

NORTH DAKOTA LOTTERY

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

**CHAPTER 10-16-05
HOT LOTTO® GAME**

10-16-05-01. Game description. To play HOT LOTTO®, a player selects five different white numbers, between one and ~~thirty-nine~~ forty-seven, and one additional orange number (hot ball) between one and nineteen. The additional number may be the same as one of the first five numbers selected. The price of a play is one dollar. A gross grand prize amount is paid, ~~at the election of a winning player or by a default election 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 ~~ten~~ thirty thousand dollars or less) is paid on a single-payment cash basis. Draws are held every Wednesday and Saturday.

History: Effective February 1, 2004; amended effective April 1, 2006; May 12, 2013.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-05-02. Expected prize pool percentages and odds. The minimum gross grand prize is one million dollars and is paid on a pari-mutuel basis. Except as provided by rule, a set prize must be paid according to these matches per play and prize amounts with these expected prize payout percentages:

<u>Matches Per Play</u>	<u>Prize</u>	<u>Prize Pool Percentage Allocated to Prize</u>	<u>Odds*</u>
5 white + 1 orange	Grand prize	52.58%	1:10,939,383
	<u>Gross grand prize**</u>	<u>52.12%</u>	<u>1:29,144,841</u>
5 white + 0 orange	<u>\$10,000</u>	<u>3.29%</u>	<u>1:607,744</u>
	<u>\$30,000</u>	<u>3.71%</u>	<u>1:619,158</u>
4 white + 1 orange	<u>\$500</u>	<u>1.55%</u>	<u>1:64,349</u>
	<u>\$3,000</u>	<u>4.32%</u>	<u>1:138,785</u>
4 white + 0 orange	<u>\$50</u>	<u>2.80%</u>	<u>1:3,575</u>
	<u>\$100</u>	<u>2.59%</u>	<u>1:7,710</u>
3 white + 1 orange	<u>\$50</u>	<u>5.13%</u>	<u>1:1,950</u>
		<u>2.95%</u>	<u>1:3,385</u>
3 white + 0 orange	<u>\$4</u>	<u>7.38%</u>	<u>1:108</u>
	<u>\$6</u>	<u>6.38%</u>	<u>1:188</u>
2 white + 1 orange	<u>\$4</u>	<u>4.38%</u>	<u>1:183</u>
	<u>\$6</u>	<u>4.73%</u>	<u>1:254</u>

1 white + 1 orange	\$3	<u>12.72%</u>	<u>4:47</u>
		<u>11.52%</u>	<u>1:1.52</u>
0 white + 1 orange	\$2	<u>10.17%</u>	<u>4:39</u>
		<u>11.68%</u>	<u>1:1.34</u>

Overall odds of winning a prize on a one dollar play are 4:46 1:17.22.

*Reflects the odds of winning and probable distribution of winning plays in and among each prize tier, based on the total number of possible combinations.

**The gross grand prize amount will be reduced by federal and state withholding taxes which will be remitted by the lottery on behalf of the prize winner with the prize winner receiving the residual amount as their grand prize payment (subject to any setoff requirements).

History: Effective February 1, 2004; amended effective April 1, 2006; May 12, 2013.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-05-04. Prize pool and payment.

1. The prize pool for all prize categories must consist of fifty percent of each draw period's sales after the prize reserve account is funded.
2. The prize money allocated to the gross grand prize pool must be divided equally by the number of plays that win the grand prize. If the gross grand prize is not won in a draw, subject to any restrictions by the game group, the prize money allocated for the gross grand prize must roll over and be added to the gross grand prize pool for the next draw.
3. The prize pool percentage allocated to set prizes must be carried forward to a subsequent draw if all or a portion of it is not needed to pay the set prizes awarded in the current draw.
4. The lottery may not pay a grand or set cash prize until after it receives authorization from the MUSL. The lottery may pay the prize before it receives the funds from the MUSL.
- ~~5. An annuitized grand prize must be paid annually in twenty-five equal payments with the initial payment being made in cash, to be followed by twenty-four payments funded by the annuity.~~
5. A gross grand prize winner will receive a withholding taxes paid prize where the lottery pays the prize winner a net prize amount, which consists of the lottery reducing the gross grand prize amount by the required federal and state withholding taxes, and withholding and

depositing on behalf of the prize winner the required federal and state withholding taxes on the gross grand prize amount and the lottery paying the prize winner the residual amount (subject to any setoff requirements).

6. The advertised grand prize amount will be publicly announced as the grand prize for the drawing. The advertised grand prize amount is not the gross grand prize amount. The advertised grand prize is the minimum cash amount the prize winner receives, on a pari-mutuel basis, after the lottery reduces the gross grand prize amount by the required federal and state withholding taxes (subject to any setoff requirements).

History: Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; May 12, 2013.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-05-06. Triple sizzler option.

1. The triple sizzler option is a limited extension of the HOT LOTTO® 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 the amount of a set prize.
2. A qualifying play is a single HOT LOTTO® play for which the player pays an extra one dollar for the triple sizzler option. The triple sizzler option does not apply to the grand prize. A qualifying play which wins one of the eight set prizes will be multiplied by three. The game group may change the multiplier number three for a special promotion.
3. A prize awarded must be paid as a lump sum set prize. Instead of the normal set prize amount, a qualifying triple sizzler play will pay the amounts shown below:

<u>Matches Per Play</u>	<u>Prize</u>	<u>3x</u>
5 white + 0 orange	\$10,000	\$30,000
	<u>\$30,000</u>	<u>\$90,000</u>
4 white + 1 orange	\$500	\$1,500
	<u>\$3,000</u>	<u>\$9,000</u>
4 white + 0 orange	\$50	\$150
	<u>\$100</u>	<u>\$300</u>
3 white + 1 orange	\$50	\$150

3 white + 0 orange	\$4	\$12
	<u>\$6</u>	<u>\$18</u>
2 white + 1 orange	\$4	\$12
	<u>\$6</u>	<u>\$18</u>
1 white + 1 orange	\$3	\$9
0 white + 1 orange	\$2	\$6

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 triple sizzler prizes will be a multiple of the new set prize amounts. For example, if the match 5+0 set prize amount of thirty thousand dollars becomes twenty-seven thousand dollars under the game group's rules, a triple sizzler player winning that prize amount would win eighty-one thousand dollars (\$27,000 x 3).

History: Effective January 3, 2008; May 12, 2013.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13