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Version 12-18-18

NORTH DAKOTA LOTTERY

Underlined represents proposed additions to the present  
~~Strikethrough~~ represents proposed deletions to the present rules.

**ARTICLE 10-16**  
**MULTI-STATE LOTTERY**

Chapter

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**CHAPTER 10-16-01  
GENERAL RULES**

**10-16-01-01. Definitions.** As used in this article:

1. "Applicant's agent" means a general manager, sole proprietor, partner of a partnership, or, for a corporation, an officer or director who is primarily responsible for financial affairs or a shareholder who owns ten percent or more of the common stock, of a business that is applying for or renewing a license. A general manager is ~~a person~~ an individual who regularly is onsite and primarily responsible and accountable for managing and controlling the day-to-day operation of the business.
2. "Cash Voucher" means a voucher generated by the lottery's player-activated terminal that can be validated for cash at the retailer's lottery terminal.
3. "Draw" means the formal process of randomly selecting winning numbers, letters, or symbols that determine the number of winning plays for each prize level of a game.
4. "Deposit account" means the account to which funds are deposited and from which online play purchases are made.
5. "Game" means an on-line game authorized by the lottery.
6. "Game group" means a group of lotteries that have joined together to offer a game on a multi-state basis according to the terms of the MUSL or the game group's rules or both.
7. "Grand prize" means the top prize that can be won in a game.
8. "Group play" means two or more individuals sharing a purchase made.
9. "Lottery" means the North Dakota lottery.
10. "Multi-state lottery" means a lottery game that spans the individual borders of a state, jurisdiction, province, district, commonwealth, territory, or country.

11. "MUSL" means the multi-state lottery association.
12. "North Dakota Lottery Players Club®" means a program that players can join to earn exclusive benefits and rewards.
13. "Online gaming system" means a computer system designed to control, monitor, communicate with a terminal, and record play transactions and accounting data.
14. "Online Play" means the purchase of a draw game play for drawings up to one year.
15. "Pick & Click" means the name of the online play service formerly known as subscriptions.
16. "Play" means the numbers, letters, or symbols that are on a ticket or properly and validly registered online play to be played by a player in a draw, excluding a lottery promotion.
17. "Play area" means the area of a play slip that contains one or more sets of numbered squares to be marked by a player for a game. Each set contains a certain number of numbers, letters, or symbols that correspond to the game.
18. "Play slip" means a physical or electronic means by which a player communicates their intended play selection to the retailer as defined and approved by the lottery.
19. "Player-activated terminal" means a device authorized by the lottery and operated by a player to function in an on-line, interactive mode with the lottery's computer system to receive and process lottery transactions, including the purchase and issuance of a ticket, the validation of a ticket, and the issuance of a cash voucher.
20. "Points for Drawings™" means a program where players can enter drawings by using points received from the submission of valid tickets.
21. "Points for Prizes®" means a rewards program where players can earn points by becoming registered members and submitting valid tickets.
22. "Quick pick" means a random selection of numbers, letters, or symbols by a computer system that are printed on a ticket or properly and validly registered online play and played by a player for a draw in a game.
23. "Retailer fraud" means an owner or employee of a licensed retailer who knowingly and intentionally:

- a. Fails to properly validate a player's winning ticket;
  - b. Fails to pay the player the proper prize amount on a winning ticket;
  - c. Fails to provide the player the proper exchange ticket on a winning multi-draw ticket; or
  - d. Performs any other act that causes financial harm to a player in violation of the lottery law or rules.
24. "Set prize" means all prizes, except the grand prize for a game that are to be paid by a single cash payment and, except as provided by rule, will be equal to the prize amount established by the MUSL and/or the game group for the prize level of the game.
25. "Terminal" means a device authorized by the lottery and operated by a retailer or the lottery to function in an on-line, interactive mode with the lottery's computer system to issue a ticket and enter, receive, and process a lottery transaction, including a purchase, validation of a ticket, and issuance of a report.
26. "Ticket holder" means a ~~person~~ an individual who has signed a ticket or possesses an unsigned ticket.
27. "Top Prize" means the first prize that can be won in a game.
28. "Validation" means the process of determining whether a ticket presented for a prize is a winning ticket.
29. "Winning Account" means the account to which online play winnings are deposited and from which player withdrawals are made.
30. "Winning numbers" means the numbers, letters, or symbols randomly selected in a draw to determine a winning play contained on a ticket or properly and validly registered online play or randomly selected in a lottery promotion to determine a winning prize stated on a ticket or coupon.

**History:** Effective February 1, 2004; amended effective April 1, 2006; July 1, 2008; July 6, 2014; January 31, 2016; February 1, 2016; October 29, 2017; May 14, 2018; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-13

## 10-16-01-02. Advertising.

1. The lottery shall arrange for a retailer to be provided with:
  - a. Point of sale promotional material, including game brochure, promotional poster and lottery signage; and
  - b. Problem gambling helpline telephone number.
2. Advertising and promotional material provided by the lottery must:
  - a. For a game brochure, indicate how a game is played, amount of prize offered, where and how a ticket may be bought, when a draw is held, odds on a game, and whether the grand prize is payable at a player's option, on an annuitized basis or as a lump sum payment; and
  - b. Present the lottery as a form of entertainment.
3. Advertising material may not:
  - a. Present the game as an investment to achieve financial security;
  - b. Target a specific ethnic, racial, or religious group of people;
  - c. Use the name, signature, or picture of a current elected or serving state official to promote a game. However, the name and picture of the attorney general may appear on the lottery's web site and in the lottery's newsletter;
  - d. Indicate that ~~a person~~ an individual has a better chance of winning by purchasing a ticket at a specific retailer's site;
  - e. Promise or imply that ~~a person~~ an individual will win or that ~~a person~~ an individual who does not play has lost anything, other than a chance to win. However, advertising may promote the opportunity available to win; or
  - f. Misrepresent a chance of winning a prize; or
  - g. Degrade ~~a person~~ an individual who does not buy a ticket.

**History:** Effective February 1, 2004; amended effective April 1, 2006; July 1, 2006; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-03, 53-12.1-13

**10-16-01-05. Restrictions, requirements, and authorizations.**

1. An employee of the lottery or a member of the immediate family or ~~a person~~ an individual who regularly resides in the same household of the employee may not receive a gift, gratuity, or other thing of value, excluding food, nonalcoholic beverage, or incidental item, from an applicant for a license, licensed retailer, or online gaming system or advertising vendor.
2. The lottery may waive a rule when it is in the best interest of the state, lottery industry, or public.
3. In applying subdivision d of subsection 1 of North Dakota Century Code section 53-12.1-11, personal information on a winning player does not include an amount won or the player's city or state of residence. If the player signs a release, the lottery may disclose or publish personal information that the player authorizes to be released. Subdivision d of subsection 1 of North Dakota Century Code section 53-12.1-11 does not apply to cash, merchandise, an online play, gift certificate, or ticket that the lottery awards as a prize in a promotion.
4. If a lottery rule conflicts with an official or updated MUSL or game group rule or game rule, the official or updated MUSL or game group rule or game rule supersedes the lottery rule. The official MUSL or game group rule or game rule governs the administration of a game.
5. The lottery may conduct a promotion that includes a prize and shall prescribe promotional rules. The prize may be cash, gift certificate, ticket, online play, or merchandise.
6. The lottery may immediately withdraw a lottery terminal, equipment, and supplies from a retailer's site if the retailer's license is inactive, suspended, revoked, or the retailer's license was not renewed.

**History:** Effective February 1, 2004; amended effective April 1, 2006; July 1, 2006, April 1, 2008; May 14, 2018; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-08, 53-12.1-11, 53-12.1-13

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**CHAPTER 10-16-02**  
**RETAILER**

**10-16-02-02. Criteria for selecting an applicant.**

The lottery shall consider criteria in selecting an applicant for licensure or relicensure as a retailer, including:

1. Geographic or strategic location of a business in a town or city, and its location in relation to population, highways, and traffic patterns;
2. Accessibility of a business to the public and an unrestricted public access policy;
3. Regular contact with a significant number of ~~persons~~individuals and the average number of customer transactions per day;
4. Normal business hours and days of the week that the business is open;
5. Number of years the business has been operating in its present location;
6. Historical gross sales of nonlottery products or expected gross sales of lottery tickets of a business, or both;
7. Physical security of a business, safety of the money derived from selling a ticket, and whether the business has a video surveillance or alarm system;
8. Financial condition, financial responsibility, and creditworthiness of the business;
9. Criminal history record, character, and reputation of the applicant's agent;
10. Sufficiency of an existing retailer to serve the public convenience in an applicant's town or city;
11. Anticipated or proven capability of a business to best serve the public interest by actively promoting the sale of a ticket, including displaying or providing point-of-sale promotional items to the public;
12. Initial or incremental cost of installing and maintaining a terminal and telecommunications equipment at a business or difficulty of using preferred telecommunications equipment.

13. Type of business and type of product, service, or entertainment offered at a site and whether it is acceptable to the general public and does not adversely impact the credibility, reputation, or image of the lottery. An applicant's primary retail business may not be to sell a lottery ticket. An eligible applicant may not be a pawnbroker, bank, check cashing or cash advance outlet, currency exchange business, credit union, consumer finance company, collection agency, or mortgage broker;
14. Type and volume of state government services available at a business, including fishing and hunting licenses;
15. Recommendation of the lottery's online gaming system vendor;
16. Accessibility of a business to a person who is disabled;
17. Type of a building housing the business; and
18. Site inspection.

**History:** Effective February 1, 2004; amended April 1, 2006; April 1, 2008; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-03, 53-12.1-06, 53-12.1-07, 53-12.1-13

#### **10-16-02-03. Record and credit checks.**

1. An applicant for a license shall request the lottery to do a North Dakota record check on the applicant's agent. The record check is to determine whether the ~~person~~individual has a criminal history record that would disqualify the applicant for a license according to subdivision d of subsection 3 of North Dakota Century Code section 53-12.1-07. The lottery may require fingerprints of the ~~person~~individual. After the initial licensure of an applicant, the retailer shall request the lottery to do a North Dakota record check and, if necessary, an out-of-state record check, on a new applicant's agent within thirty days of when the change occurred. The lottery may periodically do a follow-up record check on an applicant's agent and charge a fee.
2. If the applicant's agent resides or has resided in a state other than North Dakota during the previous five years, the lottery shall do an out-of-state record check on that ~~person~~individual through the other state. The ~~person~~individual shall procure any necessary fingerprint card or special authorization form, or both, which is or are required by the other state from the lottery and return the completed card or form, or both, to the lottery within ten days after receiving it or them from the lottery.
3. An applicant shall request a record check on the applicant's agent by submitting a "lottery record/credit check" form for the applicant's agent and remit a nonrefundable fee in the amount prescribed by North Dakota Century Code section 12-60-16.9 for a North Dakota record check and, if an out-of-state record check is required, remit the nonrefundable fee that is charged by the other state, to the lottery. The applicant shall remit the fee with the license application or form. However, if the ~~person~~individual has had a record check done within one year of when the applicant applied for a license or renewal license and provides



with the application a copy of the "lottery record/credit check" or similar form and, if applicable, a copy of the bureau of criminal investigation's criminal history record information the lottery may waive the requirement for a record check on that ~~person~~individual.

4. ~~A person's~~An individual's information on a criminal record may be disseminated only according to North Dakota Century Code chapter 12-60.
5. If an applicant's agent pleads guilty to or has been found guilty of a felony or misdemeanor offense as defined by the laws of this state, another state, or the federal government, the retailer shall immediately notify the lottery. Upon notification of a felony offense to the lottery:
  - a. If the applicant's agent is a general manager, the retailer shall terminate the general manager from employment;
  - b. If the applicant's agent is a partner of a partnership, the retailers shall terminate the partnership agreement with the affected partner;
  - c. If the applicant's agent is an officer or director who is primarily responsible for financial affairs of a corporation, the retailer shall delegate that responsibility away from the affected officer or director;
  - d. If the applicant's agent is a shareholder of a corporation, the retailer shall arrange for the shareholder to sell shares of stock to reduce the stock holding to less than ten percent of the common stock; or
  - e. The lottery shall suspend or revoke the retailer's license or take any other appropriate action.
6. The lottery shall do a credit check on an applicant that is a sole proprietorship, partnership, or corporation through a credit-reporting company or other reliable source to determine the applicant's financial condition and whether the applicant is financially responsible and credit worthy. The lottery shall prescribe the fee for a credit check. The fee is nonrefundable. The lottery may periodically do a follow up credit check on a retailer and charge the fee.
7. A retailer shall retain a copy of the "lottery record/credit check" form for three years from the date it submitted the form to the lottery.

**History:** Effective February 1, 2004; amended effective April 1, 2006; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-03, 53-12.1-06, 53-12.1-07, 53-12.1-13

**10-16-02-06. Duties.** A retailer shall:

1. Comply with the lottery law, rules, promotional rules, and terms of a license agreement prescribed by the lottery;
2. Display a lottery license in an area visible, but not accessible, to the public where a ticket is sold and redeemed. A retailer shall prominently display signage and promotional and point-of-sale items provided by the lottery. A retailer may advertise and use, display, or make available other appropriate promotional and point-of-sale items. On request of the lottery, a retailer shall discontinue an advertisement or promotion that the lottery determines is in noncompliance with subsections 2 and 3 of section 10-16-01-02;
3. Display a problem gambling helpline telephone number;
4. Provide a secure operating space for a terminal at a location approved by the lottery or its online gaming system vendor. A retailer may not move the terminal to a different location at a site without written authorization from the lottery. If the retailer desires to have the terminal relocated at the site, only a qualified representative of the lottery's online gaming system vendor may relocate the terminal;
5. Provide dedicated alternating current to a duplex electrical receptacle for lottery equipment, including a terminal. Only lottery equipment may be on the circuit. A retailer shall pay the installation cost of the receptacle and monthly costs of electricity to operate the lottery equipment. The lottery shall provide the retailer with a schematic of the required amperage, voltage, and wiring of the receptacle;
6. As requested by the lottery, have an employee attend a training session sponsored by the lottery, review training material, complete a terminal-based tutorial, or notify the lottery if a new employee needs training on operating a terminal;
7. Exercise care in operating a terminal and immediately notify the lottery's online gaming system vendor of a terminal malfunction, including the issuance of an invalid ticket, inability to sell or redeem a ticket, and nonissuance of a ticket. Except to clear a paper jam, the retailer may not perform mechanical or electrical maintenance on the terminal. Unless approved by the lottery, a retailer may not attach or adhere any stickers, decals, or advertisements on a terminal;
8. Replace ticket stock and clear a paper jam as necessary in a terminal;
9. Monitor the supply of game brochures, point-of-sale items, ticket stock, and play slips and notify the lottery or its online gaming system vendor when an item is in short supply;
10. Actively promote and sell a ticket and redeem a winning ticket during the retailer's core business hours on the days that the retailer is open and when a terminal is operating. If the retailer's core business hours are earlier or later, or both, than the hours that the terminal is operating, the retailer shall post the hours during which ~~a person~~ an individual may redeem a winning ticket;

11. Prohibit a ~~person~~an individual under age eighteen from buying a ticket or redeeming a winning ticket;
12. Not extend credit to a player or accept a credit card from a player for the purchase of a ticket or accept a food stamp or food coupon as consideration for a ticket. A player shall pay for a ticket when the ticket is bought from a retailer. If a retailer delivers a ticket to a player's residence, the player shall prepay or pay for the ticket upon delivery. A retailer may not loan money to or accept a postdated check from a player;
13. Maintain a level of ticket sales set by the lottery based on a minimum sales program;
14. Be financially responsible and personally liable to the lottery for money derived from the sale of a ticket, less money related to a sales commission and money paid on a redeemed winning ticket. The retailer shall allow money from the sale of a ticket that is deposited by the retailer in a bank account to be transferred to the lottery by electronic funds transfer on a weekly basis or other period prescribed by the lottery;
15. Store ticket stock, supplies, terminal, and related equipment in a safe place to prevent loss, theft, or damage:
16. Prominently post the winning numbers for a draw and estimated grand prize of the next draw of a game where a ticket is sold as soon as reasonably possible after the draw for the game;
17. Redeem a winning ticket and may pay a prize of up to five hundred ninety-nine dollars in cash or by business check, regardless of which retailer sold the ticket. The retailer may not charge a fee for redeeming a ticket and may not refuse to redeem a winning ticket sold by another retailer;
18. File a claim for credit for a printed defective ticket as prescribed by the lottery;
19. Permit an employee or agent of the lottery who has first shown proper identification to the retailer to review the retailer's accounting records and inspect, maintain, replace, or remove lottery equipment, supplies, ticket stock, or a record or recorded video from the site without prior notice during the retailer's normal hours of operation;
20. Notify the lottery in writing thirty days before there is a change of the bank account maintained for electronic funds transfer;
21. Make it convenient for the public to buy and redeem a ticket. A retailer may sell a ticket through a drive-up window;
22. Have a copy of the lottery law and rules at the site available near the terminal for review by any ~~person~~individual;

23. Incur the loss from theft of a ticket or gift certificate;
24. Defend, indemnify, and hold harmless the lottery and state of North Dakota from any claim of any nature, including all costs, expenses, and attorney's fees, that may result from or arise out of an agreement with the lottery, except for a claim that results from or arises out of the state's sole negligence;
25. Upon revocation, relinquishment, or nonrenewal of a license, immediately return all lottery-related equipment and supplies, including unused ticket stock. The retailer is liable for money still owed the lottery; and
26. Maintain complete and accurate records and retain them for one year related to the sale and redemption of a lottery ticket. Records must include weekly terminal-issued reports of electronic funds transfer transactions.

**History:** Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; July 6, 2014; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDC C 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-13

**10-16-02-07. Sales commission and bonus.**

1. The lottery shall credit a retailer's account for:
  - a. A sales commission of five percent of the retail price of a ticket sold or otherwise issued by the retailer;
  - b. A sales commission of five percent of the amount of on online play sale that is transacted through the North Dakota Lottery Players Club® when a player chooses a specific retailer. The retailer must be currently licensed when the online play is purchased; and
  - c. A sales bonus for selling a ticket with a winning play for a game as stated below. However, the retailer must be currently licensed when a draw is conducted that results in the winning play of a ticket. If the winning play for POWERBALL® has the power play option, or the winning play for MEGA MILLIONS® has the Megaplier® option, or the LOTTO AMERICA<sup>SM</sup>AMERICA® has the All Star Bonus<sup>SM</sup>Bonus® option, the retailer's account must also be credited for an additional bonus as stated below:

<u>Prize</u>	<u>Bonus</u>	<u>Additional Bonus</u>
POWERBALL® Grand prize	\$50,000	Additional \$50,000 with power play
\$1,000,000	\$5,000	Additional \$5,000 with power play
\$50,000	\$1,000	Additional \$1,000 with power play

MEGA MILLIONS®		
Grand prize	\$50,000	Additional \$50,000 with Megaplier®
\$1,000,000	\$5,000	Additional \$5,000 with Megaplier®
\$10,000	\$500	Additional \$500 with Megaplier®

LUCKY FOR LIFE®		
\$7,000/Week for Life	\$25,000	
\$25,000/Year for Life	\$2,500	
\$5,000	\$250	

2BY2®		
\$22,000	\$500	
\$44,000*	\$1,000	

\*Tuesday draw double grand prize winning play on a qualifying multi-draw ticket.

LOTTO		
AMERICA <sup>SM</sup> AMERICA®		
Grand prize	\$5,000	Additional \$5,000 with All Star Bonus <sup>SM</sup> Bonus®
\$20,000	\$500	Additional \$500 with All Star Bonus <sup>SM</sup> Bonus®

- The lottery may credit a retailer's account for a fixed or graduated sales commission or bonus for a special promotion, including power play, Megaplier®, and All Star Bonus<sup>SM</sup>Bonus®, that the lottery conducts for a certain period of time based on parameters set by the lottery.

**History:** Effective February 1, 2004; amended effective January 1, 2006; January 3, 2008; January 31, 2010; January 15, 2012; October 19, 2013; July 6, 2014; October 4, 2015; October 29, 2017; May 14, 2018; July 1, 2019.

**General Authority:** NDCC, 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-03, 53-12.1-13

**10-16-02-10. Denial, suspension, or revocation of a license.** The lottery may deny, suspend, or revoke a license if the applicant's agent has a disqualifying criminal history record or an applicant or retailer:

1. Obtained a license by failing to complete, failing to disclose information, or misrepresenting data on an application;
2. Violated a lottery law, rule, or term of a license agreement;
3. Failed to meet or maintain eligibility criteria for licensure;
4. Failed to file a required security deposit;
5. Changed the location of a retail business;
6. Failed to demonstrate financial responsibility or maintain a reasonable financial condition of the business, a check issued for payment of a prize on a winning ticket or an electronic funds transfer of money from a retailer's bank account to the lottery was dishonored for any reason, or is delinquent in remitting money owed to the lottery;
7. Filed for, or was involuntarily placed in, bankruptcy or receivership;
8. Acted in a manner or is involved in an activity at a site that is harmful to the public confidence in the integrity, reputation, or image of the lottery;
9. Experienced recurring theft or other negative incidents at the site that endangers the security of the lottery;
10. Failed to produce for review a record, document, or other item required by a lottery law, rule, or term of a license agreement;
11. Knowingly sold a ticket to or redeemed a winning ticket from ~~a person~~ an individual under age eighteen;
12. Failed to properly redeem or pay a player the proper prize for a winning play;
13. Failed to actively promote sales of tickets or properly display and provided point-of-sale promotional items to the public;
14. Failed to sell a minimum number of tickets as set by the lottery and another retailer adequately serves the public convenience;
15. Failed to maintain an active federal employee identification number and, if necessary, North Dakota sales tax permit number; or
16. Participated in retailer fraud.

**History:** Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-03, 53-12.1-06, 53-12.1-07, 53-12.1-09, 53-12.1-13

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**CHAPTER 10-16-03  
CONDUCT AND PLAY**

10-16-03-01	Games Authorized
10-16-03-02	Ineligible Player
10-16-03-03	Play Slip
10-16-03-04	Multiple Draw
10-16-03-05	Sale or Gift of a Ticket
10-16-03-06	Ownership of a Ticket
10-16-03-07	Validation of a Ticket or Cash Voucher
10-16-03-08	Claim of a Prize
10-16-03-08.1	Pick & Click Online Play
10-16-03-09	Payment of a Prize to a <del>Person's</del> <u>an Individual's</u> Estate
10-16-03-10	Counterfeit or Theft of a Ticket or Gift Certificate
10-16-03-11	Remedy for a Defective Ticket and Dispute Resolution
10-16-03-12	Delay of Paying a Prize

**10-16-03-01. Games authorized.** The lottery may conduct online games of POWERBALL®, MEGA MILLIONS®, LOTTO AMERICA<sup>SM</sup>AMERICA®, 2BY2®, and LUCKY FOR LIFE®.

**History:** Effective February 1, 2004; amended effective November 8, 2005; July 1, 2008; January 31, 2010, January 31, 2016; February 25, 2016; October 29, 2017; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-03, 53-12.1-13

**10-16-03-02. Ineligible player.** A ticket issued by a retailer or an online play may not be bought by, or a prize won by that ticket or online play or lottery-related promotion may not be paid or issued to:

1. An employee, officer, or director of the lottery's online gaming system vendor or the MUSL;
2. ~~A person~~An individual who regularly resides in the same household of ~~a person~~an individual described in subsection 1; or
3. A minor.

**History:** Effective February 1, 2004; amended effective November 8, 2005; April 1, 2008; January 1, 2011; May 14, 2018; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-08, 53-12.1-13

### 10-16-03-05. Sale or gift of a ticket.

1. Only a retailer may sell a ticket and only at the site listed on a license. The sales price of a ticket is exempt from sales tax. Except as authorized by the lottery or for a lottery promotion, or delivery of a ticket by a retailer, a complete sales transaction between the retailer and a player must occur at a terminal or a player-activated terminal, including the exchange of money, exchange of a play slip if the player uses it, and exchange of the ticket. The retailer shall accept cash and a lottery gift certificate and may, at its option, accept a check or debit card from a player. The retailer may not extend credit to a player or accept a food stamp or food coupon as consideration for a ticket. A player shall pay for a ticket when the ticket is bought from a retailer. A retailer may not loan money to a player or accept a postdated check from the player. A retailer is responsible for a check that is not collectible for any reason. This subsection does not prevent a ~~person~~person individual who may lawfully buy a ticket from giving a gift of the ticket to another ~~person~~person individual, or prevent a business or organization from purchasing a ticket and providing it as a gift or prize to a ~~person~~person individual, except to a ~~person~~person individual under age eighteen or an ineligible player according to section 10-16-03-02.
2. ~~A person~~An individual may buy a ticket on behalf of another ~~person~~person individual or group of ~~people~~individuals, provided that the ~~person~~person individual provides the ticket without charging a procurement fee and the other ~~person~~person individual is not, or the group of ~~people~~individuals does not include, a ~~person~~person individual under age eighteen or an ineligible player according to section 10-16-03-02.
3. A player shall place a play through a retailer who acts as an agent for the player in entering the play. The player shall place a play by using and hand-marking a play slip provided by the retailer or requesting the retailer to place a quick pick. The retailer may assist and train a player how to complete a play slip. It is the sole responsibility of the player to verify the accuracy of a game play and other data printed on a ticket. The retailer may not use a copy of a play slip or other material in a terminal's play slip reader or permit any device to be connected to a terminal to enter a play.
4. A retailer shall use a terminal to issue a ticket containing the selected sets of numbers, letters, or symbols each set of which is a play. A retailer's sale of a ticket is final. A player may not void or cancel a ticket by returning the ticket to the retailer and the retailer may not buy back a ticket from a player. If data printed on a ticket is incorrect, a ticket is printed in error, an employee, volunteer, or agent of a retailer steals a ticket from the retailer, or if any other issued ticket can be used to claim a prize, the retailer cannot void or cancel the ticket or return the ticket to the lottery for credit. If the retailer cannot sell the ticket, the retailer owns the ticket and may redeem a winning ticket. However, the lottery may credit a retailer's account for a ticket that is illegible, mutilated, or otherwise defective as it was printed and that because of its physical condition cannot be sold. A retailer shall comply with a policy of the lottery related to criteria for sending a claim for credit of a defective ticket to the lottery. The retailer may not send a defective ticket to the lottery until after the draw for the game for which the ticket was issued.
5. A retailer shall sell a ticket only for the standard price of the ticket. However, a retailer may do a promotion for a period not to exceed ninety consecutive days in any six-



month period in which a retailer offers a ticket for sale through a discount provided that the retailer accounts for the standard price of the ticket to the lottery. A discount includes, for example, selling six tickets for the price of five tickets, selling two tickets for the price of one ticket, and selling a ticket for one-half price. A retailer may buy a ticket for the standard price of the ticket and offer it, at no charge to a ~~person~~an individual. A recipient of a ticket in a promotion may not be under age eighteen or an ineligible player according to section 10-16-03-02. A retailer may conduct other promotions, including:

- a. Second chance drawings of winning or nonwinning tickets or other entry forms provided that a ~~person~~an individual may not be required to purchase anything to participate in the drawing;
  - b. Giving away a ticket with the purchase of a product or service;
  - c. Giving away or discounting a product or service with the sale of a ticket or return of a number of nonwinning tickets; and
  - d. With the purchase of a ticket, a ~~person~~an individual may spin a wheel, for example, to select a free prize, product, or service.
6. A ~~person~~An individual who buys or accepts a ticket, attempts to redeem a ticket for a prize, or otherwise participates in a draw agrees to comply with and abide by the lottery law, rules, procedures, policy, MUSL or game group rule or game rule, and decision of the lottery.
7. ~~A person~~An individual who buys or accepts a ticket, attempts to redeem a ticket for a prize, or otherwise participates in a draw agrees to accept the decision of the lottery regarding the validity of the ticket, and any prize payment determinations relating to that ticket, and to release the state, lottery, MUSL, game group, and their officers, employees, agents, representatives, and contractors from any liability regarding that ticket or payment of that prize and are not responsible or liable for:
- a. A lost or stolen ticket or incorrectly read play slip; or
  - b. Paying a prize to a damaged, destroyed, erroneous, illegible, or mutilated ticket.

**History:** Effective February 1, 2004; amended effective November 8, 2005; July 1, 2008; July 6, 2014; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-03, 53-12.1-07, 53-12.1-08, 53-12.1-13, 57-39.2-04

#### **10-16-03-06. Ownership of a ticket.**

1. Until a ~~person~~an individual, including a group of ~~people~~individuals, places a signature in the designated area on the back of a ticket, the ~~person~~individual who is the ticket holder is the owner of the ticket. When a signature is placed in the designated area on the back of a ticket, the ~~person~~individual whose signature is shown is the owner

of the ticket and entitled to a prize, subject to validation, regardless of who redeems or attempts to redeem the ticket. However, a player is not required to sign or complete the backside of the ticket to redeem it.

2. The lottery is not liable for nor has a responsibility to resolve a conflict between competing claimants or joint owners of a ticket or prize. The lottery may, at its discretion, address or resolve a conflict on a ticket.

**History:** Effective February 1, 2004; amended effective April 1, 2006; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-13

**10-16-03-08. Claim of a prize.** A prize for a validated winning ticket must be claimed as follows:

1. No prize may be awarded nor is the lottery liable for a ticket not submitted for validation or for an announcement or dissemination by the lottery or any other person/individual of an incorrect number, letter, or symbol drawn.
2. A ticket bought or used to claim a prize in violation of federal or state law, or bought in violation of the lottery law or rules, is void and may not be used to claim a prize.
3. A ticket for a prize must be actually received or, if mailed, postmarked, within one hundred eighty days after the date of a draw for the game for which the ticket was issued. If the final day of the claim period is a Saturday, Sunday, or state holiday, the claim period is extended to the next business day. An unclaimed prize is forfeited and retained by the lottery. However, if the grand prize for the game of POWERBALL®, MEGA MILLIONS®, or LOTTO AMERICA<sup>SM</sup>AMERICA® is unclaimed, then MUSL shall administer the grand prize money. If the top prize or second prize for LUCKY FOR LIFE® is unclaimed, the lottery's liability for that prize expires and no settlement of funds will be scheduled. If a lower tier prize for LUCKY FOR LIFE® is unclaimed, the lottery's liability for that prize expires and is allocated back to the lottery in relation to the sale's percent for the specific drawing.
4. ~~A person~~An individual who owns or redeems a winning ticket:
  - a. Agrees to be bound by the lottery law, rules, procedure, policy, validation requirements, dispute resolution, and game group game rules related to the game for which the ticket was issued; and
  - b. Agrees that the state, lottery, the MUSL, game group, and their officers, employees, agents, representatives, and contractor are discharged from any liability upon payment of a prize on a ticket.
5. The owner of a winning ticket may win only one prize per play for the winning numbers, letters, or symbols drawn and is entitled only to the prize won by those numbers in the highest matching prize category.
6. A retailer may redeem a ticket only at the business address listed on the license. The

retailer may pay a prize in cash or by business check, certified or cashier's check, money order, or combination of methods.

7. ~~A person~~An individual may redeem a winning ticket for a prize only during the normal business hours of a retailer provided that the lottery's online computer system is operating and a ticket may be validated. If the retailer is normally open for business before or after the hours when the lottery's on-line computer system operates, the retailer shall post the hours at the site when ~~a person~~an individual may redeem a ticket.
8. To claim a prize for an apparent winning ticket of less than six hundred dollars, a player may:
  - a. Present the ticket to a retailer, regardless of which retailer sold the ticket; or
  - b. Complete the backside of the ticket by entering the ~~person's~~individual's full name and address and signing the ticket, and present or mail the ticket to the lottery's office.
9. If a ticket has a prize value of less than six hundred dollars, is owned by one ~~person~~individual, and is presented to a retailer, the retailer may redeem the ticket and pay the prize to the ~~person~~individual who physically possesses an unsigned ticket or to the ~~person~~individual whose signature is shown on the ticket. If ~~a person~~an individual desires to redeem a winning ticket that is signed, the retailer shall request evidential proof of identity from the player before the retailer may validate or pay the prize. If the player does not provide proof of identity, the retailer may not validate the ticket or pay the player a prize and shall return the ticket to the player. For an unsigned ticket or a signed ticket in which the ticket holder is the identified owner, the retailer shall validate the ticket and, for a winning ticket, pay the prize to the player. If the retailer is unable to validate a ticket, the retailer shall provide the ticket holder with a prize claim form and instruct the ticket holder how to file a claim with the lottery.
10. If an apparent winning ticket has a total prize value of all plays of six hundred dollars or more and one ~~person~~individual signed or claims ownership of the ticket, a retailer may not redeem the ticket and shall provide the ticket holder with a prize claim form and instruct the ticket holder how to file a claim with the lottery. The ticket holder shall complete and sign the form and back side of the ticket and present or mail the form and ticket to the lottery. For a validated winning ticket, the lottery shall present or mail a check to the player for the amount of the prize, less withholding of income tax required by federal or state law and any debt setoff according to section 10-16-01-03, unless the payment is delayed according to section 10-16-03-12. The lottery shall pay the prize to the ~~person~~individual whose name is on the ticket, notwithstanding the name on the claim form. For a nonwinning ticket, the lottery shall deny the claim, notify the claimant, and return the ticket.
11. If more than one ~~person~~individual signed or claims ownership of an apparent winning ticket, the retailer shall provide the claimant with a prize claim form and instruct the claimant how to file a claim with the lottery, as follows:
  - a. Each ~~person~~individual who claims part ownership of the ticket must complete and

- sign the prize claim form and designate the ~~person's~~individual's percentage of ownership and, if subdivision d applies, the one authorized payee;
- b. At least one of the ~~people~~individuals who claim ownership must sign the ticket and that signature must be on the prize claim form;
  - c. The prize claim form and ticket must be presented or mailed to the lottery;
  - d. For a validated ticket, if the amount of the prize allocated to each claimant is six hundred dollars or more, the lottery shall present or mail a separate prize check to each claimant. The lottery shall present or mail a check to each claimant for the amount of each player's prize, less withholding of income tax required by federal or state law and any debt setoff according to section 10-16-01-03, unless the payment is delayed according to section 10-16-03-12. If the prize allocated to each claimant is less than six hundred dollars, at the claimant's request, the lottery shall issue a single prize check to the ~~person~~individual designated and authorized on the prize claim form to receive payment of the prize on behalf of all the claimants or present or mail a check to each claimant for the amount of each player's prize; and,
  - e. Notwithstanding subdivision d, if the claimants desire to designate one ~~person~~individual in whose name the entire claim may be made and list the ~~persons~~individuals to whom the winnings are taxable, the claimants may file, along with a prize claim form, internal revenue service form 5754 (statement by ~~person(s)~~individual(s) receiving gambling winnings) with the lottery.
12. The lottery shall pay a prize to a player within a reasonable time after the player's winning ticket is validated by the lottery.
  13. Except as provided by rule, if two or more plays win the grand prize, the prize money must be divided equally among the players whose tickets won. Except as provided by rule, for a set prize, each player wins the set amount of a prize regardless of whether two or more players have winning tickets for the prize.
  14. The lottery is not liable for a ticket not delivered to the correct address of the lottery or a delay in delivery of a ticket or damage to a ticket while being delivered to the lottery.
  15. A player who redeems a winning ticket is solely responsible for any federal or state income tax liability related to the prize.
  16. ~~A person's~~An individual's right to a prize is assignable and payment of a prize may be made to a ~~person~~an individual pursuant to an appropriate judicial order.
  17. A prize may not be payable to a trust until after the lottery conducts a debt setoff on the beneficiaries of the trust.
  18. If a player redeems an original multi-draw ticket before the ticket's last draw and a retailer returns the original ticket, rather than an issued exchange ticket, to the player, the lottery may not pay another prize on the original ticket until after the exchange ticket expires and has not been redeemed.

19. A winning ticket with a total prize value of all plays of six hundred dollars or more may not be paid to ~~a person~~ an individual who is identified as being in the United States illegally.

**History:** Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; January 31, 2010; January 1, 2011; October 19, 2013; January 31, 2016; February 25, 2016; October 29, 2017; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-09, 53-12.1-13

#### **10-16-03-08.1. Pick & Click Online Play.**

1. A player shall purchase an online play only from, and the financial transaction for that online play must be only with, the lottery through the North Dakota Lottery Players Club® website and payment processor. A player may use automated clearinghouse, debit card, or authorized credit card to pay for an online play.
2. ~~A person~~ An individual must be at least eighteen years of age.
3. ~~A person~~ An individual must provide the following information when registering as a player, or a member of a group, for the lottery online play service:
  - a. Name;
  - b. Address;
  - c. Date of Birth;
  - d. Telephone number;
  - e. Valid email address; and,
  - f. Last four digits of their social security number.
4. ~~A person~~ An individual, whether individually or as a member of a group, must have a North Dakota mailing address, must be physically located within the borders of North Dakota and must pass all verification processes used by the lottery during the player's registration process.
5. A player may purchase one or more online plays for one or more games. Each online play is limited to one play for a draw for one game. A player may purchase an online play for up to fifty-two weeks. An online play is not refundable or cancelable by a player unless the game group makes a matrix change to the game at which time, the online play would be canceled by the lottery and funds used to purchase the online play would be refunded to the player's deposit account through the lottery's online play service, based on the number of draws actually held under the former game matrix in relation to the total number of draws purchased.
6. To be valid, an online play must be properly and validly registered with the lottery on its player data base at its central computer site which meets the requirements established by the product group and MUSL security and integrity committee. All data on a player is confidential.

7. The owner of an online play is the ~~person~~individual whose name is validly and properly registered with the lottery. However, the lottery may split a prize among two or more ~~persons~~individuals who are registered members of a group play.
8. After the lottery properly and validly registers an online play, the lottery shall send a confirmation email to the player. The confirmation email is the player's evidence of an actual play in a draw and there is no actual ticket. The confirmation email must include:
  - a. Name of game. For the game of POWERBALL® indication of whether the play has the power play option. For the game of MEGA MILLIONS®, indication of whether the play has the Megaplier® option. For the game of LOTTO AMERICA<sup>SM</sup>AMERICA®, indication whether the play has the All Star Bonus<sup>SM</sup>Bonus® option;
  - b. Number of and starting and ending dates of the draws;
  - c. Numbers, letters or symbols of the play;
  - d. The player is responsible for ensuring that all player information and game play numbers, letters, or symbols are correct; and
  - e. Explanation of how a prize will be awarded.
9. Except as provided by subsection 10, an online play is valid for only the date range of draws specified in the confirmation email. The effective date of a new online play will be valid for the present draw in the game, if it is purchased by 8:30 p.m. central time for LUCKY FOR LIFE® or by 8:58 p.m. central time for POWERBALL®, LOTTO AMERICA<sup>SM</sup>AMERICA®, MEGA MILLIONS®, and 2by2®.
10. If the value of a prize on a winning POWERBALL®, LOTTO AMERICA<sup>SM</sup>AMERICA®, MEGA MILLIONS®, 2BY2®, or LUCKY FOR LIFE® online play for a draw is:
  - a. Less than six hundred dollars, the lottery shall automatically deposit the funds into the player's winning account.
  - b. Equal to or more than six hundred dollars, the lottery shall contact the player by email and phone to arrange payment of the prize, less withholding of income tax required by federal or state law and any debt setoff according to North Dakota Century Code section 53-12.1-12.
11. If the owner of an online play changes the owner's name, the owner shall provide the lottery with a notarized letter of the change. If the owner of an online play dies, the lawful representative of the owner's estate shall provide the lottery with a notarized statement of the death and the lottery shall change the ownership of the online play to "The Estate of" the owner.

**History:** Effective November 8, 2005; amended effective January 3, 2008; November 1, 2008; July 1, 2010; October 19, 2013; July 6, 2014; January 31, 2016; February 25, 2016; October 29, 2017; May 14, 2018; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-01, 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-13

**10-16-03-09. Payment of a prize to a ~~person~~an individual's estate.**

If a winning player dies during the annuity payment period of a prize, the game group, upon the petition of the estate of the deceased player to the lottery may accelerate the payment of the remaining prize to the estate. The lottery may rely on a certified copy of a court's appointment of a personal representative or other evidence that a certain person/individual is entitled to the payment of the remaining prize. If the game group approves the petition, then securities, cash, or both securities and cash held for the deceased player that represents the present value of that portion of a future lottery payment to be accelerated may be distributed to the estate. The identification of the security to fund the annuitized prize and responsibility for valuing the security and determining the present value of an accelerated lottery payment are at the discretion of the game group. Payment to the estate of the prize of the deceased owner releases the MUSL, game group, lottery, and state of any additional liability for the prize.

**History:** Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-08, 53-12.1-13

**10-16-03-10. Counterfeit or theft of a ticket or gift certificate.**

1. ~~A person~~An individual may not make, alter, pass, counterfeit, or present, with intent to defraud, a ticket or gift certificate to a retailer or lottery.
2. ~~A person~~An individual may not steal a ticket or gift certificate or knowingly possess, redeem, or attempt to redeem a stolen ticket or gift certificate.

**History:** Effective February 1, 2004; amended effective April 1, 2006; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-08, 53-12.1-13

**10-16-03-11. Remedy for a defective ticket and dispute resolution.**

1. If a claimant and the lottery disagree on whether a ticket is a winning ticket and the lottery determines that the ticket is not valid and does not pay the prize, the lottery may replace the disputed ticket with a ticket for the next draw of the same game or refund the cost of the ticket. If a ~~person~~an individual buys a ticket that is defective, the only responsibility or liability of a retailer, vendor, or lottery is to replace the defective ticket with a ticket for the next draw of the same game or refund the cost of the ticket. This is the only remedy of the claimant.
2. The lottery shall resolve a dispute regarding the operation of the lottery, validity of a

ticket, or payment of a prize, and the lottery's decision and judgment is final and binding on a participant in the lottery.

**History:** Effective February 1, 2004; amended effective July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-08, 53-12.1-13



NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules.  
~~Strikethrough~~ represents proposed deletions to the present rules.

**CHAPTER 10-16-11**  
**LUCKY FOR LIFE® GAME**

**10-16-11-04 Prize Liability Limits.** There are ten prize levels in the game.

1. Except as provided in these rules, the top prize must be annuitized and based on a top prize liability that will be split equally among the number of winning game tickets. A top prize winner may request the cash option, the amount of which is to be established by the game group for a defined period of drawings. Notice of the amount of and changes to the cash option must be posted on the game's website. Under certain circumstances, as detailed below, 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 seven thousand dollars per week for life. As an alternative to the annuitized payment option, the top prize winner may request the top prize cash option.
  - b. Two to fourteen top prize winners. If there are between two and fourteen top prize winners, the annuitized prize option, based on an annuitized prize value of seven thousand dollars per week, will be divided by the total number of top prize winners. Any of these two to fourteen 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 divided by the total number of top prize winners.
  - c. Fifteen or more top prize winners. If there are fifteen or more top prize winners, the top prize liability will be capped at seven million one hundred twenty-five thousand dollars, must be split equally among all top prize winners, and paid in a single lump sum cash payment without an annuitized payment option.
  - d. The winner or winners of the top prize who do not request the cash option must be paid their appropriate top prize share on an annual basis for a minimum period of twenty years. The first top prize payment will be made when the prize is claimed at the lottery's office.
  - 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 lottery to be the top prize winner. If the top prize under a single wager is being claimed by more than one ~~natural person~~individual or by a ~~legal entity~~trust, the measuring life for that top prize winner shall be twenty years.

- f. If paid in a single lump sum cash payment, top prize amounts will be rounded to the nearest whole dollar.
2. Except as provided in these rules, the second prize winner will be paid twenty-five thousand dollars a year for life. A second prize winner may request the cash option, the amount of which is to be established by the game group for a defined period of drawings. Notice of the amount of and changes to the cash option must be posted on the game's website. 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 to twenty second prize winners. If there are between one and twenty second prize winners, the annuitized prize value will be twenty-five thousand dollars per year for life. Any of these one to twenty second prize winners may choose the second prize cash option as an alternative to the annuitized payment option.
  - b. Twenty-one or more second prize winners. If there are twenty-one or more second prize winners, the second prize liability is capped at nine million four hundred thousand dollars, must be split equally among all second prize winners, and paid in a single lump sum cash payment without an annuitized payment option.
  - c. The winner or winners of the second prize who do not request the cash option must be paid their appropriate second prize share on an annual basis for a minimum period of twenty years. The initial second prize payment will be made when the prize is claimed at the lottery's office; 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, is the natural life of the individual determined by the lottery to be the second prize winner. If the second prize under a single wager is being claimed by more than one ~~natural person~~ individual or by a ~~legal entity~~ trust, the measuring life for that second prize winner is twenty years.
  - e. If paid in a single lump sum cash payment, second prize amounts will be rounded to the nearest whole dollar.
3. Except as provided in these rules, the third prize will be paid as a five thousand dollar set prize. If there are more than one thousand winners of this prize level in a single drawing, the total prize liability of five million dollars 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 two hundred dollars per winner regardless of the number of winners. Third prizes will be rounded to the nearest whole dollar and paid in a single lump sum cash payment.

**History:** Effective January 31, 2016; amended effective February 1, 2016; July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-13

NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules.  
~~Strikethrough~~ represents proposed deletions to the present rules.

**CHAPTER 10-16-12  
LOTTO AMERICA<sup>SM</sup>AMERICA® GAME**

Section	
10-16-12-01	Game Description
10-16-12-02	Expected Prize Pool Percentages and Odds
10-16-12-03	Prize Pool and Payment
10-16-12-04	All Star <del>Bonus<sup>SM</sup></del> <u>Bonus</u> ® Option

**10-16-12-01. Game description.** To play LOTTO AMERICA<sup>SM</sup>AMERICA®, a player selects five different red/white numbers, between one and fifty-two, and one additional blue/white number (star ball) between one and ten. The additional number may be the same as one of the first five numbers selected. The price of a play is one dollar. A grand prize is paid, at the election of a winning player or by a default election made according to these rules, either on an annuitized pari-mutuel basis or as a cash lump sum payment of the total cash held for the prize pool on a pari-mutuel basis. A set prize (cash prize of twenty thousand dollars or less) is paid on a single-payment cash basis. Draws are held every Wednesday and Saturday.

**History:** Effective November 12, 2017; amended effective July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-13

**10-16-12-04. All Star ~~Bonus<sup>SM</sup>~~Bonus® option.**

1. The All Star ~~Bonus<sup>SM</sup>~~Bonus® option is a limited extension of the LOTTO AMERICA<sup>SM</sup>AMERICA® game and is conducted according to the game group's game rules. The option offers the owner of a qualifying play a chance to multiply or increase the amount of a set prize.
2. A qualifying play is a single LOTTO AMERICA<sup>SM</sup>AMERICA® play for which the player pays an extra one dollar for the All Star ~~Bonus<sup>SM</sup>~~Bonus® option. All Star ~~Bonus<sup>SM</sup>~~Bonus® does not apply to the grand prize.
3. A qualifying play which wins one of the eight lowest set prizes will be multiplied by the number selected, two through five, in a separate random All Star ~~Bonus<sup>SM</sup>~~Bonus® drawing.
4. A prize awarded must be paid as a lump sum set prize. Instead of the normal set prize amount, a qualifying All Star ~~Bonus<sup>SM</sup>~~Bonus® will pay the amounts shown below when matched with the All Star ~~Bonus<sup>SM</sup>~~Bonus® number drawn:

LOTTO AMERICA<sup>SM</sup>AMERICA<sup>®</sup> Pays Instead

Matches Per Play	Set Prize Amount	Prize Amount with All Star Bonus <sup>SM</sup> Bonus <sup>®</sup> Purchase			
		5X	4X	3X	2X
5 red/white + 0 blue/white	\$20,000	\$100,000	\$80,000	\$60,000	\$40,000
4 red/white + 1 blue/white	\$1,000	\$5,000	\$4,000	\$3,000	\$2,000
4 red/white + 0 blue/white	\$100	\$500	\$400	\$300	\$200
3 red/white + 1 blue/white	\$20	\$100	\$80	\$60	\$40
3 red/white + 0 blue/white	\$5	\$25	\$20	\$15	\$10
2 red/white + 1 blue/white	\$5	\$25	\$20	\$15	\$10
1 red/white + 1 blue/white	\$2	\$10	\$8	\$6	\$4
0 red/white + 1 blue/white	\$2	\$10	\$8	\$6	\$4

Rarely, under the game group’s limitation of liability rules, a set prize amount may be less than the amount shown. In that case, the eight lowest All Star Bonus<sup>SM</sup>Bonus<sup>®</sup> prizes will be changed to an amount announced after the draw. For example, if the match 4+1 set prize amount of one thousand dollars becomes five hundred dollars under the game group’s rules, an All Star Bonus<sup>SM</sup>Bonus<sup>®</sup> player winning that prize amount when a “5” has been drawn would win two thousand five hundred dollars (\$500 x 5).

- The following table reflects the probability of the All Star Bonus<sup>SM</sup>Bonus<sup>®</sup> numbers being drawn:

All Star Bonus <sup>SM</sup> Bonus <sup>®</sup>	Probability of Prize Increase
5X - Prize won times 5	3 in 32
4X - Prize won times 4	4 in 32
3X - Prize won times 3	10 in 32
2X - Prize won times 2	15 in 32

All Star Bonus<sup>SM</sup>Bonus<sup>®</sup> does not apply to the grand prize. The game group may elect to run limited promotions that may modify the multiplier features.

**History:** Effective November 12, 2017; amended effective July 1, 2019.

**General Authority:** NDCC 53-12.1-13

**Law Implemented:** NDCC 53-12.1-13