

**MINNESOTA STATE LOTTERY
GAME PROCEDURES FOR THE LOTTO GAME
“POWERBALL®”**

AS OF: NOVEMBER 12, 2010

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“POWERBALL®”**

1.0. Name of Game

The name of the Multi-State Lottery Association's lotto game in Minnesota is "POWERBALL®".

1.1. Definitions

- A. "Director" means the Director of the Minnesota State Lottery.
- B. "Drawing" means the formal process of selecting winning numbers which determine the number of winners for each prize level of the game.
- C. "Game board" or "boards" means that area of the play slip which contains two sets of numbered squares to be marked by the player, the first set containing fifty-nine (59) squares, number one (1) through fifty-nine (59) and the second set containing thirty-five (35) squares, number one (1) through thirty-five (35).
- D. "Game Ticket" or "Ticket" means an acceptable evidence of play which is a Ticket produced by a retailer terminal or a validly registered Subscription_Play for the “POWERBALL®” game.
- E. "Lottery" means the Minnesota State Lottery.
- F. "Lotto Game" means the lottery game wherein a player selects numbers out of a larger predetermined set or sets of numbers.
- G. "MUSL" means the Multi-State Lottery Association.
- H. "Panel" means an area of a play slip which has to be marked by the player to select the numbers to play and the amount to be played.
- I. "Play" means the six (6) numbers, the first five (5) from a field of fifty-nine (59) numbers and the last one (1) from a field of thirty-five (35) numbers that appear on a ticket as a single lettered selection and are to be played by a player in the game.
- J. "Play slip" means a card used in marking a player's game plays and containing one or more boards.
- K. "Quick Pick" means the random selection of two-digit numbers by the computer terminal which appears on a ticket and is played by a player in the game.
- L. "Retailer" means a person or entity authorized by the Lottery to sell lottery game tickets.

- M. "Terminal" means a device which is authorized by the Lottery to function in an interactive mode with the Lottery's computer system, for the purpose of issuing lottery tickets and entering, receiving, and processing lottery transactions, including purchases, validating tickets, and transmitting reports.
- N. "Winning numbers" means the six (6) numbers, the first five (5) from a field of fifty-nine (59) numbers and the last one (1) from a field of thirty-five (35) numbers randomly selected at each drawing, which shall be used to determine winning plays contained on a game ticket.
- O. "Set prize" means all other prizes except the Grand Prize that are advertised to be paid by a single cash payment and, except in instances outlined in these procedures, will be equal to the prize amount established by these procedures for the prize level.
- P. "MUSL (POWERBALL Product Group)" means the group of lotteries that have joined together to offer the POWERBALL[®] lottery game pursuant to the terms of the MUSL Agreement and the Powerball Product Group's rules.
- Q. "Subscription ACH Process" or "ACH Process" means the process where funds are electronically transferred from a player's Minnesota bank account to the Lottery's bank account to purchase a Subscription Play.
- R. "Subscription Account Activation Email" or "Account Activation Email" means the electronic correspondence sent to a player from the Lottery confirming that the player has successfully registered for the Subscription Service.
- S. "Subscription Claim Form" means the claim form that must be completed by the player and submitted to the Lottery to claim a prize from a Subscription Play of \$600.00 or more.
- T. "Subscription Effective Start Date" or "Effective Start Date" means the first drawing date for which a Subscription Play is effective.
- U. "Subscription Expiration Date" or "Expiration Date" means the last drawing date for which a Subscription Play is effective.
- V. "Subscription Group" or "Group" means two or more individuals sharing a Subscription Play.
- W. "Subscription Group Manager" or "Group Manager" means the individual designated on a Group Subscription Play as the person acting on behalf of the Group.
- X. "Subscription Play" means a play for the Lotto Game purchased through the Subscription Service.
- Y. "Subscription Purchase Receipt Email" or "Purchase Receipt Email" means the electronic correspondence sent to the player from the Lottery confirming the

Subscription Plays for each Lotto Game played through the Subscription Service, the Effective Start Date of the Plays, the Expiration Date for each Play and the Game Numbers selected for each Play.

- Z. “Subscription Service” means the service provided by the Lottery that permits a player to purchase a Lotto Game play for a period of time via the Lottery’s website subject to the terms and conditions of the Subscription Service Terms of Service.
- AA. “Subscription Wallet” or “Wallet” means the account that the player has with the Lottery where the balance remaining from winnings less than \$600.00 is listed.
- BB. “Wallet Check Request Confirmation Email” means the electronic correspondence sent to the player from the Lottery confirming that the player has requested to receive a check for the total value in the player’s Wallet.

2.0. Game Description

POWERBALL[®] is a five (5) out of fifty-nine (59) plus one (1) out of thirty-five (35) lotto game which pays the Grand Prize, at the election of the player made in accordance with these procedures, either on an annuitized pari-mutuel basis or as a cash lump sum payment of the total cash held for this prize pool on a pari-mutuel basis. Except as provided in these procedures, all other prizes are paid on a set cash basis. To play POWERBALL[®] a player shall select five (5) different numbers, between one (1) and fifty-nine (59) and one (1) additional number between one (1) and thirty-five (35), for input into a terminal operated by a retailer. The additional number may be the same as one of the first five numbers selected by the player. The player may select each set by communicating the six (6) numbers to the retailer, or by marking six (6) numbered squares in any one game board on a play slip and submitting the play slip to the retailer or by requesting a "quick pick" from the retailer. The retailer will then issue a ticket, via the retailer terminal, containing the selected set or sets of numbers, each of which constitutes a game play. Tickets may also be purchased via the Subscription Service.

2.1. Claims

A ticket shall be the only proof of a game play or plays and the submission of a winning ticket to the issuing Lottery or an authorized 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 ticket purchase or of numbers selected. A Terminal produced paper receipt or a Subscription purchase receipt produced by the Subscription Service has no pecuniary or prize value and shall not constitute evidence of a Ticket purchase or of numbers selected.

2.2. Cancellations Prohibited

A ticket may not be voided or canceled by returning the ticket to the selling retailer, including tickets that are printed in error.

2.3. 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. The placing of plays is done at the player's own risk through the retailer who is acting on behalf of the player in entering the play or plays.

2.4. Price of Ticket

- A. The price of each POWERBALL[®] ticket shall be \$2.00 and shall contain one play.
- B. A retailer may discount the sales price of a ticket in this game, if the reduction in price is part of a store-wide discount promotion on all purchases (lottery and non-lottery) made by the player. The discount of the price shall not relieve the retailer from the obligation to pay the Lottery the full price of a ticket as stated in this section.

2.5. Play Slip and Ticket Characteristics and Restrictions

- A. The player shall select, or request selection by computer, six numbered squares on a play slip. Play slips shall be available at no cost to the purchaser. The minimum entry is \$2. A play slip has no pecuniary or prize value and does not constitute evidence of purchase or numbers selected.
- B. To purchase a ticket, players shall, in addition to the purchase price, submit the completed play slip, or request number selection by Quick Pick to an authorized retailer to have issued a standard game ticket which shall contain the six number selections played in each game grid, the drawing date, amount bet, and validation number data. This standard game ticket shall be the only valid proof of the bet placed, and the only valid receipt for claiming a prize. The standard game ticket shall only be valid for the drawing date or dates printed on the ticket. Tickets may also be purchased via the Subscription Service.
- C. If play slips are unavailable, plays may also be given to an authorized retailer in groups of six number selections for each \$1 wagered. The selections shall be manually entered into the computer terminal by the retailer.
- D. A player may select numbers for up to fourteen (14) drawings, specifically the next drawing and the thirteen (13) subsequent drawings.
- E. No ticket may be purchased or issued for a drawing within a specified time, to be designated by the Director, of that drawing.
- F. Plays may only be entered manually using the Lottery terminal's key board, or by means of a play slip provided by the Lottery and hand-marked by the player or by such other means approved by the Lottery.

- G. A retailer may not permit the use of facsimiles of play slips, copies of play slips, or other materials that are inserted into the lottery's computer terminal's play slip reader that are not printed or approved by the lottery.
- H. A retailer may not permit any device to be connected to the lottery's computer terminal to enter plays, except as approved by the Lottery.

2.6. Time, Place and Manner of Conducting Drawing

- A. Time of Drawing. POWERBALL® drawing will be held twice a week at 9:59 p.m. central standard time on Wednesday and Saturday, provided that the Director or the MUSL Powerball Product Group may change the time of the drawing without notice.
- B. Place of Drawing. POWERBALL® drawings will be conducted by MUSL in places designated by the MUSL Powerball Product Group.
- C. Manner of Conducting Drawings. MUSL will draw at random, five (5) numbers between one (1) and fifty-nine (59) and one (1) number between one (1) and thirty-five (35), which will be known as the winning numbers.

2.7. Purchase of POWERBALL® Through the Subscription Service

- A. The Subscription Service permits an eligible player to purchase plays for Powerball® for a number of consecutive drawings over a stated period of time from the Lottery's website. To purchase a Subscription Play for "Powerball®", a player must register on the Lottery's web site at www.mnlotterysubscription.com. In order to register, a player must be at least 18 years of age or older, have a Minnesota mailing address and be a resident of the United States.
- B. To register for the Subscription Service, a player must enter the information listed below on the registration page on the Lottery's website www.mnlotterysubscription.com. The address provided by the player must be within the State of Minnesota.
 - 1) First and last name
 - 2) Street address
 - 3) City and state
 - 4) Zip code
 - 5) Phone number
 - 6) Date of birth
 - 7) Last four (4) digits of their social security number
 - 8) Email address
- C. Once the player has entered his or her personal information, the player will be required to select one (1) of twelve (12) site key images with text identifier and create a unique username and password. After a site key image has been selected and username and password created, the Lottery will send an Account

Activation Email to the player. A player will be required to acknowledge receipt of the Account Activation Email in order to complete the Subscription registration. After the player has received and responded to the Subscription Account Activation Email, in order to finalize the Subscription registration, the player must set a weekly spending limit at an amount between \$10.00 and \$50.00 per week. This spending limit may be changed at any time although, if the spending limit is increased, it will not be effective for 24 hours after the change is made. Weekly limits are defined by Subscription Plays occurring each week, not the full value of the Subscription purchase.

- D. A player may ban themselves from purchasing any Subscription Purchases for a period of one (1) year, two (2) years, three (3) years or permanently by so indicating on the profile page. Once the player enters the appropriate information on the profile page, the player will not be able to purchase any Subscription Plays for the period indicated by the player. The Lottery will not be liable if the player circumvents the system and purchases Subscription Plays despite the exclusionary period entered by the player.
- E. A Subscription Registration may be rejected by the Lottery if the player does not provide all of the information required by this section, the player does not have a mailing address within the State of Minnesota, is not a resident of the United States, is under 18 years of age or the Lottery cannot verify that the person is 18 years of age or older.
- F. To make a Subscription Play for the purchase of a Ticket for a "Powerball®" Lotto Game, the player must select "Powerball®" Lotto Game, the type of play (Group or individual), the desired numbers or Quick Pick, the amount wagered per draw and the number of weeks of the subscription (between six weeks and one year). Once a purchase of a Subscription Play is completed, the numbers selected for the Subscription Play may not be changed. Before the Subscription Play is processed, the system will confirm that the player is making the purchase from a computer located within the State of Minnesota. Additionally, the player must verify that he/she is within the State of Minnesota.
- G. Once the player has designated all of his/her Subscription Plays, the player will be required to enter certain bank account information including the player's bank account number and routing number. The player's bank account must be from a bank located within the State of Minnesota. Purchases of Subscription Plays will only be permitted through the ACH Process. Purchase of Subscription Plays via credit or debit cards is not permitted. Once the purchase of the Subscription Play is completed, the player may not cancel the Subscription Play or change any of the Game Numbers that are a part of that Subscription Play. Any amount paid to the Lottery for a Subscription Play is nonrefundable.
- H. The Effective Start Date for any Subscription Play will be within 48 hours after completion of the purchase. The purchase of a Subscription Play will be denied if the player does not provide all of the required information or if the purchase is being made from a computer not located within the State of Minnesota. If the

Subscription Play is accepted by the Lottery, the player will receive a Subscription Purchase Receipt Email from the Lottery. The player should contact the Lottery if he or she does not receive a Subscription Purchase Receipt Email. If a payment attempt is denied by a bank for insufficient funds, the account was closed or for any other reason, the Lottery may charge the player a fee of \$30.00.

- I. A Subscription Play may be suspended by the Lottery if the payment is denied by the bank for insufficient funds or any other reason. Once a Subscription Play has been suspended, individual plays or wagers for that Subscription Play will no longer be placed by the Lottery. If a Subscription Play is suspended, the Lottery may, at its discretion, cancel the remaining wagers or Plays within that Subscription Play or reinstate the wagers or Plays if the player makes full payment of the amount owed including any fees. If the Subscription Play is reinstated, the Subscription will be extended. During the period of any suspension, no further Subscription Play purchases will be allowed from that player.
- J. The Lottery may terminate subsequent plays included in a Subscription Play if the "Powerball®" Lotto Game is changed so as to make the Subscription Play ineffective. In such event, the player may elect to receive a refund of the value of the remaining "Powerball®" Lotto Game plays to the player or apply the value of the remaining plays to the player's Wallet.
- K. The Lottery will make every attempt to ensure transactions are processed. If there are system problems, neither the Lottery nor its vendors will be liable for the failure of an individual Subscription Play being processed. In such an instance, the Subscription will be extended.
- L. Subscription Plays may not be transferred to another player.
- M. To purchase Subscription Plays for a Group, the Group Manager must indicate the number of persons in the Group and list the name (first and last) of each member of the Group. The Group Manager must verify that each Group member is 18 years of age or older. Once a Group Subscription is purchased, the Group Manager may not change or delete members of the Group. A Group Manager is responsible for disbursing any funds in the Group Manager's Wallet to Group members.

3.0. Prize Pool

The prize pool for all prize categories shall consist of fifty percent of each drawing period's sales, including tax, after the prize reserve accounts are funded to the amount set by the MUSL Powerball Product Group. Any amount remaining in the prize pool at the end of this game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Powerball Product Group.

3.1. Prize Reserve Accounts

Two percent of sales, including tax, shall be placed in one or more prize reserve accounts until the prize reserve accounts exceeds the amount designated by the MUSL Powerball Product Group. Once the prize reserve account exceeds the designated amount, the excess shall become part of the prize pool. Any amount remaining in a prize reserve account at the end of this game shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the MUSL Powerball Product Group.

3.2. Expected Prize Payout Percentages

- A. The Grand Prize shall be determined on a pari-mutuel basis. Except as provided in these procedures, all other prizes awarded shall be paid as set cash prizes with the following expected prize payout percentages:

<u>Number of Matches Per Play</u>	<u>Prize Pool Prize Payment</u>	<u>Percentage Allocated to Prize</u>
All five (5) of first set plus one (1) of second set	Grand Prize	63.9511%
All five (5) of first set plus none of second set	\$1,000,000.00	19.4038%
Any four (4) of first set plus one (1) of second set	\$ 10,000.00	1.5409%
Any four (4) of first set plus none of second set	\$ 100.00	0.5239%
Any three (3) of first set plus one (1) of second set	\$ 100.00	0.8167%
Any three (3) of first set plus none of second set	\$ 7.00	1.9437%
Any two (2) of the first set plus one (1) of second set	\$ 7.00	0.9909%
Any one (1) of the first set plus one (1) of second set	\$ 4.00	3.6097%
None of first set plus one (1) of second set	\$ 4.00	7.2194%

- B. The prize money allocated to the Grand Prize category shall be divided equally by the number of game boards winning the Grand Prize.
- C. The prize pool percentage allocated to the set prizes (the cash 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 set prizes awarded in the current draw. If the total of the set prizes awarded in a drawing exceeds the percentage of the prize pool allocated to the set prizes, then the amount needed to fund the set prizes awarded shall be drawn from the following sources, in the following order: (1) the amount allocated to the set prizes and carried forward from previous draws, if any; (2) an amount from the set prize reserve account, if available, not to exceed forty million dollars (\$40,000,000) per drawing. If after these sources are depleted, there are not sufficient funds to pay the set prizes awarded, 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 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 this procedure shall be divided among the winning plays in proportion to their respective prize percentage.

3.3. Probability of Winning

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 overall odds of winning a prize are 1:31.8464.

<u>Number of Matches Per Ticket</u>	<u>Probability of Winning</u>	<u>Probable/Set Prize Amount</u>
All five (5) of first set plus one (1) of second set	1:175,223,510	Grand Prize
All five (5) of first set plus none of second set	1:5,153,632.6471	\$1,000,000
Any four (4) of first set plus one (1) of second set	1:648,975.963	\$ 10,000
Any four (4) of first set plus none of second set	1:19,087.5283	\$ 100
Any three (3) of first set plus one (1) of second set	1:12,244.8295	\$ 100
Any three (3) of first set plus none of second set	1:360.142	\$ 7

Any two (2) of the first set plus one (1) of second set	1:706.4325	\$	7
Any one (1) of the first set plus one (1) of second set	1:110.8129	\$	4
None of first set plus one (1) of second set	1:55.4065	\$	3

3.4. Grand Prizes

- A. Grand prizes shall be paid per a winner annuity except a player may elect to receive the Grand Prize in a single cash payment provided the election is made by the player within 60 days after the player becomes entitled to the prize. The election to take the single cash payment may be made at the time the prize is claimed or within 60 days following the date that the Lottery determines that the player is entitled to the Grand Prize. An election made by a player to receive the prize via an annuity or in a single cash payment is final and cannot be revoked, withdrawn or otherwise changed.
- B. Shares of the Grand Prize shall be determined by dividing the cash available in the Grand Prize pool equally among all winners of the Grand Prize. Winner(s) who elected cash payment shall be paid their share(s) in a single cash payment. The annuitized option prize shall be determined by multiplying a winner's share of the Grand Prize by the MUSL annuity factor. The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, pre-approved brokers made after it is determined that the prize is to be paid as an annuity prize or after the expiration of 60 days of the date that the player becomes entitled to the prize. Neither MUSL nor the Lottery shall be responsible or liable for changes in the advertised or estimated annuity prize from the time the drawing occurs and the date that the player makes the election regarding method of prize payment.
- C. In certain instances announced by the Powerball Product Group, the Grand Prize shall be a guaranteed amount and shall be determined pursuant to Section 3.10.
- D. If the individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Powerball Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the Grand Prize pool.
- E. All annuitized prizes shall be paid in thirty payments with the initial payment being made in cash, to be followed by twenty-nine payments funded by the annuity. The initial payment of an annuitized prize may be made by the Lottery upon validation of the winning ticket. Each subsequent payment shall increase each year by a rate as determined by the MUSL Powerball Product Group. Prize payments may be rounded down to the nearest one thousand dollars (\$1,000.00). Annual payments after the initial payment shall be made on the anniversary date of the selection of the grand prize winning numbers or if such

date falls on a non-business day, the first business day following the anniversary date.

- F. In the event of the death of a lottery prize winner and upon petition of the estate of the lottery prize winner, the MUSL Powerball Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the lottery winner by transferring to the estate the securities and/or cash being held to satisfy the prize requirements, or paying the estate the present value of the remaining payments of the lottery winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Powerball Group.
- G. If a player had selected to be paid in a single cash payment at the time the ticket was purchased under the Game Procedures in effect prior to July 1, 1999, the player may not change that election under this section at the time the prize is claimed.

3.5. Cash Prize Payments

All low-tier cash prizes, (all prizes except the Grand Prize) shall be paid in cash by the Lottery. The Lottery may begin paying low-tier cash prizes after receiving authorization to pay from the MUSL Central Office.

3.6. 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.

3.7. Limited to Highest Prize Won

The holder of a winning ticket may win in only one prize per board 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.

3.8. Prize Claim Period

Prize claims must be submitted within one year of the drawing date, except if the one year deadline is a Saturday, Sunday, or a legal holiday, a claim must be submitted by close of business the following business day.

3.9. Prizes Rounded

Annuitized payment 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 cash payment to the winner or winners. Prizes other than the Grand Prize, which under these rules, may become single-payment, pari-mutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

3.10. Funding of Guaranteed Prizes

The MUSL Powerball 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 MUSL Powerball 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 winners. If there are multiple Grand Prize winners during a single drawing and at least one of the Grand Prize winners has elected the annuitized option prizes, 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 average annuity factor of the most recent three best quotes provided by MUSL's pre-approved qualified brokers submitting quotes. In no case, shall quotes be used which are more than two weeks old and if less than three quotes are submitted, the MUSL shall use the average of all quotes submitted. Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation of prize money shall be designed to retain the approximately the same prize allocation percentages, over a year's time, set out in these procedures. Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism as set out in Section 3.2.C. becomes necessary.

3.11. Procedure for Claiming a Prize

- A. To claim a prize of five hundred and ninety-nine dollars (\$599.00) or less, a player must sign the back of the ticket in the space designated on the ticket and present the winning ticket to any retailer that sells Powerball[®] game tickets. The retailer shall verify the claim through use of the retailer terminal and, if valid, make payment of the amount due the player. In the event the retailer cannot verify the claim, the retailer shall provide the player with a claim form and instruct the player on how to file a claim with the Lottery. If the claim is validated by the Lottery, a check shall be forwarded to the player in the amount due. In the event the claim is not validated the claim shall be denied and the player shall be notified promptly.
- B. To claim a prize less than thirty thousand and one dollars (\$30,001.00), but greater than five hundred and ninety nine (\$599.00), the player must sign the winning ticket, fill out a claim form, and present both at any Lottery Regional Office or at the Lottery's main office in Roseville, Minnesota, or mail both to the Minnesota State Lottery, P.O. Box 131000, Roseville, MN 55113. If the claim is validated by the Lottery, the check in the appropriate amount will be forwarded to the player less any applicable Federal and State withholding tax and debt owed under Minnesota Statutes 270A.03. In the event that the claim is not

validated by the Lottery, the claim shall be denied and the player shall be notified promptly.

- C. To claim a prize greater than thirty thousand dollars (\$30,000.00), the player must sign the winning ticket, fill out a claim form, and present both at the Lottery's main office in Roseville, Minnesota. If the claim is validated by the Lottery, the check in the appropriate amount will be forwarded to the player, less any applicable Federal and State withholding tax and debt owed under Minnesota Statutes 270A.03. In the event that the claim is not validated by the Lottery, the claim shall be denied and the player shall be notified promptly.
- D. Prizes from a "Powerball®" Lotto Game Ticket purchased through the Subscription Service less than \$600.00 will be paid to the person who had submitted the Subscription Play and had registered with the Subscription Service. The player will be notified by email and the amount won will be listed in the player's Subscription Wallet. A player may elect to receive cash for the balance remaining in the player's Wallet by so indicating on the Wallet page on the Subscription website. Once the election has been made, the player will receive a Wallet Check Request Confirmation Email and the Lottery will issue a check to the player for the total amount in the player's Wallet. A player may apply some or all of the funds in his/her wallet toward the purchase of future Subscription Plays. Money in a player's Wallet will not earn any interest. If there is no activity in a player's Subscription account for a period of three (3) years and there is a balance in the player's Wallet, the Lottery will notify the player regarding the player's balance. If there is no response from the player within thirty (30) days of such notification, the amount in the player's Wallet will be treated as unclaimed property under Minnesota law. The Lottery reserves the right to collect from a player's Wallet any amount owed to the Lottery due to nonpayment for a Subscription Play purchased by the player.
- E. To claim a prize less than thirty thousand and one dollars (\$30,001.00), but greater than five hundred and ninety nine (\$599.00) from a "Powerball®" Ticket purchased through the Subscription Service, the player must, fill out a Subscription Claim Form and mail it to the Minnesota State Lottery, P.O. Box 131000, Roseville, MN 55113. If the claim is validated by the Lottery, the check in the appropriate amount will be forwarded to the player less any applicable federal and state withholding tax and debt owed under Minnesota Statutes 270A.03. In the event that the claim is not validated by the Lottery, the claim shall be denied and the player shall be notified promptly.
- F. To claim a prize greater than thirty thousand dollars (\$30,000.00) from a "Powerball®" Ticket purchased through the Subscription Service, the player must fill out a Subscription Claim Form and present it at the Lottery's main office in Roseville, Minnesota. If the claim is validated by the Lottery, the check in the appropriate amount will be forwarded to the player less any applicable federal and state withholding tax and debt owed under Minnesota Statutes 270A.03. In the event that the claim is not validated by the Lottery, the claim shall be denied and the player shall be notified promptly.

4.0. Ticket Responsibility

- A. A POWERBALL® prize claim is deemed to be submitted by the person whose name appears on the ticket or, in the case of a ticket not completed with name and address, by the person holding the ticket.
- B. The Lottery will not be responsible for lost or stolen POWERBALL® tickets.
- C. The purchaser of the POWERBALL® ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.
- D. The Lottery will not be responsible for POWERBALL® tickets redeemed in error by a player from a retailer.
- E. When a Subscription Play is validly and properly registered with the Lottery, the person who has registered the Subscription Play shall be the owner of the ticket and shall be entitled to any prize attributable thereto.

4.1. Ticket Validation Requirements

- A. Valid Tickets. To be a valid POWERBALL® ticket, the following conditions shall be met:
 - 1. The ticket validation number shall be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.
 - 2. The ticket shall be intact.
 - 3. The ticket may not be mutilated, altered, reconstituted or tampered with.
 - 4. The ticket may not be counterfeit or an exact duplicate of another winning ticket.
 - 5. The ticket shall have been issued by the Lottery through a retailer in an authorized manner.
 - 6. The ticket may not have been stolen or canceled.
 - 7. The ticket data shall have been recorded on the central computer system prior to the drawing and the ticket data shall match this computer record in every respect.
 - 8. The player selected or computer selected numbers, the validation number data and the drawing date of an apparent winning ticket shall appear on the official file of winning tickets, and a ticket with that exact date may not have been previously paid.

9. The ticket may not be misregistered, defectively printed or printed or produced in error to an extent that it cannot be processed by the Lottery.
 10. The ticket shall pass other confidential security checks of the Lottery.
 11. A Ticket produced through the Subscription Service must meet all of the Lottery's confidential security checks.
- B. Invalid or Defective Tickets - Disputes. A ticket not passing the validation checks in subsection A will be considered invalid and will not be paid.
1. In cases of doubt, the determination of the Director of the Lottery is final and binding. The Lottery may replace an invalid ticket with a ticket of equivalent sale price from a current Lottery game.
 2. If a defective ticket is purchased or if the Director determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.
 3. If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph 2. This is the sole and exclusive remedy of the holder of the ticket.

4.2. Allowance for Delay of Payment

- A. The Lottery may delay payment of the prize pending a final determination by the Director, under any of the following circumstances:
1. if a dispute occurs, or it appears likely that a dispute may occur, regarding the prize;
 2. if there is any question regarding the identity of the claimant;
 3. if there is any question regarding the validity of the ticket presented for payment; or
 4. if the claim is subject to any setoff for delinquent debts owed by the claimant under Minnesota Statutes, Section 349A.08, subdivision 8.
- B. The Lottery may delay payment of a Grand Prize pending a claimant election of payment method as provided under Section 3.4., paragraph A.
- C. The Lottery may delay payment of a Grand Prize for up to fifteen days as permitted by MUSL Powerball Product Group Rules.
- D. Liability for interest for any delay shall accrue to the benefit of the claimant pending payment of the claim.

5.0 Ticket Ownership

- A. Until such time as a Subscription Play is properly and validly registered with the Lottery or until such time as a signature is placed upon the back portion of a ticket in the space designated therefor, a ticket shall be owned by the physical possessor of said ticket or for Tickets purchased through the Subscription Service, the person who submitted the Subscription Play. When a Subscription Play is validly and properly registered with the Lottery, or when a signature is placed on the back of the ticket in the space designated therefor, the player who has registered the Ticket for a Ticket purchased through the Subscription Service or whose signature appears in that area shall be the owner of the ticket and shall be entitled to any prize attributable thereto.
- B. Notwithstanding any name or names submitted on a claim form or name or names on the back of the ticket, the Director may make payment to each person who each person that has agreed to share the prize so long as the prize being claimed is more than \$599.00. If the prize to be shared is the Grand Prize, each person's share of the prize will be determined under Section 3.4, and each person must make an election as to the method of payment as provided by that section. If the prize being claimed is less than six hundred dollars (\$600.00), the Director will require that one (1) of those players whose name appears on the back of the ticket or is party to the prize sharing agreement be designated to receive payment by submission of the agreement among the players that has been approved by the Director. If the prize to be shared is the Grand Prize, each person sharing the prize must designate whether the prize will be paid via an annuity or a single cash payment as provided under Section 3.4.
- C. The Lottery shall not be responsible for lost or stolen game tickets.
- D. For Tickets purchased by a Group through the Subscription Service, the Director will make payment to each person listed in the Group Subscription Play so long as the prize being claimed is more than \$599.00. If the prize from a Group Subscription Play is less than \$600.00, the prize will be listed in the Group Manager's Wallet. If the prize to be shared is the Grand Prize, each person's share of the prize will be determined under Section 3.4, and each person must make an election as to the method of payment as provided by that section. If the prize to be shared is the Grand Prize, each member of the Group must designate whether their share of the prize will be paid via an annuity or a single cash payment as provided under Section 3.4.

6.0 Governing Law

In purchasing a ticket, the player agrees to comply with, and abide by, these procedures for POWERBALL®, Minnesota Statutes, Chapter 349A (the State Lottery Law), the Lottery's Prize Payment Rules, MUSL rules, MUSL Powerball Product Group rules, and all final decisions of the Director. In addition, if a Ticket is purchased through the Subscription Service, the player agrees to comply with and abide by the terms of service for the Subscription Service.

7.0. Ineligible Players

A Minnesota State Lottery POWERBALL® lottery ticket may not be purchased by, and a prize won by any such ticket may not be paid to:

- a) a MUSL employee, officer or director;
- b) a contractor or consultant under agreement with the MUSL to review the MUSL audit and security procedures;
- c) an immediate family member of an individual described in subsections (a) and (b) and residing in the same household;
- d) a person prohibited by Minnesota statutes; or
- e) a person prohibited by contract.

7.1 Retailer's Conduct, Bulk Purchase Restrictions

- A. A Lottery retailer authorized to sell lottery tickets for lotto games, or an employee of a retailer may not request, demand, or accept gratuities or additional compensation from any person, or agent thereof, in exchange for the purchase of POWERBALL® lottery tickets.
- B. A Lottery retailer authorized to sell lottery tickets for lotto games must make POWERBALL® lottery tickets available for sale to the public during the hours that sale of POWERBALL® tickets are authorized to be sold and that business is open to the public.
- C. A Lottery retailer authorized to sell lottery tickets for lotto games may only sell POWERBALL® lottery tickets on the premises described in the retailer's contract, except as specially authorized in writing by the Director. No transaction, or any part thereof, of POWERBALL® lottery tickets may be made at the general corporate office of any retailer unless that office is open to the public and has contracted with the Lottery as a separate Lottery retailer.
- D. A Lottery retailer authorized to sell lottery tickets for lotto games may not enter into any special agreement with any person, group of persons, or agent thereof, for the purchase of over \$500 of POWERBALL® lottery tickets for any one draw.
- E. A Lottery retailer authorized to sell lottery tickets for lotto games must immediately report to the Lottery any attempt made by any person, or group of persons, or an agent thereof, to purchase more than 50% of the number combinations for POWERBALL® for any one draw.
- F. A Lottery retailer authorized to sell lottery tickets for lotto games must obtain the name and address of any person purchasing more than \$5,000 in

POWERBALL® lottery tickets for any one draw and report the information to the Lottery before the sale.

- G. A person may not purchase a ticket or combinations of tickets and a lottery retailer may not directly or knowingly sell a ticket or combination of tickets to any person which would guarantee the purchaser a grand prize win.