

AMENDMENT #1 – January 17, 2009

REQUEST FOR PROPOSALS (RFP)

VIDEO LOTTERY OPERATION LICENSES (#2009-0101)

This Amendment #1 is being issued to amend and clarify certain information contained in the above referenced RFP. All information contained herein is binding on all Applicants who respond to this RFP. Specific parts of the RFP have been amended. The following changes/additions are listed below; new language has been double underlined and marked in bold (i.e., **word**), and language deleted has been marked with a strikethrough (i.e., ~~word~~).

1. REVISE: Section 1.2.2 MINIMUM REQUIREMENTS, first and second bullet, page 3.

A proposal submitted for an Operation License at a Facility Location shall:

- Include an Initial License Fee with the proposal of ***at least*** \$3,000,000 for each 500 VLTs included in the proposal, that shall be prorated based on the exact number of VLTs contained in the proposal. Initial License Fee shall be in the form of a certified check payable to the “State of Maryland/State Lottery Agency” **or a wire/electronic transfer** and shall accrue to the Education Trust Fund established under VLT Law. **Applicants making payment by wire/electronic transfer must contact the Location Commission for specific instructions and shall verify in the Transmittal Letter submitted with the Proposal (see Section 7.3.1 of the RFP) that it has made the payment by wire/electronic transfer;**
- Include all required Application fees for Background Investigations with the proposal (Fee shall be in the form of a certified check payable to the State of Maryland/State Lottery Agency **or a wire/electronic transfer**. **Applicants making payment by wire/electronic transfer must contact the Location Commission for specific instructions and shall verify in the Transmittal Letter submitted with the Proposal (see Section 7.3.1 of the RFP) that it has made the payment by wire/electronic transfer);**

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2. REVISE: Section 3.10 LICENSE AND APPLICATION FEES, page 22.

3.10.1 Initial License Fee

A proposal submitted for an Operation License at a Video Lottery Facility Location shall include an Initial License Fee with the proposal of at least \$3,000,000 for each 500 Video Lottery Terminals included in the proposal, that shall be prorated based on the exact number of VLTs contained in the proposal. The Initial License Fee shall be in the form of a certified check payable to the "State of Maryland/State Lottery Agency" **or a wire/electronic transfer** and will be deposited by the Location Commission into a bank account of the State.

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3. **REVISE: Section 3.24 CONFLICT OF INTEREST AFFIDAVIT AND DISCLOSURE, page 33.**

All Applicants submitting a proposal must complete the Conflict of Interest Affidavit and Disclosure which is included in Appendix FG of this RFP and submit it with their proposal.

It is unlawful for any State officer, employee, or agent to participate personally in his official capacity through decision, approval or disapproval, recommendation, advice, or investigation in any Contract, License or other matter in which he, his spouse, parent, minor child, brother, or sister has a financial interest or to which any firm, corporation, association, or other organization in which he has a financial interest or in which he is serving as an officer, director, trustee, partner, or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, is a party, unless such officer, employee, or agent has previously complied with the provisions of the Maryland Code Annotated, State Government. Article, §15-501 et seq.

4. **REVISE: Section 5.4 GENERAL SUBMISSION REQUIREMENTS AND OBLIGATIONS OF APPLICANT/LICENSEE, subparagraph (b)(5)(I), page 57.**

(5) (I) if the Applicant is an individual, the Applicant shall be photographed and fingerprinted for identification and investigation purposes. **Applicants are not required to submit fingerprint cards with their proposal. The Location Commission will provide instructions at a later date after the receipt of proposals for the submission of fingerprints either in hardcopy or electronic format.**

5. **REVISE: Section 5.11 BACKGROUND INVESTIGATION REQUIRED FOR LICENSE, subparagraphs d.(2)(i), page 66.**

(2) as part of the application for a criminal history records check, the Department of State Police or an approved vendor shall submit to the

Central Repository:

- (i) three (3) complete sets of the Applicant's legible fingerprints taken on forms **or in electronic format** approved by the director of the Central Repository and the Director of the Federal Bureau of Investigation;

6. **REVISE: Section 7.3.1 Transmittal Letter, page 90.**

A brief Transmittal Letter prepared on the Applicant's business stationary must accompany the original Proposal. The purpose of this letter is to transmit the proposal and it shall:

1. State which of the five (5) eligible locations is addressed by the Proposal and identify the exact site being proposed.
2. Acknowledge receipt of all Amendments to the RFP, if any.
3. Be signed by an individual who is authorized to commit the Applicant to all requirements as stated in the RFP, including the prices and financial amounts contained in its proposal.

Checks: Attach to the transmittal letter a separate sealed envelope containing all checks submitted and identify the envelope as "checks enclosed". Submit a separate certified check for the Initial License Fee and another certified check for all other fees required payable to "State of Maryland/State Lottery Agency", **or Applicants may make payment by wire/electronic transfer. Applicants making payment by wire/electronic transfer must contact the Location Commission for specific instructions and shall verify in the Transmittal Letter that it has made the payment by wire/electronic transfer**);

7. **REVISE: Section 7.3.2 General Format of Technical Proposal, last paragraph, page 91.**

Adherence to the required organization and numbering will allow the Location Commission to "map" the RFP requirements directly to the Applicant's responses by paragraph number and facilitate a fair and uniform review process. In addition, the Proposal shall:

1. Be prepared in a clear and concise manner.
2. Address all points of this RFP. The Applicant shall regard all specifications in this RFP as mandatory.
3. Be organized and numbered in the same order as given in the RFP, using the correct subsection and paragraph number for

each specification. For example, Section 2.1 Para 1; Section 3.2 Para 4; etc.

~~4-5~~. Include the specific sections as described below in Sections 7.3.3 through 7.3.10.

8. **REVISE: Section 7.3.4 Executive Summary, subparagraph B.2., page 91.**

2. Confirm that Applicant has Included an Initial License Fee with the proposal of **at least** \$3,000,000 for each 500 VLTs included in the proposal that shall be prorated based on the exact number of VLTs contained in the proposal. State the amount of the License fee being proposed for each 500 VLTs, the number of VLTs being proposed for the facility, and the actual total amount of the check enclosed for the license fee **or the amount of funds paid by wire/electronic transfer;**

9. **REVISE: Section 7.3.10 Required Submissions with Proposal, subparagraphs #1 and 2, page 104.**

Applicants must submit the following items #1 through 8 with the original Proposal

- 1. Initial License Fee of at least \$3,000,000 for each 500 VLTs included in the proposal, that shall be prorated based on the exact number of VLTs proposed (Certified Check payable to State of Maryland/State Lottery Agency **or wire/electronic transfer. Applicants making payment by wire/electronic transfer must contact the Location Commission for specific instructions and shall indicate in the Transmittal Letter submitted with the Proposal (see Section 7.3.1 of the RFP) that it has made the payment by wire/electronic transfer)**)
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- 2. Application fees for Background Investigations as required (Certified Check payable to State of Maryland/State Lottery Agency **or wire/electronic transfer. Applicants making payment by wire/electronic transfer must contact the Location Commission for specific instructions and shall indicate in the Transmittal Letter submitted with the Proposal (see Section 7.3.1 of the RFP) that it has made the payment by wire/electronic transfer)**)

10. **REVISE: APPENDIX J, Application for Background Investigation of a Video Lottery Operation License Applicant, page 149.**

“(IMPORTANT: It is a requirement, as part of this application that a complete Multi-jurisdictional Personal History Disclosure Form and a Principal Employee

Form – Maryland Supplement to the Multi-jurisdictional Personal History Disclosure Form or Principal Entity Disclosure form as the case may be, be submitted, if the Lottery Commission so requires.)”

NOTE: The Application form posted on the Lottery’s website www.mdlottery.com will be revised to comply with the above revision stated in this Amendment.

11. REVISE: APPENDIX L, Principal Entity Disclosure Form, page 152.

Forms #8 and 9 contained in Appendix L are interchanged and therefore do not properly correspond to the related questions #8 and 9.

NOTE: The Application form posted on the Lottery’s website www.mdlottery.com will be revised to comply with the above revision stated in this Amendment

Except as expressly amended herein, all other terms, provisions and conditions in the RFP remain unchanged and in full effect.

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