

# Memo

**To:** Montana Lottery Commission Members  
**From:** Philip Charpentier, IT Services Director  
**Date:** June 5, 2026  
**Re:** Lottery Operating System Contract – Performance Bond

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§ 23-7-310(2)(b), MCA - Powers and Duties of Director

(b) When a contract is awarded, a performance bond satisfactory to and in an amount determined by the commission and executed by a surety company authorized to do business in this state or otherwise secured in a manner satisfactory to the commission must be delivered to the commission. The requirements for this bond must be at least as stringent as those stated in 18-4-312(3).

The Commission voted to concur with the Director's recommendation to enter into the Lottery Operating System contract with Intralot, Inc. at its August 21, 2025, meeting. A Performance Bond requirement is in the Lottery Operating System Contract, but no specific bond amount was defined.

Subsequently the Department of Administration and Lottery considered that the previous bond amount was \$1,000,000 and determined that to be satisfactory. This bond is renewed annually and executed by a surety company authorized to conduct business in Montana.

Intralot provided a bond of \$1,000,000 for the current year and Intralot will be required to renew the bond yearly.

The Department of Administration and Lottery have determined that a \$1,000,000 Performance Bond, renewed annually and executed by a surety company authorized to conduct business in Montana is satisfactory and we respectfully request the Commission approve this bond amount.