

TO: All Parties Interested in Participating in the Delaware Lottery's Request for Proposals for Multi-Player Automated Gaming Tables (FIN15001_AUTO_TABLES)

FROM: Jim Logue
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RFP Issuing Officer

DATE: August 27, 2015

SUBJECT: Addendum 1 – Questions and Clarifications of the RFP

ADDENDUM 1

The following questions and RFP clarifications are issued pursuant to Section 1.13 of the Multi-Player Automated Gaming Tables RFP.

Section 1.0

“The Delaware State Lottery (hereinafter referred to as the "Lottery") is issuing this Request for Proposals (RFP) to invite interested manufacturers of multi-player automated gaming tables and/or video lottery terminals to submit proposals for the lease, installation, and operation of these machines at the three racetracks.”

The section noted and copied above for the Multi-Player Automated Gaming Tables RFP references “and/or video lottery terminals”. Is the DE Lottery also seeking VLT bids under this RFP? What is the DE Lottery intending or seeking with “and/or video lottery terminals”?

This RFP is for Multi-Player Automated Gaming Tables only. Delaware Code stipulates that machines “...shall be obtained from manufacturers.” In this case, the Lottery will accept bids from any vendor who manufactures Multi-Player Automated Gaming Tables or from any manufacturer of any other type of Video Lottery Terminals.

Section 1.32

This section requires each bidder to include a "complete disclosure of any pending civil or criminal litigation or investigation involving the company." We respectfully request that Lottery (1) confirm that only material pending civil or criminal litigation or investigation is required to be disclosed and (2) define the parameters of a reportable investigation.

- 1) The Lottery confirms that only material pending civil or criminal litigation or investigation is required to be disclosed.
- 2) A reportable investigation would be any investigation in which the bidder has been indicted, has been accused of a crime or is the subject of a grand jury investigation. A reportable investigation would also include any investigation of the bidder by any government agency.

Section 3.1.24

Can a current licensed Supplier bid ETG product that has already been provided (extending the term)?

Yes, Multi-Player Automated Gaming Tables currently installed as a result of existing agreements can be bid in the event that the Lottery Agents desire to retain those machines. The current agreement will not be extended but the retention of the machines will be included in any new agreement.

Can a current licensed Supplier that has provided ETG's bid a game kit change to existing hardware (i.e. a new software version)?

Game kits/software cannot be bid. The Lottery suggests you take this into account when bidding existing product as described in the previous question.

Can a Bidder bid an ETG software version that will be GLI approved after January 1, 2016 (meaning: not presently approved)?

Please refer to section 1.17 **Demonstrability of Proposed Multi-Player Automated Gaming Tables**. Also, pursuant to section 3.5.5, bidders are required under any subsequent agreement to provide "Conversions to existing machines, including, but not limited to, themes, denominations, payback percentages and upgrades." This would include new software versions.

Can a Bidder bid Refurbished (used) ETG's?

Yes, as long as they conform to the "Current Manufacture" requirement in section 2.46 and are warranted as new (as required in 2.46).

Section 3.4.2

If a product is not fully automated and uses live dealers in the play of the game that still utilizes an RNG, would that fall under and be taxed as a live table game and not this RFP scope?

Correct, any product that uses a live dealer or host does not fall under the definition of a Multi-Player Automated Gaming Table and would therefore be considered a live table game.

Section 405

Can a Bidder propose and bid a sliding percentage of net proceeds?

No, bidders must bid one price as a percentage of net proceeds.

Can a current Supplier bid a price on existing equipment and also a separate pricing on incremental or new equipment (as was done in the VLT RFP)?

Yes, a separate price can be bid for existing equipment. A second “price quotation” line can be added for this purpose. Please clearly delineate which bid is for new machines and which is for existing machines. For purposes of scoring the proposal, only the price quote for new machines will be used.