

DRAFT
Version 9-20-11

NORTH DAKOTA LOTTERY

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

**CHAPTER 10-16-04
POWERBALL® GAME**

10-16-04-01. Game description. To play POWERBALL®, a player selects five different white numbers, between one and fifty-nine, and one additional red number (powerball) between one and ~~thirty-nine~~ thirty-five. The additional number may be the same as one of the first five numbers selected. The price of a play is ~~one dollar~~ two dollars. 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 ~~two hundred thousand~~ one million 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 November 8, 2005; January 4, 2009; January 15, 2012.
General Authority: NDCC 53-12.1-13
Law Implemented: NDCC 53-12.1-13

10-16-04-02. Expected prize pool percentages and odds. The minimum grand prize is ~~twenty~~ forty 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 red	Grand prize	65.06%* <u>63.95%</u>	1:195,249,054 <u>1:175,223,510</u>
5 white + 0 red	\$200,000	7.78% <u>19.40%</u>	1:5,138,133 <u>1:5,153,633</u>
	<u>\$1,000,000</u>		
4 white + 1 red	\$10,000	2.77% <u>1.54%</u>	1:723,145 <u>1:648,976</u>
4 white + 0 red	\$100	1.05% <u>0.52%</u>	1:19,030 <u>1:19,088</u>
3 white + 1 red	\$100	1.46% <u>0.82%</u>	1:13,644 <u>1:12,245</u>
3 white + 0 red	\$7	3.90% <u>1.94%</u>	1:359 <u>1:360</u>
2 white + 1 red	\$7	1.78% <u>0.99%</u>	1:787 <u>1:706</u>
1 white + 1 red	\$4	6.48% <u>3.61%</u>	1:123 <u>1:111</u>
0 white + 1 red	\$3 <u>\$4</u>	9.72% <u>7.22%</u>	1:62 <u>1:55</u>

Overall odds of winning a prize on a one ~~two~~ dollar play are 1:35.14 1:31.85.

~~*When the grand prize reaches a new high level, the prize pool percentage allocated to the grand prize must be reduced to the percentage needed to fund the maximum grand prize increase as determined by the game group, with the remainder funding the match 5 bonus prize category.~~

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

History: Effective February 1, 2004; amended effective November 8, 2005; April 1, 2008; January 4, 2009; January 15, 2012.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-04-04. 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 grand prize pool must be divided equally by the number of plays that win the grand prize. If the grand prize is not won in a draw, subject to any restrictions by the game group, the prize money allocated for the grand prize must roll over and be added to the grand prize pool for the next draw. ~~If a new high grand prize is not won in a draw, the prize money allocated for the match 5 bonus prizes must roll over and be added to the match 5 bonus prize pool for the next draw.~~
- ~~3. When the grand prize reaches a new high annuitized amount, the maximum amount to be allocated to the grand prize pool is an additional twenty five million dollars (annuitized) or an amount set by the game group. Any amount of the grand prize percentage that exceeds the twenty five million dollar (annuitized) increase must be added to the match 5 bonus prize pool. The match 5 bonus prize pool is created, and must accumulate until the grand prize is won, at which time the match 5 bonus prize pool must be divided equally by the number of plays that win the match 5 prize. If there is no match 5 winning play on the draw when the new high grand prize is won, the match 5 bonus prize pool must be divided equally by the number of plays that win the match 4+1 prize.~~
- 4.3. If there are multiple grand prize winning plays during a draw, each player selecting the annuitized option prize, then a winning play's share of the guaranteed annuitized grand prize must be determined by dividing the guaranteed annuitized grand prize by the number of winning plays.
- ~~5. The prize money allocated to the match 5 bonus prize must be divided equally by the number of plays that win the match 5 prize when a play wins the new high grand prize amount.~~

6.4 A grand prize must be paid, at the election of the winning player made within sixty days after the player becomes entitled to the prize, with either a per winning player annuity or cash payment. If the payment election is not made by the player within sixty days after the player becomes entitled to the prize, then the prize must be paid as an annuity prize. An election for an annuity payment made by a player may be changed to a cash payment at the election of the player until the expiration of sixty days after the player becomes entitled to the prize. Otherwise, the payment election is final. Shares of the grand prize must be determined by dividing the cash available in the grand prize pool equally among all winning plays of the grand prize. A player who elects a cash payment must be paid the share in a single cash payment. A player who elects an annuitized prize must be paid annually in thirty graduated payments with the initial payment being made in cash, followed by twenty-nine payments (increasing each year) by a rate determined by the game group funded by the annuity. Annual payments after the initial payment must be made by the lottery on the anniversary date or if this date falls on a nonbusiness day, then the first business day following the anniversary date of the draw of the grand prize winning numbers.

7.5 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.

8.6 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.

History: Effective February 1, 2004; amended effective November 8, 2005; April 1, 2008; January 15, 2012.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-04-06. Power play option.

1. The power play option is a limited extension of the POWERBALL® 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. ~~A match 5 bonus prize is awarded independent of the power play option and is not multiplied by the power play multiplier.~~
2. A qualifying play is a single POWERBALL® play for which the player pays an extra one dollar for the power play option. ~~Power play does not apply to the grand prize or a match 5 bonus prize.~~
3. ~~A qualifying play which wins one of the seven lowest set prizes (excluding the match 5+0 prize) will be multiplied by a single number (2, 3, 4, or 5) drawn in a separate random power play drawing. The announced match 5+0~~

prize, for players selecting the power play option, shall be paid \$1,000,000 unless a higher limited promotional dollar amount is announced by the game group or unless a lower dollar amount is announced by the game group under its limitation of liability rules. The game group may change one or more of the multiplier numbers or the match 5+0 power play prize amount, or both, for a special promotion.

4.3 A prize awarded must be paid as a lump sum set prize. Instead of the normal set prize amount, a qualifying power play which wins one of the eight lowest set prizes (excluding the jackpot) will pay the amounts shown below when matched with the power play number drawn:

POWERBALL® Pays Instead

<u>Matches per Play</u>	<u>Set Prize Amount</u>	<u>Prize Amount With Power Play Purchase</u>
5 white + 0 red	\$200,000	\$1,000,000
	<u>\$1,000,000</u>	<u>\$2,000,000</u>

Prize Amounts With Power Play Purchase and Multiplier

<u>Matches per Play</u>	<u>Set Prize Amount</u>	<u>5X</u>	<u>4X</u>	<u>3X</u>	<u>2X</u>	
4 white + 1 red	\$10,000	<u>\$40,000</u>	\$50,000	\$40,000	\$30,000	\$20,000
4 white + 0 red	\$100	<u>\$200</u>	\$500	\$400	\$300	\$200
3 white + 1 red	\$100	<u>\$200</u>	\$500	\$400	\$300	\$200
3 white + 0 red	\$7	<u>\$14</u>	\$35	\$28	\$21	\$14
2 white + 1 red	\$7	<u>\$14</u>	\$35	\$28	\$21	\$14
1 white + 1 red	\$4	<u>\$12</u>	\$20	\$16	\$12	\$8
0 white + 1 red	\$3 <u>\$4</u>	<u>\$12</u>	\$15	\$12	\$9	\$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, a the eight lowest power play prize prizes will be a multiple of two through five for the new set prize amount for the seven lowest set prizes changed to an amount announced after the draw. For example, if the match 4+1 set prize amount of ten thousand dollars becomes five thousand fifty five thousand dollars under the game group's rules, a power play player winning that prize amount when a "4" has been drawn would win twenty thousand two hundred twenty thousand dollars ($\$5,050 \times 4$). The match 5+0 prize may be reduced as announced by the game group.

5. ~~The following table reflects the probability of the power play numbers being drawn:~~

<u>Power Play</u>	<u>Probability of Prize Increase</u>
5X — Prize won times 5	1 in 4
4X — Prize won times 4	1 in 4
3X — Prize won times 3	1 in 4
2X — Prize won times 2	1 in 4

History: Effective February 1, 2004; amended effective November 8, 2005; April 1, 2008; January 4, 2009; November 1, 2010; January 15, 2012.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

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**CHAPTER 10-16-02
RETAILER**

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 an initial or renewal subscription sale that is transacted through the lottery on a subscription application form that is issued by the retailer's terminal or procured from the retailer with the retailer's license number on it. The retailer must be currently licensed when the subscription application form is processed by the lottery. There is no sales commission on the value of a prize on a winning subscription play that automatically extends a subscription period according to subdivision a of subsection 10 of section 10-16-03-08.1; and
 - c. A sales bonus for selling a ticket with a winning play, or for an initial or renewal subscription sale described by subdivision b, including an extended subscription period, that has 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 or when the winning subscription play is validated. If the winning play for POWERBALL® has the power play option, or the winning play for MEGA MILLIONS® has the Megaplier® option, or the winning play for HOT LOTTO® has the triple sizzler 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
\$200,000	\$2,500	Additional \$2,500 with power play

<u>\$1,000,000</u>	<u>\$5,000</u>	<u>Additional \$5,000 with power play</u>
\$10,000	\$500	Additional \$500 with power play

MEGA MILLIONS®

Grand prize	\$50,000	Additional \$50,000 with Megaplier®
\$250,000	\$2,500	Additional \$2,500 with Megaplier®
\$10,000	\$500	Additional \$500 with Megaplier®

HOT LOTTO®

Grand prize	\$5,000	Additional \$5,000 with triple sizzler
\$10,000	\$500	Additional \$500 with triple sizzler

WILD CARD 2®

Grand prize	\$2,000
\$5,000	\$250

2BY2®

Grand prize	
\$22,000	\$500
\$44,000*	\$1,000

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

2. 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 triple sizzler, 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.
 General Authority: NDCC 53-12.1-13
 Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-13