

961 CMR: STATE LOTTERY COMMISSION

961 CMR 2.00: RULES AND REGULATIONS

Section

- 2.01: Introduction
- 2.02: General Regulations
- 2.03: Definitions
- 2.04: Lottery Director
- 2.05: Licensed Sales Agents
- 2.06: Intervals and Ticket Amounts
- 2.07: Erroneous or Mutilated Tickets
- 2.08: Lottery Sales Agents Application, Sales Agent Update and License
- 2.09: License to be Displayed
- 2.11: Bonding of Sales Agents
- 2.12: Conversion to Vending Machines
- 2.13: Denials, Revocation, Suspension or Non-renewal of License
- 2.14: Sales Agent's Compensation
- 2.15: Transfer of Location of License, Substantial Change of Ownership, or Complete Change of Ownership
- 2.16: Deposits of Lottery Revenues
- 2.17: Special Lottery Agents
- 2.18: Hearings on Denial or Revocation of License
- 2.19: Procedure if License is Revoked
- 2.20: Obligations of Licensed Sales Agents
- 2.21: Lottery Accounts
- 2.22: Lottery Tickets -- Safekeeping
- 2.25: Sales Agent's Instructions
- 2.26: Stolen and Mutilated Tickets
- 2.27: Price of Tickets -- Limitations
- 2.28: Prizes
- 2.30: Special Games
- 2.31: Instant Game Rules
- 2.32: Severability
- 2.33: Determination of Prizes
- 2.34: One Prize per Ticket
- 2.35: Betting Limitations
- 2.36: Manner of Conducting Lottery Drawings
- 2.37: Notification of Prize Winners
- 2.38: Procedure for Claiming Prizes
- 2.39: Ownership of Lottery Tickets
- 2.40: Bonus Payments to Sales Agents
- 2.41: Other Lotteries or Sweepstakes
- 2.42: Prizes Payable after Death or Disability of Owner
- 2.43: Payment of Prizes
- 2.44: Place of Payment
- 2.45: Discharge of State Lottery upon Payment
- 2.46: Amendments
- 2.47: Returned Lottery Tickets
- 2.48: Postponement of Drawings
- 2.49: Change of Drawing Format
- 2.50: Sales of Lottery Tickets to Minors - Penalties
- 2.52: The Numbers Game - On-line System Operating Rules
- 2.53: On-line Semi-weekly Number Game -- MEGABUCKS DOUBLER
- 2.54: On-line Semi-weekly Number Selection Game -- MASS MILLIONS
- 2.55: On-line Semi-weekly Number Selections Game -- MASS CASH
- 2.56: Pull Tab Tickets
- 2.57: Gift Certificates
- 2.58: On-line Number Selection Game -- KENO
- 2.59: Semi-weekly Multi-state Game -- MEGA MILLIONS
- 2.60: Anti-litter Program
- 2.61: On-line Semi-weekly Number Selection Game -- CASH WinFall
- 2.62: On-line Number Selection Game -- DAILY RACE GAME
- 2.63: Multi-state Game -- POWERBALL
- 2.64: Multi-state Game -- LUCKY FOR LIFE
- 2.65: JACKPOT POKER
- 2.66: ALL OR NOTHING

## 961 CMR: STATE LOTTERY COMMISSION

### 2.01: Introduction

The Massachusetts State Lottery ("Lottery") was established by the enactment of St. 1971, c. 813. This law created a State Lottery Commission ("Commission") in the office of the State Treasurer who is Chairman of the Commission. Other members of the Commission are: the Secretary of Public Safety, the State Comptroller, and two persons appointed by the Governor for terms coterminous with that of the Governor. The Lottery directs the State Treasurer to appoint a Director of the Lottery, subject to the approval of the Governor. Revenues from the Lottery must be distributed as follows:

- (a) no less than 45% must be paid to holders of winning tickets;
- (b) not more than 15% may be used for operating costs; and
- (c) the balance must be distributed to the Local Aid Fund for the benefit of all the cities and towns in Massachusetts.

961 CMR 2.00 has been enacted pursuant to and under the authority of M.G.L. c. 30A and M.G.L. c. 10, § 24.

### 2.02: General Regulations

961 CMR 2.00 is established by the Massachusetts State Lottery Commission to define and regulate the operation and administration of the Massachusetts State Lottery. In addition to 961 CMR 2.00, rules for specific games, drawings or other matters may be found in Administrative Bulletins periodically issued by the Director.

### 2.03: Definitions

Act or Law means M.G.L. c. 10, §§ 22 through 35 and § 36.

Administrative Bulletin means a set of rules or guidelines issued by the Director for the purpose of detailing the rules, procedures or specific details of games and/or drawings and other matters that may arise from time to time in the course of business.

Bank means and includes all banks, banking associations, cooperative banks, credit unions, trust companies and any other type or form of banking institution organized under the authority of the Commonwealth of Massachusetts or the United States of America whose principal place of business is within the Commonwealth of Massachusetts and is designated to perform such functions, activities, or service in connection with the operations of the Lottery for the deposit and handling of Lottery funds.

Claims Center, Claim Center or Office means any place designated by the Lottery where the holder or his/her representative may file a claim upon a form supplied by the Lottery for payment or acknowledgment of a Lottery prize and the submission of the winning ticket.

Commission means a board of five members consisting of the State Treasurer, Secretary of Public Safety or his/her designee, the State Comptroller, or his/her designee, and two persons appointed by the Governor with the powers and authority to conduct a state Lottery as conferred by law.

Director means the Director of the Massachusetts State Lottery. Any reference to powers and duties of the Director also means the Director's authorized designee.

Gift Certificate means a document printed in fixed dollar amount redeemable for Lottery products.

Instant/Pull Tab Ticket shall mean a Lottery ticket issued by the State Lottery.

Lottery or State Lottery means the Lottery established and operated pursuant to M.G.L. c. 10, §§ 22 through 35 and § 36.

On-line System shall mean the Lottery's On-line Computer Wagering System consisting of ticket issuing terminals, central processing equipment and a communications network.

On-line Instant Ticket Cashing means a procedure by which sales agents are required, as a prerequisite to cashing, to validate instant tickets via an on-line bar code scanner.

2.03: continued

On-line Ticket shall mean a ticket produced on official paper stock in an authorized manner from the Lottery's on-line computer system.

Person means and includes any individual, association, corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, designee, referee, executor, administrator, commissioner, charitable institution, fraternal organization, guardian, custodian, any legal entity created by law, all natural individuals in all capacities whether appointed by a court or otherwise and any other combination of individuals or legal entities. "Person" shall also be construed to mean and include all departments, commission, agencies, and instrumentalities of the Commonwealth of Massachusetts including counties and municipalities, agencies, and instrumentalities thereof.

Prize means any award, financial or otherwise, awarded by the State Lottery.

Prize winner shall be defined as the individual who represents him/herself to be the winner of a single prize *or* one or more individuals who represent themselves as winners of a portion of a single prize as identified on Internal Revenue Service Form 5754 at the time the claim is filed and reported as such to the Internal Revenue Service and the Department of Revenue.

Sales Agent means a person who has been licensed to sell Lottery tickets or register bets on behalf of the player under M.G.L. c. 10, §§ 22 through 35 and §36.

Trust Account shall mean a designated dedicated bank account for the receipt of Lottery proceeds.

Quic Pic or Quick Pick shall mean a player option in which number selections are determined at random by computer software.

2.04: Lottery Director

The Director of the Massachusetts State Lottery shall supervise and administer the operation of the Lottery pursuant to M.G.L. c. 10, § 26.

2.05: Licensed Sales Agents

The Director shall license as Sales Agents such persons who, in his/her opinion, will best serve the public interest and convenience and promote the sale of tickets. Said Sales Agents must enter into a Lottery Sales Agent Agreement, on a form approved by the Director, permitting them to sell such tickets or shares as in the Director's opinion will promote the best interests of the Commission and produce maximum revenue, but a Sales Agent need not be permitted to sell all the Lottery games operated by the Commission. Each Licensed Sales Agent may be required to provide a list of guarantors who agree to be personally liable for any and all debts incurred by the Licensed Sales Agent.

2.06: Intervals and Ticket Amounts

Lottery tickets may be initiated in such amounts and at such intervals as may be determined in the discretion of the Commission or Director.

2.07: Erroneous or Mutilated Tickets

Lottery tickets erroneously printed, defective in any way, or mutilated when received by Sales Agent are to be returned by the Sales Agent immediately to the Lottery. Credit may be allowed for said tickets. Each ticket, to obtain credit or to claim a prize, must contain with legible certainty the Lottery number or winning symbols, serial number, and, if applicable, the drawing date. Unless the Director determines that a mutilated Lottery or otherwise defective or invalid ticket is genuine, no credit or prize will be issued to the holder of said ticket.

2.08: Lottery Sales Agents Application, Sales Agent Update and License

(1) Application.

(a) Any person may apply for a license to sell Lottery tickets as a Sales Agent by first filing with the Director an application on a form approved by the Director, said form to be signed under the pains and penalties of perjury, together with any supplements thereto.

(b) Licensed Sales Agents desiring authorization to sell Lottery tickets are required to enter into a Lottery Sales Agent Agreement with the Commission on a form approved by the Director.

(c) Sales Agents desiring authorization to receive wagers on the On-Line System may be required to purchase such betting stations and such other equipment as the Director may require and specify for the proper and economical operation of said game(s) and for the convenience of the public. Each particular item shall be of a type specified by the Director or an approved equal thereto.

(d) Sales Agents desiring authorization to receive wagers on the On-Line System shall pay such fee for the use of specialized equipment required to be used in connection with the operation of said On-Line System as the Director shall require.

(2) Eligibility.

(a) No person shall be licensed as a Sales Agent who is engaged exclusively in selling Lottery tickets.

(b) No applicant shall be granted a license as a Sales Agent if the applicant or any employee of the applicant who holds a position of substantial authority in the applicant's business or at any location to be licensed has at any time been convicted of a felony or any violation of M.G.L. c. 271 or of any other anti-gambling statute or law relating to the taxation of gambling or the proceeds thereof unless the Director in his/her discretion decides otherwise.

(c) No applicant shall be granted a license as a Sales Agent to sell the game of Keno if the applicant or any employee of the applicant who holds a position of substantial authority in the applicant's business or at any location to be licensed has at any time been convicted of a felony or any violation of M.G.L. c. 271 or of any other anti-gambling statute or law relating to the taxation of gambling or the proceeds thereof.

(3) Duration. Each Sales Agent's license shall remain in full force and effect until terminated according to the date indicated thereon or by action of the Director subject to the provisions of law and 961 CMR 2.00.

(4) Sales Agent Annual Update. Each Licensed Sales Agent must complete, on an annual basis or other interval as determined by the Director, a Sales Agent Update in a form as prescribed by the Director.

2.09: License to be Displayed

Every Sales Agent shall prominently display his/her license. The Sales Agent shall maintain and display promotional material in conjunction with ticket sales in accordance with instructions issued by the Director.

More than one copy of the license may be issued by the Director in order for the Sales Agent to display a license at each of the licensed locations as required by 961 CMR 2.00 as well as a replacement for a lost or mutilated license.

2.11: Bonding of Sales Agents

Each licensed person shall give a Bond for his/her faithful performance of his/her duties as a licensed sales agent in accordance with the provisions of law and 961 CMR 2.00. Failure to pay a Bond may be cause for non-issuance, non-renewal, or revocation of a sales agents license. The Bond shall be in a form approved by the Director in such sums as shall be fixed by the Director.

2.12: Conversion to Vending Machines

The Director reserves the right upon 30 days' notice to the Sales Agent to convert any licensed location from a manual-type operation to vending-machine-type operation and from a vending-machine-type on either rental or purchase basis to a manual-type operation in the sale and distribution of Lottery tickets.

2.13: Denial, Revocation, Suspension or Non-Renewal of License

A Sales Agent's license may be revoked, suspended or an application may be denied or its renewal rejected by the Director, or Sales Agent's privilege to sell tickets or shares in one or more of the Lottery games operated by the Commission may be revoked or denied by the Director, for one or more or all of the outlets listed thereon for any one or more of the following reasons.

- (1) If the Applicant or Sales Agent has violated any provisions of law or 961 CMR 2.00 as amended from time to time or any other directives of the Director;
- (2) If the Applicant or Sales Agent's application for a license or other representations to the Director, his/her agents and employees, contain false or misleading information;
- (3) If, in the discretion of the Director, such denial, revocation, suspension or rejection of renewal is in the best interests of the Lottery, the public welfare, or the Commonwealth of Massachusetts;
- (4) If the projected or actual sales volume of sales by the Sales Agents or Applicant is sufficiently below an amount warranting issuance or continuance of his/her outlet(s) as a sales location taking into account the number of other sales outlets in the Applicant or Sales Agent's sales area, the possible seasonable business of the Applicant or Sales Agent, the change of traffic or public accessibility to the Applicant or Sales Agent's sales outlets or the population serviced by the Agent's outlets;
- (5) If the manner of operation and security control by the Applicant or Sales Agent relative to Lottery business is not in accordance with 961 CMR 2.00;
- (6) If there is a history of thefts or other forms of losses of Lottery tickets or revenues therefrom;
- (7) If the moral character of the Applicant or Sales Agent, or any employee of the Applicant or Sales Agent who holds a position of substantial authority in the Applicants or Sales Agent's business, or any of the Applicant or Sales Agent's employees or agents handling Lottery business, is found by the Director to be deficient. Conviction at any time of a felony or of any violation of M.G.L. c. 271 or any other anti-gambling law or law relating to the taxation of gambling or the proceeds thereof shall create a presumption of deficient moral character;
- (8) If there is a delay in the Sales Agent's accounting or depositing in his/her designated bank account the revenues received from the Lottery ticket sales;
- (9) The Director may immediately remove a Sales Agent's on-line system terminal, validation terminal, instant game tickets, pull tab tickets, television monitors and betting stations upon the bringing of a criminal complaint or indictment against the Sales Agent or any employee of the Agent who holds a position of substantial authority in the Sales Agent's business, or any other Sales Agent's employees or Agents handling Lottery business and for any of the reasons set forth in 961 CMR 2.13(1) through 2.13(13) pending a hearing pursuant to 961 CMR 2.18.
- (10) If the Sales Agent's record or history indicates attempts to evade, circumvent, fail to use, or misuse the on-line Instant ticket cashing system.
- (11) If the Sales Agent sells tickets to individuals under the age of eighteen years of age (see 961 CMR 2.50).
- (12) The Director may not renew an existing Sales Agent's license who does not complete a Sales Agent Application, Sales Agent Agreement or Sales Agent Annual Update on a form(s) as prescribed by the Director.
- (13) Upon an Event of Default under the Lottery Sales Agent Agreement entered into by the Sales Agent, or if the Sales Agent shall fail to perform, keep or observe any of the terms, covenants, promises, obligations, agreements or conditions contained in such Lottery Sales Agent Agreement, the Lottery Sales Agent Agreement may be terminated at the discretion of the Director or his/her designee.

## 961 CMR: STATE LOTTERY COMMISSION

### 2.14: Sales Agent's Compensation

Sales Agents shall be entitled to a sales commission in such percentage or amount as the Commission may adopt from time to time. All Sales Agents, manual Agents or otherwise, shall be entitled to a bonus if they have sold certain tickets according to the provisions of 961 CMR 2.40 as hereinafter stated.

### 2.15: Transfer of Location of License, Substantial Change of Ownership, or Complete Change of Ownership

A Sales Agent license is not transferable.

(1) The location of an existing sales agent license may be transferred. If the location of the place of business set forth in the Sales Agent license or in the Sales Agent Application for a license changes, the Sales Agent is to notify the Director immediately in writing and request transfer of the license to the new location or termination of the license. The Director reserves the right to grant or deny the request to transfer the license to the new location. In any event, the Sales Agent shall not sell Lottery tickets nor actively engage in Lottery business as a Sales Agent until such time as a new license is granted covering the new location.

(2) Change of Ownership.

(a) A substantial change in ownership of a business shall mean a transfer of 10% or more in the equity of any business licensed pursuant to law and 961 CMR 2.00. If a business to which a license is issued or its ownership substantially changes, it is incumbent upon those persons who are in control or in ownership of said business at the time the license was last issued to notify the Director of the change immediately in writing and request a retention or a termination of the license. The Director reserves the right to allow or deny the request for a retention of the license, and if the Director denies the request to retain the license, it shall forthwith be revoked.

(b) A complete change of ownership shall mean the sale or other change or transfer not otherwise detailed in 961CMR 2.15(2)(a) of a business.

1. The Director retains the right to deny the application of any prospective licensed sales agent if there is an unpaid obligation to the Lottery at the time of change of said business. It is incumbent upon the persons who are/were in control of said business at the time of license last issue to make all prospective sales agents aware of any and all obligations due to the Lottery. The prospective sales agent should be made aware that if there is a delay in the final accounting to the Lottery his/her/its newly granted license may be suspended until the obligation due the Lottery is satisfied.

2. The Director retains the right to deny the application of any prospective licensed sales agent if there is an unpaid obligation to the Lottery from any prior licensee at the location of the prospective sales agent's place of business.

(3) In the event the Director denies a request to retain a license as set forth in 961 CMR 2.15(2), the persons in control or who are in ownership or otherwise entrusted with the license of said business are to deliver forthwith said license and any other material given by the Director to a Lottery office and to terminate all sales of tickets or other Lottery business until otherwise notified by the Director.

(4) In the event that Sales Agent does not wish to terminate its sale of Lottery tickets or Lottery business because of a change in location or of a substantial change in ownership, the Sales Agent may apply in writing at least 20 days prior to any proposed change of location or substantial change in ownership as defined herein.

(5) The sale of Lottery tickets may be made only pursuant to a Sales Agent's license, and, except as provided in 961 CMR 2.15(6), in the specified locations listed therein. Any violation of this provision is subject to the penalties provided by law, the General Laws of the Commonwealth of Massachusetts, and any pertinent Federal Laws as the facts and 961 CMR 2.00 may warrant.

(6) The Director may permit any Sales Agent to sell Lottery tickets or shares in locations other than those specified in his/her license and:

(a) The Director shall specify the geographical area in which such sales may be made, and the types of locations in which such sales may be made.

2.15: continued

(b) No such sales are made on premises used primarily for residential purposes, in or on the property of any school operated by any county or municipality, in or upon the property appurtenant to any facility operated primarily for religious purposes.

(c) Any person making such sales shall be individually approved by the Director or his/her designee, and shall prominently wear and display identification in such form and manner as may be prescribed by the Director.

2.15: continued

- (d) The Sales Agent and his/her employees shall abide by such other instructions and restrictions as may be prescribed by the Director to govern such sales.
- (e) The Sales Agent's license shall bear the phrase "Limited off premises sales permitted", and the agent shall display with his/her license, in such form and manner as the Director may require, the terms and conditions on which such sales may be made.

2.16: Deposits of Lottery Revenues

- (1) Each Sales Agent shall be required to establish a trust account at a bank that is a member of the New England Automated Clearing House Association (or its successor association). Said trust account shall be separate from all other deposit accounts maintained by the Sales Agent. Such trust account shall name the Sales Agent as a Trustee, and the Commission as sole beneficiary. Sales Agents are required to deposit into such trust account, on such terms as may be required by the Director, proceeds received by such Sales Agent from the sale of Lottery tickets. Sales Agents may be required to file with the Director periodic reports of their respective receipts and transactions in the sale of Lottery tickets in such form as may be required by the Director in accordance with instructions given to the Sales Agent(s) from time to time by the Director.
- (2) Each Sales Agent is to keep current records of all his/her Lottery operations in conformity with the Law and 961 CMR 2.00. Each Sales Agent's Lottery operations and records shall be available for inspection and audit by representatives or agents of the Commission.
- (3) Each Sales Agent shall account to the Lottery for all proceeds resulting from his/her sales of Lottery tickets within such time as specified by the Director. The Director may charge service fees for those Sales Agents who are delinquent in the payment of said proceeds.
- (4) Each Sales Agent must make available at all lawful times during his/her normal business hours Lottery tickets for sale to the public in the place of business designated in his/her license.
- (5) All tickets accepted by a Sales Agent from the Commission are deemed to have been purchased by said Sales Agent unless they are returned no later than the time announced by the Director or unless special permission is received from the Director.

2.17: Special Lottery Agents

The Director may license special Lottery agents in conformity with law. A special license is one subject to such conditions or limitations as the Director, in his/her discretion, may deem prudent and which is consonant with the dignity of the Commonwealth, the general welfare of the people, and the operations and integrity of the Lottery. These limitations or conditions may include, but are not limited to:

- (a) Length of license period;
  - (b) Hours or days of sale;
  - (c) Location of sale;
  - (d) Specific persons who are allowed to sell Lottery tickets;
  - (e) Specific sporting, charitable, social, or other special events where Lottery tickets may be sold if in conformity with law;
  - (f) Special Lottery tickets for special prizes at specific intervals.
- Special licensed agents shall be subject to 961 CMR 2.00.

2.18: Hearings on Denial or Revocation of License

An Applicant or Sales Agent is entitled to a hearing before his/her license is denied, suspended or revoked if he/she requests such hearing within 20 days from the date of notice of the denial, revocation, or suspension.

The hearing shall be conducted by the Director or his/her designee. If the Sales Agent is aggrieved by the decision of the Director, he/she may appeal to the Commission for a hearing pursuant to M.G.L. c. 30A.



2.18: continued

Any such appeal shall be in writing and made within 30 days of the giving of notice of the Directors determination.

In accordance with M.G.L. c. 30A, § 11(7), if less than a majority of the Commissioners or the Massachusetts State Lottery Commission are present at a hearing, no party shall be entitled to a tentative or proposed decision unless such party makes a written request in advance for such tentative or proposed decision.

2.19: Procedure if License is Revoked

Upon revocation or suspension of a Sales Agent's license for any reasons whatsoever, the Sales Agent may be required to appear at Lottery Headquarters by a date designated by the Director for the purpose of rendering his/her final Lottery accounting, the surrender of his/her Sales Agent's license, and other Lottery property. The Director may take steps to impose such penalties and to enforce the powers of the Commission against the delinquent Sales Agent, its agents or representatives, as may be provided by law and 961 CMR 2.00.

2.20: Obligations of Licensed Sales Agents

(1) All tickets provided to the Licensed Sales Agent by the Lottery, and all proceeds from the sale of such tickets, shall at all times remain the exclusive property of the Lottery. All such proceeds shall be deposited by the Sales Agent into the trust account established pursuant to 961 CMR 2.16(1), at such times and on such terms as the Director may from time to time require. The Sales Agent shall deliver to the Lottery all such tickets and any and all other property of the Lottery after the termination of the Lottery Sales Agent Agreement entered into by the Sales Agent.

(2) All stolen, lost or missing tickets are the Sales Agent's financial responsibility, unless the Director, in his/her sole discretion, relieves the Sales Agent of said responsibility.

(3) Each Sales Agent shall abide by the law, 961 CMR 2.00, and all other directives or instructions issued by the Director.

(4) Each Sales Agent grants to the Commission, its agents and representatives, an irrevocable license to enter upon the premises listed as locations on the Sales Agent's license to which tickets may be sold or any other location under the control of the Sales Agent where the Director may have good cause to believe Lottery materials or tickets are stored or kept in order to inspect and/or remove said Lottery property.

(5) All property given to a Sales Agent remains the property of the Commission, and, upon demand, the Sales Agent agrees to deliver forthwith the same to the Director.

(6) All books and records pertaining to the Sales Agent's Lottery activities shall be made available for inspection at reasonable hours, upon demand, to the Director.

(7) No Sales Agent shall advertise or otherwise display advertising in any part of the Sales Agent's premises as licensed location which may be considered derogatory or adverse to the operations or dignity of the Lottery. The Sales Agent shall remove the same forthwith if requested by the Director.

2.21: Lottery Accounts

The Director may make such arrangements with any person, including a bank, to perform such functions, activities or services in connection with the operation of the Lottery as he/she may deem advisable pursuant to law and 961 CMR 2.00. Such functions, activities and services shall constitute lawful functions, activities and services in behalf of Lottery business unless otherwise prohibited by law.

## 961 CMR: STATE LOTTERY COMMISSION

### 2.22: Lottery Tickets -- Safekeeping

The following procedures are to govern the safekeeping and record keeping of the activities performed in behalf of the Lottery relative to the depositing of ticket revenues and distribution of Lottery tickets.

- (1) Sales Agents shall deposit in their authorized bank monies received from Lottery ticket sales.
- (2) The bank shall maintain proper and usual records of deposit and make available such records at reasonable times to the Director.

### 2.25: Sales Agent's Instructions

Sales Agents shall comply with the instructions of the Director or his/her designee regarding various requirements, promotions, policies or other matters which may arise from time to time.

### 2.26: Stolen and Mutilated Tickets

In the event tickets are stolen or inadvertently mutilated while in transit or in the possession of a Sales Agent, the Director may provide for reimbursement for part or whole of any loss to the person responsible at the time said tickets were stolen or mutilated. If a Sales Agent or the party responsible for the stolen or mutilated tickets is found to have been negligent or is unable to provide the Director with the book and ticket numbers of the tickets, the Director shall have good cause not to reimburse the responsible party for any losses occasioned therefrom unless extenuating circumstances excuse the responsible party. Request for reimbursement shall be made in writing on a form which may be prescribed by the Director.

### 2.27: Price of Tickets -- Limitations

- (1) No person may sell a ticket at a price other than that established in accordance with 961 CMR 2.00 unless so authorized in writing by the Director. No person other than a duly licensed Lottery Sales Agent may sell Lottery tickets except that nothing in 961 CMR 2.27 shall be construed to prevent a person who may lawfully purchase tickets from making a gift of Lottery tickets to another. Nothing in 961 CMR 2.27 shall be construed to prohibit the Lottery from designating certain of its Sales Agents and employees to sell Lottery tickets directly to the public.
- (2) Lottery tickets may be given by merchants as a means of promoting goods or services to customers or prospective customers contingent upon such persons purchase of some other article provided any monetary consideration paid for such article is at least four times the sales price of the ticket given.
- (3) Lottery tickets may be given by merchants as a means of promoting goods or services to customers or prospective customers contingent upon such persons performing some minimum activity required by the merchant such as taking a test ride in a vehicle held for sale by the merchant, opening a new bank account, or the like.
- (4) In no event may the gift of a Lottery ticket be used as an inducement to solicit the sale or lease of goods or the rendering of services which sale, lease or rendering is to be bound by a contract which is subject to M.G.L. c. 93, § 48.
- (5) A Sales Agent shall not sell a ticket to any person under the age of 18 years unless otherwise permitted by law, nor may he/she sell a ticket away from the locations listed in his/her license.
- (6) No person may use or permit his/her ticket to be used in any drawing or in any other game of chance, however, it may be described, except for the purpose of the Lottery as defined in 961 CMR 2.03 except that tickets may be given as prizes in a raffle conducted pursuant to M.G.L. c. 271, § 7A, or, with the written permission of the Director, as prizes in commercial promotions when no additional monetary consideration is required for the opportunity to win a prize.

2.28: Prizes

- (1) No person entitled to a prize may assign his/her right to claim it except:
  - (a) that payments of a prize may be made to the estate of a deceased prize winner or to another according to law by an appropriate judicial order from a court of competent jurisdiction;
  - (b) for the purposes of paying estate and inheritance taxes,
  - (c) to a trust, the beneficiaries of which are restricted to the prize winner, his/her mother, father, children, adopted children, grandchildren, brothers, sisters, or spouse.
  
- (2) Each prize winner or someone in his/her behalf and acceptable to the Director in order to claim a prize, agrees to sign a claim form which will incorporate by reference the following provisions: the discharge of the Director and the Commission, its sales agents and representatives, of all further liability upon payment of the prize, and permission to use the winner's name and photograph for publicity purposes. The Director reserves the right to modify or amend the claim form to include other aspects of a prize winner's payments. In the event that there is a dispute or it appears that a dispute may occur relative to any prize, the Director may, in his/her discretion, refrain from making payment of the prize pending the determination or instructions by the Commission or by a court of competent jurisdiction relative to the same. In order for a winner to claim a prize, the winning ticket must be signed by the owner thereof or his/her proper legal representative. The Director may waive any or all of the requirements of 961 CMR 2.28 except those required by law.

2.30: Special Games

The Director shall, from time to time, institute such special or special overlay Lottery games as the Commission shall deem appropriate to carry out the purposes of the State Lottery Law. Said games shall be any Lottery drawing or series of drawings conducted, except those conducted under 961 CMR 2.31, 2.52, 2.53, 2.54, 2.55, 2.58 and 2.59.

- (1) Nature Of Game. The price for which such Lottery tickets shall be sold, the time and method of sale, and operating procedures and other matters shall be promulgated by Administrative Bulletins issued by the Director subject to policy decisions of the Commission.
  
- (2) Ticket Sales. All sales of tickets shall be made prior to the time designated by Administrative Bulletins governing such games.

2.31: Instant Game Rules

- (1) Definitions.
  - (a) "Play Symbol(s)" means the numbers or symbols printed under each of the rub-off play spots. Each Play Symbol must have a matching caption printed below the symbol. Each caption must correspond with and verify the symbol.
  - (b) "Validation Number" means the unique multi-digit number found underneath the "Void If Removed" spot.
  - (c) "Bar Code" means the set of vertical lines on the front or back of each ticket representing that ticket's unique Game Number, Validation Number and Book Number.
  - (d) "UPC Code" means the Universal Product Code and it's corresponding bar code symbol. It's limited purpose is to identify a product of the Massachusetts State Lottery Commission.
  
- (2) The prize winner must submit a winning Lottery ticket to be eligible to claim a prize. To be a valid instant winning ticket entitled to a prize, the following conditions must be met:
  - (a) The on-line system must indicate that the ticket is a winner.
  - (b) One and only one number or symbol must appear in each Play Symbol designated area.
  - (c) Each Play Symbol must be legible; if the number appears both as a numeral and spelled or abbreviated as a word, both must agree.
  - (d) The Validation Number must correspond, using the Commission's validation records, to the Play Symbols.
  - (e) The number on the back of the ticket must be present and legible and it must correspond, using the Commission's validation records to any check code or validation number on the ticket.

2.31: continued

- (f) The ticket must pass all other security checks provided by the Commission.
- (3) The ticket shall be void and not entitled to a prize under any one or more of the following conditions:
- (a) The on-line system indicates that the ticket is not a winner.
  - (b) The Validation Number is partially or fully removed or exposed before the ticket is validated by the Commission or Sales Agent.
  - (c) More than one Play Symbol appears under any Play Symbol designated area.
  - (d) No Play Symbol appears in any Play Symbol designated area unless the ticket specifically provides for this occurrence.
  - (e) The Validation Number or Bar Code are not present or are only partially present.
  - (f) The ticket is defective or mutilated or altered or tampered with in any manner.
  - (g) Any number or symbol is partially or wholly illegible.
  - (h) The ticket is counterfeit.
  - (i) The book or individual ticket is stolen or not issued.
  - (j) The numbers or letters are other than right side up.
  - (k) A letter or symbol has become obscured in printing or altered in storage or usage and does not correspond with the Commission's validation records.
  - (l) The ticket is part of a printing or production error or its Validation Number and/or Bar Code does not correspond with the apparent image or lack of image.
  - (m) An apparent winner is not on the Commission's validation records in the correct pool.
  - (n) The Play Symbol and its alphabetic characterization are inconsistent.
  - (o) It fails to meet any requirement contained in the Administrative Bulletin issued by the Director for any particular Instant Game.
- The Director shall make the final decision as to whether any ticket is valid or void and such decision shall be final.
- (4) In the event that a ticket is declared to be void, the Lottery may at its option replace the ticket or refund the purchase price thereof. This shall be the sole and exclusive remedy of the holder of the ticket.
- (5) A person shall be eligible to win only one instant prize per ticket unless the ticket specifically states otherwise.
- (6) No prizes shall be paid based on a lost, stolen or mislaid instant game ticket unless the Director in his/her discretion decides otherwise.
- (7) Specific game rules for each instant game shall be detailed in an Administrative Bulletin issued by the Director.
- (8) All instant game tickets entitled to a prize expire one year from the end of that particular game. However, certain winning tickets which are eligible for a run-off type drawing must be claimed prior to the run-off drawing in accordance with the rules set forth in the Administrative Bulletin for that particular game.

2.32: Severability

All lotteries which may be sponsored by the Commission shall be subject to the provisions of 961 CMR 2.00 unless otherwise indicated. The provisions of 961 CMR 2.00 shall be severable and in the event one or more of the provisions herein contained is declared to be invalid those provisions remaining shall be capable of enforcement without regard to that portion which has been declared invalid.

2.33: Determination of Prizes

All Lottery prizes shall be determined by the Commission from time to time and awarded to the owners of tickets which contain the winning numbers as determined from the drawings supervised by the Director.

Winners are determined by the numbers drawn and not the numbers reported. The Lottery shall not be responsible for numbers reported in error.

2.34: One Prize Per Ticket

Any Lottery Ticket or share shall entitle the holder thereof only to the largest of any prizes won by virtue of ownership of such ticket or share unless specific game rules provide otherwise.

2.35: Betting Limitations

- (1) In order to provide each Lottery customer with an equal opportunity to place bet(s) the Director may, by Administration Bulletin, set limits on the quantity of bets Sales Agents are permitted to place at any time on behalf of an individual Lottery customer or group of customers.
- (2) In order to protect the revenues of the Commonwealth, the Director may limit the amount of a Sales Agent's liability to the Lottery for tickets sold.

2.36: Manner of Conducting Lottery Drawings

All drawings shall be conducted and the winning tickets shall be determined by those procedures and methods of selection as set forth in Administrative Bulletins issued by the Director subject to policy decisions of the Commission.

2.37: Notification of Prize Winners

As soon as practicable after each drawing, each Sales Agent shall post in a prominent and conspicuous part of his/her business location in full view of the public the winning Lottery numbers and serial numbers. If a license covers more than one location, the posting of the winning Lottery numbers and serial numbers shall be displayed in each location for which the Lottery license has been issued and in accordance with these provisions. The winning Lottery numbers shall remain posted until the next Drawing and new numbers are available to be posted. Each Sales Agent shall fully cooperate to give the public exposure and type of display of the winning Lottery numbers in his/her locations as may be requested by the Director from time to time.

2.38: Procedure for Claiming Prizes

The following shall be the procedure by which prizes may be claimed and paid from the State Lottery:

- (1) Place Of Claims. All cash prizes must be claimed through a Sales Agent, a duly authorized claim center or through a Lottery office.
- (2) To be eligible for a prize, the prize winner must submit an original winning ticket prior to the expiration of the claim period. On-line tickets must be claimed within one year of the drawing date. Instant tickets must be claimed within one year of the end of the particular game. For prizes less than \$600, a claim is valid only when the original winning ticket has been presented for payment and validated by the on-line computer system at a sales agent, claim center, or Lottery office. For prizes of \$600 or more, a claim is valid only when the original winning ticket has been presented for payment, a claim form has been properly completed, and the ticket has been validated by the on-line computer system at a Lottery office or duly authorized claim center. Tickets submitted for payment subsequent to the claim period defined above are void.
- (3) Claim Forms. Each prize ticket owner, other than those paid in cash, or his/her representative is required to complete the claim form which is available free of charge at each Sales Agent or Lottery office and sign the winning ticket. If the prize ticket owner is a minor or other person(s) unable to complete the claim form, then said minor or person shall have his/her guardian, conservator, parent, adult member of his/her household, or his/her next friend or other proper representative complete the claim form in his/her stead. If the Director determines that the person who completed the claim form in behalf of an owner is not the proper person to claim the prize in behalf of the owner, the Director may demand a new claim form completed by a person who is acceptable to the Director as the proper person so to claim the true owner's prize. The claim form incorporates by reference the following provisions:

961 CMR: STATE LOTTERY COMMISSION

2.38: continued

- (a) Verification that the prize ticket owner is not a person disqualified by law or by 961 CMR 2.00 to claim or otherwise accept a prize from the Lottery;
- (b) The prize ticket owner grants to the Commission the right to use his/her name, address, and photograph to publicize his/her winnings. This same right is granted to the Commission by one signing in behalf of a minor or other ticket owner under a disability which prevents him/her from signing in his/her own behalf;
- (c) Indemnification of the Commission for any loss occasioned by an untruth or misrepresentation by the ticket owner or the person claiming the prize in his/her or her behalf;
- (d) All information requested by the Commission which may include but not limited to the prize ticket owner's (and any person signing in his/her behalf) name, address, and social security number or taxpayer's identification number.

The claim form may contain any other provision which the Director may, from time to time, deem necessary and proper to protect the Commission and the public welfare. Each claim form must have attached thereto the original Lottery ticket.

## 961 CMR: STATE LOTTERY COMMISSION

### 2.38: continued

(4) List of Winning Tickets. Lottery offices and Sales Agents will be provided with a sufficient number of lists containing certain winning Lottery numbers for the prior 52 weeks which will be available to the public view at each location transacting Lottery business.

(5) Lottery Verification. The Sales Agent or claim center reviews the claim form and the ticket and must be assured that the ticket is a winner, that the back of the ticket and the claim form are properly filled out and signed by the claimant, and that the ticket has been presented for payment in accordance with 961 CMR 2.38(2) prior to the expiration date. Upon validation, the prize money will be forwarded to the claimant in check form except that the winner of the prize of \$50,000 or more must present him/herself in person at the office of the Director to receive his/her prize unless he/she is physically or mentally incapable of so doing. If the claim is invalidated, the claim is denied and the Director will promptly notify the claimant. The claimant, if aggrieved, shall have a right pursuant to M.G.L. c. 30A to appeal the decision to the Commission. Any such appeal shall be in writing and made within 30 days of the giving of Notice of the Director's determination.

In accordance with M.G.L. c.30A, § 11(7), if less than a majority of the Commissioners of the Massachusetts State Lottery Commission are present at a hearing no party shall be entitled to a tentative or proposed decision unless such party makes written request in advance for such tentative or proposed decision.

(6) If a claimant is aggrieved by the Director's denial of his/her claim for a prize, he/she may request an informal hearing with the Director to discuss his/her grievances and a reconsideration of his/her claim by the Director. If the Director concludes that there is a meritorious basis for the claimant's complaint, he/she may revise his/her prior decision or refer the matter to the Commission for its determination.

(7) The Director may establish procedures other than those specified in 961 CMR 2.00 for claiming and paying prizes of less than \$601.00. Such procedures shall be set forth in Administrative Bulletins issued by the Director.

(8) In the event a claim is based on a ticket which is incomplete or non-conforming or in any way defective, invalid or void as determined by the Director, the limit of the Commission's liability shall be, at its option, the price of the ticket or replacement thereof.

(9) If a prize won is an opportunity to participate in a televised drawing, said opportunity shall be personal to the owner or holder of any ticket winning such prize and, except as authorized by the Director in writing, no person other than said owner or holder shall be entitled to participate in said televised drawing.

### 2.39: Ownership of Lottery Tickets

Until such time as a name is imprinted or placed upon the portion of the Lottery ticket so designated for such purpose, a Lottery ticket shall be considered in bearer form and thereby owned by the person in physical possession of said ticket. The Commission need not recognize or give credence to any claims that a winning Lottery ticket was stolen if in bearer form. The Commission need only recognize as the true owner of a winning Lottery ticket the person whose signature appears upon the ticket in the area designated for said purpose. The Commission requires that each winning ticket have placed thereon in the area designated for such purpose the name, address, telephone number and signature of the owner. If the owner is a minor, or a person under a disability, then the minor's name or disabled person's name should appear on the ticket with the signature of the person claiming the prize in behalf of the minor or disabled person and his/her telephone number if the owner's number is not available or non-existent. The Commission shall make payment in complete reliance of the information submitted to it on the claim form and winning ticket. In the event there is an inconsistency in the information submitted on the claim form and as shown on the winning ticket, the Director shall make an investigation and withhold all winnings awarded to the ticket owner until such time as he/she is satisfied that the winnings are paid to the proper person. Regardless of any other provisions herein contained, the Commission may rely on the name of the owner, his/her address and other information contained on the claim form although apparently inconsistent with the ticket, and pay all winnings to said ticket owner or his/her proper representative according to law and

2.39: continued

961 CMR 2.00 without further responsibility and liability. The Commission for its purposes will recognize only one person as owner of a ticket. The Commission will make payment to only one person per prize won regardless of the number of persons claiming ownership of the prize winning ticket. Payment of said prize to the person designated as agent for collection shall discharge the Director from all liability resulting therefrom.

No payment will be made on a winning ticket unless all spaces provided on both the claim form and winning ticket are filled in with the requested information or an acknowledgment that said information is unknown or unavailable. There is no obligation or duty of the Commission, its personnel or representatives to look beyond the payment to the owner as his or her name appears on the claim form. If a trust is used as a payee of the winnings, or if a legal entity is the owner or payee, the Federal employee taxpayer's number must be placed on the claim form.

2.40: Bonus Payments to Sales Agents

In addition to the prize structure set forth in 961 CMR 2.40, incentive prize bonuses as determined by the Director are awarded to the Sales Agents as they relate to certain prizes awarded to the holders of winning tickets sold by the Sales Agents. Said bonuses are computed at 1% of the face amount of the prize; and no bonus payments shall be made to Sales Agents which exceed the sum of \$25,000; except in the case of ALL OR NOTHING, LUCKY FOR LIFE, MEGABUCKS DOUBLER, MEGA MILLIONS and POWERBALL where no bonus payments shall be made to Sales Agents which exceed the sum of \$50,000; except in a particular instant game where the bonus payment on a specific prize shall be set forth in the Administrative Bulletin for that game. In the event of a bonus award to a Sales Agent as it relates to certain prizes awarded to the holders of winning tickets sold by the Sales Agent in the form of Season Tickets, the bonus shall be awarded only to the original Sales Agent provided that the license of said Sales Agent has not been terminated.

The identification of Sales Agents entitled to these bonuses will be made in the central computerized files of the Lottery. Bonuses will be paid following verification of the winning ticket holder's claim or for all games other than the instant games within a reasonable time in the case of unclaimed prizes. All determinations relative to Sales Agent's bonuses due or owing shall be made by the Director whose decision and judgments shall be final and binding upon all parties in interest.

2.41: Other Lotteries or Sweepstakes

The Commission reserves the right to institute a separate and distinct Lottery or Sweepstakes similar or different in its method of drawings, price of tickets, and qualifications in 961 CMR 2.41 and, by the further promulgation of 961 CMR 2.00 to control the methods and procedures, if different, for said separate Lottery or sweepstakes if it be put into effect.

2.42: Prizes Payable after Death or Disability of Owner

All prizes or a portion thereof which remain unpaid at the time of the prize winner's death shall be payable to his or her duly qualified Administrator, Executor or other representative of his or her estate once satisfactory evidence of said representative's appointment has been presented to the Director, claim forms have been properly filled out, and the Director is satisfied that such payment is lawful and proper. Prize monies will be paid according to the Law of Descent and Distribution of the Commonwealth of Massachusetts if the owner thereof dies intestate regardless of whether he or she was domiciled at the time of his or her death in the Commonwealth of Massachusetts or according to the provisions of his or her Last Will and Testament if he or she dies testate. The Director may rely wholly on the presentment of certified copies of a court's appointment of an Administrator or Executor, Guardian, Conservator or on any other evidence of a person entitled to the payment of any prize winnings then due.

The payment to the estate of the deceased owner of any prize winnings by the Commission shall absolve the Commission and its agents of any further liability for payment of said prize winnings. The Commission need not look to the payment of the prize winnings beyond the payee thereof. Under no circumstances will the payment of prize money be accelerated beyond its normal dates of payment by the Commission. The Director reserves the right to petition any



2.42: continued

court of competent jurisdiction to request a determination for the payments of any prize winnings which are or may become due the estate of a deceased owner or an owner under a disability because of, but not limited to, underage, mental deficiency, physical or mental incapacity. If the legatee(s) or heir(s) of a deceased owner entitled to prize winnings obtains an order from a court of competent jurisdiction directing payments due and to become due from the Commission to be paid directly to said legatee(s) or heir(s) or otherwise directs the Commission to make payments to another in the event of an owner's disability or otherwise, the Commission shall pay the prize winnings accordingly.

2.43: Payment of Prizes

All prizes shall be paid within a reasonable time after they are awarded and after the claims are verified by the Director. The date of the first installment payment of each prize requiring annual payments shall be the commencement date of the payments and a payment shall be made on or about the anniversary date of the drawing thereafter in accordance with the type of prize awarded. The Director may, at any time, delay any payment in order to review a change of circumstances relative to the prize awarded, the payee, the claim or any other matter that may have come to his/her attention. All delayed payments will be brought up to date immediately upon the Director's confirmation and continue to be paid on each original anniversary date thereafter. If any prize is payable for the life of the prize winner, the measuring life shall be the natural life of the individual whose name appears on the ticket pursuant to 961 CMR 2.39. Only a natural person may claim such a prize and, if claiming on behalf of a group, corporation or the like, the life of such natural person claiming shall be the measuring life.

2.44: Place of Payment

All payment of prizes will be made to the claimant at such locations consistent with 961 CMR 2.00 as may be designated by the Director. Claimant may obtain payment in person at any approved location by first requesting this in writing to the State Lottery, 60 Columbian Street, Braintree, Massachusetts 02184.

2.45 Discharge of State Lottery upon Payment

The Commonwealth of Massachusetts, its subdivisions, agents, officers employees and representatives, the Commission, its Director, agents, officers, employees and representatives shall be discharged of all liability upon payment of a prize or any one installment thereof to the holder of any winning Lottery ticket or in accordance with the information set forth on the claim form supplied by the Director. If there is a conflict between the information on a winning Lottery ticket and the information of the claim form, the Commission may rely on the claim form after the ticket for which it has been filed has been validated as a winning ticket and, in so doing, it will be relieved of all responsibility and liability in the payment of a prize in accordance with the information set forth therein. The Commission's decisions and judgements in respect to the determination of a winning ticket or of any other dispute arising from the payment or awarding of prizes shall be final and binding upon all participants in the Lottery unless otherwise provided by law and 961 CMR 2.00. In the event a dispute arises to the winning ticket, a claim form, the payment, or the awarding of any prize, the Commission may withhold payment of the prize winnings until it determines the controversy and reaches a decision or it may petition a court of competent jurisdiction for instructions and a resolution of the controversy. Payment pursuant to 961 CMR 2.45 shall discharge the Commission and Director of further liability or responsibility to any and all claimants. In the event of any controversy or confusion in the interpretation and application of the law or of 961 CMR 2.00 or of any other procedure employed by the Commission, the Director, by direction of the Commission, may petition a court of competent jurisdiction.

2.46: Amendments

The Commission may amend, modify, or otherwise change 961 CMR 2.00 and upon full compliance with law, said amendments, modifications or changes shall become as effective and applicable to Lottery business and administration as if part of the original 961 CMR 2.00.

2.47: Returned Lottery Tickets

All instant tickets once returned by Sales Agents may not be re-issued without prior approval of the Director.

2.48: Postponement of Drawings

The Director may postpone any drawing to a date certain and publicize the same if he or she finds, in his or her sole discretion, that such postponement will serve the public welfare and protect the public interests.

2.49: Change of Drawing Format

The Director may, with the approval of the Commission, alter the format of the drawings of The NUMBERS GAME authorized by 961 CMR 2.52, the MEGABUCKS DOUBLER Game authorized by 961 CMR 2.53, the MASS CASH Game authorized by 961 CMR 2.55, the MEGA MILLIONS Game authorized by 961 CMR 2.59, the KENO Game authorized by 961 CMR 2.58 and the ALL OR NOTHING Game authorized by 961 CMR 2.66 at such times and in such manner as in his or her discretion he or she deems appropriate, including but not limited to, the amendment or reissuance, with the same or different numbers, of any subscription or "Season Ticket" plan in effect at such time. The foregoing is a condition of sale of any subscription plan or "Season Ticket" and the purchaser or holder agrees that the nature of the game or any number or numbers assigned may be changed pursuant to 961 CMR 2.49 at any time during the duration of such subscription plan or "Season Ticket".

2.50: Sales of Lottery Tickets to Minors - Penalties

The Director may impose the following penalties for sales agents who sell Lottery tickets to individuals younger than 18 years old.

(1) First Offense. The sales agents ability to sell tickets for one or more of the games may be suspended for up to two business days in accordance with the provisions of 961 CMR 2.13 pending a hearing pursuant to 961 CMR 2.18.

(2) Second Offense. The sales agents ability to sell tickets for one or more of the games may be suspended for up to five business days in accordance with the provisions of 961 CMR 2.13 pending a hearing pursuant to 961 CMR 2.18.

(3) Third Offense. The sales agents ability to sell tickets for all games may be suspended or revoked in accordance with the provisions of 961 CMR 2.13 pending a hearing pursuant to 961 CMR 2.18.

2.52: The Numbers Game -- On-line System Operating Rules

(1) Valid Bet. Except as otherwise provided in 961 CMR 2.52(1), a valid bet on the Numbers Game using the On-line System shall be a bet which is:

- (a) Placed with and accepted by a sales agent licensed to sell the Numbers Game or by a Lottery facility specifically designated for the purpose.
- (b) Paid for in full at the time and place the bet is placed.
- (c) Recorded correctly on a computer terminal generated ticket in accordance with 961 CMR 2.00.
- (d) Represented by a ticket generated by a computer terminal. The ticket must contain the following information:
  1. The number selection;
  2. The bet type selection;
  3. The amount wagered;
  4. The number of draws played;
  5. The date or dates of play;
  6. The times or times of draw selection;
  7. A terminal identification number;
  8. An 18-digit ticket serial number;
  9. A machine readable (bar code) ticket serial number;

2.52: continued

10. A verifiable numeric representation of the information contained on the ticket consistent with the information contained in the Lottery's computer records.
  - (e) Accepted by the Lottery Computer prior to the selection of the winning number for the draws of the bet.
  - (f) In the event of an apparent contradiction between information as printed on the ticket and as accepted by the Lottery Computer, the bet as accepted by the Lottery Computer shall be the valid bet.
- (2) Placing Bets:
  - (a) Bets may be placed by the bettor orally instructing the Lottery sales agent of his/her number selections or requesting a "quic pic" and the sales agent then registering the bet via the terminal keyboard or by preparing a betting slip in accordance with the procedures set forth below, which betting slip is then entered into the terminal:
    1. Marking of Betting Slips: In completing a betting slip for the Numbers Game the bettor MUST:

## 2.52: continued

- a. Use only pencil or blue ballpoint pen for marking the slip
  - b. Place no more than one mark (—) in any column
  - c. Place a mark (—) in at least one column under each of the Sections labeled PICK YOUR NUMBER, MARK YOUR BET(S), CHOOSE NUMBER OF DRAWS and SELECT TIME OF DRAW
  - d. Choose the number he/she wishes to play using the section of the slip labeled PICK YOUR NUMBER and mark an "—" in one or more of the columns to reflect his number choice.
  - e. Indicate the specific bets he/she wishes to make using the section labeled MARK YOUR BET(S); mark an "—" in the box corresponding to the money amount he wishes to wager for each specific bet type shown in the column he/she wishes to wager for each specific bet type shown in the column headings; mark as many Bet Selection columns as he/she desires to play. If a bettor wishes to bet amounts other than or in addition to those shown, he/she must use additional betting slips.
  - f. Choose the number of draw(s) he/she wishes his/her bet to be active by using the section column labeled "CHOOSE NUMBER OF DRAWS" and mark an "—" in the box corresponding to that number. Active days per week are Monday through Sunday (seven days). All bet selections made on the same slip will be active for the number of draw(s) specified. If a bettor desires to make multiple bet selections and have them active for a different number of draws, he/she must use separate slips. A bettor must make an entry in CHOOSE NUMBER OF DRAWS section even if his/her play is for one draw only.
  - g. Select the draw times he/she wishes his/her bet to be active by using the section labeled "SELECT TIME OF DRAW" and mark an "—" in the box corresponding to the time of day desired. Drawing times are mid-day and evening seven days a week. If a bettor selects mid-day, the bet will be valid for mid-day drawings only for the number of draws selected. If a bettor selects evening, the bet will be valid for evening drawings only for the number of draws selected. If a bettor selects both, the bet will be valid for both mid-day and evening drawings for the number of draws selected, commencing with the draw after the bet is placed. If a bettor desires to make multiple bet selections and have them active for a different number of draws, he/she must use separate slips. A bettor must make an entry in SELECT TIME OF DRAW section even if his/her play is for one draw only.
2. Only official bet slips issued by the Lottery and hand marked by the bettor(s) may be used to place bets. The use of mechanical, electronic, computer generated or any other method of marking betting slips is prohibited.
  3. Bet slips shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.
- (b) A bet may be canceled on the day it is placed prior to the close of betting for the selection of the winning number on the draw of the bet by using the cancellation procedure at the betting terminal. Bettors shall be entitled to a full refund of their bet upon cancellation and in no event shall a canceled ticket be entitled to a prize.
  - (c) Bets may be placed with any Lottery Numbers Game agent operating a terminal or at any Lottery operated facility accepting Numbers Game bets.
  - (d) Bets may be placed at any time during the day at such time or times as will be determined by the Director, but all bets must be placed and accepted by the Lottery computer prior to the close of betting for the selection of the winning number on the draw(s) for the bet or bets. In the event that a bet is placed subsequent to the drawing of the winning number, that bet shall be void and the Lottery's liability shall be limited to a refund of the amount of the bet.
  - (e) The bet as represented by the ticket produced by the computer terminal is the only bet on which a prize may be claimed. Bettors are cautioned to examine their bet ticket at the time it is issued prior to the appropriate number selection in order to ensure that the ticket accurately represents the correct number selection, bet selection, effective day or days, the correct drawing time(s) and purchase price.
  - (f) In the event that the sales agent or the computer terminal errs when the bet is placed, it shall be the responsibility of the bettor to determine that an error has been made and to request cancellation (provided betting for the draw has not closed) of the bet and the return of the purchase price. The Lottery shall not be liable for the payment of a prize because of sales agent or computer terminal error when the bet is placed.

961 CMR: STATE LOTTERY COMMISSION

2.52: continued

(g) The Lottery shall not be liable for the payment of a prize in the event that the bet is canceled intentionally or through inadvertence of the sales agent.

(h) It shall be the responsibility of the person who collects the prize to make certain that he/she is receiving the correct sum of prize money. The Lottery shall not be liable for any underpayment except that the Director in his/her discretion may direct that an additional prize payment be made in order to correct an obvious mistake.

(3) Betting Tickets.

(a) The betting ticket is a bearer instrument unless signed by owner and prize may be claimed by anyone in possession of unsigned winning ticket.

(b) Sales Agents may pay claims up to and including the sum of \$600.00. Any claim of more than \$600.00 shall be made on a claim form supplied by the Lottery at all sales agent locations. The procedure to be followed for claims in excess of \$600 and 961 CMR 2.00 governing each procedure shall be pursuant to 961 CMR 2.38.

(4) Lost, Mislaid or Stolen Numbers Game Tickets. The Lottery Commission may pay a prize to the holder of a Numbers Game ticket and the payment of such prize shall absolve the Commission of any further liability with respect to such ticket. In determining whether a prize has been paid on a Numbers Game Ticket, the Commission may rely solely upon its computer records in determining whether or not a particular prize has been paid and the status as determined by the Lottery's computer shall be binding on the holder. In the event of a lost, stolen or mislaid ticket, the Director may order an investigation, and if he/she is satisfied that the claimant in fact is the owner of the lost, stolen or mislaid ticket and it has not otherwise been paid, he/she may in his/her discretion pay the prize to the claimant thereof. All payments of prizes on lost, stolen or mislaid tickets shall not be made for a period of 90 days in the case of a prize of \$200.00 or less and shall not be made for one year if the prize exceeds \$200.00 unless the Director in his/her discretion shall decide otherwise.

(5) Sales Agents. Sales Agents are required to pay to the Lottery all sums due on the date established for payment. Failure to make payment when due or upon notice from the custodial bank that funds are not available will result in the immediate shut down of that Sales Agent's terminal and the Sales Agent's license to sell the Numbers Game and/or any other Lottery game shall be subject to revocation, suspension or non-renewal pursuant to the provisions of 961 CMR 2.13.

(6) Payoffs. Prizes will be paid on a parimutuel basis in such amounts and in accordance with such formulae as may be established by the Director by Administrative Bulletin. The Director may by Administrative Bulletin establish minimum prizes, rules for rounding payments to the nearest dollar or otherwise, rules for subtracting overpayments from a pool from subsequent pools and adding underpayments from a pool to subsequent pools, and such other matters as may be necessary or desirable for the proper operation of the game.

(7) Multiplier Feature. The Massachusetts State Lottery Commission may offer a multiplier feature, which may be known by an associated trade name, for the Numbers Game. This is a feature by which a bettor, for an additional wager, may increase the pari-mutuel prize amount by a factor depending upon a multiplier number that is drawn prior to the Numbers drawing. Rules regarding the multiplier feature shall be set by the Director in an Administrative Bulletin governing the game.

(8) All other provisions of 961 CMR 2.00 shall, if applicable, apply to the On-line Numbers Game System.

2.53: On-line Semi-weekly Number Selection Game -- MEGABUCKS DOUBLER

As of April 30, 2008, MEGABUCKS shall be known as the trade name MEGABUCKS DOUBLER.

(1) Valid Bet. Except as otherwise provided in 961 CMR 2.53(1), a valid bet on MEGABUCKS DOUBLER using the On-Line System shall be a bet which is:

2.53: continued

- (a) Placed with and accepted by a Sales Agent licensed to sell MEGABUCKS DOUBLER or by a Lottery facility specifically designated for the purpose.
- (b) Paid for in full at the time and place the bet is placed.
- (c) Recorded correctly on a computer generated ticket in accordance with 961 CMR 2.53.
- (d) Represented by a ticket generated by a Lottery computer terminal. The ticket must contain the following information:
  - 1. The numbers selected
  - 2. The number of draws played
  - 3. The date(s) of the drawing for which the bet is eligible
  - 4. The amount wagered
  - 5. A terminal identification number
  - 6. An 18-digit ticket serial number
  - 7. A machine readable (Bar Code) ticket serial number.
  - 8. A verifiable numeric representation of the information contained on the ticket consistent with the information contained in the Lottery's computer records.
- (e) Accepted by the Lottery Computer prior to the drawing of the winning numbers on the drawing date shown on the ticket.
- (f) In the event of a contradiction between information as printed on the ticket and as accepted by the Lottery Computer, the bet accepted by the Lottery Computer shall be the valid bet.

(2) Placing Bets:

- (a) Bets may be placed by the bettor orally instructing the Lottery agent of his/her number selections or requesting a "quic pic" and the sales agent then registering the bet via the terminal keyboard or by preparing a betting slip which is then entered into the terminal. Betting slips shall be prepared as follows:
  - 1. Pick six numbers by marking a "|" in each of the six boxes containing the numbers selected by the bettor. "|" marks must remain inside each box. Bettor must use either pencil or blue ballpoint pen.
  - 2. Only official bet slips issued by the Lottery and hand marked by the bettor(s) may be used to place bets. The use of mechanical, electronic, computer generated or any other method of marking betting slips is prohibited.
  - 3. Bet slips shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.
- (b) The terminal must generate a ticket as described in 961 CMR 2.53(1)(d) which is given to the bettor as his/her receipt.
- (c) Bets cannot be canceled by the sales agent. Sales agents shall be liable for the price of all MEGABUCKS DOUBLER tickets sold and accepted by the Lottery Computer as a valid bet. A bettor's refusal to pay for such a bet shall not relieve the sales agent from responsibility for payment of the price of that bet; except, at the sole discretion of the Director, sales agents may subsequently be given credit for bets so placed and not paid for by the bettor.
- (d) Bets may be placed with any Sales Agent operating a terminal or at any Lottery operated facility accepting MEGABUCKS DOUBLER bets.
- (e) Bets may be placed at any time during the day at such time or times as determined by the Director, but all bets must be placed and accepted by the Lottery computer prior to the drawing of the winning numbers on the drawing date shown on the ticket.
- (f) The bet as represented by the ticket produced by the computer terminal is the only bet on which a prize may be claimed. Bettors are cautioned to examine their bet ticket at the time it is issued and prior to the drawing of the winning numbers in order to ensure that the ticket accurately represents the correct number selections, date of bet, amount wagered and date of drawing.
- (g) In the event that the sales agent or computer terminal errs when the bet is placed, it shall be the responsibility of the bettor to determine that an error has been made and to request a new ticket be issued by the sales agent (provided betting for the day has not closed) or return of the purchase price.
- (h) It shall be the responsibility of the person who collects the prize to make certain that he/she is receiving the correct sum of prize money. The Lottery shall not be liable for any underpayment except that the Director in his/her discretion may direct that an additional prize payment is made in order to correct an obvious mistake.

2.53: continued

(i) The Lottery may cancel a season ticket or multiple drawing ticket which has been purchased at a Lottery office or via an authorized telephone order in the event the check presented or credit card used for payment has insufficient funds for the purchase. Canceled tickets shall not be eligible to win a prize.

(3) Betting Tickets.

(a) The betting ticket is a bearer instrument unless signed by the owner and prize may be claimed by anyone in possession of unsigned winning ticket.

(b) Sales Agents may pay claims up to and including the sum of \$600.00. Any claim of more than \$600.00 shall be made on a claim form supplied by the Lottery at all Sales Agent locations. The procedure to be followed for claims in excess of \$600.00 and 961 CMR 2.00 governing each procedure shall be pursuant to 961 CMR 2.38.

(c) No more than one prize shall be paid on each winning ticket.

(4) Lost, Mislaid or Stolen MEGABUCKS DOUBLER Game Ticket. The Lottery Commission may pay a prize to the holder of a MEGABUCKS DOUBLER Game Ticket and the payment of such prize shall absolve the Commission of any further liability with respect to such ticket. In determining whether a prize has been paid on a MEGABUCKS DOUBLER game ticket, the Commission may rely solely upon its computer records in determining whether or not a particular prize has been paid and the status as determined by the Lottery's computer shall be binding on the holder. In the event of a lost, stolen or mislaid ticket, the Director may order an investigation, and if he/she is satisfied that the claimant in fact is the owner of the lost, stolen or mislaid ticket and it has not otherwise been paid, he/she may in his/her discretion pay the prize to the claimant thereof. All payments of prizes on lost, stolen or mislaid tickets shall not be made for a period of 90 days in the case of a prize of \$200.00 or less and shall not be made for one year if the prize exceeds \$200.00 unless the Director in his/her discretion shall decide otherwise.

(5) Sales Agents. Sales Agents are required to pay to the Lottery all sums due on the date established for payment. Failure to make payment when due or upon notice from the custodial bank that funds are not available will result in the immediate shut down of the sales agent's terminal and the sales agent's license to sell the MEGABUCKS DOUBLER Game and/or any other Lottery game shall be subject to revocation, suspension or non-renewal pursuant to the provisions of 961 CMR 2.13.

(6) Prizes. All prize amounts shall be set by the Director by Administrative Bulletin. The Administrative Bulletin shall detail the total field of numbers to choose from, establish rules for rounding payments to the nearest dollar or otherwise, establish rules for subtracting overpayments from a pool from subsequent pools, and other such matters as may be necessary or desirable for the proper operation of the game.

(a) The minimum annuitized jackpot prize shall be \$500,000 payable in 20 equal payments over a period of 20 years (\$25,000 per year for 20 years) if the prize is \$500,000 and won by one ticket holder. The minimum Cash Option jackpot prize will be further set forth in the Administrative Bulletin.

(b) In the event that the jackpot prize is won by more than one ticket holder, said jackpot prize shall be divided equally among all of the jackpot winning ticket holders.

(c) In no event will the winner of a jackpot prize receive less than a winner of the second tier prize.

(d) All jackpot prize winners have 60 days beginning the day after the winning numbers were drawn to select a payment option. An Annuity Option means winners can choose equal annual payments over a 20 year period. A Cash Option means winners can choose a one-time cash payment which will be the amount allocated for the jackpot prize divided by the number of winning jackpot tickets. If a winner fails to claim the jackpot and select a payment option within the 60 day period, the prize will automatically be paid as an annuity.

((7) Payoffs. Reserved)

(8) Liability. The liability, whether by negligence or otherwise, of the Lottery and its licensed Sales Agents for invalid bets is limited to a refund of the amount wagered.

2.53: continued

(9) Season Tickets.

- (a) Season Tickets may be sold by the Massachusetts State Lottery Commission and by licensed Sales Agents operating on-line terminals and off-line by Season Ticket application.
- (b) Season Tickets will be sold in the following manner:
  - 1. Plan "A" - 52 consecutive drawings sold for the price of \$50.00.
  - 2. Plan "B" - 104 consecutive drawings sold for the price of \$100.00.
  - 3. Plan "C" - 26 consecutive drawings sold for the price of \$25.00.
- (c) The Director reserves the right to adjust both price and number of drawings as defined in 961 CMR 2.53(9)(b).
- (d) Season Tickets become effective and eligible to win a prize starting with the effective date printed on the ticket. Season Tickets are not effective on the date of purchase.
- (e) Based upon the Plan selected as defined in 961 CMR 2.53(9)(b), Season Tickets, unless renewed, automatically expire at the end of 52, 104 or 26 drawings. If, upon renewal, the customer requests a change in any or all of the six numbers to be played, his/her renewal application shall be treated as a new ticket rather than a renewal and the effective date of said new ticket will be the expiration date of the previous ticket. Renewal applications received after the time period specified upon the renewal form may be assigned a new effective date.
- (f) Purchasers of Season Tickets shall select the six numbers he/she wishes to appear on the Season Ticket. Said purchasers are cautioned to examine his/her ticket upon purchase and prior to its effective date to assure the numbers printed represent the numbers desired. The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.
- (g) Purchasers of Season Tickets may elect to use the "quic pic" feature for the selection of his/her six numbers. The six numbers will be randomly selected by the Lottery Computer and printed on the Season Ticket. (The Lottery will only be liable for the payment of a prize based upon the numbers as they appear of the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.)
- (h) In the event the Lottery receives a Season Ticket application with less than six numbers selected by the applicant, the Lottery may randomly select all or any of those omitted numbers to assure each application contains six numbers.
- (i) In the event the Lottery receives a Season Ticket application with seven or more numbers selected, the Lottery may randomly delete one or more of the numbers selected in order to obtain a valid six number ticket.
- (j) The owner of a Season Ticket purchased through the On-line System must register his/her name with the Lottery on a form provided with the purchase of the ticket if prizes are to be paid automatically and renewal information to be sent.
- (k) When more than one name appears on the application or registration form, the Lottery may select the first name listed and designate him/her as agent for collection. In the event the ticket wins a prize, it will be the responsibility of the recorded agent to make known to the Lottery, Internal Revenue Service, and the Department of Revenue, the name, social security number and proportionate share of each of the winners.
- (l) A MEGABUCKS DOUBLER Season Ticket purchased through an off-line application is not effective until it is registered on the Lottery's computer and a Season Ticket issued to the applicant regardless of whether or not payment for such ticket has been accepted by the Commission prior to such registration or otherwise.
- (m) The Director may change the field of numbers from which winning numbers will be selected to a number greater or less than the field available at the time the Season Ticket is purchased. In the event the field is enlarged, a Season Ticket holder may request in writing at least four weeks before the effective date of such change that his/her number selection be changed; provided, however, this option shall be limited to changing one or more numbers from the field of numbers in existence at the time the ticket was purchased to one or more of the numbers added to that field. In the event the field is decreased and one or more of the numbers selected at the time the tickets was purchased is eliminated from the field of available numbers, the holder may request, in writing, that the numbers so eliminated be replaced by one or more numbers from the field of numbers remaining after said decrease. In the event the holder fails to exercise this option at least four weeks prior to the effective date of such change, the Lottery may randomly select new numbers on the holders behalf in accordance with the limitations contained in 961 CMR 2.53(9)(m).



961 CMR: STATE LOTTERY COMMISSION

2.53: continued

(n) In the event the Commission cancels the operation of MEGABUCKS DOUBLER, the amount paid for drawings so canceled shall be refunded to the registered holder and said refund shall constitute the Commission's sole obligation to the holders of MEGABUCKS DOUBLER Season Tickets in the event of said cancellation.

(o) All other provisions of 961 CMR shall, if applicable, apply to the Season Ticket MEGABUCKS DOUBLER.

(10) Multiplier Feature. The Massachusetts State Lottery Commission may offer a multiplier feature, which may be known by an associated trade name, for the MEGABUCKS DOUBLER Game. This is a feature by which a bettor, for an additional wager, may increase the prize amount for non-jackpot prize levels by a factor depending upon a multiplier number that is drawn prior to the MEGABUCKS DOUBLER drawing. Rules regarding the multiplier feature shall be set by the Director in an Administrative Bulletin governing the game.

(11) Miscellaneous. All other provisions of 961 CMR shall, if applicable, apply to the On-line Semi-weekly Number Selection Game -- MEGABUCKS DOUBLER.

2.54: On-line Semi-weekly Number Selection Game -- MASS MILLIONS

(1) Valid Bet. Except as otherwise provided in 961 CMR 2.54(1), a valid bet on MASS MILLIONS using the On-line System shall be a bet which is:

(a) Placed with and accepted by a Sales Agent licensed to sell MASS MILLIONS or by a Lottery facility specifically designated for the purpose.

(b) Paid for in full at the time and place the bet is placed.

(c) Recorded correctly on a computer generated ticket in accordance with these rules.

(d) Represented by a ticket generated by a Lottery computer terminal. The ticket must contain the following information:

1. The numbers selected

2. The number of draws played

3. The date(s) of the drawing for which the bet is eligible

4. The amount wagered

5. A terminal identification number

6. An 18-digit ticket serial number

7. A machine readable (Bar Code) ticket serial number.

8. A verifiable numeric representation of the information contained on the ticket consistent with the information contained in the Lottery's computer records.

(e) Accepted by the Lottery Computer prior to the drawing of the winning numbers on the drawing date shown on the ticket.

(f) In the event of a contradiction between information as printed on the ticket and as accepted by the Lottery Computer, the bet accepted by the Lottery Computer shall be the valid bet.

(2) Placing Bets.

(a) Bets may be placed by the bettor orally instructing the Sales Agent of his/her number selections or requesting a "quic pic" and the Sales Agent then registering the bet via the terminal keyboard or by preparing a betting slip which is then entered into the terminal. Betting slips shall be prepared as follows:

1. Pick six numbers by marking a "|" in each of the six boxes containing the numbers selected by the bettor. "|" marks must remain inside each box. Bettor must use either pencil or blue ballpoint pen.

2. Only official bet slips issued by the Lottery and hand marked by the bettor(s) may be used to place bets. The use of mechanical, electronic, computer generated or any other method of marking betting slips is prohibited.

3. Bet slips shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.

(b) The terminal must generate a ticket as described in 961 CMR 2.54(1)(d) which is given to the bettor as his/her receipt.

(c) Bets cannot be canceled by the sales agent. Sales agents shall be liable for the price of all MASS MILLIONS tickets sold and accepted by the Lottery Computer as a valid bet. A bettor's refusal to pay for such a bet shall not relieve the sales agent from responsibility for payment of the price of that bet; except, at the sole discretion of the Director, sales agents may subsequently be given credit for bets so placed and not paid for by the bettor.

961 CMR: STATE LOTTERY COMMISSION

2.54: continued

- (d) Bets may be placed with any Sales Agent operating a terminal or at any Lottery operated facility accepting MASS MILLIONS bets.
- (e) Bets may be placed at any time during the day at such time or times as determined by the Director, but all bets must be placed and accepted by the Lottery computer prior to the drawing of the winning numbers on the drawing date shown on the ticket.

2.54: continued

(f) The bet as represented by the ticket produced by the computer terminal is the only bet on which a prize may be claimed. Bettors are cautioned to examine their bet ticket at the time it is issued and prior to the drawing of the winning numbers in order to ensure that the ticket accurately represents the correct number selections, date of bet, amount wagered and date of drawing.

(g) In the event that the sales agent or computer terminal errs when the bet is placed, it shall be the responsibility of the bettor to determine that an error has been made and to request a new ticket be issued by the sales agent (provided betting for that day has not closed) or return of the purchase price.

(h) It shall be the responsibility of the person who collects the prize to make certain that he/she is receiving the correct sum of prize money. The Lottery shall not be liable for any underpayment except that the Director in his/her discretion may direct that an additional prize payment is made in order to correct an obvious mistake.

(i) The Lottery may cancel a season ticket or multiple drawing ticket which has been purchased at a Lottery office or via an authorized telephone order in the event the check presented or credit card used for payment has insufficient funds for the purchase. Canceled tickets shall not be eligible to win a prize.

(3) Betting Tickets.

(a) The betting ticket is a bearer instrument unless signed by the owner, and the prize may be claimed by anyone in possession of unsigned winning ticket.

(b) Sales Agents may pay claims up to the sum of \$600.00. Any claim of \$600.00 or more shall be made on a claim form supplied by the Lottery at all Sales Agent locations. The procedure to be followed for claims in excess of \$600.00 and 961 CMR 2.00 governing each procedure shall be pursuant to 961 CMR 2.38.

(c) No more than one prize shall be paid on each winning number selection.

(4) Lost, Mislaid Or Stolen MASS MILLIONS Game Ticket. The Lottery Commission may pay a prize to the holder of a MASS MILLIONS Game Ticket and the payment of such prize shall absolve the Commission of any further liability with respect to such ticket. In determining whether a prize has been paid on a MASS MILLIONS game ticket, the Commission may rely solely upon its computer records in determining whether or not a particular prize has been paid and the status as determined by the Lottery's computer shall be binding on the holder. In the event of a lost, stolen or mislaid ticket, the Director may order an investigation, and if he/she is satisfied that the claimant in fact is the owner of the lost, stolen or mislaid ticket and it has not otherwise been paid, he/she may in his/her discretion pay the prize to the claimant thereof. All payments of prizes on lost, stolen or mislaid tickets shall not be made for a period of 90 days in the case of a prize of \$200.00 or less and shall not be made for one year if the prize exceeds \$200.00 unless the Director in his/her discretion shall decide otherwise.

(5) Sales Agents. Sales Agents are required to pay to the Lottery all sums due on the date established for payment. Failure to make payment when due or upon notice from the custodial bank that funds are not available will result in the immediate shut down of the sales agent's terminal and the sales agent's license to sell the MASS MILLIONS Game and/or any other Lottery game shall be subject to revocation, suspension or non-renewal pursuant to the provisions of 961 CMR 2.13.

(6) Prizes. All prize amounts shall be set by the Director by Administrative Bulletin. The Administrative Bulletin shall detail the total field of numbers to choose from, establish rules for rounding payments to the nearest dollar or otherwise, establish rules for subtracting overpayments from a pool from subsequent pools, and other such matters as may be necessary or desirable for the proper operation of the game.

(a) The minimum jackpot prize shall be \$1,000,000 payable in 20 equal payments over a period of 20 years (\$50,000 per year for 20 years if the prize is \$1,000,000 and won by one ticket holder).

(b) In the event that the jackpot prize is won by more than one ticket holder, said jackpot shall be divided equally among all of the jackpot prize winning ticket holders and each ticket holder shall receive 1/20 of the amount of his/her prize for 20 years.

(c) In no event will the winner of a jackpot prize receive less than a winner of the second tier prize.

2.54: continued

(d) All jackpot prizes shall be paid over a period of 20 years unless the Director in his/her discretion deems otherwise.

((7) Payoffs. Reserved)

(8) Liability. The liability, whether by negligence or otherwise, of the Lottery and its licensed Sales Agents for invalid bets is limited to a refund of the amount wagered.

(9) Season Tickets

(a) Season Tickets may be sold by the Massachusetts State Lottery Commission and by licensed Sales Agents operating on-line terminals.

(b) Season Tickets will be sold in the following manner:

1. Plan "A" - 52 consecutive drawings for the price of \$50.00
2. Plan "B" - 104 consecutive drawings for the price of \$100.00
3. Plan "C" - 26 consecutive drawings for the price of \$25.00

(c) The Director reserves the right to adjust both price and number of drawings as defined in 961 CMR 2.54(9)(b).

(d) Season Tickets become effective and eligible to win a prize starting with the effective date printed on the ticket. Season Tickets are not effective on the date of purchase.

(e) Based upon the Plan selected as defined in 961 CMR 2.54(9)(b), Season Tickets, unless renewed, automatically expire at the end of 52, 104 or 26 drawings. However, those Season Tickets that have matched three out of six winning numbers not including the bonus ball on one or more drawing occasions after the effective date and before the expiration date thereby entitling the holder to a free bet, will automatically be extended by the number of times that ticket matched three out of six winning numbers. Any ticket which matched three out of six winning numbers during the extension period will be further extended by one drawing for each such match. Any renewal ticket shall be effective only upon the expiration of all the extensions provided for in 961 CMR 2.00. If, upon renewal, the customer requests a change in any or all of the six numbers to be played, his/her renewal application shall be treated as a new ticket rather than a renewal and the effective date of said new ticket will be the expiration date of the previous ticket plus extensions without regard to further extensions won during the initial extension period. Renewal applications received after the time period specified upon the renewal form may be assigned a new effective date.

(f) Purchasers of Season Tickets shall select the six numbers he/she wishes to appear on the Season Ticket. Said purchasers are cautioned to examine his/her ticket upon purchase and prior to its effective date to assure the numbers printed represent the numbers desired. (The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.)

(g) Purchasers of Season Tickets may elect to use the "quic pic" feature for the selection of his/her six numbers. The six numbers will be randomly selected by the Lottery Computer and printed on the Season Ticket. (The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.)

(h) In the event the Lottery receives a renewal subscription form with less than six numbers selected by the applicant, the Lottery may randomly select all or any of those omitted numbers to assure each application contains six numbers.

(i) In the event the Lottery receives a renewal subscription form with seven or more numbers selected, the Lottery may randomly delete one or more of the numbers selected in order to obtain a valid six number ticket.

(j) The owner of a Season Ticket purchased through the On-Line System must register his/her name with the Lottery on a form provided with the purchase of the ticket if prizes are to be paid automatically and renewal information to be sent.

(k) When more than one name appears on the application or registration form, the Lottery may select the first name listed and designate him/her as agent for collection. In the event the ticket wins a prize, it will be the responsibility of the recorded agent to make known to the Lottery, Internal Revenue Service, and the Department of Revenue, the name, social security number and proportionate share of each of the winners.

2.54: continued

(l) A MASS MILLIONS Season Ticket purchased through an off-line application is not effective until it is registered on the Lottery's computer and a Season Ticket issued to the applicant regardless of whether or not payment for such ticket has been accepted by the Commission prior to such registration or otherwise.

(m) The Director may from time to time change the field of numbers from which winning numbers will be selected to a number greater or less than the field available at the time the Season Ticket is purchased. In the event the field is enlarged, a Season Ticket holder may request in writing at least four weeks before the effective date of such change that his/her number selection be changed; provided, however, this option shall be limited to changing one or more numbers from the field of numbers in existence at the time the ticket was purchased to one or more of the numbers added to that field. In the event the field is decreased and one or more of the numbers selected at the time the ticket was purchased is eliminated from the field of available numbers, the holder may request, in writing, that the numbers so eliminated be replaced by one or more numbers from the field of numbers remaining after said decrease. In the event the holder fails to exercise this option at least four weeks prior to the effective date of such change, the Lottery may randomly select new numbers on the holders behalf in accordance with the limitations contained herein.

(n) In the event the Commission cancels the operation of MASS MILLIONS, the amount paid for drawings so canceled shall be refunded to the registered holder and said refund shall constitute the Commission's sole obligation to the holders of MASS MILLIONS season Tickets in the event of said cancellation.

(o) All other provisions of the 961 CMR shall, if applicable, apply to the Season Ticket -- MASS MILLIONS.

(10) Termination. MASS MILLIONS will terminate as an active On-Line Semi-Weekly Number Selection Game as of September 9, 2004. All of the provisions of 961 CMR 2.54 shall remain in effect for year from the time of the last drawing.

(11) Miscellaneous. All other provisions of Lottery Rules and Regulations (961 CMR) shall, if applicable, apply to the On-Line Semi-Weekly Number Selection Game -- MASS MILLIONS.

2.55: On-Line Semi-Weekly Number Selection Game -- MASS CASH

(1) Valid Bet. Except as otherwise provided herein, a valid bet on MASS CASH using the On-Line System shall be a bet which is:

(a) Placed with and accepted by a Sales Agent licensed to sell MASS CASH or by a Lottery Facility specifically designated for the purpose.

(b) Paid for in full at the time and place the bet is placed.

(c) Recorded correctly on a computer generated ticket in accordance with these rules.

(d) Represented by a ticket generated by a Lottery computer terminal. The ticket must contain the following information:

1. The numbers selected;
2. The number of draws played;
3. The date(s) of the drawing for which the bet is eligible;
4. The amount wagered;
5. A terminal identification number;
6. An 18-digit ticket serial number;
7. A machine readable (Bar Code) ticket serial number; and
8. A verifiable numeric representation of the information contained on the ticket consistent with the information contained in the Lottery's computer records.

(e) Accepted by the Lottery Computer prior to the drawing of the winning numbers on the drawing date shown on the ticket.

(f) In the event of a contradiction between information as printed on the ticket and as accepted by the Lottery Computer, the bet accepted by the Lottery Computer shall be the valid bet.

(2) Placing Bets.

(a) Bets may be placed by the bettor orally instructing the Lottery sales agent of his/her number selections or requesting a "quic pic" and the sales agent then registering the bet via the terminal keyboard, or by preparing a betting slip which is then entered into the terminal. Betting slips shall be prepared as follows:

2.55: continued

1. Pick five numbers by marking an "|" in each of the five boxes containing the numbers selected by the bettor. "|" marks must remain inside each box. Bettor must use either pencil or blue ballpoint pen.
  2. Only official bet slips issued by the Lottery and hand marked by the bettor(s) may be used to place bets. The use of mechanical, electronic, computer generated or any other method of marking betting slips is prohibited.
  3. Bet slips shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.
- (b) The terminal must generate a ticket as described in 961 CMR 2.55(1)(d) which is given to the bettor as his/her receipt.
  - (c) Bets cannot be canceled by the sales agent. Sales agents shall be liable for the price of all MASS CASH tickets sold and accepted by the Lottery computer as a valid bet. A bettor's refusal to pay for such a bet shall not relieve the sales agent from responsibility for payment of the price of that bet; except, at the sole discretion of the Director, sales agents may subsequently be given credit for bets so placed and not paid for by the bettor.
  - (d) Bets may be placed with any Sales Agent operating a terminal or at any Lottery operated facility accepting MASS CASH bets.
  - (e) Bets may be placed at any time during the day at such time or times as determined by the Director, but all bets must be placed and accepted by the Lottery computer prior to the drawing of the winning numbers on the drawing date shown on the ticket.
  - (f) The bet as represented by the ticket produced by the computer terminal is the only bet on which a prize may be claimed. Bettors are cautioned to examine their bet ticket at the time it is issued and prior to the drawing of the winning numbers in order to ensure that the ticket accurately represents the correct number selections, date of bet, amount wagered, and date of drawing.
  - (g) In the event that the Sales Agent or computer terminal errs when the bet is placed, it shall be the responsibility of the bettor to determine that an error has been made and to request a new ticket be issued by the Sales Agent (provided betting for that day has not closed) or return of the purchase price.
  - (h) It shall be the responsibility of the person who collects the prize to make certain that he/she is receiving the correct sum of prize money. The Lottery shall not be liable for any underpayment except that the Director in his/her discretion may direct that an additional prize payment is made in order to correct an obvious mistake.
  - (i) The Lottery may cancel a season ticket or multiple drawing ticket which has been purchased at a Lottery office or via an authorized telephone order in the event the check presented or credit card used for payment has insufficient funds for the purchased. Canceled tickets shall not be eligible to win a prize.
- (3) Betting Tickets.
- (a) The betting ticket is a bearer instrument unless signed by the owner and the prize may be claimed by anyone in possession of an unsigned winning ticket.
  - (b) Sales Agents may pay claims up to and including the sum of \$600.00. Any claim of more than \$600.00 shall be made on a claim form supplied by the Lottery at all Sales Agent locations. The procedure to be followed for claims in excess of \$600.00 and the rules and regulations governing each procedure shall be pursuant to 961 CMR 2.38
  - (c) No more than one prize shall be paid on each bet placed.
- (4) Lost, Mislaid or Stolen MASS CASH Game Ticket. The Lottery Commission may pay a prize to the holder of a MASS CASH game ticket and the payment of such prize shall absolve the Commission of any further liability with respect to such ticket. In determining whether a prize has been paid on a MASS CASH game ticket, the Commission may rely solely upon its computer records in determining whether or not a particular prize has been paid and the status as determined by the Lottery's computer shall be binding on the holder. In the event of a lost, stolen, or mislaid ticket, the Director may order an investigation, and if he/she is satisfied that the claimant in fact is the owner of the lost, stolen, or mislaid ticket and it has not otherwise been paid, he/she may in his/her discretion pay the prize to the claimant thereof. All payments of prizes on lost, stolen, or mislaid tickets shall not be made for a period of 90 days in the case of a prize of \$200.00 or less and shall not be made for one year if the prize exceeds \$200.00 unless the Director in his/her discretion shall decide otherwise.

2.55: continued

(5) Sales Agents. Sales Agents are required to pay to the Lottery all sums due on the date established for payment. Failure to make payment when due or upon notice from the custodial bank that funds are not available will result in the immediate shut down of the Sales Agent's terminal and the Sales Agent's license to sell the MASS CASH Game and/or any other Lottery game shall be subject to revocation, suspension or non-renewal pursuant to the provisions of 961 CMR 2.13.

(6) Prizes. All prize amounts shall be set by the Director by Administrative Bulletin. The Administrative Bulletin shall detail the total field of numbers to choose from, establish rules for rounding payments to the nearest dollar or otherwise, establish rules for subtracting overpayments from a pool from subsequent pools, and other such matters as may be necessary or desirable for the proper operation of the game.

All prizes will be paid in full (less required tax withholdings) at the time the claim is made and properly validated.

((7) Payoffs. Reserved)

(8) Liability. The liability, whether by negligence or otherwise, of the Lottery and its licensed Sales Agents for invalid bets is limited to a refund of the amount wagered.

(9) Season Tickets.

(a) Season tickets may be sold by the Massachusetts State Lottery Commission and by licensed Sales Agents operating on-line terminals.

(b) Season Tickets will be sold in the following manner:

1. Plan "A" - 78 consecutive drawings for the price of \$75.00.
2. Plan "B" - 156 consecutive drawings for the price of \$150.00.
3. Plan "C" - 39 consecutive drawings for the price of \$38.00.

(c) The Director reserves the right to adjust both the price and number of drawings as defined in 961 CMR 2.55(9)(b).

(d) Season Tickets become effective and eligible to win a prize starting with the effective date printed on the ticket. Season Tickets may not be effective on the date of purchase.

(e) Based upon the Plan selected as defined in 961 CMR 2.55(9)(b), Season Tickets, unless renewed, automatically expire at the end of 52, 104 or 26 drawings. If upon renewal, the customer requests a change in any or all of the five numbers to be played, his/her renewal application shall be treated as a new ticket rather than a renewal and the effective date of said new ticket will be the date printed on the new ticket. Renewal applications received after the time period specified upon the renewal form may be assigned a new effective date.

(f) Purchasers of Season Tickets shall select the five numbers he/she wishes to appear on the Season Ticket. Said purchasers are cautioned to examine his/her ticket upon purchase and prior to its effective date to assure the numbers printed represent the numbers desired. The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.

(g) Purchasers of Season Tickets may elect to use the "quic pic" feature for the selection of his/her five numbers. The five numbers will be randomly selected by the Lottery Computer and printed on the Season Ticket. The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.

(h) In the event the Lottery receives a subscription application form with less than five numbers selected by the applicant, the Lottery may randomly select all or any of those omitted numbers to assure each application contains five numbers.

(i) In the event the Lottery receives a subscription application form with six or more numbers selected, the Lottery may randomly delete one or more of the numbers selected in order to obtain a valid five number ticket.

(j) The owner of a Season Ticket purchased through the On-line System must register his/her name with the Lottery on a form provided with the purchase of the ticket if prizes are to be paid automatically and renewal information to be sent.

2.55: continued

(k) When more than one name appears on the application or registration form, the Lottery may select the first name listed and designate him/her as agent for collection. In the event the ticket wins a prize, it will be the responsibility of the recorded agent to make known to the Lottery, Internal Revenue Service, and the Department of Revenue, the name, social security number and proportionate share of each of the winners.

(l) A MASS CASH Season Ticket purchased through an off-line application is not effective until it is registered on the Lottery's computer and a Season Ticket issued to the applicant regardless of whether or not payment for such ticket has been accepted by the Commission prior to such registration or otherwise.

(m) The Director may change the field of numbers from which winning numbers will be selected to a number greater or less than the field available at the time the Season Ticket is purchased. In the event the field is enlarged, a Season Ticket holder may request in writing at least four weeks before the effective date of such change that his/her number selection be changed; provided however, this option shall be limited to changing one or more numbers from the field of numbers in existence at the time the ticket was purchased to one or more of the numbers added to that field. In the event the field is decreased and one or more of the numbers selected at the time the ticket was purchased is eliminated from the field of available numbers, the holder may request, in writing, that the numbers so eliminated be replaced by one or more numbers from the field of numbers remaining after said decrease. In the event the holder fails to exercise this option at least four weeks prior to the effective date of such change, the Lottery may randomly select new numbers on the holders behalf in accordance with the limitations contained in 961 CMR 2.55(9)(m).

(n) In the event the Commission cancels the operation of MASS CASH, the amount paid for drawings so canceled shall be refunded to the registered holder and said refund shall constitute the Commission's sole obligation to the holder of MASS CASH Season Tickets.

(o) All other provisions of 961 CMR shall, if applicable, apply to the Season Ticket--MASS CASH.

(10) Multiplier Feature. The Massachusetts State Lottery Commission may offer a multiplier feature, which may be known by an associated trade name, for the Mass Cash Game. This is a feature by which a bettor, for an additional wager, may increase the prize amount for all prize levels by a factor depending upon a multiplier number that is drawn prior to the Mass Cash drawing. Rules regarding the multiplier feature shall be set by the Director in an Administrative Bulletin governing the game.

2.56: Pull Tab Tickets

(1) Definitions.

Deal. Each separate package, or series of packages, consisting of one game of pull tab tickets with the same serial number purchased from a distributor through the Lottery.



2.56: continued

Dispenser. A plastic cube or container from which pull tab tickets are sold.

Distributor. A person, company or organization authorized by the Lottery to sell pull tab tickets, containers, dispensers, or trinkets to licensed pull tab ticket sales agents.

Flare. A display card posted in the premises of a pull tab ticket sales agent that provides the prize structure of a particular game of pull tab tickets being sold at that time.

Lottery. Massachusetts State Lottery Commission.

Pull Tab Ticket means a single fold or banded ticket with a face covered to conceal one or more numbers or symbols.

Vending Machine. A coin or paper bill operated mechanism by which pull tab tickets may be sold.

(2) Game Rules.

(a) An organization desiring to obtain a license to sell Pull Tab tickets must make application to the Lottery on the form provided by Lottery, and be authorized by the Director to be licensed to sell Pull Tab tickets.

(b) Sales Agent must prominently display its license on the premises in a conspicuous location so that it can be observed by the players and/or patrons of the establishment.

(c) Flare cards listing all prize denominations of \$25.00 or more for each deal or game being sold at that time, must be displayed in the immediate vicinity of the game tickets where it can be clearly observed by the players.

(d) Sales agents shall not pay a prize until the ticket has been verified as a winning ticket.

(e) Sales agents must mark the flare card after each prize listed on said flare card is claimed.

(f) The flare must be marked by crossing out the prize claimed so that the mark is clearly visible to the players.

(g) Validation of Pull Tab Tickets. A pull tab ticket is not valid if it fails to meet any of the following requirements:

1. The ticket must have been issued by the Lottery or its approved distributor(s) in an authorized manner.

2. The ticket must not be altered, unreadable, reconstructed or tampered with in any manner.

3. The ticket must be complete and not blank, or partially blank, miscut, misregistered, defective or printed in error.

4. The ticket must have exactly the play symbols and captions specified in the specific game rules.

5. The ticket must pass all validation tests.

Invalid tickets are void and not eligible to win any prize.

(h) Under no circumstances may a prize payout be made for a lost or unredeemed ticket.

(i) The sales agent shall be responsible for the proper conduct of the games.

(j) The sales agent must maintain, on the premises, a copy of the distributor's invoice for each pull tab deal on the premises.

(k) All winning tickets must be claimed immediately at the place of sale. Any ticket that leaves the premises where sold may be deemed an invalid ticket.

(l) Sales agents shall not have on the licensed premises any pull tab tickets that have not been issued by the Lottery or its approved distributor(s).

(m) Sales agents are not required to sell an entire deal. Sales agents may pull a game at any time he/she desires after giving his/her customers a reasonable time to claim winning tickets.

(n) Sales agents are prohibited from commingling games. Sales agents must sell out or discontinue a game by removing the unsold tickets from the dispenser or vending machine prior to the introduction of a subsequent game.

(o) Prior to the sale, of a portion of or the entire deal, the pull tab tickets in the deal must be placed in the container and stirred thoroughly.

(p) Pull tab tickets can only be sold on the licensed premises.

(q) Winning pull tab tickets must be prominently marked, defaced or punched to invalidate it in an area on the face of the ticket other than that which determines it is a winner.

2.56: continued

- (r) Sales agents are responsible for the destruction and disposal of all unsold tickets that have been pulled from sale.
- (s) Pull tab tickets must be sold for the price on the face of the ticket.
- (t) The suspension or revocation of the sales agent's pouring or liquor license shall be grounds for the denial of a sales agent's pull tab license or suspension or revocation of a sales agent's pull tab license.
- (u) Pull tab tickets may only be sold from dispensers or vending machines that have been approved by the Lottery.
- (v) Promotional items, trinkets, displays, advertisements are subject to the approval of the Lottery.
- (w) All other provisions of the 961 CMR, if applicable, apply to the Pull Tab Tickets Games.

2.57: Gift Certificates

The Director is hereby authorized to issue Gift Certificates redeemable at all Lottery Offices and Licensed Sales Agents in accordance with 961 CMR 2.57(1) through (3).

- (1) Gift Certificates will be printed in denominations to be determined by the Director.
- (2) Gift Certificates shall have imprinted thereon a unique serial number and seal of the Commonwealth of Massachusetts.
- (3) Redemption of Gift Certificates
  - (a) Gift Certificates are bearer instruments and may be redeemed by the holder of the certificate.
  - (b) Gift Certificates must be redeemed for the total dollar value when presented for redemption.
  - (c) Customers presenting Gift Certificates for redemption must be 18 years or over.
  - (d) Sales Agents are required to redeem Gift Certificates presented to them from a customer and account for them in accordance with the direction of the Director or his/her designee.
  - (e) Gift Certificates are void after the expiration date printed thereon.
  - (f) All other provisions of the 961 CMR, shall, if applicable, apply to the issuance and redemption of Gift Certificates.

2.58: On-Line Number Selection Game -- KENO

Definitions.

Consecutive Draws. The number of successive KENO draws (i.e. 2, 3, 4, 5, 10, 20) for which a player may make a selection on a single KENO ticket.

KENO or Keno. An on-line Lottery game in which a player selects from one to twelve numbers from a field of 80 numbers. The Lottery randomly selects 20 numbers from the same field of 80 numbers. Depending on the quantity of numbers matched and validation of the ticket, the player may win a prize.

Quic Pic. A function that allows an on-line terminal to automatically and randomly select KENO numbers for a player.

Replacement Ticket. The ticket issued to replace a consecutive draw ticket that is validated prior to the last game on the ticket.

Spots. The quantity of numbers (from one to twelve) a player may play per game.

Winning Numbers. The 20 numbers between one and 80 randomly selected from each drawing.

- (1) Valid Bet. Except as otherwise provided herein, a valid bet on KENO using the On-Line System shall be a bet which is:

2.58: continued

- (a) Placed with and accepted by a Sales Agent licensed to sell KENO or by a Lottery Facility specifically designated for the purpose.
- (b) Paid for in full at the time the bet is placed.
- (c) Recorded correctly on a computer generated ticket in accordance with 961 CMR 2.58.
- (d) Represented by a ticket generated by a Lottery computer terminal. The ticket must contain the following information:
  - 1. The number of spots;
  - 2. The amount wagered per draw;
  - 3. The numbers selected;
  - 4. The date of sale;
  - 5. The number of draws played;
  - 6. The specific game number(s) for which the bet is eligible;
  - 7. The price of the ticket;
  - 8. A terminal identification number;
  - 9. An 18-digit ticket serial number;
  - 10. A machine readable (Bar Code) ticket serial number;
  - 11. A verifiable numeric representation of the information contained on the ticket consistent with the information contained in the Lottery's computer records.
- (e) Accepted by the Lottery Computer prior to the drawing of the winning numbers for the drawing(s) shown on the ticket.
- (f) In the event of a contradiction between information as printed on the ticket and as accepted by the Lottery Computer, the bet accepted by the Lottery Computer shall be the valid bet.

(2) Placing Bets.

- (a) Bets may be placed by the bettor orally instructing the Lottery sales agent of his/her number selections and the sales agent then registering the bet via the terminal keyboard, or by using the "quic pic" feature by which the on-line computer system randomly selects the numbers, or by preparing a betting slip which is then entered into the terminal. Betting slips shall be prepared as follows:
  - 1. Select the desired quantity of numbers (spots) from one to 12.
  - 2. Select the desired amount to be wagered for each game.
  - 3. Select the number of games.
  - 4. Select the specific number selection or mark the "quic pic" box and the Lottery will randomly select the numbers.
  - 5. Only official bet slips issued by the Lottery and hand marked by the bettor(s) may be used to place bets. The use of mechanical, electronic, computer generated or any other method of marking betting slips is prohibited.
  - 6. Bet slips shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.
- (b) The terminal must generate a ticket as described in 961 CMR 2.58(1)(d) which is given to the bettor as his/her receipt.
- (c) A single drawing bet may be canceled on the day it is placed prior to the selection of the winning numbers for the game for which the bet is eligible. A consecutive drawing bet may be canceled on the day it is placed prior to the selection of the winning numbers for the first game for which the bet is eligible. Consecutive drawing bets cannot be canceled after the first game for which the bet is eligible takes place.
- (d) A bet must be canceled at the on-line terminal in which the bet was placed. Bettors shall be entitled to a full refund of their bet upon cancellation and in no event shall a canceled ticket be entitled to a prize.
- (e) Bets may be placed with any Sales Agent authorized to accept KENO bets or at any Lottery operated facility accepting Keno bets.
- (f) Bets may be placed at any time during the day at such time or times as determined by the Director, but all bets must be placed and accepted by the Lottery computer prior to the drawing on the winning numbers for the specific drawings shown on the ticket.
- (g) The bet as represented by the ticket produced by the computer terminal is the only bet on which a prize may be claimed. Bettors are cautioned to examine their bet ticket at the time it is issued and prior to the drawing of the winning numbers in order to ensure that the ticket accurately represents the correct number selections, date of bet, amount wagered, and the drawings for which it is eligible.

2.58: continued

(h) In the event that the Sales Agent or computer terminal errs when the bet is placed, it shall be the responsibility of the bettor to determine that an error has been made and to request a new ticket be issued by the Sales Agent (provided betting for that drawing has not closed) or return of the purchase prize.

(i) The Lottery shall not be liable for the payment of a prize in the event the bet is canceled intentionally or through inadvertence of the Sales Agent.

(j) It shall be the responsibility of the person who collects the prize to make certain that he/she is receiving the correct sum of prize money. The Lottery shall not be liable for any underpayment except that the Director in his/her discretion may direct that an additional prize payment is made in order to correct an obvious mistake.

(3) Betting Tickets.

(a) The betting ticket is a bearer instrument unless signed by the owner and a prize may be claimed by anyone in possession of an unsigned winning ticket.

(b) Keno Sales Agents may pay claims up to and including the sum of \$600.00. Any claim of more than \$600.00 shall be made on a claim form supplied by the Lottery at all Sales Agent locations. The procedure to be followed for claims of more than \$600.00 and the rules and regulations governing each procedure shall be pursuant to 961 CMR 2.38.

(c) No more than one prize shall be paid on each bet placed.

(4) Lost, Mislaid or Stolen KENO Game Ticket. The Lottery Commission may pay a prize to the holder of a KENO game ticket and the payment of such prize shall absolve the Commission of any further liability with respect to such ticket. In determining whether a prize has been paid on a KENO game ticket, the Commission may rely solely upon its computer records in determining whether or not a particular prize has been paid and the status as determined by the Lottery's computer shall be binding on the holder. In the event of a lost, stolen, or mislaid ticket, the Director may order an investigation, and if he/she is satisfied that the claimant in fact is the owner of the lost, stolen, or mislaid ticket and it has not otherwise been paid, he/she may in his/her discretion pay the prize to the claimant thereof. All payments of prizes on lost, stolen or mislaid tickets shall not be made for a period of 90 days in the case of a prize of \$200.00 or less and shall not be made for one year if the prize exceeds \$200.00 unless the Director in his/her discretion shall decide otherwise.

(5) Sales Agents. Sales Agents are required to pay to the Lottery all sums due on the date established for payment. Failure to make payment when due or upon notice from the custodial bank that funds are not available will result in the immediate shut down of the Sales Agent's terminal and the Sales Agent's license to sell the KENO Game and/or any other Lottery game shall be subject to revocation, suspension or non-renewal pursuant to the provisions of 961 CMR 2.13.

(6) Prizes.

(a) All prizes will be paid in full, (less required tax withholdings), at the time the claim is made and after the ticket is properly validated.

(b) All prizes will be a fixed amount (subject to restrictions) and set by the Director by Administrative Bulletin.

(7) Multiplier Feature. The Massachusetts State Lottery Commission may offer a multiplier feature, which may be known by an associated trade name, for the Keno Game. This is a feature by which a bettor, for an additional wager, may increase the prize amount for certain prize levels by a factor depending upon a multiplier number that is drawn prior to the Keno drawing. Rules regarding the multiplier feature shall be set by the Director in an Administrative Bulletin governing the game.

(8) Miscellaneous. All other provision of Lottery Rules and Regulations 961 CMR shall, if applicable, apply to the On-Line Number Selection Game -- KENO.

(9) In accordance with M.G.L. c. 10, §27, the 961 CMR 2.58(9)(a) through (c) shall apply in determining whether a municipality should be exempt from the exclusion of Keno growth revenue as defined by M.G.L. c. 10, § 27A.

2.58: continued

- (a) Application Process. A municipality which is ineligible to receive Keno growth revenue may apply for an exemption by submitting a letter requesting a public hearing before the Lottery Commission and detailing the specific reasons it believes the Commission should consider said application.
- (b) Hearing Process. There shall be a two step public hearing process.
1. Informal. An informal hearing shall be conducted by the Chairman of the Lottery Commission or his or her designee. The decision of the Chairman must be approved by a majority vote of the Commission. If a municipality is aggrieved by the decision it shall have the right to an appeal in accordance with 961 CMR 2.58(9)(b)2. The notice of appeal shall be in writing and made within 30 days of receiving the Chairman's decision.
  2. Formal. A formal hearing shall be conducted by the Chairman of the Lottery Commission or his or her designee. Said hearing will be held in accordance with the provisions of M.G.L. c. 30A. The decision of the Chairman must be approved by a majority vote of the Commission. If a municipality is aggrieved by the decision it shall have the right to appeal in accordance with the provisions of M.G.L. c. 30A.
- (c) Criteria. In considering an application for an exemption from the exclusion of Keno growth revenue, the hearing officer shall consider the following:
1. The absence of petitioners in the municipality seeking Keno licenses and the reasons therefor.
  2. The closure of a business which is a municipality's sole Keno licensee.
  3. The voluntary termination and surrender of a Keno license by a municipality's sole Keno licensee.
  4. The suspension or revocation and subsequent surrender, for just cause, of a license of a municipality's sole Keno licensee.
  5. The denial of an application of a Keno license by the chairman or his or her designee when such applicant is the sole potential licensee in a municipality.
  6. The population of the municipality.
  7. Any bylaw or ordinance adopted by a municipality prohibiting the operation of Keno.
  8. Any other reasons which the Chairman or his or her designee may deem appropriate.

2.59: Semi-weekly Multi-state Game - MEGA MILLIONS

(1) Effective Date/Purpose. Beginning October 19, 2013, the following shall be in effect. The purpose of the MEGA MILLIONS game is the generation of revenue for Party Lotteries through the operation of a specially-designed multi-state lottery game that will award prizes to ticket holders matching specified combinations of numbers randomly selected in regularly scheduled drawings.

During each MEGA MILLIONS drawing, six MEGA MILLIONS Winning Numbers will be selected from two fields of numbers in the following manner: five winning numbers from a field numbered one through 75; and one winning number from a second field numbered one through 15.

Add-on Game. Where permitted by the governing laws, policies, procedures, regulations or rules of any Party Lottery jurisdiction, any Party Lottery, or several Party Lotteries together, may institute an Add-on Game that may provide prize amounts in addition to MEGA MILLIONS prize amounts.

(2) Definitions. Capitalized words and terms set forth below, when used within 961 CMR 2.59 shall have the following meaning unless otherwise indicated:

Add-on Game - A game that may provide prize amounts in addition to the MEGA MILLIONS prizes, other than the MEGA MILLIONS Grand/Jackpot Prize.

Annual/Annuity Option - The manner in which the MEGA MILLIONS Grand/Jackpot Prize may be paid in 30 graduated annual installments.

Authorized Claim Center - Any MEGA MILLIONS Agent or Retailer, or Party Lottery office, in the state where the winning Official MEGA MILLIONS Ticket was purchased.

Cash Option - The manner in which the MEGA MILLIONS Grand/Jackpot Prize may be paid in a single payment.

2.59: continued

Claimant - Any person or (where permitted) entity submitting a claim form within the required time period to collect a prize for an Official MEGA MILLIONS Ticket. A Claimant may be the Purchaser, the person or (where permitted) entity named on a signed Official MEGA MILLIONS Ticket, the bearer of an unsigned Official MEGA MILLIONS Ticket, or any other person or (where permitted) entity who may seek entitlement to a MEGA MILLIONS prize payment in accordance with the MEGA MILLIONS Rules and Party Lottery governing laws, policies and rules. No Claimant may assert rights different from the rights acquired by the original Purchaser at the time of purchase.

Director(s) - The chief executive of any Party Lottery or any other person to whom the Director's authority is lawfully delegated.

Grand/Jackpot Prize - The top prize in the MEGA MILLIONS game.

Internet Game Ticket - A game ticket for MEGA MILLIONS purchased via the internet, with or without the Megaplier option, where permitted by the governing laws, policies or rules of a Party Lottery. Where sales of MEGA MILLIONS game tickets via the internet are authorized, such sales shall constitute Official MEGA MILLIONS Tickets for validation and other purposes set forth in 961 CMR 2.59.

MEGA MILLIONS Agent, Sales Agent or Retailer - A location in the State of Georgia, Illinois, Maryland, Massachusetts, Michigan, New Jersey, New York, Ohio, Virginia, Washington, Texas or California licensed or contracted and equipped by its respective Party Lottery to sell Official MEGA MILLIONS Tickets.

MEGA MILLIONS Panel, Play Area or Play Board - That area of an Official MEGA MILLIONS Ticket containing one field of five one or two-digit player or computer selected numbers, and a second field of one one or two-digit player or computer selected numbers.

MEGA MILLIONS Play/Bet Slip - A computer-readable form, printed and issued by each Party Lottery, used in purchasing an Official MEGA MILLIONS Ticket, having a certain number of separate play areas (as designated by each Party Lottery), with each play area consisting of two fields. One field contains 75 areas/spaces, numbered one through 75; and one field contains 15 areas/spaces, numbered one through 15. The Play/Bet Slip may additionally include boxes for selection of Cash Option or Annuity Option or other play features, at the discretion of each Party Lottery.

MEGA MILLIONS Winning Numbers - Five one or two digit numbers, from one through 75 and one one or two-digit number from one through 15, randomly selected at each MEGA MILLIONS drawing, which shall be used to determine winning MEGA MILLIONS plays contained on Official MEGA MILLIONS Tickets.

Official MEGA MILLIONS Ticket - A game ticket, produced on official paper stock by a MEGA MILLIONS Agent or Retailer in an authorized manner, bearing player or computer selected numbers, game name, drawing date, amount of wager, and validation data. Where Subscription/Season Ticket sales of Official MEGA MILLIONS Tickets are authorized by a Party Lottery pursuant to 961 CMR 2.59(3), such sales may not necessarily be made by a MEGA MILLIONS Agent or Retailer and may not be recorded on official paper stock, but shall nevertheless constitute Official MEGA MILLIONS Tickets for validation and other purposes set forth in 961 CMR 2.59, for the duration of the Subscription/Season Ticket.

Megaplier - Megaplier is a MEGA MILLIONS Add-on game as defined in 961 CMR 2.59(2) by which a player, for an additional wager of \$1 per play, can increase the guaranteed prize amount or pari-mutuel prize amount, as applicable, for all non- Grand/Jackpot prizes, depending on the multiplier number that is drawn prior to the Mega Millions drawing. There is no multiplier for the Grand/Jackpot Prize.

2.59: continued

Megaplier Feature Play.

(a) Type of Play. A Mega Millions player may elect to participate in the "Megaplier" feature by paying an additional \$1 per play at the time of his or her MEGA MILLIONS ticket purchase.

(b) Megaplier Drawing. A random drawing will occur before every MEGA MILLIONS drawing to determine one multiplier number for that drawing. The multiplier number that will be selected will be either a 2, 3, 4 or 5. The multiplier number drawn will be used to multiply the value of all non-Grand/Jackpot prizes. In the event the multiplier drawing does not occur prior to the MEGA MILLIONS drawing, the multiplier number will be a 5.

(c) Multiplier Number Frequency. The one multiplier number will be selected from a field of numbers according to the following relative frequencies:

Number	Relative Frequency
2	2 of 15
3	4 of 15
4	3 of 15
5	6 of 15

(d) Application of Multiplier Number.

1. Non-grand/Jackpot Prizes. The multiplier number selected is the number that is used to increase the prize amount for all non-Grand/Jackpot prizes. A non-Grand/Jackpot prize winner who chose to participate in the Megaplier feature by paying an additional \$1 per play at the time of the player's MEGA MILLIONS ticket purchase is paid a prize in the amount of the guaranteed prize amount or the pari-mutuel prize amount, as applicable, multiplied by the multiplier number for that drawing.

2. Grand/Jackpot prize. The Megaplier feature does not apply to the Grand/Jackpot prize.

(e) Special Megaplier Promotions. The Mega Millions Group may periodically agree to change one or more of the Megaplier multiplier numbers for non-Grand/Jackpot prizes, in order to conduct special Megaplier promotions during specified time periods. The relative frequency of the Megaplier numbers may be changed and/or additional numbers may be added to the matrix at the discretion of the Mega Millions Group, from time to time for promotional purposes. Such special promotions and matrix changes shall be announced by public notice; each participating state will announce the promotion according to the laws or customs of the participating state.

Pari-Mutuel - Total amount of sales allocated to pay prize Claimants, at the designated prize level, divided among the number of winning Official MEGA MILLIONS Tickets.

Party Lottery or Lotteries - One or more of the state lotteries established and operated pursuant to the laws of Georgia, Illinois, Maryland, Massachusetts, Michigan, New Jersey, New York, Ohio, Virginia, Washington, Texas and California.

Prize Fund - That portion of MEGA MILLIONS gross sales set aside for the payment of prizes. The Prize Fund for any drawing is expected to be 50% of sales, but may be higher or lower based upon the number of winners at each prize level, as well as the funding required to meet the advertised jackpot.

Purchaser(s) - Player(s) of MEGA MILLIONS who purchase tickets in accordance with MEGA MILLIONS Rules and Party Lottery governing laws, policies and rules.

Quick-pick, Auto Pick or Easy Pick - A player option in which MEGA MILLIONS number selections are determined at random by computer software.

Shared Liability - The liability of the participating states in any MEGA MILLIONS game prize, or any MEGA MILLIONS Add-on game, will be in accordance with the MEGA MILLIONS Members' Finance and Operations Procedures applicable to that game.

2.59: continued

Subscription/Season Ticket - An extended, multi-draw purchase option wherein the same set(s) of numbers may be played for a specified number of consecutive drawings (for example, 26, 52 or 104), effective on a future date prescribed by the governing laws, policies and rules of the Party Lottery offering the Subscription/Season Ticket option. Subscriptions/Season Tickets are distinguished from multi-draw tickets authorized by 961 CMR 2.59(4) and (5)(j), which are effective with the next scheduled drawing.

(3) Ticket Sales. The sale of Official MEGA MILLIONS Tickets may be conducted only by such locations as the Directors shall contract with and/or license pursuant to the governing laws, policies and rules of the Party Lotteries and the MEGA MILLIONS Rules.

Where permitted by the governing laws, policies or rules of a Party Lottery, the Director of the Party Lottery may authorize Purchasers to purchase via the internet and/or to make Subscription purchases of Official MEGA MILLIONS Tickets. Subscriptions will be subject to the policies, procedures and rules established by the Party Lottery selling the Subscription, subject to the following parameters and restrictions:

- (a) The maximum number of consecutive drawings encompassed by a Subscription is 104.
- (b) In the event the Directors authorize a matrix change for MEGA MILLIONS, the Party Lottery which issued the Subscription will determine the option(s) available to Subscription Purchasers from that Party Lottery for the balance of plays remaining on their Subscriptions effective as of the date of the matrix change.
- (c) Except as set forth in 961 CMR 2.59(3)(b), and notwithstanding 961 CMR 2.59(5)(d), game play information for a Subscription may be edited by a Party Lottery's Subscription Coordinator only when an error in the numbers entered has been identified, a change in the frequency of drawings occurs, or a change in the game matrix occurs. A Subscription may be edited to correct an error in the numbers entered before the time of the first drawing for which the Subscription is effective. (Liability for any number entered in error is limited to the Party Lottery that entered the number in error.) For a change in the game matrix, or for errors in the numbers entered which are identified AFTER the first drawing under the Subscription, the Subscription Coordinator may correct the Subscription game play prospectively for the remaining number of draws on the Subscription. The only other condition under which Subscription game play may be edited is to correct the Subscription end date if the Directors authorize a change in the frequency of MEGA MILLIONS drawings.

(4) Ticket Price.

- (a) Official MEGA MILLIONS Tickets may be purchased for \$1.00 per play, or multiples thereof, in accordance with the rules of the Party Lottery of the state in which the wager is placed. The Purchaser receives one play for each \$1.00 wagered in MEGA MILLIONS. The availability and cost of any Add-on Game shall be determined by the Party Lottery offering this game, shall not be included in the cost of the Official MEGA MILLIONS ticket, and shall be subject to the laws, rules and regulations governing the respective Party Lottery.
- (b) Subject to the laws and regulations governing each Party Lottery, the Directors may collectively authorize the sale of Official MEGA MILLIONS Tickets at a discount for promotional purposes. Individual Directors may authorize sale of Official MEGA MILLIONS Tickets at a discount for promotional purposes within their respective jurisdictions, provided that such discounted sales shall be reported to the Party Lotteries at full gross sales value.

(5) Play Characteristics and Restrictions.

- (a) Official MEGA MILLIONS Tickets may only be sold to persons 18 years of age or older, providing such persons are not prohibited from playing MEGA MILLIONS in a Party Lottery state by the governing law, policies or rules of that Party Lottery, or any contract executed by that Party Lottery.
- (b) Official MEGA MILLIONS Tickets may not be purchased in any other Party Lottery state by any Party Lottery board member or commissioner; or any officer or employee; or any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of residence of any such person.



2.59: continued

(c) Under no circumstances will a claim be paid for either the Grand/Jackpot Prize or the Second Prize without an Official MEGA MILLIONS Ticket matching all game play, serial number and other validation data residing in the selling Party Lottery's gaming system computer and such ticket (or for Internet Game Tickets, the Party Lottery's electronic record of purchase) shall be the only valid proof of the wager placed and the only valid receipt for claiming or redeeming such prize.

(d) Except with respect to a Subscription described in 961 CMR 2.59(3), official MEGA MILLIONS Tickets may not be canceled.

(e) Purchasers may submit a manually completed MEGA MILLIONS Play Slip to a MEGA MILLIONS Agent, Sales Agent or Retailer to have issued an Official MEGA MILLIONS Ticket. MEGA MILLIONS Play Slips shall be available at no cost to the Purchaser and shall have no pecuniary or prize value, or constitute evidence of purchase or number selections. The use of mechanical, electronic, computer generated or any other non-manual method of marking Play Slips is prohibited. As permitted by that Party Lottery, Purchasers may submit a previously purchased ticket with specified barcode, which will enable the Agent, Sales Agent or Retailer to scan the barcode to produce the exact wager information for the next scheduled drawing.

(f) Purchasers may orally convey their selections to a MEGA MILLIONS Agent, Sales Agent or Retailer to have issued an Official MEGA MILLIONS Ticket. Such selections shall be manually entered into the computer terminal by the MEGA MILLIONS Agent, Sales Agent or Retailer.

(g) In those Party Lottery states which offer player operated sales terminals (POST's) or self service terminals (SST's), Purchasers may utilize POST's or SST's for the purchase of Official MEGA MILLIONS Tickets, and may make number selections by such methods as may be permitted by the Party Lottery's gaming system. Those methods may include, but are not limited to, inserting a completed MEGA MILLIONS Play Slip into the POST's or SST's optical mark reader, manually entering the selections on the POST or SST touch screen, or selecting a Quick Pick, Auto Pick or Easy Pick option.

(h) At the discretion of each Party Lottery, Purchasers may specify at the time of ticket purchase whether any MEGA MILLIONS Grand/Jackpot Prize won will be paid under the Cash Option or the Annuity Option; however, the provisions of 961 CMR 2.59(7)(b)3. shall still apply.

(i) It shall be the sole responsibility of the Purchaser to verify the accuracy and condition of the data printed on the Official MEGA MILLIONS Ticket at the time of purchase.

(j) Where permitted by the governing laws, policies, regulations or rules of a Party Lottery, Official MEGA MILLIONS Tickets may be purchased for one through 26 consecutive drawings, commencing with the next scheduled drawing after the receipt and processing of the Purchaser's Play/Bet Slip or upon manual entry of an oral request, where allowed.

(6) Time, Place and Manner of Conducting Drawings.

(a) MEGA MILLIONS drawings shall be conducted at the studios of WSB-TV, Atlanta, Georgia at 11:00 P.M. Eastern Time (10:00 P.M. Central Time and 8:00 P.M. Pacific Time). MEGA MILLIONS drawings shall be conducted on both Tuesday and Friday at the designated time. However, the day, time or location of the MEGA MILLIONS drawings may be modified as determined by the Directors and publicly announced by the Party Lotteries, and/or as stated in the MEGA MILLIONS On-line Drawing Procedures. All MEGA MILLIONS drawings will be open to the public.

(b) The objective of MEGA MILLIONS drawings shall be to select at random, with the aid of drawing equipment, MEGA MILLIONS Winning Numbers, pursuant to the controls and methods defined by the Party Lotteries.

961 CMR: STATE LOTTERY COMMISSION

2.59: continued

(7) Prize Structure (effective October 19, 2013).

(a) Matrix of 5/75 and 1/15 with 50% Anticipated Prize Fund. The following Matrix will apply for all Party Lotteries with respect to the Grand/Jackpot prize, and will apply for all Party Lotteries except for California for the second through ninth prizes.

Match Field 1	Match Field 2	Odds	Prize Category	% of Prize Fund
5	1	1: 258,890,850	Grand	65.154%
5	0	1: 18,492,204	Second	10.815%
4	1	1: 739,688	Third	1.352%
4	0	1: 52,835	Fourth	1.893%
3	1	1: 10,720	Fifth	0.933%
3	0	1: 766	Sixth	1.306%
2	1	1: 473	Seventh	2.114%
1	1	1: 56	Eighth	7.083%
0	1	1: 21	Ninth	9.350%
Reserve		0%		
Totals		1: 14.71	100%	

(b) Grand/Jackpot Prize Payments

1. Prior to each drawing, the Directors shall determine the estimated Annuitized Grand/Jackpot Prize amount to be advertised. The advertised Grand/Jackpot Prize amount shall be estimated and established based upon sales and the annuity factor established for the drawing. The Annuitized Grand/Jackpot Prize to be awarded for each MEGA MILLIONS Panel matching all five of the five MEGA MILLIONS Winning Numbers drawn for Field 1 and the one MEGA MILLIONS Winning Number drawn for Field 2 shall be that amount equivalent to the highest whole \$1 million annuity that is funded by the amount in that portion of the Prize Fund allocated to the Grand/Jackpot Prize category when there is only one winning Official MEGA MILLIONS Ticket. In no event, however, shall the Annuitized Grand/Jackpot Prize be less than \$15 million as a starting jackpot, and each successive Annuitized Grand/Jackpot Prize in the same roll cycle will be at least \$5 million more than the previously established jackpot.

2. If in any MEGA MILLIONS drawing there are no MEGA MILLIONS Panels which qualify for the Grand/Jackpot Prize category, the portion of the Prize Fund allocated to such Grand/Jackpot Prize category shall remain in the Grand/Jackpot Prize category and be added to the amount allocated for the Grand/Jackpot Prize category in the next consecutive MEGA MILLIONS drawing. Unless there is a Grand/Jackpot Prize winner, the estimated Annuitized Grand/Jackpot Prize amount to be advertised will not be less than \$5 million above the advertised jackpot amount for the immediately prior drawing.

3. If the Annuitized Grand/Jackpot Prize divided by the number of MEGA MILLIONS Panels matching all five of the five MEGA MILLIONS Winning Numbers for Field 1 and the one MEGA MILLIONS Winning Number for Field 2 is equal to or greater than \$1,000,000, the Grand/Jackpot Prize(s) may be paid under the Annuity Option unless a Cash Option was offered to and accepted by the Grand/Jackpot Prize Claimant as prescribed in the statutes, administrative rules and regulations, or procedures of the Party Lottery selling the winning Official MEGA MILLIONS Ticket.

4. Annuity Option Grand/Jackpot Prizes shall be paid in 30 consecutive graduated annual installments by the Party Lottery that sold the winning Official MEGA MILLIONS Ticket, with graduated annual installments defined in the MEGA MILLIONS Finance and Operations Procedures. The initial payment shall be paid upon completion of internal validation procedures. The subsequent 29 payments shall be paid annually to coincide with the month of the federal auction date at which the bonds were purchased to fund the Annuity. All such payments shall be made within seven days of the anniversary of the annual auction date.

2.59: continued

5. Cash Option Grand/Jackpot Prizes shall be paid in a single payment upon completion of the internal validation procedures and administrative processes of the Party Lottery that sold the winning Official MEGA MILLIONS Ticket. The Cash Option amount offered shall be the amount determined by the highest whole \$1 million annuity that is funded by the amount in that portion of the Prize Fund allocated to the Grand/Jackpot Prize category, divided by the annuity factor established by the MEGA MILLIONS Finance Committee prior to each drawing (the "Cash Equivalent Grand/Jackpot Prize"), divided by the number of Grand/Jackpot Prize winners. Subject to the laws, rules and regulations of the Party Lottery of the state in which the Official MEGA MILLIONS Ticket was purchased, the Claimant has until the close of business on the 60<sup>th</sup> day after the date the Claimant becomes entitled to the prize (as defined by the rules of the Party Lottery which sold the winning Official MEGA MILLIONS Ticket) to select the Cash Option Grand/Jackpot Prize method of payment. No payment will be processed under the Cash Option Grand/Jackpot Prize provision until the Claimant submits a form irrevocably selecting said payment option.
6. In the event multiple MEGA MILLIONS Panels match all five of the five MEGA MILLIONS Winning Numbers for Field 1 and the one MEGA MILLIONS Winning Number for Field 2, and the Annuitized MEGA MILLIONS Grand/Jackpot Prize divided by the number of winning game panels is less than \$1,000,000, each MEGA MILLIONS Grand/Jackpot Prize winner shall be paid an amount equal to the Cash Equivalent Grand/Jackpot Prize divided equally by the number of Grand/Jackpot Prize winners. Each such Grand/Jackpot Prize winner will be paid in a single cash payment.
- (c) Second through Ninth Level Prizes for all Party Lottery states except California:
1. MEGA MILLIONS Panels matching five of the five MEGA MILLIONS Winning Numbers drawn for Field 1, but not matching the MEGA MILLIONS Winning Number drawn for Field 2 shall be entitled to receive a Second Prize of \$1,000,000.
  2. MEGA MILLIONS Panels matching four of the five MEGA MILLIONS Winning Numbers drawn for Field 1 and the MEGA MILLIONS Winning Number drawn for Field 2 shall be entitled to receive a Third Prize of \$5,000.
  3. MEGA MILLIONS Panels matching four of the five MEGA MILLIONS Winning Numbers drawn for Field 1, but not matching the MEGA MILLIONS Winning Number drawn for Field 2 shall be entitled to receive a Fourth Prize of \$500.
  4. MEGA MILLIONS Panels matching three of the five MEGA MILLIONS Winning Numbers drawn for Field 1 and the MEGA MILLIONS Winning Number drawn for Field 2 shall be entitled to receive a Fifth Prize of \$50.
  5. MEGA MILLIONS Panels matching three of the five MEGA MILLIONS Winning Numbers drawn for Field 1 but not matching the MEGA MILLIONS Winning Number drawn for Field 2 shall be entitled to receive a Sixth Prize of \$5.
  6. MEGA MILLIONS Panels matching two of the five MEGA MILLIONS Winning Numbers drawn for Field 1 and the MEGA MILLIONS Winning Number drawn for Field 2 shall be entitled to receive a Seventh Prize of \$5.
  7. MEGA MILLIONS Panels matching one of the five MEGA MILLIONS Winning Numbers drawn for Field 1 and the MEGA MILLIONS Winning Number drawn for Field 2 shall be entitled to receive an Eighth Prize of \$2.
  8. MEGA MILLIONS Panels matching no numbers of the five MEGA MILLIONS Winning Numbers drawn for Field 1 but matching the MEGA MILLIONS Winning Number drawn for Field 2 shall be entitled to receive a Ninth Prize of \$1.
  9. Each MEGA MILLIONS Second through Ninth prize shall be paid in one payment.
- (d) Second Through Ninth Level Prizes in California: California shall pay all second through ninth level MEGA MILLIONS prizes for Official MEGA MILLIONS Tickets sold in California according to a pari-mutuel distribution of the prize fund aggregated in California for second through ninth prize levels. No other Party Lottery shall bear any expense for second through ninth level prizes for Official MEGA MILLIONS tickets sold in California; nor shall the California Lottery participate in the reconciliation of prize liabilities for the second through ninth prize levels under the MEGA MILLIONS Finance and Operations Procedures.
- (e) In a single drawing, a Claimant may win in only one prize category per single MEGA MILLIONS Panel in connection with MEGA MILLIONS Winning Numbers, and shall be entitled only to the highest prize.

2.59: continued

(f) For purpose of prize calculation with respect to any MEGA MILLIONS pari-mutuel prize, the calculation shall be rounded down so that prizes shall be paid in multiples of \$1.00.

(g) With respect to any MEGA MILLIONS Annuitized Grand/Jackpot Prize, the prize amount shall be the next highest fully funded multiple of one million dollars, based solely upon the Cash Option Grand/Jackpot Prize amount as determined in 961 CMR 2.59(7)(b)5.

(h) Subject to the laws and regulations governing each Party Lottery, the number of prize categories and the allocation of the Prize Fund among the prize categories may be changed at the discretion of the Directors, for promotional purposes. Such change shall be announced by advance public notice.

(i) Should total prize liability, as defined by the MEGA MILLIONS Finance and Operations Procedures, exceed Liability Cap, as defined in the MEGA MILLIONS Finance and Operations Procedures, the Second and Third prizes shall be paid on a pari-mutuel rather than fixed prize basis, provided, however, that in no event shall the pari-mutuel prize be greater than the fixed prize. The amount to be used for the allocation of such pari-mutuel prizes, and related calculations of pari-mutuel prize values, shall be as defined in the MEGA MILLIONS Finance and Operations Procedures.

(8) Ticket Responsibility.

(a) Subject to the laws and regulations governing the Party Lottery which issues the ticket, a winning Official MEGA MILLIONS Ticket is deemed to be owned by the person or entity named on the ticket or, in the case of a ticket not completed with name (and address, if required), by the Claimant.

(b) A Party Lottery shall not be responsible for lost or stolen Official MEGA MILLIONS Tickets.

(c) The Purchaser of an Official MEGA MILLIONS Ticket has the sole responsibility for verifying the accuracy and condition of the data printed on the ticket at the time of purchase.

(d) The Party Lotteries shall not be responsible to the Claimant for Official MEGA MILLIONS Tickets redeemed in error by a MEGA MILLIONS Agent, Sales Agent or Retailer.

(e) Winners are determined by the numbers drawn and certified by the independent auditor responsible for auditing the MEGA MILLIONS draw. The Party Lotteries shall not be responsible for MEGA MILLIONS Winning Numbers reported in error.

(9) Ticket Validation Requirements.

(a) In order to be deemed a valid, winning Official MEGA MILLIONS Ticket, all of the following conditions must be met:

1. The validation data must be present in its entirety and must correspond, using the computer validation file, to the number selections printed on the ticket for the drawing date(s) printed on the ticket;
2. The ticket must be intact;
3. The ticket must not be mutilated, altered, reconstituted, or tampered with in any manner;
4. The ticket must not be counterfeit or an exact duplicate of another winning ticket;
5. The ticket must have been issued by an authorized MEGA MILLIONS Agent, Sales Agent or Retailer on official paper stock of the selling Party Lottery;
6. The ticket must not have been stolen, to the knowledge of the Party Lottery;
7. The ticket must be submitted for payment in accordance with 961 CMR 2.59(10) (Procedures for Claiming and Payment of Prizes);
8. The ticket data must have been recorded on the central computer system prior to the drawing and the ticket data must match this computer record in every respect. In the event of a contradiction between information as printed on the ticket and as accepted by the Party Lottery computer, the wager accepted by the Party Lottery computer shall be the valid wager;
9. The player or computer number selections, validation data and the drawing date(s) of an apparent winning ticket must appear on the official file of winning tickets, and a ticket with that exact data must not have been previously paid;
10. The ticket must not be misregistered, defectively printed or printed or produced in error to an extent that it cannot be processed by the Party Lottery that issued the ticket;

2.59: continued

11. The ticket must pass validation tests using a minimum of three of the five validation methods as defined in the MEGA MILLIONS Finance and Operations Procedures, Section 14. In addition, the ticket must pass all other confidential security checks of the Party Lottery that issued the ticket;

12. In submitting an Official MEGA MILLIONS Ticket for validation, the Claimant agrees to abide by applicable laws, all rules and regulations, instructions, conditions and final decisions of the Director of the Party Lottery that issued the ticket;

13. There must not be any other breach of these MEGA MILLIONS Rules in relation to the ticket, which, in the opinion of the Director of the Party Lottery that issued the ticket, justifies invalidation.

14. The ticket must be submitted to the Party Lottery that issued it.

15. Internet Game Tickets must meet the validation requirements of the Party Lottery that issued the ticket.

(b) An Official MEGA MILLIONS Ticket submitted for validation which fails any of the preceding validation conditions shall be considered void, subject to the following determinations:

1. In all cases of doubt, the determination of the Director of the Party Lottery, which sold the Official MEGA MILLIONS Ticket, shall be final and binding; however, the Director may, at his or her option, replace an invalid ticket with an Official MEGA MILLIONS Ticket of equivalent sales price;

2. In the event a defective ticket is purchased or in the event the Director determines to adjust an error, the Claimant's sole and exclusive remedy shall be the replacement of such defective or erroneous ticket(s) with an Official MEGA MILLIONS Ticket of equivalent sales price;

3. In the event an Official MEGA MILLIONS Ticket is not paid by a Party Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Party Lottery may, at its option, replace the ticket as provided in 961 CMR 2.59(9)(b)1. This shall be the sole and exclusive remedy of the Claimant unless the laws or regulations governing the Party Lottery provide for further administrative review.

(10) Procedures For Claiming and Payment of Prizes.

(a) Prizes shall be redeemed or claimed only in the jurisdiction where the Official MEGA MILLIONS Ticket was purchased and only through MEGA MILLIONS Agents, Sales Agents or Retailers or other Authorized Claim Centers, effective upon determination of prize payouts, for the legally established claim period established for the jurisdiction in which the winning ticket was sold. In Massachusetts, Official MEGA MILLIONS Tickets must be claimed within one year of the drawing date.

For those Party Lotteries that allow Official MEGA MILLIONS Tickets to be claimed and scanned at authorized Agents, Sales Agents or Retailers or other Authorized Claim Centers, within the time period noted above, and then sent to the headquarters' office of the applicable Party Lottery for validation, said Ticket must be received at the headquarters' office of the applicable Party Lottery by the close of business on the 30<sup>th</sup> day after the expiration of the official claim period of said Party Lottery in order to be paid.

(b) Claimants of a winning Official MEGA MILLIONS Ticket must comply with the prize claim requirements of the Party Lottery that issued the winning ticket.

(c) In the event that a single Official MEGA MILLIONS Ticket contains two or more winning game panels, the cumulative prize amount shall be claimed or redeemed in accordance with the specified prize payment limits for the Party Lottery that issued the winning ticket.

(d) State, local and federal withholding taxes, and any other statutorily required deductions, where applicable, shall be withheld from MEGA MILLIONS prizes by the Party Lottery issuing a winning ticket in such amounts as may be required by law.

(e) MEGA MILLIONS prizes shall not be paid to any persons prohibited from playing MEGA MILLIONS in a particular Party Lottery state by MEGA MILLIONS Rules or by the governing law or rules of that Party Lottery or any contract executed by that Party Lottery.

(f) There shall be no assignment of MEGA MILLIONS prizes except as set forth in the statutes or regulations of the Party Lottery that sold the winning Official MEGA MILLIONS Ticket.

2.59: continued

(g) Subject to the laws and regulations of the state of each Party Lottery relating to the disclosure of MEGA MILLIONS winners, and at the discretion of each Party Lottery where disclosure is permitted, the name and community of the winner of a Grand/Jackpot prize, or the prize the next level down, will be disclosed in a press conference or in a press release and the winner may be required to participate in a press conference.

(11) Unclaimed Prize Money.

(a) For winning Official MEGA MILLIONS Tickets for which no claim or redemption is made within the specified claim period for each respective Party Lottery, the corresponding prize monies shall be returned to the other Party Lotteries in accordance with procedures for the reconciliation of prize liability as stated in the Finance and Operations Procedures for MEGA MILLIONS.

(b) If after a winning Official MEGA MILLIONS Ticket has not been claimed or redeemed and the corresponding prize monies have been returned to Party Lotteries pursuant to 961 CMR 2.59(11)(a), a claim is made or redemption sought which a Party Lottery pays:

1. as a result of the provisions of the Serviceman's Civil Relief Act (50 U.S.C.S. Appx. § 526);
2. as a result of state legislation adopted to satisfy the requirements of the Serviceman's Civil Relief Act; or
3. as a result of state legislation requiring such payment to a member of the armed forces who was engaged in active military service outside the paying Party Lottery state when the usual permitted time period to make a claim or seek redemption expired, each other Party Lottery shall reimburse the paying Party Lottery in an amount equal to the amount such other Party Lottery would have contributed to the prize had the claim been made or redemption sought within the usual permitted time period for that claim or redemption. The provisions of 961 CMR 2.59(11) shall remain in force and effect and be binding upon the Party Lotteries without regard to whether the MEGA MILLIONS game remains in existence and/or whether the Party Lottery seeking reimbursement has withdrawn from the game at the time a Party Lottery seeks reimbursement pursuant to 961 CMR 2.59(11).

(12) Season Tickets.

(a) MEGA MILLIONS Season Tickets may be sold by the Massachusetts State Lottery Commission and by licensed Sales Agents operating terminals or by Season Ticket application.

(b) Season Tickets will be sold in the following manner:

1. Plan "A" 52 consecutive drawings sold for the price of \$50.00.
2. Plan "B" 104 consecutive drawings sold for the price of \$100.00.
3. Plan "C" - 26 consecutive drawings sold for the price of \$25.00.

(c) The Director reserves the right to adjust both price and number of drawings as defined in 961 CMR 2.59(12)(b).

(d) Season Tickets become effective and eligible to win a prize starting with the effective date printed on the ticket. Season Tickets are not effective on the date of purchase. MEGA MILLIONS Season Tickets may be canceled only if the original Season Ticket and registration form is received in the office of the Season Ticket Department prior to the effective date of the Season Ticket.

(e) Based upon the Plan selected as defined in 961 CMR 2.59(12)(b), Season Tickets, unless renewed, automatically expire at the end of 52, 104 or 26 drawings. Prior to expiration, renewal applications will be sent to registered Season Ticket holders with a Massachusetts address. If, upon renewal, the customer requests a change in any or all of the five numbers in Field 1 or the one number in Field 2, his or her renewal application shall be treated as a new ticket rather than a renewal and the effective date of said new ticket will be the expiration date of the previous ticket. Renewal applications received after the time period specified upon the renewal form may be assigned a new effective date.

(f) Purchasers of Season Tickets shall select the five numbers in Field 1 and one number in Field 2 that he or she wishes to appear on the Season Ticket. Said Purchasers are cautioned to examine his or her ticket upon purchase and prior to its effective date to assure the numbers printed represent the numbers desired. The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.

## 2.59: continued

(g) Purchasers of Season Tickets may elect to use the "Quick Pick" feature for the selection of his or her numbers. The five numbers in Field 1 and one number in Field 2 will be randomly selected by the Lottery Computer and printed on the Season Ticket. The Lottery will only be liable for the payment of a prize based upon the numbers as they appear of the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.

(h) In the event the Lottery receives a Season Ticket application with less than five numbers in Field 1 and/or one number in Field 2 as selected by the applicant, the Lottery may randomly select all or any of those omitted numbers to assure each application contains five numbers in Field 1 and one number in Field 2.

(i) In the event the Lottery receives a Season Ticket application with more than five numbers in Field 1 and/or one number in Field 2 as selected by the applicant, the Lottery may randomly delete one or more of the numbers selected in order to obtain a valid ticket with five numbers in Field 1 and one number in Field 2.

(j) The owner of a Season Ticket purchased through a Sales Agent must register his or her name with the Lottery on a form provided with the purchase of the ticket if prizes are to be paid automatically and renewal information to be sent.

(k) When more than one name appears on the application or registration form, the Lottery may select the first name listed and designate him or her as agent for collection. In the event the ticket wins a prize, it will be the responsibility of the recorded agent to make known to the Lottery, Internal Revenue Service, and the Department of Revenue, the name, social security number and proportionate share of each of the winners.

(l) A MEGA MILLIONS Season Ticket purchased through an application is not effective until it is registered on the Lottery's computer and a Season Ticket issued to the applicant regardless of whether or not payment for such ticket has been accepted by the Commission prior to such registration or otherwise.

(m) The Director may from time to time change the field of numbers from which winning numbers will be selected to a number greater or less than the field available at the time the Season Ticket is purchased. In the event the field is enlarged, a Season Ticket holder may request in writing at least four weeks before the effective date of such change that his or her number selection be changed; provided, however, this option shall be limited to changing one or more numbers from the field of numbers in existence at the time the ticket was purchased to one or more of the numbers added to that field. In the event the field is decreased and one or more of the numbers selected at the time the tickets was purchased is eliminated from the field of available numbers, the holder may request, in writing, that the numbers so eliminated be replaced by one or more numbers from the field of numbers remaining after said decrease. In the event the holder fails to exercise this option at least four weeks prior to the effective date of such change, the Lottery may randomly select new numbers on the holders behalf in accordance with the limitations contained in 961 CMR 2.59.

(n) In the event the Commission cancels the operation of MEGA MILLIONS, the amount paid for drawings so canceled shall be refunded to the registered holder and said refund shall constitute the Commission's sole obligation to the holders of MEGA MILLIONS Season Tickets in the event of said cancellation.

All other provisions of 961 CMR shall, if applicable, apply to the Season Ticket -- MEGA MILLIONS.

(13) Governing Law.

(a) In purchasing a ticket issued for MEGA MILLIONS, the Purchaser agrees to comply with and be bound by all applicable statutes, administrative rules and regulations, and procedures of the Party Lottery of the state in which the Official MEGA MILLIONS Ticket is issued, and by directives, instructions, conditions, policies, and determinations of the Director of that Party Lottery. The Purchaser agrees, as its sole and exclusive remedy, that claims arising out of an Official MEGA MILLIONS Ticket can only be pursued against the Party Lottery of ticket purchase. Litigation, if any, shall only be maintained within the state in which the Official MEGA MILLIONS Ticket was purchased and only against the Party Lottery that issued the ticket.

(b) In the event of conflict between these MEGA MILLIONS Rules and the statutes, rules or regulations of any Party Lottery, the Party Lottery's statutes, rules and regulations shall control.

2.59: continued

(c) All decisions made by a Director of a Party Lottery, including the declaration of prizes and the payment thereof and the interpretation of MEGA MILLIONS Rules, shall be final and binding on all Purchasers and on every person making a claim in respect thereof, but only in the state where the Official MEGA MILLIONS Ticket was issued.



2.60: Anti-litter Program

The Director shall institute a permanent anti-litter program(s) by which certain non-winning tickets or shares are collected, destroyed, or redeemed by the Commission in an effort to reduce the litter created by the improper disposal of said tickets. The frequency, method, duration and other specific details of said program(s) shall be determined from time to time by the Director but shall occur no less than annually.

2.61: On-line Semi-weekly Number Selection Game -- CASH WinFall

(1) Valid Bet. Except as otherwise provided herein, a valid bet on CASH WinFall using the On-line System shall be a bet which is:

- (a) Placed with and accepted by a Sales Agent licensed to sell CASH WinFall or by a Lottery Facility specifically designated for the purpose.
- (b) Paid for in full at the time and place the bet is placed.
- (c) Recorded correctly on a computer generated ticket in accordance with 961 CMR 2.00.
- (d) Represented by a ticket generated by a Lottery Computer terminal. The ticket must contain the following information:
  - 1. The numbers selected;
  - 2. The number of draws played;
  - 3. The date(s) of the drawing for which the bet is eligible;
  - 4. The amount wagered;
  - 5. A terminal identification number;
  - 6. An 18-digit ticket serial number;
  - 7. A machine readable (Bar Code) ticket serial number; and
  - 8. A verifiable numeric representation of the information contained on the ticket consistent with the information contained in the Lottery's computer records.
- (e) Accepted by the Lottery Computer prior to the drawing of the winning numbers on the drawing date shown on the ticket.
- (f) In the event of a contradiction between information as printed on the ticket and as accepted by the Lottery Computer, the bet accepted by the Lottery Computer shall be the valid bet.

(2) Placing Bets.

- (a) Bets may be placed by the bettor orally instructing the Sales Agent of his/her number selections or requesting a "quic pic" and the Sales Agent then registering the bet via the terminal keyboard or by preparing a betting slip which is then entered into the terminal. Betting slips shall be prepared as follows:
  - 1. Pick six numbers by marking a "x" in each of the six boxes containing the numbers selected by the bettor. "x" marks must remain inside each box. Bettor must use either pencil or blue ballpoint pen.
  - 2. Only official bet slips issued by the Lottery and hand marked by the bettor(s) may be used to place bets. The use of mechanical, electronic, computer generated or any other method of marking betting slips is prohibited.
  - 3. Bet slips shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.
- (b) The terminal must generate a ticket as described in 961 CMR 2.16(1)(c) which is given to the bettor as his/her receipt.
- (c) Bets cannot be canceled by the Sales Agent. Sales Agents shall be liable for the price of all CASH WinFall tickets sold and accepted by the Lottery Computer as a valid bet. A bettor's refusal to pay for such a bet shall not relieve the sales agent from responsibility for payment of the price of that bet; except, at the sole discretion of the Director, sales agents may subsequently be given credit for bets so placed and not paid for by the bettor.
- (d) Bets may be placed with any Sales Agent operating a terminal or at any Lottery operated facility accepting Cash WinFall bets.
- (e) Bets may be placed at any time during the day at such time or times as determined by the Director, but all bets must be placed and accepted by the Lottery Computer prior to the drawing of the winning numbers on the drawing date shown on the ticket.
- (f) The bet as represented by the ticket produced by the computer terminal is the only bet on which a prize may be claimed. Bettors are cautioned to examine their bet ticket at the time it is issued and prior to the drawing of the winning numbers in order to ensure that the ticket accurately represents the correct number selections, date of bet, amount wagered and date of drawing.

2.61: continued

(g) In the event that the Sales Agent or computer terminal errs when the bet is placed, it shall be the responsibility of the bettor to determine that an error has been made and to request a new ticket be issued by the Sales Agent (provided betting for that day has not closed) or return of the purchase price.

(h) It shall be the responsibility of the person who collects the prize to make certain that he/she is receiving the correct sum of prize money. The Lottery shall not be liable for any underpayment except that the Director in his/her discretion may direct that an additional prize payment is made in order to correct an obvious mistake.

(i) The Lottery may cancel a season ticket or multiple drawing ticket which has been purchased at a Lottery office or via an authorized telephone order in the event the check presented or credit card used for payment has insufficient funds for the purchase. Canceled tickets shall not be eligible to win a prize.

(3) Betting Tickets.

(a) The betting ticket is a bearer instrument unless signed by the owner, and the prize may be claimed by anyone in possession of unsigned winning ticket.

(b) Sales Agents may pay claims up to and including the sum of \$600.00. Any claim of more than \$600.00 shall be made on a claim form supplied by the Lottery at all Sales Agent locations. The procedure to be followed for claims in excess of \$600.00 and the rules and regulations governing each procedure shall be pursuant to 961 CMR 2.38.

(c) No more than one prize shall be paid on each winning number selection.

(4) Lost, Mislaid Or Stolen CASH WinFall Game Ticket. The Lottery Commission may pay a prize to the holder of a CASH WinFall Game Ticket and the payment of such prize shall absolve the Commission of any further liability with respect to such ticket. In determining whether a prize has been paid on a CASH WinFall game ticket, the Commission may rely solely upon its computer records in determining whether or not a particular prize has been paid and the status as determined by the Lottery's computer shall be binding on the holder. In the event of a lost, stolen or mislaid ticket, the Director may order an investigation, and if he/she is satisfied that the claimant in fact is the owner of the lost, stolen or mislaid ticket and it has not otherwise been paid, he/she may in his/her discretion pay the prize to the claimant thereof. All payments of prizes on lost, stolen or mislaid tickets shall not be made for a period of 90 days in the case of a prize of \$200.00 or less and shall not be made for one year if the prize exceeds \$200.00 unless the Director in his/her discretion shall decide otherwise.

(5) Sales Agents. Sales Agents are required to pay to the Lottery all sums due on the date established for payment. Failure to make payment when due or upon notice from the custodial bank that funds are not available will result in the immediate shut down of the Sales Agent's terminal and the Sales Agent's license to sell the CASH WinFall Game and/or any other Lottery game shall be subject to revocation, suspension or non-renewal pursuant to the provisions of 961 CMR 2.13.

(6) Prizes. All prize amounts shall be set by the Director by Administrative Bulletin. The Administrative Bulletin shall detail the total field of numbers to choose from, establish rules for rounding payments to the nearest dollar or otherwise, establish rules for subtracting overpayments from a pool from subsequent pools, and other such matters as may be necessary or desirable for the proper operation of the game.

((7) Payoffs. Reserved)

(8) Liability. The liability, whether by negligence or otherwise, of the Lottery and its licensed Sales Agents for invalid bets is limited to a refund of the amount wagered.

(9) Season Tickets.

(a) Season Tickets may be sold by the Massachusetts State Lottery Commission and by licensed Sales Agents operating on-line terminals.

(b) Season Tickets will be sold in the following manner:

1. Plan "A" - 52 consecutive drawings for the price of \$100.00
2. Plan "B" - 104 consecutive drawings for the price of \$200.00
3. Plan "C" - 26 consecutive drawings for the price of \$50.00.

## 2.61: continued

- (c) The Director reserves the right to adjust both price and number of drawings as defined in 961 CMR 2.16(9)(b).
- (d) Season Tickets become effective and eligible to win a prize starting with the effective date printed on the ticket. Season Tickets are not effective on the date of purchase.
- (e) Based upon the Plan selected as defined in 961 CMR 2.54(9)(b), Season Tickets, unless renewed, automatically expire at the end of 52, 104 or 26 drawings. However, those Season Tickets that have matched two out of six winning numbers on one or more drawing occasion after the effective date and before the expiration date thereby entitling the holder to a free bet, will automatically be extended by the number of times that ticket matched two out of six winning numbers. Any ticket which matched two out of six winning numbers during the extension period will be further extended by one drawing for each such match. Any renewal ticket shall be effective only upon the expiration of all the extensions provided for in 961 CMR 2.00. If, upon renewal, the customer requests a change in any or all of the six numbers to be played, his/her renewal application shall be treated as a new ticket rather than a renewal and the effective date of said new ticket will be the expiration date of the previous ticket plus extensions without regard to further extensions won during the initial extension period. Renewal applications received after the time period specified upon the renewal form may be assigned a new effective date.
- (f) Purchasers of Season Tickets shall select the six numbers he/she wishes to appear on the Season Ticket. Said purchasers are cautioned to examine his/her ticket upon purchase and prior to its effective date to assure the numbers printed represent the numbers desired. (The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.)
- (g) Purchasers of Season Tickets may elect to use the "quic pic" feature for the selection of his/her six numbers. The six numbers will be randomly selected by the Lottery Computer and printed on the Season Ticket. (The Lottery will only be liable for the payment of a prize based upon the numbers as they appear of the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Computer shall control.)
- (h) In the event the Lottery receives a renewal subscription form with less than six numbers selected by the applicant, the Lottery may randomly select all or any of those omitted numbers to assure each application contains six numbers.
- (i) In the event the Lottery receives a renewal subscription form with seven or more numbers selected, the Lottery may randomly delete one or more of the numbers selected in order to obtain a valid six number ticket.
- (j) The owner of a Season Ticket purchased through the On-line System must register his/her name with the Lottery on a form provided with the purchase of the ticket if prizes are to be paid automatically and renewal information to be sent.
- (k) When more than one name appears on the application or registration form, the Lottery may select the first name listed and designate him/her as agent for collection. In the event the ticket wins a prize, it will be the responsibility of the recorded agent to make known to the Lottery, Internal Revenue Service, and the Department of Revenue, the name, social security number and proportionate share of each of the winners.
- (l) A CASH WinFall Season Ticket purchased through an off-line application is not effective until it is registered on the Lottery's computer and a Season Ticket issued to the applicant regardless of whether or not payment for such ticket has been accepted by the Commission prior to such registration or otherwise.
- (m) The Director may change the field of numbers from which winning numbers will be selected to a number greater or less than the field available at the time the Season Ticket is purchased. In the event the field is enlarged, a Season Ticket holder may request in writing at least four weeks before the effective date of such change that his/her number selection be changed; provided, however, this option shall be limited to changing one or more numbers from the field of numbers in existence at the time the ticket was purchased to one or more of the numbers added to that field. In the event the field is decreased and one or more of the numbers selected at the time the ticket was purchased is eliminated from the field of available numbers, the holder may request, in writing, that the numbers so eliminated be replaced by one or more numbers from the field of numbers remaining after said decrease. In the event the holder fails to exercise this option at least four weeks prior to the effective date of such change, the Lottery may randomly select new numbers on the holders behalf in accordance with the limitations contained herein.

2.61: continued

(n) In the event the Commission cancels the operation of CASH WinFall, the amount paid for drawings so canceled shall be refunded to the registered holder and said refund shall constitute the Commission's sole obligation to the holders of CASH WinFall Season Tickets in the event of said cancellation.

(o) All other provisions of 961 CMR 2.00 shall, if applicable, apply to the Season Ticket -- CASH WinFall.

(10) Miscellaneous. All other provisions of 961 CMR 2.00 shall, if applicable, apply to the On-line Semi-weekly Number Selection Game -- CASH WinFall.

2.62: On-line Number Selection Game – DAILY RACE GAME

(1) Definitions.

Consecutive Races. The number of successive DAILY RACE GAME races (*i.e.* 2, 3, 4, 5, 10, 20) for which a player may make a selection on a single DAILY RACE GAME ticket.

Cover All. A DAILY RACE GAME wager of \$1.00 on each of the seven bet types.

Daily Race Game. An on-line Lottery game in which a player selects from one to three numbers from a field of 12 numbers. The Lottery randomly selects three numbers from the same field of 12 numbers. Depending on the numbers matched, the order in which the numbers are drawn and validation of the ticket, the player may win a prize.

Pick Six. The Massachusetts State Lottery Commission may offer a wager where the player selects the number of the graphic icon which finishes first in six consecutive races in the DAILY RACE GAME.

Quic Pic. A function that allows an on-line terminal to automatically and randomly select DAILY RACE GAME numbers for a player.

Replacement Ticket. The ticket issued to replace a consecutive race ticket that is validated prior to the last race on the ticket.

Winning Numbers. The three numbers between one and 12 randomly selected from each drawing.

(2) Valid Bet. Except as otherwise provided herein, a valid bet on the DAILY RACE GAME using the On-line System shall be a bet which is:

(a) Placed with and accepted by a sales agent licensed to sell the DAILY RACE GAME or by a Lottery facility specifically designated for the purpose.

(b) Paid for in full at the time and place the bet is placed.

(c) Recorded correctly on a computer terminal generated ticket in accordance with 961 CMR 2.00.

(d) Represented by a ticket generated by a computer terminal. The ticket must contain the following information:

1. The Number Selection

2. The Bet Type Selection

3. The Amount Wagered

4. The Number of Races Played

5. The Date or Dates Of Play

6. A Terminal Identification Number

7. An 18-digit Ticket Serial Number

8. A Machine Readable (Bar Code) Ticket Serial Number

9. A verifiable numeric representation of the information contained on the ticket consistent with the information contained in the Lottery's computer records.

(e) Accepted by the Lottery Computer prior to the selection of the winning numbers for the races(s) on the ticket.

2.62: continued

(f) In the event of an apparent contradiction between information as printed on the ticket and as accepted by the Lottery Computer, the bet as accepted by the Lottery Computer shall be the valid bet.

(3) Placing Bets.

(a) Bets may be placed by the bettor orally instructing the Lottery sales agent of his/her number selections or requesting a "quic pic" and the sales agent then registering the bet via the terminal keyboard or by preparing a betting slip which is then entered into the terminal. Betting slips shall be prepared as follows:

1. Marking of Betting Slips. In completing a betting slip for the Race Game the bettor MUST:

- a. Use only pencil or blue ballpoint pen for marking the slip
- b. Place no more than one mark ( | ) in any column
- c. Place a mark ( | ) in at least one column under each of the Sections labeled MARK THE ONE TO THREE NUMBER(S) YOU WISH TO PLAY; SELECT YOUR BET TYPES; and NO. OF RACES.
- d. Choose the number he/she wishes to play using the section of the slip labeled MARK THE ONE TO THREE NUMBER(S) YOU WISH TO PLAY and mark a " | " in one or more of the rows to reflect his/her number choice.
- e. Indicate the specific bets he/she wishes to make using the section labeled SELECT YOUR BET TYPES; mark a " | " in the box corresponding to the money amount he/she wishes to wager for each specific bet type; mark as many bet types as he/she desires to play. If a bettor wishes to bet amounts other than or in addition to those shown, he/she must use additional betting slips.
- f. Choose the number of races he/she wishes his/her bet to be play by using the column labeled NO. OF RACES and mark a " | " in the box corresponding to that number. All bet selections made on the same slip will be active for the number of races specified. If a bettor desires to make multiple bet selections and have them active for a different number of races, he/she must use separate slips. A bettor must make an entry in NO. OF RACES section even if his/her play is for one race only.

2. Only official bet slips issued by the Lottery and hand marked by the bettor(s) may be used to place bets. The use of mechanical, electronic, computer generated or any other method of marking betting slips is prohibited.

3. Bet slips shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.

(b) A single race bet may be canceled on the day it is placed prior to the close of betting for the race for which the bet is eligible. A consecutive race bet may be canceled on the day it is placed prior to the close of betting for the first race for which the bet is eligible. Consecutive race bets cannot be canceled after the first race for which the bet is eligible takes place. A bet must be canceled at the on-line terminal in which the bet was placed. Bettors shall be entitled to a full refund of their bet upon cancellation and in no event shall a canceled ticket be entitled to a prize.

(c) Bets may be placed with any Lottery DAILY RACE GAME agent operating a terminal or at any Lottery operated facility accepting DAILY RACE GAME bets.

(d) Bets may be placed at any time during the day at such time or times as will be determined by the Director, but all bets must be placed and accepted by the Lottery computer prior to the close of betting for a race. In the event that a bet is placed subsequent to the close of betting for a race, that bet shall be void and the Lottery's liability shall be limited to a refund of the amount of the bet.

(e) The bet as represented by the ticket produced by the computer terminal is the only bet on which a prize may be claimed. Bettors are cautioned to examine their bet ticket at the time it is issued prior to the close of betting for the appropriate race in order to ensure that the ticket accurately represents the correct number selections, bet selections, amount wagered and races for which it is eligible.

(f) In the event that the sales agent or the computer terminal errs when the bet is placed, it shall be the responsibility of the bettor to determine that an error has been made and to request cancellation (provided betting for the race has not closed) of the bet and the return of the purchase price. The Lottery shall not be liable for the payment of a prize because of sales agent or computer terminal error when the bet is placed.

2.62: continued

(g) The Lottery shall not be liable for the payment of a prize in the event that the bet is canceled intentionally or through inadvertence of the sales agent.

(h) It shall be the responsibility of the person who collects the prize to make certain that he or she is receiving the correct sum of prize money. The Lottery shall not be liable for any underpayment except that the Director in his or her discretion may direct that an additional prize payment be made in order to correct an obvious mistake.

(4) Betting Tickets.

(a) The betting ticket is a bearer instrument unless signed by owner and prize may be claimed by anyone in possession of unsigned winning ticket.

(b) Sales Agents may pay claims up to and including the sum of \$600.00. Any claim of more than \$600.00 shall be made on a claim form supplied by the Lottery at all sales agent locations. The procedure to be followed for claims in excess of \$600.00 and 961 CMR 2.00 governing each procedure shall be pursuant to 961 CMR 2.38.

(5) Lost, Mislaid or Stolen DAILY RACE GAME Tickets. The Lottery Commission may pay a prize to the holder of a DAILY RACE GAME ticket and the payment of such prize shall absolve the Commission of any further liability with respect to such ticket. In determining whether a prize has been paid on a DAILY RACE GAME Ticket, the Commission may rely solely upon its computer records in determining whether or not a particular prize has been paid and the status as determined by the Lottery's computer shall be binding on the holder. In the event of a lost, stolen or mislaid ticket, the Director may order an investigation, and if he or she is satisfied that the claimant in fact is the owner of the lost, stolen or mislaid ticket and it has not otherwise been paid, he or she may in his or her discretion pay the prize to the claimant thereof. All payments of prizes on lost, stolen or mislaid tickets shall not be made for a period of 90 days in the case of a prize of \$200.00 or less and shall not be made for one year if the prize exceeds \$200.00 unless the Director in his or her discretion shall decide otherwise.

(6) Sales Agents. Sales Agents are required to pay to the Lottery all sums due on the date established for payment. Failure to make payment when due or upon notice from the custodial bank that funds are not available will result in the immediate shut down of that Sales Agent's terminal and the Sales Agent's license to sell the DAILY RACE GAME and/or any other Lottery game shall be subject to revocation, suspension or non-renewal pursuant to the provisions of 961 CMR 2.13.

(7) Payoffs. Prizes will be paid in such amounts and in accordance with such formulae as may be established by the Director by Administrative Bulletin. The Director may by Administrative Bulletin establish minimum prizes, rules for rounding payments to the nearest dollar or otherwise, rules for subtracting overpayments from a pool from subsequent pools and adding underpayments from a pool to subsequent pools, and such other matters as may be necessary or desirable for the proper operation of the game.

(8) Multiplier Feature. The Massachusetts State Lottery Commission may offer a multiplier feature, which may be known by an associated trade name, for the DAILY RACE GAME. This is a feature by which a bettor, for an additional wager, may increase the prize amount by a factor depending upon a multiplier number that is drawn prior to a race. Rules regarding the multiplier feature shall be set by the Director in an Administrative Bulletin governing the game.

(9) The liability, whether by negligence or otherwise, of the Lottery and its licensed Sales Agents for invalid bets is limited to a refund of the amount wagered.

(10) Termination. DAILY RACE GAME will terminate as an active On-line Number Selection Game as of June 11, 2013. All of the provisions of 961 CMR 2.62 shall remain in effect for one year from the time of the last drawing.

(11) Miscellaneous. All other provisions of 961 CMR shall, if applicable, apply to the On-line Number Selection Game - THE DAILY RACE GAME.

2.63: Multi-state Game - POWERBALL

(1) Effective Date. Beginning October 4, 2015, the following shall be in effect.

(2) Definitions. The following definitions apply unless the context requires a different meaning or is otherwise inconsistent with the intention of the rules adopted by the Product Group.

Advertised Grand Prize shall mean the estimated annuitized Grand Prize amount as determined by the MUSL central office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Grand Prize drawing. The Advertised Grand Prize is not a guaranteed prize amount and the actual Grand Prize amount may vary from the advertised amount, except in circumstances where there is a guaranteed Grand Prize amount as described in 961 CMR 2.63(6)(e).

Agent or Retailer means a person or entity authorized by a Selling Lottery to sell lottery plays.

Computer Pick, also known as Quic Pic, means the random selection of indicia by the computer that appear on a ticket or ticketless transaction and are played by a player in the game.

Drawing refers collectively to the formal draw event for randomly selecting the winning indicia that determine the number of winners for each prize level of the Powerball game and the Power Play multiplier. Winning indicia include the Winning Numbers for the Powerball game, and the Power Play multiplier.

Game Board or Boards means that area of the Play Slip, also known as a panel, that contains sets of numbered squares to be marked by the player.

Game Ticket or Ticket means an acceptable evidence of play, which is a ticket produced in a manner that meets the specifications defined in the rules of each Selling Lottery and 961 CMR 2.63(7) and is a physical representation of the play or plays sold to the player or is a properly and validly registered ticketless transaction play.

Grand Prize shall refer to the top prize in the Powerball game.

Licensee Lottery shall mean a state lottery or lottery of a governmental unit, political subdivision, or entity thereof that is not a Party Lottery but has agreed to comply with all applicable MUSL and Product Group requirements and has been authorized by the MUSL and by the Powerball Product Group to sell the Powerball game.

MUSL means the Multi-state Lottery Association, a government-benefit association wholly owned and operated by the Party Lotteries.

MUSL Annuity Factor shall mean the annuity factor as determined by the MUSL central office through a method approved by the MUSL Finance and Audit Committee and which is used as described in 961 CMR 2.63.

MUSL Board means the governing body of the MUSL, which is comprised of the chief executive officer of each Party Lottery.

Party Lottery or Member Lottery means a state lottery or lottery of a political subdivision or entity that has joined the MUSL and, in the context of the Product Group Rules, that is authorized to sell the Powerball game. Unless otherwise indicated, Party Lottery or Member Lottery does not include Licensee Lotteries.

Play or Bet means the six numbers, the first five from a field of 69 numbers and the last one from a field of 26 numbers, that appear on a ticket or communicated in a ticketless transaction as a single lettered selection and are to be played by a player in the Powerball game.

Product Group or the Group means a group of lotteries that has joined together to offer a product pursuant to the terms of the Multi-state Lottery Agreement and the Product Group's own rules.

2.63: continued

Play Slip or Bet Slip means a card used in marking a player's game plays and containing one or more boards.

Selling Lottery shall mean a lottery authorized by the Product Group to sell Powerball plays, including Party Lotteries and Licensee Lotteries.

Set Prize, also referred to as low-tier prize, means all other prizes, except the Grand Prize, and, except in instances outlined in 961 CMR 2.63, will be equal to the prize amount established by the MUSL Board for the prize level.

Terminal means a device authorized by a Selling Lottery to function in an on-line, interactive mode with the gaming computer system for the purpose of issuing lottery tickets and entering, receiving, and processing lottery transactions, including making purchases, validating tickets, and transmitting reports.

Ticketless Transaction shall include plays sold through subscription, internet, or non-standard terminals.

Winning Numbers means the indicia randomly selected during a Drawing event which shall be used to determine winning plays for the Powerball game contained on a game ticket or ticketless transaction.

(3) Game Description.

(a) Powerball is a five out of 69 plus one out of 26 numbers lottery game drawn every Wednesday and Saturday as part of the Powerball drawing event, which pays the Grand Prize, at the election of the player made in accordance with 961 CMR 2.63 or by a default election either on an annuitized pari-mutuel basis or as a single lump sum payment of the total funding held in the Grand Prize Pool for the winning drawing on a pari-mutuel basis. Except as provided in 961 CMR 2.63, all other prizes are paid on a single payment basis. Powerball Winning Numbers applicable to determine Powerball prizes will be determined in the Powerball Drawing event.

To play Powerball, a player shall select (or computer pick) five different numbers, from one through 69 and one additional number from one through 26. The additional number may be the same as one of the first five numbers selected by the player. Plays can be purchased for \$2.00, including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a play. Plays may be purchased from a Selling Lottery approved sales outlet in a manner as approved by the Selling Lottery and in accordance with MUSL Rules.

The Drawing Procedures shall include procedures for randomly selecting the Powerball game Winning Numbers and the Power Play multiplier.

(b) Claims. Unless otherwise permitted by a selling lottery, a ticket (subject to the validation requirements set forth in 961 CMR 2.63(7)) or properly registered ticketless transaction shall be the only proof of a game Play or Plays and the submission of a winning ticket to the issuing Selling Lottery or its authorized agent shall be the sole method of claiming a prize or prizes. A Play Slip has no pecuniary or prize value and shall not constitute evidence of play purchase or of numbers selected. A terminal-produced paper receipt has no pecuniary or prize value and shall not constitute evidence of play purchase or of numbers selected.

(c) Cancellations Prohibited. A play may not be voided or canceled by returning the ticket or ticketless transaction to the selling agent or to the lottery, including tickets that are printed in error. A Selling Lottery may develop an approved method of compensating retailers for plays that are not transferred to a player for a reason acceptable to the Selling Lottery. No play that is eligible for a prize can be returned to the lottery for credit. Plays accepted by retailers as returned plays and that cannot be re-sold shall be deemed owned by the bearer thereof.

(d) Player Responsibility. It shall be the sole responsibility of the player to verify the accuracy of the game Play or Plays and other data printed on the ticket or contained in a ticketless transaction. The placing of Plays is done at the player's own risk through the agent that is acting on behalf of the player in entering the Play or Plays. The purchaser of a Play or Plays through a ticketless transaction has the sole responsibility for verifying the accuracy and condition of the data at the time of purchase.



## 2.63: continued

(e) Entry of Plays. Plays may only be entered manually using the lottery terminal keypad or touch screen or by means of a Play Slip provided by the Selling Lottery and hand-marked by the player or by such other means approved by the Selling Lottery. Retailers shall not permit the use of facsimiles of Play Slips, copies of Play Slips, or other materials that are inserted into the terminal's Play Slip reader that are not printed or approved by the Selling Lottery. Retailers shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the Selling Lottery.

(f) Registration of Plays. Ticketless transaction plays may be registered by the Selling Lottery at a lottery processing site that meets the requirements established by the Product Group and the MUSL Board.

(4) Powerball Prize Pool.

(a) Powerball Prize Pool. The prize pool for all prize categories shall consist of 50% of each drawing period's sales, inclusive of any specific statutorily mandated tax of a Selling Lottery to be included in the price of a play, after the prize pool accounts and prize reserve accounts are funded to the amounts set by the Product Group. Any amount remaining in the prize pool at the end of this game shall be returned to all lotteries participating in the prize pool after the end of all claim periods of all Selling Lotteries, carried forward to a replacement game or expended in a manner as directed by the Members of the Product Group in accordance with jurisdiction statute.

(b) Powerball Prize Pool Accounts and Prize Reserve Accounts. An amount up to 5% of a Party Lottery's sales, including any specific statutorily mandated tax of a Party Lottery to be included in the price of a play, shall be deducted from a Party Lottery's Grand Prize Pool contribution and placed in trust in one or more Powerball prize pool accounts and prize reserve accounts held by the Product Group at any time that the prize pool accounts and Party Lottery's share of the prize reserve account(s) is below the amounts designated by the Product Group.

The Product Group has established the following prize reserve accounts for the Powerball game: the Powerball Prize Reserve Account (PRA), which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason; and the Powerball Set Prize Reserve Account (SPRA), which is used to fund deficiencies in low-tier Powerball prize payments (subject to limitations of 961 CMR 2.63).

The Product Group has established the following prize pool accounts for the Powerball game: the Grand Prize pool, which is used to fund the immediate Grand Prize; the Powerball Set Prize Pool, which is used to fund the Powerball Set Prize payments; and the Powerball Set-aside Account, which is used to guarantee payment of the minimum or starting Grand Prize. The Power Play Prize Pool and Power Play Pool Account are described in 961 CMR 2.63(11). The Set Prize Pool holds the temporary balances that may result from having fewer than expected winners in the Powerball Set Prize (aka low-tier prize) categories and the source of the Set Prize Pool is the Party Lottery's weekly prize contributions less actual Powerball Set Prize liability. The source of the Set-aside Account funding shall be the prize reserve deduction until such time as the Set-aside Account is fully funded.

Once the Powerball prize pool accounts and the Party Lottery's share of the Powerball prize reserve accounts exceeds the designated amounts, the excess shall become part of the Grand Prize pool.

The Product Group, with approval of the Finance and Audit Committee, may establish a maximum balance for the Powerball prize pool accounts and prize reserve accounts.

The Product Group may determine to expend all or a portion of the funds in the Powerball prize pool accounts (except the Grand Prize pool account) and the prize reserve accounts, (1) for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the Selling Lotteries, subject to the approval of the Board; and (2) for the payment of prizes or special prizes in the game, limited to prize pool and prize reserve contributions from lotteries participating in the special prize promotion following review and comment of the Finance and Audit Committee. The prize reserve shares of a Party Lottery may be adjusted with refunds to the Party Lottery from the prize reserve account(s) as may be needed to maintain the approved maximum balance and shares of the Party Lotteries.

A Party Lottery may contribute to its share of prize reserve accounts over time, but in the event of a draw down from the reserve account, a Party Lottery is responsible for its full percentage share of the account, whether or not it has been paid in full.

961 CMR: STATE LOTTERY COMMISSION

2.63: continued

Any amount remaining in the Powerball prize pool accounts or prize reserve accounts when the Product Group declares the end of this game shall be returned to the lotteries participating in the accounts after the end of all claim periods of all Selling Lotteries, carried forward to a replacement game or otherwise expended in a manner at the election of the individual Members of the Product Group in accordance with jurisdiction statute. Licensee Lotteries shall adhere to 961 CMR 2.63(4)(b) unless a different process is approved by the Product Group.

(c) Expected Powerball Prize Payout Percentages. The Grand Prize payout shall be determined on a pari-mutuel basis. Except as otherwise mandated by jurisdiction statute or judicial requirements, or provided for in 961 CMR 2.63, all other prizes awarded shall be paid as set single payment prizes with the following expected prize payout percentages:

Number of Matches Per Play	Prize Pool Percentage	
	Prize Payment	Allocated to Prize
All five of first set plus one of second set	Grand Prize	68.0131%
All five of first set and none of second set.	\$1,000,000	8.5558%
Any four of first set plus one of second set.	\$50,000	5.4757%
Any four of first set and none of second set.	\$100	0.2738%
Any three of first set plus one of second set.	\$100	0.6899%
Any three of first set and none of second set.	\$7	1.2074%
Any two of first set plus one of second set.	\$7	0.9981%
Any one of first set plus one of second set.	\$4	4.3489%
None of first set plus one of second set.	\$4	10.4373%

1. The prize money allocated to the Grand Prize category shall be divided equally by the number of plays winning the Grand Prize.
2. Powerball Set Prize Pool Carried Forward. For Party Lotteries, the Powerball Set Prize Pool (for single prizes of \$1,000,000 or less) shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the Powerball Set Prizes awarded in the current draw.
3. Pari-mutuel Powerball Prize Determinations. Except as provided for in 961 CMR 2.63(4)(c)3.c., for Party Lotteries:
  - a. If the total of the Powerball Set Prizes (as multiplied by the respective Power Play multiplier if applicable) awarded in a drawing exceeds the percentage of the prize pool allocated to the Powerball Set Prizes, then the amount needed to fund the Powerball Set Prizes, including Power Play prizes, awarded shall be drawn from the following sources, in the following order:
    - i. the amount allocated to the Powerball Set Prizes and carried forward from previous draws, if any;
    - ii. an amount from the SPRA, if available, not to exceed \$40,000,000 per drawing; and
    - iii. other amounts as agreed to by the Product Group in their sole discretion.
  - b. If, after these sources are depleted, there are not sufficient funds to pay the Set Prizes awarded, including Power Play prizes, then the highest Set Prize shall become a pari-mutuel prize. If the amount of the highest Set Prize, when paid on a pari-mutuel basis, drops to or below the next highest Set Prize and there are still not sufficient funds to pay the remaining Set Prizes awarded, then the next highest Set Prize, including Power Play prizes, shall become a pari-mutuel prize. This procedure shall continue down through all Set Prize levels, if necessary, until all Set Prize levels become pari-mutuel prize levels. In that instance, the money available from the funding sources listed in 961 CMR 2.63 shall be divided among the winning plays in proportion to their respective prize percentages. Powerball Set Prizes and Power Play prizes will be reduced by the same percentage.
  - c. By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their Set Prize pari-mutuel amounts. The Party Lotteries and the Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.
4. Licensee Lotteries. Licensee Lotteries shall adhere to 961 CMR 2.63(4)(c)3.a. and b. unless a different process is approved by the Product Group.

961 CMR: STATE LOTTERY COMMISSION

2.63: continued

(5) Probability of Winning Powerball Prizes. The following table sets forth the probability of winning and the probable distribution of winners in and among each prize category, based upon the total number of possible combinations in Powerball. The Set Prize Amount shall be the prizes set for all Selling Lotteries unless prohibited or limited by a jurisdiction's statutes or judicial requirements.

Number of Matches Per Play	Probability Distribution		Probable/Set Prize Amount
	Winners	Probability	
All five of first set plus one of second set	1 1:	292,201,338.0000	Grand Prize
All five of first set and none of second set	25 1:	11,688,053.5200	\$1,000,000
Any four of first set plus one of second set	320 1:	913,129.1813	\$50,000
Any four of first set and none of second set	8,000 1:	36,525.1673	\$100
Any three of first set plus one of second set	20,160 1:	14,494.1140	\$100
Any three of first set and none of second set	504,000 1:	579.7646	\$7
Any two first set plus one of second set	416,640 1:	701.3281	\$7
Any one of first set plus one of second set	3,176,880 1:	91,9775	\$4
None of first set plus one of second set	7,624,512 1:	38.3239	\$4
Overall	11,750,538 1:	24.8671	

(6) Powerball Prize Payment.

(a) Grand Prizes. Grand Prizes shall be paid, at the election of the player made no later than 60 days after the player becomes entitled to the prize, with either a per-winner annuity or single lump sum payment (which may be referred to as the "cash option"). If the payment election is not made at the time of purchase and is not made by the player within 60 days after the player becomes entitled to the prize, then the prize shall be paid as an annuity prize. An election for an annuity payment made by a player before ticket purchase or by system default or design may be changed to a cash option payment at the election of the player until the expiration of 60 days after the player becomes entitled to the prize. The election to take the cash option payment may be made at the time of the prize claim or within 60 days after the player becomes entitled to the prize. An election made after the winner becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

Shares of the Grand Prize shall be determined by dividing the funds available in the Grand Prize pool equally among all winning plays of the Grand Prize. Winner(s) who elect a cash option payment shall be paid their share(s) in a single lump sum payment. The annuitized option prize shall be determined by multiplying a winner's share of the Grand Prize pool by the MUSL Annuity Factor. The MUSL Annuity Factor is determined through a process as approved by the Finance and Audit Committee. Neither MUSL nor the Selling Lotteries shall be responsible or liable for changes in the advertised or estimated annuity prize amount and the actual amount purchased after the prize payment method is actually known to MUSL.

In certain instances announced by the Product Group, the Grand Prize shall be a guaranteed amount and shall be determined pursuant to 961 CMR 2.63(6)(e).

If individual shares of the Grand Prize Pool funds held to fund an annuity is less than \$250,000, the Product Group, in its sole discretion, may elect to pay the winners their share of the funds held in the Grand Prize pool.

## 2.63: continued

All annuitized prizes shall be paid annually in 30 payments with the initial payment being made in a single payment, to be followed by 29 payments funded by the annuity. Except as may be controlled by a Selling Lottery's governing statute, all annuitized prizes shall be paid annually in 30 graduated payments (increasing each year) by a rate as determined by the Product Group. Prize payments may be rounded down to the nearest \$1,000. Annual payments after the initial payment shall be made by the lottery on the anniversary date or if such date falls on a non-business day, then the first business day following the anniversary date of the selection of the Grand Prize Winning Numbers.

Funds for the initial payment of an annuitized prize or the lump sum cash option prize payment shall be made available by MUSL for payment by the Selling Lottery no earlier than the 15<sup>th</sup> calendar day (or the next banking day if the 15<sup>th</sup> day is a holiday) following the drawing. If necessary, when the due date for the payment of a prize occurs before the receipt of funds in the prize pool trust sufficient to pay the prize, the transfer of funds for the payment of the full lump sum cash option amount may be delayed pending receipt of funds from the Selling Lotteries. A paying lottery may elect to make the initial payment from its own funds after validation, with notice to MUSL. If a Party Lottery purchases or holds the prize payment annuity for a prize won in that jurisdiction, that Party Lottery's game rules, and any prize agreement with the prize winner, shall indicate that the prize winner has no recourse on the MUSL or any other Party Lottery for payment of that prize.

In the event of the death of a lottery winner during the annuity payment period, unless prohibited by jurisdictional law, the MUSL Finance and Audit Committee, in its sole discretion excepting a discretionary review by the Product Group, upon the petition of the estate of the lottery winner (the "Estate") to the lottery of the jurisdiction in which the deceased lottery winner purchased the winning play, and subject to federal, state, district, or territorial applicable laws, may accelerate the payment of all of the remaining lottery proceeds to the Estate. If such a determination is made, then securities and/or cash held to fund the deceased lottery winner's annuitized prize may be distributed to the Estate. The identification of the securities to fund the annuitized prize shall be at the sole discretion of the Finance and Audit Committee or the Product Group.

(b) Powerball Prize Payments. All prizes (whether described as "cash" payment prizes or otherwise) shall be paid through the Selling Lottery that sold the winning play(s) and at the discretion of the Selling Lottery that sold the winning play(s) may be paid by cash, check, or warrant or electronic transfer.

A Selling Lottery may begin paying low-tier prizes after receiving authorization to pay from the MUSL central office. If a Selling Lottery, due to jurisdictional law requirements, separately determines its low-tier prize amounts, it shall be solely responsible for its low-tier prize liability, and may begin paying low-tier prizes after a drawing when it determines appropriate to do so.

(c) Powerball Prizes Rounded. Annuitized payments of the Grand Prize or a share of the Grand Prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized Grand Prize win shall be added to the first payment to the winner or winners. Prizes other than the Grand Prize, which, under 961 CMR 2.63, may become single-payment, pari-mutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Except with regards to low-tier prizes paid by a Selling Lottery which separately determines its low-tier prize amounts pursuant to 961 CMR 2.63(6)(b), breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

(d) Powerball Prize Rollover. If the Grand Prize is not won in a drawing, the prize money allocated for the Grand Prize shall roll over and be added to the Grand Prize pool for the following drawing.

(e) Funding of Guaranteed Powerball Prizes. The Product Group may offer guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount between drawings or make other changes in the allocation of prize money where the Product Group finds that it would be in the best interest of the game. If a minimum Grand Prize amount or a minimum increase in the Grand Prize amount between drawings is offered by the Product Group, then the Grand Prize shares shall be determined as follows: If there are multiple Grand Prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized Grand Prize shall be determined by dividing the guaranteed annuitized Grand Prize by the number of winning plays. If there are multiple

## 2.63: continued

Grand Prize winners during a single drawing and at least one of the Grand Prize winners has elected the annuitized option prize, then the best bid submitted by MUSL's pre-approved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized Grand Prize. If no winner of the Grand Prize during a single drawing has elected the annuitized option prize, then the amount of cash in the Grand Prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor. Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, set out in 961 CMR 2.63. Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism set out in 961 CMR 2.63(4)(c) becomes necessary. Approval of the Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. Any reduction in the guaranteed minimum Grand Prize amount or reduction in the minimum increases to the Grand Prize amount shall not become effective until after a Grand Prize win following the action taken by the Group.

(f) Limited to Highest Powerball Prize Won. The holder of a winning play may win only one prize per play in connection with the Winning Numbers drawn and shall be entitled only to the prize won by those numbers in the highest matching prize category.

(g) Powerball Prize Claim Period. Prize claims shall be submitted within the period set by the Selling Lottery selling the play. If no such claim period is established, all Grand Prize claims shall be made within 180 days after the drawing date. In Massachusetts, all tickets must be claimed within one year of the drawing date.

(7) Ticket Validation. To be a valid play and eligible to receive a prize, a play's ticket or ticketless transaction shall satisfy all the requirements established by a Selling Lottery for validation of winning plays sold through its gaming system and any other validation requirements adopted by the Product Group, the MUSL Board and published as the Confidential MUSL Minimum Game Security Standards. The MUSL and the Selling Lotteries shall not be responsible for tickets or ticketless transactions which are altered in any manner.

(8) Ticket Responsibility.

(a) Prize Claims. Prize claim procedures shall be governed by the rules of the Selling Lottery. The MUSL and the Selling Lotteries shall not be responsible for prizes that are not claimed following the proper procedures as determined by the Selling Lottery.

(b) (Reserved).

(c) Stolen Tickets. The Product Group, the MUSL and the Party Lotteries shall not be responsible for lost or stolen tickets.

(d) Ticketless Transactions. A receipt for a ticketless transaction play has no value and is not evidence of a play. A ticketless transaction play is valid when registered with the lottery in accordance with lottery rules and the person or, if permitted by the lottery rules, the persons registering the play shall be the owner of the ticketless transaction play.

(9) Ineligible Players.

(a) A play or share for a MUSL game issued by the MUSL or any of its Party Lotteries shall not be purchased by, and a prize won by any such play or share shall not be paid to:

1. a MUSL employee, officer, or director;
2. a contractor or consultant under agreement with the MUSL to review the MUSL audit and security procedures;
3. an employee of an independent accounting firm under contract with MUSL to observe drawings or site operations and actually assigned to the MUSL account and all partners, shareholders, or owners in the local office of the firm; or
4. an immediate family member (parent, stepparent, child, stepchild, spouse, or sibling) of an individual described in 961 CMR 2.63(9)(a)1. through 3. and residing in the same household.

(b) Those persons designated by a Selling Lottery's law as ineligible to play its games shall also be ineligible to play the MUSL game in that Selling Lottery's jurisdiction.

(10) Applicable Law. In purchasing a play, the purchaser agrees to comply with and abide by all applicable laws, rules, regulations, procedures, and decisions of the Selling Lottery where the play was purchased.

## 2.63: continued

(11) Powerball Power Play Promotion. Power Play Promotion rules are applicable to all Selling Lotteries, except as may be controlled by a Selling Lottery's governing jurisdiction statute. The Product Group shall reach an agreement with such lotteries that will permit the operation of the promotion in a manner consistent with statute.

(a) Description. The Powerball Power Play promotion is a limited extension of the Powerball game and is conducted in accordance with the Powerball game rules and other lottery rules applicable to the Powerball game except, as may be amended in 961 CMR 2.63(11). The promotion will begin at a time announced by the Selling Lottery and will continue until discontinued by the lottery. The promotion will offer to the owners of a qualifying play a chance to increase the amount of any of the eight lowest Set Prizes (the prizes normally paying \$4 to \$1,000,000) won in a drawing held during the promotion. The Grand Prize is not a Set Prize and will not be increased.

(b) Qualifying Play. A qualifying play is any single Powerball play for which the player pays an extra dollar for the Power Play option play and which is recorded at the Selling Lottery's central computer as a qualifying play.

(c) Prizes To Be Increased. Except as provided in 961 CMR 2.63, a qualifying play which wins one of seven lowest Set Prizes (excluding the Match 5 + 0 prize) will be multiplied by the number selected, either two, three, four, five or sometimes ten (2, 3, 4, 5 or sometimes 10), in a separate random Power Play drawing announced during the official Powerball drawing show. The ten (10X) multiplier will be available for drawings in which the initially advertised annuitized Grand Prize amount is \$150,000,000 or less. The announced Match 5 + 0 prize, for players selecting the Power Play option, shall be paid \$2,000,000 unless a higher limited promotional dollar amount is announced by the Group.

(d) Power Play Draws. MUSL will conduct a separate random "Power Play" drawing and announce results during each of the regular Powerball drawings held during the promotion. During each Powerball drawing a single number (2, 3, 4, 5 and sometimes 10) shall be drawn. The ten (10X) multiplier shall be available for all drawings in which the initially advertised Grand Prize amount is \$150,000,000 or less. The Powerball Group may modify the multiplier features for special promotions from time to time.

(e) Prize Pool.

1. Power Play Prize Pool. 50% of each draw's sales shall be collected for the payment of prizes. In drawings where the "ten" multiplier is available, the expected payout for all prize categories shall consist of up to 49.969% of each drawing period's sales, including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a lottery ticket. In drawings where the ten (10X) multiplier is not available, the expected payout for all prize categories shall consist of up to 45.934% of each drawing period's sales, including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a lottery ticket.

The prize payout percentage per draw may vary. The Power Play Prize Pool shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the Power Play prizes awarded in the current draw and held in the Power Play Pool Account.

2. Power Play Pool Account. In drawings where the ten (10X) multiplier is available, an additional 0.031% of sales, including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a lottery ticket, may be collected and placed in trust in the Power Play Pool Account, for the purpose of paying Power Play prizes. In drawings where the ten (10X) multiplier is not available, 4.066% of sales, including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a lottery ticket, may be collected and placed in trust in the Power Play Pool Account, for the purposes of paying Power Play prizes.

Any amount remaining in the Power Play Pool Account when the Product Group declares the end of this game shall be returned to the lotteries participating in the account after the end of all claim periods of all Selling Lotteries, carried forward to a replacement game, or otherwise expended in a manner at the election of the individual Members of the Product Group in accordance with jurisdiction statute.

3. Licensee Lotteries. Licensee Lotteries shall adhere to 961 CMR 2.63(11)(e)2. unless a different process is approved by the Product Group.

961 CMR: STATE LOTTERY COMMISSION

2.63: continued

4. Expected Prize Payout.

	Prize Amount	Regardless of Power Play number selected:				
Match 5 + 0	\$1,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
	Set Prize Amount	10X	5X	4X	3X	2X
Match 4 + 1	\$50,000	\$500,000	\$250,000	\$200,000	\$150,000	\$100,000
Match 4 + 0	\$100	\$1,000	\$500	\$400	\$300	\$200
Match 3 + 1	\$100	\$1,000	\$500	\$400	\$300	\$200
Match 3 + 0	\$7	\$70	\$35	\$28	\$21	\$14
Match 2 + 1	\$7	\$70	\$35	\$28	\$21	\$14
Match 1 + 1	\$4	\$40	\$20	\$16	\$12	\$8
Match 0 + 1	\$4	\$40	\$20	\$16	\$12	\$8

In certain rare instances, the Powerball set prize amount may be less than the amount shown. In such case, the eight lowest Power Play prizes will be changed to an amount announced after the draw. For example, if the Match 4 + 1 Powerball set prize amount of \$50,000 becomes \$25,000 under the rules of the Powerball game and a 5X Power Play multiplier is selected, then a Power Play player winning that prize amount would win \$125,000.

(f) Probability of Winning. The following table sets forth the probability of the various Power Play numbers being drawn during a single Powerball drawing, except that the Power Play amount for the Match 5 + 0 prize will be \$2,000,000. The Group may elect to run limited promotions that may modify the multiplier features.

When the 10X multiplier is available:		
Power Play	Probability of Prize Increase	Chance of Occurrence
10X - Prize won times ten	1 in 43	2.3255%
5X - Prize won times five	2 in 43	4.6512%
4X - Prize won times four	3 in 43	6.9767%
3X - Prize won times three	13 in 43	30.2326%
2X - Prize won times two	24 in 43	55.8140%

When the 10X multiplier is not available:		
Power Play	Probability of Prize Increase	Chance of Occurrence
10X - Prize won times ten	0 in 42	0.00%
5X - Prize won times five	2 in 42	4.7619%
4X - Prize won times four	3 in 42	7.1429%
3X - Prize won times three	13 in 42	30.9523%
2X - Prize won times two	24 in 42	57.1429%

Power Play does not apply to the Grand Prize. Except as provided in 961 CMR 2.63(11)(e)4., a Power Play Match 5 prize is set at \$2,000,000 regardless of the multiplier selected.

2.63: continued

(g) Limitations on Payment of Power Play Prizes.

1. Prize Pool Carried Forward. For Party Lotteries, the prize pool percentage allocated to the Power Play set prizes shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the set prizes awarded in the current draw.

2. Pari-mutuel Prizes - All Prize Amounts. Except as provided for in 961 CMR 2.63(11)(g)2., for Party Lotteries: If the total of the original Powerball set prizes and the Power Play prizes awarded in a drawing exceeds the percentage of the prize pools allocated to the set prizes, then the amount needed to fund the set prizes (including the Power Play prize amounts) awarded shall be drawn from the following sources, in the following order:

- a. the amount allocated to the set prizes and carried forward from previous draws, if any;
- b. an amount from the Powerball Set-prize Reserve Account, if available in the account, not to exceed \$40,000,000 per drawing; and
- c. other amounts as agreed to by the Product Group in their sole discretion.

If, after these sources are depleted, there are not sufficient funds to pay the set prizes awarded (including Power Play prize amounts), then the highest set prize (including the Power Play prize amounts) shall become a pari-mutuel prize. If the amount of the highest set prize, when paid on a pari-mutuel basis, drops to or below the next highest set prize and there are still not sufficient funds to pay the remaining set prizes awarded, then the next highest set prize, including the Power Play prize amount, shall become a pari-mutuel prize. This procedure shall continue down through all set prizes levels, if necessary, until all set prize levels become pari-mutuel prize levels. In that instance, the money available from the funding sources listed in 961 CMR 2.63 shall be divided among the winning plays in proportion to their respective prize percentages. Powerball and Power Play prizes will be reduced by the same percentage.

Licensee Lotteries shall adhere to 961 CMR 2.63(11)(g) unless a different process is approved by the Product Group.

By agreement with the Licensee Lotteries, the Licensee Lotteries shall independently calculate their set pari-mutuel prize amounts, including the Power Play prize amounts. The Party Lotteries and Licensee Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

(h) Prize Payments.

1. Prize Payments. All Power Play prizes shall be paid in one single payment through the Selling Lottery that sold the winning ticket(s). A Selling Lottery may begin paying Power Play prizes after receiving authorization to pay from the MUSL central office.

2. Prizes Rounded. Prizes that, under 961 CMR 62.63(11)(h), may become pari-mutuel prizes, may be rounded down so that prizes can be paid in whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

(12) Season Tickets.

(a) Powerball Season Tickets may be sold by the Massachusetts State Lottery Commission and by licensed Sales Agents operating terminals or by Season Ticket application.

(b) Season Tickets will be sold in the following manner:

1. Plan "A" 52 consecutive drawings sold for the price of \$100.00.
2. Plan "B" 104 consecutive drawings sold for the price of \$200.00.
3. Plan "C" 26 consecutive drawings sold for the price of \$50.00.

(c) The Director reserves the right to adjust both price and number of drawings as defined in 961 CMR 2.63(12)(b).

(d) Season Tickets become effective and eligible to win a prize starting with the effective date printed on the ticket. Season Tickets are not effective on the date of purchase. Powerball Season Tickets may be canceled only if the original Season Ticket and registration form is received in the office of the Season Ticket Department prior to the effective date of the Season Ticket.



## 2.63: continued

(e) Based upon the Plan selected as defined in 961 CMR 2.63(12)(b), Season Tickets, unless renewed, automatically expire at the end of 52, 104 or 26 drawings. Prior to expiration, renewal applications will be sent to registered Season Ticket holders with a Massachusetts address. Renewal applications received after the time period specified upon the renewal form may be assigned a new effective date. If, upon renewal, the customer requests a change in any or all of the numbers, his or her renewal application shall be treated as a new ticket rather than a renewal. Said new ticket will be effective upon completion of processing by the Season Ticket Department.

(f) Purchasers of Season Tickets shall select six numbers, the first five from a field of 69 numbers and the last one from a field of 26 that he or she wishes to appear on the Season Ticket. Said Purchasers are cautioned to examine his or her ticket upon purchase and prior to its effective date to assure the numbers printed represent the numbers desired. The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Lottery Computer shall control.

(g) Purchasers of Season Tickets may elect to use the "Quic Pic" feature for the selection of his/her numbers in which the numbers will be randomly selected by the computer system and printed on the Season Ticket. The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Lottery Computer shall control.

(h) The Powerball Power Play option is not available on Season Tickets.

(i) In the event the Lottery receives a Season Ticket application or renewal application with less than those required, as selected by the applicant, the Lottery may randomly select all or any of those omitted numbers to assure each application contains the numbers required for a valid ticket.

(j) In the event the Lottery receives a Season Ticket application or renewal application with more than the required numbers, as selected by the applicant, the Lottery may randomly delete one or more of the numbers selected in order to obtain a valid ticket.

(k) The owner of a Season Ticket purchased through a Sales Agent must register his or her name with the Lottery on a form provided with the purchase of the ticket or on-line through the Lottery's website if prizes are to be paid automatically and renewal information to be sent.

(l) When more than one name appears on the application or registration form, the Lottery may select the first name listed and designate him or her as agent for collection. In the event the ticket wins a prize, it will be the responsibility of the recorded agent to make known to the Lottery, Internal Revenue Service, and the Department of Revenue, the name, social security number and proportionate share of each of the winners.

(m) A Powerball Season Ticket purchased through an application is not effective until it is registered on the Lottery's Computer and a Season Ticket issued to the applicant regardless of whether or not payment for such ticket has been accepted by the Commission prior to such registration or otherwise.

(n) The Director may change the set of numbers from which winning numbers will be selected to a number greater or less than the set of numbers available at the time the Season Ticket is purchased. In the event a set of numbers is enlarged, a Season Ticket holder may request in writing at least four weeks before the effective date of such change that his/her number selection be changed; provided, however, this option shall be limited to changing one or more numbers from a set of numbers in existence at the time the ticket was purchased to one or more of the numbers added to that set of numbers. In the event a set of numbers is decreased and one or more of the numbers selected at the time the tickets was purchased is eliminated from the set of available numbers, the holder may request, in writing, that the numbers so eliminated be replaced by one or more numbers from the set of numbers remaining after said decrease. In the event the holder fails to exercise this option at least four weeks prior to the effective date of such change, the Lottery may randomly select new numbers on the holders behalf in accordance with the limitations contained herein.

(o) In the event the Commission cancels the operation of Powerball, the amount paid for drawings so canceled shall be refunded to the registered holder and said refund shall constitute the Commission's sole obligation to the holders of Powerball Season Tickets in the event of said cancellation.

All other provisions of 961 CMR 2.00 shall, if applicable, apply to the Multi-state Game -- Powerball.

2.64: Multi-state Game - LUCKY FOR LIFE

(1) Effective Date. Beginning January 27, 2015, the following shall be in effect.

(2) Definitions. The following definitions apply unless the context requires a different meaning or is otherwise inconsistent with the intention of the rules adopted by the Lucky for Life Regional Agreement.

Advance Action or Multi Draw shall mean the type of betting in which wagers may be placed for future Lucky for Life drawings as available in each Party Lottery.

Annuitized Payment Option shall mean a manner in which the Lucky for Life Top Prize or second prize (also referred to as Prize Level #2) may be paid in equal payments or installments. The Annuitized Payment Option shall be calculated on an annual basis. The schedule of payments shall be at the discretion of each Party Lottery.

Cash Option shall mean the manner in which the Lucky for Life Top Prize or second prize may be paid upon the Winner's request in one single cash payment as an alternative to the Annuitized Payment Option.

Claimant or Winner shall mean any natural person or legal entity submitting a winning Lucky for Life Ticket within the required prize claim period. A Claimant may be the Purchaser, the natural person or legal entity named on the back of a signed Lucky for Life Ticket, the bearer of an unsigned Lucky for Life Ticket, or any other natural person or legal entity who may seek entitlement to a Lucky for Life prize payment in accordance with each Party Lottery's jurisdictional laws. No Claimant may assert rights different from the rights acquired by the original Purchaser at the time of purchase.

Clearinghouse Lottery shall refer to the Party Lottery or other duly authorized entity who is responsible for collecting and transferring prize payouts on behalf of all Party Lotteries.

Drawing shall mean the formal process of selecting Winning Numbers that conclusively determines the number of Winners for each prize level of the game.

Game Play(s) shall mean that area of the Play Slip, also known as a "board" or "panel", which contains two sets of numbered squares to be marked by the Player: the first set (Matrix 1) contains 48 squares, numbered one through 48; the second set (Matrix 2) contains 18 squares, numbered one through 18.

Game Ticket or Ticket shall mean acceptable evidence of Game Play which represents a Wager accepted by a Party Lottery's On-line Gaming System, meeting the specifications defined in 961 CMR 2.64.

Liability Limit shall mean a pre-established threshold, as determined in advance by the New England Lottery Directors, for paying Top Prize, second prize and third prize claims, as defined in 961 CMR 2.64(5)(a).

Lucky Ball shall mean the number selected from the second set of numbers (Matrix 2) in each Lucky for Life Drawing.

Lump Sum Cash Payment shall mean the manner in which the Lucky For Life Top Prize or second prize is required to be paid in one single cash payment when the liability limit is exceeded and no Annuitized Payment Option is available, as detailed in 961 CMR 2.64(5).

On-line Gaming System shall mean a computer wagering system or internet-based sales system used by a Party Lottery to issue and validate Lucky for Life Tickets.

Party Lottery shall mean a state lottery which is authorized to sell the Lucky for Life game.

Play, Bet or Wager shall mean the six numbers (the first five from a field of 48 numbers and one Lucky Ball number from a field of 18 numbers) that appear on a Lucky For Life Ticket as a single-lettered Play, board or panel, and are played by a Player in the game.

2.64: continued

Play Slip, Selection Slip or Bet Slip or any other such term utilized by a Party Lottery shall mean a card used in marking a Player's Game Plays or Wagers.

Player or Purchaser shall mean a natural person(s) or legal entity who buys Lucky for Life Tickets in accordance with 961 CMR 2.64 and jurisdictional laws.

Quick Pick, or any other such term used by a Party Lottery shall mean the random selection of six numbers resulting in a Wager accepted by a Party Lottery's On-line Gaming System.

Sales Retailer or Sales Agent shall mean a natural person or legal entity licensed and/or authorized by a Party Lottery to sell and redeem Lucky for Life Tickets.

Selling Lottery shall mean the Party Lottery that sold a winning Lucky for Life Ticket.

Set Prize shall mean a pre-determined prize payout that is paid in a single cash payment. Set Prizes shall apply to the lowest eight prize levels. They may also apply, however, to the Top Prize and second prize under certain conditions as outlined in 961 CMR 2.64(5)(a).

Split Prize shall mean a pre-determined Set Prize payout that is divided equally among the number of winning Tickets of a prize level. Split prizes shall only apply to the Top Prize, the Prize Level #2 and Prize Level #3 Winners under certain conditions, as outlined in 961 CMR 2.64(5)(a).

Subscription Ticket, Season Ticket or any other such term utilized by a Party Lottery shall have the meanings given them in each Party Lottery jurisdiction. Massachusetts Season Tickets are defined in 961 CMR 2.64(8).

Terminal shall mean a device including, but not limited to, Player Activated Terminals (PATs), Self-service Terminals (SSTs) and Ticket Vending Machines, authorized to function in an on-line, interactive mode with the On-line Gaming System for the purpose of issuing and validating lottery transactions.

Top Prize shall mean the Lucky for Life first prize.

Winning Numbers shall mean the six numbers (the first five numbers from Matrix 1 and the one Lucky Ball number from Matrix 2) that are randomly selected in each Drawing and used to determine the winning Plays contained on a Lucky for Life Ticket.

(3) Drawing Procedures. The New England Lottery Directors shall establish the Drawing procedures for the Lucky for Life Drawings, including a drawing problem resolution mechanism. All Drawings shall be open to the public and shall be witnessed by an Independent Certified Public Accounting Firm. Any equipment used in a Drawing shall be inspected at least annually. All Drawings, including pre and post test drawings, shall be recorded.

(4) Game Description and Characteristics.

(a) Game Designation. For purposes of identification, the Lucky for Life game shall have a designated game number in the On-line Gaming System.

(b) Game Design. The Lucky for Life game is a double matrix-style game, drawn each Monday and Thursday, in which Players select five unique numbers in the Matrix 1 from one to 48 PLUS one Lucky Ball number in the Matrix 2 from one to 18. The additional number may be the same as one of the first five numbers selected by the Player.

(c) Game Purchases. Lucky for Life Tickets must be purchased from a Terminal operated by a Sales Retailer, a PAT (if available) by using a touch screen or by inserting a Selection Slip, a lottery subscription system (if available) or such other means as approved by a Party Lottery.

(d) Ticket Format. Lucky for Life Tickets shall include, but not be limited to, the Player's number selections, Lucky for Life logo or Lucky for Life name, Ticket cost, Terminal number, barcode, Quick Pick (if selected), replay (if selected), serial number and Drawing date. Advance Action Tickets shall visibly show the beginning and ending Drawing dates. Lucky for Life Tickets may also include the selling date, time stamp and any information required by a Party Lottery's jurisdictional laws pertaining to the validation of Tickets.

2.64: continued

(e) Ticket Price.

1. Uniform Price. Each Lucky for Life Game Ticket shall be sold at retail for the price set in 961 CMR 2.64.
2. Taxes. The Ticket price shall include all the applicable taxes that a Party Lottery may be required to collect.
3. Cost Per Play. Lucky for Life Tickets may be purchased for \$2.00 per Play, or multiples thereof, in accordance with 961 CMR 2.64. The player receives one Play for each \$2.00 Wager.
4. Promotions. A promotion shall mean marketing or advertising intended to increase sales of Lucky for Life Tickets (excluding Subscription Tickets or Advance Action) through a discount or rebate. A Party Lottery may offer Lucky for Life Tickets through promotions without approval of the other Party Lotteries for a period not to exceed 90 days in any six month period, as long as advance notification of five days is provided to all Party Lotteries of the terms and dates of the promotional offering.
5. Tickets as Prizes. A Party Lottery may offer Lucky for Life Tickets as a prize in any other lottery game after advising all other Party Lotteries of the terms and dates of such action.
6. Contribution to Prize Pool. A Party Lottery may offer Lucky for Life Tickets as a prize or as part of an authorized promotion provided that all such Ticket sales are assessed and reported to the prize pool at the full gross sales amount.

(f) Play Restrictions and Play Styles.

1. Ticket Sales to Minors Prohibited. Lucky for Life Tickets may not be sold to or purchased by minors as defined by each Party Lottery's jurisdictional law. In Massachusetts, no Tickets may be sold to or purchased by a person younger than 18 years old.
2. Ticket Cashing by Minors. Subject to each Party Lottery's jurisdictional laws, Lucky for Life Tickets may not be cashed or redeemed by minors younger than 18 years old.
3. Ineligible Players. Lucky for Life Tickets shall not be purchased, and a prize won by any such Ticket or share, either in whole or in part, shall not be paid to:
  - a. A Party Lottery employee, officer, director, board member or commissioner.
  - b. A contractor or consultant under agreement with any Party Lottery to perform audit and security procedures.
  - c. An employee of the independent certified public accounting firm under contract with any New England Lottery to oversee Lucky for Life Drawings.
  - d. An employee of a Party Lottery's on-line vendor.
  - e. An employee of a Party Lottery's advertising or public relations provider.
  - f. An immediate family member (parent, stepparent, child, stepchild, spouse, sibling or person engaged in a domestic partnership or civil union) of an individual described in 961 CMR 2.64(4)(f)3.a., b., c., d. or e. residing as a member of the same household in the principle place of residence of any such person.
  - g. Those persons designated in 961 CMR 2.64(4)(f)3. as ineligible to play Lucky for Life in one Party Lottery jurisdiction shall also be ineligible to play Lucky for Life in all other Party Lottery jurisdictions selling the game.

A Party Lottery may expand this list of ineligible players.

4. Ticket Cancellations Prohibited. A Lucky for Life Ticket may not be cancelled or voided by returning the Ticket to the Sales Retailer or to a Party Lottery. A Lucky for Life Ticket accepted by the Sales Retailer as a returned ticket and that cannot be resold shall be deemed as owned by the bearer thereof. This prohibition also applies to a Lucky for Life Ticket that may be printed in error by the Sales Retailer. Subject to each Party Lottery's jurisdictional laws, no Lucky for Life Ticket, or physical portion thereof, that may be used to claim a prize, shall be returned to any Party Lottery for credit.
5. Game Sell-out Prohibited. A Party Lottery shall not directly and knowingly sell a Lucky for Life Ticket or combination of Tickets to any natural person or legal entity that would guarantee such Purchaser a Top Prize or second prize win.
6. Claims. A Lucky for Life Ticket, subject to the validation requirements as detailed in 961 CMR 2.64(5)(c), shall be the only proof of a Game Play (or Plays) and the submission of a winning Ticket to a Party Lottery or its Sales Retailer shall be the sole method of claiming a prize or prizes. A Play Slip has no pecuniary or prize value and shall not constitute evidence of a Lucky for Life Ticket purchase or of numbers selected. Under no circumstances will a claim be paid for a Top Prize or second prize without a winning Lucky for Life Ticket. Subject to each Party Lottery's jurisdictional laws, lost or missing Lucky for Life Tickets may not be honored or processed for payment or replacement.

2.64: continued

7. Disclosure of Game Winners. Subject to each Party Lottery's jurisdictional laws relating to the disclosure of lottery winners and in each Party Lottery's discretion where such disclosure is lawful, the name and town/city of a winner of a Top Prize or second prize (Prize Level #2) will be disclosed in a press conference and/or in a press release. Such winner may be required to participate in a press conference.
8. Use of Play Slips. Players may submit a completed Lucky for Life Play Slip to any Sales Retailer to have issued a Lucky for Life Ticket. Play Slips shall be available at no cost to the Purchaser and shall have no pecuniary or prize value, or constitute evidence of purchase or number selections. The use of facsimiles of Play Slips, copies of Play Slips, or other materials that are inserted into the Terminal's Play Slip reader that are not printed or approved by the Party Lottery, are not permitted. Sales Retailers shall not permit any device to be connected to a Terminal to enter Plays, except as approved by its Party Lottery.
9. Manual Entry. Players may convey their number selections to any Sales Retailer for a Lucky for Life Ticket. Such number selections shall be manually entered into the Terminal by the Sales Retailer.
10. Quick Pick. Players may either request a Quick Pick Lucky for Life Ticket from a Sales Retailer or may select the Quick Pick option on the Play Slip and submit the completed Play Slip to any Sales Retailer. Quick Pick shall be differentiated from Customer Select in that Quick Pick shall refer to the random selection of numbers made by the On-line Gaming System rather than by the Player.
11. Customer Select. Players may select their own numbers by completing a Play Slip or by conveying their number selections directly to any Sales Retailer. Customer Select shall be differentiated from Quick Pick in that Customer Select shall refer to number selections made by the Player rather than the On-line Gaming System.
12. Replay Feature. If available in a Party Lottery jurisdiction, Players may utilize the barcodes of already-purchased Lucky for Life Tickets to duplicate another Ticket of the same price and with the same number selections and options. To replay, Players may either make the request of a Sales Retailer or may scan the barcode directly into a PAT or SST, if authorized.
13. Advance Action or Multi-draw. Lucky for Life Tickets may be purchased for future Drawings, if available in a Party Lottery jurisdiction.
14. Subscriptions or Season Tickets. Lucky for Life Tickets may be purchased by subscription, if available in a Party Lottery jurisdiction.
15. Limited to Highest Prize Won. In connection with the Winning Numbers drawn, the holder of a winning Lucky for Life Ticket may win only one prize per Play, board or panel, and shall be entitled only to the prize won by those numbers in the highest matching prize category.
16. Prize Claim Period. The prize claim period shall be determined by each Party Lottery. In Massachusetts, all prizes must be claimed within one year of the Drawing date.
17. Player Responsibility. It shall be the Player's sole responsibility to verify the accuracy of the Game Play (or Plays) and the other data printed on the Ticket. The placing of Wagers is done at the Player's own risk through the Sales Retailer.
18. Prize Payments. A Party Lottery may not pay prizes that are less than or more than the prize amounts established in accordance with 961 CMR 2.64. The prize won cannot be indirectly increased by promotions or Retailer activity.

(5) Prize Liability Limits, Prize Payouts and Prize Levels. The following paragraphs and chart define the Lucky for Life prize liability limits, prize payouts, prize levels and pool percentages and chances of winning per prize level.

- (a) Prize Liability Limits. There are ten prize levels in the Lucky for Life game.
  1. Except as provided in 961 CMR 2.64, the Top Prize (Prize Level #1) shall be annuitized and based on a Top Prize liability that will be split equally among the number of winning Lucky for Life Tickets. Top Prize winners have 60 days beginning the day after the winning numbers were drawn to select the Cash Option. If no selection is made within that time period, the Top Prize will be paid as an annuity. A Top Prize winner may request the Cash Option, the amount of which is to be established by the New England Lotteries for a defined period of Drawings. Notice of the amount of and

## 2.64: continued

changes to the Cash Option shall be posted on the Lucky for Life website and/or published in each Party Lottery jurisdiction in a manner determined by that Party Lottery at least 30 days prior to the first Drawing to which it is applicable (the "Published Notice"). Under certain circumstances, as detailed in 261 CMR 2.64(5)(a)1.a. through f., the Top Prize is required to be paid in a single Lump Sum Cash Payment and no Annuitized Payment Option is available.

- a. One Top Prize Winner. If there is one Top Prize Winner, the annuitized prize value will be \$7,000 per week for life. As an alternative to the Annuitized Payment Option, the Top Prize Winner may request the Top Prize Cash Option in the amount set forth in the Published Notice.
  - b. Two through 14 Top Prize Winners. If there are between two and 14 Top Prize winners, the Annuitized Payment Option, based on an annuitized prize value of \$7,000 per week, will be divided by the total number of Top Prize Winners. The minimum annuitized prize value for this category will be \$500 a week for life. Any of these two through 14 Top Prize winners may choose the Cash Option as an alternative to the Annuitized Payment Option. The amount of the Cash Option for this category will be the amount of the Top Prize Cash Option set forth in the Published Notice divided by the number of Top Prize Winners. The minimum Cash Option for this category will be the amount set forth in the Published Notice.
  - c. 15 or more Top Prize Winners. If there are 15 or more Top Prize Winners, the Top Prize liability shall be capped at \$7,125,000 and shall be split equally among all Top Prize Winners, and shall be paid in one Lump Sum Cash Payment, without an Annuitized Payment Option. The minimum prize value for this category shall not be less than any lower tier prize paid in that respective Drawing.
  - d. The Winner(s) of the Top Prize who do not request the Cash Option shall be paid their appropriate Top Prize share on a weekly basis, or according to such other schedule of payments set at the discretion of each Party Lottery, as permitted in 961 CMR 2.64(5)(c), for a minimum period of 20 years. The first Top Prize payment will be made when the prize is claimed at the Selling Lottery's Headquarters.
  - e. Measuring Life. For a single Wager, the measuring life of a Top Prize Winner used to determine the duration over which the Top Prize is paid, shall be the natural life of the individual determined by the Selling Lottery to be the Top Prize winner. If the Top Prize under a single Wager is being claimed by more than one natural person or by a legal entity, the measuring life for that Top Prize Winner shall be 20 years.
  - f. If paid in a Lump Sum Cash Payment, Top Prize amounts will be rounded to the nearest whole dollar.
2. Except as provided in 961 CMR 2.64, the second prize (Prize Level #2) Winner will be paid \$25,000 a year for life. Second prize winners have 60 days beginning the day after the winning numbers were drawn to select a Cash Option. If no selection is made within that time period, the second prize will be paid as an annuity. A second prize Winner may request the Cash Option, the amount of which is to be established by the New England Lotteries for a defined period of Drawings. Notice of the amount of and changes to the Cash Option shall be posted on the Lucky For Life website and/or by each Party Lottery's Published Notice. Under certain circumstances, as detailed below, the second prize is required to be paid in a single Lump Sum Cash Payment and no Annuitized Payment Option is available.
- a. One through 20 Second Prize Winners. If there are between one and 20 second prize Winner(s), the annuitized prize value will be \$25,000 per year for life. Any of these one through 20 second prize Winner(s) may choose the second prize Cash Option as an alternative to the Annuitized Payment Option. The amount of the Cash Option for this category will be set forth in the Published Notice.
  - b. 21 or more Second Prize Winners. If there are 21 or more second prize Winners, the second prize liability shall be capped at \$9,400,000, shall be split equally among all second prize Winners, and shall be paid in a single Lump Sum Cash Payment, without an Annuitized Payment Option. The minimum prize value for this category shall not be less than any lower tier prize paid in that respective Drawing.

## 2.64: continued

- c. The Winner(s) of the second prize who do not request the Cash Option shall be paid their appropriate second prize share on an annual basis for a minimum period of 20 years. The initial second prize payment will be made when the prize is claimed at the Selling Lottery's Headquarters; subsequent second prize payments will be made annually thereafter.
- d. Measuring Life. For a single Wager, the measuring life of a second prize Winner used to determine the duration over which the second prize is paid, shall be the natural life of the individual determined by the Selling Lottery to be the second prize Winner. If the second prize under a single Wager is being claimed by more than one natural person or by a legal entity, the measuring life for that second prize Winner shall be 20 years.
- e. If paid in a Lump Sum Cash Payment, second prize amounts will be rounded to the nearest whole dollar
3. Except as provided in 961 CMR 2.64, the third prize (Prize Level #3) will be paid as a \$5,000 set prize. If there are more than 1,000 Winners of this prize level in a single Drawing, the total prize liability of \$5,000,000 (\$5,000 x 1,000) will be split equally among the Winners. Under no circumstances, however, will the value of the third prize fall below a minimum prize value of \$200 per Winner, regardless of the number of Winners. Third prizes will be rounded to the nearest whole dollar and paid in one lump sum payment.
- (b) Entitlement to Prizes by Winners. The holder of a winning Lucky for Life Ticket shall be entitled only to the prize won by matching the Winning Numbers in the highest matching prize category.
- (c) Payment of Prizes. All winning Lucky for Life Tickets, including the Top Prize and second prize winning Tickets, shall be paid in accordance with 961 CMR 2.64 and jurisdictional laws. Each Party Lottery shall withhold taxes and other required withholdings in accordance with applicable federal and jurisdictional laws. To be a valid Lucky for Life Ticket and eligible to receive a prize, a winning Ticket shall satisfy all the requirements established for the validation of winning Tickets sold through each Party Lottery's On-line Gaming System, and any other requirements adopted by the New England Lottery Directors. Party Lotteries shall not be responsible for Tickets which are altered in any manner.
1. Top Prize and Second Prize Payments. Except in the case of a Cash Option payment or a Lump Sum Cash Payment paid in accordance with 961 CMR 2.64, annuitized prize payments shall be made for the measuring life of the Top Prize or second prize Winner. All annuitized payments shall be made for a minimum of 20 years. The measuring life as defined in 961 CMR 2.64(5)(a)1.e. and 2.d. shall be determined at the time the Top Prize or second prize is claimed. In the event annuitized prize payments are assigned, if allowable under jurisdictional law, or assigned by a court order, the measuring life at the time the Top Prize or second prize was claimed shall not change and limit or extend the number of annuitized payments due any assignee, court-ordered or otherwise. In the event of the death of a Top Prize or second prize Winner during the annuity payment period, the Selling Lottery, with the approval of the New England Lotteries, upon petition of the estate of that Winner (the "Estate") to the Selling Lottery, and subject to the Selling Lottery's jurisdictional laws, may accelerate the payment of all the remaining lottery proceeds to the Estate.
- a. If the annuitant dies during the annuity payment period but before the guaranteed prize amount has been paid, the Estate shall receive the remaining payments equal to the minimum guaranteed prize amount.
- b. If the annuitant dies during the annuity payment period but after the minimum guaranteed prize amount has been paid, all payments shall stop.
2. Low-tier Set Prize Payments. All low-tier Set Prizes (all prizes except the Top Prize and second prize) shall be paid in one single cash payment through the Selling Lottery that sold the winning Ticket(s). Prizes shall be rounded to the nearest whole dollar. A Selling Lottery may begin paying low-tier cash prizes after receiving authorization to pay from the Clearinghouse Lottery.
- (d) Statistical Information. The following table details Lucky for Life's statistical information.

961 CMR: STATE LOTTERY COMMISSION

2.64: continued

Odds of Winning, Prize Payouts and Prize Funding as a Percentage of Sales.

Prize Level	Matches Matrix #1 (5 of 48)	Matches Matrix #2 (1 of 18)	Odds of Winning: 1/	Prize	% Sales
1	5	1	30,821,472.000	\$7,000/Week for Life*	10.2201%
2	5	0	1,813,027.765	\$25,000/Year for Life*	11.6380%
3	4	1	143,355.684	\$5,000*	1.7439%
4	4	0	8,432.687	\$200	1.1859%
5	3	1	3,413.231	\$150	2.1973%
6	3	0	200.788	\$20	4.9806%
7	2	1	249.749	\$25	5.0050%
8	2	0	14.691	\$3	10.2103%
9	1	1	49.950	\$6	6.0060%
10	0	1	32.019	\$4	6.2463%
				<b>Total Payout</b>	59.4335%

Average Chance of Winning: 1 in 7.769

\* Prize amounts may be split if there are multiple Winners, in accordance with the provisions established in 961 CMR 2.64(5)(a). Split prizes may be lower than the published prize amounts.

(6) Disputes. In the event a dispute between a Selling Lottery and a Lucky for Life Ticket bearer occurs as to whether the Ticket is a winning Ticket, and if the Ticket prize is not paid, the Selling Lottery may, solely at its option and in its discretion, reimburse the Ticket bearer the purchase price of the Ticket. This shall be the Ticket bearer's sole and exclusive remedy.

(7) Applicable Law. In purchasing a Lucky for Life Ticket, the following provisions apply:

(a) The Purchaser agrees to comply with and abide by the Selling Lottery's jurisdictional laws and final decisions, as well as all rules established for the conduct of the Lucky for Life game.

(b) Decisions made by the Selling Lottery Director/Commissioner, including the declaration of prizes, the payment thereof, and the interpretation of 961 CMR 2.64, shall be final and binding on all Purchasers and on every person making a claim in respect thereof. In the event of conflict, however, between 961 CMR 2.64 and the applicable Selling Lottery's jurisdictional laws, the applicable Selling Lottery's jurisdictional laws shall control.

(c) Any claims or litigation relating to Lucky for Life Tickets and/or prizes:

1. shall be subject to and resolved in accordance with the laws, rules and regulations of the Selling Lottery jurisdiction in which the Lucky for Life Ticket was purchased;
2. must be brought in and strictly limited to the courts located within the jurisdiction of the Selling Lottery in which the Lucky for Life Ticket was purchased; and
3. can only be brought against the Selling Lottery in the jurisdiction where such Ticket was purchased.



2.64: continued

(8) Season Tickets.

(a) Lucky for Life Season Tickets may be sold by the Massachusetts State Lottery Commission and by licensed Sales Agents operating terminals or by Season Ticket application.

(b) Season Tickets will be sold in the following manner:

1. Plan "A" - 52 consecutive drawings sold for the price of \$100.00.
2. Plan "B" - 104 consecutive drawings sold for the price of \$200.00.
3. Plan "C" - 26 consecutive drawings sold for the price of \$50.00.

(c) The Director reserves the right to adjust both price and number of drawings as defined in 961 CMR 2.64(8)(b).

(d) Season Tickets become effective and eligible to win a prize starting with the effective date printed on the ticket. Season Tickets are not effective on the date of purchase. Lucky for Life Season Tickets may be canceled only if the original Season Ticket and registration form is received in the office of the Season Ticket Department prior to the effective date of the Season Ticket.

(e) Based upon the Plan selected as defined in 961 CMR 2.64(8)(b), Season Tickets, unless renewed, automatically expire at the end of 52, 104 or 26 drawings. Prior to expiration, renewal applications will be sent to registered Season Ticket holders with a Massachusetts address. Renewal applications received after the time period specified upon the renewal form may be assigned a new effective date. If, upon renewal, the customer requests a change in any or all of the five numbers in Matrix 1 or the one number in Matrix 2, his/her renewal application shall be treated as a new ticket rather than a renewal. Said new ticket will be effective upon completion of processing by the Season Ticket Department.

(f) Purchasers of Season Tickets shall select the five numbers in Matrix 1 and one number in Matrix 2 that he or she wishes to appear on the Season Ticket. Said Purchasers are cautioned to examine his or her ticket upon purchase and prior to its effective date to assure the numbers printed represent the numbers desired. The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Lottery Computer shall control.

(g) Purchasers of Season Tickets may elect to use the "Quic Pic" feature for the selection of his or her numbers. The five numbers in Matrix 1 and one number in Matrix 2 will be randomly selected by the Lottery Computer and printed on the Season Ticket. The Lottery will only be liable for the payment of a prize based upon the numbers as they appear on the Season Ticket and registered on the Lottery's Computer. In the event of a conflict, the numbers as registered on the Lottery Computer shall control.

(h) In the event the Lottery receives a Season Ticket application or renewal application with less than five numbers in Matrix 1 and/or one number in Matrix 2 as selected by the applicant, the Lottery may randomly select all or any of those omitted numbers to assure each application contains five numbers in Matrix 1 and one number in Matrix 2.

(i) In the event the Lottery receives a Season Ticket application or renewal application with more than five numbers in Matrix 1 and/or one number in Matrix 2 as selected by the applicant, the Lottery may randomly delete one or more of the numbers selected in order to obtain a valid ticket with five numbers in Matrix 1 and one number in Matrix 2.

(j) The owner of a Season Ticket purchased through a Sales Agent must register his or her name with the Lottery on a form provided with the purchase of the ticket or on-line through the Lottery's website if prizes are to be paid automatically and renewal information to be sent.

(k) When more than one name appears on the application or registration form, the Lottery may select the first name listed and designate him or her as agent for collection. In the event the ticket wins a prize, it will be the responsibility of the recorded agent to make known to the Lottery, Internal Revenue Service, and the Department of Revenue, the name, social security number and proportionate share of each of the winners.

(l) A Lucky for Life Season Ticket purchased through an application is not effective until it is registered on the Lottery's Computer and a Season Ticket issued to the applicant regardless of whether or not payment for such ticket has been accepted by the Commission prior to such registration or otherwise.

2.64: continued

(m) The Director may change the Matrix of numbers from which winning numbers will be selected to a number greater or less than the Matrix available at the time the Season Ticket is purchased. In the event a Matrix is enlarged, a Season Ticket holder may request in writing at least four weeks before the effective date of such change that his/her number selection be changed; provided, however, this option shall be limited to changing one or more numbers from a Matrix of numbers in existence at the time the ticket was purchased to one or more of the numbers added to that Matrix. In the event a Matrix is decreased and one or more of the numbers selected at the time the tickets was purchased is eliminated from the Matrix of available numbers, the holder may request, in writing, that the numbers so eliminated be replaced by one or more numbers from the Matrix of numbers remaining after said decrease. In the event the holder fails to exercise this option at least four weeks prior to the effective date of such change, the Lottery may randomly select new numbers on the holders behalf in accordance with the limitations contained herein.

(n) In the event the Commission cancels the operation of Lucky for Life, the amount paid for drawings so canceled shall be refunded to the registered holder and said refund shall constitute the Commission's sole obligation to the holders of Lucky for Life Season Tickets in the event of said cancellation.

All other provisions of 961 CMR 2.00 shall, if applicable, apply to the Multi-state Game -- LUCKY FOR LIFE.

2.65: JACKPOT POKER

(1) Effective Date. Sale of JACKPOT POKER begins on June 17, 2013.

(2) Definitions.

Consecutive Games. The number of successive JACKPOT POKER games (*i.e.* 2, 3, 4, 5, 10, 20, 25, 30) for which a player may make a selection on a single JACKPOT POKER ticket.

Exchange Ticket. The ticket issued to replace a consecutive game ticket that is validated prior to the last game on the ticket.

JACKPOT POKER. An on-line Lottery game in which a player selects five numbers from a field of 52 numbers. The Lottery randomly selects 52 numbers ranging from number one to number 52 where each number corresponds to a playing card from a standard deck of playing cards. Depending on the cards corresponding to the numbers selected by the player and validation of the ticket, the player may win a prize.

Progressive Jackpot. A feature by which a bettor may place an additional wager on the jackpot element of the game. Rules regarding the Progressive Jackpot shall be set by the Director in an Administrative Bulletin governing the game.

Quic Pic. A function that allows an on-line terminal to automatically and randomly select JACKPOT POKER numbers for a player.

Winning Hand. The five numbers selected by a bettor corresponding to the playing cards randomly selected for each drawing.

(3) Valid Bet. Except as otherwise provided in 961 CMR 2.65, a valid bet on the JACKPOT POKER game using the Lottery's computer processing system shall be a bet which is:

- (a) Placed with and accepted by a sales agent licensed to sell the JACKPOT POKER game or by a Lottery facility specifically designated for the purpose.
- (b) Paid for in full at the time and place the bet is placed.
- (c) Recorded correctly on a computer terminal generated ticket in accordance with 961 CMR 2.00.
- (d) Represented by a ticket generated by a computer terminal. The ticket must contain the following information:
  - 1. The number selection;
  - 2. The amount wagered;

2.65: continued

3. The number of games played;
  4. the date or dates of play;
  5. A terminal identification number;
  6. An 18-digit ticket serial number;
  7. A machine readable (bar code) ticket serial number;
  8. A verifiable numeric representation of the information contained on the ticket consistent with the information contained in the Lottery's computer records.
- (e) Accepted by the Lottery Computer prior to the selection of the winning numbers for the game(s) on the ticket.
- (f) In the event of an apparent contradiction between information as printed on the ticket and as accepted by the Lottery Computer, the bet as accepted by the Lottery Computer shall be the valid bet.
- (4) Placing Bets.
- (a) Bets may be placed by the bettor orally instructing the Lottery sales agent of his or her number selections or requesting a "Quic Pic" and the sales agent then registering the bet via the terminal keyboard or by preparing a betting slip which is then entered into the terminal. Betting slips shall be prepared as follows:
1. Marking of Betting Slips. In completing a betting slip for the JACKPOT POKER game the bettor MUST:
    - a. Use only pencil or blue ballpoint pen for marking the slip;
    - b. Select the amount bet per game;
    - c. Select the number of games played;
    - d. Select the five numbers he or she wishes to play; or
    - e. Select the Quic Pic box.
  2. Only official bet slips issued by the Lottery and hand marked by the bettor(s) may be used to place bets. The use of mechanical, electronic, computer generated or any other method of marking betting slips is prohibited.
  3. Bet slips shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.
- (b) The terminal must generate a ticket as described in 961CMR 2.65(3)(d) which is given to the bettor as his or her receipt.
- (c) A single game bet may be canceled on the day it is placed prior to the close of betting for the game for which the bet is eligible. A consecutive game bet may be canceled on the day it is placed prior to the close of betting for the first game for which the bet is eligible. Consecutive game bets cannot be canceled after the first game for which the bet is eligible takes place. A bet must be canceled at the on-line terminal in which the bet was placed. Bettors shall be entitled to a full refund of their bet upon cancellation and in no event shall a canceled ticket be entitled to a prize.
- (c) Bets may be placed with any Lottery JACKPOT POKER agent operating a terminal or at any Lottery operated facility accepting JACKPOT POKER bets.
- (d) Bets may be placed at any time during the day at such time or times as will be determined by the Director, but all bets must be placed and accepted by the Lottery computer prior to the close of betting for a game. In the event that a bet is placed subsequent to the close of betting for a game, that bet shall be void and the Lottery's liability shall be limited to a refund of the amount of the bet.
- (e) The bet as represented by the ticket produced by the computer terminal is the only bet on which a prize may be claimed. Bettors are cautioned to examine their bet ticket at the time it is issued prior to the close of betting for the appropriate game in order to ensure that the ticket accurately represents the correct number selections, amount wagered and games for which it is eligible.
- (f) In the event that the sales agent or the computer terminal errs when the bet is placed, it shall be the responsibility of the bettor to determine that an error has been made and to request cancellation (provided betting for the game has not closed) of the bet and the return of the purchase price. The Lottery shall not be liable for the payment of a prize because of sales agent or computer terminal error when the bet is placed.
- (g) The Lottery shall not be liable for the payment of a prize in the event that the bet is canceled intentionally or through inadvertence of the sales agent.

961 CMR: STATE LOTTERY COMMISSION

2.65: continued

(h) It shall be the responsibility of the person who collects the prize to make certain that he or she is receiving the correct sum of prize money. The Lottery shall not be liable for any underpayment except that the Director in his or her discretion may direct that an additional prize payment be made in order to correct an obvious mistake.

(5) Betting Tickets.

(a) The betting ticket is a bearer instrument unless signed by owner and prize may be claimed by anyone in possession of unsigned winning ticket.

(b) Sales Agents may pay claims up to and including the sum of \$600.00. Any claim of more than \$600.00 shall be made on a claim form supplied by the Lottery at all sales agent locations. The procedure to be followed for claims in excess of \$600.00 and 961 CMR 2.00 governing each procedure shall be pursuant to 961 CMR 2.38.

(6) Lost, Mislaid or Stolen JACKPOT POKER Tickets. The Lottery Commission may pay a prize to the holder of a JACKPOT POKER ticket and the payment of such prize shall absolve the Commission of any further liability with respect to such ticket. In determining whether a prize has been paid on a JACKPOT POKER Ticket, the Commission may rely solely upon its computer records in determining whether or not a particular prize has been paid and the status as determined by the Lottery's computer shall be binding on the holder. In the event of a lost, stolen or mislaid ticket, the Director may order an investigation, and if he or she is satisfied that the claimant in fact is the owner of the lost, stolen or mislaid ticket and it has not otherwise been paid, he or she may in his or her discretion pay the prize to the claimant thereof. All payments of prizes on lost, stolen or mislaid tickets shall not be made for a period of 90 days in the case of a prize of \$200.00 or less and shall not be made for one year if the prize exceeds \$200.00 unless the Director in his or her discretion shall decide otherwise.

(7) Sales Agents. Sales Agents are required to pay to the Lottery all sums due on the date established for payment. Failure to make payment when due or upon notice from the custodial bank that funds are not available will result in the immediate shut down of that Sales Agent's terminal and the Sales Agent's license to sell the JACKPOT POKER and/or any other Lottery game shall be subject to revocation, suspension or non renewal pursuant to the provisions of 961 CMR 2.13.

(8) Prizes. All prize amounts shall be set by the Director by Administrative Bulletin. The Administrative Bulletin shall detail the total field of numbers to choose from, establish minimum prizes, rules for rounding payments to the nearest dollar or otherwise, rules for subtracting overpayments from a pool from subsequent pools and adding underpayments from a pool to subsequent pools, and such other matters as may be necessary or desirable for the proper operation of the game.

(9) Multiplier Feature. The Massachusetts State Lottery Commission may offer a multiplier feature, which may be known by an associated trade name, for the JACKPOT POKER. This is a feature by which a bettor, for an additional wager, may increase the prize amount by a factor depending upon a multiplier number that is drawn prior to a game. Rules regarding the multiplier feature shall be set by the Director in an Administrative Bulletin governing the game.

(10) The liability, whether by negligence or otherwise, of the Lottery and its licensed Sales Agents for invalid bets is limited to a refund of the amount wagered.

(11) Termination. The JACKPOT POKER game shall terminate as an active On-Line Number Selection Game as of June 30, 2016. All of the provisions of 961 CMR 2.65 shall remain in effect for one year from the time of the last drawing.

(12) Miscellaneous. All other provisions of Lottery Rules and Regulations (961 CMR) shall, if applicable, apply to the JACKPOT POKER.

2.66: ALL OR NOTHING

(1) Effective Date. Sale of ALL OR NOTHING tickets begins on July 18, 2016.

2.66: continued

(2) Definitions.

ALL OR NOTHING. An on-line Lottery game in which a player selects 12 numbers from a field of 24 numbers. The Lottery randomly selects 12 numbers from the same field of 24 numbers. Depending on the quantity of numbers matched and validation of the ticket, the player may win a prize.

Consecutive Games. The number of successive ALL OR NOTHING games (*i.e.* 2, 5, 10, 20, 25, 30) for which a player may make a selection on a single ALL OR NOTHING ticket.

Exchange Ticket. The ticket issued to replace a consecutive game ticket that is validated prior to the last game on the ticket.

Quic Pic. A function that allows an On-line System to automatically and randomly select ALL OR NOTHING numbers for a player.

(3) Valid Bet. Except as otherwise provided in 961 CMR 2.66, a valid bet on the ALL OR NOTHING game using the Lottery's computer processing system shall be a bet which is:

- (a) Placed with and accepted by a Sales Agent licensed to sell the ALL OR NOTHING game or by a Lottery facility specifically designated for the purpose.
- (b) Paid for in full at the time and place the bet is placed.
- (c) Recorded correctly on an On-line Ticket in accordance with 961 CMR 2.00.
- (d) Represented by an On-line Ticket generated by a computer terminal. The ticket must contain the following information:
  1. The Number Selection;
  2. The Amount Wagered;
  3. The Number of Games Played;
  4. The Date or Dates of Play;
  5. A Terminal Identification Number;
  6. An 18 Digit Ticket Serial Number;
  7. A Machine Readable (Bar Code) Ticket Serial Number; and
  8. A verifiable numeric representation of the information contained on an On-line Ticket consistent with the information contained in the Lottery's computer records.
- (e) Accepted by the Lottery Computer prior to the selection of the winning numbers for the game(s) on an On-line Ticket.
- (f) In the event of an apparent contradiction between information, as printed on an On-line Ticket, and as accepted by the Lottery Computer, the bet as accepted by the Lottery Computer shall be the valid bet.

(4) Placing Bets.

- (a) Bets may be placed by the bettor orally requesting a "Quic Pic" and the Sales Agent then registering the bet via the terminal keyboard or by preparing a betting slip which is then entered into the terminal. Betting slips shall be prepared as follows:
  1. Marking Of Betting Slips. In completing a betting slip for the ALL OR NOTHING game, the bettor MUST:
    - a. Use only pencil or blue ballpoint pen for marking the slip;
    - b. Select the amount bet per game;
    - c. Select the number of games played;
    - d. Select the 12 numbers he or she wishes to play, each number may only be selected once each game; or
    - e. Select the Quic Pic box;
    - f. Select the Bonus option, if desired.
  2. Only official bet slips issued by the Lottery and hand marked by the bettor(s) may be used to place bets. The use of mechanical, electronic, computer generated or any other method of marking betting slips is prohibited.
  3. Bet slips shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.
- (b) The terminal must generate a ticket, as described in 961CMR 2.66(3)(d), which is given to the bettor as his or her receipt.

## 2.66: continued

(c) A single game bet may be canceled on the day it is placed prior to the close of betting for the game for which the bet is eligible. A consecutive game bet may be canceled on the day it is placed prior to the close of betting for the first game for which the bet is eligible. Consecutive game bets cannot be canceled after the first game for which the bet is eligible takes place.

(d) A bet must be canceled at the On-line System terminal in which the bet was placed. Bettors shall be entitled to a full refund of their bets upon cancellation and in no event shall a canceled ticket be entitled to a prize.

(e) Bets may be placed with any Lottery Sales Agent authorized to accept ALL OR NOTHING bets or at any Lottery facility accepting ALL OR NOTHING bets.

(f) Bets may be placed at any time during the day at such time or times as will be determined by the Director, but all bets must be placed and accepted by the Lottery's On-Line System prior to the close of betting for a game. In the event that a bet is placed subsequent to the close of betting for a game, that bet shall be void and the Lottery's liability shall be limited to a refund of the amount of the bet.

(g) The bet as represented by the ticket produced by the On-line System is the only bet on which a prize may be claimed. Bettors are cautioned to examine their bet ticket at the time it is issued prior to the close of betting for the appropriate game in order to ensure that the ticket accurately represents the correct number selections, amount wagered and games for which it is eligible.

(h) In the event that a Sales Agent or the On-line System errs when the bet is placed, it shall be the responsibility of the bettor to determine that an error has been made and to request cancellation (provided betting for the game has not closed) of the bet and the return of the purchase price. The Lottery shall not be liable for the payment of a prize because of Sales Agent or On-line System error when the bet is placed.

(i) The Lottery shall not be liable for the payment of a prize in the event that the bet is canceled intentionally or through inadvertence of a Sales Agent.

(j) It shall be the responsibility of the person who collects the prize to make certain that he or she is receiving the correct sum of prize money. The Lottery shall not be liable for any underpayment except that the Director in his or her discretion may direct that an additional prize payment be made in order to correct an obvious mistake.

(5) Betting Tickets.

(a) The betting ticket is a bearer instrument unless signed by owner and prize may be claimed by anyone in possession of unsigned winning ticket.

(b) Sales Agents may pay claims up to and including the sum of \$600.00. Any claim of more than \$600.00 shall be made on a claim form supplied by the Lottery at all Sales Agent locations. The procedure to be followed for claims in excess of \$600.00 shall be pursuant to 961 CMR 2.38.

(6) Lost, Mislaid or Stolen ALL OR NOTHING Tickets. The Lottery may pay a prize to the holder of an ALL OR NOTHING ticket and the payment of such prize shall absolve the Lottery of any further liability with respect to such ticket. In determining whether a prize has been paid on an ALL OR NOTHING ticket, the Lottery may rely solely upon its computer records in determining whether or not a particular prize has been paid and the status as determined by the Lottery's On-line System shall be binding on the holder. In the event of a lost, stolen or mislaid ticket, the Director may order an investigation, and if he or she is satisfied that the claimant in fact is the owner of the lost, stolen or mislaid ticket and it has not otherwise been paid, he or she may in his or her discretion pay the prize to the claimant thereof. All payments of prizes on lost, stolen or mislaid tickets shall not be made for a period of 90 days in the case of a prize of \$200.00 or less and shall not be made for one year if the prize exceeds \$200.00 unless the Director in his or her discretion shall decide otherwise.

(7) Sales Agents. Sales Agents are required to pay to the Lottery all sums due on the date established for payment. Failure to make payment when due or upon notice from the custodial bank that funds are not available will result in the immediate shut down of that Sales Agent's terminal and the Sales Agent's license to sell the ALL OR NOTHING and/or any other Lottery game shall be subject to revocation, suspension or non renewal pursuant to the provisions of 961 CMR 2.13.

961 CMR: STATE LOTTERY COMMISSION

2.66: continued

(8) Prizes. All prize amounts shall be set by the Director in an Administrative Bulletin governing the game. The Administrative Bulletin shall detail the total field of numbers to choose from, establish minimum prizes, rules for rounding payments to the nearest dollar or otherwise, rules for subtracting overpayments from a pool from subsequent pools and adding underpayments from a pool to subsequent pools, and such other matters as may be necessary or desirable for the proper operation of the game.

(9) Multiplier Feature. The Lottery may offer a multiplier feature, which may be known by an associated trade name, for the ALL OR NOTHING game. This is a feature by which a bettor, for an additional wager, may increase the prize amount by a factor depending upon a multiplier number that is drawn prior to a game. Rules regarding the multiplier feature shall be set by the Director in an Administrative Bulletin governing the game.

(10) The liability, whether by negligence or otherwise, of the Lottery and its licensed Sales Agents for invalid bets is limited to a refund of the amount wagered.

(11) Miscellaneous. All other provisions of 961 CMR shall, if applicable, apply to the ALL OR NOTHING game.

REGULATORY AUTHORITY

961 CMR 2.00: M.G.L. c. 10, § 24 and c. 30A, § 3.