



# Gaming Commission

One Broadway Center, P.O. Box 7500, Schenectady, NY 12301-7500  
[www.gaming.ny.gov](http://www.gaming.ny.gov)

John A. Crotty, Commissioner  
Peter J. Moschetti, Jr., Commissioner  
John J. Poklemba, Commissioner  
Barry Sample, Commissioner  
Todd R. Snyder, Commissioner

Robert Williams, Executive Director  
Edmund C. Burns, General Counsel

June 19, 2017

Joseph S. Gendron  
Senior Vice President  
IGT Global Solutions Corporation  
10 Memorial Boulevard  
Providence, RI 02903

Dear Mr. Gendron:

This letter serves as an addendum to Amendment Two of Agreement Number C080005 between the New York State Gaming Commission, Division of the Lottery (the "Lottery"), and IGT Global Solutions Corporation (the "Contractor"), (the "Parties"). Upon signature of this letter, the Parties agree to amend Paragraph 4 of Amendment Two of the Agreement, "Continued Maintenance of Hardware", to revise the fixed weekly payment amount to \$173,241.94.

IGT GLOBAL SOLUTIONS CORPORATION

NEW YORK STATE GAMING COMMISSION

By: Joseph S. Gendron  
Title: SVP - WLA, North America

By: [Signature]  
Title: EXECUTIVE DIRECTOR

Date: 6-20-17

Date: JUNE 21, 2017

COMPTROLLER  
Thomas P. DiNapoli

By: Charlotte E. Dunn

Title: \_\_\_\_\_

Date: 7/5/17

**AMENDMENT TWO  
TO  
AGREEMENT NUMBER C080005**

This Amendment No. 2 (this "Amendment") made as of this 19<sup>th</sup> day of May, 2017 (the "Execution Date") by and between the NEW YORK STATE GAMING COMMISSION, DIVISION OF THE LOTTERY, an executive agency of the State of New York having an office at One Broadway Center, Post Office Box 7500, Schenectady, New York 12301-7500 (the "Lottery"), and IGT GLOBAL SOLUTIONS CORPORATION (f/k/a GTECH Corporation), a corporation organized under the laws of the State of Delaware having an office at 10 Memorial Boulevard, Providence, Rhode Island 02903 (the "Contractor"). Any capitalized terms used but not defined in this Amendment shall have the meanings ascribed to such terms in the Agreement (as defined below).

WHEREAS, in connection with the Request for Proposals for a Full Service Lottery System, dated October 30, 2008 and issued by the Lottery (the "RFP"), the Parties entered into Contract C080005, effective on September 1, 2009, as amended by Amendment One, effective on April 7, 2010 (collectively, along with the RFP, the "Agreement"); and

WHEREAS, the Parties desire to further amend the Agreement (i) to exercise the extension contemplated in Section 2(b) to the Agreement and (ii) enable the Contractor to provide the Lottery with certain additional goods and services contemplated herein.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises hereinafter set forth, the parties hereto agree as follows:

1. **Extension**. The Lottery hereby exercises its right, subject to and in accordance with Section 2(b) of the Agreement, to extend the term of the Agreement three (3) years until August 1, 2020.
2. **Amended Language**. The Agreement is amended to reflect the following:

Section 6 of the Agreement, Termination Clause, is amended to add paragraphs (a) and (b) as follows:

- (a) In the event of termination for convenience, Contractor will be compensated for costs incurred in accordance with the Agreement up to the date of termination of the Agreement.
- (b) Upon written notice to the Contractor, and a reasonable opportunity to be heard with appropriate Commission officials or staff, the Contract may be terminated by the Executive Director or his or her designee at the Contractor's expense where the Contractor is determined by the Executive Director or his or her designee to be non-responsible. In such event, the Executive Director or his or her designee may complete the contractual requirements in any manner he or she deem advisable and pursue available legal or equitable remedies for breach.



Section 7 of the Agreement, Confidentiality and Non-Disclosure, is amended to add paragraph (f) as follows:

- (f) The parties acknowledge that Contractor uses the services of Contractor controlled entities, Contractor member firms, and third party service providers to provide administrative and clerical support. These parties may have access to certain confidential information with the understanding that the confidential information will be maintained under information controls providing equivalent protection as that given to Contractor's own confidential information.

Section 14 of the Agreement, Miscellaneous Provisions clause, is amended to add paragraphs (d), (e), and (f) as follows:

- (d) Continuing Contractor Responsibility.
  - (i) The Contractor shall at all times during the Contract term remain responsible, as such term is defined in RFP Appendix B. The Contractor agrees, if requested by the Executive Director of the Commission or his or her designee, to present evidence of its continuing legal authority to do business in New York State, integrity, experience, ability, prior performance, and organizational and financial capacity.
  - (ii) The Executive Director of the Commission or his or her designee, in his or her sole discretion, reserves the right to suspend any or all activities under this Agreement, at any time, when he or she discovers information that calls into question the responsibility of the Contractor. In the event of such suspension, the Contractor will be given written notice outlining the particulars of such suspension. Upon issuance of such notice, the Contractor must comply with the terms of the suspension order. Activity under this Agreement may resume at such time as the Executive Director of the Commission or his or her designee issues a written notice authorizing a resumption of performance under the Agreement.
- (e) Conflicts of Interest.
  - (i) The Contractor has provided a form (Vendor Assurance of No Conflict of Interest or Detrimental Effect), signed by an authorized executive or legal representative attesting that the Contractor's performance of the services does not and will not create a conflict of interest with, nor position the Contractor to breach any other contract currently in force with the State of New York, that the Contractor will not act in any manner that is detrimental to any Lottery project on which the Contractor is rendering services.
  - (ii) The Contractor hereby reaffirms the attestations made in its proposal and covenants and represents that there is and shall be no actual or potential conflict of interest that could prevent the



Contractor's satisfactory or ethical performance of duties required to be performed pursuant to the terms of this Agreement. The Contractor shall have a duty to notify the Lottery immediately of any actual or potential conflicts of interest.

- (iii) In conjunction with any subcontract under this Agreement, the Contractor shall obtain and deliver to the Lottery, prior to entering into a subcontract, a Vendor Assurance of No Conflict of Interest or Detrimental Effect form, signed by an authorized executive or legal representative of the subcontractor. The Contractor shall also require in any subcontracting agreement that the subcontractor, in conjunction with any further subcontracting agreement, obtain and deliver to the Lottery a signed and completed Vendor Assurance of No Conflict of Interest or Detrimental Effect form for each of its subcontractors prior to entering into a subcontract.
- (iv) The Lottery and the Contractor recognize that conflicts may occur in the future because the Contractor may have existing, or establish new, relationships. The Lottery will review the nature of any relationships and reserves the right to terminate this Agreement for any reason, or for cause, if, in the judgment of the Lottery, a real or potential conflict of interest cannot be cured.
- (f) **Restricted Play.** No employee of Contractor, or any spouse, child, brother or sister or parent residing as a member of the same household in the principal place of abode of an employee of Contractor, may play video or traditional lottery games in New York State or claim any video or traditional lottery prize associated with such video or traditional lottery games. The foregoing persons are also prohibited from purchasing a lottery ticket or claiming a prize in a multi-jurisdiction lottery game offered outside of the State of New York where Contractor operates or otherwise has access to the system hardware and/or software used in connection with the draws for such multi-jurisdiction lottery game, if the New York Lottery participates in such multi-jurisdiction lottery game. This shall not be deemed to prohibit the sale of a Lottery ticket or the payment of a Lottery prize to an officer, employee, contractor, subcontractor, or consultant of Contractor if such sale or prize payment is not for the individual benefit of such person and is instead made in connection with an official investigation, audit, marketing effort or other activity authorized by the Gaming Commission.

3. **Additional Language.** Notwithstanding any contrary provisions in the Agreement, the Lottery and the Contractor agree as follows:

- (a) **Option Exercise.** Paragraph 15(f) is revised to add the following Offered Option:

The Contractor extends, for the duration of the Agreement, Offered Option 4.U (Instant Game Printing) offered in connection with the RFP, at the rates offered by Contractor in response to the Lottery's

RFP issued on February 14, 2011 for Instant Ticket Design, Development and Production Services (the "2011 Printing Agreement").

Notwithstanding the foregoing, should Contractor offer lower pricing to the Lottery during 2018 (in connection with a future procurement) than the rates offered by Contractor in the 2011 Printing Agreement for goods and services substantially the same as those offered in the 2011 Printing Agreement, then this Option shall be offered at such lowered offered prices.

The above provision is intended to extend current or better pricing through the Contractor for Instant Game Printing, but can only be implemented under this Agreement if the Contractor is deemed a successful vendor in connection with a future competitive procurement.

- (b) Additional Staffing. Consistent with the provisions of Section 15(h) of the Agreement, Contractor shall provide the Lottery with the following additional resources at no additional cost to the Lottery for the term of this Amendment:
- (i) Direct marketing, planning, sales development. One (1) additional employee or consultant, agreed to by the Lottery, to support the Lottery's marketing, sales, planning and business development objectives. This person shall be located within the state of New York. If mutually agreed for a qualified industry candidate, the requirement to be located within the state of New York may be waived. The Parties acknowledge that such individual has already been hired at no additional cost to the Division of the Lottery, prior to the Execution Date.
  - (ii) Business Analyst and Report Developer. One (1) Business Analyst and one (1) Report Developer, agreed to by the Lottery, shall work together to better facilitate business intelligence reporting to Lottery staff and provide additional business insights in support of growth opportunities. These persons shall be located within the state of New York. If mutually agreed for a qualified industry candidate, the requirement to be located within the State of New York may be waived. The candidate searches will begin immediately upon the Execution Date.
- (c) Retailer Website. Contractor shall provide, at no cost to the Lottery, a Retailer Website (Lottery Invited Option L) with functionality equal to or better than Contractor's Lottery Service Portal version 3.0, which will host information and analytics services provided to Lottery retailers on behalf of the Lottery. The Retailer Website will launch within ten (10) months following the Effective Date of this Amendment.



- (d) Provision of Additional Retailer Equipment.
- (i) Gemini Touch Self Service Retail Solution. Consistent with Section 3.2.4, Specialty Terminals, of the RFP, Contractor will provide the Lottery with fifty (50) 28 bin Gemini Touch units (Offered Option G), at no cost to the Lottery, and will install such units at locations identified by the Lottery and provided in writing to the Contractor. Transaction fees for cashless support and standard point of sale communication services are available at an additional cost. The Contractor will deliver these devices on the date that is one hundred eighty (180) days following the later of (x) the mutual agreement of the specifications for the devices and (y) the Effective Date of this Amendment.
- Following the Effective Date of this Amendment, units may be ordered by the Lottery and require one hundred eighty (180) days for manufacturing. Additional units, identically configured, are available in lots of one hundred (100), at a cost of \$20,000 per unit, priced weekly for 36 months. The price will include hardware and software, installation, and service (maintenance and repair or replacement) for the term of this Amendment.
- (ii) Application of new trim kits to current self-service point of sale. At its cost, Contractor will replace the current trim kits on existing self-service equipment within six (6) months following the Effective Date of this Amendment.
- (iii) Next Generation Terminal Pilot. Consistent with Section 3.2, Terminals for Retailers, of the RFP, in addition to the continued provision of the Lottery's existing retailer terminals, the Contractor will provide one thousand (1,000) next generation Flex terminals, at no additional cost to the Lottery, and will port the existing New York Terminal Application initially with a phased porting to the next generation Open Retailer (NEOS) Application. Flex terminal installation will begin no later than the date that is one hundred eighty (180) days following the later of (x) the mutual agreement of the specifications for the devices and (y) the Effective Date of this Amendment. Additional units in lots of five hundred (500) are available for \$3,550 per unit, priced weekly for 36 months. The price will include hardware and software, installation, and service (maintenance and repair or replacement) for the term of the extension.
- (iv) Digital Playstations. Consistent with RFP Section 3.2.1.3, Retailer On-line Terminal Attachments, Contractor will provide, at no additional cost to the Lottery, twenty (20) digital Playstations and content for a standalone pilot. Content includes development of an initial show plus quarterly updates throughout the term of this Amendment.

Additional Playstations (in lots of 100) would be available at \$5,000 per unit. In the event that the Lottery decides not to proceed with such pilot, Contractor shall provide an additional fifty (50) Gemini Touch devices (in addition to those contemplated in Section 2(d)(i) above). A decision on whether to proceed with the pilot, or receive additional Gemini Touch devices in lieu of such pilot shall be made within thirty (30) days following the Effective Date of this Amendment.

(e) Latest Version of Reporting Solution. In support of Section 3.5.3, Sales Analysis System, of the RFP, at no additional cost to the Lottery, Contractor will upgrade to a Tableau reporting solution and ES Business Intelligence 4.X, such upgrade to include twenty-five Tableau user licenses for the Lottery. Contractor shall deliver Tableau and upgrade to ES Business Intelligence 4.X no later than ten (10) months following the Effective Date of this Amendment.

(f) Deliverables that involve E-instants.

(i) On-Premise Wagering Pilot. Consistent with Section 3.2.4, Specialty Terminals, of the RFP, Contractor shall pilot on-premise wagering at retail on mobile devices. The pilot shall be at no additional cost to the Lottery and will be available at up to five hundred (500) retailer locations, as identified by the Lottery. The pilot will support both draw games and e-Instants (upon written confirmation that e-Instants are authorized under New York law and with the understanding that Contractor's e-Instants solution will be hosted out of its Data Center of the Americas in Austin, Texas), and will support both account and anonymous play. The pilot shall begin within twenty-four (24) months following the Effective Date of this Amendment and is conditioned upon prior installation of Contractor's ES Anywhere and Player Direct.

Additional locations in excess of five hundred (500) may be installed, with required hardware at a cost of \$1,045 per location, priced weekly for the number of months remaining in the extension period. The price will include hardware and software, installation, and service (maintenance and repair or replacement) for the term of the extension.

Notwithstanding any of the foregoing, Contractor is currently piloting on-premise wagering at retail on mobile devices in Rhode Island. In the event that the Parties agree that such Rhode Island pilot was not successful and conclude not to proceed in New York with such pilot, Contractor shall provide an additional fifty (50) Gemini Touch devices (in addition to those contemplated in Section 2(d)(i) above). A decision on whether to proceed with the pilot, or receive additional Gemini Touch devices in lieu of such pilot, shall be made within thirty (30) days following the Effective Date of this Amendment.

- (ii) E-Instants in support of On The Go (OTG). Consistent with Section 3.2.4, Specialty Terminals, of the RFP, at no additional cost to the Lottery, Contractor will develop a solution to provide hybrid B2B & B2C lottery wagering at JFK & LGA airports. Such solution will require the implementation of Contractor's e-Instants solution (subject to written confirmation that e-Instants are authorized under New York law), ES Anywhere and Player Direct. Contractor shall deliver this solution within twelve (12) months following the Effective Date of this Amendment and the written confirmation referred to above.

In support of both the On-Premise Wagering Pilot and the E-instants in support of OTG, and consistent with RFP Section 3.5.9, Additional Gaming Capabilities, Contractor will support the Lottery's new rules allowing account-based payments through implementation of Player Direct.

- (g) Improved ESMM Multimedia Capabilities. In support of RFP Section 3.5.4.5, Monitor Games, at no additional cost to the Lottery, Contractor will upgrade the Flash player to the latest Contractor supported version to improve support for newer compression algorithms and animation. Subject to agreement with the Lottery on timing, this update will be scheduled into the first full batch cycle following the Effective Date of this Amendment.
- (h) System Support of Mobile (smart phone) Based Couponing. Consistent with RFP Section 3.5.8, System Generated Coupons, at no additional cost to the Lottery, Contractor will develop Mobile-based scanning at the Altura, Flex, and self-service terminals - scanning barcodes from 3rd party mobile screens to record coupons, loyalty codes and provide interface to 3rd parties from the lotteries current Enterprise Series (ES) Host following the Effective Date of this Amendment.
- (i) Enterprise Series (ES) Anywhere Deployment. Consistent with RFP Section 2.36, Attachment of Third Party Systems, and in support of third party integration, at no additional cost to the Lottery, Contractor will implement ES Anywhere and support implementation of APIs. Contractor has implemented ES Anywhere prior to the execution of this Amendment.
- (j) Support of OTG, Linq3 and Paymaxs. In support of RFP Section 2.36, Attachment of Third Party Systems, projects with these third parties require different levels of support. Contractor shall work with the Lottery in good faith to develop solutions for each. Each will require implementation of ES Anywhere.
- (k) Sales Force Automation System. On a single source basis, granted by the Office of the State Comptroller, the Contractor will provide its sales force automation system, OnePlace, to the Lottery. OnePlace will be used to support the Lottery's remote instant ordering and other sales functions,



including, but not limited to, mileage and expense reporting. OnePlace will be supported by new hardware hosted by Contractor at the Data Center of the Americas. In support of instant ticket ordering via OnePlace, Contractor will, if mutually agreed, update the instant ticket ordering algorithm to its most current predictive ordering algorithm. OnePlace will be provided within eight (8) months following the Effective date of this Amendment.

For the OnePlace product, the Lottery will pay an annual fee of \$150,000 to Contractor, which will allow access for up to 185 named Lottery users, accessible via mobile app or browser based portal. At no additional cost to the Lottery, Contractor will supply up to 115 Apple iPads, inclusive of spares, cases, and warranties, and exclusive of communications charges. To facilitate the connection of the devices to the New York State owned computer networks, the iPads will become the property of the Division of the Lottery. To facilitate the leave behind of retailer specific reports and point of sale, up to 115 mobile printers, inclusive of spares, will be provided (consumables are not included). Contractor will provide the hardware and server to support the software at no additional cost.

4. **Continued Maintenance of Hardware.** On August 6, 2017 and for the remainder of the term of this Agreement, the Lottery shall pay Contractor a fixed weekly fee of \$173,278.40 for the maintenance of the following equipment currently leased, and fully amortized, from Contractor, based on quantity and the weekly unit fixed fee in the table below:

Equipment	Quantity	Weekly Unit Fixed Fee
<i>Fixed</i>		
ESMM	4400	\$ 1.15
QD Monitors - 32"	2750	\$ 1.15
QD Monitors - 40"	600	\$ 1.15
VFD	8000	\$ 0.46
Jackpot Signs <sup>1</sup>	4300	\$ 2.31
Visually Impaired Terminals	50	\$ 26.31
Gemini	1000	\$ 30.46
<i>Contract Terms</i>		
Handheld terminals	100	\$ 26.31
Subscriptions System	1	\$ 9,699.94
Lottery to Go	3000	\$ 30.46
SST	500	\$ 30.46

<sup>1</sup> For any jackpot signs not procured through the Contractor, the Lottery shall pay Contractor an installation fee of \$125 per jackpot sign, and the maintenance fees as noted in the table above.

**Note:**

In the event that Contractor provides any additional equipment to the Lottery prior to August 5, 2017, payments to the Contractor shall be weekly for a period of thirty-six (36) months and based on the Contractor's Cost Quotation Sheet in response to the RFP, and following such thirty-six (36) month period, such equipment (fully amortized) shall be added to the table set forth above in this subsection and the weekly fixed fees shall be adjusted accordingly.

In the event that Contractor provides any additional equipment to the Lottery following August 5, 2017, payments to Contractor shall be weekly, based on the Contractor's Cost Quotation Sheet in response to the RFP, and pro-rated based on the number of months left in the Agreement.

5. **Marketing Underwriting.** Consistent with Section 3.5.1.4 of the RFP, Contractor will continue to support the Lottery's product development and marketing efforts with a fee of 1.7% of total sales. Any product development and marketing disbursements made are to be from, and not in addition to, the 1.7% of total sales fee. As provided under vendor agreement or license, Contractor may make direct payments to agreed-upon vendors via ACH process currently employed. Lottery Gaming Services will direct disbursement of authorized marketing expenditures by including such expenditures in the weekly credit adjustment memo provided to IGT for their weekly remittance. IGT will remit payment to the advertising contractor(s) through the ACH process. The Contractor shall provide a discount of \$300,000 annually. The discount will be applied weekly as an increase in the transfer of retailer settlement funds from the Contractor to the Lottery.
  
6. **Delivery Dates and Third-Party Fees.** All delivery dates contemplated by this Amendment are subject to agreement of both parties to all implementation milestones.  
  
Mobile geolocation, credit card merchant fees and other third party transaction fees associated with deliverables under this Amendment will be charged to the Lottery as a pass-through.
  
7. **Performance Bond.** Consistent with RFP Section 2.20, the Contractor will continue to provide a Performance Bond or other acceptable form of security in the amount of twenty-five million dollars (\$25,000,000) for every year of the Amendment.
  
8. **Amendment Value.** The not-to-exceed value of amounts paid to and retained by Contactor under this Amendment is \$300,000,000.
  
9. **Approvals Required.** This Amendment shall not be effective and binding upon the Lottery or the State of New York unless and until approved by the Attorney General and the State Comptroller, and the date that all approvals are obtained will be the Effective Date of this Amendment. The Lottery agrees to exercise its best efforts to obtain such approvals.

10. **Standard Clauses for New York State Contracts.** Appendix A – Standard Clauses for New York State Contracts, dated January 2014, is attached and incorporated into the Agreement.
11. **Other Provisions.** All other provisions of the Agreement, as amended by Amendment One, remain in full force and effect.

**[Remainder of page intentionally left blank]**




IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

NYS Agency Contract No. C080005  
In addition to the acceptance of this contract, my signature below certifies that copies of this signature page will be attached to all other exact copies of this contract.

IGT GLOBAL SOLUTIONS CORPORATION

NEW YORK STATE GAMING COMMISSION  
DIVISION OF THE LOTTERY

By: \_\_\_\_\_

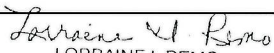
By:  \_\_\_\_\_

Title: \_\_\_\_\_


Title: EXECUTIVE DIRECTOR

Date: \_\_\_\_\_

Date: MAY 19, 2017

<p><del>ATTORNEY GENERAL</del> APPROVED AS TO FORM NYS ATTORNEY GENERAL</p> <p>By: _____</p> <p>MAY 24 2017</p> <p>Title:  LORRAINE I. REMO SECTION CHIEF</p> <p>Date: _____</p>
---

OFFICE OF THE STATE COMPTROLLER

By:  \_\_\_\_\_

Title: \_\_\_\_\_

Date: 7/5/17

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

NYS Agency Contract No. C080005

In addition to the acceptance of this contract, my signature below certifies that copies of this signature page will be attached to all other exact copies of this contract.

IGT GLOBAL SOLUTIONS CORPORATION

NEW YORK STATE GAMING COMMISSION DIVISION OF THE LOTTERY

By: Joseph J. Mandron

By: \_\_\_\_\_

Title: SVP, WLA North America

Title: \_\_\_\_\_

Date: 5/18/2017

Date: \_\_\_\_\_

ATTORNEY GENERAL

OFFICE OF THE STATE COMPTROLLER

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

### Acknowledgement

**ACKNOWLEDGEMENT BY INDIVIDUAL  
STATE OF NEW YORK )**

SS.:  
COUNTY OF )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally came \_\_\_\_\_, to me known and known to me to be the person described in and who executed the foregoing instrument and he/she acknowledged to me that he/she executed the same.

\_\_\_\_\_  
Notary Public

**ACKNOWLEDGEMENT BY UNINCORPORATED ASSOCIATION  
STATE OF NEW YORK )**

SS.:  
COUNTY OF )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally came \_\_\_\_\_, to me known and known to me to be the person described in and who executed the above instrument, who, being duly sworn by me, did for himself/herself depose and say that he/she is a member of the firm of \_\_\_\_\_ and that he/she executed the foregoing instrument in the firm name of \_\_\_\_\_, and that he/she had authority to sign same, and he/she did duly acknowledge to me that he/she executed the same as the act and deed of said firm of \_\_\_\_\_, for the uses and purposes mentioned therein.

\_\_\_\_\_  
Notary Public

**ACKNOWLEDGEMENT BY CORPORATION  
STATE OF NEW YORK )**

SS.: *Rhode Island*  
COUNTY OF ) *Providence*

On this *18* day of *May*, in the year 20*17*, before me personally came *Joseph S. Dendron*, to me known, who, being by me duly sworn did depose and say that he/she resides in *East Greenwich, RI*; that he/she is the *SVP WLA North America* of the *IGT Global Solutions*, the corporation described in and which executed the above instrument; that he/she knows the seal of said corporation; that the seal affixed to said instrument is such a corporate seal, that it was so affixed by the order of the Board of Directors of said corporation, and that he he/she signed his/her name thereto by like order.

*Edward E. Rabano*  
\_\_\_\_\_  
Notary Public



**APPENDIX A**

**STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS**

**PLEASE RETAIN THIS DOCUMENT  
FOR FUTURE REFERENCE.**

January 2014

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## STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licensor, licensee, lessor, lessee or any other party):

1. **EXECUTORY CLAUSE.** In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. **NON-ASSIGNMENT CLAUSE.** In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the State's previous written consent, and attempts to do so are null and void. Notwithstanding the foregoing, such prior written consent of an assignment of a contract let pursuant to Article XI of the State Finance Law may be waived at the discretion of the contracting agency and with the concurrence of the State Comptroller where the original contract was subject to the State Comptroller's approval, where the assignment is due to a reorganization, merger or consolidation of the Contractor's business entity or enterprise. The State retains its right to approve an assignment and to require that any Contractor demonstrate its responsibility to do business with the State. The Contractor may, however, assign its right to receive payments without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. **COMPTROLLER'S APPROVAL.** In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6-a). However, such pre-approval shall not be required for any contract established as a centralized contract through the Office of General Services or for a purchase order or other transaction issued under such centralized contract.

4. **WORKERS' COMPENSATION BENEFITS.** In accordance with Section 142 of the State Finance Law, this

contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

5. **NON-DISCRIMINATION REQUIREMENTS.** To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex (including gender identity or expression), national origin, sexual orientation, military status, age, disability, predisposing genetic characteristics, marital status or domestic violence victim status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. **WAGE AND HOURS PROVISIONS.** If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law. Additionally, effective April 28, 2008, if this is a public work contract covered by Article 8 of the Labor Law, the Contractor understands and agrees that the filing of payrolls in a manner consistent with Subdivision 3-a of Section 220 of the Labor Law shall be a condition precedent to payment by the State of



any State approved sums due and owing for work done upon the project.

**7. NON-COLLUSIVE BIDDING CERTIFICATION.** In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

**8. INTERNATIONAL BOYCOTT PROHIBITION.** In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

**9. SET-OFF RIGHTS.** The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

**10. RECORDS.** The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this

contract, shall have access to the Records during normal business hours at an office of the Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

**11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION.** (a) Identification Number(s). Every invoice or New York State Claim for Payment submitted to a New York State agency by a payee, for payment for the sale of goods or services or for transactions (e.g., leases, easements, licenses, etc.) related to real or personal property must include the payee's identification number. The number is any or all of the following: (i) the payee's Federal employer identification number, (ii) the payee's Federal social security number, and/or (iii) the payee's Vendor Identification Number assigned by the Statewide Financial System. Failure to include such number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or Claim for Payment, must give the reason or reasons why the payee does not have such number or numbers.

(b) Privacy Notification. (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law. (2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in the Statewide Financial System by the Vendor Management Unit within the Bureau of State Expenditures, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

**12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN.** In accordance with Section 312 of the Executive Law and 5 NYCRR 143, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00,



whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then the following shall apply and by signing this agreement the Contractor certifies and affirms that it is Contractor's equal employment opportunity policy that:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on State contracts and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment

opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Department of Economic Development's Division of Minority and Women's Business Development pertaining hereto.

**13. CONFLICTING TERMS.** In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

**14. GOVERNING LAW.** This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

**15. LATE PAYMENT.** Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

**16. NO ARBITRATION.** Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

**17. SERVICE OF PROCESS.** In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

**18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS.** The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of Section 165 of the State Finance Law, (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.



In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

**19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES.**

In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

**20. OMNIBUS PROCUREMENT ACT OF 1992.** It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development  
Division for Small Business  
Albany, New York 12245  
Telephone: 518-292-5100  
Fax: 518-292-5884  
email: [opa@esd.ny.gov](mailto:opa@esd.ny.gov)

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development  
Division of Minority and Women's Business Development  
633 Third Avenue  
New York, NY 10017  
212-803-2414  
email: [mwbecertification@esd.ny.gov](mailto:mwbecertification@esd.ny.gov)  
<https://ny.newnycontracts.com/FrontEnd/ VendorSearchPublic.asp>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

**21. RECIPROCITY AND SANCTIONS PROVISIONS.**

Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

**22. COMPLIANCE WITH NEW YORK STATE INFORMATION SECURITY BREACH AND NOTIFICATION ACT.**

Contractor shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law Section 899-aa; State Technology Law Section 208).

**23. COMPLIANCE WITH CONSULTANT DISCLOSURE LAW.**

If this is a contract for consulting services, defined for purposes of this requirement to include analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health, and mental health services, accounting, auditing, paralegal, legal or similar services, then, in accordance with Section 163 (4-g) of the State Finance Law (as amended by Chapter 10 of the Laws of 2006), the Contractor shall timely, accurately and properly comply with the requirement to submit an annual employment report for the contract to the agency that awarded



the contract, the Department of Civil Service and the State Comptroller.

**24. PROCUREMENT LOBBYING.** To the extent this agreement is a "procurement contract" as defined by State Finance Law Sections 139-j and 139-k, by signing this agreement the contractor certifies and affirms that all disclosures made in accordance with State Finance Law Sections 139-j and 139-k are complete, true and accurate. In the event such certification is found to be intentionally false or intentionally incomplete, the State may terminate the agreement by providing written notification to the Contractor in accordance with the terms of the agreement.

**25. CERTIFICATION OF REGISTRATION TO COLLECT SALES AND COMPENSATING USE TAX BY CERTAIN STATE CONTRACTORS, AFFILIATES AND SUBCONTRACTORS.**

To the extent this agreement is a contract as defined by Tax Law Section 5-a, if the contractor fails to make the certification required by Tax Law Section 5-a or if during the term of the contract, the Department of Taxation and Finance or the covered agency, as defined by Tax Law 5-a, discovers that the certification, made under penalty of perjury, is false, then such failure to file or false certification shall be a material breach of this contract and this contract may be terminated, by providing written notification to the Contractor in accordance with the terms of the agreement, if the covered agency determines that such action is in the best interest of the State.

**26. IRAN DIVESTMENT ACT.** By entering into this Agreement, Contractor certifies in accordance with State Finance Law §165-a that it is not on the "Entities Determined to be Non-Responsive Bidders/Offerers pursuant to the New York State Iran Divestment Act of 2012" ("Prohibited Entities List") posted at: <http://www.ogs.ny.gov/about/regs/docs/ListofEntities.pdf>

Contractor further certifies that it will not utilize on this Contract any subcontractor that is identified on the Prohibited Entities List. Contractor agrees that should it seek to renew or extend this Contract, it must provide the same certification at the time the Contract is renewed or extended. Contractor also agrees that any proposed Assignee of this Contract will be required to certify that it is not on the Prohibited Entities List before the contract assignment will be approved by the State.

During the term of the Contract, should the state agency receive information that a person (as defined in State Finance Law §165-a) is in violation of the above-referenced certifications, the state agency will review such information and offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment activity which is in violation of the Act within 90 days after the determination of such violation, then the state agency shall take such action as may be appropriate and provided for by law, rule, or contract, including, but not

limited to, imposing sanctions, seeking compliance, recovering damages, or declaring the Contractor in default.

The state agency reserves the right to reject any bid, request for assignment, renewal or extension for an entity that appears on the Prohibited Entities List prior to the award, assignment, renewal or extension of a contract, and to pursue a responsibility review with respect to any entity that is awarded a contract and appears on the Prohibited Entities list after contract award.