



Request for Proposals CLC202306

Sports Betting DFS Solution System Services

ADDENDUM #3

CLC Responses to Proposer Questions

1. How many actives and total online sports accounts are currently in CLC's database, both lifetime and in the last six months?

CLC Response: This information has been requested from the incumbent operator and is expected to be provided.

2. Would the Successful Proposer be allowed to use online affiliates for marketing and customer acquisition purposes?

CLC Response: CLC has initiated efforts and is interested in continuing to get this changed, but currently affiliate marketing (generally, paying a third party a cost per acquisition fee or revenue share) is prohibited under Applicable Law.

3. Can the Successful Proposer advertise the CT Lottery online sports betting product at the retail locations?

CLC Response: Yes. Sports betting retail locations and traditional lottery retailers advertise online sports betting product.

4. Is the CLC willing to delete the requirement for DFS and Play For Free as part of this RFP?

CLC Response: See Addendum 2 to this RFP.

5. As related to Part II, Subpart A (page 2), can CLC please provide retail sports wagering sales figures and monthly performance by location? (Handle, GGR, # of bets).

CLC Response: Please see the spreadsheet accompanying these responses, entitled "Retail Sales Metrics."

6. As related to Part II, Subpart A (page 2), how many customers are currently in CLC's sports betting database, and how does CLC plan to let the Successful Proposer target these customers (e.g. share information with Successful Proposer and Successful Proposer directly contact or CLC directly contact)?

CLC Response: See Response to Question 1 regarding customers in the sports betting database. Either CLC or its incumbent operator will share customer data with the Successful Proposer directly. If accounts cannot be seamlessly transitioned from the incumbent operator to the Successful Proposer, CLC's expectation is that the Successful Proposer will do primary outreach to these customers so that they create online sportsbook accounts with the Successful Operator. CLC may also market to these customers.

7. Please provide the monthly breakdown of registered players since go-live.

CLC Response: This information has been requested from the incumbent operator and is expected to be provided.

8. Please provide the average monthly conversion rate (register to first-time deposit).

CLC Response: This information has been requested from the incumbent operator and is expected to be provided.

9. Please provide the average number of monthly active players (placed at least one bet within this month).

CLC Response: This information has been requested from the incumbent operator and is expected to be provided.

10. Please advise what the average monthly retention rate is.

CLC Response: This information has been requested from the incumbent operator and is expected to be provided.

11. As related to Part II, Subpart B (page 4), what is the expected implementation period for retail, and what are the expectations of RSI for a seamless transition? Is there a CLC preference to keep any retail spaces as status quo as possible to limit disruptions. If so, which retail locations? Also, is there a CLC preference for the retail operations to remain with Sportech or a handoff to Successful Proposer for consistency?

CLC Response: CLC expects retail to launch simultaneously, or near-simultaneously, with online, understanding that a seamless retail transition is unlikely. Once all 15 locations are in operation, CLC expects to be able to reassign the lowest performing location, annually. See Part 2.B of the RFP for options for participation in future retail locations.

12. As related to Part II, Subpart C (page 4), what is the acceptable range for Go-Live Date during Fall 2023?

CLC Response: Proposers should respond with a date or range that is possible (no less specific than the month), however, the CLC is expecting to launch with the Successful Proposer no later than Q4 of 2023.

13. As related to Part III, Subpart C Section 5 (page 12), would CLC accept an alternate arrangement (e.g. surety bond) in lieu of a parent guarantee?

CLC Response: There are certain contract provisions and proposal requirements that are mandatory. Where possible, CLC may consider requests for modification and such requests will be considered and negotiated with the Successful Proposer.

14. As related to Appendix B, Section 2, Subsection g (page 19), does CLC have preferences on Marketing Channels the Successful Proposer focuses on (e.g. digital, out-of-home, retail vs. online)?

CLC Response: Currently, through the incumbent operator's and CLC's efforts, all channels are used for online and retail. Moving forward, we have no preferences and we expect each company to bring forth its proposals and suggestions.

15. As related to Appendix B, Section 2, Subsection j (page 19), can CLC please clarify what is considered as Technical/IT Assistance (e.g. customer service)?

CLC Response: Technical/IT Assistance would include, but is not be limited to, support for resolving retail system issues (i.e., a solution like Slack, or another channel), phone, and email. Customer service (Subsection i), meaning the Successful Proposer's direct support to its sports betting customers (as opposed to CLC or its retail partners or employees), would include, but is not be limited to, phone, chat, email support.

16. Please provide the technical specifications (e.g., CPU, disk, peripherals, operating system, middleware) of the available SSBTs and OTC.

CLC Response: This information has been requested from the incumbent operator and is expected to be provided.

17. Please provide the average monthly bet per touchpoint (Web, Mobile, SSBT, OTC).

CLC Response: This information has been requested from the incumbent operator and is expected to be provided.

18. What is the revenue share scheme (% on Hold/GGR) that CLC has with the current Operator?

CLC Response: CLC expects each Proposer to bring forth a revenue share proposal that works for both them and CLC.

19. Please describe the current bonus types offered in the retail solution (SSBTs & OTC).

CLC Response: There is no retail bonusing currently.

20. Please also provide the handle breakdown between SSBTs and OTCs.

CLC Response: In March 2023, approximately 10% of handle was placed on OTCs, and approximately 90% on SSTs.

21. Please provide the ratio % of single vs. parlay bets, pre-game vs. in game, and relevant holds.

CLC Response: This information has been requested from the incumbent operator and is expected to be provided.

22. Section: Part IV EVALUATION AND NOTICE OF AWARD, B) PRELIMINARY NOTICE OF AWARD; THE CONTRACT, Page 14 *“Any contract the CLC may award as a result of this RFP will be based upon this RFP, including all attachments, any addenda, and some or all portions of the Proposal submitted by the Successful Proposer, and will include provisions required by the CLC and other mutually agreeable terms and conditions. The CLC reserves the right to award the contract without further negotiations, or negotiate some or all terms and conditions of the contract. A Proposer must not submit a Proposal assuming that there will be an opportunity to negotiate any aspect of the contract, and any Proposal that is contingent on the CLC negotiating with a Proposer may be rejected.”*

- By submitting a response are the provisions in Appendix D deemed accepted?
- To what extent is there room for negotiation on these terms?
- Is any commentary or counter proposals expected in relation to the provisions in Appendix D for the submission?
- Are we able to utilize our own contract with the state which is specifically suitable for the services we offer?
- Would the CLC be able to share any scoring rubric?

CLC Response: There are certain contract provisions and proposal requirements that are mandatory. Where possible, CLC may consider requests for modification and such requests will be considered and negotiated with the Successful Proposer. The CLC does not use a scoring rubric nor does it grade Proposals numerically. CLC will negotiate a final contract with the Successful Proposer.

23. CLC's April 21, 2023 RFP Addendum #2 indicates that CLC is no longer requiring the offering of daily fantasy sports ("DFS") as a requirement to win the RFP; instead, the addendum presents three options: (1) DFS; (2) an alternative product/modified DFS product; or (3) none of the above.

- Does CLC have a preference as to which option is chosen?
- Would "regular" fantasy sports (i.e., season-long fantasy sports) count as an allowable "alternative product" or a "modified DFS" product that could satisfy Option #2?
- What types of fantasy sports would meet the requirement (DFS, other?)
- What systems/processes does CLC have to ensure no 18 to 20-year-old DFS patrons improperly get access to the 21+ sports betting product?
- Do the DFS and online sports products require a shared wallet?
- If yes, are there requirements for user registration between the products?
- Can other technical requirements (i.e., PAM, Risk Management, etc.) live separately in the DFS platform and sports platform?
- Could the look and feel of the DFS and online offerings be separate (different apps, brands, etc.)?
- Is the intention for the rewards and player tracking to be standard across DFS and online sports?

CLC Response: The CLC is open to any Proposal that adds value to the CLC (and the Successful Proposer) and is consistent with Applicable Law.

24. Would the winning operator be able to share patron wallet funds from other states (single account, multiple states (see RFP pg. 19)?)

CLC Response: Yes.

25. Will CLC allow funding of accounts by credit card? To the availability/effectiveness of "single wallet" (see RFP pg. 19) may be impacted by whether all funding sources are allowed.

CLC Response: Applicable Law permits the funding of accounts through a single credit or debit card.

26. We understand the Connecticut sports wagering legislation prohibits operators from "directly" marketing or promoting a physical casino, "including through awarding of players' points or free play, promotions, or other marketing activities." Can you give examples where awarding rewards, free play, promotions, or other marketing activities would constitute "direct" marketing or promotion of a physical casino?

CLC Response: Proposals need to include recommendations for loyalty solutions that are consistent with Applicable Law, especially if such solution is a national loyalty program.

27. Appendix B, Part 1, Page 19 – Where the RFP proposes a technical solution to meet a business requirement, can we propose an alternative technical strategy that meets the same business need, but better fits with our technical architecture?

CLC Response: Yes, consistent with Applicable Law and the expectation is that the Proposer do so clearly.

28. Sports Wagering Technical Specifications, Appendix A, Part A.5.4 – Can you confirm the interest is in running a contest in which patrons are selecting games (either against the spread, or to win) against each other?

CLC Response: See Addendum 2 to this RFP.

29. Sports Wagering Technical Specifications, Introduction, Part 2.0.0 – Please provide more detail on “collect patron information prior to the registration of a patron account.” How far back history is required?

CLC Response: CLC’s interpretation of this Question is about the Successful Proposer collecting information from patrons prior to launch. We expect this opportunity for the Successful Proposer. More details regarding this will be shared with the Successful Proposer.

30. Appendix F, Retail Sports Betting Locations Map – Are there communication links already in place, and paid for by the lottery? What is the bandwidth, and do any of them have redundancy built in?

CLC Response: Telecom services are different per town and we use services that are locally available.

31. Part II, Section I, Number 6, Page 6 – Please confirm what is meant by CLC can “arrange to receive products and services from other providers, or obtain or perform itself the products and services, sought under this RFP,” given that the paragraph states that these actions can be taken “at any time.” Assumedly this reference would apply only during the RFP process and not be part of any Agreement – or at least not without limitation – please advise.

CLC Response: Applicable Law permits CLC to have one and only one online gaming operator, and your proposal should be crafted as such. CLC cannot envision a situation where it would bifurcate services. The Parties’ negotiated contract would guide the relationship between CLC and the Successful Proposer moving forward.

32. Part III, Section B, Page 8 – Is the limitation of liability and indemnification of the CLC relation to the disclosure of Proposer Confidential Information intended to cover even circumstances where Proposer followed the criteria set forth in the paragraphs above, i.e.

marking the information “CONFIDENTIAL,” and after notification from the CLC of a request for Proposer’s Confidential Information, Proposer submitting a written objection to such a disclosure?

CLC Response: There are certain contract provisions and proposal requirements that are mandatory. Where possible, CLC may consider requests for modification and such requests will be considered and negotiated with the Successful Proposer.

33. Part IV, Section B, Page 14 – Can you provide some clarity on the *“The CLC reserves the right to award a contract without further negotiations...”* and *“A Proposer must not submit a Proposal assuming that there will be an opportunity to negotiate some or all of the conditions of the contract?”* Is the intention here to say that CLC could potentially put an Agreement in front of a Successful Proposer and not allow for any modifications whatsoever? And if so, are there any circumstances where that would be more or less likely? Alternatively, is the reference to “contract” here intended simply to note that the terms and components of the award and core elements of the successful proposal would be non-negotiable, not the terms of a resulting Agreement/written document? The undefined term “contract” is used throughout the document and seems to reference both the more general key terms of an accepted proposal as well as the physical writing/final Agreement between the parties.

CLC Response: There are certain contract provisions and proposal requirements that are mandatory. Where possible, CLC may consider requests for modification and such requests will be considered and negotiated with the Successful Proposer.

34. Appendix D, I, M, Page 31 – Since the threshold for liability in this section may be low as CLC’s simple allegation that Successful Proposer is at fault, can you please specify whether this section would be one that CLC would consider to be subject to cure per Appendix D, I, Section G?

CLC Response: There are certain contract provisions and proposal requirements that are mandatory. Where possible, CLC may consider requests for modification and such requests will be considered and negotiated with the Successful Proposer.

35. Appendix E, Retail Equipment Inventory – The CLC has approximately 160 SSTs (Novomatic Actionbooks and UnitedTote Whizz) and approximately 30 OTCs (Suzohapp and Postronic), either currently deployed at retail locations, or in its possession for future retail deployments. Would the Successful Proposer be required to utilize this equipment or bring in its own?

CLC Response: The Successful Proposer may either utilize this equipment or bring in its own. See Part 2.B.4 of the RFP (p.6).

APPENDIX H - RETAIL SALES METRIX

Years	Month	Values	Retail Location										Grand Total				
			1	2	3	4	5	6	7	8	9	10					
2021	Oct	\$ Sold	\$194,612	\$162,882	\$184,352											\$541,846	
		Hold %	41.8%	33.1%	42.8%												39.5%
	Nov	\$ Sold	\$1,184,942	\$1,258,444	\$1,002,536	\$134,859	\$153,614	\$186,651	\$138,705	\$107,641	\$12,679						\$4,180,071
		Hold %	16.4%	21.3%	18.5%	30.3%	27.0%	23.4%	25.2%	20.8%	20.4%						19.9%
	Dec	\$ Sold	\$1,487,091	\$1,444,465	\$1,086,519	\$400,650	\$528,239	\$691,786	\$478,283	\$339,115	\$47,188						\$6,503,336
		Hold %	4.6%	6.4%	6.9%	2.6%	15.6%	2.0%	15.2%	14.9%	13.8%						7.2%
2022	Jan	\$ Sold	\$2,201,086	\$1,594,640	\$1,268,480	\$743,478	\$825,562	\$746,425	\$778,387	\$526,825	\$54,985						\$8,739,869
		Hold %	9.7%	14.8%	11.5%	7.5%	11.1%	2.7%	5.4%	5.8%	25.8%						9.7%
	Feb	\$ Sold	\$1,931,047	\$1,305,588	\$1,069,835	\$458,157	\$615,180	\$485,479	\$499,183	\$451,310	\$33,405						\$6,849,185
		Hold %	11.5%	-2.8%	1.9%	8.7%	5.6%	12.0%	8.7%	8.9%	5.3%						6.2%
	Mar	\$ Sold	\$2,378,384	\$1,650,303	\$1,149,527	\$655,580	\$912,902	\$605,168	\$756,034	\$622,521	\$72,438						\$8,802,856
		Hold %	10.0%	8.9%	7.8%	2.8%	5.7%	16.8%	9.1%	21.0%	9.6%						9.7%
	Apr	\$ Sold	\$1,675,007	\$1,206,166	\$1,007,533	\$708,658	\$654,573	\$585,327	\$610,758	\$535,060	\$41,491						\$7,024,573
		Hold %	5.2%	12.5%	6.6%	10.1%	9.5%	14.6%	7.6%	10.1%	-0.5%						8.9%
	May	\$ Sold	\$2,162,634	\$1,121,400	\$938,938	\$644,953	\$541,388	\$780,823	\$735,394	\$450,655	\$57,906						\$7,434,090
		Hold %	2.9%	7.3%	9.0%	13.6%	7.7%	6.5%	5.4%	5.5%	-9.5%						6.3%
	Jun	\$ Sold	\$1,550,188	\$1,064,259	\$921,067	\$662,600	\$595,935	\$518,565	\$729,207	\$478,526	\$39,803						\$6,560,150
		Hold %	12.4%	5.2%	11.0%	6.2%	6.9%	15.1%	3.5%	2.2%	16.5%						8.4%
	Jul	\$ Sold	\$1,314,222	\$817,164	\$739,509	\$434,472	\$299,096	\$614,341	\$710,465	\$425,723	\$21,925						\$5,376,918
		Hold %	10.5%	13.1%	6.5%	9.8%	20.8%	9.5%	-0.4%	9.4%	27.5%						9.3%
	Aug	\$ Sold	\$1,414,274	\$1,754,967	\$880,063	\$613,297	\$363,900	\$747,551	\$762,389	\$455,193	\$23,383						\$7,015,018
		Hold %	15.9%	11.8%	15.0%	20.2%	11.8%	19.7%	7.6%	14.7%	11.6%						14.3%
	Sep	\$ Sold	\$2,107,057	\$2,040,163	\$1,179,286	\$850,153	\$484,827	\$791,146	\$865,295	\$579,837	\$63,918						\$8,961,682
		Hold %	15.0%	14.1%	16.2%	18.8%	19.7%	20.6%	10.3%	19.5%	36.8%						16.1%
	Oct	\$ Sold	\$1,997,730	\$2,557,315	\$1,808,619	\$898,546	\$739,071	\$1,003,328	\$1,047,594	\$701,655	\$103,107						\$10,856,965
		Hold %	6.4%	10.8%	15.6%	12.9%	12.5%	4.3%	12.3%	12.5%	23.4%						10.9%
	Nov	\$ Sold	\$2,236,419	\$2,127,078	\$2,028,987	\$979,271	\$784,493	\$949,716	\$807,481	\$640,909	\$18,033						\$10,572,386
		Hold %	7.5%	4.2%	5.4%	14.1%	6.1%	14.4%	21.5%	15.4%	-32.9%						9.0%
	Dec	\$ Sold	\$2,109,378	\$2,439,474	\$1,739,649	\$875,891	\$769,778	\$910,860	\$885,705	\$808,310	\$0						\$10,539,045
		Hold %	10.3%	3.3%	17.2%	8.4%	16.8%	3.5%	13.1%	9.1%							9.7%
2023	Jan	\$ Sold	\$2,580,388	\$2,682,334	\$2,004,389	\$977,798	\$526,171	\$972,697	\$925,465	\$948,218	\$0				\$50	\$11,617,512	
		Hold %	10.8%	6.7%	12.5%	4.6%	20.3%	12.1%	12.8%	10.4%					0.0%	10.3%	
	Feb	\$ Sold	\$1,472,964	\$1,952,423	\$1,060,725	\$810,698	\$435,984	\$656,061	\$979,794	\$724,407	\$0			\$201,063		\$8,294,118	
		Hold %	6.9%	4.3%	11.1%	9.6%	11.6%	4.0%	7.8%	9.6%						18.8%	
	Mar	\$ Sold	\$1,737,584	\$2,124,021	\$1,245,596	\$954,817	\$393,571	\$646,884	\$1,201,472	\$815,182					\$647,926	\$9,767,053	
		Hold %	6.5%	8.1%	12.9%	11.5%	14.7%	14.2%	8.6%	12.9%						18.1%	
FY 2023			\$16,970,017	\$18,494,940	\$12,686,824	\$7,394,945	\$4,796,891	\$7,292,585	\$8,185,660	\$6,099,435	\$230,367			\$849,040			

LOCATION 9 CLOSED
IN LATE 2022