

Issue	Current Contract w/IGT	Contract Extension	2003-H 6351	2019-H 6266
Term	2003 to 2023 (20 Years)	2023 to 2043 (20 years) (with many provisions beginning prior to 2023).	Section 2	Section 2
Upfront Payment in exchange for 20 year exclusive contract	\$12.5M w/refund provisions if contract were to end early	\$25M payable in two installments (\$12.5M in FY21 and \$12.5M in FY22) w/no refund provision.	Section 2(d)	Section 2(vii)
Investment Obligation	\$100M (by December 31, 2008)	\$150M. See Schedule 1. (Not limited to first 5 years)	Section 2(iii)(c)	Section 2(ix)(A)
Economic Development Initiatives	Not currently in master contract.	For each set of new employees or physical transfer of existing employees (transfer or new division, department, center where IGT forecasts need for 30 or more employees) to be located in the US that IGT is not contractually obligated to locate in another state, IGT will grant the State a right of first offer to make a proposal to IGT that IGT locate the employees in Rhode Island. All employees added pursuant to this provision will be above and beyond the 1,100.	Section 2(iii)(b) GTECH will expand manufacturing operations in WG	Section 2(ix)(D)
FTE Count	1,000	1,100. See Schedule 2 (same definition as Development Agreement).	Section 2(iii)(d)	Section 2(ix)(B)
Facility Obligation	GTECH to construct headquarters in Providence.	IGT to maintain 10 Memorial Boulevard location as North American Lottery Operations headquarters	Section 2(iii)(a)	NA
Traditional Lottery Products	<b>Total Lottery Sales</b> 0-\$275M: 5% \$275M-\$400M: 1% Over \$400M: 5%	<p style="text-align: center;"><b>Total Lottery Sales</b>            0-\$275M: 5%            \$275M-\$400M: 4%            Over \$400M: 5%</p> <p>IGT to assume all responsibilities for Lottery sales (saves State ~\$1.25M. 12 employees (sales representatives) would be guaranteed employment and same compensation by IGT for first year.</p> <p>IGT will install a new online lottery solution on or before July 1, 2020, with complete online lottery solution replacement on or before July 2, 2031.</p> <p>IGT agreed to provide Lottery's requested list of new services as part of the new system - See Schedule 3.</p> <p>IGT will replace the existing Internal Control System (ICS) for the online lottery system with a new ICS on or before July 1, 2020.</p>	Section 2(iii)	Section 2(viii) includes rates that IGT will be compensated at; other elements do not appear to be in bill
iLottery Solutions	None.	Full range of game types & age, identify & location verification function (Verifi/Idology). iLottery to be installed on or before October 1, 2021, with replacement in place on or before April 1, 2033.	NA	NA
Scope of Maintenance for Online Lottery System	Basic maintenance if system broke.	<p>IGT will (a) update third-party hardware and software which is no longer supported by its developer pursuant to an extended maintenance agreement with IGT to a version which is no more than two versions behind the most current version commercially available if there is an immediate benefit to the Division, (b) follow manufacturer/developers' recommendations with respect to security issues with third-party hardware and software, (c) maintain IGT's proprietary software pursuant to IGT's software delivery model in effect from time to time and (d) review its product roadmap for IGT's proprietary central system software with the Division annually &amp; with respect to each replacement central system (i.e., twice), grant the Division the option to require IGT to install TWO modules not currently installed selected by the Division.</p> <p>Online lottery system subject to annual cybersecurity testing.</p>	NA	Section 4 requires IGT to "regularly update hardware and software"

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Video Lottery Terminals (VLTs)	<p><b>Total Average Daily Net GTECH-VLT Income</b>  0-\$325 per day: 7%  \$325-\$500 per day: 1%  Over \$500 per day: 7%</p> <p>Division approval of VLTs and VLT games.</p>	<p>No change in rate.</p> <p>IGT will complete testing of third party VLTs within two (2) weeks.</p> <p>IGT will perform annual penetration testing.</p> <p>As new VLTs are brought into the facilities in Lincoln and Tiverton, these new VLTs will incorporate bonusing at the terminal feature.</p> <p>IGT shall perform a game kit conversion on a minimum of 2% of their total VLT units annually.</p> <p>All payments to IGT will be net of 20% promotion points.</p> <p>Division approval of VLTs and VLT games.</p>	Section 2(iii)	Section 2(viii); Section 4 contains some provisions
Share of VLTs	<p>50% of VLTs will be procured from GTECH&gt; (At the time, an additional 35% was procured from IGT.)</p> <p>VLT Efficiency review/rating of 97% with annual testing window.</p>	<p>IGT will begin contract extension period with the current 85% share of VLTs on the floor. Future percentage subject to efficiency.</p> <p>VLT Efficiency review/rating of 97% with annual testing. Competition will dictate future percentage shares based on machine performance.</p> <p>Section 10.4 (page 15) of the Master Contract will be amended to replace "may" with "shall".</p> <p>VLTs deemed as low performing (games performing at less than 150% of floor average for any calendar year) are subject to review by the Lottery for replacement or modification.</p> <p>Minimum of 25% of the current VLTs at Twin River Lincoln will be replaced on or before Dec 31, 2020.</p> <p>A minimum of 6% of VLTs shall be replaced annually beginning in 2021.</p> <p>All current premium machines on the floor at Lincoln and Tiverton will stay in place as it is currently constructed and paid for. On top of that, a minimum of 5% of a vendors VLTs (additional to any VLTs that are currently premium) must constitute premium or royalty games as defined by industry standards, with vendors bearing all incremental expense without additional compensation beyond 7% VLT fee.</p>	Section 3 allows 50% maximum (under 42-61.5-1) to not apply to Master Contract effectively allowing GTECH to provide more than 50% of machines	Section 3(2) allows for licenses to provide max of 85% of VLTs; Section 4 contains some provisions
Video Central System	<p><b>Total NTI</b>  0-\$500M: 2.5%  500M-\$1B: 1%  Over \$1B: 2.5%</p>	No change in rate.	Section 2 (iii)	Section 2(ii) extends term of video lottery central computer system agreement
Instant Ticket Printing	Not currently in master contract.	Included under same rates (prices locked for life of extension) with an increase in free instant ticket licensed products - 1.5 per year, 36 between now and 2043.	NA	NA
Web Services/Website Hosting	Not currently in master contract.	No change in compensation. IGT to provide major enhancements. See Schedule 4.	NA	Section 2(vi) extends website agreement; 2(viii) no change in rate
Scope of Exclusivity	Lottery goods & services, commercial transaction processing good & services.	No change.	Section 2(d)	NA
Sports Betting	Not currently in master contract.	Sports betting will be specifically excluded from the master contract extension. IGT agrees to waive exclusivity for remote sports betting after 18 months.	NA	NA