

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

AS OF: NOVEMBER 12, 2010

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AMENDED: MARCH 25, 2016

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

1.0. Name of Game

The name of the Multi-State Lottery Association's lotto game conducted pursuant to the Cross-Selling Agreement is "MEGA MILLIONS®".

1.1. Definitions

- A. “Cross-Selling Agreement” means the agreement between those lotteries currently offering the Mega Millions® game and the MUSL allowing the MUSL Party Lotteries to offer the Mega Millions® game.
- B. “Director” means the Director of the Minnesota State Lottery.
- C. “Drawing” means the formal process of selecting Winning Numbers which determine the number of winners for each prize level of the game.
- D. “Game Board” or “Boards” means that area of the Play Slip (also known as a “Panel”) which contains two (2) sets of numbered squares to be marked by the player, the first set containing seventy-five (75) squares, number one (1) through seventy-five (75) and the second set containing fifteen (15) squares, number one (1) through fifteen (15).
- E. “Game Numbers” means the numbers selected for each purchase made.
- F. “Game ticket” or “Ticket” means an acceptable evidence of Play, which is a Ticket produced by a Terminal which meets the specifications defined in these procedures.
- G. “Jackpot” or “Grand Prize” means the top prize of the Mega Millions game. The annuity grand prize is an amount that would be paid in thirty (30) graduated annual installments with the annual payments increasing by five percent (5%) each year.
- H. “Lottery” means the Minnesota State Lottery.
- I. “Lotto Lottery Game” means the lottery game wherein a player selects numbers out of a larger predetermined set or sets of numbers.
- J. “Mega Millions Finance Committee” means a committee of the Mega Millions lotteries which determines the grand prize jackpot amount (cash and annuity).

- K. "Mega Millions Lotteries" means those lotteries which have joined the Mega Millions Lottery Agreement, the group of lotteries that has reached a Cross-Selling Agreement with the MUSL Mega Millions Product Group for the selling of the Mega Millions game.
- L. "MUSL" means the Multi-State Lottery Association.
- M. "MUSL Board" means the governing body of the MUSL which is comprised of the chief executive officer of each party lottery.
- N. "MUSL Finance & Audit Committee" means the committee established by the MUSL Agreement.
- O. "MUSL Mega Millions Product Group" or "Product Group" means the group of lotteries that have joined together to offer the Mega Millions® lottery game product pursuant to the terms of its Cross-Selling Agreement with the Mega Millions Lotteries, the Multi-State Lottery Agreement and Product Group's rules
- P. "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.
- Q. "Participating Lottery" or "Selling Lottery" means a state lottery or lottery of a political subdivision or entity which is participating in selling the Mega Millions® game and which is a member of the Product Group.
- R. "Party Lottery" means a state lottery or lottery of a political subdivision or entity which has joined the MUSL and has joined in selling the games offered by the MUSL Mega Millions Product Group.
- S. "Play" means the six (6) numbers, the first five (5) from a field of seventy-five (75) numbers and the last one (1) from a field of fifteen (15) numbers, that appear on a Ticket as a single lettered selection and are to be played by a player in the game.
- T. "Play Slip" means a card used in marking a player's game plays and containing one (1) or more Boards.
- U. "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.
- V. "Retailer" means a person or entity authorized by the Lottery to sell Lotto Lottery Game Tickets.
- W. "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.

- X. "Terminal" means a device which is authorized by the Lottery to function in an online, 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.
- Y. "Winning Numbers" means the six (6) numbers [the first five (5) from a field of seventy-five (75) numbers and the last one (1) from a field of fifteen (15) numbers randomly selected at each Drawing which shall be used to determine winning plays contained on a Game Ticket.

2.0. Game Description

Mega Millions is a five (5) out of seventy-five (75) plus one (1) out of fifteen (15) Lotto Lottery Game drawn on the day(s), time(s) and location(s) as determined by the Mega Millions Lotteries and which pays the Grand Prize at the election of the player made in accordance with these procedures either on a gradual annual pari-mutuel basis or as a cash value option using a rate determined by the Mega Millions Finance Committee on a pari-mutuel basis. Except as provided in these procedures, all other prizes are paid on a set cash basis. To play the Mega Millions game, a player shall select five (5) different numbers, between one (1) and seventy-five (75), and one (1) additional number, between one (1) and fifteen (15), for input into a Terminal. The additional number may be the same as one (1) of the first five (5) 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 (1) 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 Terminal, containing the selected set or sets of numbers, each of which constitutes a game Play.

2.1. Claims

A Ticket (subject to the validations requirements set forth in Section 4.1) 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 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 Mega Millions Ticket shall be one dollar (\$1.00) and shall contain one (1) 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 (6) numbered squares on a Play Slip. Play Slips shall be available at no cost to the purchaser. The minimum entry is one dollar (\$1.00). 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 and any fee associated with a ticket purchase, 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 (6) 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.
- C. If Play Slips are unavailable, Plays may also be given to an authorized Retailer in groups of six (6) number selections for each \$1 wagered. The selections shall be manually entered into the computer Terminal by the Retailer. Tickets can also be generated by the computer using the Quick Pick feature.
- D. A player may select numbers for up to fourteen (14) Drawings, specifically the next Drawing and the next 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 keyboard 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. Mega Millions Drawings will be held twice a week at 10:00 p.m. central time on Tuesday and Friday, provided that the Mega Millions Lotteries may change the time of the Drawing without notice.
- B. Place of Drawing. Mega Millions Drawings will be conducted by a Mega Millions Lottery in places designated by the Mega Millions Lotteries.
- C. Manner of Conducting Drawings. The Mega Millions Lottery will draw, at random, five (5) numbers between one (1) and seventy-five (75) and one (1) number between one (1) and fifteen (15) which will be known as the Winning Numbers.

3.0. Prize Pool

The prize pool for all prize categories offered by the Party Lotteries shall consist of fifty-one percent (51%) of each Drawing period's sales, including tax, after the prize reserve accounts are funded to the amount set by the MUSL Mega Millions 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 Mega Millions Product Group.

3.1. Prize Pool Accounts and Prize Reserve Accounts

- A. An amount up to one percent (1%) of a Party Lottery's sales, including tax, shall be added to a Party Lottery's Grand Prize pool contribution and placed in trust in one (1) or more prize pool accounts and prize reserve accounts held by the MUSL Mega Millions Product Group at any time that the prize pool accounts and the Party Lottery's share of the prize reserve account(s) is below the amount designated by the Product Group. The Product Group has established the following prize reserve account for the Mega Millions game; the 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 (subject to the limitations of these rules).
- B. The Product Group has established the following prize pool accounts for the Mega Millions game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Megaplier prize pool account (described in the Lottery Megaplier Procedures); and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the Low-Tier set prize categories. The source of the Low-Tier Prize Pool is the Lottery's weekly prize contributions less actual set prize liability. The source of the Set-Aside Account funding is the difference between

the amount in the Grand Prize Pool and the amount needed to fund Grand Prize payments as determined by the Lottery.

- C. The MUSL Mega Millions Product Group, with the approval of the MUSL Finance & Audit Committee, may establish a maximum balance for the prize pool accounts and the prize reserve account(s). The MUSL Mega Millions Product Group may determine to expend all or a portion of the funds in the prize pool accounts (except the Grand Prize pool account) and the prize reserve accounts for the payment of prizes or special prizes in the game, subject to the approval of the MUSL Finance & 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. Any amount remaining in the prize pool accounts or prize reserve account at the end of this game shall be carried forward to a replacement game or expended in a manner as directed by Members of the MUSL Mega Millions Product Group in accordance with law.

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	65.154%
All five (5) of first set plus none (0) of second set	\$1,000,000.00	10.815%
Any four (4) of first set plus one (1) of second set	\$ 5,000.00	1.352%
Any four (4) of first set plus none (0) of second set	\$ 500.00	1.893%
Any three (3) of first set plus one (1) of second set	\$ 50.00	0.933%
Any three (3) of first set plus none (0) of second set.	\$ 5.00	1.306%
Any two (2) of first set		

plus one (1) of second set	\$ 5.00	2.114%
Any one (1) of first set plus one (1) of second set	\$ 2.00	7.083%
None (0) of first set plus one (1) of second set	\$ 1.00	9.350%

- B. The prize money allocated to the Grand Prize category shall be divided equally by the number of Game Boards winning the Grand Prize. The prize pool percentage allocated to the Set Prizes (the cash prizes of \$1,000,000.00 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.
- C. Except as otherwise provided herein, 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: (i) the amount allocated to the set prizes and carried forward from previous draws, if any; (ii) an amount from the Prize Reserve Account, if available, not to exceed forty million dollars (\$40,000,000.00) per drawing.
- D. 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.
- E. By agreement with the Mega Millions Lotteries, the Mega Millions Lotteries shall independently calculate their set pari-mutuel prize amounts. The Party Lotteries and the Mega Millions Lotteries shall then agree to set the pari-mutuel prize amount for all lotteries selling the game at the lesser of the independently-calculated prize amounts.
- F. The official advertised Grand Prize annuity amount is subject to change based on sales forecasts and/or actual sales. The Mega Millions Lotteries may set a minimum guaranteed amount which shall be advertised by the Lottery as the starting guaranteed annuity Grand Prize amount.
- G. Subject to the laws and rules governing each Party Lottery, the number of prize categories and the allocations of the prize fund among the prize categories may be changed at the discretion of the Mega Millions Lotteries for promotional purposes. Such change shall be announced by the Mega Millions Lotteries.

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 Mega Millions®.

<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	1:258,890,850	Grand Prize
All five (5) of first set plus none of second set	1:18,492,203.57	\$1,000,000
Any four (4) of first set plus one (1) of second set	1:739,688.14	\$5,000
Any four (4) of first set plus none of second set	1:52,834.87	\$500
Any three (3) of first set plus one (1) of second set	1:10,720.12	\$50
Any three (3) of first set and none of second set	1:765.75	\$5
Any two (2) of first set plus one (1) of second set	1:472.95	\$5
Any one (1) of first set plus one (1) of second set	1:56.47	\$2
None of first set plus one (1) of second set	1:21.39	\$1

The overall odds of winning a prize are 1:14.71.

3.4. Grand Prizes

- A. The prize money allocated from the current Mega Millions prize pool for the Grand Prize, plus any previous portions of prize money allocated to the Grand Prize category in which no matching Tickets were sold will be divided equally among all Jackpot Prize winning plays in all participating lotteries.
- B. If in any Mega Millions Drawing there are no Plays which qualify for the Grand Prize category, the portion of the prize fund allocated to such Grand Prize

category shall remain in the Jackpot Prize category and be added to the amount allocated for the Grand Prize category in the next consecutive Drawing.

- C. At the election of the player, made no later than sixty (60) days after the player becomes entitled to the prize, the prize shall be paid either per winner annuity or cash payment. If the payment election is not made by the player within sixty (60) days after the player becomes entitled to the prize, then the prize shall be paid as an annuity prize. An election made after the winner becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.
- D. In the event of a prize winner who elects the cash value option, the prize winner's share will be paid in a single payment upon completion of internal validation procedures. The cash option amount shall be determined by the MUSL Mega Millions Product Group.
- E. Graduated annual payment option Jackpot Prizes shall be paid in thirty (30) graduated annual installments upon completion of internal validation procedures. The initial payment shall be paid upon completion of internal validation procedures. The subsequent twenty-nine (29) payments shall be paid graduated annually to coincide with the month of the federal auction date at which the bonds were purchased to fund the annuity, with graduated annual installments defined in the Mega Millions Lotteries' finance and operations procedures. Payments shall escalate by a factor of five percent (5%) annually, and annual payments shall be rounded to the nearest even one thousand dollar (\$1,000.00) increment. All such payments shall be made within seven (7) days of the anniversary of the annual auction date.
- F. If individual shares of the cash held to fund an annuity is less than \$250,000, the MUSL Mega Millions Product Group, in its sole discretion, may elect to pay the winners their shares of the cash held in the Grand Prize pool. All annuitized prizes shall be paid graduated annually in thirty (30) payments with the initial payment being made in cash, to be followed by twenty-nine (29) payments funded by the annuity. Prize payments may be rounded down to the nearest one thousand dollars (\$1,000.00).
- G. Funds for the initial payment of an annuitized prize or the lump sum cash prize shall be made available by the MUSL for payment by the Lottery on a schedule approved by the MUSL Mega Millions Product Group. If necessary, when the due date for the payment of a prize occurs before the receipt of funds in the prize pool trust is sufficient to pay the prize, the transfer of funds for the payment of the full lump sum cash amount may be delayed pending receipt of funds from the Party Lotteries or other lotteries participating in the Mega Millions game. A Party Lottery may elect to make the initial payment from its own funds after validation, with notice to the MUSL.
- H. In the event of the death of a lottery prize winner during the annuity payment period, the MUSL Finance & Audit Committee, in its sole discretion excepting discretionary review by the MUSL Mega Millions Product Group and upon petition of the estate of the lottery prize winner (the "estate"), subject to state

and federal law, may accelerate payment of all remaining proceeds from the winning ticket 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 securities to fund the annuitized prize shall be at the sole discretion of the MUSL Finance & Audit Committee.

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. 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 of an annuitized Grand Prize shall be added to the first cash payment to the winner or winners. Prizes other than the Grand Prize which, under these procedures, 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.

3.7. 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.

3.8. Limited to Highest Prize Won

The holder of a winning ticket may win in only one (1) 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.

3.9. Prize Claim Period

Prize claims must be submitted within one (1) year of the Drawing date. However, if the one (1) year deadline is a Saturday, Sunday or a legal holiday, a claim must be submitted by close of business the following business day.

3.10. Procedure for Claiming a Prize

A. Tickets Purchased at Retail Location - To claim a prize of five hundred, ninety-nine dollars and ninety-nine cents (\$599.99) 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 Mega Millions Game Tickets. The Retailer shall verify the claim through use of the 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. Tickets Purchased at Retail Location - To claim a prize less than thirty thousand and one dollars (\$30,001.00), but greater than five hundred and ninety nine dollars and ninety-nine cents (\$599.99), 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. Tickets Purchased at Retail Locations - 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.

4.0. Ticket Responsibility

- A. A Mega Millions 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 Mega Millions Tickets.
- C. The purchaser of the Mega Millions 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 Mega Millions Tickets redeemed in error by a player from a Retailer.

4.1. Ticket Validation Requirements

- A. To be a valid Mega Millions Ticket and eligible to receive a prize, a Ticket shall satisfy all the requirements established by the Lottery for validation of a winning Ticket and any validation requirements adopted by the MUSL Mega Millions Product Group and the MUSL Confidential MUSL Minimum Game Security Standards. The MUSL and the Lottery shall not be responsible for Tickets which are altered in any manner.
- B. Under no circumstances will a claim be paid for either the Grand Prize or the second prize (\$1,000,000.00) without an official Mega Millions Ticket matching

all game Play, serial number and other validation data residing in the Lottery's gaming system computer, and such Ticket shall be the only valid proof of the wager placed and the only valid receipt for claiming or redeeming such prize.

- C. In addition to the above, in order to be a valid winning Mega Millions 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 must be intact.
 3. The Ticket must not be mutilated, altered, reconstituted or tampered with.
 4. The Ticket must not be counterfeit or an exact duplicate of another winning Ticket.
 5. The Ticket must have been issued by the Lottery through a Retailer in an authorized manner.
 6. The Ticket must not have been stolen to the knowledge of the Lottery.
 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. In the event of a contradiction between information as printed on the Ticket and as accepted by the Lottery computer, the wager accepted by the Lottery computer shall be the valid wager.
 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 must pass validation tests using a minimum of three (3) of the five (5) validation methods as defined in the Mega Millions Finance and Operations Procedures, Section 15. In addition, the Ticket must pass all other confidential security checks of the Lottery.
- D. In submitting a Mega Millions Ticket for validation, the claimant agrees to abide by the applicable laws, all rules and regulations, instructions, conditions and final decisions of the Director of the Lottery.
- E. The Ticket must have been issued by the Lottery.

- F. A Ticket submitted for validation which fails any of the preceding validation conditions shall be considered void, subject to the following determinations:
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.
- C. 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 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. When a signature is placed on the back of the Ticket in the space designated therefor, the player 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 has agreed to share the prize so long as the prize being claimed is more than five hundred ninety-nine dollars and ninety-nine cents (\$599.99). 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 shall require that one (1) of those players whose name appears on the back of the Ticket or who has otherwise agreed to share the prize be designated to receive payment by submission of the agreement among the players that has been approved by the Director.
- C. The Lottery shall not be responsible for lost or stolen Game Tickets.

6.0. Governing Law

In purchasing a ticket, the player agrees to comply with and abide by these procedures for Mega Millions; Minnesota Statutes, Chapter 349A (the State Lottery Law); the Lottery's Prize Payment Rules; MUSL rules; MUSL Mega Millions Product Group rules; and all final decisions of the Director.

7.0. Ineligible Players

A Minnesota State Lottery Mega Millions 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 employee of an independent accounting firm under contract with the MUSL to observe Drawings or site operations and actually assigned to the MUSL account and all partners, shareholders or owners of the local office of the firm;
- d) an immediate family member of an individual described in subsections (a), (b) and (c) and residing in the same household;
- e) a person prohibited by Minnesota statutes;
- f) a person prohibited by contract with the Lottery; or
- g) by any Lottery employee, official or by any employee of any lottery offering the Mega Millions game (including the spouse, child, brother, sister or parent residing as a member of the same household of such person).