

EXHIBIT A

Maryland Lottery LICENSING, PROGRAM & SERVICES AGREEMENT *Powerball Power Cruise Draw Games Promotion #2018-03*

MANDATORY TERMS AND CONDITIONS

These Mandatory Terms and Conditions shall be deemed fully incorporated in the Maryland Lottery LICENSING, PROGRAM & SERVICES AGREEMENT Powerball Power Cruise Draw Games Promotion #2018-03 ("Underlying Contract") to which this Exhibit A is attached, and these Mandatory Terms and Conditions as well as the Underlying Contract, Exhibits B, C, and D shall be the entire agreement and hereinafter in this Exhibit A collectively shall be referred to as the "Agreement" or "Contract". Exhibit B is also attached hereto and contains an Affidavit for the State of Maryland ("State"). Exhibit C, a five page document, is also attached hereto and contains Living Wage Requirements for Service Contracts and two Affidavits. Exhibit D is also attached hereto and contains a list of Materials requested by the Lottery. Exhibits A, B, C, and D are fully incorporated into the Underlying Contract. All terms in this Exhibit A shall, unless expressly provided to the contrary, have the same respective meanings as set forth in the Underlying Contract. However, in the event of a conflict between any provisions contained within the Underlying Contract and Exhibit A, Exhibit A shall control.

Alchemy3, LLC is referred to herein as "Contractor." Contractor shall ensure that all sub-contractors comply with these mandatory terms. The Maryland State Lottery and Gaming Control Agency is referred to herein as "Lottery" or "MSLGCA", and is included in "State."

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto agree as follows:

A. SCOPE OF AGREEMENT

The scope of the Agreement is as set forth in the Underlying Contract. Contractor is, at the date of the Underlying Contract, the sole source of the PROPERTY for instant and terminal lottery tickets, related promotions, website and mobile application design and hosting services, the Power Cruise Prize, related prizes, and the fulfillment of the Prize; also Contractor will provide programming and other services. The State has the unilateral right to order, in writing, changes in the work within the scope of the Agreement. The Price is as stated in the Underlying Contract. The total cost of all amounts paid under this AGREEMENT for all rights, products, merchandise, events, and services under this AGREEMENT, excluding any contract modifications, shall not exceed Two Hundred Thousand Three Hundred Seventy Seven Dollars and Twenty-Five Cents (\$200,377.25).

B. AGREEMENT TERM

Stated in the Underlying Contract.

C. FEDERAL IDENTIFICATION NUMBER

All invoices shall include the Contractor's Federal Identification Number, which is 33-1180422.

D. AGREEMENT MODIFICATION

Subject to the State's unilateral right under State Finance and Procurement Article §13-218 to order changes in the work to be performed under this Agreement, any amendment, change, modification or extension of this Agreement must be in writing and executed by both parties with approval by the Procurement Officer, subject to any additional approvals required by State law. No amendment to this Agreement shall be binding unless in writing, so approved by the appropriate parties, and signed by both parties. No amendment may change significantly the scope of the original Agreement.

E. NON-HIRING OF OFFICIALS AND EMPLOYEES

No official or employee of the State of Maryland, as defined under State Government Article, §15-102, Annotated Code of Maryland, whose duties as such official or employee include matters relating to or affecting the subject matter of this Agreement, shall during the pendency and term of this Agreement and while serving as an official or employee of the State become or be an employee of the Contractor or any entity that is a subcontractor on this Agreement.

F. DISPUTES

This Agreement shall be subject to the provisions of the State Finance and Procurement Article, Title 15, Subtitle 2, Annotated Code of Maryland, as from time to time amended, and COMAR 21.10 (Administrative and Civil Remedies). Unless a lesser period is provided by applicable statute, regulation, or the Agreement, the Contractor must file a written notice of claim with the Procurement Officer within thirty (30) days after the basis for the claim is known or should have been known, whichever is earlier. Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Agreement in accordance with the Procurement Officer's decision.

G. MARYLAND LAW PREVAILS

The place of performance of this Agreement shall be the State of Maryland, and this Agreement shall be governed by the laws of the State of Maryland

and for all purposes shall be construed, interpreted, and enforced in accordance with said laws and the decisions of the courts of the State of Maryland thereon and as required under applicable laws and regulations, including approval of the Board of Public Works where appropriate, and shall be binding upon the successors and assigns of the parties hereto. Any and all litigation arising under this Agreement shall be instituted in the appropriate court of the State of Maryland.

H. COMMERCIAL NONDISCRIMINATION

1. As a condition of entering into this Agreement, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, disability, or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands that a material violation of this clause shall be considered a material breach of this Agreement and may result in termination of this Agreement, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.
2. As a condition of entering into this Agreement, upon the Maryland Human Relations Commission's request, and only after the filing of a complaint against Contractor under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended from time to time, Contractor agrees to provide within 60 days after the request a complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past 4 years on any of its contracts that were undertaken within the state of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, and to provide any documents relevant to any investigation that are requested by the State. Contractor understands that violation of this clause is a material breach of this Agreement and may result in contract termination, disqualification by the State from participating in State contracts, and other sanctions.

I. CONTINGENT FEE PROHIBITION

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson or commercial selling agency working for the Contractor, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson or commercial selling agency, any fee or other consideration contingent on the making of this Agreement.

J. MULTI-YEAR CONTRACTS CONTINGENT UPON APPROPRIATIONS

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Agreement succeeding the first fiscal period, this Agreement shall be canceled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's other rights under any termination clause in this Agreement. The effect of termination of the Agreement hereunder will be to discharge both the Contractor and the Lottery from future performance of the Agreement, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the Agreement. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Agreement for each succeeding fiscal period beyond the first.

K. TERMINATION FOR DEFAULT

If the Contractor fails to fulfill its obligations under this Agreement properly and on time, or otherwise violates any provision of the Agreement, the State may terminate the Agreement by giving written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work and services provided by the Contractor shall, at the State's option, become the State's property, including rights to use the MARK, although the MARK itself shall remain the property of the Licensor. The State shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by the Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

L. TERMINATION FOR CONVENIENCE

The performance of work under this Agreement may be terminated by the State in accordance with this clause in whole, or in part, whenever the State determines that termination is in the best interest of the State. The State will pay the Contractor all reasonable costs associated with this Agreement that the Contractor has incurred up to the date of termination and all reasonable costs associated with the termination of the Agreement. However, the State will not pay, and the Contractor shall not be entitled to, any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12 A (2).

M. DELAYS AND EXTENSIONS OF TIME

The Contractor agrees to perform the work under this Agreement continuously and diligently. No charges or claims for damages shall be made by the Contractor for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Agreement.

Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

N. SUSPENSION OF WORK

The Procurement Officer unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of the work for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

O. PRE-EXISTING REGULATIONS

In accordance with the provisions of Section 11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, the regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR Title 21) in effect on the date of execution of this Agreement are applicable to this Agreement. However, the Contractor expressly acknowledges the possibility of substantial changes in federal and State laws and regulations applicable to the Agreement.

P. PAYMENT OF STATE OBLIGATIONS

Payments to the Contractor pursuant to this Agreement shall be made no later than 30 days after the State's receipt of a proper invoice from the Contractor. Charges for late payment of invoices, other than prescribed by Title 15, Subtitle 1, of the State Finance and Procurement Article, Annotated Code of Maryland, or by the Public Service Commission of Maryland with respect to regulated public utilities, as applicable, are prohibited.

Q. FINANCIAL DISCLOSURE

The Contractor shall comply with provisions of Section 13-221 of the State Finance and Procurement Article, Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall, within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

R. POLITICAL CONTRIBUTION DISCLOSURE

The Contractor shall comply with Election Law Article, Sections 14-101 through 14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases or other agreements with the State, a county, or an incorporated municipality, or their agencies, during a calendar year in which the person receives in the aggregate \$200,000 or more, shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Board of Elections: (1) before a purchase or execution of a lease or contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding two calendar years; and (2) if the contribution is made after the execution of a lease or contract, then twice a year, throughout the contract term, on: (a) February 5, to cover the 6-month period ending January 31; and (b) August 5, to cover the 6-month period ending July 31.

S. RETENTION OF RECORDS

The Contractor shall retain and maintain all records and documents in any way relating to this Agreement for three (3) years after final payment by the State under this Agreement or until the expiration of any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or designee, at all reasonable times.

T. COMPLIANCE WITH LAWS / WARRANTIES

The Contractor hereby represents, agrees and warrants that:

1. It is qualified to do business in the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;
2. It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including, but not limited to, the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Agreement;
3. It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Agreement including but not limited to the Maryland State Lottery Law, §9-101 et. seq. of the State Government Article of the Maryland Code, and all Maryland State Lottery regulations and any amendments or revisions to any of them, and the recycling provisions of Maryland Environmental Law Article, Title 9, Subtitle 17; and ensure that all subcontracts similarly maintain such compliance; and
4. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approval, if any, necessary to the performance of its obligations under this Agreement.

U. COST AND PRICE CERTIFICATION

The Contractor by submitting cost or price information certifies that, to the best of its knowledge, the information submitted is accurate, complete, and current as of a mutually determined specified date prior to the conclusions of any price discussion or negotiations for: (a) a negotiated contract, if the total contract price is expected to exceed \$100,000, or a smaller amount set by the Procurement Officer; or (b) a change order or contract modification, expected to exceed \$100,000, or a smaller amount set by the Procurement Officer.

The price under this Agreement, and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date agreed upon between the parties, was inaccurate, incomplete, or not current.

V. SUBCONTRACT; ASSIGNMENT; PROHIBITION ON AFFILIATED ENTITY RELATIONSHIPS

The Contractor may not subcontract any portion of the services provided under this Agreement without obtaining the prior written approval of the Lottery nor may the Contractor assign this Agreement, or any of its rights or obligations hereunder without the prior written approval of the Lottery. The Contractor shall not pledge this Agreement as a receivable without the prior written approval of the Lottery. Any such subcontract, pledge or assignment shall not be effective unless approved by the State. Any such subcontract, pledge or assignment shall include any terms and conditions that the Attorney General deems necessary to protect the interests of the Lottery and the State. The State shall not be responsible for the fulfillment of the Contractor's obligations to any subcontractor or assignee.

Additionally, the Contractor may not subcontract any services required under the Agreement to an affiliated entity during the term of the Agreement or any extension thereto.

W. INDEMNIFICATION AND RESPONSIBILITY FOR CLAIMS AND LIABILITY

1. The Contractor shall indemnify, save and hold harmless, and defend the Indemnified Parties against and from all liability for any costs, expenses, losses, liabilities, fines, penalties, suits, actions, demands, or claims of any nature or character whatsoever arising from or relating to the performance of the Contractor or its subcontractors or assignees under this Contract or in any manner directly related to the subject matter of this Contract. This section W. shall survive the termination of this Contract.
2. The Contractor shall indemnify, save and hold harmless, and defend the Indemnified Parties for the failure of the Contractor, its agents or employees, or its subcontractor(s), to comply with the terms of this Contract (or any part thereof), negligence of the Contractor, injury or death to any person, damage to property, nuisance (public or private), or trespass arising out of or attributable to the performance of work by the Contractor, its agents or employees, or its subcontractor(s), except to the extent caused by the negligent or willful act or omission of the State or its employees, agents, or independent contractors, other than the Contractor, its agents or employees, or its subcontractor(s). The whole, or so much of the moneys due, or to become due the Contractor under this Contract, as may be considered necessary by the Procurement Officer, may be retained by the Lottery until such suits or claims for damages shall have been settled, or otherwise disposed of, and satisfactory evidence to that effect furnished to the Procurement Officer.

3. State law prohibits the State from incurring, by way of an indemnity agreement, a potentially unlimited liability when no funds have been appropriated to fund the liability, the risk is uninsured, and the indemnity agreement is not conditioned upon the future appropriation of funds to satisfy the liability. Notwithstanding any other provisions of the Contract documents, the State shall have no liability to the Contractor under the circumstances described in this paragraph.
4. The State has no obligation to provide legal counsel or defense or pay attorney's fees to the Contractor or its subcontractors in the event that a suit, claim, or action of any character is brought by any person not party to this Contract against the Contractor or its subcontractors or assignees as a result of or relating to the Contractor's obligations under this Contract.
5. The State has no obligation for the payment of any judgments or the settlement of any claims against the Contractor or its subcontractors or assignees as a result of or relating to the Contractor's obligations under this Contract.
6. The Contractor shall immediately notify the Procurement Officer of any claim, suit or action made or filed against the Contractor or its subcontractors or assignees regarding any matter resulting from or relating to the Contractor's obligations or performance under the Contract, and shall cooperate, assist, and consult with the State in the defense or investigation of any claim, suit, or action made or filed against the State as a result of or relating to the Contractor's performance under this Contract. Neither the Contractor nor its subcontractors may settle or resolve any such claim, suit or action without advance notice to the State.
7. The MSLGCA will provide written notice of any claims filed against the MSLGCA arising out of the Contractor's performance under the Contract of which it has notice. With the concurrence of the Office of the Maryland Attorney General, the MSLGCA may allow Contractor the right to control such litigation, but the MSLGCA and the State reserves the right to jointly participate in all such legal proceedings, as well as the settlement of any such claims.

X. NO WAIVER OF RIGHT

The failure of a party to insist upon strict adherence to any term of the Agreement shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term or any other term of the Agreement.

Y. CHANGE IN FINANCIAL CONDITION

If the Contractor experiences a substantial change in its financial condition during the term of the Agreement, the Contractor shall notify the Procurement Officer in writing of the change at the time the change occurs or is identified. Failure to notify the Procurement Officer of such a substantial change in financial condition may be sufficient grounds for terminating the Agreement.

Z. BANKRUPTCY

Upon the filing of any bankruptcy proceeding by or against the Contractor, whether voluntary or involuntary, or upon the appointment of a receiver, trustee, or assignee for the benefit of creditors, the Contractor shall notify the Procurement Officer in writing immediately.

AA. TAXES

The Lottery shall have no responsibility for the payment of any federal, state or local taxes which become payable by the Contractor or its subcontractors as a result of this Agreement.

The State is generally exempt from Federal excise taxes, Maryland sales and use taxes, District of Columbia sales taxes and transportation taxes. Exemption certificates will be completed upon request. Where a Contractor is required to furnish and install material in the construction or improvement of real property in performance of a contract, the Contractor shall pay the Maryland sales tax and the exemption does not apply.

BB. LIABILITY FOR LOSS OF DATA OR RECORDS

In the event of loss of any data or records necessary for the performance of this Agreement where such loss is due to the error, negligence, or intentional action of the Contractor or its employees, agents or subcontractors, the Contractor shall be responsible, irrespective of cost to the Contractor, for recreating such lost data or records in a manner, format, and time frame acceptable to the State.

CC. PROPERTY RIGHTS

If, for any reason, the Contractor ceases to perform the Agreement other than because of the natural expiration of the term of the Agreement, the Lottery shall, in addition to any other rights it may have under this Agreement, acquire a property right in all property (tangible or intangible, real or personal) used by the Contractor to perform the Agreement and which is necessary to provide such service other than any patents owned by the Contractor and other than any trademark or copyright which shall remain the property of the Licensor, although Lottery shall retain rights to use the MARK. Said property right shall be limited to the right of the Lottery to

possess and make use of such contractual items solely for the use and benefit of the Lottery in maintaining, altering, and improving the operational characteristics of the programs and systems being used by the Lottery under the Agreement. Such property right shall be limited in time to the duration of the Agreement or as the Lottery deems necessary to fulfill the Agreement and any extension thereof or obtain a substitute system. If it is conclusively determined that the Lottery is in breach of this Agreement, the Contractor shall receive an equitable adjustment for the Lottery's use of the property right.

DD. RIGHTS IN PRODUCTS

1. All original written material including reports, and other documentation originated and prepared for the Lottery pursuant to this Agreement shall belong exclusively to the Lottery except that the artwork for the tickets that are the subject of this Agreement shall not be exclusively owned by Lottery.
2. The ideas, concepts, know-how or techniques uniquely relating to the Agreement developed during the course of the Agreement by Contractor personnel, or jointly developed by Contractor and Lottery personnel, including original work products for which the Contractor obtained registration or protection on behalf of the Lottery, may be used by the Contractor upon written agreement with the Lottery.
3. If, for any reason, the Contractor ceases to perform the Agreement other than because of the natural expiration of the term of the Agreement, the Lottery shall, in addition to any other rights it may have under this Agreement, acquire a property right (usufruct) in all property (tangible or intangible, real or personal) used by the Contractor to perform the Agreement and which is necessary to provide such service, although ownership of the copyright or trademark in the MARK shall remain with the Licensor. Said property right (usufruct) shall be limited to the right of the Lottery to possess and make use of such contractual items solely for the use and benefit of the Lottery in maintaining, altering and improving the operational characteristics of the programs and systems being used by the Lottery under the Agreement. Such property right (usufruct) shall be limited in time to the duration of the Agreement or as the Lottery deems necessary to fulfill the Agreement and any extension thereof or obtain a substitute System.

EE. ROYALTIES

The State shall not pay any royalties to outside parties for proprietary material used in the conduct of the Lottery.

FF. PATENT, TRADEMARK, AND COPYRIGHT PROTECTION

The Contractor shall indemnify and hold and save harmless the State of Maryland, the Maryland State Lottery and Gaming Control Commission, the Lottery and their agents, officials, officers, and employees from liability of any nature or kind arising out of a claim or suit for or on account of the use of any copyrighted or uncopyrighted composition, trademark, service mark, secure process, patented or unpatented invention, article or appliance furnished or used by the Contractor or any subcontractor in the performance of this Agreement. The Contractor agrees to assume the defense of any and all such suits and pay the costs and expenses incidental hereto, including attorneys' fees, subject to the right of the State to provide additional legal counsel at the State's own expense.

GG. SET-OFF

The Lottery may deduct from and set-off against any amounts due and payable to the Contractor any back charges or damages sustained by the State that are caused by the Contractor. Nothing herein shall be construed to relieve the Contractor of liability for additional costs resulting from a failure to satisfactorily perform the services.

HH. DRUG AND ALCOHOL FREE WORKPLACE

The Contractor shall comply with the State's Drug and Alcohol Free Workplace provisions as set forth in paragraph K. of the Affidavit (Exhibit B).

II. DISSEMINATION OF INFORMATION

The Contractor may not release any information related to the services or performance of the services under this Agreement nor publish any final reports or documents without the prior written approval of the Lottery. The Contractor shall indemnify the State, Maryland State Lottery and Gaming Control Commission, and Lottery, their officials, agents, members, and employees, from any liability that may be incurred by reason of dissemination, publication, distribution, or circulation, of any information, or materials pertaining to this Agreement by the Contractor, its agents, or employees.

JJ. TICKET PURCHASE AND PRIZE PAYMENT RESTRICTIONS

No officer or employee of the Contractor or of any subcontractor whose use is subject to Lottery approval, their spouse, child, brother, sister, or parent residing in the household of such officer or employee shall purchase a Maryland lottery ticket or be paid a prize in any Maryland lottery game in accordance with Section 9-123 of the Maryland State Government Article, Annotated Code during the term of the Agreement. The Contractor shall ensure that this requirement is made known to each officer and employee of the Contractor and any subcontractor whose use is subject to Lottery approval.

KK. CONTRACTOR COOPERATION

The Contractor agrees to cooperate with any contractor designated by the Lottery to accomplish the Lottery's objectives.

LL. ADDITIONAL CLAUSES BY CONSENT

At any time after the parties enter into a procurement contract, additional clauses may be added to the Agreement, by written consent of both parties without consideration, subject to any approval required by State law.

MM. CHANGES, ALTERATIONS OR MODIFICATIONS IN THE SERVICES

Pursuant to Section 13-218 of the State Finance and Procurement Article, Annotated Code of Maryland, the State has: 1) the unilateral right to order in writing changes in the work within the scope of the Contract; and 2) the unilateral right to order in writing a temporary stop or delay in performance.

1. The Procurement Officer may at any time, by written order, and unilaterally without notice to the sureties, if any, make changes within the general scope of this Agreement in any one or more of the following:
 - a. Description of services to be performed, subject to any reasonable factors limiting the Contractor's ability to perform the change in services.
 - b. Time of performance (i.e., hours of the day, days of the week, etc.) except that no change shall shorten the time of performance without the Contractor's consent.
 - c. Place of performance of the services, subject to any technical limitations affecting the Contractor's ability to change the place of performance. Any change to the time of performance must be agreed upon by both parties.
 - d. Drawings, designs, or specifications, subject to any technical limitations affecting the Contractor's ability to effect the change, the availability of materials, and provided that no change involves use of the intellectual property rights of third parties.
 - e. Method of shipment or packing of supplies, subject to availability of carriers and materials.
 - f. Place of delivery.
2. If any such change causes an increase or decrease in the cost of, or

the time required for, performance of any part of the work under this Agreement, whether or not changed by the order, the Procurement Officer shall make an equitable adjustment in the contract price, the delivery schedule, or both, and shall modify the Agreement.

3. The Contractor must assert its right to an adjustment under this clause within thirty (30) days from the date of receipt of the written order.
4. If the Contractor's proposal for an adjustment includes the cost of property made obsolete or excess by the change, the Procurement Officer shall have the right to prescribe the manner of the disposition of the property.
5. Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the Contractor from proceeding with the Agreement as changed.

NN. GOOD FAITH

The parties agree to cooperate fully in good faith and to assist each other to the extent reasonable and practicable to accomplish the objectives set forth in this Agreement.

OO. NEWS OR PRESS RELEASES

The Lottery is the only entity authorized to issue news or press releases relating to this Agreement and performance thereunder. The Contractor shall not issue any news or press releases or any commercial advertising pertaining to this Agreement or the Lottery without prior written approval of the Procurement Officer.

PP. SEVERABILITY

If a court of competent jurisdiction determines any portion of this Agreement to be invalid, it shall be severed and the remaining portions of this Agreement shall control, at the discretion of the Lottery, unless otherwise ordered by the court.

QQ. ADVERSE INTEREST

The Contractor agrees that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Contractor further agrees that in the performance of this Agreement it will not knowingly employ, directly or indirectly, any person having such an interest.

RR. CONTRACT AFFIDAVIT

All terms and conditions of the Affidavit, attached as Exhibit B, are made a part of this Agreement.

SS. NO PARTNERSHIP, ETC.

Nothing in this Agreement shall be deemed or construed to constitute or create between the parties hereto a partnership, joint venture or agency.

TT. HEADINGS

The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

UU. ENTIRE AGREEMENT

The Underlying Agreement, Exhibits B, C, and D, and this Exhibit A (Mandatory Terms and Conditions), represent the complete, total, and final understanding of the parties regarding the rights of Lottery to use the PROPERTY and no other understanding, communication or representations, agreements, statements or understandings, oral or written, regarding the subject matter of this Agreement, shall be deemed to exist or to bind the parties hereto at the time of execution. In the event of a conflict in language between this Exhibit A and any other document, the provisions set forth in this Exhibit A shall govern. Each party to this agreement represents and warrants to the other that it has full right, power, and authority to execute this Agreement. Furthermore, each party represents that neither party is to be construed as the primary drafter of this Agreement, it being the product of negotiations between the parties. In addition, the parties agree that the titles assigned to the Articles in this Agreement have been inserted solely for the purpose of providing convenient reference. Article titles shall be ignored in the construction of the document and should not be construed to indicate that all of the material in the Agreement that may be so described is contained thereunder.

VV. INDEMNIFICATION.

The State shall not assume any obligation to indemnify, hold harmless, or pay attorneys' fees that may arise from or in any way be associated with the performance or operation of this Agreement.

WW. ELECTRONIC FUND TRANSFER

Electronic funds transfer will be used by the State to pay Contractor for this Agreement and any other State payments due Contractor unless the State Comptroller's Office grants an exemption. The Contractor shall

register using the form COT/GAD X-10 Vendor Electronic Fund (EFT) Registration Request Form. The COT/GAD X-10 Form can be downloaded at: <http://compnet.comp.state.md.us/gad/pdf/GADX-10.pdf>. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption. This provision is not expected to be applicable.

YY. "e-MARYLAND MARKETPLACE"

1. Posting of Documents: eMaryland Marketplace ("eMM") is the State's internet-based commerce system and is the official source for procurement information. Vendors interested in doing business with the State are encouraged to register with eMM. The website for eMM is <http://emaryland.buyspeed.com>.

2. Registration: In order to receive a contract award, a potential contractor must be registered on eMM. There is no fee for registration on eMM. Information about eMM can be found at the Maryland Department of General Services website (www.dgs.maryland.gov). If additional assistance is required, the eMaryland Marketplace Support Team can be reached at emaryland@dgs.state.md.us.

ZZ. ADDITIONAL CONDITIONS

This Agreement shall not be altered, modified or varied except in writing signed by the parties.

Contractor acknowledges the right of Lottery to enforce the terms and conditions of this Agreement, either in conjunction with, or independent of any of its other contractors.

Headings are for convenience only and are not a part of the Agreement and shall not affect in any way the meaning or interpretation of the Agreement.

This Agreement represents the complete, total and final understanding, communication or representations, oral or written, regarding the subject matter of the Agreement, and shall be deemed to exist or to bind the parties hereto upon the later of: the execution of this Agreement or the written approval of the Maryland Department of Budget and Management, Maryland Board of Public Works, and any other necessary State officials.

AAA. MINORITY BUSINESS ENTERPRISE SUBCONTRACT PARTICIPATION GOAL

Deliberately left blank as not applicable to this licensing contract.

BBB. PROMPT PAYMENT REQUIREMENT

This Agreement is subject to the Prompt Payment Policy Directive issued by the Governor's Office of Minority Affairs and dated August 1, 2008. Promulgated pursuant to Sections 11-201, 13-205(a), and Title 14, Subtitle 3 of the State Finance and Procurement Article, and COMAR 21.01.01.03 and 21.11.03.01 et seq., the Directive seeks to ensure the prompt payment of all subcontractors on non-construction procurement contracts. The Contractor shall comply with the prompt payment requirements outlined below.

1. If a contractor withholds payment of an undisputed amount to its subcontractor, the Agency, at its option and in its sole discretion, may take one or more of the following actions:
 - 1.1. Not process further payments to the contractor until payment to the subcontractor is verified;
 - 1.2. Suspend all or some of the contract work without affecting the completion date(s) for the contract work;
 - 1.3. Pay or cause payment of the undisputed amount to the subcontractor from monies otherwise due or that may become due;
 - 1.4. Place a payment for an undisputed amount in an interest-bearing escrow account; or
 - 1.5. Take other or further actions as appropriate to resolve the withheld payment.
2. An "undisputed amount" means an amount owed by a contractor to a subcontractor for which there is no good faith dispute, including any retainage withheld, and includes an amount withheld because of issues arising out of an agreement or occurrence unrelated to the agreement under which the amount is withheld.
3. An act, failure to act, or decision of a procurement officer or a representative of the Agency, concerning a withheld payment between a contractor and subcontractor under this policy directive, may not:
 - 3.1. Affect the rights of the contracting parties under any other provision of law;
 - 3.2. Be used as evidence on the merits of a dispute between the Agency and the contractor in any other proceeding; or
 - 3.3. Result in liability against or prejudice the rights of the Agency.
4. The remedies enumerated above are in addition to those provided

under COMAR 21.11.03.13 with respect to subcontractors that have contracted pursuant to the Minority Business Enterprise program.

5. To ensure compliance with certified MBE subcontract participation goals, the Agency may, consistent with COMAR 21.11.03.13, take the following measures:

5.1. Verify that the certified MBEs listed in the MBE participation schedule actually are performing work and receiving compensation as set forth in the MBE participation schedule.

5.2. This verification may include, as appropriate:

5.2.1. Inspecting any relevant records of the contractor;

5.2.2. Inspecting the jobsite; and

5.2.3. Interviewing subcontractors and workers.

5.2.4. Verification shall include a review of:

5.2.4.1. The contractor's monthly report listing unpaid invoices over 30 days old from certified MBE subcontractors and the reason for nonpayment; and

5.2.4.2. The monthly report of each certified MBE subcontractor, which lists payments received from the contractor in the preceding 30 days and invoices for which the subcontractor has not been paid.

5.3. If the Agency determines that a contractor is in noncompliance with certified MBE participation goals, then the Agency will notify the contractor in writing of its findings, and will require the contractor to take appropriate corrective action.

5.3.1. Corrective action may include, but is not limited to, requiring the contractor to compensate the MBE for work performed as set forth in the MBE participation schedule.

5.4. If the Agency determines that a contractor is in material noncompliance with MBE contract provisions and refuses or fails to take the corrective action that the Agency requires, then the Agency may:

5.4.1. Terminate the contract;

5.4.2. Refer the matter to the Office of the Attorney General for appropriate action; or

5.4.3. Initiate any other specific remedy identified by the contract, including the contractual remedies required by this Directive regarding the payment of undisputed amounts.

5.5. Upon completion of the contract, but before final payment or release of retainage or both, the contractor shall submit a final report, in affidavit form under the penalty of perjury, of all payments

made to, or withheld from MBE subcontractors.

CCC. LIVING WAGE REQUIREMENTS

A State contract for services valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland. Additional information regarding the State's Living Wage requirement is contained below and in Exhibit C entitled Living Wage Requirements for Service Contracts.

Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least the required amount per hour as specified on the Department of Labor, Licensing and Regulation ("DLLR") website at www.dllr.maryland.gov, if State contract services valued at 50% or more of the total value of the contract are performed in the Tier 1 Area. If State contract services valued at 50% or more of the total contract value are performed in the Tier 2 Area, the Contractor shall pay each covered employee at least the required amount per hour as specified on the DLLR website. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. In the event that the employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located.

This Agreement has been deemed to be a Tier 1 contract.

DDD LOCATION OF THE PERFORMANCE OF SERVICES DISCLOSURE

The Contractor must complete the attached Location of the Performance of Services Disclosure Affidavit (A-2). The Affidavit includes information regarding any services that the Contractor plans to perform outside of the United States.

EEE NON-VISUAL ACCESS

Contractor warrants that the information technology to be provided under the Agreement: (1) provides equivalent access for effective use by both visual and non-visual means; (2) will present information, including prompts used for interactive communications, in formats intended for both visual and non-visual use; (3) if intended for use in a network, can be integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired; and (4) is available, whenever possible, without modification for compatibility with software and hardware for non-visual access. For purposes of this solicitation, the phrase "equivalent access" means the ability to receive,

use and manipulate information and operate controls necessary to access and use information technology by non-visual means. Examples of equivalent access include keyboard controls used for input and synthesized speech, Braille, or other audible or tactile means used for output.

The Non-visual Access Clause noted in COMAR 21.05.08.05 is the basis for the standards that have been incorporated into the Maryland regulations, which can be found at: www.doit.maryland.gov, keyword: NVA.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

AFFIDAVIT A-2

LOCATION OF THE PERFORMANCE OF SERVICES DISCLOSURE

Pursuant to State Finance and Procurement Article, § 12-111, Annotated Code of Maryland, the following disclosures are hereby made:

1. At the time of proposal submission, the Offeror and/or its proposed subcontractors:

have plans

have **no** plans

to perform any services required under the resulting Contract outside of the United States.

2. If services required under the contract are anticipated to be performed outside the United States by either the Offeror or its proposed subcontractors, the Offeror shall answer the following (attach additional pages if necessary):

a. Location(s) services will be performed:

b. Reasons why it is necessary or advantageous to perform services outside the United States:

The undersigned, being an authorized representative of the Offeror, hereby affirms that the contents of this disclosure are true to the best of my knowledge, information, and belief.

Date:

12/1/17

Offeror Name:

[Signature]

By:

[Signature]

Name:

PAUL GURIEL

Title:

CEO

Please be advised that the Lottery may contract for services provided outside of the United States if: the services are not available in the United States; the price of services in the United States exceeds by an unreasonable amount the price of services provided outside the United States; or the quality of services in the United States is substantially less than the quality of comparably priced services provided outside the United States.

EXHIBIT B
LICENSING, PROGRAM & SERVICES AGREEMENT
Powerball Power Cruise Draw Games Promotion
#2018-03
AFFIDAVIT

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the (title) CEO and the duly authorized representative of (business) ALCANTARA'S ("Contractor") and that I possess the legal authority to make this Affidavit on behalf of myself and the business for which I am acting.

B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION

1. As a condition of entering into this Contract, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry, national origin, sex, age, marital status, sexual orientation, disability, or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector contracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands and agrees that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.
2. The Contractor shall include the above Commercial Nondiscrimination clause, or similar clause approved by the Lottery, in all sub-contracts.
3. As a condition of entering into this Contract, upon the Maryland Human Relations Commission's request, and only after the filing of a complaint against Contractor under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended from time to time, Contractor agrees to provide the State within sixty (60) days after the request a truthful and complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past four (4) years on any of its contracts that were undertaken within the State of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the

State's Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, and to provide any documents relevant to any investigation that are requested by the State. The Contractor understands and agrees that violation of this clause shall be considered a material breach of this Contract and may result in Contract termination, disqualification by the State from participating in State contracts, and other sanctions.

C. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, §6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

D. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, or any of its employees directly involved in obtaining or performing contracts with public bodies, has:

- (1) Been convicted under state or federal statute of:
 - (a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or
 - (b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;
- (2) Been convicted of any criminal violation of a state or federal antitrust statute;

(3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §1961, et seq., or the Mail Fraud Act, 18 U.S.C. §1341, et seq., for acts in connection with the submission of proposals or proposals for a public or private contract;

(4) Been convicted of a violation of the State Minority Business Enterprise Law, §14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(5) Been convicted of a violation of §11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1) – (5) above;

(7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of bids or proposals for a public or private contract;

(8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract; or

(9) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§B and C(1) – (7) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

E. AFFIRMATION REGARDING DEBARMENT

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds for the debarment or suspension, and the details of each person's involvement in any

activity that formed the grounds for the debarment or suspension):

F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

- (1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and
 - (2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):
-
-

G. SUB-CONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

H. AFFIRMATION REGARDING COLLUSION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

- (1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying proposal or offer that is being submitted;
- (2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price bid of the bidder or bidder or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying bid or offer is submitted.

I. FINANCIAL DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

J. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, §§14 -101 – 14 -108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases or other agreements with the State of Maryland, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$100,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.

K. DRUG AND ALCOHOL FREE WORKPLACE

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

I CERTIFY THAT:

- (1) Terms defined in COMAR 21.11.08 shall have the same meaning when used in this certification.
- (2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:
 - (a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;
 - (b) Publish a statement notifying its employees that the unlawful manufacture, distribution,

dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone whom the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

(i) The dangers of drug and alcohol abuse in the workplace;

(ii) The business' policy of maintaining a drug and alcohol free workplace;

(iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §K(2)(b), above;

(h) Notify its employees in the statement required by §K(2)(b), above, that as a condition of continued employment on the contract, the employee shall:

(i) Abide by the terms of the statement; and

(ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under Section §K(2) (h)(ii), above, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under Section §K(2) (h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

(i) Take appropriate personnel action against an employee, up to and including termination; or

(ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §K(2) (a) - (j), above.

3. If the business is an individual, the individual shall certify and agree as set forth in §K(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs of the abuse or drugs or alcohol in the performance of the contract.

4. I acknowledge and agree that:

(a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of, COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under, COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

L. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

1. The business named above is a (domestic X) (foreign) corporation registered in accordance with the Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessments and Taxation is:

Name:

Address:

(If not applicable, then so state.)

2. Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable and will have paid all withholding taxes due the State of Maryland prior to final settlement.

M. CONTINGENT FEES

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that business has not paid or agreed to pay, any person, partnership, corporation, or other entity, other than a bona fide employee bona fide agent, bona fide salesperson, or commercial selling agency, any fee or other consideration contingent on the making of the Contract; however, the business may owe a royalty fee to the licensors.

N. ACKNOWLEDGMENT


I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this bid or proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, documents shall be construed to supersede, amend, modify, or waive, on behalf of the State of Maryland or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms, and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) any other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date:

12/1/17

By:



(Authorized Representative and Affiant)

Paul Guzioc
Printed Name

CEO
Title

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EXHIBIT C -
Maryland Lottery
LICENSING, PROGRAM & SERVICES AGREEMENT
Powerball Power Cruise Draw Games Promotion
#2018-03

Living Wage Requirements for Service Contracts

- A. This contract is subject to the Living Wage requirements under Title 18, State Finance and Procurement Article, Annotated Code of Maryland and the regulations proposed by the Commissioner of Labor and Industry. The Living Wage generally applies to a Contractor or Subcontractor who performs work on a State contract for services that is valued at \$100,000 or more. An employee is subject to the Living Wage if he/she is at least 18 years old or will turn 18 during the duration of the contract; works at least 13 consecutive weeks on the State Contract and spends at least one-half of the employee's time during any work week on the State Contract. The Living Wage Law does not apply to an employee who works less than thirteen consecutive weeks and full-time on a contract subject to the Living Wage.
- B. The Living Wage Law does not apply to:
- (1) A Contractor who:
 - (A) has a State contract for services valued at less than \$100,000, or
 - (B) employs 10 or fewer employees and has a State contract for services valued at less than \$500,000.
 - (2) A Subcontractor who:
 - (A) performs work on a State contract for services valued at less than \$100,000,
 - (B) employs 10 or fewer employees and performs work on a State contract for services valued at less than \$500,000, or
 - (C) performs work for a contractor not covered by the Living Wage Law as defined in B(1)(B) above, or B(3) or C below.
 - (3) Contracts involving services needed for the following:
 - (A) Services with a Public Service Company;

- (B) Services with a nonprofit organization;
 - (C) Services with an officer or other entity that is in the Executive Branch of the State government and is authorized by law to enter into a procurement ("Unit");
or
 - (D) Services between a Unit and a County or Baltimore City.
- C. If the Unit responsible for the State contract determines that application of the Living Wage would conflict with any applicable Federal program, the Living Wage does not apply to the contract or program.
- D. A Contractor must not split or subdivide a contract, pay an employee through a third party, or treat an employee as an independent contractor or assign work to employees to avoid the imposition of any of the requirements of Title 18, State Finance and Procurement, Annotated Code of Maryland.
- E. Each Contractor/Subcontractor, subject to the Living Wage Law, shall post in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.
- F. The Commissioner of Labor and Industry shall adjust the wage rates by the annual average increase or decrease, if any, in the Consumer Price Index for all urban consumers for the Washington/Baltimore metropolitan area, or any successor index, for the previous calendar year, not later than 90 days after the start of each fiscal year. The Commissioner shall publish any adjustments to the wage rates on the Division of Labor and Industry's Website. An employer subject to the Living Wage Law must comply with the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate, required by the Commissioner, automatically upon the effective date of the revised wage rate.
- G. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of the health insurance premium, as provided in §18-103(c), State Finance and Procurement Article, Annotated Code of Maryland, shall not lower an employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of health insurance premium shall comply with any record reporting requirements established by the

Commissioner of Labor and Industry.

- H. A Contractor/Subcontractor may reduce the wage rates paid under §18-103(a), State Finance and Procurement, Annotated Code of Maryland, by no more than 50 cents of the hourly cost of the employer's contribution to an employee's deferred compensation plan. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's contribution to an employee's deferred compensation plan shall not lower the employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland.

- I. Under Title 18, State and Finance Procurement Article, Annotated Code of Maryland, if the Commissioner determines that the Contractor/Subcontractor violated a provision of this title or regulations of the Commissioner, the Contractor/Subcontractor shall pay restitution to each affected employee, and the State may assess liquidated damages of \$20 per day for each employee paid less than the Living Wage.

Affidavit of Agreement

Maryland Living Wage Requirements-Service Contracts

Contract No. 2018-03

Name of Contractor ACCURACY 3

Address 860 WILSON RD

City ROSWELL State GA Zip Code 30075

If the Contract is Exempt from the Living Wage Law

The Undersigned, being an authorized representative of the above named Contractor, hereby affirms that the Contract is exempt from Maryland's Living Wage Law for the following reasons (check all that apply):

- Bidder/Offeror is a nonprofit organization
- Bidder/Offeror is a public service company
- Bidder/Offeror employs 10 or fewer employees and the proposed contract value is less than \$500,000
- Bidder/Offeror employs more than 10 employees and the proposed contract value is less than \$100,000

If the Contract is a Living Wage Contract

A. The Undersigned, being an authorized representative of the above named Contractor, hereby affirms our commitment to comply with Title 18, State Finance and Procurement Article, Annotated Code of Maryland and, if required, to submit all payroll reports to the Commissioner of Labor and Industry with regard to the above stated contract. The Bidder/Offeror agrees to pay covered employees who are subject to living wage at least the living rate in effect at the time service is provided for hours spent on State contract activities, and to ensure that its Subcontractors who are not exempt also pay the required living wage rate to their covered employees who are subject to the living wage for hours spent on a State contract for services. The Contractor agrees to comply with, and ensure its Subcontractors comply with, the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate established by the Commissioner of Labor and Industry, automatically upon the effective date of the revised wage rate.

**Affidavit of Agreement
Maryland Living Wage Requirements-Service Contracts**

B. _____ (initial here if applicable) The Bidder/Offeror affirms it has no covered employees for the following reasons: (check all that apply):

- All employee(s) proposed to work on the contract will spend less than one-half of the employee's time during every work week on the State contract;
- All employee(s) proposed to work on the contract will be 17 years of age or younger during the duration of the contract; or
- All employee(s) proposed to work on the contract will work less than 13 consecutive weeks on the State contract.

The Commissioner of Labor and Industry reserves the right to request payroll records and other data that the Commissioner deems sufficient to confirm these affirmations at any time.

Name of Authorized Representative: _____

Paul Guziel

Signature of Authorized Representative _____

CEO

12-4-17

Date

Title _____

Witness Name (Typed or Printed) _____

Elizabeth Lichtenberg

Witness Signature _____

Elizabeth Lichtenberg

12-4-17

Date

Exhibit D
Materials Requested By LOTTERY

1. ALCHEMY shall provide to LOTTERY by December 31, 2017.
 - a. copies of the written documentation of:
 - i. LICENSOR's relevant rights in the PROPERTY, such as a copy of each relevant registration ("Registration"); and
 - ii. ALCHEMY's authorization, as a sole source, to license or sub-license to lotteries any specified PROPERTY ("Licensor's Licensing Contract") or a letter evidencing ALCHEMY's authorization as a sole source, to license or sub-license to lotteries the PROPERTY ("Authorization Letter"). The Authorization Letter shall be a notarized letter from the LICENSOR evidencing:
 1. a warranty that ALCHEMY has the exclusive right to sublicense or assign the subject licenses to state lotteries;
 2. the term of each such Registration and license;
 3. the name of the LICENSOR who owns or has the license to the patent/trademark/copyright/other intellectual property;
 4. the description and registration numbers of trademarks/copyrights/patents licensed, and any other relevant information;
 5. the rights granted to ALCHEMY and its sublicenses;
 6. a warranty that the LICENSOR owns all rights to the intellectual property being granted and has the right to allow those rights to be sublicensed/assigned;
 7. a statement of the rights that ALCHEMY is authorized to sublicense; the term, and termination date of the license contract between LICENSOR and ALCHEMY ("Licensor's Licensing Contract");
 8. a statement of the length of time, as provided in the Licensor's Licensing Contract, that LICENSOR requires ALCHEMY provide for review of Artwork;
 9. any other information ALCHEMY or the LICENSOR deems important for the PROPERTY; and
 10. ALCHEMY and the LICENSOR shall provide LOTTERY written guaranties that state that should ALCHEMY, for any reason whatsoever, lose the right to license any of the Property during the Term of the AGREEMENT, LOTTERY will retain the use of the license and the rights to use the Property until the originally scheduled expiration of the AGREEMENT and shall retain the right to award any related Prizes. If the Licensor's Licensing Contract prohibits or restricts ALCHEMY from providing such written guaranties, ALCHEMY shall note that fact in this AGREEMENT and a statement confirming, representing, and warranting that fact shall be in the specific Authorization Letter.
 11. ALCHEMY shall provide the LOTTERY with examples of approved

promotional material(s) produced by other LOTTERIES that have entered into a licensing AGREEMENT with ALCHEMY for the use of the PROPERTY for the sole purpose of providing guidance to the LOTTERY in its creation of the ARTWORK.

12. ALCHEMY warrants and represents that it acts as either owner or agent of the LICENSOR of the PROPERTY with respect to the copyright and/or trademark rights thereof, and has the full exclusive authority to license the use of same to the LOTTERY. ALCHEMY shall provide proof of such authority.
13. ALCHEMY warrants that it acts as owner of PROPERTY with respect to the copyright and trademark rights thereof, and has the full exclusive authority as LICENSOR to license the use of the same to LOTTERY. The LOTTERY hereby request
14. s proof of such authority.
15. LOTTERY hereby requests full information regarding any and all third party company(ies) that ALCHEMY contracts with to assist in booking hotels, Royal Caribbean room confirmations, and flight arrangements to Fort Lauderdale, and any other third party company(ies) that ALCHEMY proposes to use.
16. LOTTERY requests assistance with Artwork