within twenty-four (24) hours of the incident. This may be in draft form due to continued research. The incident report must include, at a minimum, the following: root cause, description of the incident and all

resolution details. A final formal incident report with all the details listed above must be provided to the MSLC’s contract manager within ten (10) business days of the incident resolution. The Bidder shall provide a written report for each of the following types of events:

- a) iLottery System takeovers.
- b) Major communications failures.
- c) Significant operator errors.
- d) Out of balance conditions.
- e) Emergency software or hardware changes.
- f) Security or cybersecurity violations/breaches, including an indicator of compromise.
- g) Other conditions as defined by the contract.
- h) Any situation which may cause the general public to become alarmed and/or which may damage the integrity or public image of the MSLC.

The MSLC may desire to integrate with the existing ticketing system for reporting incidents throughout the lottery to allow the appropriate notifications to be issued to the correct individuals.

3.16 Business Continuity, Disaster Recovery and Failover

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder must describe how failovers to the backup system will be performed, how validation of the disaster recovery system occurs, including the cadence of validation, and how those test results will be reported to the MSLC. The Bidder must provide proof of competency in providing this solution, citing a lottery jurisdiction currently deployed by the Bidder.

3.16.1 PDC Unavailability

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

The MSLC is required to have a primary and a backup data center. In the event of irreparable damages at the PDC or of an unplanned, extended abandonment of the PDC, the Bidder must provide, at no additional cost, a substitute PDC (including systems, facilities, and other components necessary to resume iLottery sales under an operational scenario using the defined data centers) until a permanent PDC can be reestablished. The substitute PDC must be furnished, installed and operational within a timeline agreed with the MSLC. Until a permanent PDC may be re-established, substitute facilities must meet MSLC-approved environmental and security measures, as defined by the MSLC.

3.16.2 Failover

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	ACCEPTANCE

In the event that either the PDC or BDC fails, the other data center must immediately and automatically provide access and assume the load without loss or corruption of any data and transactions (zero data loss) received prior to the time of the failure. Additionally, the Bidder is required to demonstrate on a scheduled basis (determined by the MSLC) and upon request of the MSLC, that the BDC is fully functional by operating in production from it.

Procedures for operations staff, especially regarding failure situations, must be straightforward. In addition to operator-prompted failover, the iLottery System is required to be able to recover from failures without operator intervention (“auto-failover”).

In the event any portion of the failover fails, an immediate notification must be made to the MSLC detailing what failed, along with the root cause of the failure and remediation plans. Remediation plan results must be provided to the MSLC, and subsequent failover testing must be conducted. This cycle must continue until the failover test is deemed successful by mutual agreement between the MSLC and the Bidder.

3.16.3 Disaster Recovery and Business Continuity Plan

SIGNIFICANCE	RESPONSE TYPE
MANDATORY	FULL

The Bidder must describe an outline for components identified, or provide a sample of, a disaster recovery and business continuity plan in their proposal. The Bidder must provide a Disaster Recovery and Business Continuity Plan for the data centers and other sites used in this contract. The plan must include, but is not limited to, the following:

- a) Business Impact Analysis
- b) Risk, Threat, and Vulnerability Analysis
- c) Recovery Strategy
- d) Emergency Response
- e) Problem Escalation
- f) Plan Activation
- g) Recovery Operations
- h) Plan Validation, Testing and Maintenance schedules
- i) Key personnel contact list, including the MSLC staff

The plan must be delivered no later than sixty (60) days after the contract execution including the components in Section 3.1.5 (Disaster Recovery Plan), with ample time for MSLC to review and approve prior to Go-Live. The plan must be tested prior to Go-Live and at least quarterly thereafter. The scope of testing shall be agreed upon by both parties. The plan must consider disasters caused by weather, water, fire, environmental spills and accidents, malicious destruction, acts of terrorism, contingencies such as strikes, epidemics, and other scenarios deemed likely by the MSLC. The plan must ensure continuity of the iLottery System, third-party components and the MSLC’s integration points. Provision must also be made for the safe, secure off-site storage of all scheduled secondary data and programs.

Should implementation of any portion of the Disaster Recovery and Business Continuity Plan become necessary, all costs associated with the implementation of the plan must be borne by the Bidder.

The Bidder must provide a description of an unplanned disaster event and the outcome from a current customer. If Bidder has no experience in an unplanned disaster, Bidder shall state that it is the case.

3.17 Invited Options

SIGNIFICANCE	RESPONSE TYPE
INFORMATIONAL	NONE

The MSLC is interested in learning more about each of the following options, the ability for, and experience of, Bidders to provide these options. Cost shall be included in the Cost Proposal as separate line items; where applicable, it is acceptable for Bidders to state that the cost is to be determined. Pricing for Invited Options shall not be part of the scoring evaluation.

3.17.1 Omni Wallet

SIGNIFICANCE	RESPONSE TYPE
DESIRABLE	FULL

The Bidder shall discuss the experience and ability to support one (1) player wallet, where at a minimum, the following scenarios are possible:

- a) Players can use their iLottery wallet to purchase tickets at retail.
- b) Players can cash their tickets at retail to directly fund their iLottery wallet.
- c) Players can see their retail purchases and cashing history through their iLottery account.
- d) Players can cash out iLottery winnings at retail.
- e) Players can claim their retail (and iLottery) prizes through the mobile player wallet and either add the funds to their iLottery balance or withdraw to eligible payment methods through the iLottery wallet.

Describe any additional omni-wallet capabilities provided that would be beneficial to the MSLC and their players that have not been previously discussed. The MSLC is interested in implementing omni-wallet capabilities within two to four (2-4) years.

3.17.2 Media Buying

SIGNIFICANCE	RESPONSE TYPE
DESIRABLE	FULL

It is highly desirable for the bidder to purchase advertising on behalf of the MSLC. As part of the invited option, the bidder shall present their options for this service.

3.18 Offered Options and Additional Services

SIGNIFICANCE	RESPONSE TYPE
DESIRABLE	FULL

Bidders are encouraged to propose any optional or additional services that, while not explicitly requested under the scope of this RFR, would enhance the overall value of the project. These services may include innovative solutions, advanced technologies, or supplemental offerings that align with the project’s objectives and could contribute to improved efficiency, functionality, or user experience. Bidders shall clearly describe these options, including the benefits they offer, and any potential impact on the project timeline or deliverables. Any associated costs must be provided in the Cost Table (Attachment M). The MSLC makes no commitment to procure any options, and/or has sole discretion regarding the quantity or timing for acquisition of any options should the MSLC choose to procure them.

Bidders are encouraged to submit systems, services, staffing and solutions that are not covered in another section of this RFR that they believe would be beneficial to the MSLC to achieve its goals. Pricing will not be considered in the Offered Options and will not be part of the scoring evaluation.

4 PHASE III - COST PROPOSAL

The cost proposal(s) must be submitted as a separate attachment on COMMBUYS titled “(Company Name) Cost Proposal – RFR# 2601.

The Bidder must fully complete the Cost Table (Attachment M).

The Bidder proposals must be submitted on the most favorable terms the Bidder can provide, as there will be **no opportunity for a best and final offer**. The Bidder shall be prepared to accept this RFR for inclusion in any resulting contract. However, this does not preclude the negotiation of specific contract terms, including price, after the final vendor selection. Contract negotiations may incorporate elements of the proposal, either in whole or in part.

In addition to completing the required Cost Table as referenced above, the bidder shall input their five (5) year forecast for Gross Sales and NGR in the table below, leveraging the MSLC key information and drivers provided. The bidder shall describe their rationale and strategy behind their projections and examples of where they have grown iLottery sales and NGR in other jurisdictions. In addition, the bidder shall detail the following:

- 1) How much of the content in their forecasts will be their own vs. third-party content?
- 2) How will this mix change from year one (1) to year five (5)?
- 3) For the eInstant game portfolio forecast, what percentage of the games shall be off the shelf, customized or bespoke?

Key MSLC information to help bidders understand the MSLC are as follows:

- The MSLC was established by the state legislature in 1971 and started selling tickets in March 1972.
- In Fiscal Year 2024, the MSLC revenues totaled a record \$6.2 billion, resulting in a net profit of \$1.16 billion.
- MSLC has the highest lottery sales per capita of all NASPL lotteries at \$875.
- The MSLC's has a network of approximately 7,200 retailers.
- MSLC paid out an all-time high of over \$4.5 billion in prizes to players in Fiscal Year 2024, 73.4% of all revenues.
- The population of Massachusetts is approximately 7 million.

Key MSLC forecasted iLottery drivers, all subject to change:

- In anticipation of iLottery, the MSLC has to date acquired over 450,000 fully Know Your Customer (KYC) verified, unique MSLC Player Account registrations on its website and mobile app.
- iLottery's annual media buying budget of \$9.5 million is projected to increase by 10% every two years.
- Bonusing is forecasted to be at an industry best practice percentage of total GGR.
- eInstant Return to Player is 90%.
- Draw Return to Player is as follows:
 - The Numbers Game 63% (available at Go-Live)
 - Megabucks 61.79% (available at Go-Live)
 - Mass Cash 55.76% (available at Go-Live)

Full-Service iLottery Platform and Related Services

- Lucky for Life 57.93% (available at Go-Live)
- Powerball and Mega Millions 50% (available at Go-Live)
- Keno 71.52% (not being planned for Go-Live)
- Wheel of Luck 70% (not being planned for Go-Live)

\$ in millions

Bidder's Five-Year Forecast for Gross Sales and NGR					
	Year 1	Year 2	Year 3	Year 4	Year 5
Gross eInstant Sales					
Gross Draw Sales					
Total Gross Sales					
eInstant NGR					
Draw NGR					
Total NGR					

5 LIQUIDATED DAMAGES

5.0 Liquidated Damages Terms and Conditions

- a) The goods and services to be provided under the contract are not readily available on the open market, and any breach by the vendor will delay and disrupt the MSLC's operations. Therefore, if the vendor does not perform the contractual requirements or obligations in the contract, damage to the MSLC will result.
- b) It will be costly, difficult, time-consuming, and impossible to calculate the exact amount of damages resulting from the breach or non-performance of certain of the terms and conditions of the contract.
- c) Liquidated damages shall not be measured in terms of lost revenue/profits or potential lost net profit to the MSLC unless otherwise explicitly stated in this RFR. The liquidated damages provided in this RFR are just and reasonable. If two (2) or more sub-sections could apply to an incident of non-performance by the vendor for which the MSLC has the right to assess liquidated damages, then the one (1) sub-section that most accurately describes the nature of the non-performance by the vendor shall apply, as determined by the MSLC in its sole discretion.
- d) Nothing in any liquidated damages section shall be construed as relieving the vendor from performing all contractual requirements and obligations in the contract, whether the failure to do so is a basis for the assessment of liquidated damages as set forth.
- e) The MSLC's right to assess liquidated damages in no way diminishes or limits the MSLC's right to seek any and all forms of relief permitted by the Commonwealth Terms and Conditions for IT Contracts, by the Standard Contract Form and Instructions and/or by applicable law.
- f) Unless agreed upon otherwise by the parties, whenever the MSLC has determined that liquidated damages are to be assessed, the following process shall be followed:
 - a. The MSLC shall notify the vendor in writing of the proposed assessment.
 - b. The vendor shall respond in writing to the MSLC's notice within ten (10) business days or such other period as agreed upon by the parties, if it intends to dispute the assessment of liquidated damages and if so, within five (5) business days of the MSLC's receipt of the vendor's response, or such other time as agreed upon by the parties, the MSLC and the vendor shall discuss in good faith whether the vendor's action or inaction is a basis for the assessment of liquidated damages, provided, however, that the MSLC shall retain ultimate discretion to assess liquidated damages.
 - c. The value of liquidated damages assessed per occurrence shall be determined by the MSLC and may be any amount up to the maximum amount of the liquidated damages listed.
 - d. Once the value of liquidated damages has been finalized by the MSLC and the vendor is notified of the final determination, within thirty (30) days of the notification, or such other time as agreed upon by the parties, the MSLC shall withhold liquidated damages from payments to the vendor, or payment shall be made to the MSLC in such other manner as agreed upon by the parties, or at such other time as agreed upon by the parties.
- g) Partial performance of the contract shall not relieve the vendor from liability for liquidated damages if any material portion of the contract remains unperformed upon the date performance is to be completed.
- h) The vendor's liability for liquidated damages shall cease at such time as the MSLC obtains complete substituted performance as reasonably determined by the MSLC from the vendor or a second vendor; provided, however, that the vendor shall remain liable for liquidated damages which have accrued to the time of substituted performance.

- i) Payment of liquidated damages shall in no event impair the obligation or liability of the vendor's surety to perform according to the terms of its bond and the contract.
- j) Assessment of liquidated damages shall be prorated by the MSLC to the next lowest increment for partial periods (i.e., Day to hour, hour to minute) and rounded to the nearest whole number.
- k) The vendor shall not be required to pay liquidated damages for delays due to matters as enumerated in section 1.8.2.26 (Force Majeure), or for delays specifically approved in writing by the MSLC. The vendor shall not be required to pay liquidated damages due to negligence or actions of the MSLC or third-parties except for the vendor's subvendors, for which the vendor is responsible.
- l) The MSLC shall have the discretion to waive or reduce assessed amounts of liquidated damages. The failure of the MSLC to assess, or the waiver or reduction by MSLC of liquidated damages in any instance where the MSLC is entitled to liquidated damages pursuant to the terms and conditions of the contract, shall not constitute waiver in any fashion of the MSLC's rights to assess liquidated damages for similar instances in the future.
- m) The vendor is completely responsible for adherence by its subvendors to all provisions of the contract and therefore is responsible for any and all instances of non-performance or breach by subvendors which give rise to liquidated damages.
- n) If any portion of liquidated damages is determined to be unenforceable the other portions of this section shall remain in full force and effect.

5.1 Method of Payment

Within thirty (30) days of the end of the fiscal year, the vendor shall submit to the MSLC a written report of all payments due to the MSLC pursuant to the terms of liquidated damages for any liquidated damages assessed on an annual basis. All amounts due shall be included in the next MSLC invoice following submission of the Report and shall be paid by the vendor in accordance with the terms of the contract.

5.1.1 Vendor Liable for Liquidated Damages Caused by Its Subvendor

The vendor is completely responsible for adherence by its subvendors to all provisions of the contract, and therefore is responsible for any and all instances of non-performance or breach by subvendors which give rise to liquidated damages.

5.2 Service Level Agreements / Liquidated Damages

5.2.1 Go-Live and Failure to Deliver System Functionality

The vendor shall deliver and maintain an iLottery System that meets all the stated requirements of this RFR or as amended and jointly agreed upon following contract execution. The vendor must complete installation preparations as required, provide qualified and knowledgeable resources and timely and accurate information, deliver software, hardware and associated services, and conduct and support quality testing. The system hardware, software, services, and feature requirements shall be met to ensure full functionality, complete internal controls, and accountability.

5.2.1.1 Failure to Submit a Final Implementation Plan

The vendor shall submit a final implementation plan, as required in section 3.15 (Implementation Plan), to the MSLC for approval no later than thirty (30) calendar days after the contract execution. For each late, insufficient, or incomplete final implementation plan as determined by the MSLC, the

MSLC may impose liquidated damages of an amount up to ten thousand dollars (\$10,000) per calendar day for each day, until the final implementation plan is provided, made sufficient or corrected.

5.2.1.2 Timely Cooperation with Go-Live Activities

The vendor must ensure that qualified and knowledgeable staff members attend meetings and cooperate timely as requested by the MSLC from contract initiation through Go-Live for the initial iLottery implementation and for thirty (30) days thereafter, or as reasonably requested by the MSLC to ensure a successful implementation. Participation and timely responsiveness are mandatory, whether directly to MSLC or their subvendors.

In the event that the vendor is not properly attending and participating in meetings, and responding to requests in a timely manner, liquidated damages may be imposed in an amount up to five hundred thousand dollars (\$500,000) per day.

5.2.1.3 Timely and Accurate Supplying of Requested Data

The vendor must provide data in a timely manner, and in agreed-upon formats from contract initiation through Go-Live for the initial iLottery implementation and for thirty (30) days thereafter, or as reasonably requested by the MSLC to ensure a successful implementation. The timeliness, completeness, and accuracy of the data is essential, and efforts that deliver otherwise may delay that implementation conversion project.

In the event that the vendor does not supply timely and accurate data as required in this condition, liquidated damages may be imposed in an amount up to fifty thousand dollars (\$50,000) per day per incident of delay in providing data or providing accurate data.

5.2.1.4 Acceptance Testing

The MSLC requires Acceptance Testing of the system as agreed to in the Acceptance Testing Plan. Any delays with Acceptance Testing, or failure to adequately address any testing issues or defects, causing late production launch will directly result in the assessment of liquidated damages of five thousand dollars (\$5,000) per day.

5.2.1.5 Software Release Documentation

The vendor shall provide timely and accurate specifications as well as test scripts for all enhancements, including how third-party integrations perform within the iLottery System. If the vendor fails to provide timely and accurate specifications and/or test scripts, the vendor may be charged liquidated damages of one thousand dollars (\$1,000) for the first violation and two thousand five hundred dollars (\$2,500) for each subsequent violation.

5.2.1.6 Failure to Install Software Modifications and Deliver System Functionality

The vendor shall install necessary software modifications or enhancements, including new games, for the operation and support of the iLottery System pursuant to the time period specified in the agreed upon implementation plan. If the vendor fails to meet the specified timeframes or requirements for the installation of software affecting new games, the vendor may be assessed liquidated damages in the amount of two hundred and fifty thousand dollars (\$250,000) per calendar day. If the vendor fails to meet the specified timeframes or requirements stated in the agreed-upon implementation plan for any other non-revenue impacting system modifications or enhancements, including reports, the

vendor may be assessed liquidated damages in the amount of ten thousand dollars (\$10,000) per calendar day.

5.2.1.7 System Functionality at Implementation (Go-Live)

At the sole discretion of the MSLC, the MSLC may assess the vendor liquidated damages in the amount of twenty-five thousand dollars (\$25,000) per calendar day for each requirement (including any amendment) not completed or accomplished as established in the implementation plan or subsequent system documentation. This section is in full force and effect starting on planned implementation day (inclusive) and shall continue until each requirement is met.

5.2.1.8 ICS Functionality at Implementation (Go-Live)

The vendor must provide connectivity from the iLottery System to the ICS system, to any authorized system, and any other third-party software or hardware within the timeframe established in the implementation plan.

In the event that the vendor is unwilling or unable to provide connectivity from the iLottery System to the ICS system, to any authorized system, or any other third-party software or hardware within the timeframe established in the implementation plan, the vendor may be charged liquidated damages of two hundred fifty thousand dollars (\$250,000) per day beginning from the implementation date established in the implementation plan.

5.2.2 Lost Profits Liquidated Damages

5.2.2.1 iLottery System Down – Revenue Generating Components

Excluding pre-approved downtime for maintenance as confirmed by the MSLC and the exceptions noted below, the vendor shall ensure that revenue generating components of the iLottery System, which include any functions necessary for the depositing of funds, acceptance of wagers, operation of a game, and/or paying a prize, are available as measured over the course of each calendar month at least ninety-nine and nine-tenths percent (99.9%) of the time. The revenue-generating components of the iLottery System shall be unavailable for no more than fifteen (15) minutes during any single calendar day. The revenue generating components of the iLottery System are “available” when the above-described components are functional and the system is able to accept any connections and process any player requests relative to depositing of funds, placing/purchasing wagers, playing games, and receiving/withdrawing prize winnings. The MSLC may impose liquidated damages in an amount calculated as the lost profits for the iLottery System down time, per minute, for each minute exceeding fifteen (15) minutes in a single calendar day or each minute below ninety-nine and nine-tenths percent (99.9%) availability during any calendar month (each such minute, a “Minute Down” and collectively (“Minutes Down”).

Average Gross Sales for Minutes Down = (An average of the historical iLottery sales for each applicable period of minutes down for the same day and time (e.g., Monday 2:03 pm to 3:03 pm) for the previous three (3) weeks and for the three (3) weeks after the incident for a total of six (6) weeks (the “Calculation Period”)) divided by the applicable number of minutes down.

- If this section is triggered within the first six (6) weeks of the Go-Live date, the calculation period shall be the first continuous six (6) weeks of continuous iLottery System availability following the conclusion of the triggering event.

- For purposes of this section, if a Lottery game is not regularly available for sale during particular times of the day (e.g., a draw game not offered for sale from 1:04 am to 5:00 am), said times shall not be included within the calculation for the average of historical sales.

Lost Profits Calculation - Lost profits will be calculated based on the final negotiated contractual terms and fees.

No period of iLottery System inoperability will be included in calculating availability to the extent that such downtime is due to any of the following (“Exceptions”):

- The MSLC’s, or any individual player’s misuse of the iLottery System;
- Failures of the MSLC’s, or any individual player’s, Internet connectivity;
- Internet or other network traffic problems other than problems arising in or from networks actually or required to be provided or controlled by the vendor or its subvendors;
- The MSLC’s, or any individual player’s, failure to meet any minimum hardware or software requirements set forth in the contract; or
- Planned periods of maintenance authorized by the MSLC.

5.2.3 Fixed Liquidated Damages

5.2.3.1 iLottery System Back Office Functionality

Excluding pre-approved downtime for maintenance as confirmed by the MSLC and the exceptions noted above, the vendor will ensure that back-office systems, which are all components of the iLottery System that are not revenue generating components as described above in 5.2.2 (Lost Profits Liquidated Damages), are available as measured over the course of each calendar month at least ninety-nine and nine-tenths percent (99.9%) of the time. The back-office systems of the iLottery System will be unavailable for not more than fifteen (15) minutes during any single calendar day. The back-office systems of the iLottery System are “available” for the purposes of this section when the iLottery System is able to accept any connections and/or process any staff or player request involving a non-revenue generating component. The MSLC may impose liquidated damages in an amount of three thousand dollars (\$3,000) for the first hour with this amount increasing one thousand dollars (\$1,000) each hour to a maximum of ten thousand dollars (\$10,000) per hour, or fraction thereof, which is greater than fifteen minutes in duration during any calendar day or for each minute below ninety-nine and nine-tenths percent (99.9%) availability during any calendar month.

In the event that both section 5.2.2 (Lost Profits Liquidated Damages) and 5.2.3 (Fixed Liquidated Damages) are simultaneously triggered, the MSLC may impose the greater of the liquidated damages assessable pursuant to section 5.2.2 (Lost Profits Liquidated Damages) or 5.2.3 (Fixed Liquidated Damages) but may not assess liquidated damages under each of those sections.

5.2.3.2 iLottery System Degraded Processing Performance

- a) The vendor will ensure that the iLottery System does not evidence degraded performance for more than one (1) hour during the operational hours on any calendar day (excluding pre-approved downtime for maintenance as confirmed by the MSLC and the exceptions noted above).
- b) Degraded performance means that the iLottery System is operating and processing transactions, but not for all gaming products and/or player-related activities. The iLottery System will be considered to be evidencing degraded performance if (i) twenty percent (20%) or more of active players, which are defined as MSLC players who access the iLottery System within the previous thirty (30) calendar days, are prevented from utilizing the revenue generating components of the iLottery System as referenced in section 5.2.2 (Lost Profits Liquidated Damages) or the iLottery

System is exceeding the response times for the revenue generating components of the iLottery System as required by the contract, or (ii) the back office systems as referenced in section 5.2.3 (Fixed Liquidated Damages) are not fully “available.”

- c) For degraded performance stemming from section 5.2.3.2,b),(i), the MSLC may impose liquidated damages in the amount of ten thousand dollars (\$10,000) for each hour of degraded time, or fraction thereof, which is greater than one (1) hour in duration during the operational period on any calendar day. For degraded performance stemming from section 5.2.3.2,b), (ii), the MSLC may impose liquidated damages in the amount of one thousand dollars (\$1,000) for each hour of degraded time, or fraction thereof, which is greater than one (1) hour in duration during the operational period on any calendar day. If two (2) degraded performance events of more than one (1) hour in length have already occurred in a business week (Monday 12:00 a.m. (ET) through Sunday 11:59: p.m. (ET)), the grace period of one (1) hour shall be rescinded, and liquidated damages shall begin immediately with any subsequent degraded performance event in that business week.
- d) No period of iLottery System degradation will be included in calculating availability to the extent that such degraded performance is due to any of the exceptions noted above.

5.2.3.3 System Functionality Post Go-Live through Life of Contract

At the sole discretion of the MSLC, the MSLC may assess the vendor liquidated damages in the amount of five thousand dollars (\$5,000) per calendar day for each requirement (including any amendment) not completed or accomplished as established in accordance with the terms of the contract. This section is in full force and effect starting after the Go-Live date per the agreed upon implementation plan and shall continue for the life of the contract.

5.2.3.4 iLottery System ICS Operability and Balancing

In the event that an ICS out of balance issue causes a draw processing delay of thirty (30) minutes or longer to completion of draw processing, the MSLC may impose liquidated damages of twenty-five thousand dollars (\$25,000) per hour, or fraction thereof, after the thirty (30) minute grace period until the draw can be completed.

5.2.3.5 iLottery System Timely and Accurate Reports and Processing

The vendor shall produce and deliver timely, reliable and accurate operational reports, business reports, media data exports (including data exports to the ICS), and other timely reports and files as specified by the MSLC. If the vendor fails to provide the MSLC with a reliable and accurate report, media, data export, or electronic file according to the timeframe specified by the MSLC, liquidated damages may be assessed according to the following chart:

Type Description	Liquidated Damages
Revenue Related	Twenty-five thousand dollars (\$25,000)/hour or portion thereof – one (1) grace period of thirty (30) minutes within one (1) calendar month
Business	One thousand dollars (\$1,000)/hour per report – one (1) grace period two (2) hours within one (1) calendar month
Critical	Twenty-five thousand dollars (\$25,000)/hour per report – one (1) grace period of thirty (30) minutes within one (1) calendar month

Report, media, data export, and electronic file type descriptions (i.e., revenue related, business, or critical) will be determined and assigned by the MSLC at the time individual reports, media, data exports, or electronic files are defined and requested.

5.2.3.6 iLottery System Warranty on Customer Service Center

The vendor shall meet the service levels identified within the CSC Service Level Expectations of this RFR and agreed to by both parties, including but not limited to, outages, hold times, response times, and other service levels. If the vendor is unable to meet the service level requirements, liquidated damages of up to two thousand dollars (\$2,000) per service level not met may be assessed. Chronic problems, defined as issues that occur more than three times in any thirty (30) day period or those lasting longer than eight (8) hours, may be assessed additional damages up to ten thousand dollars (\$10,000) per chronic failure.

5.2.3.7 iLottery System Unauthorized Access or Compromise

The vendor shall preclude its employees not authorized by the MSLC from accessing, modifying, or otherwise interfering with iLottery System data or software. The MSLC may impose liquidated damages of ten thousand dollars (\$10,000) per person per Incident in addition to any other damages that may occur as a result of such unauthorized access or compromise. For purposes of this section, an "Incident" is each act of access, modification, or interference with iLottery System data or software by an unauthorized person. An Incident must be reported to the MSLC within one (1) hour of discovery of occurrence.

The MSLC does not waive any other legal remedies available to it pursuant to applicable law or pursuant to other terms of the contract.

5.2.3.8 iLottery System Failure to Report Events

- a) The vendor shall immediately report all significant events, either personally, or by telephone, or by email, within one (1) hour of the discovery of the event, to the MSLC to the Chief iLottery Officer. The vendor shall send all written reports and notifications by email. At a minimum, the vendor shall provide a written report for each of the following types of events within twenty-four (24) hours:
 - i. System takeovers
 - ii. Major communication failures
 - iii. Significant operator errors
 - iv. Out of balance conditions
 - v. Emergency software or hardware changes
 - vi. Security violations
 - vii. Duplicate accounts
 - viii. Failure of a payment method to process transactions
 - ix. Inability for players to withdraw funds
 - x. Inability of individuals to register for accounts
 - xi. System failure that could damage MSLC integrity
 - xii. Other conditions as defined by a memorandum of understanding
 - xiii. Any situation which may cause the general public to become alarmed and/or which may damage the integrity or public image of the MSLC.
- b) If the vendor fails to report any event as required, the MSLC may impose liquidated damages of one thousand dollars (\$1,000) per day or fraction thereof, until an incident is correctly reported.
- c) The vendor shall provide event reports for the significant events above within seventy-two (72) hours after the event. If the vendor fails to provide the event report by the scheduled time, the MSLC may impose liquidated damages of one thousand dollars (\$1,000) per incident. If the MSLC requests an event report for an issue not indicated above, the vendor shall provide the incident report within seven (7) calendar days of the incident. If the vendor fails to provide

the incident report by the scheduled time, the MSLC may impose liquidated damages of two hundred dollars (\$200) per incident.

5.2.3.9 Games Service Level Agreements

- a) The vendor shall provide any eInstant game it offers for MSLC Acceptance Testing within thirty (30) days of scheduled launch date (unless mutually agreed upon by vendor and MSLC). The MSLC may impose liquidated damages of one hundred dollars (\$100) for each day, or fraction thereon, that an eInstant game is not available for testing. Vendor will not be responsible for liquidated damages if it is determined by the MSLC that failure to adhere to the schedule is based, in whole or in part, on the performance or failure to perform of the MSLC or a third-party not contracted directly through vendor.
- b) The vendor shall not modify any eInstant game, prize structure, or working papers during MSLC Acceptance Testing or after deployment to Production without the prior written consent of the MSLC. If the vendor modifies any eInstant game without the prior written approval of the MSLC, the MSLC may issue a written order that the modification be removed and the eInstant restored to its previous operating state at the contractor's expense. Further, the MSLC may impose liquidated damages of one thousand dollars (\$1,000) per violation in addition to any other damages that may occur as a result of such unauthorized modification.
- c) The vendor shall deploy to production any eInstant game offered through the iLottery System on the scheduled launch date (unless an extension is authorized in writing by the MSLC). The MSLC may impose liquidated damages of ten thousand dollars (\$10,000) for each day, or fraction thereof, that an eInstant game is not deployed to production. Vendor will not be responsible for liquidated damages if it is determined by the MSLC that failure to adhere to the schedule is based, in whole or in part, on the performance or failure to perform of the MSLC or a third-party not contracted directly with vendor.
- d) The vendor shall not deploy any eInstant game to production without the written approval by the MSLC. If the vendor deploys any eInstant game to production without written approval, the MSLC may impose liquidated damages of one thousand dollars (\$1,000) for each hour, or fraction thereof, that the game is available on production.
- e) The vendor shall implement all third-party content providers specified by the MSLC either through an aggregator or direct integration on the agreed upon schedule. If vendor fails to implement the third-party content providers on the schedule, the MSLC may impose liquidated damages of twenty-five thousand dollars (\$25,000) for each day that the new online content provider is not able to launch a game. Vendor will not be responsible for liquidated damages if it is determined by the MSLC that failure to adhere to the schedule is based, in whole or in part, on the performance or failure to perform of the MSLC or a third-party not contracted directly with vendor.

5.2.3.10 Promotions Service Level Agreements

The vendor's iLottery System shall support the distribution of bonuses to players (each, a "promotion"). If a bonus does not operate as expected due to the fault of the vendor, the MSLC may impose liquidated damages of ten thousand dollars (\$10,000) for each incident in addition to reimbursing for the difference between the budgeted promotional amount and the actual payout amount. For example, budgeted promotional amount is one hundred thousand dollars (\$100,000) and the MSLC calculates actual bonus payout amount at one hundred thirty thousand dollars (\$130,000) due to the erroneous operation of the promotion; the vendor shall reimburse the MSLC thirty thousand dollars (\$30,000) for the additional bonus cost as agreed upon by the MSLC and vendor, in addition to any applicable liquidated damages to be assessed at the MSLC discretion. The MSLC shall be responsible for properly configuring and testing each promotion. If it is determined by the MSLC that the failure of a bonus to operate as expected was due to the performance or failure to perform

of the MSLC, or otherwise attributable to the improper configuration or testing of a promotion, the vendor will not be responsible for reimbursement of costs or liquidated damages.

5.2.3.11 Failure to meet Multi-jurisdictional Standards

The vendor must comply with MUSL Rule 2 and the Mega Millions Finance and Operating Procedures. If the vendor fails to comply with any required MSLC or multi-jurisdictional association standard, the MSLC may impose liquidated damages of five thousand dollars (\$5,000) for each instance of non-compliance. In addition, the MSLC may impose an additional five thousand dollars (\$5,000) for each subsequent seven (7) day period, or portion thereof, for each instance for which compliance has not been achieved.

5.2.3.12 Damage to MSLC Brand Equity

The MSLC strives to maintain public trust. It is imperative that vendors demonstrate integrity, honesty and fairness in the operation of the iLottery System to assure consumers that games are operated fairly. The vendor may be assessed liquidated damages to a maximum of two hundred fifty thousand dollars (\$250,000) per incident that causes possible harm to the MSLC’s brand. This section shall also be applicable to requirements related to the Go-Live date of the iLottery System.

5.2.3.13 Failure to Restrict Access

The security and integrity of the MSLC is critical to the MSLC’s ability to generate funding for its beneficiaries. It is imperative that the vendor restricts anyone under the age of 21 and any users not physically located in Massachusetts from purchasing online lottery tickets and from accessing non-permitted portions of the iLottery Platform. For each incident of failure to restrict underage access or other incident involving age- or geolocation-based restrictions that causes irreparable harm to the MSLC, the vendor may be assessed liquidated damages to a maximum of ten thousand dollars (\$10,000) per incident and a maximum of two hundred fifty thousand dollars (\$250,000) for incidents arising from the same series of events.

5.2.3.14 Payout and Risk Operations (PRO)

a) Service Level Agreement

Activity	First Requirement: SLAs	Second Requirement: Special Cause Variation SLA Calculation = Average Weekly Document Volume over previous twelve (12) weeks
Document Processing for Withdrawals	Ninety-five percent (95%) of player prize payment requiring additional compliance verification are acted upon within one (1) calendar day of the claim. Acted upon may include approval and release of the prize payment, changing the status of the prize payment to the next level of review by the MSLC, denial of the prize payment, or communication to the account holder with notification of additional documentation required to be provided by the account holder.	Ninety-five percent (95%) of player prize payment requiring additional compliance verification are acted upon within two (2) calendar days of the claim. Acted upon may include approval and release of the prize payment, changing the status of the prize payments to the next level of review by the MSLC, denial of the prize payment, or communication to the account holder with notification of additional documentation required to be provided by the account holder.

Document Processing without Withdrawal	Ninety-five percent (95%) of player account documentation is reviewed and acted upon within one (1) calendar day of receipt by the vendor. Acted upon may include approval or response to the account holder with notification of additional documentation required.	Ninety-five percent (95%) of player account documentation is reviewed and acted upon within two (2) calendar days of receipt by the vendor. Acted upon may include approval or response to the account holder with notification of additional documentation required.
Withdrawal	Ninety-nine percent (99%) of player account withdrawals, after approval, are initiated within twenty-four (24) hours.	Ninety-nine percent (99%) of player account withdrawals, after approval are initiated within twenty-four (24) hours.
Hours of Operation	Vendor shall provide twenty-four (24) hour, seven (7) day a week service to MSLC players.	Vendor shall provide twenty-four (24) hour, seven (7) day a week service to MSLC players.

- b) The MSLC may impose liquidated damages of two thousand dollars (\$2,000) per week for the first requirement not met, and an additional three thousand dollars (\$3,000) per week for the second requirement not met, for a maximum of five thousand dollars (\$5,000) per week in the event that any Service Level Agreement associated with Payments & Risk Operations are not satisfied during a week.

- c) If the vendor fails to properly identify a transaction as invalid, fraudulent, or noncompliant, the MSLC may impose liquidated damages of five thousand dollars (\$5,000) per instance, plus the value of the transaction that was erroneously approved by the vendor. Examples of invalid, fraudulent, or noncompliant transactions include, but may not be limited to:
 - a. Approval of withdrawals to an account not properly verified as owned by the account holder
 - b. Approval of a claim/win before approval and release by additional required reviewers (security hold items)
 - c. Transactions that violate anti-money laundering requirements
 - d. If multiple payment methods are being used against a single player account
 - e. Multiple accounts opened that appear to be the same player
 - f. Self-exclusion related (two (2) players on the same account but one (1) is self-excluded)
 - g. Lost/stolen payment card
 - h. Payment method sharing – more than one (1) player is using the same payment method
 - i. Payment name mismatch – payment name does not match with patron name on account
 - j. Fraud suspect player deposit attempt – handling of players which are currently under suspicion of fraud and have attempted a deposit
 - k. Unauthorized activity – player claims an activity on their account was performed by someone other than themselves.

5.2.3.15 Other Service Level Agreements

The following service level agreements shall be upheld for all areas not defined above.

- a) Severity Levels - all issues not previously defined above shall be assigned a Severity Level as defined below:

Severity	Description
Critical-P1	<ul style="list-style-type: none"> • The ability to conduct business or service has stopped – downtime event

Critical-P2	<ul style="list-style-type: none"> • An issue/incident that prevents at least twenty percent (20%) of the active players from utilizing the revenue generating components of the iLottery System as referenced in section 5.2.2 (Lost Profits Liquidated Damages) • An issue/incident causing the response times for the revenue generating components of the iLottery System to be longer than as required by the contract for a duration of thirty (30) minutes or greater
Critical-P3	<ul style="list-style-type: none"> • An issue/incident that prevents five to twenty percent (5%-20%) of the active players from utilizing the revenue generating components of the iLottery System as referenced in section 5.2.2 (Lost Profits Liquidated Damages) • An issue/incident affecting the availability of the back-office systems as referenced in section 5.2.3 (Fixed Liquidated Damages) without a reasonable workaround
Critical-P4	<ul style="list-style-type: none"> • An issue/incident that prevents less than five percent (5%) of the active players from utilizing the revenue generating components of the iLottery System as referenced in section 5.2.2 (Lost Profits Liquidated Damages) • An issue/incident affecting the availability of the back-office systems as referenced in section 5.2.3 (Fixed Liquidated Damages) with a reasonable workaround
High	<ul style="list-style-type: none"> • An issue/incident affecting the revenue generating components of the iLottery System as referenced in section 5.2.2 (Lost Profits Liquidated Damages) but not preventing active players from utilizing said components of the iLottery System

b) Response and Resolution Times

Critical-P1 Required Response Time:	Five (5) minutes
Required Resolution:	As soon as practicable provide a workaround that restores the services or system to a state that allows use of the iLottery System in all material respects and does not materially impair the iLottery System’s performance criteria. Thereafter, as soon as practicable exercising best and continual efforts to resolve the service error until full restoration of function is provided. The vendor shall provide an event report for the issue/incident within forty-eight (48) hours of the required response.
Critical-P2 Required Response Time:	Thirty (30) minutes
Required Resolution:	As soon as practicable provide a workaround that restores the services or system to a state that allows use of the iLottery System in all material respects and does not materially impair the iLottery System’s performance criteria. Thereafter, as soon as practicable exercising best and continual efforts to resolve the service error until full restoration of function is provided. The vendor shall provide an event report for the issue/incident within ninety-six (96) hours of the required response.
Critical-P3 Required Response Time:	Thirty (30) minutes
Required Resolution:	As soon as practicable and no later than twenty-four (24) hours, provide a workaround that restores the services or system to a state that allows use of the iLottery System in all material respects and

	does not materially impair the iLottery System’s performance criteria. Thereafter, as soon as practicable exercising best and continual efforts to resolve the service error until full restoration of function is provided. The vendor shall provide an event report for the issue/incident within ninety-six (96) hours of the required response.
Critical-P4 Required Response Time:	Twenty-four (24) hours
Required Resolution:	As soon as practicable and no later than forty-eight (48) hours, provide a workaround that restores the services or system to a state that allows use of the iLottery System in all material respects and does not materially impair the iLottery System’s performance criteria. Thereafter, as soon as practicable exercising best and continual efforts to resolve the service error until full restoration of function is provided. The vendor shall provide an event report for the issue/incident within seven (7) calendar days of the required response.
High Required Response Time:	Ninety-six (96) hours
Required Resolution:	As soon as practicable and no later than seven (7) calendar days, provide a workaround that restores the service or system to a state that allows use of the iLottery System in all material respects and does not materially impair the iLottery System’s performance criteria. Thereafter, as soon as practicable exercising best and continual efforts to resolve the service error until full restoration of function is provided. The vendor shall provide an event report for the issue/incident within seven (7) calendar days of the required response.

c) Liquidated Damages

In the event that vendor fails to respond to a Critical-P1 or a Critical-P2 issue/incident with the Required Response Time specified above, the MLSC may impose liquidated damages at the rates set forth below. If liquidated damages are assessable pursuant to other sections of the contract, no liquidated damages shall be assessable pursuant to this section.

- Critical-P1 – One thousand dollars (\$1,000) per minute following a grace period of fifteen (15) minutes.
- Critical-P2 – One thousand dollars (\$1,000) per every five (5) minutes following a grace period of one (1) hour.

In the event that vendor fails to provide a timely event report regarding a Critical-P1 or a Critical-P2 issue/incident, the MLSC may impose liquidated damages at the rates set forth below. If liquidated damages are assessable pursuant to other sections of the contract, no liquidated damages shall be assessable pursuant to this section.

- Critical-P1 – Two thousand dollars (\$2,000) per day, or portion thereof, following the event report due date.
- Critical-P2 – One thousand dollars (\$1,000) per day, or portion thereof, following the event report due date.

IMPORTANT: Bidders must include anything not previously mentioned in this RFR. If there is any requirement of which the MSLC is not aware, but will require MSLC resources (employee time, supplies, etc.) or incur a cost to the MSLC, Bidders must include these items in this proposal and include related costs in Attachment M – Cost Table. Examples of such items would include, but not be limited to: travel, lodging, storage, training, reprogramming of existing applications, etc.

ATTACHMENTS

Attachment A - Commonwealth of Massachusetts Information Technology Terms and Conditions

Attachment B – Commonwealth of Massachusetts Standard Contract Form

Attachment C – Massachusetts W-9 Form

Attachment D - Contractor Authorized Signatory Listing Form

Attachment E – Tax Compliance Certification

Attachment F - Business Reference Form

Attachment G – Supplier Diversity Program Form

Attachment H – Invest in Massachusetts Plan Form

Attachment I – Certificate of Non-Collusion

Attachment J – Electronic Funds Transfer Form

Attachment K – Prompt Pay Discount Form

Attachment L – Certificate of Compliance Concerning Personal Data and Personal Information

Attachment M – Cost Table