



# Memo

<b>Date:</b>	July 28, 2023
<b>To:</b>	Oregon State Lottery Commission
<b>From:</b>	Kathy Stromberg, Chief Marketing Officer
<b>Subject:</b>	Major Procurement Recommendation – IGT, a Nevada Corporation

## Summary

Next month, Lottery's Video Gaming Product Team will be seeking the Commission's approval to enter into a major procurement with IGT, a Nevada Corporation for the purpose of replacing 2500 end-of-life video retailer terminals that facilitate day-to-day operations and communication between the Video Lottery Gaming System and Video Lottery Terminals. The upgrade to the i-LINK Ultra video retailer terminals is vital to the OSL Video Lottery ecosystem. The current video retailer terminals have reached a stage in the product life cycle where availability of parts and maintenance of the equipment is a risk to daily operations and revenue. The replacement of the existing equipment with the i-LINK Ultra will improve the user experience for the retailer. Additionally, the i-LINK Ultra will support current and future versions of Lottery's Video Lottery Gaming System. Lottery is requesting to enter into a purchase agreement to facilitate goods and services for a negotiated period to procure, video retailer terminals, spare parts, and warranty support.

## Contracting Details

Below is a high-level overview of the agreement structure that Lottery will use for this major procurement:

### IGT, a Nevada Corporation- Purchase Agreement Structure

- The Purchase Agreement includes the following exhibits:
  - Initial Order Proposal
  - Equipment Specification & Warranty
  - Spare Parts List

The Purchase Agreement will provide a business-friendly contract structure that allows Lottery to procure i-LINK Ultra video retailer terminals and spare parts. Initial and subsequent purchases are funded through signature authority endorsed purchase orders.

The Purchase Agreement terms and conditions shall include, but not limited to:

- Logistic processes for shipping, inspection, and invoicing
- Training & support documentation
- Liability & insurance Levels
- IT security requirements
- Software requirements
- Warranty support
- Equipment leads time-(\*12 month)
- The initial term of the PA (price agreements) is 5 years.
- Renewal terms will be renewed annually.