

**STATE OF VERMONT
VERMONT DEPARTMENT OF LIQUOR AND LOTTERY**

SPORTS WAGERING RFP

ADDENDUM #1

RFP CHANGE(S): INCLUDE THE FOLLOWING:

1. RFP RESPONSES DUE BY date has changed from August 28, 2023 – 4:00 PM (EST) to September 6, 2023 – 4:00 PM (EST).

2. Section 4.1 now reads as follows:

4.1 Bidder has the option to submit bids by paper, electronic (email), or both. The bid shall include a Cover Letter and Technical Response and Revenue Proposal.

4.1.1 **If paper format:** The Technical and Revenue proposals must be separated and divided into two separately sealed and clearly marked envelopes. The technical proposal must be marked with the Bidder's name and "Vermont Sports Wagering RFP Technical Proposal." A separately sealed revenue proposal must be marked with the Bidder's name and "Vermont Sports Wagering RFP Revenue Proposal."

4.1.2 **If electronic (email) format:** Refer to Section 5.3.1.1 below.

3. Section 5 SUBMISSION INSTRUCTIONS, now reads as follows:

5. SUBMISSION INSTRUCTIONS:

- 5.1. **CLOSING DATE:** Bids must be received by the State by the due date specified on the front page of this RFP. Late bids will not be considered.

5.1.1. The State may, for cause, issue an addendum to change the date and/or time when bids are due. If a change is made, the State will inform all bidders by posting at the webpage indicated on the front page of this RFP.

5.1.2. There will not be a public bid opening. However, the State will record the name, city and state for any and all bids received by the due date. This information will be posted as promptly as possible following the due date online at: <https://bgs.vermont.gov/content/opc-bid-tabulation-sheets-0> . Bidders are hereby notified to review the information posted after the bid opening deadline to confirm receipt of bid by the State. Any bidder that submitted a bid, and is not listed on the bid tabulation sheet, shall promptly notify the State Contact listed on the front page of this RFP. Should a bidder fail to notify the State Contact listed on the front page of this RFP within two weeks of posting the bid tabulation sheet, the State shall not be required to consider the bid.

- 5.2. **STATE PROCEDURES:** Please be advised extra time may be needed when visiting and/or delivering information to State of Vermont offices. All individuals visiting State offices must present a valid government issued photo ID when entering the facility. Any delays will be at the bidder's own risk.

5.3. BID DELIVERY INSTRUCTIONS:

5.3.1.ELECTRONIC: Electronic bids will be accepted.

5.3.1.1. E-MAIL BIDS. Emailed bids will be accepted. Bids will be accepted via email submission to SOV.ThePathForward@vermont.gov with **TITLE: VERMONT SPORTS WAGERING RFP**. A Bidder can provide up to four digitally searchable PDF files (technical proposal, redacted technical proposal, revenue proposal, redacted revenue proposal attachments containing all components of the bid. Multiple emails will not be accepted. There is an attachment size limit of 40 MB. It is the Bidder's responsibility to compress the PDF file containing its bid if necessary in order to meet this size limitation.

5.3.1.2. FAX BIDS: Faxed bids will not be accepted.

5.4. U.S. MAIL OR EXPRESS DELIVERY OR HAND DELIVERY:

5.4.1.All paper format bids must be addressed to the **State of Vermont, Department of Liquor and Lottery, 1311 Route 302, Suite 100, Berlin, VT**. BID ENVELOPES MUST BE CLEARLY MARKED 'SEALED BID' AND SHOW THE PROPOSAL TITLE, OPENING DATE AND NAME OF BIDDER.

5.4.2.NUMBER OF COPIES:

5.4.3.For bids submitted via mail, express, or in-hand, submit an unbound original (clearly marked as such) and three (3) paper copies and one digital copy in PDF, CD-ROM, or USB flash drive copy.

5.4.4. Paper Format Delivery Methods:

5.4.4.1. U.S. MAIL: Bidders are cautioned that it is their responsibility to originate the mailing of bids in sufficient time to ensure bids are received and time stamped by the Department of Liquor and Lottery prior to the time of the bid opening.

5.4.4.2. EXPRESS DELIVERY: If bids are being sent via an express delivery service, be certain that the RFP designation is clearly shown on the outside of the delivery envelope or box. Express delivery packages will not be considered received by the State until the express delivery package has been received and time stamped by the Department of Liquor and Lottery.

5.4.4.3. HAND DELIVERY: Hand carried bids shall be delivered to a representative of the Department of Liquor and Lottery prior to the bid opening. A bid submitted by Hand Delivery will not be accepted after 4:00 PM.

4. Section 4.6 of RFP, Reporting Requirements, is hereby removed.
5. Appendix D, Section B.4.d is revised to read: "(d) Has the Bidder or any subcontractor that the Bidder intends to rely on been assessed any penalties or liquidated damages during the past two (2) years on any contract. If so, please list the client and the circumstances surrounding the penalties and liquidated damages."
6. Sections 6 and 7 of RFP: The bidder must provide, with its proposal, a Multi-Jurisdictional Disclosure Form completed by each principal of the bidder.

7. Section 2, question 8 (page 3) of RFP: Revised to read: “The Bidder’s plan for maximizing sustainable, long-term revenue for the State, including a detailed market analysis.”
8. Section 6.1 BID SUBMISSION CHECKLIST now reads as follows:

6.1 BID SUBMISSION CHECKLIST

- ✓ Cover Letter
 - Technical Response
 - Redacted Technical Response
 - Revenue Proposal
 - Redacted Revenue Proposal
 - References
 - Certificate of Compliance
 - Multi-Jurisdictional Disclosure Form
 - ✓ Appendix A, § A.13 (litigation bond requirement).
 - ✓ Appendix B, §§ B.1 (bidder background information), B.2 (three references, descriptive information, identities of persons who will be responsible for implementing the contract, and background re: other jurisdictions in which bidder operates), B.3 (financial information submissions), B.4 (integrity and ethics disclosures), B.5 (description of bidder’s proposed accounting and auditing practices and description of bet transaction reconciliation solution), B.6 (identity of bidder’s project manager/primary point of contact), B.7 (descriptions of comparable mobile sports wagering platforms developed by bidder and Sports Wagering operated by bidder), B.8 (two summary narratives re: bidder’s expertise and capabilities), B.9 (detailed information re: bidder’s compliance with enhanced procedures and bidder’s integrity monitoring systems), B.10 (schedule for implementation), B.11 (diversity demonstration), and B.12 (disclosures re: marketing and promotional plans).
 - ✓ Appendix C, §§ C.4 (revenue share and estimate of potential adjusted gross sports wagering revenue), C.5 (revenue analysis) and C.6 (narrative and analysis of other issues affecting revenue).
 - ✓ Appendix D, §§ D.1 (general requirement for complete information in bid), D.2.1 (description and analysis of sports events and types), D.2.4 (list of anticipated data sources to resolve wagers), D.2.5 (samples of house rules used in other jurisdictions), D.2.6 (examples and samples of tournaments, contests, and pools), D.2.9 (samples of bidder’s internal control system procedures for the issuance, acceptance, and tracking of promotions and bonuses), D.3.1 (overview of bidder’s Sports Wagering Platform and estimated time frame for implementation of bidder’s operations), D.3.2 (draft implementation plan), D.3.3 (list of Service Providers, Suppliers, and Sportsbooks that bidder will integrate with in Vermont), D.3.4 (Change Management process and demonstration of its compliance with Vermont requirements), D.3.5 (description of geolocation service, demonstration of its compliance with Vermont requirements and list of the 3rd party geolocation service providers bidder may utilize), D.3.9 (details re: vulnerability scans and sample of bidder’s remediation and risk management plans), D.4.2 (details re: Age and Identity Verification functionality), D.4.4 (sample Terms and Conditions and Privacy Policies for Sports Wagering Accounts used in other jurisdictions), D.6.1 (bidder’s responsible gaming plan and a description of responsible gaming safeguards currently employed by bidder), and D.7 (copies of all existing compliance policies and procedures).
9. Section 2, paragraph 2 (page 2) of RFP: Revised to read: Bidders will be asked to provide full-service solutions. Bidder must have an established sports betting software platform that is currently in use in at least three jurisdictions. The DLL considers full service to include hardware, software, with fully integrated sports book services including market creation, market and event management, risk

management, player acquisition and customer relationship management (CRM), responsible gaming program and integrity monitoring. All such services must include Know Your Customer (KYC), Anti-Money Laundering (AML), and geo-location services. All servers initiating wagers for the sports wagering platform must be located within the State of Vermont.

END OF ADDENDUM #1

QUESTIONS AND ANSWERS			
Sports Wagering			
#	Reference	Question	Answer
1		When can suppliers expect the sports wagering supplier regulations and license application(s) to be available?	We are not seeking RFPs from subcontractors or suppliers.
2	Section D.4.2 "Age and Identity Verification	Are 'Know Your Customer' (KYC) providers expected to submit an RFP or join in an RFP?	We are not seeking RFPs from subcontractors or suppliers.
3		Regarding affiliate relationships with gaming operators, will a separate license be required for affiliates of gaming operators under the new sports betting regulations? If so, please provide information on obtaining such a license and any associated requirements or timelines.	We are not seeking RFPs from subcontractors or suppliers.
4		As a [company based outside of Vermont], will we need to set up a foreign LLC in Vermont to operate within your jurisdiction? If this is the case, we would appreciate any information or guidelines on going about this process.	Bidders are responsible for complying with Vermont law, including submission of any business filings required by the Vermont Secretary of State, Corporations Division.
5		If a Bidder plans to submit an email bid, the bid should be a single email with a single, digitally searchable PDF attachment containing all components of the bid. Does the single attachment requirement superseded requirements for two copies of Financial Statements and separately sealed and submitted Technical and Revenue proposals?	Reference Addendum #1.
6		What forms of writing would the DLL accept in terms of financial resource availability of a parent corporation? Would the DLL accept an alternate arrangement in lieu of a parent guarantee?	Last 3 years of comprehensive financial statements.
7		Is a completed Multi-Jurisdictional Disclosure Form required as a part of the bid? If so, can the DLL please clarify who needs to complete the form?	Yes. The bidder must provide, with its proposal, one such form completed by each principal of the bidder.
8		Will the DLL accept jointly combined proposals from more than one operator? Otherwise, we're concerned that newer operators attempting to enter the market may not be able to participate.	No.
9	General	What does "long-term revenue 6" refer to on page 3, Question #8 regarding bidder requirements? Please advise as to whether this is a typographical error.	Yes. Should read: "The Bidder's plan for maximizing sustainable, long-term revenue for the State, including a detailed market analysis." Reference Addendum #1.
10	General	Does the multi-jurisdictional personal disclosure form have to be completed and included in the bid submission? If so, what employees for each operator would be required to complete the form?	Reference response to Question #7.
11	General	The RFP says the bidder must include in its response "the number of individually branded websites the operator proposes to use." Is the State's preference to have more than one individual website?	The Department has no preference.
12	General	The RFP says Vermont-based companies will be given preference and then companies whose business practices promote clean energy/climate change will be given next highest preference. How could a bidder for online/mobile sports wagering (as opposed to retail) demonstrate a commitment to these clean energy/climate change initiatives?	It's the responsibility of the Bidder to identify any relevant initiatives.
13	General	Test accounts can only be used by one individual but "a Sportsbook may establish a specific scenario or instance of a test account that may be shared by multiple users if each user's activities are separately logged"; what is an instance where sharing of a test account would be necessary/appropriate?	The RFP is self explanatory. The Department does not wish to offer an example.
14	General	RFP Section 1.5 states: "Questions or comments not raised in writing on or before the last day of the question period are thereafter waived." Please indicate whether the following language could be used instead: "If bidder is successful, any terms will be mutually agreed upon between the parties in the final agreement governing this transaction."	No. Please also see RFP § 4.2.3, which provides: "If a Bidder wishes to propose an exception to any terms and conditions set forth in the Standard Contract Form and its attachments, such exceptions must be included in the cover letter to the RFP response. Failure to note exceptions when responding to the RFP will be deemed to be acceptance of the State contract terms and conditions. If exceptions are not noted in the response to this RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State. Note that exceptions to contract terms may cause rejection of the proposal."
15	General	Does the Vermont Department of Liquor and Lottery ("DLL") anticipate allowing the selected operator(s) to use a single account platform (i.e., a shared wallet that patrons can use across multiple states)?	The Department may allow the selected operators to use a single account platform. Bidders must comply with federal and state law.
16	Fees & Definitions	Is the \$550,000 operator fee an upfront fee or paid yearly in increments during the contract term? a. Please clarify the recurring or one-time nature of the operator fee – will an additional operator fee be required as part of a potential contract renewal?	The \$550,000.00 fee is to be paid in full upon contract execution. And pursuant to 31 V.S.A. § 1320(c), the Department shall not require an Operator to pay the fee more than once in any three-year period.

17	Fees & Definitions	Please provide a definition of “adjusted gross sports wagering revenue.” a. In reference to Sec. 3 (“General Requirements”), please provide a definition of “net gaming revenue.” i. Will the revenue share be based on a percentage of “net gaming revenue” or “adjusted gross sports wagering revenue”? ii. Please provide additional details on the treatment of bonusing – can operators deduct bonusing to calculate revenue shared with the State (i.e., to calculate net gaming revenue)? iii. Regarding promotional inducement, bonus, or credit in Sec. 6.2, can the value set by the Department be specified?	Adjusted gross sports wagering revenue is as defined by 31 V.S.A. § 1301(1). a. Reference to “net gaming revenue” means “adjusted gross sports wagering revenue.” i. Revenue share must be based on adjusted gross sports wagering revenue. ii. No. iii. That value has not yet been set.
18	Fees & Definitions	What is the tax rate? a. Is the fee paid by operators to the DLL the only operational payment made to the State? b. For the revenue proposal evaluation criteria, is the adjusted gross sports wagering revenue percentage to the State inclusive of tax?	Bidder’s are responsible for complying with Vermont law, including payment of any tax liability at the appropriate rate to the Vermont Department of Taxes. a. The operator’s fee is \$550,000, and the Department shall not require an Operator to pay the fee more than once in any three-year period. b. Revenue share paid to the Department must be exclusive of taxes and must be not be less than 20 percent of adjusted gross sports wagering revenue.
19	Fees & Definitions	The DLL can initiate background investigations on “officers, principals, investors, owners, subcontractors, employees or any other associates” of a vendor. a. How is vendor defined -- would the selected operator be a vendor to DLL? b. How is ownership defined -- anyone who owns 1% or more of the operator or only majority owners?	a. RFP Appendix A, § A.18’s reference to “Vendor” is synonymous with “Operator.” b. RFP Appendix A, § A.18 provides that the Department may initiate background investigations of an owner of any interest in Operator.
20	Fees & Definitions	The RFP defines “State Intellectual Property” to include all data generated under the contract. Does the State intend to include patron data as “State Intellectual Property”? a. Does the definition of “State Data” include all patron data? b. Would an operator own or have an ownership interest in patron data? c. Please indicate whether data access outside of the United States is contemplated as part of this RFP in any regard. Are there limited circumstances in which data may be accessed outside of the United States with state approval, for instance, on backup servers in trusted countries or for information security support from parent companies? i. Is this concept intended to be captured within the defined term “State Data”?	State of Vermont standard Attachment D speaks for itself regarding State Data. Please also see RFP § 4.2.3, which provides: “If a Bidder wishes to propose an exception to any terms and conditions set forth in the Standard Contract Form and its attachments, such exceptions must be included in the cover letter to the RFP response. Failure to note exceptions when responding to the RFP will be deemed to be acceptance of the State contract terms and conditions. If exceptions are not noted in the response to this RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State. Note that exceptions to contract terms may cause rejection of the proposal.”
21	Fees & Definitions	The RFP states “An Internal Control System shall include controls relating to not allowing the acceptance of a Sports Wager or deposit of funds into a Sports Wagering Account that is derived from the extension of credit by affiliates or agents of the Sportsbook.” “Affiliates” is defined in the RFP; but how are “agents” defined?	“Agents” are considered any persons authorized to act, or with apparent authority to act, on behalf of the Operator, including its employees, as well as its contractors and subcontractors and their employees.
22	Contract-Specific Terms	There is a 3-year term, plus two additional 1-year extensions. If all those are exercised, can parties still extend beyond year 5? a. What are the criteria and conditions for contract renewal for two additional one-year periods? b. Can the operator propose a different contract term if it allows for better pricing/revenue share?	The Department will provide no answers to these questions, as they are beyond the question scope provided in RFP, § 1.5.
23	Contract-Specific Terms	The RFP indicates that the State has the right to terminate the contract for convenience upon 30 days’ notice. Please indicate whether operators could seek reimbursement of related costs.	Standard Contract § 7 speaks for itself. Please also see RFP § 4.2.3, which provides: “If a Bidder wishes to propose an exception to any terms and conditions set forth in the Standard Contract Form and its attachments, such exceptions must be included in the cover letter to the RFP response. Failure to note exceptions when responding to the RFP will be deemed to be acceptance of the State contract terms and conditions. If exceptions are not noted in the response to this RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State. Note that exceptions to contract terms may cause rejection of the proposal.”
24	Contract-Specific Terms	Please indicate whether the successful bidder’s negotiations with the State on contractual terms and conditions will include reasonable and/or clarifying modifications to Attachments C and D.	Please see RFP § 4.2.3, which provides: “If a Bidder wishes to propose an exception to any terms and conditions set forth in the Standard Contract Form and its attachments, such exceptions must be included in the cover letter to the RFP response. Failure to note exceptions when responding to the RFP will be deemed to be acceptance of the State contract terms and conditions. If exceptions are not noted in the response to this RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State. Note that exceptions to contract terms may cause rejection of the proposal.”

25	Contract-Specific Terms	An example would be helpful to better ascertain what events would prompt the provision below: a. "If a Sports Governing Body or college believes that the type, form, or category of Sports Wagering on that Sports Governing Body's Sports Event has the potential to undermine the integrity or perceived integrity of the Sport's Governing Body or its Sports Event, the Sport's Governing Body or college may submit to the Department a written request to restrict, limit, or exclude a certain type, form, or category of Sports Wagering on a Sports Event or series of Sports Events."	RFP, Appendices D and E speak for themselves. The Department does not elect to provide an example.
26	APPENDIX D – TECHNICAL SPECIFICATIONS AND REQUIREMENTS, D.4 Sports Wagering Accounts (page 57)	Will Operators be able to utilize a "shared wallet" so that customers moving across state lines can utilize their balance established with an Operator in another legal sports betting state?	The Department may allow the selected operators to use a single account platform to utilize a "shared wallet." Bidders must comply with federal and state law.
27	APPENDIX C – REVENUE, C.4 Revenue Share (page 49)	Can Bidders submit multiple net gaming revenue share bid percentages to reflect scenarios with various amounts of Operators licenses to be awarded in the state?	No.
28	SECTION 2. DESIRED REQUIREMENTS/DESIRED OUTCOMES (page 2) Text of Passage: Note: The Technical and Revenue proposals must be separated and divided into two separately sealed and clearly marked envelopes. The technical proposal must be marked with the Bidder's name and "Vermont Sports Wagering RFP Technical Proposal." A separately sealed revenue proposal must be marked with the Bidder's name and "Vermont Sports Wagering RFP Revenue Proposal."	The above statement suggests a hard copy submission of the Technical and Revenue proposals is required (it does not mention other sections of the bid). However, in SECTION 5. SUBMISSION INSTRUCTIONS, 5.2. BID DELIVERY INSTRUCTIONS (page 8), it states that bids will be accepted via email submission. Please clarify submission method, whether entire bid can be submitted electronically, or will hard copy be required as well?	Reference response to Question #5.
29	APPENDIX E – ENHANCED PROCEDURES, Part VII Advertising and Marketing, Section 6.0 Promotional Inducements, Bonuses and Credits (page 120) Text of Passage: 6.2. No promotional inducement, bonus or credit shall exceed a value set by the Department.	What is the promotional inducement, bonus or credit value that will be set by the Department? If value is not set now, when will it be set? And is it subject to change?	That value has not yet been set.
30	APPENDIX E – ENHANCED PROCEDURES, Part V Audit and Internal Control Standards, Section 11.0 Integrity Monitoring and Suspicious Behavior (pages 108-109) Text of Passage: 11.1. An Internal Control System shall include provisions for a Sportsbook to report to the Department as soon as practicable: (d) Any information relating to Suspicious or Illegal Wagering Activities, including the use of funds derived from illegal activity, the placement of wagers to conceal or launder funds derived from illegal activity, the use of agents to place wagers, and the use of false identification in placing wagers.	From an AML perspective, to whom at the Department must the Operator report to regarding information relating to Suspicious or Illegal Wagering Activities?	The Department will provide no answer to this question, as it is beyond the question scope provided in RFP, § 1.5.
31	ATTACHMENT D – INFORMATION TECHNOLOGY SYSTEM IMPLEMENTATION TERMS AND CONDITIONS (rev. 03/10/2023), 6. Security of State Information (page 24) Text of Passage: 6.5 Redundant Back-Up. The Contractor shall maintain a fully redundant backup data center geographically separated from its main data center that maintains near realtime replication of data from the main data center. The Contractor's back-up policies shall be made available to the State upon request. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.	Is 6.5 a requirement to be awarded a contract by the State. If yes, and if awarded a contract by the State, how long after does the Operator need to have the Redundant Backup site up and running?	This speaks to the ability to provide service recovery after any event (such as disaster and cyber events). This DR solution should be in place prior to go-live of the service to meet service level commitments. Both system backups and a redundant location/solution (even public cloud) for running the service are normally required to meet SLA.
32	General	Can the DLL please help reconcile the instructions in section 5.2 with the "Note" in section 2 (on page 3) regarding submission logistics?	The bidder has the choice to use electronic, paper or both. Reference Addendum #1.
33	General	How will a bidder be notified if they've met the minimum qualification requirements?	There will be no process where bidders are notified of meeting minimum qualifications.

34	General	Will a bidder, if not chosen, be informed how and why they were not selected to move forward?	No.
35	General	Will bidders be selected based exclusively on the number of points awarded by the DLL based on the Evaluation Criteria?	RFP, § 3.5 speaks for itself. Please also see Vermont Board of Liquor and Lottery, Sports Wagering Operator Evaluation Criteria Procedures, 6/14/23, at https://liquorandlottery.vermont.gov/VTSW-RFP-Eval-Criteria .
36	General	Can the DLL please confirm that the RFP could result in different successful bidders operating in Vermont with different revenue shares?	Yes.
37	General	Will the DLL consider granting an extension to the August 28th deadline given the need for possible material changes to planned RFP responses resulting from the DLL's replies to submitted RFP questions?	Any extension of the proposal submission deadline will be communicated by RFP Addendum. It remains the responsibility of each bidder to periodically check http://www.bgs.state.vt.us/pca/bids/bids.php for any and all notifications, releases and addenda associated with this RFP.
38	General	Can the DLL please confirm that respondents are permitted to bid tiered revenue share structures depending on the number of sportsbook operators in Vermont?	No.
39	General	Can the DLL please confirm that the RFP response can include links to external URLs that provide examples and additional information?	No.
40	Section 3.2.1	Please explain the Best and Final Offer process further. Has the DLL outlined a process for when this instance would occur?	As indicated in RFP Section 3.2.1, the State has the ability to request a Best and Final Offer (BAFO). The BAFO process as outlined in Administrative Bulletin 3.5, available at: https://aoa.vermont.gov/sites/aoa/files/Bulletins/3point5/3.5Rewrite121619FINAL.pdf
41	Section 3.5.1	Can the DLL please confirm that the technical and revenue criteria will be submitted and graded entirely independently of each other?	RFP, § 3.5 speaks for itself. Please also see Vermont Board of Liquor and Lottery, Sports Wagering Operator Evaluation Criteria Procedures, 6/14/23, at https://liquorandlottery.vermont.gov/VTSW-RFP-Eval-Criteria .
42	Section B.2.D	Can the DLL please clarify what specifically is meant by the term "product category?"	The Product Category would be various types of offering such as various sport types, virtualized sports or other forms of sports bettings.
43	Section B.4.D	It seems that the last sentence in this subsection is currently left unfinished. Can the DLL please provide the full sentence or question to this point?	(d) As the Bidder or any subcontractor that the Bidder intends to rely on been assessed any penalties or liquidated damages during the past two (2) years on any contract. If so, please list the client and the circumstances surrounding the penalties and liquidated damages.
44	Section B.7.C	Please clarify further what DLL means by "other wagering operators;" is this in reference to suppliers and/or vendors?	The reference is to other sportsbook operators.
45	Section B.8	Is one two-page summary required, or is there an expectation to submit two separate two-page summaries?	Two separate summaries not exceeding two pages each are required in RFP Appendix B, § B.8.
46	Section B.8.C (1)	Can the DLL please clarify what is being referenced by "Operators" in this subsection?	Operator – A person or entity that operates an Event Wagering System, using both the technological capabilities of the Event Wagering System as well as their own internal procedures.
47	Section D.1	Would the DLL entertain a joint application among multiple Platform Providers and/or Operators, as appears may be permissible in Section D.1?	No.
48	Page 1 of the RFP	On page 1 of the RFP, for the "state contact" there is only an email address that looks like it goes to a general inbox (not with the specific state contact's name/information). • First, how will prohibited contact with non-approved contacts be prevented since this presumably is a shared inbox that can be accessed by other state employees other than the "state contact"? We are concerned as Section 1.3 clearly states that "actual or attempted contact with any other individual from the State concerning this RFP is strictly prohibited and may result in disqualification." We would not want our bid disqualified because another state employee who had access to this shared inbox received our communication intended for the approved state contact. • Second, are there any other approved methods to contact the state contact (i.e. phone, fax, or postal mail) other than sending messages to the shared inbox?	Communication through the State contact email is the approved method of contact and is not prohibited contact.
49	At the end of the second undesignated paragraph in part 2 (page 2) of the RFP, the last sentence reads as follows: "All server initiating wagers for the sports wagering platform must be located within the State of Vermont and the agent(s) must ensure that data relating to sports wagering remains within the State of Vermont."	While the requirement for servers to be located within the state is a standard requirement, the requirement for data relating to sports wagering remaining in the state is not. • First, is it the intent of the Department of Liquor and Lottery ("DLL") to prohibit the use of cloud-based storage for duplicate data? • Second, is it the intent of DLL to prohibit remote access to Vermont sports wagering data by out of state systems or employees of the selected operator (or their approved suppliers)?	1. No. Please see Appendix D, § D.3.6/Appendix E, Part III, § 6.0 and Appendix D, § D.3.7/Appendix E, Part III, § 7.0. 2. No. 3. Reference Addendum #1
50	In the third undesignated paragraph in part 2 (page 2) of the RFP, the language provides that "The Bidder must provide relevant customer support and sales support for sports wagering, including a call center."	In light of the requirement of paragraph 2 of this part that "agent(s) must ensure that data relating to sports wagering remains within the State of Vermont", does the DLL intend to require selected operators to maintain a call center in the state of Vermont that will handle all inquiries related to Vermont customers, since access to wagering data will be necessary to address customer inquiries?	No. Reference Addendum #1.

51	In the fourth bullet of the fifth undesignated paragraph in part 2 (page 3) of the RFP, there is a requirement for Bidders to provide “A list of all jurisdictions where the Bidder and any parent companies are currently authorized to conduct sports wagering operations.”	• First, is this limited to all jurisdictions in the United States, or is it worldwide? • Second, is this limited to the immediate parent company or all parent companies? • Third, does the DLL intend this requirement to include all subsidiaries of all parent companies of the Bidder?	1. Worldwide. 2. Any and all parent companies. 3. No.
52	In the eighth bullet of the fifth undesignated paragraph in part 2 (page 3) of the RFP, there is a requirement for Bidders to provide “The Bidder’s plan for maximizing sustainable, long-term revenue 6 for the State, including a detailed market analysis.”	Can the detailed market analysis be provided by the bidder or does the DLL expect a third-party market analysis?	The detailed market analysis can be provided by the bidder, a third-party analysis, or both.
53	Part 3.2.1 (page 4) of the RFP provides that at any time after submission of responses and prior to the final selection of bidder(s), the state may invite bidder(s) to provide a Best And Final Offer (“BAFO”).	• How is the BAFO intended to work? Is the BAFO designed to be a “match”? For example, the lottery will come to an operator and say the tax rate is X%, are you willing to participate under that rate?	Reference response to Questiton 40.
54	Part 3.3.2 (page 4) of the RFP requires that Bidders provide to the State “a list of all proposed subcontractors and subcontractors’ subcontractors, together with the identity of those subcontractors’ workers compensation insurance providers, and additional required or requested information....”	• First, when the DLL uses the term “subcontractors” does that have the same meaning as “Supplier” from Section 1.56 of Part 1 of the Sports Wagering Procedures? • Second, if not, can the DLL provide clarity on the scope of what is included in the term “subcontractors”?	1. The term Sub-contractor includes supplier. 2. Not applicable.
55	Part 3.5.1 (page 5) of the RFP provides the points to be awarded to a bidder in the “Sports Wagering RFP Evaluation Criteria” chart. In the Revenue Criteria section it lists out the points to be awarded for different proposed revenue share rates.	• First, it appears the chart anticipates only bidding in whole percentages of revenue share as there is no provision for fraction amounts between 30 and 31, 40 and 41, or 50 and 51 percent. Is that the case? • Second, it is unclear from the chart how points will be awarded within the stated ranges. For example, do bids of anywhere between 20 to 30 percent receive the same 25 points, and bids of 31 to 40 percent receive the same 50 points? Or will a bid of 20 percent receive 25 points and a bid of 30 percent receive 49 points? • Third, how will the DLL determine which operators to select? Is it simply going to rank the operators by points, and then select the top two operators by points and at most the top six operators by points? • Fourth, If the DLL chooses more than one successful bid, is it possible for the successful bidders to operate at different revenue shares under the signed contracts?	• Yes. • Revenue bids in the same stated range will receive the same point total. • RFP, § 3.5 speaks for itself. Please also see Vermont Board of Liquor and Lottery, Sports Wagering Operator Evaluation Criteria Procedures, 6/14/23, at https://liquorandlottery.vermont.gov/VTSW-RFP-Eval-Criteria. • Yes.
56	Part 3.9 (page 6) of the RFP provides that a “remote webinar demonstration by the Bidder may be required by the State if it will help the State’s evaluation process.”	If a presentation and/or demonstration is required, does the DLL anticipate them occurring after the bid submission deadline?	Yes, this would occur after the deadline.
57	Part 4.1 (page 6) of the RFP provides that a bid shall include “a Cover Letter and Technical Response and Price Schedule.”	Is the “Price Schedule” the same as the “Revenue Proposal” referenced in Parts 2, 3.1, 4.4, and 6?	Yes. Reference Addendum #1.
58	Part 4.3.3 (page 7) of the RFP provides that bidders must provide information on the subcontractors they intend to use.	• First, when the DLL uses the term “subcontractors” does that have the same meaning as “Supplier” from Section 1.56 of Part 1 of the Sports Wagering Procedures? • Second, if not, can the DLL provide clarity on the scope of what is included in the term “subcontractors”?	Reference response to Question 54, 1.
59	Part 4.6 (page 7) of the RFP provides that bidders must provide a “sample of any reporting documentation that may be applicable to the Detailed Requirements of this RFP.”	Is the sample reporting referring to the reports required for Appendix D, Section 5.17 (page 65) of the RFP, or some other type of reporting?	Reference Addendum #1.
60	Part 4.8 (page 7) of the RFP requires that each bidder shall provide a copy of GLI-33 certification as an attachment to its proposal.	Since no bidder will have developed and implemented their Vermont specific sports betting solution prior to submission of their response to the RFP, does the DLL intend to accept GLI-33 certificates from other jurisdictions to satisfy this requirement?	The Department will accept a GLI-33 certificate from another jurisdiction to satisfy this requirement. But, if selected, an Operator must secure a Vermont-specific GLI-33 certificate prior to operating a sportsbook in Vermont.
61	Part 5.2.1.1 (page 8) of the RFP provides that the entire bid must be emailed as a single, digitally searchable PDF.	• First, how are bidders expected to separate the technical and revenue proposals, as required by the last undesignated paragraph of part 2 as well as part 3.1.1, if everything is required to be submitted as a single PDF? • Second, does this requirement include the redacted copy referenced in Part 4.2.1 as well? Or can the redacted copy be a second, separate, digitally searchable PDF? • Third, in summary, can a bidder provide up to four digitally searchable PDF files (technical proposal, redacted technical proposal, revenue proposal, redacted revenue proposal)?	Reference Addendum #1.

62	Part 6 (page 8) of the RFP provides for the bid submission checklist.	Is the multi-jurisdictional disclosure form intended to be completed as part of the submission materials? There is a reference to the form in the “Bid Submission Checklist,” but it is not included in the bid content section (Part 4 – pages 6-7 of the RFP) and this form would more commonly be used for key occupational licensees.	Yes. Reference Addendum #1.
63	Part 6.5 (page 24) of Attachment D of the RFP provides that selected operators must have a fully redundant backup data center geographically separate from its main data center that maintains near real-time replication of data from the main data center. However, at the end of the second undesignated paragraph in part 2 (page 2) of the RFP, the last sentence reads as follows: “All server initiating wagers for the sports wagering platform must be located within the State of Vermont and the agent(s) must ensure that data relating to sports wagering remains within the State of Vermont.”	Is it the intent of the DLL to prohibit the use of cloud-based storage, or an out of state server, for purposes of the redundant back-up?	No. Please see Appendix D, § D.3.6/Appendix E, Part III, § 6.0 and Appendix D, § D.3.7/Appendix E, Part III, § 7.0.
64	Part 6.6 (page 24) of Attachment D of the RFP requires operators to conduct quarterly vulnerability scans and remediate vulnerabilities within specified timeframes.	- First, the RFP specifies the number of days to remediate vulnerability issues of different levels of severity. Critical, medium, and low severity are defined. Vulnerability scoring standards including CVSS can also include an additional “high” severity category. Should high severity vulnerabilities be included with “critical” for the purpose of the RFP requirement? If not, how many days will be allowed for remediation of high severity vulnerabilities? - Second, the scope of the vulnerability assessment is not specified. Will a vulnerability assessment of the external, public internet facing sports wagering assets be sufficient or is a more detailed scope required?	1. "High" and "Critical" would be synonymous and need to be addressed within 90 days. Certain vulnerability scanners do have a critical and high ranking. Here is a link to Nessus rankings and how they compare to CVSS https://docs.tenable.com/nessus/Content/RiskMetrics.htm. 2. Based on Appendix E, Part III, § 9.0: “Internal and external network vulnerability scans shall be run at least quarterly and after any significant change to the Mobile Sports Wagering Platform or network infrastructure.” Scope should be those external and internal systems that comprise the sports wagering system.
65	Appendix B (pages 44 – 48) of the RFP requires the bidder to “demonstrate corporate experience, technical capability, and financial means to support the contract” through response to the provisions contained within it.	- First, is it to be understood that this comprises the entirety of the “technical proposal”? - Second, if not, where should the responses to this appendix be included if not part of the technical proposal and/or what else is to be included in the technical proposal? - Third, is there an aggregate page limit to the response provided to Appendix B? Or to any other individual portion of the RFP, or the RFP in its entirety? - Fourth, for Part B.3, there is a requirement to provide “an original and two (2) copies” of certain financial information with the original proposal. Are the copies required if the proposal is submitted electronically? If yes, should the copies be separate PDF files, or should they be included multiple times in the single PDF as required by Part 5.2.1.1 (page 8) of the RFP? - Fifth, for Part B.7, it appears that the required information for the first undesignated paragraph has significant overlap with the information required for the second undesignated paragraph. Can the DLL provide additional clarity on what distinguishes the information required for the first undesignated paragraph from the second undesignated paragraph?	Reference Addendum #1.
66	Appendix C (pages 49 – 50) of the RFP requires the bidder to provide their expected revenue share through response to the provisions contained within it.	- First, is it to be understood that this comprises the entirety of the “revenue proposal”? - Second, if not, where should the responses to this appendix be included if not part of the revenue proposal and/or what else is to be included in the revenue proposal? - Third, are operators allowed to submit a tiered revenue share rate structure? For example, an operator is willing to pay a revenue share rate of 25% if there are two operators in the market, 23% if there are between 2-4 operators in the market and 20% if there are more than four operators in the market. - Fourth, is there a definition for “Bidder’s Preferred Scenario of Platform Providers and Operators” as the term is used in C.5? The term only appears to be used in section C.5, but is there a separate request from the Department for operators to identify the preferred number of operators as part of their submissions?	1. Yes. 2. N/A 3. No. 4. No.

67	Appendix D (pages 51-67) provides for technical specifications and requirements related to technical proposals.	• First, some of the parts of this appendix detail what must be provided by bidders (with provisions that begin “The Bidder must...”) while others simply outline expected technical requirements. Is it the expectation of DLL that bidders provide a specific response to each part of Appendix D, or just the parts which specifically call for a response? • Second, for the parts of this appendix which require responses, are those expected to be contained within the response to Appendix B (pages 44-48) of the RFP, or does the DLL expect separate responses to the provisions of Appendix D? • Third, the second undesignated paragraph of part D.3.8 of Appendix D (page 56) of the RFP provides that system security testing should include “a review of network vulnerability, application vulnerability, application code review, wireless security, security policy and processes, security and privacy program management, technology infrastructure and security controls, security organization and governance, and operational effectiveness.” However, typical third-party regulatory tests do not require source code to be assessed by a third-party. Can the DLL provide more detail on the scope of application code review? Does this apply to application source code? Would security testing of source code by the third-party contractor be required?	Reference Addendum #1.
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