



## **NYCRR Title 9, Executive**

### **Subtitle T**

#### **New York State Gaming Commission**

##### **Chapter III**

##### **Division of Lottery**

##### **Subchapter A**

##### **State Lottery**

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#### **PART 5000**

##### **General Provisions**

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#### **§ 5000.1. Purpose and scope.**

This chapter is promulgated by the New York State Gaming Commission pursuant to Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law and governs the

establishment, operation, and administration of the New York State Gaming Commission in regard to the State Lottery, and such additional responsibilities as may be assigned by law. Subjects covered by this chapter include, but are not limited to: frequency of drawings, price of tickets, structure of prizes, payment of prizes, licensing of agents, use of vending machines, safekeeping operations and control and distribution of lottery tickets. This Part pertains to the Division of Lottery and supplements those rules and regulations of general applicability promulgated by the Gaming Commission.

## **§ 5000.2. Definitions.**

Unless the context indicates otherwise, the following definitions are applicable throughout this chapter.

(a) *Act* or *Acts* means article 34 of the Tax Law, commonly known and cited as the “New York State Lottery for Education Law” and Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law

(b) *Agent* means a person, or entity, who, or that, is licensed by the commission under Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law and the New York State Lottery for Education Law (Article 34 of the Tax Law).

(c) *Claims center* or *Customer Service Center* means any place designated by the New York State Gaming Commission where a ticket holder or such ticket holder’s representative may file a claim for a prize in accordance with instructions of such commission.

(d) *Agent Commission* means payments to agents, banks, or other persons for sales, processing of claims, distribution and handling of tickets and revenue, and other services performed at the request of the Director of the Lottery.

(e) *Commission* means the New York State Gaming Commission established pursuant to Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law.

(f) *Lottery Director* means the director of the Division of the Lottery.

(g) *Lottery Fund* means the State lottery fund established pursuant to section 92-c of the State Finance Law.

(h) *Lottery* or *State Lottery* means the Lottery established and operated pursuant to the Lottery for Education Law and Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law.

(i) *Person* shall be construed to mean and include an individual, partnership, association, organization, corporation, club, company, trust, estate, society, joint-stock company, receiver, trustee, assignee, referee, or any other person acting in a fiduciary capacity, or representative capacity, whether appointed by a court or otherwise, and any

combination of individuals. Person shall also be construed to mean and include agencies, and instrumentalities of the State, and counties, cities, towns, and villages.

(j) *Lottery Revenue* means the monies collected from sales of lottery tickets less prizes paid to winners, operating expenses and commissions paid to agents.

(k) *Lottery Ticket* means any lottery ticket approved by the commission for sale to the general public.

(l) *Vendor* shall have the same meaning as agent, as defined in subdivision (b) of this section.

### **§ 5000.3. Powers reserved.**

All powers not specifically defined in this Chapter are reserved to the commission under the laws creating the commission and specifying the commission's powers and duties.

### **§ 5000.4. Name, official seal and offices.**

(a) The commission may use the names "New York State Lottery" or "New York Lottery" in advertisements, public announcements, correspondence, or for any other lawful purpose, and whenever so used such names shall be deemed to refer to the commission with the same force and effect as if the full name of the commission was used.

(b) The commission shall adopt an official seal, which shall be used in the cases prescribed by law and in such other cases as authorized by the commission.

(c) The principal office of the commission shall be located at: One Broadway Center, Schenectady, New York 12305. The commission may also operate such other offices and facilities as the commission may deem appropriate to fulfill the responsibilities of the commission under the Acts.

### **§ 5000.5. Director, division and the commission.**

(a) The lottery division shall be supervised by a director. The Division of Lottery shall be responsible to operate and administer the State Lottery for Education, as prescribed by Article 34 of the Tax Law, excepting responsibilities for video lottery gaming, which shall be under the Division of Gaming. Notwithstanding the foregoing, the Division of Lottery shall retain the responsibility for all aspects of promotional activities related to video lottery gaming.

(b) The commission shall have the authority to implement and execute such procedures as the commission may deem appropriate for the efficient administration of the acts, and to promulgate rules and regulations governing the establishment, administration and operation of the lottery at the commission's discretion to accomplish the purposes of the acts and to amend, repeal or supplement such rules and regulations. The

commission may delegate authority to the executive director and the lottery director, at the commission's discretion.

(c) The commission shall conduct a continuous study and investigation of all matters pertinent to the efficient operation of the lottery.

(d) The commission shall maintain full and complete records of the operation of the division. The commission shall report on a regular basis to the Governor on the status of the lottery.

#### **§ 5000.6. Hearings on suspension or revocation of lottery sales agent license.**

(a) A lottery sales agent is entitled to notice and an opportunity to be heard before suspension or revocation of the licensed provided that the Lottery sales agent requests such a hearing within 20 days from the date of notice of the suspension or revocation. If the commission or the commission's designee finds that the public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in a written order, summary suspension of a Lottery sales agent license may be temporarily ordered, pending proceedings for license suspension or revocation.

(b) A petition requesting a hearing shall be in writing signed by the petitioner or an attorney on behalf of the petitioner and shall include the petitioner's mailing address.

(c) Upon receipt of a petition requesting a hearing, the commission shall issue a notice of hearing fixing the date, time and place at which the hearing shall be held, stating the legal authority and jurisdiction under which the hearing is to be held, referring to the particular sections of the statutes and rules involved, where possible setting forth a short and plain statement of matters asserted, and stating that interpreter services shall be made available, at no charge, pursuant to section 301 of the State Administrative Procedure Act provided that such interpreter services are requested a reasonable time in advance of the hearing. Upon the written application of any party, a more definite and detailed statement of the matters asserted shall be furnished whenever the director or the director's designee finds that the statement in the notice of hearing is not sufficiently definite or not sufficiently detailed. Any more definite and detailed statement so furnished shall be deemed to be a part of the notice of hearing. A notice of hearing shall give at least 10 days notice to the petitioner and other parties and shall be served either in person or by certified mail.

(d) The hearing officer shall be a person designated by the commission. Upon the filing in good faith by a party of a timely and sufficient affidavit of personal bias or disqualification of a hearing officer, the commission shall determine the matter as part of the record of the proceedings. Whenever a hearing officer is disqualified or it becomes impractical for him or her to continue, another hearing officer may be designated to continue the proceedings unless it is shown that substantial prejudice would result. The hearing officer's written report of the hearing containing findings of fact, conclusions of law, and recommended decisions shall be filed with the commission and mailed to the

parties of record, and all parties of record shall have 10 days in which to file exceptions, objections, and replies thereto, after which the commission shall adopt, reverse, or modify the report and recommended decision.

(e) A party shall be required to make disclosures prior to a hearing only as provided by this subdivision. When the revocation of a lottery sales agent license is sought, any party shall, upon written demand and at least seven days prior to the date of the hearing, disclose the evidence that the party intends to introduce at the hearing, including documentary evidence and identification of witnesses who may testify at the hearing, except material protected by law from disclosure, including privileged or confidential information. If after making such disclosure, a party decides to rely on other witnesses or documents, the party shall, as soon as practicable, supplement such party's disclosure by providing the names of such witnesses or copies of such documents.

(f) The hearing officer shall rule on matters of procedure and evidence, and shall conduct the hearing in such manner as, in the hearing officer's discretion, will best serve the attainment of justice. The hearing officer may direct questions to any party or witness.

(g) (1) The order of proof shall be as follows:

- (i) testimony by witnesses in support of the matters asserted against the licensee;
- (ii) cross-examination of such witnesses;
- (iii) testimony by the licensee and witnesses produced by the licensee; and
- (iv) cross-examination of the licensee and the licensee's witnesses.

The hearing officer may, in the hearing officer's discretion, change the order of proof.

(2) Objections or exceptions may be made to the rulings of the hearing officer and the reasons therefor shall be stated, but such objections or exceptions will not be deemed to have been made unless duly noted on the record.

(3) The formal rules of evidence shall not be rigidly enforced in the hearing. Unless objection or exception is made, sustained, and duly noted on the record, all evidence appearing in the record shall be deemed to have been properly admitted for consideration by the commission.

(4) The introduction of cumulative evidence shall be avoided, and the hearing officer may limit the testimony of any witness that the hearing officer deems to be merely cumulative; however, the party offering such testimony may make a short avowal of the testimony that would have been given and if the witness asserts that such avowal is true, the avowal shall be made part of the record.

(5) The hearing officer shall have the authority upon application of any party to reopen an adjourned hearing for the presentation of new or additional evidence. Such application shall be in writing and shall set forth a brief description of the new or additional evidence to be presented.

(6) Oral argument may be made only before the hearing officer. Within the discretion of the hearing officer, such oral argument may be curtailed or limited.

(h) (1) The record shall include:

- (i) all notices, pleadings, motions, and intermediate rulings;
- (ii) evidence presented;
- (iii) a statement of matters officially noticed except matters so obvious that a statement of them would serve no useful purpose;
- (iv) questions and offers of proof, objections thereto, and rulings thereon;
- (v) proposed findings and exceptions, if any;
- (vi) findings of fact, conclusions of law, and recommendations made by the hearing officer; and
- (vii) the decision, determination, opinion, order, or report rendered in the matter by the commission.

(2) The hearing shall be recorded by either stenographic or electronic means.

(3) Upon application made by a licensee, a copy of the record shall be furnished to the licensee. If the stenographic or electronic recording of the hearing has not been transcribed, that portion of the record shall be furnished to the licensee only upon payment of the cost of transcription.

#### **§ 5000.7. Reward payments.**

The commission in the commission's discretion may authorize the payment of a reward in the amount of up to \$100 per offense to any person for information leading to the arrest and conviction of any person or persons for any offense involving the theft or misuse of lottery tickets, records, or equipment.

#### **§ 5000.8. Declaratory rulings.**

(a) On petition of any person, the commission may issue a declaratory ruling with respect to



(1) the applicability to any person, property, or state of facts of any rule or statute enforceable by the commission, or

(2) whether any action by the commission should be taken pursuant to a rule or regulation.

(b) A petition for a declaratory ruling must be submitted in writing to the commission by certified mail, return receipt requested, addressed to New York State Gaming Commission, One Broadway Center, Schenectady, NY 12305. The returned postal service receipt shall constitute proof of service, which shall be deemed effective on the day the petition is received. The petition shall state that a declaratory ruling is requested, cite the statute, rule, or regulation relied upon, and set forth a complete and precise statement of the state of facts, persons or property with respect to which a ruling is sought, together with a full disclosure of the petitioner's interest. Any facts alleged in the petition shall be verified under oath by the petitioner.

(c) Counsel to the commission shall receive any such petition and recommend a responsive declaratory ruling or advise that a petition should be declined by the commission as incomplete, ambiguous, inappropriate, or unnecessary under the facts and circumstances recited therein.

(d) The issuance of a declaratory ruling shall be within the discretion of the commission, and nothing contained in this section shall confer upon any person the right to compel the commission to issue a declaratory ruling. Within 60 days from the receipt of any petition seeking a declaratory ruling with respect to whether any action by the commission should be taken pursuant to a rule, the commission shall issue either a declaratory ruling or a statement declining to issue a declaratory ruling.

(e) The commission shall be bound by the conclusions stated in any declaratory ruling unless such ruling is

- (1) changed by the commission to be effective prospectively;
- (2) altered or set aside by a court of competent jurisdiction; or
- (3) superseded by duly enacted legislation.

(f) No opinion, letter, announcement, or other communication by the commission shall be deemed to be a declaratory ruling unless it contains a statement that it is a declaratory ruling or it is a ruling issued in response to a petition submitted pursuant to this section.

## **PART 5001**

### **Lottery Sales Agents**

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**§ 5001.1. Application.**

Tickets may be sold only within New York State by licensed sales agents. Any person may apply for a license to become a lottery sales agent by submitting a completed application form to the commission and any supplements thereto as may be required.

**§ 5001.2. Eligibility.**

(a) No license as a sales agent shall be issued to any person in business exclusively as a sales agent. Before issuing such a license, the commission shall consider such factors as:

- (1) financial responsibility and security of the business or activity in which such person is engaged;
- (2) accessibility of the place of business or activity to the public;



- (3) sufficiency of existing licenses to serve the public convenience;
- (4) whether the place of business or activity is predominantly frequented by persons under the age of 18 years;
- (5) volume of expected sales;
- (6) conviction of any offense as defined in the Penal Law;
- (7) veracity and completeness of information supplied on the application form or any supplement thereto;
- (8) applicant's indebtedness, if any, to State or local government; and
- (9) business experience and reputation of the applicant.

**§ 5001.3. Minors.**

No person under legal age shall be licensed as an agent.

**§ 5001.4. Residency.**

Licenses shall be issued only to persons who are residents of this State or whose place of business is located in this State.

**§ 5001.5. Issuance of license.**

The commission shall license as sales agents to sell lottery tickets only such persons as in the opinion of the commission will best serve public convenience consistent with the purposes of the acts.

**§ 5001.6. Duration of license.**

A sales agent's license shall remain in force until suspended, revoked or terminated by the commission in accordance with the provisions of the act or those set forth in this Part. The commission may extend the initial or subsequent licensing period at the commission's discretion, or may set starting and expiration dates for new or renewed licenses. Upon reasonable notice to existing licensees, the director may require renewal of licenses, establish probation, or set other conditions upon the license. A license fee may be established and required at the discretion of the commission.

**§ 5001.7. Display of license.**

Every licensed agent shall prominently display such agent's license in an area visible to the general public in each place of business where lottery tickets are sold. In addition, the agent shall display an authorized lottery agent decal on a prominent front window or door of the agent's premises so as to be readily visible to the public. The agent shall

maintain and display all informational and promotional material in connection with ticket sales of each lottery in accordance with instructions issued by the commission.

**§ 5001.8. Agent identification card.**

A wallet-size agent identification card will be issued to each licensed agent for presentation to bank tellers and others when picking up or returning lottery tickets to authorized banks and depositories. No bank or depository shall issue lottery tickets unless the agent, or the agent's designee, presents an agent identification card bearing the authorized signature of the sales agent or the sales agent's duly authorized representative. Loss of the agent identification card must be reported immediately by the agent to the commission and to the servicing bank.

**§ 5001.9. Temporary licenses and special licenses.**

(a) The commission may issue a temporary license under such terms and conditions as it may deem necessary and proper to effectuate the provisions of the Acts.

(b) The commission may issue a special one-time license upon application approved by a local school district board or the governing board of a non-public school, to sell lottery tickets for one drawing only per calendar year as authorized pursuant to section 1605(c) of the Tax Law. A special license to sell tickets for an instant game or any game other than one for which a weekly drawing is held shall be valid for seven calendar days only.

**§ 5001.10. Conditions of licensing.**

Upon issuance of a license, the sales agent shall agree to the following conditions:

(a) The sales agent shall comply with the provisions of the act, the licensing agreement, and any rules, regulations, procedures, policies and instructions promulgated or issued by the commission.

(b) The agent shall offer tickets to the public for sale during normal business hours.

(c) The agent shall utilize, display and maintain authorized displays, notices, entry boxes and other marketing materials used in connection with ticket sales as instructed by the commission.

(d) All tickets accepted by the agent from the commission, or from such agent's distribution or safekeeping depository, are deemed to have been purchased by the agent at the price established by the commission, less appropriate sales commission discounts, if any. At the discretion of the commission tickets may be released to agents on a consignment basis and the commission may agree to accept for credit any unsold tickets; however, if unsold tickets are not returned to the authorized distribution or safekeeping depository on or before the stated deadline, the agent is responsible to pay for them in full.

- (e) The sales agent shall maintain current and accurate records of all transactions in connection with ticket sales in conformity with the rules, regulations, licensing agreement, policies, procedures and instructions relating thereto, as promulgated or issued by the commission.
- (f) The agent shall redeem for cash all lottery tickets with a value of \$25 or less.
- (g) The agent shall make available to representatives of the division upon request for inspection and audit such records as the agent may be required to maintain.
- (h) The agent's license issued under this Part may be suspended or revoked or have the renewal of such license rejected.
- (i) The agent shall hold the commission harmless from any liability that may arise as a result of conducting lottery ticket sales.
- (j) A lottery sales agent is an independent contractor, and any contractual or tortious liability the agent may incur in connection therewith shall be the sole responsibility of the agent.
- (k) The agent's license shall be issued for a fixed period of time, and thereafter renewed on an annual basis unless such licensing period shall be extended or changed at the discretion of the commission.
- (l) The agent shall surrender to the commission upon request the license, agent identification card, and all lottery forms and materials supplied by the commission upon the suspension, revocation, or termination of such license, including temporary suspension.
- (m) Lottery agents and distributors are responsible for all lost, stolen, or destroyed tickets provided by the commission and will pay for such tickets at the appropriate settlement time. The commission will not reimburse agents or distributors for such tickets. Lottery tickets are valuable and should be handled with care.

**§ 5001.11. License fee.**

- (a) A fee for a license as an agent may be required in an amount determined by the commission and is payable at the time of licensure. The fee is intended to cover the cost of licensing and is not refundable.
- (b) A license renewal fee may be charged annually in an amount determined by the commission. The fee is intended to cover the cost of the licensing renewal operation and is not refundable.

**§ 5001.12. Bonding of agents.**

The commission may require a surety bond from any licensed agent in such amount as it may determine so as to avoid monetary loss to the State because of an agent's activities in the sale of tickets. The bond, if required by the commission, is a condition of becoming or continuing as an agent. A financial statement may also be required of any person applying for a sales agent license. The commission may also seek additional surety or guarantee of financial security consistent with the purposes of the acts, as may be deemed appropriate.

**§ 5001.13. Non-transferability of license**

(a) A license issued pursuant to this Part shall not be transferable.

(b) If the business to which a license is issued changes hands or the ownership or type of business undergoes a substantial change, the commission must be notified immediately of such change in writing. At the commission's option the commission may terminate or continue the license of such agent. A substantial change in ownership shall mean a transfer of 50 percent or more of the equity of any business licensed pursuant to this Part. If the business for which a license has been issued changes such business' location, said license shall terminate as of the date of the change and an application for a new license must be filed with the commission. Every such change of business location or contemplated change of ownership shall be reported in writing to the division at least 20 days prior to any proposed change.

**§ 5001.14. Access to sales agent records.**

A sales agent shall grant access to such sales agent's books and records related to lottery sales, together with any and all papers and information required for purposes of auditing, at such times as deemed appropriate by the commission in connection with the application or license as a sales agent.

**§ 5001.15. Location of sales**

The sale of lottery tickets shall be made only pursuant to a lottery sales agent's license at the specific location named therein or at such other locations as the commission may approve.

**§ 5001.16. Conversion to vending machines or manual sales.**

Upon mutual agreement between an agent and the commission, any licensed location may be converted from a manual-type operation to a vending machine-type operation, and from a vending machine-type operation to a manual-type operation, for the sale of lottery tickets.

**§ 5001.17. Agent inspections.**

Each licensed sales agent shall permit inspections of such sales agent's premises upon request by authorized employees of the commission to determine whether said sales agents are complying with the provisions of the acts, the rules, regulations and instructions of the commission, and the licensing agreement. Inspections may be made without notice during normal business hours.

**§ 5001.18. Sales by gaming commission.**

The commission itself may sell lottery tickets at any branch location or at any other location that it may establish in the State.

**§ 5001.19. Suspension and revocation of license.**

(a) At the discretion of the commission, the agent's license may be suspended or revoked or have such license renewal rejected for any if the reasons set forth in section 1607 of the Tax Law or for any of the following reasons, or any combination thereof:

(1) failure to file any returns or reports or to keep records or to pay any fee or tax as may be required by this Part;

(2) a material change since issuance of the license with respect to any matter required to be considered by the commission as provided in this Part;

(3) failure to sell a sufficient number of lottery tickets required by the licensing agreement between the agent and the commission, when the commission has notified the agent of such insufficiency in writing and the agent fails to make satisfactory improvements, in the discretion of the commission, within the time set forth in the notice of insufficiency;

(4) violation of any the provisions of the acts, rules and regulations of the commission, the licensing agreement between the agent and the commission or any of the conditions of licensing set forth in section 5000.10 of this Part, or failure to follow procedures, policies or instructions of the commission;

(5) failure of the agent to display commission point-of-sale material in a manner readily available to the public;

(6) finding by the commission that the agent's experience, character and general fitness are such that the agent's participation as a lottery sales agent is inconsistent with public interest or convenience or for any other reason within the discretion of the commission;

(7) the failure to notify the commission, in writing, within a reasonable time of any arrest, indictment, or service of a summons, or conviction for any felony whether

within or without the State of New York, or within or without the United States, occurring during the term of the license or the renewal thereof; or

(8) failure to cooperate with an investigation of the commission, attempt to frustrate or obstruct such an investigation or provision of false or misleading information to the commission during the course of such an investigation.

(b) An agent may establish, as an affirmative defense to a suspension or revocation based upon insufficient sales, whether under paragraph (3) of subdivision (a) of this section or otherwise, that such agent's failure to sell a sufficient number of tickets was caused by factors outside the control of the agent that the agent has taken reasonable steps to mitigate, such as extreme weather, natural disaster, flood, earthquake, war, discharge of hazardous material, blackout or power interruption, civil unrest or other events or circumstances and that nevertheless, despite such mitigation, reasonably excuse such agent's sales performance.

(c) If the commission orders the temporary suspension of a sales agent's license pending any prosecution, investigation or hearing, the sales agent shall permit the commission to retrieve lottery equipment, tickets and other material provided by the commission that may be in the sales agent's possession. Failure to cooperate in the commission's retrieval effort shall constitute separate grounds for suspension or revocation of the sales agent's license. A sales agent under a temporary suspension shall continue to remit amounts owed to the commission when required during such temporary suspension.

(d) Upon termination of an agent's license for any reason, the agent shall comply with the commission's instructions in regard to payment of remaining amounts owed by the agent and surrender of the agent's license, lottery equipment, tickets and other material provided by the commission. If the agent fails to comply with such instructions, the commission may take steps to impose such penalties and exercise such enforcement powers as may be provided for by law, including referral of the debt for collection or further action. The sales agent may be liable in the amount of the debt, plus any collection costs, penalties, interest and attorney fees to which the commission may be entitled.

#### **§ 5001.20. Agent accountability for lottery tickets.**

(a) The proceeds from lottery ticket sales that cannot be accounted for by the sales agent on the settlement date, regardless of reason, shall be due from the sales agent.

(b) The commission reserves the right to require a claimant of any winning ticket to disclose the location of person from whom said claimant purchased said ticket.

(c) The commission reserves the right to hold prize money in escrow pending the findings of any investigation by the commission or by other legal authority, when the claimed ticket for that prize has been reported lost or stolen from a licensed agent.

(d) It is the responsibility of the sales agent to report any lost or stolen tickets at once both to local law enforcement officials and to the commission.

#### **§ 5001.21. Consignment of tickets to agents.**

Upon instructions of the commission, banks and depositories shall consign lottery tickets to agents and shall collect tickets that the agents have not sold. Bank depositories shall not deliver tickets to an agent who has failed to settle such agent's account with respect to outstanding tickets.

#### **§ 5001.22. Assignment of agent to a bank.**

After an agent's application has been accepted and approved by the commission, the agent shall be licensed and assigned to a bank. Whenever possible the bank requested by the agent will be assigned. However, if this is not possible, the agent will be assigned to another bank or to the alternate bank requested by the agent. The bank shall be notified of the agent's authorization at the same time the agent receives the agent's notification of assignment.

#### **§ 5001.23. Authorization to request tickets.**

The agent shall notify the bank and the commission of the names and addresses of all persons authorized to request and receive tickets from the bank. These authorized representatives must affix their signatures to the agent identification card and this card must be presented to the bank at time of receipt of tickets. The commission reserves the right to disallow such participation of any person so authorized by the agent. The agent must conduct all transactions at the branch bank to which the agent has been assigned by the commission, or with the commission directly, if authorized.

#### **§ 5001.24. Agent bonus plan.**

(a) The commission may, at the commission's option, establish for any game an agent bonus plan for agents who sell winning tickets. The bonus shall be paid only to persons authorized to sell lottery tickets as licensed lottery sales agents.

(b) The agent bonus plan is that which is shown below, unless some other plan is established by the director for a particular game:





<u>Prize</u>	<u>Bonus prize</u> *
Less than \$1,000	\$0
\$1,000.00 winning ticket	\$10.00
\$2,500.00	\$25.00
\$5,000.00	\$50.00
\$10,000.00	\$100.00
\$15,000.00	\$150.00
\$20,000.00	\$200.00
\$25,000.00	\$250.00
\$50,000.00	\$500.00
\$1,000.00 a week for life (a million dollars)	\$5,000.00

(c) The commission may establish the criteria for awarding agent bonuses for any lottery game as well as the prizes to be awarded for that game.

#### **§ 5001.25. Deposit of lottery revenues by agents.**

(a) All agents are required to deposit in a designated depository or bank all monies received by such agents from the sale of lottery tickets, less agent compensations, and credit, if any, for redeemed tickets along with reports of receipts and transactions on forms provided by the commission for such purpose. In preparing such forms and reports, agents shall refer to the vendor (agent) manuals and other instructions made available by the commission for each lottery game.

(b) All tickets accepted by an agent from the bank or depository are deemed to have been purchased by the agent, unless returned to the bank or depository from which they were obtained within the time specified by the commission, or to a designated lottery official, and the purchase price shall be paid to the commission, less the appropriate commission discount, if any. The agent is responsible for lost, stolen, or missing tickets not returned, and must pay for such tickets at the bank as scheduled by the commission.

(c) The commission may authorize any person to perform functions, activities, or services in connection with the operation of the lottery as the commission may deem advisable to accomplish the purposes of the acts. Such functions, activities or services shall constitute lawful functions, activities or services of such person. Banks shall provide the commission with statements of all transactions as required by the commission.

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\* For amounts other than those shown, bonus prize shall be equal to one percent of the prize won on the ticket except that for tickets valued at more than \$100,000 the prize will be one-half of one percent.

**§ 5001.26. Notification of prize winners.**

At the conclusion of each drawing that results in the selection of numbers, every agent shall cause the winning numbers to be posted in a prominent place in full view at the agent's business location. In addition, any other numbers for bonus awards or other prizes should be posted in compliance with instructions from the commission.

**§ 5001.27. Ticket sales.**

(a) No person shall sell a ticket at a price greater than that fixed by the commission, and no person other than a licensed lottery sales agent shall sell a lottery ticket except that nothing in this section shall prevent any person from giving lottery tickets as premiums to customers, employees, or others.

(b) No ticket for a lottery may be sold after the commencement of a drawing for that particular lottery or after a final ticket sales date is announced by the commission.

(c) (1) No ticket shall be sold to any person under the age of 18 but this shall not prohibit the purchase of a ticket for the purpose of making a gift by a person 18 years of age or older to a person less than that age.

(2) The commission shall penalize a licensee found to have violated paragraph (1) of this subdivision as follows:

(i) for a first violation, a written warning of such violation;

(ii) for a second violation within one year of a violation, a fine of \$500;

(iii) for a third violation within one year of a violation, a fine of \$1,000; and

(iv) for a fourth or subsequent violation within one year of a violation, such further action as the commission may deem appropriate, which may include without limitation the suspension or revocation of any license or privilege to sell lottery tickets.

(d) All ticket sales shall be final and no ticket return shall be accepted by an agent except as otherwise provided by the commission.

**§ 5001.28. Special lottery sales agents.**

(a) The commission may license special lottery sales agents, subject to such conditions or limitations as the commission, in the commission's discretion, may deem appropriate. These limitations or conditions may include, but are not limited to:

(1) length of license period;

(2) hours or days of sale;

(3) location or site of sale;

(4) specific persons who are allowed to sell lottery tickets;

(5) specific sporting, charitable, social, or other special events where lottery tickets may be sold in conformity with the acts.

(b) Special licensed agents shall be subject to this Part wherever applicable.

### **§ 5001.29. Penalty on delinquent accounts.**

The commission may impose a penalty of 1½ percent monthly (18 percent per annum) on any monies due to the commission from sales agents whose accounts are delinquent over 30 days.

## **PART 5002**

### **Payment of Prizes**

#### **Section**

- 5002.1 Information furnished by winning ticket holder
- 5002.2 Requirement of additional information
- 5002.3 Time of payment of prize
- 5002.4 Place of payment
- 5002.5 Manner of payment
- 5002.6 Discharge of State liability upon payment
- 5002.7 Payments to single claimant only
- 5002.8 Payment of prizes to persons under 18 years of age
- 5002.9 Prizes payable after death of prizewinner
- 5002.10 Unclaimed and abandoned prize money
- 5002.11 Prize rights un-assignable
- 5002.12 Publicity release
- 5002.13 Prize payable for life

### **§ 5002.1. Information furnished by winning ticket holder.**

Each claimant shall fill out a winner claim form as specified in the rules of each game and surrender such claimant's winning ticket.

### **§ 5002.2. Requirement of additional information.**

In the commission's discretion, the commission may require such additional information, notarized statements, or other evidence, as the commission may deem appropriate, to be supplied by a claimant.

**§ 5002.3. Time of payment of prize.**

Payment of prizes shall be awarded as soon as reasonably possible after the claim has been filed, validated and verified, and the claimant has been identified to the satisfaction of the commission.

**§ 5002.4. Place of payment.**

Payment of prizes shall be made to the claimant or claimants at the address or addresses furnished to the commission on the claim form.

**§ 5002.5. Manner of payment.**

(a) Any prize may be claimed by mailing a completed prize claim form to the commission at the address announced by the commission for such purpose.

(b) Any prize paid at an office of the commission, or by an agent designated by the commission to pay prizes of more than \$600 each on behalf of the commission, shall be paid by check or by any alternative method of payment determined by the commission (such as a commission-issued debit card).

(c) Any prize of \$600 or less may be claimed at any lottery retailer location and the prize shall be paid in cash or by any alternative method of payment determined by the commission (such as a commission-issued debit card). Any prize of more than \$600 must be claimed directly from the commission or an agent designated by the commission, pursuant to subdivisions (a) or (b) of this Part.

(d) Any prize won by a subscriber through a subscription pursuant to Part 5005 of this Chapter shall be payable as follows:

(1) by check or alternative method of payment determined by the commission (such as a commission-issued debit card), if the prize is more than \$600; or

(2) the prize amount shall be made available in the subscriber's player account, if the prize is \$600 or less.

**§ 5002.6. Discharge of State liability upon payment.**

The State and the State's agents, officers, employees, and the commission and the commission's agents, officers and employees shall all be discharged of any and all liability upon payment of a prize to a ticket holder.

**§ 5002.7. Payments to single claimant only.**

(a) A prize form shall be filed in the name of a single legal entity as claimant, either one individual or one organization. Multiple payees are not permitted, except as may be authorized pursuant to subdivision (d) of this section.

(b) A claim may be entered in the name of an organization only if the organization possesses a Federal employer identification number (FEIN) issued by the Internal Revenue Service and such number is shown on the claim form. Groups, family units, clubs, or organizations without a Federal employer identification number shall designate one individual in whose name the claim is to be filed.

(c) If a claim is erroneously entered with multiple claimants, the claimants shall designate one of them as the individual recipient of the prize, or, if they fail to designate an individual recipient, the commission may designate any one of the claimants as the sole recipient. In either case, the claim shall then be considered as if such claim were originally entered in the name of the designated individual and payment of any prizes won shall be made to that single individual.

(d) Under exceptional circumstances, payment may be made to multiple payees at the discretion of the commission.

#### **§ 5002.8. Payment of prizes to persons under 18 years of age.**

(a) If the person entitled to a prize on any winning ticket is under the age of 18 years and such prize is less than \$5,000, the commission may make payment by delivering to an adult member of the minor's family, or to the minor's guardian, a check or draft for the prize amount payable to the order of such minor.

(b) If the person entitled to a prize is under 18 years and the prize is \$5,000 or more, the commission will make payment to such minor by depositing the amount of the prize in any bank to the credit of any adult member of the minor's family or guardian of the minor as custodian for such minor. The person so named as custodian shall have the same duties and powers as a person designated as a custodian in a manner prescribed by part 4 of article 7 of the Estates, Powers and Trusts Law.

(c) In either event, the commission shall be discharged of all further liability upon payment of prizes to a minor in accordance with this section. The division may withhold prize payment until satisfactory evidence, including, but not limited to, notarized statements, or other evidence of family relationship, guardianship, custodianship, or other matter deemed appropriate, is established on behalf of the minor.

#### **§ 5002.9. Prizes payable after death of prizewinner**

Payment of prize money shall not be accelerated before its normal date of payment because of the death of the prize winner. All prizes or any portion thereof that shall remain payable at the time of death of the prize winner shall be paid to the estate of such deceased prize winner, unless the commission is directed otherwise pursuant to an appropriate judicial order. If the deceased prize winner has failed to exercise any power of appointment, the payment will be made directly to those persons who would succeed to the assets of the deceased prize winner under the laws of the State of New

York. Upon payment, as provided by this section, the commission shall be discharged of any further liability.

**§ 5002.10. Unclaimed and abandoned prize money.**

(a) No prize claim shall be valid if submitted to the commission following the expiration of a one-year time period from the date of the drawing or from the close of the game in which the prize was won, and the person otherwise entitled to such prizes shall forfeit any claim or entitlement to such prize moneys. All unclaimed prize money shall be transferred to the State Lottery Fund as required by law.

(b) The commission may determine that a prize has been abandoned whenever more than eighteen months have elapsed since a prize payment check was mailed to the last known address of the claimant and either such check has been returned undelivered by the United States Postal Service and the claimant cannot be located or such check has not been returned undelivered and has not been presented for payment. Any prize so determined to have been abandoned shall be paid to the State Comptroller for administration pursuant to the Abandoned Property Law.

**§ 5002.11. Prize rights un-assignable.**

No right of any person to a prize shall be assignable, except that any prize may be paid to the estate of a deceased prize winner, and except that any person, pursuant to an appropriate judicial order, may be paid the prize to which the winner is entitled. For the purposes of this section, payment of a prize or a portion thereof to the Department of Social Services either

(a) pursuant to an agreement under Tax Law section 1613-a where the Department of Social Services has informed the commission that the winner has failed to obey a court order requiring the winner to support the winner's dependents or

(b) pursuant to an agreement under Tax Law section 1613-b where the Department of Social Services has identified the winner as a recipient of public assistance benefits who is liable to reimburse the State for such benefits, shall be deemed to be payment pursuant to an appropriate judicial order. The commission shall be discharged of all liability upon payment of a prize pursuant to this section.

**§ 5002.12. Publicity release.**

(a) Each prizewinner grants to the commission the right to use his or her name, town or city of residence, and photograph in order to publicize his or her winnings. The name and town or city of residence of a prize winner may be regarded as public information; however, the commission shall not release the street address or telephone number of a prize winner, except as may be required pursuant to lawful authority or urgent necessity. At the discretion of the commission, photographs of winners may be taken and used for publicity, or to compile a photographic record of winners either printed or electronically

presented on the official commission or division of Lottery website or to compile a photographic or other visual record of winners.

(b) The commission requires personal information from prize winners pursuant to the commission's authority under Tax Law section 1604 to operate and administer the New York Lottery, which includes the marketing and advertising of the New York Lottery and the identification of the person entitled to a prize award. The name and city of residence of prize winners, among other things, shall be regarded as public information; however, it shall be the policy of the commission not to release the street address or telephone number of prize winners, except as may be required pursuant to lawful authority or urgent necessity.

(c) As provided in this Part, each claimant agrees to cooperate with the commission in attending a news event and/or releasing a public announcement if required by the commission. The commission may defer the determination of a prize claim pending a claimant's participation in a news conference, announcement, the conclusion of any investigation, or litigation concerning the right to a prize.

#### **§ 5002.13. Prize payable for life.**

(a) When a claim has been filed on behalf of multiple claimants on a jackpot ticket eligible for a prize payable for life, such as the "\$1,000 a week for life" prize, prior to the jackpot drawing wherein such prize is to be awarded:

(1) The multiple claimants shall designate in writing which one of them is to be identified as the person on whose life the prize is to be paid and execute an agreement evidencing such intent.

(2) In the event that the multiple claimants fail to execute such an agreement as provided in subdivision (a) of this section, the commission shall designate the youngest of such multiple claimants as the person on whose life such prize is to be paid.

(b) The age of the person on whose life the prize is to be paid may be initially determined by that which is shown on a driver's license or other official document, subject to later verification by the commission of birth records. Initial payments may be made based on the first determination of age but once official birth records are established the prize payment will be based on that date.

(c) When there are multiple claimants for a "\$1,000 a week for life" prize, and the life on which the prize is payable pursuant to subdivision (a) of this section, is terminated by death, the payment on the prize is immediately established as a top limit of \$1,000,000. The pro rata share of the decedent will be paid to the decedent's estate and in accordance with commission rules and regulations. Pro rata payments to each other living multiple claimant or claimants for the same prize will continue until a total of \$1,000,000 in prize money has been paid.



(d) The term life as used in this section means the life of a natural person.

(e) In the event that a claim is filed on behalf of a legal entity, other than a natural person, and such legal entity is eligible for a prize payable for life, the legal entity shall designate an officer or member of that legal entity as the person on whose life such prize is to be paid, and shall execute an agreement evidencing such designation. If for any reason the legal entity fails to execute evidence of such designation, the commission may designate the chief officer of such legal entity, or some other person if deemed more appropriate in the discretion of the commission, as the person on whose life the prize is to be paid.

## **PART 5003**

### **Games**

#### **Section**

5003.1	Applicability
5003.2	Validation conditions
5003.3	Void ticket

#### **§ 5003.1. Applicability.**

The provisions of this Part shall apply to all Lottery draw games. In all events, the determination of prize winners shall be subject to the ticket validation requirements as set forth in this Part.

#### **§ 5003.2. Validation conditions.**

In order to be deemed a valid and winning draw game ticket all of the following conditions must be met, as determined by the commission:

- (a) the validation data must be present in its entirety and must correspond, using the computer validation file, to number selections printed on the ticket for drawing date(s) printed on the ticket;
- (b) the ticket must be intact;
- (c) the ticket must not be mutilated, altered, reconstituted, or tampered with in any manner;
- (d) the ticket must not be counterfeit or an exact duplicate of another winning ticket;
- (e) the ticket must have been issued by an authorized sales agent on official paper stock of the commission or other method deemed valid by the commission;
- (f) the commission must not have actual knowledge that the ticket was stolen;

(g) the ticket must be submitted for payment in accordance with the commission's procedures for claiming and payment of a prize;

(h) the ticket must have been recorded on the commission's central computer system prior to the drawing and the ticket data must 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 commission's central computer system, the wager accepted by the commission's central computer system shall be the valid wager;

(i) the player or computer number selections, validation data and the drawing date(s) of an apparent winning ticket must appear on the official file of winning tickets, and a ticket with that exact data must not have been previously paid;

(j) the ticket must not be mis-registered, defectively printed, or produced in error to an extent that it cannot be processed by the commission; and

(k) in submitting a ticket for validation, the claimant agrees to abide by applicable laws, all rules and regulations, instructions, conditions and final decisions of the commission.

### **§ 5003.3. Void ticket.**

A ticket submitted for validation that fails any of the preceding validation conditions shall be considered void, subject to the following determinations:

(a) The commission may, at the commission's option, replace an invalid ticket with a ticket of equivalent sales price; or

(b) In the event a defective ticket is purchased or in the event the commission determines to adjust an error, the sole and exclusive remedy shall be the replacement of such defective or erroneous ticket(s) with a ticket or coupon of equivalent sales price; or

(c) In the event a ticket is not paid by the commission and a dispute occurs as to whether the ticket is a winning ticket, the commission may, at the commission's option, replace the ticket as provided in this section. This shall be the sole and exclusive remedy of the claimant.

## **PART 5004**

### **Draw Games**

#### **Section**

- 5004.1 Types of drawings
- 5004.2 Time of drawings
- 5004.3 Place of drawings
- 5004.4 Manner of conducting drawings
- 5004.5 Number and amount of prizes
- 5004.6 Other lottery games or drawings

- 5004.7 Postponement of drawings
- 5004.8 Directives
- 5004.9 General definitions, qualifications, restrictions, validations and rules applying to all lottery games

**§ 5004.1. Types of drawings.**

Drawings will be held for each lottery game using such methods and equipment approved by the commission so as to insure random equal chance among all participants and ticket buyers. These drawings will take the form designated by the commission in a directive and may include, but are not limited to, weekly number drawings, special bonus drawings, semi-finalist and finalist drawings, winning ticket drawings, qualifying drawings, millionaire drawings, and super drawings.

**§ 5004.2. Time of drawings.**

Lottery drawings will be held at the times designated by the commission.

**§ 5004.3. Place of drawings.**

Drawings shall be held at locations approved by the commission. Drawings shall be open to the public and representatives of the news media.

**§ 5004.4. Manner of conducting drawings.**

The manner of conducting drawings shall be announced and designated by the commission in a directive, in accordance with the rules and regulations governing each lottery game. The manner of conducting drawings shall be designed to insure maximum fairness to each contestant and ticket buyers in general.

**§ 5004.5. Number and amount of prizes.**

For each lottery game, the commission shall designate the number and type of prizes to be awarded in a directive. The number of winners in each drawing may vary depending upon game design, the distribution of tickets sold, the number of tickets sold, and the number of valid winning tickets claimed.

**§ 5004.6. Other lottery games or drawings.**

(a) The commission may establish special lottery games for specified time periods, or special promotion drawings in connection with the previous Lottery being conducted. The prizes for such games or drawings may include cash prizes, or prizes of primary value such as vacation trips, automobiles, or other tangible items in addition to or in lieu of cash prizes, as determined by the commission. The retail cash value of the tangible or non-tangible items offered shall be considered only as a guide to establishing the value of the prize for marketing and promotional purposes, and such announced value may not reflect the actual cost to the commission. The nature and number of prizes will

be determined by the commission within the total prize requirements of the act and the game design. The drawing of promotional prizes may be held independently or in conjunction with other drawings.

(b) A winner of a regular Lottery prize may also be entitled to a promotional prize or follow-on prizes as approved by game design and drawing system used.

(c) Drawings and manner of conducting said drawings will be determined by the commission.

(d) The commission may also establish incentive awards for lottery agents and persons selling any special lottery game or promotional drawing ticket and also may, at the commission's discretion, discontinue such awards without prior notice.

#### **§ 5004.7. Postponement of drawings.**

The commission may postpone any drawing and publicize the same if the commission finds, in the commission's discretion, that such postponement will serve and protect the public interest.

#### **§ 5004.8. Directives.**

A directive or other written record shall be issued by the commission for each drawing that details the type, time, place and manner of drawing; the number and amount of prizes to be awarded, and the procedures or changes in procedures applicable to that drawing.

#### **§ 5004.9. General definitions, qualifications, restrictions, validations and rules applying to Lottery Draw games.**

(a) (1) *Director* means the director of the Division of Lottery, or any other person to whom such director's authority is lawfully delegated.

(2) *Draw game* refers to any game that may from time to time be implemented on a computerized terminal system.

(3) *Sales agent* means a person licensed by the commission to sell lottery tickets.

(4) *Computer terminal* means the device at the Lottery sales agent location or site licensed by the commission for purchasing Lottery game tickets and performing other Lottery transactions.

(5) *Play card* means a card that contains a number of game panels of defined spaces used by a player to select the games the player desires to play, the number of game panels to be played and the specific subset of numbers for each game selected. The play card is the customary method of presenting a player's selections

to a licensed lottery sales agent. However, the player's number selections may be manually entered into the computer terminal by the terminal operator.

(6) *Manual entry* means the capability of the computer terminal operator to enter a player's selections into the computer terminal in response to instruction from a player, or if a play card is incorrectly marked.

(7) *Quick Pick* means a method in which some or all character selections are determined at random by the computer system at the time of purchase. If a player communicates some character selections orally or by play slip, any remaining character selections may be determined by Quick Pick.

(8) *Game panel* means the area of the play card that contains a number of defined spaces from which a player may select a subset of numbers to be played for a particular drawing. Selections made by the player in the game panel are used to produce an individual wager on the bet ticket.

(9) *Draw game ticket* or *bet ticket* means the ticket generated by the computer terminal based on input received from the player's play card, quick pick option or manual entry. Bet tickets may be purchased only from licensed sales agents as previously defined herein. The bet ticket is the only valid receipt for a bet placed. Players should, while still at the point of purchase, verify the game and number selections on the bet ticket.

(10) *Validation* means the process of determining whether a bet ticket presented for prize redemption does or does not represent a winning bet.

(11) *Draw date* means the date designated by the commission on which the winning numbers are drawn for each game.

(12) *Drawing* means the formal process, determined by the commission, by which the winning numbers are drawn.

(13) *Gross sales* means the dollar value of lottery tickets produced for a game draw date.

(b) No prize claim shall be valid if submitted to the commission after one year has elapsed from the draw date.

(c) *Draw game ticket responsibility.*

(1) Lottery draw game tickets are bearer instruments.

(2) The commission shall not be responsible for:

(i) lost or stolen draw game tickets;

- (ii) draw game tickets claimed by a player in error for a lower prize at a vendor;
  - (iii) draw game tickets that are not intact;
  - (iv) draw game tickets that are mutilated, altered, reconstituted, counterfeit in whole or in part, or tampered with in any manner, or mis-cut;
  - (v) draw game tickets that have not been issued in an authorized manner, or are mis-registered, defective, or printed or produced in error; or
  - (vi) draw game tickets from a book appearing on an omissions list submitted by such book's manufacturer.
- (d) To be valid, a draw game ticket must pass all additional confidential and security validation tests of the commission.
- (e) Any draw game ticket that does not conform to the requirements of this section shall be considered null and void, and may not be paid, as determined by the commission. However, the commission may, at the commission's sole discretion, replace such void ticket with an unplayed ticket from the game or an equivalent one in sales price from any other game.
- (f) In all and any events, the liability and responsibility of the commission, for any tickets described or disputed in this section, shall be the replacement of such ticket in that or an equivalently priced other lottery game.
- (g) No lottery ticket shall be sold to or purchased by and no Lottery prize shall be paid to any of the following persons:
- (1) any officer or employee of the commission; or
  - (2) any contractor, subcontractor, or consultant, or officer or employee of a contractor, subcontractor, or consultant, if such person is directly involved in the production of lottery tickets, the operation or observation of lottery games or drawings, or the processing of lottery prize claims or payments; or
  - (3) any person subject to a contract with the commission if such contract contains a provision prohibiting such person from purchasing a lottery ticket or receiving a Lottery prize; or
  - (4) any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any of the foregoing persons. This section shall not be deemed to prohibit the sale of a lottery ticket or the payment of a Lottery prize to an officer or employee of the commission or to a contractor, subcontractor, or consultant or to an officer or employee of a contractor, subcontractor, or consultant if such sale or prize payment is not for the individual

benefit of such person and is made in connection with an official investigation, audit, marketing effort or other activity authorized by the commission.

(h) In accordance with all applicable provisions of law, Federal, State and local withholding taxes shall be withheld by the commission from prize payments as may be required.

(i) The commission may at any time, in the commission's sole discretion, announce a termination date for any game, subsequently recommence any game, or extend termination or closing dates for any game. When a game is terminated, no further tickets will be sold. The commission reserves the right to change the prize structure, frequency of draws, or the game itself.

(j) The payment of prizes to persons under 18 years of age, and to those who may die before receiving any or all of a particular prize, shall be paid as prescribed in law and applicable commission rules and regulations.

(k) The State shall be discharged from any liability after the payment of prizes as prescribed in applicable commission rules and regulations.

(l) Agents will sell tickets in book, page or numerical order and shall not exchange books or tickets with other agents.

(m) Agents are prohibited from playing lottery tickets using any method other than fair chance or any method that is contrary to the principle that every ticket has an equal and random chance of winning.

(n) In purchasing a lottery ticket, the customer agrees to comply with and abide by all applicable laws, rules and regulations, and final decisions of the commission, as well as procedures established by the commission for the conduct of any lottery game.

(o) Notwithstanding the provisions of any other rule or regulation, the exact number and amount of prizes to be paid at any grand prize or millionaire drawing shall be as determined in directives issued by the commission, which directive shall also govern details and procedures for such drawing.

(p) When any question shall arise as to the validity of a lottery drawing for any reason whatsoever, the commission shall make the determination as to the validity of said draw on the basis of information at the commission's disposal. The determination of the commission shall be final.

## **PART 5005**

### **Lottery Subscriptions**

#### **Section**

5005.1 Subscription program

5005.2 Subscription definitions



- 5005.3 Subscriptions Costs
- 5005.4 Subscriptions application requirements
- 5005.5 Valid subscription entry
- 5005.6 Payment of subscription prizes
- 5005.7 Subscription disputes
- 5005.8 Subscription miscellaneous

### **§ 5005.1. Subscription program.**

(a) A subscription program may be established at the discretion of the commission for any commission game(s). The subscription program may permit a subscriber to play the same game character selections for a period of consecutive drawings over a stated period in such games as the commission may decide.

(b) Entry into a subscription program will require the completion and submission of either a paper or electronic version of

(1) a subscription application form; or

(2) a subscription renewal form.

The subscriber may provide the subscriber's social security number on the respective application form so that prizes requiring Federal reporting or withholding may be automatically sent to the winning subscriber. An application for a group subscription must contain the names and addresses of each group member.

(c) By providing the social security number, the subscriber is authorizing the commission to retain and use the number for the purpose of tax reporting and any other lawful purpose of the commission. No group may exceed 10 members if such group's application was made by mail.

### **§ 5005.2. Subscription definitions.**

(a) *Application form* or *application* means either the subscription application form or the renewal of such application form.

(b) *Confirmation* means the paper or electronic correspondence sent to a subscriber from the commission confirming the game(s), game characters for each game panel played, the type of plan, the effective date and the expiration date.

(c) *Effective date* means the game's first drawing date for which a subscription is effective.

(d) *Expiration date* means the last drawing date for which a subscription is effective.

(e) *Game numbers* means the numbers selected for each of the game panels played on an application.

- (f) *Game panel* means the electronic panel and/or paper panel on which game characters are chosen.
- (g) *Group* means two or more individuals sharing a game subscription whose combined qualifications meet that of an individual subscriber.
- (h) *Group representative* means the individual designated on a group application as the person selected by the group subscribers to act on behalf of the group in handling any communications and prize payments related to the subscription.
- (i) *Plan* means the game(s) played, the number of consecutive drawings played and the duration of the subscription as determined by the number of weeks selected by the subscriber.
- (j) *Quick Pick* means the option for a subscriber to have game characters randomly selected by a computer. Once selected, the same quick pick characters remain valid and will be used for each drawing for the duration of the subscription.
- (k) *Subscriber* means either the individual or the group identified on an application as the person(s) entitled to any prize the individual or group may win.
- (l) *Subscriber identifying information* means the name, address, subscription number and, taxpayer identification number (if provided) of the subscriber or each member of a group.
- (m) *Subscription Costs* means the cost of the subscription purchased by the subscribers as defined section 5005.3 of this Part.
- (n) *Subscription file* means a file maintained by the commission or the commission's contractors containing subscription information and used in the determination of sales and prizes.
- (o) *Subscription number* means the number assigned by the commission to a subscription record when the original application is processed.
- (p) *Valid Subscription Entry* means one that includes the following: Subscriber identifying information (as defined herein), game characters entered on the appropriate commission or contractor computer system that is the official record of subscription entry.
- (q) *Valid Group Subscription Entry* means one that includes the following: Subscriber identifying information for each member of the group, game numbers entered on the appropriate commission or contractor computer system, which is the official record of group subscription entry.

**§ 5005.3. Subscription costs.**

- (a) For each subscription, a minimum of one game panel must be selected for a minimum number of weeks or drawings, as determined by the commission.
- (b) A subscription may be for one or more game panels as may be determined by the commission.
- (c) The cost of a subscription plan shall be determined by the commission. The commission may establish a subscription account program through which a player or players may purchase a subscription or subscriptions and receive payment of a prize, as determined by the commission. The commission may require that a player or players maintain a minimum balance in such a subscription account to continue to participate in the program.
- (d) The commission reserves the right to alter, temporarily or permanently, the costs of a subscription plan at the discretion of the commission. The commission reserves the rights to suspend or cancel any drawing or the game itself, change the prize structure, frequency of draws or draw dates. In the event of such a change, an affected subscriber will receive participation in a revised game, equivalent in value to the remainder of such subscriber's subscription, or a refund, at the sole option of the commission.
- (e) Any determination by the commission described in this section may be made for any of the following reasons:
- (1) to make the subscription program more appealing or convenient for players;
  - (2) to further the commission's mission of raising revenue for aid to education; or
  - (3) to allow the commission to administer the subscription program more effectively.

**§ 5005.4. Subscription application requirements.**

- (a) To be accepted for entry without changes, a subscription application must meet the following requirements:
- (1) Each game panel must contain the required amount of unduplicated game numbers selected from the numbers available for the game that the applicant indicates on his or her application. If a game panel submitted by an applicant contains no game numbers or fewer than the required amount of game numbers, the quick pick option may be used to randomly select game numbers. If an applicant submits an application with more than the required amount of game numbers circled in a game panel, the commission may select the required number of game numbers consecutively from among such selected numbers. All other numbers may be disregarded.

(2) The application must include the applicant's identifying information, including identifying information for each member of a group applicant. If an application is submitted without complete applicant identifying information, the commission may seek additional information from the applicant. Regardless of whether the applicant responds with additional information requested by the commission, the application may, nevertheless, be accepted if there is sufficient information to identify by name at least one individual applicant or one individual member of a group applicant. In such case, the commission may pay any prize won by the subscription to any person identifiable as an applicant or as a member of a group applicant from the incomplete applicant identifying information submitted with the application, and such payment may be reported to the appropriate taxing authorities as income paid to such person with any required withholding tax to be credited to such person.

(b) An application may be rejected for any of the following reasons:

(1) if the application is illegible in whole or in part;

(2) if the application includes a form of payment that is not acceptable to the commission;

(3) if the applicant is under the age of 18; or

(4) if the applicant does not submit a New York State address for a subscription submitted through the U.S. Mail.

(c) A subscription may be terminated after acceptance if, before or after the start date, the commission is notified that the payment for the subscription is invalid, *e.g.*, a check returned for insufficient funds. In such event, the subscription shall be deemed invalid and no prizes will be paid to the applicant during any period in which the subscription was invalid.

#### **§ 5005.5. Valid subscription entry.**

To be a valid entry, a subscription must meet the following requirements:

(a) To be eligible to win a prize, an application, including the subscriber identification information, and the game numbers must be entered into the division's subscription file to create the official record of subscription entry.

(b) A confirmation (paper or electronic) shall be issued by the commission to the subscriber confirming a valid subscription entry has been received.

#### **§ 5005.6. Payment of subscription prizes.**

(a) Prizes that are less than the threshold withholding amount for Federal tax reporting will be placed into the player account created prior to purchase of the player's first subscription. Such prizes may be used to purchase additional subscriptions or the

player may request a cash-out and receive payment for any unpaid prizes. Payment will be made to the individual subscriber or group representative whose name appears on the application.

(b) Prizes that meet or exceed the threshold amount for Federal withholding for an individual will be remitted to the individual subscriber whose name appears on the application minus the required withholding amount.

(c) For payment of a prize that meets or exceeds the threshold amount for Federal withholding to a group subscriber, a payment representing the designated share of the prize will be remitted to each individual member of the group. If the subscription or renewal application does not show the taxpayer identification number (social security number or Federal employer identification number) of each group member, the division will withhold appropriate income taxes in accordance with the applicable back-up withholding rules.

(f) A group subscription entry will be treated as a single entry in the prize pool and shall also be treated as a single entry when determining if a prize in the game is payable in annual installments as provided in this Subchapter.

#### **§ 5005.7. Subscription disputes.**

(a) The commission is not responsible for disputes between or among subscription group members.

(b) In any dispute with the commission concerning the right to a subscription prize, the commission shall have the right to resolve such dispute by paying the prize or refunding the subscription fee. If a refund is paid, the refund shall be based on the remaining unused value of the subscription and shall be the sole and exclusive remedy of the subscriber(s).

(c) If there is a discrepancy between the information set forth on an application and the information set forth in a confirmation letter, the subscriber may ask the commission, by written or electronic communication, to resolve the discrepancy. After such a report is received by the commission, the commission shall resolve the discrepancy as soon as possible and issue a revised confirmation letter. Resolution may include, but is not limited to, cancellation of the subscription. No change in the subscription shall be effective until a revised confirmation letter is issued. No request to resolve a discrepancy shall be accepted after the effective date in the confirmation letter issued.

#### **§ 5005.8. Subscription miscellaneous.**

(a) The commission, pursuant to the commission's statutory authority, may from time to time add games to the commission's subscription program.

(b) A subscription renewal must be processed prior to the expiration date of a current subscription in order to avoid a lapse in the subscription. A renewal application containing current subscription number, games, game numbers, plan, effective date and expiration date will be sent to the subscriber either electronically or by mail. The commission will make reasonable efforts to process renewal applications to assure no interruptions; however, the commission shall not be responsible for an interruption if a renewal application is not processed in sufficient time.

(c) Once a subscription is entered into the subscription file, the funds paid for the subscription are not refundable.

(d) If the commission offers any promotional offer for a subscription, the commission reserves the right to limit the number of promotional subscriptions that may be received by a person or group.

(e) The commission reserves the right to exclude subscribers from participation in a promotion offering special payments or prizes.

(f) Any subscription commenced prior to the effective date of the subscription regulations set forth in this Part shall be subject to the regulations that were in effect at the time such subscription was commenced. Any subscription commenced on or after the effective date of the subscription regulations set forth in this Part shall be subject to this Part.

## **PART 5006**

### **New York Instant Lottery**

#### **Section**

- 5006.1 New York instant lottery
- 5006.2 Method of play
- 5006.3 Price
- 5006.4 Definitions
- 5006.5 Determination of prize winners
- 5006.6 Ticket responsibility
- 5006.7 Claim period
- 5006.8 Ticket validation requirements
- 5006.9 Disputes
- 5006.10 Agent compensation
- 5006.11 Termination of the game
- 5006.12 Governing law
- 5006.13 Number and amount of prizes
- 5006.14 Agent conduct

**§ 5006.1. New York instant lottery.**

There is hereby created a type of game known as an instant lottery game. This Part pertains to all instant games.

**§ 5006.2. Method of play.**

Tickets of any instant lottery game shall be played by removing the rub-off coating from play spots. The specific method of play will be published for each game in a game brochure readily available to the public.

**§ 5006.3. Price.**

Unless otherwise indicated on the face of the ticket, an instant lottery ticket shall sell for \$1.

**§ 5006.4. Definitions.**

(a) *Director* means the Director of the New York State Division of the Lottery or any other person to whom the director's authority is lawfully delegated.

(b) *Play symbols*, in those games using play symbols, means those symbols that appear under each of the play spots on the front of the ticket.

(c) *Play symbol caption*, in those games using play symbols, means the small printed material appearing below each play symbol that explains the play symbol. One and only one play symbol caption appears under each play symbol.

(d) *Prize symbols* means the dollar values associated with the prizes available in the game. Prize symbols appear on the face of the ticket in the play area and are generally covered with a rub-off coating.

(e) *Prize symbol caption* is the small printed material appearing below each prize symbol that explains the prize symbol. One and only one prize symbol caption appears under each prize symbol.

(f) *Book-ticket number* means the 11-digit numeric code that appears on the back of the ticket. The first seven digits are the book number, followed by a one-digit check number. The last three digits are the ticket number. A two-digit display printed game identification number shall be printed above the book-ticket number.

(g) *Validation number* means the unique eight-digit number found at the bottom of the rub-off-coating-covered play surface of the ticket.

(h) *Agent validation code* means the one-letter code that appears among the play symbols in varying locations on the main part of the ticket. The agent validation code is used by the lottery sales agent to verify winners and is covered by a rub-off coating.



**§ 5006.5. Determination of prize winners.**

- (a) The rub-off coating covering the play area on the ticket is to be rubbed off to determine winning or losing status as described in the appropriate game brochure.
- (b) No portion of the display printing nor any extraneous matter whatsoever shall be usable or playable as a part of the instant game. The validation number is not a play symbol and may not be utilized as such.
- (c) In all events, the determination of prize winners shall be subject to the ticket validation requirements set forth in this Part.

**§ 5006.6. Ticket responsibility.**

- (a) An instant lottery ticket is a bearer instrument.
- (b) The commission shall not be responsible for lost or stolen instant lottery tickets.
- (c) The commission shall not be responsible for tickets claimed by a player in error for a lower prize at an agent location.

**§ 5006.7. Claim period.**

All prizes must be claimed within one year of the announced end of the game.

**§ 5006.8. Ticket Validation Requirements.**

To be a valid instant lottery winning ticket, the following requirements must be met:

- (a) Exactly one symbol must appear under each of the rub-off spots on the play surface of the ticket.
- (b) Each play symbol must have a play symbol caption thereunder that must agree with the play symbol.
- (c) Each of the play symbols must be present in its entirety and be fully legible.
- (d) Each of the play symbol captions must be present in its entirety and be fully legible.
- (e) Exactly one prize symbol must appear under each of the rub-off spots on the play surface of the ticket.
- (f) Each prize symbol must have a prize symbol caption thereunder that must agree with the prize symbol.
- (g) Each prize symbol must be present in its entirety and be fully legible.
- (h) Each prize symbol caption must be present in its entirety and be fully legible.

- (i) The ticket must be intact.
- (j) The book-ticket number, validation number, and agent validation code must be present in their entirety and must be fully legible. The validation number must correspond with the play symbols on the ticket in accordance with the official list of validation numbers on file at the offices of the commission.
- (k) The ticket must not be mutilated, altered, unreadable, reconstituted, or tampered with in any manner.
- (l) The ticket must not be counterfeit in whole or in part.
- (m) The ticket must have been issued by the commission in an authorized manner.
- (n) The ticket must not be stolen nor appear on any list of omitted tickets on file with the commission.
- (o) The play symbols, play symbol captions, prize symbols, prize symbol captions, validation number, validation code, and book-ticket number must be right-side-up and not reversed in any manner.
- (p) The ticket must be complete, and not mis-cut, and have exactly one play symbol or prize symbol and exactly one play symbol caption or prize symbol caption under each of the rub-off spots on the front of the ticket; exactly one book-ticket number, exactly one agent validation code, and one validation number must appear on the ticket.
- (q) The validation number of an apparent winning ticket shall appear on the division's official list of validation numbers of winning tickets; and a prize for a ticket with that validation number shall not have been paid previously.
- (r) The ticket must not be blank or partially blank, mis-registered, defective, or printed or produced in error.
- (s) The display printing must be regular in every respect and correspond precisely with the artwork on file at the commission.
- (t) The ticket must pass all additional validation tests of the commission. Any ticket not passing all the validation requirements of this section is void and ineligible for any prize.

#### **§ 5006.9. Disputes.**

In the event a dispute between the division and the ticket bearer occurs as to whether the ticket is a winning ticket, and if no prize is paid, the commission may, solely at the option of the commission, replace the disputed ticket with an unplayed ticket (or a ticket of equivalent sales price from any other current instant lottery game). This remedy shall be the sole and exclusive remedy of the bearer of the ticket.

**§ 5006.10. Agent compensation.**

The commission shall allow a compensation rate of six percent for each ticket sold to an agent. The commission shall allow such compensation by permitting an agent to deduct such compensation rate from the face value otherwise payable by the agent to the commission.

**§ 5006.11. Termination of the game.**

The commission shall announce a termination date for each instant game.

**§ 5006.12. Governing law.**

The ticket customer agrees to comply and abide by the provisions of the act and all rules and regulations of the commission and all procedures established by the commission for the conduct of the game.

**§ 5006.13. Number and amount of prizes.**

Notwithstanding the provisions of any other rule or regulation, the number and amount of prizes to be paid for an instant lottery game shall be as determined by the commission for each game. Prize structures developed and approved by the commission shall be computed to provide for payment of the maximum amounts permissible by law.

**§ 5006.14. Agent conduct.**

(a) Agents are prohibited from exchanging books of instant lottery tickets.

(b) Agents are prohibited from playing instant lottery tickets using any method other than fair chance or any method that is contrary to the principle that every ticket has an equal and random chance of winning.

**PART 5007****Multi-Jurisdictional Lottery Games****Section**

5007.1	Mega Millions purpose
5007.2	Mega Millions definitions
5007.3	Mega Millions ticket sales
5007.4	Mega Millions ticket prices
5007.5	Mega Millions play characteristics and restrictions
5007.6	Mega Millions time, place and manner of conducting drawings
5007.7	Mega Millions prize structure
5007.8	Mega Millions ticket responsibility
5007.9	Mega Millions ticket validation requirements
5007.10	Mega Millions procedures for claiming and payment of prizes

- 5007.11 Mega Millions unclaimed prize money
- 5007.12 Mega Millions governing law
- 5007.13 Powerball
- 5007.14 Raffle Game definitions
- 5007.15 Cash 4 Life
- 5007.16 Monopoly™ Millionaires' Club™

### **§ 5007.1. Mega Millions purpose.**

(a) The purpose of Mega Millions is the generation of revenue for education in New York through the operation of a specially-designed multi-state lottery game that will award prizes to ticket holders matching specified combinations of numbers randomly selected in regularly scheduled drawings.

(b) During each Mega Millions drawing, six Mega Millions winning numbers will be selected from two fields of numbers in the following manner: five winning numbers from a field of one through 75 numbers, and one winning number from a field of one through 15 numbers.

(c) The objective of Mega Millions drawings shall be to select at random, with the aid of drawing equipment, Mega Millions winning numbers, pursuant to the controls and methods established for the game.

### **§ 5007.2. Mega Millions definitions.**

(a) The following definitions shall apply to Mega Millions.

(1) *Agent* means the person who has been licensed and authorized by the commission to sell lottery tickets pursuant to this Subchapter.

(2) *Annuity option* is the manner in which the Mega Millions jackpot prize may be paid in 30 annual installments.

(3) *Authorized claim center* means any place designated by the commission where a ticket holder or such ticket holder's representative may file a claim for a prize in accordance with instructions of the commission.

(4) *Lump sum option* means the manner in which the Mega Millions jackpot prize may be paid in a single payment.

(5) *Claimant* means any person or entity submitting a claim form within the required time period to collect a prize for any Mega Millions ticket. A claimant may be the person or entity named on a signed Mega Millions ticket, or the bearer of an unsigned Mega Millions ticket. No claimant may assert rights different from the rights acquired by the original purchaser at the time of purchase.

(6) *Jackpot prize* means, for the Mega Millions game, the prize awarded for selecting all the numbers drawn from both fields. If more than one player from all participating lottery states has selected all the numbers drawn, the jackpot prize shall be divided among those players. Jackpot prize may also be referred to from time to time as *grand prize*. For any other game, the jackpot prize will be identified in game rules issued for such game.

(7) *Mega Millions play area* is, for the on-line Mega Millions game, the areas on a Mega Millions play slip identified by an alpha character, A through E, containing two separate fields—one field of 75 and a second field of 15—both containing one- or two-digit numbers each. This is the area where the player, or computer if the player is using the quick pick option, will select five one- or two-digit numbers from the first field and will select one one- or two-digit numbers from the second field.

(8) *Mega Millions play slip* means, for the Mega Millions game, a computer-readable form, printed and issued by the New York Lottery, used in purchasing a Mega Millions ticket, having up to five separate play areas. The play slip also provides for multiple drawing wagering up to 26 draws.

(9) *Mega Millions ticket* means a game ticket, produced on official paper stock, by an agent in an authorized manner, bearing player or computer selected numbers from the play area on the play slip, game name, drawing dates, amount of wager, jackpot prize payment option and validation data.

(10) *Mega Millions winning numbers* are, for the on-line Mega Millions game, five one- or two-digit numbers, from one through 75 and one one- or two-digit number from one through 15, randomly selected at each Mega Millions drawing, which shall be used to determine winning Mega Millions plays contained on Mega Millions tickets.

(11) *Pari-mutuel* means, for the Mega Millions game total amount of prize money allocated to pay prize claimants, at the designated prize level, divided among the number of winning Mega Millions tickets.

(12) *Party lottery* or *party lotteries* means one or more of the State lotteries established and operated pursuant to the laws of any State lottery that becomes a signatory to the Mega Millions game agreement.

(13) *Prize fund* means that portion of Mega Millions gross sales set aside for the payment of prizes.

(14) *Purchaser(s)* means player(s) of Mega Millions who purchase tickets within New York State in accordance with Mega Millions rules and New York State governing laws and regulations.

(15) *Quick pick* has the meaning set forth in paragraph (7) of subdivision (a) of section 5004.9 of this Subchapter.

### **§ 5007.3. Ticket sales.**

The sale of Mega Millions tickets within New York State may be conducted only by an agent.

### **§ 5007.4. Ticket price.**

(a) Mega Millions tickets may be purchased for \$1 per play at the discretion of the purchaser, in accordance with the number of game panels and inclusive drawings. The purchaser receives one play for each \$1 wagered in Mega Millions. Tickets may contain multiple plays. The commission may authorize the sale of Mega Millions tickets at a different purchase price. Such a change in the purchase price shall be announced publicly by the commission prior to the effective date of such change.

(b) From time to time, the commission may authorize the sale of Mega Millions tickets at a discount for promotional purposes.

(c) A Mega Millions game feature may be added at the discretion of the commission. A game feature is an alternative or additional method for playing the game within the same basic design.

### **§ 5007.5. Play characteristics and restrictions.**

(a) (1) Mega Millions tickets may only be sold to persons 18 years of age or older.

(2) The commission shall penalize a licensee found to have violated paragraph (1) of this subdivision according to the provisions of paragraph (2) of subdivision (c) of section 5001.27 of this Chapter.

(b) Mega Millions tickets may not be sold to nor prizes claimed by the following persons within New York State:

(1) any officer or employee of the commission; or

(2) any contractor, subcontractor, or consultant, or officer or employee of a contractor, subcontractor, or consultant, if such person is directly involved in the production of lottery tickets, the operation or observation of lottery games or drawings, or the processing of lottery prize claims or payments; or

(3) any person subject to a contract with the commission if such contract contains a provision prohibiting such person from purchasing a lottery ticket or receiving a lottery prize; or

(4) any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any such persons. This section shall not be deemed to prohibit the sale of a lottery ticket or the payment of a lottery prize to an officer or employee of the commission or to a contractor, subcontractor, or consultant or to an officer or employee of a contractor, subcontractor, or consultant if such sale or prize payment is not for the individual benefit of such person and is made in connection with an official investigation, audit, marketing effort or other activity authorized by the commission.

(c) Mega Millions tickets may not be purchased in any other state by any commission employee or any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of residence of any commission employee.

(d) Under no circumstances will a claim be paid for either the jackpot prize or the second prize without a Mega Millions ticket matching all game play, serial number and other validation data residing in the commission's draw 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 any prize.

(e) Mega Millions tickets may not be canceled.

(f) For the Mega Millions game, purchasers may submit a manually completed Mega Millions play slip to an agent to have issued a Mega Millions ticket. Mega Millions play slips shall be available at no cost to the purchaser and shall have no pecuniary or prize value, or constitute evidence of purchase or number selections. The use of mechanical, electronic, computer generated or any other non-manual method of marking Play Slips is prohibited.

(g) Purchasers may orally convey their selections to an agent to have issued a Mega Millions ticket. Such selections shall be manually entered into the computer terminal by the Mega Millions agent.

(h) Purchasers may utilize player express terminals if available for the purchase of Mega Millions tickets, and may make number selections by such methods as may be permitted by the commission's gaming system. Those methods may include, but are not limited to, inserting a completed Mega Millions play slip into the optical mark reader, manually entering the selections on the touch screen, or selecting a quick pick option.

(i) It shall be the sole responsibility of the purchaser to verify the accuracy and condition of the data printed on the Mega Millions ticket at the time of purchase. Neither the agent nor the commission will be liable for any errors in the accuracy and condition of the data printed on the ticket occurring for any reason, after the purchaser leaves the agent location.





(j) Mega Millions tickets may be purchased for one through 26 consecutive drawings, commencing with the next scheduled drawing after the receipt and processing of the purchaser's play slip.

**§ 5007.6. Time, place and manner of conducting drawings.**

For the Mega Millions game: Mega Millions drawings will be conducted twice weekly approximately 11:00 p.m. eastern time in one of the party lottery states. The day, time, frequency and location of the Mega Millions drawings may be changed following public announcement.

**§ 5007.7. Prize structure.**

(a) For the Mega Millions game—matrix of 5/75 and 1/15 with 50 percent anticipated prize fund.

Match Field 1	Match Field 2	Odds 1 in	Prize	% of Sales	Level
5	1	258,890,850	JACKPOT	32.577%	1
5	0	18,492,204	\$1,000,000	5.408%	2
4	1	739,688	\$5,000	0.676%	3
4	0	52,835	\$500	0.946%	4
3	1	10,720	\$50	0.466%	5
3	0	766	\$5	0.653%	6
2	1	473	\$5	1.057%	7
1	1	56	\$2	3.542%	8
0	1	21	\$1	4.675%	9
<b>Total</b>		<b>14.71</b>		<b>50.000%</b>	

(b) *Jackpot prize payments.* For the Mega Millions game:

(1) The prize money allocated from the winning pool for the jackpot prize, plus any money brought forward from a previous drawing plus any money added from the prize reserve fund or any other available source pursuant to a first prize amount announcement will be divided equally among all jackpot prize winners in all participating lottery states. Prior to each drawing, the annuitized Mega Millions jackpot prize amount will be advertised.

(2) If in any Mega Millions drawing there are no Mega Millions panels that qualify for the jackpot prize category, the portion of the prize fund allocated to such jackpot prize category shall remain in the jackpot prize category and be added to the amount allocated for the jackpot prize category in the next consecutive Mega Millions drawing.

(3) If there are multiple winners of the annuitized Mega Millions jackpot prize from among all participating state lotteries, and if the annuitized amount of prize being awarded to each winner equals or exceeds \$1 million, then the winner(s) in New York will be paid in accordance with their selection of lump sum or annuity. If there are multiple winners of the annuitized Mega Millions jackpot prize from among all participating state lotteries, and if the annuitized amount of the prize being awarded to each winner is less than \$1 million, then the winner(s) in New York will be paid in a lump sum amount.

(4) Purchasers in New York must select either an annuity jackpot prize or lump sum jackpot prize. A jackpot prize shall be paid, at the election of a player made no later than 60 days after the player becomes entitled to the prize, with either an annuity or lump sum payment. If the payment election is not made by a player within 60 after the player becomes entitled to the prize, then the prize shall be paid as an annuity prize. An election to take a lump sum payment may be made at the time of the prize claim or within 60 days after the player becomes entitled to the prize. An election made after the winner becomes entitled to the prize is final and cannot be revoked. Withdrawn or otherwise changed without the approval of the commission.

(i) Annuity option jackpot prizes shall be paid through a 30-year graduated annuity (five percent escalation per payment) in 30 consecutive annual installments. The initial payment shall be paid upon completion of internal validation procedures. The subsequent 29 payments shall be paid annually to coincide with the month of the Federal auction date at which the bonds were purchased to fund the annuity. All such payments shall be made within seven days of the anniversary of the annual auction date.

(ii) Lump sum option jackpot prizes shall be paid in a single payment upon completion of internal validation procedures. The lump sum option amount offered shall be the amount determined by multiplying the annuitized prize amount by a discount value set by Mega Millions finance committee prior to each drawing (the "lump sum equivalent jackpot prize"), divided by the number of total jackpot prize winners for the Mega Millions game.

(c) *Second- through ninth-level prizes.*

(1) Mega Millions panels matching five of the five Mega Millions winning numbers drawn for Field 1, but not matching the Mega Millions winning number drawn for field 2 shall be entitled to receive a second prize of \$1,000,000.

(2) Mega Millions panels matching four of the five Mega Millions winning numbers drawn for field 1 and the Mega Millions winning number drawn for field 2 shall be entitled to receive a third prize of \$5,000.

- (3) Mega Millions panels matching four of the five Mega Millions winning numbers drawn for field 1 but not matching the Mega Millions winning number drawn for field 2 shall be entitled to receive a fourth prize of \$500.
  - (4) Mega Millions panels matching three of the five Mega Millions winning numbers drawn for field 1 and the Mega Millions winning number drawn for field 2 shall be entitled to receive a fifth prize of \$50.
  - (5) Mega Millions panels matching three of the five Mega Millions winning numbers drawn for field 1 but not matching the Mega Millions winning number drawn for field 2 shall be entitled to receive a sixth prize of \$5.
  - (6) Mega Millions Panels matching two of the five Mega Millions winning numbers drawn for field 1 and the Mega Millions winning number drawn for field 2 shall be entitled to receive a seventh prize of \$5.
  - (7) Mega Millions panels matching one of the five Mega Millions winning numbers drawn for field 1 and the Mega Millions winning number drawn for field 2 shall be entitled to receive an eighth prize of \$2.
  - (8) Mega Millions panels matching no numbers of the five Mega Millions winning numbers drawn for field 1 but matching the Mega Millions winning number drawn for field 2 shall be entitled to receive a ninth prize of \$1.
  - (9) Each Mega Millions second through ninth prize shall be paid in one payment.
  - (10) The commission, in consultation with other state lotteries selling Mega Millions tickets, may decide that it is necessary to pay a set prize as a pari-mutuel prize.
- (d) In a single drawing, a claimant may win in only one prize category per single Mega Millions panel in connection with Mega Millions winning numbers, and shall be entitled only to the highest prize.
  - (e) For purpose of prize calculation with respect to any Mega Millions pari-mutuel prize, the calculation shall be rounded down so that prizes shall be paid in multiples of one dollar.
  - (f) With respect to any Mega Millions annuitized jackpot prize, the prize amount shall be rounded down to the next highest affordable multiple of one million dollars, based upon market rates at the time of the purchase.
  - (g) The number of prize categories and the allocation of the prize fund among the prize categories may be changed at the discretion of the commission from time to time for promotional purposes. Such change shall be announced by public notice.
  - (h) A subscription sales program may be offered, at the discretion of the commission.

**§ 5007.8. Ticket responsibility.**

- (a) A winning Mega Millions Ticket is deemed to be owned by the person or entity named on the ticket or, in the case of a ticket not completed with name, by the claimant.
- (b) Neither the commission nor the commission's agents shall be responsible for lost or stolen Mega Millions tickets.
- (c) The purchaser of a Mega Millions ticket has the sole responsibility for verifying the accuracy and condition of the data printed on the ticket at the time of purchase.
- (d) The commission shall not be responsible to the claimant for Mega Millions tickets redeemed in error by a Mega Millions agent or retailer.
- (e) Winners are determined by the numbers drawn and not the numbers reported. The commission shall not be responsible for Mega Millions winning numbers reported in error.

**§ 5007.9. Ticket validation requirements.**

- (a) In order to be deemed a valid, winning Mega Millions ticket, all of the following conditions must be met:
  - (1) the validation data must be present in its entirety and must correspond, using the computer validation file, to the number selections printed on the ticket for the drawing date(s) printed on the ticket;
  - (2) the ticket must be intact;
  - (3) the ticket must not be mutilated, altered, reconstituted, or tampered with in any manner;
  - (4) the ticket must not be counterfeit or an exact duplicate of another winning ticket;
  - (5) the ticket must have been issued by an authorized Mega Millions agent of the commission in an authorized manner;
  - (6) the commission must not have actual knowledge that the ticket has been stolen;
  - (7) the ticket must be submitted for payment in accordance with the commission's procedures for claiming and payment of prizes;
  - (8) the ticket data must have been recorded on the commission's central computer system prior to the drawing and the ticket data must 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 commission's central computer system, the wager accepted by the commission's central computer system shall be the valid wager;

(9) the player or computer number selections, validation data and the drawing date(s) of an apparent winning ticket must appear on the official file of winning tickets, and a ticket with that exact data must not have been previously paid;

(10) the ticket must not be mis-registered, defectively printed, or produced in error to an extent that it cannot be processed by the commission;

(11) the ticket must pass validation tests using a minimum of three of the five validation methods as defined in the Mega Millions finance and operations procedures. In addition, the ticket must pass all of the commission's other confidential security;

(12) in submitting a Mega Millions ticket for validation, the claimant agrees to abide by applicable laws, all rules and regulations, instructions, conditions and final decisions of the commission;

(13) there must not be any other breach of the Mega Millions game rules or regulations in relation to the ticket, which, in the discretion of the commission justifies invalidation;

(14) the ticket must be submitted to the commission and to no other lottery participating in any Mega Millions lottery game; and

(15) no Mega Millions ticket purchased outside the State of New York may be presented to either the commission or an agent for payment within New York.

(b) A Mega Millions ticket submitted for validation that fails any of the preceding validation conditions shall be considered void, subject to the following determinations:

(1) the commission may, at the commission's option, replace an invalid ticket with a Mega Millions ticket of equivalent sales price;

(2) in the event a defective ticket is purchased or in the event the commission determines to adjust an error, the sole and exclusive remedy shall be the replacement of such defective or erroneous ticket(s) with a Mega Millions ticket of equivalent sales price;

(3) in the event a Mega Millions ticket is not paid by the commission and a dispute occurs as to whether the ticket is a winning ticket, the commission may, at the commission's option, replace the ticket as provided in paragraph (a) of this subsection. This shall be the sole and exclusive remedy of the claimant.

**§ 5007.10. Procedures for claiming and payment of prizes.**

- (a) For the Mega Millions tickets purchased in New York, prizes shall be redeemed or claimed only in New York through agents or authorized claim centers, effective upon determination of prize payouts.
- (b) Claimants of a winning Mega Millions ticket must comply with the prize claim requirements of the commission.
- (c) In the event that a single Mega Millions ticket contains two or more winning game panels, the cumulative prize amount shall be claimed or redeemed in accordance with the specified prize payment limits for the commission.
- (d) Federal, State and local taxes shall be withheld from Mega Millions prizes in such amounts as may be required by law.
- (e) Mega Millions prizes shall not be paid by the commission to any persons prohibited from playing Mega Millions within New York State.
- (f) There shall be no assignment of Mega Millions prizes except as specifically set forth in this Subchapter.
- (g) Each prize winner shall be subject to a publicity release as set forth in this Subchapter.
- (h) Child support arrears, public assistance benefits and past due State tax liabilities shall be withheld from Mega Millions prizes in such amounts as may be required by law.

**§ 5007.11. Unclaimed prize money.**

Any prizes not claimed during the one-year claim period after the date of each Mega Millions drawing will be considered forfeited.

**§ 5007.12. Governing law.**

- (a) In purchasing a ticket issued for Mega Millions within New York State, the purchaser agrees to comply with and be bound by all applicable statutes, administrative rules and regulations, and procedures of New York State, and by directives and determinations of the commission. The purchaser agrees, as such purchaser's sole and exclusive remedy, that claims arising out of a ticket purchased in New York State from an agent can be pursued only against the commission and no other lottery. Litigation, if any, arising from the purchase of a Mega Millions ticket in New York State from an agent shall only be maintained against the commission within the State of New York.
- (b) In the event of a conflict between the Mega Millions official game rules and the statutes, rules or regulations of the commission and the State of New York, such statutes, rules and regulations shall control.

(c) All decisions by the commission, including the declaration of prizes and the payment thereof and the interpretation of Mega Millions rules, shall be final and binding on all purchasers and on every person making a claim in respect thereof.

### **§ 5007.13. Powerball.**

(a) *Purpose.*

(1) The purpose of the Powerball Game (also referred to as *Powerball*) is the generation of revenue for education in New York State through the operation of a specially-designed multi-state lottery game that will award prizes to holders of tickets matching specified combinations of numbers randomly selected in regularly scheduled drawings.

(2) During each Powerball drawing, six Powerball winning numbers will be selected from two fields of numbers in the following manner: five winning numbers from a field of one through 69, and one winning number from a field of one through 26.

(b) *Definitions.* The following definitions apply to Powerball:

(1) *MUSL* means the Multi-State Lottery Association that administers the Powerball game.

(2) *Quick pick* has the meaning set forth in paragraph (7) of subdivision (a) of section 5004.9 of this Subchapter.

(3) *Powerball play area* means the area of the play slip, also known as a *panel* that contains two sets of numbered spaces to be marked by a player, the first set containing 69 spaces, numbered one through 69 and the second set containing 26 spaces, numbered one through 26.

(4) *Powerball play slip* or *bet slip* means a card used in marking a player's game plays and containing one or more play areas.

(5) *Powerball winning numbers* means the six numbers, the first five from a field of 69 numbers and the last one from a field of 26 numbers, randomly selected at each drawing, which shall be used to determine winning plays shown on a game ticket.

(6) *Fixed prize* means all other prizes except the jackpot prize that are advertised to be paid by a single payment and, except in instances specified in this section, will be equal to the prize amount established for the prize level.

(c) *Game Description.*

(1) Powerball is a five out of 69 plus one out of 26 computerized lottery game that pays the jackpot prize, at the election of the player made in accordance with this section or by a default election made in accordance with this section, either on an



annuitized pari-mutuel basis or as a lump sum payment of the total cash held for this prize pool on a pari-mutuel basis. Except as provided in this section, all other prizes are paid on a fixed lump sum basis. To play Powerball, a player may select five different numbers, from one through 69 and one additional number from one through 26. The additional number may be the same as one of the first five numbers selected by a player. A player may select a set of five numbers and one additional number by communicating the six numbers to a lottery sales agent, or by marking six numbered spaces in any one panel on a play slip and submitting the play slip to an agent or by requesting quick pick from an agent. An agent will then issue a ticket containing the selected set or sets of numbers, each of which constitutes a game play.

(2) A Powerball ticket may not be canceled.

(3) It shall be the sole responsibility of a player to verify the accuracy and readability of the information displayed on a Powerball ticket at the time of purchase. Neither an Agent nor the commission shall be liable for any errors in the accuracy and readability of a ticket occurring for any reason, after the purchaser leaves an Agent location.

(4) A play may only be entered manually using the lottery terminal keypad or touch screen or by means of a play slip provided by the commission and hand-marked by the player or by other means approved by the commission. An agent shall not permit the use of facsimiles of play slips, copies of play slips, or other materials that are inserted into the terminal's play slip reader that are not printed or approved by the commission. An agent shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the commission.

(5) A Powerball subscription sales program may be offered at the discretion of the commission.

(6) A Powerball game feature may be added at the discretion of the commission. A game feature is an alternative or additional method for playing the game within the same basic game design.

(d) *Ticket Sales.* Powerball tickets shall be sold only through agents or other means authorized by the commission.

(e) *Ticket Prices.*

(1) A Powerball ticket may be purchased for \$2 per play in accordance with the number of game panels and inclusive drawings. The purchaser receives one play for each \$2 wagered in Powerball. Tickets may contain multiple plays. The commission may authorize the sale of Powerball tickets at a different purchase price. Such a change in the purchase price shall be announced publicly by the commission prior to the effective date of such change.

(2) From time to time, the commission may authorize the sale of Powerball tickets at a discount for promotional purposes.

(f) *Play Characteristics and Restrictions.*

(1) (i) A Powerball ticket may be sold only to a person 18 years of age or older.

(ii) The commission shall penalize a licensee found to have violated subparagraph (i) of this paragraph according to the provisions of paragraph (2) of subdivision (c) of section 5001.27 of this Chapter.

(2) No Powerball ticket shall be sold to and no prize shall be paid to the following persons:

(i) any officer or employee of the commission; or a MUSL employee, officer, or director,

(ii) any contractor, subcontractor, or consultant, or officer or employee of a contractor, subcontractor, or consultant, if such person is directly involved in the production of lottery tickets, the operation or observation of lottery games or drawings, or the processing of lottery prize claims or payments; or a contractor or consultant under agreement with MUSL to review MUSL audit and security procedures,

(iii) any person subject to a contract with the commission if such contract contains a provision prohibiting such person from purchasing a lottery ticket or receiving a lottery prize; or an employee of an independent accounting firm under contract with MUSL to observe drawings or site operations and actually assigned to the MUSL account and all partners, shareholders, or owners in the local office of the firm to the headquarters of MUSL, or

(iv) any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any such person. This paragraph shall not be deemed to prohibit the sale of a lottery ticket or the payment of a lottery prize to an officer or employee of the commission or to a contractor, subcontractor, or consultant or to an officer or employee of a contractor, subcontractor, or consultant if such sale or prize payment is not for the individual benefit of such person and is made in connection with an official investigation, audit, marketing effort or other activity authorized by the commission.

(3) A Powerball ticket may not be purchased in any other state by any commission employee or any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any commission employee.

(4) A Powerball ticket matching all game play, serial number and other validation data recorded in the commission's computerized gaming system computer shall be

the only valid proof of the wager placed and the only valid receipt for claiming or redeeming any prize.

(5) A player may submit a completed Powerball play slip to an agent to have a Powerball ticket issued. Powerball play slips shall be available at no cost to a player and shall have no pecuniary or prize value, or constitute evidence of purchase or number selections.

(6) A player may orally convey such player's selections to an agent to have a Powerball ticket issued. Such selections shall be entered into the computer terminal by an agent.

(7) A player may use a self-service terminal if available or any other means authorized by the commission for the purchase of a Powerball ticket and may make number selections by such methods as may be permitted by the commission. Those methods may include, but are not limited to, inserting a completed Powerball play slip into a reader, manually entering the selections on a touch screen, or selecting a quick pick option.

(8) A Powerball ticket may be purchased for a specified number of future drawings.

(g) *Time, place and manner of conducting drawings.* Powerball drawings will be conducted twice weekly at 10:59 p.m. eastern time at a location authorized by MUSL. The day, time, frequency and location of the Powerball drawings may be changed following a public announcement.

(h) *Prize Pool, Prize Structure and Probability of Winning.*

(1) Prize pool. The prize pool for all prize categories shall consist of 50 percent of each drawing period's sales after the prize reserve accounts are funded to set amounts. If the Powerball game is no longer offered in New York State, any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or used in a manner as permitted by New York State law.

(2) Prize reserve accounts. The prize reserve account may be adjusted as needed to maintain an approved maximum balance and shares of the party lotteries as specified by MUSL. If the Powerball game is no longer offered in New York State, any amount remaining in a prize reserve account at the end of the game shall be carried forward to a replacement prize reserve account or used in a manner as permitted by New York State law.

(3) Expected prize payout percentages. The Jackpot Prize shall be determined on a pari-mutuel basis. Except as provided in this section, all other prizes shall be paid as fixed lump sum prizes with the following expected prize payout percentages:



### Prize Pool Percentage

<i>Number of Matches Per Play</i>	<i>Prize Payment</i>	<i>Allocated to Prize</i>
All five of first set plus one of second set.	Jackpot prize	68.0131%
All five of first set and none of second set.	\$1,000,000	8.5558%
Any four of first set plus one of second set.	\$50,000	5.4757%
Any four of first set and none of second set.	\$100	0.2738%
Any three of first set plus one of second set.	\$100	0.6899%
Any three of first set and none of second set.	\$7	1.2074%
Any two of first set plus one of second set.	\$7	0.9981%
Any one of first set plus one of second set.	\$4	0.3489%
None of first set plus one of second set.	\$4	10.4373%

(4) The prize money allocated to the jackpot prize category shall be divided equally by the number of game panels winning the jackpot prize.

(5) The prize pool percentage allocated to the fixed prizes shall be carried forward to subsequent drawings if all or a portion of it is not needed to pay the fixed prizes awarded in the current drawing. The commission, in consultation with other state lotteries selling Powerball tickets, may decide that it is necessary to pay a fixed prize as a pari-mutuel prize.

(6) Probability of winning. The following table sets forth the probability of winning and the probable distribution of winners in and among each prize category based upon the total number of possible combinations in Powerball.

Probability Distribution

<i>Number of Matches Per Ticket</i>	<i>Winners</i>	<i>Odds 1 in</i>	<i>Prize Amount</i>
All five of first set plus one of second set.	1	292,201,338.0000	Jackpot prize
All five of first set and none of second set.	25	11,688,053.5200	\$1,000,000
Any four of first set plus one of second set.	320	913,129.1813	\$50,000
Any four of first set and none of second set.	8,000	36,525.1673	\$100
Any three of first set plus one of second set.	20,160	14,494.1140	\$100
Any three of first set and none of second set.	504,000	579.7646	\$7
Any two of first set plus one of second set.	416,640	701.3281	\$7
Any one of first set plus one of second set.	3,176,880	91.9775	\$4
None of first set plus one of second set.	7,624,512	38.3239	\$4
Overall	11,750,538	24.8671	

(i) *Prize Payment.*

(1) Jackpot prizes. Jackpot prizes shall be paid, at the election of a player made no later than 60 days after the player becomes entitled to the prize, with either an annuity or lump sum payment. If the payment election is not made by a player within 60 days after the player becomes entitled to the prize, then the prize shall be paid as an annuity prize. An election to take a lump sum payment may be made at the time of the prize claim or within 60 days after the player becomes entitled to the prize. An election made after the winner becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed without the approval of the commission. Shares of the jackpot prize shall be determined by dividing the cash available in the jackpot prize pool equally among all winners of the jackpot prize in all participating lottery states. Winner(s) who elect a lump sum payment shall be paid their share(s) in a single lump sum payment upon successful completion of validation procedures. Neither MUSL nor the participating lotteries shall be responsible or liable for changes in the advertised or estimated annuity prize amount and the actual amount determined after the prize payment method is actually known to MUSL. In certain instances announced by MUSL, the jackpot prize shall be a guaranteed amount and shall be determined pursuant to paragraph (5) of this subdivision. All annuitized prizes shall be paid annually in 30 payments with the initial payment being made in a lump sum, to be followed by 29 payments, upon successful completion of validation procedures. All annuitized prizes shall be paid annually in 30 graduated payments

(increasing each year) by a rate as determined by MUSL. Prize payments may be rounded down to the nearest \$1,000.

(2) Low-tier prize payments. All low-tier prizes shall be paid in one payment.

(3) Prizes rounded. Annuitized payments of the jackpot prize or a share of the jackpot prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Amounts remaining after rounding on an annuitized jackpot prize shall be added to the initial payment to the winner or winners. Prizes other than the jackpot prize, which, under these rules, may become single-payment, pari-mutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Amounts remaining after rounding shall be carried forward to the prize pool for the next drawing.

(4) Rollover. If the jackpot prize is not won in a drawing, the prize money allocated for the jackpot prize shall roll over and be added to the jackpot prize pool for the following drawing.

(5) Funding of guaranteed prizes. Guaranteed minimum jackpot prize amounts, minimum increases in the jackpot prize amount between drawings or changes in the allocation of prize money may be offered where it is determined that it would be in the best interest of the game. Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism specified in subdivision (h) of this section is used.

(6) Limited to highest prize won. The holder of a winning ticket may win only one prize per panel 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.

(j) *Ticket Responsibility.*

(1) A winning Powerball ticket is deemed to be owned by the person or entity named in the prize claim or, by the bearer of the ticket.

(2) Neither the commission, MUSL nor their agents shall be responsible for lost or stolen Powerball tickets.

(3) A player of the Powerball game has the sole responsibility for verifying the accuracy and readability of the information displayed on the ticket at the time of purchase.

(4) The commission and/or MUSL shall not be responsible to the claimant for a Powerball ticket redeemed in error by an agent or retailer.

(5) Winners are determined by the numbers drawn and not the numbers reported. The commission and/or MUSL shall not be responsible for Powerball winning numbers reported in error.

(k) *Ticket Validation Requirements.*

(1) In order to be deemed a valid, winning Powerball ticket, all of the following conditions must be met:

- (i) the validation data must be present in its entirety and must correspond, using the computer validation file, to the number selections printed on the ticket for the drawing date(s) printed on the ticket;
- (ii) the ticket must be intact;
- (iii) the ticket must not be mutilated, altered, reconstituted, or tampered with in any manner;
- (iv) the ticket must not be counterfeit or an exact duplicate of another winning ticket;
- (v) the ticket must have been issued by the commission or an authorized agent of the commission;
- (vi) the commission must not have actual knowledge that the ticket has been stolen;
- (vii) the ticket must be submitted for payment in accordance with the commission's procedures for claiming and payment of prizes;
- (viii) the ticket data must have been recorded on the commission's central computer system prior to the drawing and the ticket data must match that computer record in every respect. In the event of a contradiction between information as printed on the ticket and as accepted by the commission's central computer system, the wager accepted by the commission's central computer system shall be the valid wager;
- (ix) the player or computer number selections, validation data and the drawing date(s) of an apparent winning ticket must appear on the official file of winning tickets, and a ticket with that exact data must not have been previously paid;
- (x) the ticket must not be mis-registered, defectively printed, or produced in error to an extent that it cannot be processed by the commission;
- (xi) the ticket must pass all of the commission's security protocols and operation procedures;
- (xii) in submitting a Powerball ticket for validation, the claimant agrees to abide by applicable laws, all rules and regulations, instructions, conditions and final decisions of the Director of the commission;



(xiii) there must not be any other breach of the Powerball game rules or regulations in relation to the ticket, which, in the discretion of the commission justifies invalidation;

(xiv) the ticket must be submitted to the commission and to no other lottery participating in any Powerball lottery game; and

(xv) no Powerball ticket purchased outside the State of New York may be presented to either the commission or an agent for payment within New York.

(2) A ticket shall be the only proof of a game play or plays and the submission of a winning ticket to the commission shall be the sole method of claiming a prize or prizes.

(3) A Powerball ticket submitted for validation that fails any of the preceding validation requirements shall be considered void, subject to the following determinations:

(i) the commission may, at the option of the commission, replace an invalid ticket with a Powerball ticket of equivalent sales price or a refund of purchase price;

(ii) in the event a defective ticket is purchased or in the event the commission determines to adjust an error, the sole and exclusive remedy shall be the replacement of such defective or erroneous ticket(s) with a Powerball ticket of equivalent sales price or a refund of purchase price;

(iii) in the event a Powerball ticket is not paid by the commission and a dispute occurs as to whether the ticket is a winning ticket, the commission may, at the commission's option, replace the ticket as provided in subparagraph (i) of this paragraph. This shall be the sole and exclusive remedy of the claimant or a refund of purchase price.

(l) *Procedures for claiming and payment of prizes.*

(1) For a Powerball ticket purchased in New York State, a prize shall be redeemed or claimed only in New York State through agents or authorized customer service centers, effective upon determination of prize payouts.

(2) A holder of a winning Powerball prize must comply with the prize claim requirements of the commission.

(3) In the event that a single Powerball ticket contains two or more winning game panels, the cumulative prize amount shall be claimed or redeemed in accordance with the specified prize payment limits for the commission.

(4) Federal, State and local taxes shall be withheld from Powerball prizes in such amounts as may be required by law.

(5) Powerball prize shall not be paid by the commission onto any persons prohibited from playing Powerball within New York State.

(6) There shall be no assignment of Powerball prizes except as specified in Part 5002 of this Subchapter.

(7) Each prize winner shall be subject to a publicity release as specified in Part 5002 of this Subchapter and participation in a news conference or event.

(8) Child support arrears, public assistance repayments and past due State tax liabilities shall be withheld from Powerball prizes in such amounts as may be required by law.

(m) *Unclaimed prize money.* Any prizes not claimed during the one year claim period after the date of each Powerball drawing will be considered forfeited.

(n) *Governing Law.*

(1) In purchasing a Powerball ticket in New York State, a purchaser agrees to comply with and be bound by all applicable statutes, administrative rules and regulations, and procedures of New York State, and by directives and determinations of the commission. A purchaser agrees, as such purchaser's sole and exclusive remedy, that claims arising out of a ticket purchased in New York State can be pursued only against the commission and no other lottery. Litigation, if any, arising from the purchase of a Powerball ticket in New York State may only be maintained against the commission within the State of New York.

(2) In the event of a conflict between the Powerball group game rules and the statutes, rules or regulations of the commission or the State of New York, the statutes, rules and regulations of the commission or the State of New York shall control.

(3) All decisions by the commission, including the declaration of prizes and the payment thereof and the interpretation of Powerball rules, shall be final and binding on all players and on every person making a claim in respect thereof.

#### **§ 5007.14. Raffle Game definitions.**

(a) The following definitions shall apply to a raffle game:

(1) *Bet ticket* means the ticket generated by the computer terminal containing at a minimum a unique multiple-digit number constituting a single play or chance, the drawing date and validation data.

(2) *Commission* means the New York State Gaming Commission established pursuant to Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law.

(3) *Computer terminal* means the device at the sales agent location authorized by the Gaming Commission for the placing of game bets.

(4) *Draw date* means the date determined by the commission on which the process used to randomly select the winning game numbers takes place for the game.

(5) *Game* means a raffle game, which is a lottery game in which a player purchases a number or numbers generated by the lottery's gaming computer system.

(6) *Gross sales* means the value of the tickets eligible for the game.

(7) *Lottery* or *State Lottery* means the New York State Division of Lottery established and operated pursuant to Article 34 of the Tax Law and Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law.

(8) *Manual entry* means the capability of the computer terminal operator to enter the amount of dollars wagered by a player for the game into the terminal in response to verbal or written communication by the player. There is no other method of play at the terminal for the game.

(9) *Raffle game* means a game played at any sales agent location by purchasing a ticket that will be sold for a limited sales period, in which a number of chances or plays will be offered.

(10) *Prize pool* means those funds available from the game sales or other sources to support the payment of prizes for the game.

(11) *Sales period* means a period of time starting from the initial sales date of the game tickets as specified by the director and ending

(i) on the date when all available numbers for such raffle game sales period have been sold, or

(ii) a date specified by the director.

(12) *Ticket* means a raffle game ticket produced by the Lottery and sold by a licensed sales agent in an authorized manner containing at a minimum a unique nine-digit number constituting a single play or chance, the drawing date and validation data.

(13) *Winning ticket* means the ticket bearing the unique numbers randomly selected in the drawing as a winning play.

(b) *Sale of Tickets.*

(1) The price for a raffle game wager shall be determined by the commission prior to the sales period.

(2) Each number shall constitute a single play or chance.

(3) A player shall not select specific game numbers. Numbers shall be generated in an order based on instruction from the gaming central system.

(c) *Ticket Price.* The price for each raffle game wager shall be the price set by the commission.

(d) *Drawing.*

(1) A raffle game drawing will be conducted at a day, time, frequency and location determined by the commission. Winning game numbers are the numbers randomly selected that entitle the legitimate holder of a winning raffle game ticket to a prize for which such numbers were drawn. Such winning numbers shall be

(i) randomly selected in accordance with existing Lottery draw procedures and

(ii) announced publicly.

(2) A game number can only be selected once during the draw.

(e) *Calculation and payment of prizes.*

(1) Prizes levels and amounts for the game shall be determined by the commission prior to the sales period and announced publicly.

(2) The commission may hold a daily drawing for one or more prizes. If the commission chooses to award daily prizes, it will publicly announce such prizes prior to the start of the game. Any number drawn as a daily prize shall remain eligible for the top prize. The holder of a winning bet ticket shall win only one daily prize per winning number.

(3) Prize categories and amounts shall be determined by the commission prior to the sales period.

(f) *Probability of winning.* The probability of winning a raffle game prize on a single qualifying wager shall be determined by the number of prizes awarded divided by the number of total plays in the drawing. The probability of winning a raffle game prize shall be determined by the commission prior to the sales period and announced publicly.

(g) *Miscellaneous.*

(1) A raffle game as described in this section may be, at the discretion of the commission, a multi-state game among other participating government-authorized

lotteries or a game sold only by the Lottery. The frequency that a raffle game is conducted shall be as determined by the commission. If the raffle game is a multi-state game, the commission shall operate such game in compliance with any applicable multi-state agreement.

(2) No claimant will be considered eligible to receive a prize without presentation of a valid winning bet ticket.

(3) The commission reserves the right to change the prize structures, frequency of draws, draw dates or the games themselves.

(4) If, for any reason, a bet ticket is not entirely legible or is misprinted or altered in any way, then the computer record created at the time of sale shall be the sole method of determining whether such ticket is a valid winning ticket.

(5) A bet ticket for a raffle game may not be cancelled once issued by the computer terminal. The sales agent, however, may receive credit for any unreadable bet ticket issued, as these tickets (although unreadable) are recorded on the computer file as valid bets. A sales agent's request for credit must be postmarked before the draw date in order to receive credit for any such unreadable bet ticket.

#### § 5007.15. Cash 4 Life.

(a) *Definitions.* The following definitions apply to the Cash 4 Life:

(1) *Agent* means the person who has been licensed and authorized by the commission to sell lottery tickets pursuant to this Subchapter.

(2) *Annuity option* means the manner in which the Cash 4 Life jackpot prize or second-level prize level may be paid in annual installments.

(3) *Cash 4 Life play slip* means a computer-readable form, printed and issued by the commission, used in purchasing a Cash 4 Life ticket, having up to five separate play areas. The play slip shall also provide for multiple-drawing wagering up to a specified number of draws.

(4) *Cash 4 Life ticket* means a game ticket, produced on official paper stock, by an agent in an authorized manner, bearing player- or computer-selected numbers from the play area on the play slip, game name, drawing date (or dates), amount of wager and validation data.

(5) *Claimant* means any person or entity submitting a claim form within the required time period to collect a prize for any Cash 4 Life ticket.

(6) *Jackpot prize* means the prize awarded for selecting all the winning numbers drawn from both fields for the Cash 4 Life. If more than one player from all participating lottery states has selected all the winning numbers drawn, the jackpot

prize shall be divided among those players, as set forth in subdivision (h) of this section.

(7) *Liability limit* means a pre-established upper threshold, as determined and announced by the party lotteries before sales commence for a drawing to which such threshold applies, equal to a fixed percentage of the gross ticket sales receipts for a particular drawing (or such fixed percentage plus an additional reserve amount), according to the established procedures agreed to by the party lotteries.

(8) *Lump sum option* means the manner in which particular Cash 4 Life prize levels may be paid in a single payment, as set forth in this section.

(9) *Measuring life* means the period over which a jackpot or second-level annuitized prize is paid out. For each winning ticket, the measuring life shall be the natural life of the individual determined by the commission to be a valid prize winner. If

- (i) a minor under the age of 18 claims a prize;
- (ii) a legal entity other than an individual claims a prize; or
- (iii) more than one natural person claims a prize on the same ticket,

the measuring life for such prize shall be 20 years. The measuring life shall be determined at the time a jackpot or second-level prize is claimed.

(10) *Party lotteries* mean one or more of the State lotteries established and operated pursuant to the laws of any state that becomes a signatory to the Cash 4 Life agreement.

(11) *Play area* is the area on a Cash 4 Life play slip containing two separate fields: one field of 60 one- or two-digit numbers (1 to 60 inclusive) and a separate and distinct second field of four one-digit numbers (1 to 4 inclusive) (which may be referred to as the *Cash Ball number*). This is the area from which the player, or computer, if the player is using the quick pick option, selects five numbers from the first field and one number from the second field.

(12) *Prize pool* means that portion of Cash 4 Life gross sales set aside for the payment of prizes.

(13) *Purchaser* means a player of Cash 4 Life who purchases a ticket within New York State in accordance with Cash 4 Life rules and New York State governing laws and regulations.

(14) *Quick pick* has the meaning set forth in paragraph (7) of subdivision (a) of section 5004.9 of this Subchapter.

(15) *Winning numbers* are five one- or two-digit numbers (1 to 60, inclusive) and one Cash Ball number (1 to 4, inclusive), randomly selected at each Cash 4 Life drawing, that shall be used to determine winning Cash 4 Life plays contained on Cash 4 Life tickets.

(b) *Ticket price and sales.*

(1) A Cash 4 Life ticket may be purchased for \$2 per play per drawing. The purchaser receives one entry into a Cash 4 Life drawing (a play) for each \$2 wagered in Cash 4 Life. Tickets may contain multiple plays. The commission may authorize the sale of Cash 4 Life tickets at a different purchase price. Such a change in the purchase price shall be announced publicly by the commission prior to the effective date of such change.

(2) From time to time, the commission may authorize the sale of Cash 4 Life tickets at a discount for promotional purposes.

(3) Cash 4 Life tickets shall be sold only through agents or other means authorized by the commission.

(4) A Cash 4 Life ticket may not be cancelled.

(5) It shall be the sole responsibility of a player to verify the accuracy and readability of the information displayed on a Cash 4 Life ticket at the time of purchase. Neither an agent nor the commission shall be liable for any errors in the accuracy and readability of a ticket occurring for any reason, after the purchaser leaves an agent location.

(6) A play may be entered only

- (i) manually using a lottery terminal keypad or touch screen;
- (ii) by means of a play slip provided by the commission and hand-marked by the player; or
- (iii) by other means approved by the commission.

(7) Cash 4 Life play slips shall be available at no cost to a player, shall have no pecuniary or prize value, shall not constitute evidence of purchase and shall not constitute evidence of a player's number selections. An agent shall not permit the use of facsimiles of play slips, copies of play slips or other materials that are not printed or approved by the commission to be inserted into a terminal's play slip reader. An agent shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the commission.



(c) *Game description.*

(1) To play Cash 4 Life, a player shall select five different numbers (from 1 to 60, inclusive) and one additional Cash Ball number (from 1 to 4, inclusive) for each play. The additional number may be the same as one of the five numbers a player selects in the first field. A player may select numbers by communicating the six numbers to a lottery sales agent; by marking six numbered spaces in any one panel on a play slip and submitting the play slip to an agent; or by requesting quick pick from an agent. The agent shall then issue a ticket containing the selected set or sets of numbers, each of which constitutes a game play.

(2) The commission reserves the right to change the field of numbers in the Cash 4 Life. Any change in the field of numbers shall be publicly announced by the commission in advance of the effective date.

(3) A Cash 4 Life subscription sales program may be offered at the discretion of the commission.

(4) A Cash 4 Life feature may be added at the discretion of the commission. A game feature is an alternative or additional method for playing the game within the same basic design.

(d) *Play characteristics and restrictions.*

(1) A Cash 4 Life ticket matching all game play, serial number and other validation data recorded in the commission's gaming system computer shall be the only valid proof of the wager placed and the only valid receipt for claiming or redeeming any prize.

(2) A Cash 4 Life ticket may be purchased for a specified number of future drawings.

(3) A Cash 4 Life ticket may not be purchased in any other state by any commission employee or any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any commission employee.

(e) *Drawings.* Cash 4 Life drawings shall be conducted twice per week at a time and at a location authorized by the party lotteries. The day, time, frequency and location of the Cash 4 Life drawings may be changed following a public announcement.

(f) *Pool, prize structure and probability of winning.*

(1) *Prize pool.* The prize pool for the aggregate of all prize categories shall consist of 55 percent of the sales for each drawing period after the prize reserve accounts are funded to predetermined amounts. If the Cash 4 Life is no longer offered in New York State, any amount remaining in the prize pool at the end of the game shall be carried forward to a replacement game or used in a manner as permitted by New York State law.

(2) *Prize reserve accounts.* The prize reserve account may be adjusted as needed to maintain an approved maximum balance and shares from each of the party lotteries as specified by the party lotteries. If the Cash 4 Life is no longer offered in New York State, any amount remaining in a prize reserve account at the end of the game shall be carried forward to a replacement prize reserve account or used in a manner as permitted by New York State law.

(3) *Prize payout and structure.* There are nine prize levels in the Cash 4 Life. The prize payout percentage and prize structure are as follows, unless there are multiple winners in a prize category, in which case prize amounts may be reduced as set forth in subdivision (h) of this section:

<i>Match Field 1</i>	<i>Match Field 2</i>	<i>Odds 1 in</i>	<i>Prize Category</i>	<i>Level</i>
5	1	21,846,048	\$1,000/day for life	Jackpot
5	0	7,282,016	\$52,000/year for life	2
4	1	79,440	\$2,500	3
4	0	26,480	\$500	4
3	1	1,471	\$100	5
3	0	490	\$25	6
2	1	83	\$10	7
2	0	28	\$4	8
1	1	13	\$2	9
Overall chances of winning:		1 in 8		

Total aggregate payout: 55%

(4) Odds. The odds of winning a prize may be modified if such changes are publicly announced by the commission in advance of the effective date.

(g) *Jackpot and second-level prize payment options.* A claimant of a valid winning jackpot or second-level prize in New York must select either an annuity option or lump sum option. A jackpot or second-level prize shall be paid as an annuity prize, unless a winner elects, within 60 days after the claimant becomes entitled to such prize, to be paid a lump sum payment or unless a lump sum payment is required as set forth in subdivision (h) of this section. If a lump sum payment is selected the prize amount shall be determined according to a methodology that shall be established by the party lotteries. An election made by a claimant is final and cannot be revoked, withdrawn or otherwise changed without the approval of the commission. Unless a lump sum payment is paid in accordance with this section, annuitized prize payments shall be made for the measuring life of the jackpot prize or second-level prize winner or for a minimum of 20 years. The schedule of payments for an annuity prize shall be

determined by the commission. If paid in a lump sum payment, a jackpot prize or second-level prize amount shall be rounded to the nearest whole dollar.

(h) *Prize liability limits.* In the event that a liability limit would be exceeded for a particular draw, the prize amounts for each level shall be adjusted in accordance with a formula established by the party lotteries so that the aggregate liability for prizes in such draw shall not exceed the liability limit.

(1) **Jackpot prize level.** A jackpot prize payout shall be divided equally among the number of jackpot winning plays as set forth in this paragraph.

(i) One jackpot prize winner. If there is one jackpot prize winner, the annuitized prize value shall be \$7,000 per week for life and the lump sum payment shall be based on the measuring life of the winner.

(ii) Two to 14 jackpot prize-winning plays. If there is more than one and less than or equal to 14 jackpot prize-winning plays, the annuitized payment option, based on a total annuitized prize value of \$7,000 per week, shall be divided by the total number of jackpot prize-winning plays. Any of these winners may choose the lump sum option as an alternative to the annuitized payment option, pursuant to subdivision (g) of this section. The amount of a lump sum option for this prize category shall be the amount of the lump sum option if there were only one winner, divided by the total number of jackpot prize winning plays.

(iii) Fifteen or more jackpot prize-winning plays. If there are more than 14 jackpot prize-winning plays, the aggregate jackpot prize liability shall be the liability limit and shall be divided equally among all jackpot prize-winning plays and paid in one lump sum payment to each winner, without an annuitized payment option. The minimum jackpot prize value shall be not less than any lower-tier prize in regard to the same drawing.

(2) **Second-level prizes.** A second-level prize payout shall be paid as follows:

(i) Each winning play shall be paid \$52,000 per year for life or a lump-sum payment based on the measuring life of such claimant, unless a liability limit would be exceeded.

(ii) The minimum prize value for a second-level prize shall be not less than any lower-tier prize in regard to the same drawing.

(iii) If a prize liability limit is exceeded and the annuity prize value of a second-level prize falls below \$500 per week for life, then all winning plays will be paid in one lump sum payment to each winner, without an annuitized payment option.

(3) A third-level prize shall be paid as a \$2,500 lump sum payment, unless a liability limit would be exceeded. A third-level prize shall be rounded to the nearest whole dollar.

(4) Each of the prize levels from four through nine shall be paid as a set, lump sum payment, as set forth in paragraph (3) of subdivision (f) of this section, unless a liability limit would be exceeded.

(5) In addition to the prize structure set forth in this section, the commission may offer special prizes from time to time.

(i) Neither the commission nor the party lotteries shall be responsible for any Cash 4 Life ticket that is not deemed to be a valid or winning draw-game ticket pursuant to Parts 5003 and 5004 of this subchapter.

(j) This section applies to the Cash 4 Life game only.

#### **§ 5007.16. Monopoly™ Millionaires' Club™.**

(a) *Definitions.* The following definitions apply to the MONOPOLY Millionaires' Club:

(1) *Agent* means a person who has been licensed and authorized by the commission to sell lottery tickets pursuant to this Subchapter.

(2) *Annuity option* means the manner in which the MONOPOLY Millionaires' Club top prize may be paid in annual installments.

(3) *Claimant* means any person or entity submitting a claim form within the required time period to collect a prize for any MONOPOLY Millionaires' Club ticket.

(4) *Lump-sum option* means the manner in which MONOPOLY Millionaires' Club top prize may be paid in a single payment as set forth in this section.

(5) *Millionaires' Club prize* means a single payment prize (prize level 11) with a value of \$1,000,000 drawn independently from the other MONOPOLY Millionaires' Club prizes (prize levels 1-10).

(6) *MONOPOLY Millionaires' Club play slip* means a computer-readable form, printed and issued by the commission, used to mark a player's numbered selection when purchasing a MONOPOLY Millionaires' Club ticket, having up to four separate play areas.

(7) *MONOPOLY Millionaires' Club ticket* means a game ticket, produced on official paper stock, by an agent in an authorized manner, bearing player- or computer-selected numbers, game name, drawing date, amount of wager and validation data. Each such ticket shall bear a unique non-repeating transactional number associated with that play.

(8) *Pari-mutuel* means, for this section, the total amount of prize money allocated to pay prize claimants, at the designated prize level, divided among the number of winning MONOPOLY Millionaires' Club ticket.

(9) *Party lotteries* mean one or more of the state lotteries established and operated pursuant to the laws of any state that are part of the national premium game product group that offers the MONOPOLY Millionaires' Club lottery game.

(10) A *play* is one entry into a MONOPOLY Millionaires' Club drawing.

(11) *Play area* is the area on a MONOPOLY Millionaires' Club play slip containing one field of 52 one- or two-digit numbers (1 to 52, inclusive). This is the area from which the player selects five numbers from the first field of 52 if the player is not using the quick pick option and allowing the computer system to select up to five numbers at random.

(12) *Prize pool* means that portion of MONOPOLY Millionaires' Club gross sales set aside for the payment of prizes.

(13) *Purchaser* means a player of MONOPOLY Millionaires' Club who purchases a ticket within New York State in accordance with MONOPOLY Millionaires' Club rules and New York State governing laws and regulations.

(14) *Quick pick* has the meaning set forth in paragraph (7) of subdivision (a) of section 5004.9 of this Subchapter. Quick pick is a player option in the MONOPOLY Millionaires' Club game for selection of up to five number selections ranging from one through 52, but the number ranging from one through 28, representing a MONOPOLY property, must be selected by quick pick.

(15) *Top prize* means the game prize awarded when a player's selections matches all five winning numbers from the field of 52 and the property number drawn from the field of 28 numbered MONOPOLY properties for the MONOPOLY Millionaires' Club. If more than one player has selected all the winning numbers drawn, the top prize shall be divided equally among those players.

(16) *Set prize* or *low-tier prizes* (prize levels 2-10) means, except as otherwise specified in this section, all prizes (other than the top prize and Millionaires' Club prizes) that are to be paid in a single payment as established by this section for each prize level.

(17) *Winning numbers* are five one- or two-digit numbers (1 to 52, inclusive) and one number (1 to 28, inclusive), randomly selected at each MONOPOLY Millionaires' Club drawing, that shall be used to determine winning MONOPOLY Millionaires' Club plays contained on MONOPOLY Millionaires' Club tickets.

(b) *Ticket price and sales.*

(1) A MONOPOLY Millionaires' Club ticket may be purchased for \$5 per play per drawing. The purchaser receives one ticket for each \$5 wagered in MONOPOLY Millionaires' Club. The commission may authorize the sale of MONOPOLY Millionaires' Club tickets at a different purchase price. Such a change in the purchase price shall be announced publicly by the commission prior to the effective date of such change.

(2) From time to time, the commission may authorize the sale of MONOPOLY Millionaires' Club tickets at a discount for promotional purposes.

(3) MONOPOLY Millionaires' Club tickets shall be sold only through agents or other means authorized by the commission.

(4) A MONOPOLY Millionaires' Club ticket may not be cancelled.

(5) It shall be the sole responsibility of a player to verify the accuracy and readability of the information displayed on a MONOPOLY Millionaires' Club ticket at the time of purchase. Neither an agent nor the commission shall be liable for any errors in the accuracy and readability of a ticket occurring for any reason, after the purchaser leaves an agent location.

(6) A play may be entered only:

- (i) manually using a lottery terminal keypad or touch screen;
- (ii) by means of a play slip provided by the commission and hand-marked by the player; or
- (iii) by other means approved by the commission.

(7) MONOPOLY Millionaires' Club play slips shall be available at no cost to a player, shall have no pecuniary or prize value, shall not constitute evidence of purchase and shall not constitute evidence of a player's number selections. An agent shall not permit the use of facsimiles of play slips, copies of play slips or other materials that are not printed or approved by the commission to be inserted into a terminal's play slip reader. An agent shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the commission.

(c) *Game description.*

(1) Primary drawing. To play MONOPOLY Millionaire's Club, a player shall select five different numbers (from 1 to 52, inclusive); the terminal or selling system shall always quick pick one additional number in the range from one through 28, to comprise the second value in the player's selection for each play. The additional number may be the same as one of the five numbers a player selects in the first



field. The second number shall be represented on the player's ticket both as a number and as the associated MONOPOLY game board property. A player may select numbers by:

- (i) communicating the five numbers to a lottery sales agent;
- (ii) marking five numbered spaces in any one panel on a play slip and submitting the play slip to an agent; or
- (iii) requesting quick pick from an agent.

The agent shall then issue a ticket or tickets containing the selected set or sets of numbers, each of which constitutes a game play.

(2) Secondary drawing. If a top-prize-winning ticket has been sold, a secondary drawing shall occur to select winners of Millionaires' Club prizes. A ticket holder wins such a prize if a randomly selected Millionaire's Club number drawn in the secondary drawing matches the unique transactional number printed on such ticket. The number of winners to be selected shall be not less than 10 and may increase based upon sales. The number of winners to be selected in the secondary drawing, if any, shall be announced publicly prior to each drawing.

(3) A MONOPOLY Millionaires' Club game feature may be added at the discretion of the commission. A *game feature* is an alternative or additional method for awarding prizes using Monopoly Millionaire ticket information.

(4) A MONOPOLY Millionaires' Club subscription sales program may be offered at the discretion of the commission.

(5) Except for Millionaires' Club prizes, the holder of a winning ticket may win only one prize for the primary drawing for such ticket and shall be entitled only to the prize won by those numbers in the highest matching prize category.

(d) *Play characteristics.* A MONOPOLY Millionaires' Club ticket matching all game play, serial number and other validation data recorded in the commission's gaming system computer shall be the only valid proof of the wager placed and the only valid receipt for claiming or redeeming any prize.

(e) *Drawings.* MONOPOLY Millionaires' Club drawings shall be conducted once per week at a time and at a location authorized by the party lotteries. The day, time, frequency and location of the MONOPOLY Millionaires' Club drawings may be changed following a public announcement.





(f) *Pool, prize structure and probability of winning.*

(1) Prize pool. The prize pool for the aggregate of all prize levels one through 11 shall consist of 50 percent of the sales for each drawing period after the prize reserve accounts are funded to predetermined amounts.

(2) Prize reserve. The prize reserve may be adjusted as needed to maintain an approved maximum balance and shares from each of the party lotteries as specified by the party lotteries. The prize reserve is used to guarantee payment of the minimum or starting top prize and Millionaires' Club prizes, guarantee the payment of valid, but unanticipated, top prize and Millionaires' Club prize claims and to fund deficiencies in set prize payments (subject to the limitations of an agreement among the party lotteries). If the MONOPOLY Millionaires' Club is no longer offered in New York State, any amount remaining in a prize reserve account at the end of the game shall be carried forward to a replacement prize reserve account or used in a manner as permitted by New York State law.

(3) Prize payout and structure. There are 11 prize levels in the MONOPOLY Millionaires' Club. The prize payout percentage and prize structure are as follows, unless there are multiple winners in a prize category that leads to an excess prize liability, in which case prize amounts may be reduced as set forth in paragraph (4) of subdivision (f) of this section:

<i>Match Field 1</i>	<i>Match Field 2</i>	<i>Odds 1 in</i>	<i>Prize Category</i>	<i>Level</i>
5	1	72,770,880.0000	Top	1
5	0	2,695,217.7778	\$100,000	2
4	1	309,663.3191	\$20,000	3
4	0	11,469.0118	\$500	4
3	1	6,731.8113	\$250	5
3	0	448.7874	\$25	6
2	1	249.3263	\$20	7
1	1	81.5977	\$10	8
0	1	47.4405	\$7	9
<i>Match Field 1</i>	<i>Match Field 2</i>	<i>Odds 1 in</i>	<i>Prize Category</i>	<i>Level</i>
2	0	16.6218	\$5	10



Millionaires' Club prize	Varies with sales	\$1 million	11
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Overall chances of winning for levels 1-10:	1 in 10.0025
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Total aggregate payout for levels 1-11: 50%

(4) Pari-mutuel prize determinations.

(i) If the total of the set prizes awarded in a drawing (prize levels 2-10) 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:

(a) the amount allocated to the set prizes and carried forward from previous drawings, if any;

(b) an amount from the prize reserve, if available, not to exceed \$20,000,000 per drawing.

(ii) If, after the sources described in subparagraph (i) of this paragraph 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.

(g) *Top prize payment options.* A claimant of a valid winning top prize in New York must select either an annuity option or lump sum option. A top prize shall be paid as an annuity prize, unless a winner elects, within 60 days after the claimant becomes entitled to such prize, to be paid a lump sum. If a lump sum payment is selected, the prize amount shall be determined according to a methodology that shall be established by the party lotteries. An election made by a claimant is final and cannot be revoked, withdrawn or otherwise changed without the approval of the commission. Unless a lump-sum payment is paid in accordance with this section, annuitized prize payments shall be paid annually in 30 payments with the initial payment being followed by 29 payments funded by the annuity. If paid in a lump-sum payment, a top prize shall be rounded to the nearest whole dollar. An annuity claimant shall have no recourse to any party lottery or to MUSL (as defined in paragraph (1) of subdivision (b) of section 5007.13 of this Subchapter), other than to the commission.

(h) Neither the commission nor the party lotteries shall be responsible for any MONOPOLY Millionaires' Club ticket that is not deemed to be a valid or winning draw-game ticket pursuant to Parts 5003 and 5004 of this subchapter.

- (i) This section applies to the MONOPOLY Millionaires' Club game only.

## PART 5008

### LOTTO

#### Section

- 5008.1 Definitions
- 5008.2 Payment of prizes
- 5008.3 Ticket sales
- 5008.4 Prize funds
- 5008.5 Miscellaneous
- 5008.6 Determination of prizes
- 5008.7 Chances of winning
- 5008.8 Maximum amount for LOTTO jackpots
- 5008.9 LOTTO Extra
- 5008.10 Variations of the LOTTO game
- 5008.11 Distribution of prize money for variations of the LOTTO game.
- 5008.12 Ticket sales for variations of the LOTTO game
- 5008.13 Prize funds for variations of the LOTTO game
- 5008.14 Determination of prizes for variations of the LOTTO game
- 5008.15 Procedures for claiming a prize for variations of the LOTTO game
- 5008.16 Miscellaneous provisions applicable to variations of the LOTTO game

#### § 5008.1. Definitions.

The following definitions apply to this Part.

(a) *LOTTO* means a lottery game that has a designated field of consecutive whole numbers beginning with one and ending with 59 from which a player may select up to six numbers.

(b) *Prize pool* or *winning pool* means a percentage of the gross sales, as may be determined by the commission, for a particular LOTTO game that is allocated for the purpose of paying prizes for that drawing.

#### § 5008.2. Payment of prizes.

(a) Prizes for the LOTTO game shall be calculated as follows:

(1) The prize money allocated from the prize pool to the first prize category, plus any money brought forward from a previous drawing and any money added from the LOTTO prize fund reserve or any other available source pursuant to a guaranteed first prize amount announcement, will be divided equally by the number of game panels qualifying for a first prize.

(2) The prize money allocated from the prize pool to the second prize category, plus any money brought forward from a previous draw, will be divided equally by the number of game panels qualifying for a second prize, less any adjustment required by paragraph (5) of this subdivision.

(3) The prize money allocated from the prize pool to the third prize category will be divided equally by the number of game panels qualifying for a third prize, less any adjustment required by paragraph (5) of this subdivision.

(4) The prize money allocated from the prize pool to the fourth prize category will be divided equally by the number of game panels qualifying for a fourth prize, less any adjustment required by paragraph (5) of this subdivision.

(5) A prize in a minimum amount of \$1 shall be awarded to the fifth prize category. If there are insufficient prize monies to award a minimum of \$1 to all fifth prize winners, then the second, third, and fourth prize allocations shall contribute equally to provide sufficient monies to pay a minimum \$1 fifth prize.

(b) Each first prize payment shall be subject to the following provisions of this subdivision.

(1) If, pursuant to paragraph (1) of subdivision (a) of this section, the calculated share for each game panel qualifying for a first prize in a particular LOTTO drawing would provide annual payments of \$10,000 or more, a winner shall receive an initial payment in an amount as similar as possible to the first annuity payment. After providing for such a first payment, the commission, as authorized by the comptroller, shall invest the remaining first prize money in securities authorized by the State Finance Law for the investment of state funds at current rates payable over a period of years. From the returns of principal and earnings on such investment, the commission shall pay annual prize installments to each first prize winner. Such annual prize installments shall be payable for a term of years to be determined by the commission. The number of years in the term payment schedule may be changed by the commission from time to time. Any such change will be publicly announced by the commission. Such announcement may be made in a news release, an advertisement, on the commission website, or in such other form as the commission, in the commission's discretion, may prescribe to maximize public awareness. LOTTO players may elect whether a first prize shall be payable in installments over a term of years in accordance with the foregoing provisions of this paragraph or, alternatively, whether a first prize shall be payable in a lump sum. If a prize is awarded in a lump sum as a result of a player having elected that option, the amount of the lump sum payment shall be equal to the first prize discounted to present value based upon market rates on the business day following the drawing, divided by the number of game panels qualifying for a first prize. A jackpot prize shall be paid, at the election of a player made no later than 60 days after the player becomes entitled to the prize, with either an annuity or lump sum payment. If the payment election is not made by a player within 60 days after the player becomes

entitled to the prize, then the prize shall be paid as an annuity prize. An election to take a lump sum payment may be made at the time of the prize claim or within 60 days after the winner becomes entitled to the prize. An election made after the winner becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed without the approval of the commission.

(2) If, pursuant to paragraph (1) of subdivision (a) of this section, the calculated share for each game panel qualifying for a first prize in a particular LOTTO drawing would provide annual payments of less than \$10,000, a winner shall receive the entire prize in a single payment. Such payment shall be equal to the first prize discounted to present value based upon market rates on the business day following the drawing, divided by the number of game panels qualifying for a first prize.

(c) (1) If in any LOTTO drawing, there is no game panel eligible for a first prize, the amount allocated from the prize pool to the first prize category, plus any amount brought forward from a previous drawing, shall be added to the first prize category for the next drawing.

(2) If the commission has announced a guaranteed first prize amount for any LOTTO drawing, and if the amount allocated from the winning pool to the first prize category, plus any amount brought forward from a previous drawing, is insufficient to pay the guaranteed first prize, then the amount necessary to fulfill the guarantee shall be added from the LOTTO prize fund reserve or any other available source to the first prize category. If, however, there is no game panel qualifying for the first prize category in such drawing, no amount from the LOTTO prize fund reserve shall be brought forward to the first prize category for the next drawing. If the commission has announced a guaranteed first prize amount for any LOTTO drawing, and if the amount allocated from the winning pool to the first prize category, plus any amount brought forward from a previous drawing, exceeds the amount necessary to pay the guaranteed first prize, then the excess may be allocated to the LOTTO prize fund reserve established pursuant to subdivision (c) of section 5008.7 of this Part.

(3) If in any LOTTO drawing, there is no game panel qualifying for the second prize category, the amount allocated from the winning pool to the second prize category, plus any amount brought forward from a previous drawing, shall be added to the second prize category for the next drawing.

(d) Within a time period specified by the commission following the draw date, a claimant may present a valid winning LOTTO ticket valued at \$600 dollars or less for payment at a licensed retailer; thereafter, the winning ticket may only be claimed at a customer service center approved by the commission by mailing the ticket to the commission. LOTTO tickets may be purchased at any location equipped with a lottery computer terminal.

(e) First prize winners shall receive payment not earlier than the 14th day after the relevant draw date.

(f) For the purpose of calculating any prize to be paid, the calculation shall be rounded down so the prize can be paid in multiples of one dollar.

(g) The holder of a winning ticket may win only one prize per game panel in connection with the winning numbers drawn for a particular LOTTO game, but shall be entitled to the highest prize won by those numbers.

### **§ 5008.3. Ticket sales.**

(a) No person shall sell a LOTTO ticket at a price greater than that fixed by this Part.

(b) The price for each LOTTO wager is \$1, which entitles the player to two game panels.

### **§ 5008.4. Prize funds.**

(a) Forty percent of gross sales for each LOTTO game draw date shall be paid into the New York Lottery prize account for allocation of prize winnings.

(b) Not less than 38 percent of gross sales for a particular LOTTO game draw shall be the amount allocated to the prize pool for that particular game, and not less than such amount shall form the basis upon which the payment of prizes for the particular game shall be computed; provided, however, that a lesser amount may be allocated to the prize pool if there is an excess of prize funds beyond the amount needed to pay a guaranteed first prize amount as provided in paragraph (2) of subdivision (c) of section 5008.2 of this Part.

(c) The commission may allocate not more than two percent of gross sales in any LOTTO game draw to prize pools for any other LOTTO game draw dates; provided, however, that a greater amount may be allocated to other LOTTO prize pools if there is an excess of prize funds beyond the amount needed to pay a guaranteed first prize amount as provided in paragraph (2) of subdivision (c) of section 5008.2 of this Part. The amount so allocated shall be referred to as the LOTTO prize fund reserve. At the commission's discretion, the LOTTO prize fund reserve may be used to fund promotions and maintain minimum prize levels.

(d) In the event of termination of the LOTTO game for whatever reason, any prize monies remaining undistributed in the New York State Lottery prize account will be disbursed for the sole benefit of winners of other LOTTO or Lottery games at the total discretion of the commission.

### **§ 5008.5. Miscellaneous.**

(a) All number selections or other information appearing on any LOTTO bet ticket shall be deemed to be made or given exclusively by the player. Where one person submits a ticket as agent or nominee for another person or persons, the commission shall not be



deemed to have any knowledge of such transaction, and all dealings of the commission will be conducted solely with the bearer of the ticket.

(b) No claimant will be considered eligible to receive a prize without presentation of a valid winning bet ticket.

(c) The commission reserves the right to change the prize structures, frequency of draws, draw dates, or the games themselves, and any such changes shall be publicly announced in advance by the commission. Any public announcement provided for in this Part shall be made in a news release, an advertisement, on the commission website, or in such other form as the commission, in the commission's discretion, may prescribe to maximize public awareness.

(d) If for any reason, a bet ticket is not entirely legible or is misprinted or altered in any way, then the computer record created at the time of sale will be the sole method of determining whether such ticket is a valid winning ticket and whether a first prize shall be payable in installments or as a lump sum.

(e) LOTTO bet tickets may not be canceled once issued by the computer terminal. However, the agent may receive credit for any unreadable bet tickets issued, as these tickets (although unreadable) are recorded on the computer file as valid bets.

(f) If an agent applies for credit for an unreadable bet ticket and it is determined that such ticket would have qualified for a prize, the commission may make a proportionate reduction in the number of shares into which the prize money for that prize category is divided, thereby increasing the value of the prize available for each qualifying game panel.

(g) When any question shall arise as to the validity of a LOTTO drawing for any reason whatsoever, the commission shall make the determination as to the validity of said drawing on the basis of the information at the commission's disposal. The determination of the commission shall be a final determination.

#### **§ 5008.6. Determination of prizes.**

(a) For each LOTTO game, seven numbers will be randomly selected at a public drawing from a field of 59 numbers from 1 to and including 59. The first six randomly chosen numbers will be the winning numbers. The seventh number will be the bonus number. Prize levels are determined as follows:





Any game panel on the bet ticket having the following shall be deemed a winning game panel:

All six winning numbers

Any five winning numbers plus the bonus number

Any five winning numbers

Any four winning numbers

Any three winning numbers

The following shall be prize categories:

First prize

Second prize

Third prize

Fourth prize

Fifth prize

(b) The allocation of percentages of the prize pool to various prize categories may be changed by the commission from time to time. Any such change will be publicly announced by the commission. Such announcement may be made in a news release, an advertisement, on the commission's or the commission's website, or in such other form as the director, in the director's discretion, may prescribe to maximize public awareness. In addition to the prizes specified in this section, the commission may offer special prizes from time to time, in the form of either cash or other valuable consideration, if such additional special prizes are authorized by the commission in the commission's discretion.

#### **§ 5008.7. Chances of winning.**

(a) *First prize.* Six numbers in one game panel. Chance of winning: 1 in 45,057,474. Chance of winning for a \$1 bet (two panels): 1 in 22,528,737. Percentage of prize pool: 75%.

(b) *Second prize.* Any five winning numbers plus the bonus number in one game panel. Chance of winning: 1 in 7,509,579. Chance of winning for a \$1 bet (two panels): 1 in 3,754,790. Percentage of prize pool: 7.25%.

(c) *Third prize.* Any five winning numbers in one game panel. Chance of winning: 1 in 144,415. Chance of winning for a \$1 bet (two panels): 1 in 72,207. Percentage of prize pool: 5.5%.

(d) *Fourth prize.* Any four winning numbers in one game panel. Chance of winning: 1 in 2,180. Chance of winning for a \$1 bet (two panels): 1 in 1,090. Percentage of prize pool: 6.25%.

(e) *Fifth prize.* Any three winning numbers in one game panel. Chance of winning: 1 in 96. Chance of winning for a \$1 bet (two panels): 1 in 48. Percentage of prize pool: 6%.

(f) Overall chance of winning a prize for a \$1 bet: 1 in 46. Note: The bonus number applies to the second prize only.

(g) The odds listed in this section have been rounded to the nearest whole number and assume random number selection by LOTTO players.

**§ 5008.8. Maximum amount for LOTTO jackpots.**

(a) If the director determines that it is in the best interest of the player and/or the State, the commission may, at the commission's discretion, set a maximum amount payable for a first prize for any LOTTO game. If this is done, such event will be publicly announced in advance of the draw for the game for which it is effective.

(b) In the event that a maximum first prize amount is established, any dollars in the first prize fund for a particular game draw in excess of the amount required to award the maximum first prize shall be carried forward to the next jackpot for that game's draw after the maximum amount has been paid.

**§ 5008.9. LOTTO Extra.**

(a) LOTTO extra is a feature of New York's LOTTO game. Except as otherwise noted in this section, the rules of LOTTO apply to all LOTTO Extra wagers.

(b) LOTTO extra shall determine winners from bet tickets by correctly matching some or all of the numbers in the player's number selection against the winning numbers, bonus number and extra bonus number drawn by the division for that drawing.

(c) Players of LOTTO extra are automatically included in the respective LOTTO drawing, and have the added benefit of matching their number selections against the extra bonus number for additional prize levels not available to LOTTO players.

(d) Forty percent of the gross LOTTO extra sales for each LOTTO drawing shall be paid into the New York Lottery prize account for allocation of prize winnings.

(e) Not less than 38 percent of gross LOTTO extra sales for a particular drawing shall be the amount allocated to the winning pool for that particular game.

(f) During each LOTTO drawing, the commission will draw an extra bonus number. Numbers will be drawn in the following sequence: the first randomly chosen six numbers will be the winning numbers; the seventh number will be the bonus; and the eighth number will be the extra bonus number.

(g) LOTTO extra bets may be purchased for a minimum of \$2 per two game panels; \$1 of such bet is on the LOTTO game, and \$1 of such bet is for the LOTTO extra feature.

(h) *Determination of prizes.* The prize structure and odds for this feature are:

Match	Odds	Pool Percentage
5 + either bonus	3,754,789.50	14.40%
5	147,246.65	5.50%
4 + either bonus	29,449.33	25.25%
4	2,355.95	5.75%
3 + either bonus	883.48	15.00%
3	108.18	11.00%
2 + either bonus	72.12	23.00%
Overall Odds	40.47	100.00%

(i) In the event that supplemental prize funds are necessary to fund prizes for Lotto extra, those funds will be supplemented from unclaimed prize funds.

(j) At the discretion of the commission, the commission may offer additional features of the LOTTO game. Any additional feature of the LOTTO game offered by the commission shall be established in an executive directive, and the details of such game feature shall be publicly announced by the commission.

#### **§ 5008.10. Variations of the LOTTO game.**

The commission may offer a variation of the LOTTO game that has a designated field of consecutive whole numbers beginning with one to a number designated by the commission not greater than 60 from which a player may select up to six numbers. The commission reserves the discretion to offer additional versions of the LOTTO game with different prize structures and designated fields of numbers. If the commission offers an additional version of the game, sections 5008.10 through 5008.16 of this Part shall continue to apply.

#### **§ 5008.11. Distribution of prize money for variations of the LOTTO game.**

(a) Prizes for a variation of the LOTTO game shall be calculated as follows:

(1) The first prize will be a prize of up to an amount designated by the commission, which will be paid as a lump sum. A first prize will be awarded to game panels matching six of six winning numbers for a particular drawing. The commission may limit the number of top first prizes for a particular drawing to no more than a designated number. If the limited number of top first prizes designated by the commission exceeded for a particular drawing, the winning first prize game panels will share equally in a maximum first prize pool equal to the product of the top first prize amount multiplied by the limited number of top first prizes designated by the

commission. At the commission's discretion, the commission may change the top first prize amount and any such change will be publicly announced in advance of the effective date.

(2) Prizes paid to the second through fourth prize levels shall be fixed prizes as prescribed by the commission. There shall be a limit imposed on the second through fourth prize levels equal to a fixed percentage of the gross ticket sales receipts for that particular drawing. In the event that the limit would be exceeded for a particular draw, the second through fourth prize levels shall be calculated on a pari-mutuel basis in accordance with a formula established by the commission.

(3) The allocation of percentages of the prize pool to various prize categories may be changed by the commission from time to time. Any such change will be publicly announced by the commission.

(b) In the event that the commission offers an additional version of the LOTTO game, the method of calculation and distribution of prizes shall be publicly announced in advance by the commission.

(c) A valid winning ticket valued at \$600 or less and presented for payment within a number of days of the drawing date, as determined by the commission, may be redeemed by a lottery sales agent. All other valid winning tickets may be redeemed at a customer service center.

(d) For the purpose of calculating any prize to be paid, the calculation shall be rounded down so that prize can be paid in multiples of one dollar.

#### **§ 5008.12. Ticket sales for variations of the LOTTO game.**

(a) The price for each wager in any variation of the LOTTO game shall be determined by the commission.

(b) A play card is not a valid receipt for any game played. The bet ticket is the only valid receipt.

(c) No claimant will be considered eligible to receive a prize without presentation of a valid winning bet ticket.

(d) If for any reason, a bet ticket is not entirely legible or is misprinted or altered in any way, then the computer record created at the time of sale will be the sole method of determining whether such ticket is a valid winning ticket.

(e) A bet ticket for any variation of the LOTTO game may not be canceled once issued by the computer terminal. However, the agent may receive credit for any unreadable bet ticket issued, as these tickets (although unreadable) are recorded on the computer file as valid bets.

**§ 5008.13. Prize funds for variations of the LOTTO game.**

(a) Up to 40 percent of gross ticket sales receipts for each variation of the LOTTO game draw date may be paid into the commission prize account for allocation of prize winnings or as may be otherwise prescribed by the New York State Lottery for Education Law.

(b) The commission may allocate a percentage of gross sales for a particular game drawing to the prize pool for that particular game, and not less than such amount shall form the basis upon which the payment of prizes for the particular game shall be computed; provided, however, that a lesser amount may be allocated to the prize pool if there is an excess of prize funds beyond the amount needed to pay a fixed prize.

(c) The commission may allocate a percentage of gross sales receipts for any game drawing of a variation of the LOTTO game to prize pools for any other game drawing dates of that particular variation of the LOTTO game; provided, however, that a greater amount may be allocated to other prize pools of that particular variation of the LOTTO game if there is an excess of prize funds beyond the amount needed to pay a fixed prize. The amount so allocated shall be referred to as the prize fund reserve for that particular variation of the LOTTO game. This prize fund reserve may be used to fund promotions and maintain minimum prize levels, as determined by the commission.

(d) In the event of termination of any variation of the LOTTO game for whatever reason, any prize monies remaining undistributed in the prize fund reserve for that particular variation of the LOTTO game will be disbursed for the sole benefit of winners of other commission games at the discretion of the commission.

**§ 5008.14. Determination of prizes for variations of the LOTTO game.**

(a) For a variation of the LOTTO game, six numbers shall be randomly selected at a public drawing from a field of consecutive whole numbers beginning with one to a number designated by the commission not greater than 60. The first six randomly chosen numbers shall be the winning numbers. The method of determination of prizes shall be publicly announced in advance by the commission.

(b) The prize structure and odds of winning may be publicly announced by the commission in advance of the effective date.

(c) The commission reserves the right to change the field of numbers. Any change in the field of numbers shall be publicly announced by the commission in advance of the effective date.

(d) In addition to the announced prize structure, the commission may offer special prizes from time to time.

**§ 5008.15. Procedures for claiming a prize for variations of the LOTTO game.**

A prize may be claimed in any variation of the LOTTO game in accordance with this Part.

**§ 5008.16. Miscellaneous provisions applicable to variations of the LOTTO game.**

(a) All number selections or other information appearing on a bet ticket for any variation of the LOTTO game shall be deemed to be made or given exclusively by the player. Where one person submits a ticket as agent or nominee for another person or persons, the commission shall not be deemed to have any knowledge of such transaction, and all dealings of the commission will be conducted solely with the bearer of the ticket.

(b) The commission reserves the right to change the prize structures, frequency of drawings, drawing dates, or the games themselves, and any such changes shall be publicly announced in advance by the commission. Any public announcement provided for in this Part shall be made in a news release, an advertisement, on the commission's website, or in such other form as the commission, in the commission's discretion, may prescribe to maximize public awareness.

(c) Any determination by the commission described in this Part shall be made with consideration of any of the following goals:

(1) to make the LOTTO game or any variation of the LOTTO game more appealing or convenient for players;

(2) to further the commission's mission of raising revenue for aid to education; or

(3) to allow the commission to administer the LOTTO game or any variation of the LOTTO game more effectively or efficiently.

(d) When any question shall arise as to the validity of a drawing of any variation of the LOTTO game for any reason whatsoever, the commission shall make the determination as to the validity of said drawing on the basis of the information at the commission's disposal. The determination of the commission shall be a final determination.

**PART 5009****New York's Numbers****Section**

- 5009.1 New York's Numbers
- 5009.2 Game description
- 5009.3 [Reserved]
- 5009.4 Drawings

**§ 5009.1. New York's Numbers.**

The following rules pertain to New York's Numbers and are supplementary to those rules of general applicability heretofore and hereafter promulgated by the commission.

**§ 5009.2. Game Description.**

New York's Numbers game shall determine winners from tickets by matching a permutation or segment of a three-digit number from 000 to and including 999, randomly drawn at a regularly scheduled daily drawing or by succeeding in a game feature as set forth in subdivisions (h) and (i) of this section. Correctly matching the three-digit number or designated permutation thereof shall entitle the ticket holder to one of those prizes as described below:

(a) New York Numbers game bets may be purchased for a minimum of 50 cents and in multiples thereof to a maximum of \$5.

(b) The following types of bets may be made available for purchase:

(1) Straight. A three-digit number designed to match in exact order the three-digit winning number drawn for a given day.

(2) Six-way box. A three-digit number in which all three digits are unique (for example, "123"), designed to match in any order the three-digit winning number drawn for a given day.

(3) Three-way box. A three-digit number in which two of the digits are the same (for example, "122"), designed to match in any order the three-digit winning number drawn for a given day.

(4) Front pair. A two-digit number designed to match in exact order the first and second digits of the three-digit winning number drawn for a given day.

(5) Back pair. A two-digit number designed to match in exact order the second and third digits of the three-digit winning number drawn for a given day.

(6) Straight/six-way box. A three-digit number in which all three digits are unique (for example, "123"), that generates one straight bet and one six-way box bet. Straight/six-way box bets are limited to 50 cents for each bet type for a ticket price of \$1.

(7) Straight/three-way box. A three-digit number in which two of the digits are the same (for example, "122"), that generates one straight bet and one three-way box bet. Straight/three-way box bets are limited to 50 cents for each bet type for a ticket price of \$1.





(8) Combination six-way. A three-digit number in which all three digits are unique (for example, "123"), that generates six straight bets. The minimum cost of a combination six-way wager is \$3 (6 bets x 50 cents minimum bet).

(9) Combination three-way. A three-digit number in which two of the digits are the same (for example, "122"), that generates three straight bets. The minimum cost of a combination three-way wager is \$1.50 (3 bets x 50 cents minimum bet).

(10) Close Enough. A three-digit number, of which each digit must match or be one number greater or less than the corresponding digit of the three-digit number selected in a drawing. For purposes of this wager, one number greater than nine is defined as zero and one number less than zero is defined as nine. A detailed description of the odds, prize structure, wager price, play instructions and any further information in regard to this wager shall be communicated to the public and set forth on the website for the New York Lottery in advance of offering this wager. Such detailed description shall be consistent with the game rules otherwise set forth in this Part in regard to other wagers and features of the New York's Numbers game.

(c) *Prize structure and odds for the numbers game.*

<u>Bet type</u>	<u>Odds</u>	<u>For each \$ .50 bet</u>	<u>For each \$1 bet</u>	<u>Comment</u>
Straight	1:1,000	\$250	\$500	
Box six-way	1:167	\$40	\$80	
Box three-way	1:333	\$80	\$160	
Front pair	1:100	\$25	\$50	
Back pair	1:100	\$25	\$50	
Straight/box six-way	1:167	\$290 \$440	n/a n/a	If straight hits If box only
Straight/box three-way	1:333	\$330 \$80	n/a n/a	If straight hits If box only
Combination six-way	1:167	\$250	\$500	
Combination three-way	1:333	\$250	\$500	
Close Enough (straight match)	1:1,000	\$125	\$250	
Close Enough (1 digit, 1 off)	1:167	\$12	\$24	
Close Enough (2 digits, 1 off)	1:83	\$2	\$4	



<u>Bet type</u>	<u>Odds</u>	<u>For each \$ .50 bet</u>	<u>For each \$1 bet</u>	<u>Comment</u>
Close Enough (3 digits, 1 off)	1:125	\$4	\$8	
Close Enough (overall; any prize)	1:37			

(d) The purchaser may place a bet for the current day or for one or more days in advance for up to six successive drawings from the day of transaction.

(e) To place a bet, a purchaser communicates the desired bet data (day, amount, bet type and bet number selections) to an agent, who will issue a bet ticket. If desired, a purchaser may use the quick pick option for deciding bet number selections. When the quick pick option is used, the bet will be entered by computer in the next scheduled drawing as a straight bet in the amount of 50 cents and the numbers to be played will be randomly selected by computer. A purchaser using the quick pick option may specify such purchaser's own choice of drawing date (s), bet type or bet amount. The agent enters the bet into a secure computer system via a computer terminal. Upon acceptance of and payment for the ticket issued by the agent, the transaction shall become binding and final.

(f) The commission reserves the right at any time, in the commission's sole discretion, to suspend play on any number(s) or to limit the number of bets made on any number(s) or combination(s).

(g) At some time in the future, the commission may change the daily numbers game from fixed prize payouts to pari-mutuel payouts. If the commission determines that this change should be made, it will be publicly announced in advance of the effective date. Prizes for the numbers game will be determined on a pari-mutuel basis (as explained below) for a test period of at least one month. If the commission determines that it is in the best interest of the players and/or the State, the commission may, at the commission's discretion, return prizes to a fixed payout basis. Such change will be publicly announced in advance of the date it is effective. Up to 50 percent of the sales from each drawing will be allocated to a prize pool for that drawing. The prize pool will be divided by the total amount bet on the winning daily number to arrive at the base prize amount from which all other prizes will be calculated as shown below. The commission may, at the commission's discretion, withhold up to two percent of the sales from each drawing for a prize reserve fund. This reserve fund may be used to fund promotions and maintain minimum prize levels, if desired. Prizes for all bets are calculated as a percentage of the base prize amount as follows:



Percentage of Base Prize for:

Bet type	\$.50 bet	\$1 bet	Comment
Straight	50%	100%	
Box six-way	8.33%	16.66%	
Box three-way	16.66%	33.33%	
Front pair	5.00%	10.00%	
Back pair	5.00%	10.00%	
Straight/box six-way	116.66%	n/a	If straight hits
	16.66%	n/a	If box only
Straight/box three-way	133.33%	n/a	If straight hits
	33.33%	n/a	If box only
Combination six-way	50.00%	100.00%	\$.50 bet cost is \$3
Combination three-way	50.00%	100.00%	\$.50 bet cost is \$1.50

Note: All prizes will be rounded down to the nearest 50-cent increment at the 50-cent payout level. The following is an example of a typical payout calculation.

Current sales = \$910,106.00

Prize pool = \$455,053.00 (50% of sales)

Total bet on winning number = \$603.78

Base prize = \$721.41 (prize pool divided by total bet on winning number)

Payout for:

Bet type	\$.50 bet	\$1 bet	Comment
Straight	\$360.50	\$721	
Box six-way	\$60.00	\$120	
Box three-way	\$120.00	\$240	
Front pair	\$36.00	\$72	
Back pair	\$36.00	\$72	
Straight/box six-way	\$420.50	n/a	If straight hits
	\$60.00	n/a	If box only
Straight/box three-way	\$480.00	n/a	If straight hits
	\$120.00	n/a	If box only



Bet type	\$.50 bet	\$1 bet	Comment
Combination six-way	\$360.50	\$721	\$.50 bet cost is \$3
Combination three-way	\$360.50	\$721	\$.50 bet cost is \$1.50

(h) *Lucky Sum*. Lucky Sum is a feature of New York's Numbers game. Lucky sum shall determine winners from bet tickets by correctly matching the sum of the player's number selection against the sum of the winning numbers drawn by the commission for that drawing.

(1) To place a bet, a purchaser must communicate:

(i) the desired game bet data to an agent pursuant to subdivision (e) of this section; and

(ii) communicate to the agent that such purchaser's desire to add a lucky sum wager to the normal wager, who will issue a bet ticket. Such bet ticket will reflect the sum of the numbers played by the purchaser on that wager as the additional lucky sum wager.

(2) Lucky sum wagers shall not be placed with pairs or Close Enough wagers.

(3) Up to 50 percent of the sales from each drawing will be allocated to a prize pool for that drawing.

(4) Prize structure and odds for this feature.

Sum of Number Picked	Number of Ways to Match a Number	Expected Odds	Prize
0	1	1,000	\$500.00
1	3	333	\$166.00
2	6	167	\$83.00
3	10	100	\$50.00
4	15	67	\$33.00
5	21	48	\$23.50
6	28	36	\$17.50
7	36	28	\$13.50
8	45	22	\$11.00
9	55	18	\$9.00
10	63	16	\$7.50
11	69	14	\$7.00

Sum of Number Picked	Number of Ways to Match a Number	Expected Odds	Prize
12	73	14	\$6.50
13	75	13	\$6.50
14	75	13	\$6.50
15	73	14	\$6.50
16	69	14	\$7.00
17	63	16	\$7.50
18	55	18	\$9.00
19	45	22	\$11.00
20	36	28	\$13.50
21	28	36	\$17.50
22	21	48	\$23.50
23	15	67	\$33.00
24	10	100	\$50.00
25	6	167	\$83.00
27	1	1,000	\$500.00

(5) Lucky Sum bets may be purchased for a minimum of \$1 per wager.

(i) A New York's Numbers type of bet or game feature may be added at the discretion of the commission, so long as such game feature is an alternative or additional method for playing the game within the same basic game design and a detailed description of the odds, prize structure, wager price, play instructions and any further information in regard to how a player may use such feature, if offered, shall be communicated to the public and set forth on the website for the New York Lottery in advance of offering such feature.

#### **§ 5009.3. [Reserved].**

#### **§ 5009.4. Drawings.**

(a) New York's Numbers drawings shall be held on a daily basis, Monday through Sunday, with the exception of certain holidays to be designated by the commission.

(b) The commission may postpone or revise the drawing schedule(s) and publicize the same if the commission finds, in the commission's discretion, that such postponement or rescheduling will serve to protect the public interest.

(c) The site and time of the numbers drawings, as specified in subdivision (a) of this section, will be at locations specified by the commission, publicly announced, and held in accordance with procedures promulgated by the commission.

(d) At such time as may be deemed appropriate, the commission may issue a directive designating a special numbers draw where additional prizes may be awarded from the accumulated prize reserve monies.

(e) When any question shall arise as to the validity of a lottery drawing for any reason whatsoever, the commission shall make the determination as to the validity of said drawing on the basis of the information at the commission's disposal. The commission's determination shall be a final determination.

## **PART 5010**

### **Win-4**

#### Section

5010.1 Win-4

5010.2 Game Description

5010.3 Drawings

#### **§ 5010.1. Win-4.**

The following rules pertain to Win-4 and are supplementary to those rules of general applicability heretofore and hereafter promulgated by the commission.

#### **§ 5010.2. Game description.**

The Win-4 game shall determine winners from tickets matching a permutation of a four-digit number from 0000 to and including 9999 randomly drawn at a regularly scheduled drawing conducted by the Lottery as described in section 5010.4 of this Part or by succeeding in a game feature as set forth in subdivisions (g) and (h) of this section. Correctly matching the winning four-digit number drawn, or a designated permutation thereof shall entitle the ticket holder to one of the prizes described in subdivision (c) of this section.

(a) Win-4 bets may be purchased for a minimum of 50 cents and in multiples of 50 cents thereof to a maximum of \$5.

(b) The following types of bets may be used in the determination of winners for the specified draw day indicated on the bet ticket:

(1) Straight. A four-digit number (for example, "1234") designed to match in exact sequence the four-digit winning number drawn.

(2) Twenty-four-way box. A four-digit number in which all four digits are unique (for example, "1234") designed to match in any order the winning four-digit number drawn for a given day.

- (3) Twelve-way box. A four-digit number in which two of the digits are the same (for example, "1233") designed to match in any order the winning four-digit number drawn for a given day.
- (4) Six-way box. A four-digit number in which there are two pairs of identical numbers (for example, "1122") designed to match in any order the winning four-digit number drawn for a given day.
- (5) Four-way box. A four-digit number in which three of the digits are the same (for example, "1112") designed to match in any order the winning four-digit number drawn for a given day.
- (6) Front pair. A two-digit number chosen to match in exact order the first and second digits of the four-digit winning number selected in a drawing.
- (7) Back pair. A two-digit number chosen to match in exact order the third and fourth digits of the four-digit winning number selected in a drawing.
- (8) Straight/twenty-four-way box. A four-digit number in which all four digits are unique (for example, "1234") that generates one straight bet and one box bet on a single ticket. Straight/box bets are limited to 50 cents for each bet type for a ticket price of \$1.
- (9) Straight/twelve-way box. A four-digit number in which two of the digits are the same (for example, "1233") that generates one straight bet and one box bet on a single ticket. Straight/box bets are limited to 50 cents for each bet type for a ticket price of \$1.
- (10) Straight/six-way box. A four-digit number in which there are two pairs of identical digits (for example, "1122") that generates one straight bet and one box bet on a single ticket. Straight/box bets are limited to 50 cents for each bet type for a ticket price of \$1.
- (11) Straight/four-way box. A four-digit number in which three of the digits are the same (for example, "1112") that generates one straight bet and one box bet on a single ticket. Straight/box bets are limited to 50 cents for each bet type for a ticket price of \$1.
- (12) Twenty-four-way combination. A four-digit number in which all four digits are unique (for example, "1234") that generates 24 straight bets on a single ticket. The minimum cost of a 24-way combination wager is \$12 (24 bets x \$ .50 minimum bet).
- (13) Twelve-way combination. A four-digit number in which two of the digits are the same (for example, "1233") that generates 12 straight bets on a single ticket. The minimum cost of a 12-way combination wager is \$6 (12 bets x \$ .50 minimum bet).





(14) Six-way combination. A four-digit number in which there are two pairs of identical digits (for example, “1122”) that generates six straight bets on a single ticket. The minimum cost of a six-way combination wager is \$3 (6 bets x \$ .50 minimum bet).

(15) Four-way combination. A four-digit number in which three of the digits are the same (for example, “1112”) that generates four straight bets on a single ticket. The minimum cost of a four-way combination wager is \$2 (4 bets x \$ .50 minimum bet).

(16) Close Enough. A four-digit number, of which each digit must match or be one number greater or less than the corresponding digit of the four-digit number selected in a drawing. For purposes of this wager, one number greater than nine is defined as zero and one number less than zero is defined as nine. A detailed description of the odds, prize structure, wager price, play instructions and any further information in regard to this wager shall be communicated to the public and set forth on the website for the New York Lottery in advance of offering this wager. Such detailed description shall be consistent with the game rules otherwise set forth in this Part in regard to other wagers and features of the Win-4 game.

*(c) Prize structure and game odds for Win-4.*

**Bet Type and Prize Payouts Per Amount Bet**

<u>Bet Type</u>	<u>50 cents</u>	<u>\$1</u>	<u>\$2</u>	<u>\$3</u>	<u>\$4</u>	<u>\$5</u>
Straight	\$2,500	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000
Box(24)	\$100	\$200	\$400	\$600	\$800	\$1,000
Box(12)	\$200	\$400	\$800	\$1,200	\$1,600	\$2,000
Box(6)	\$400	\$800	\$1,600	\$2,400	\$3,200	\$4,000
Box(4)	\$600	\$1,200	\$2,400	\$3,600	\$4,800	\$6,000
Front Pair	\$25	\$50				
Back Pair	\$25	\$50				
Straight/Box (24)	\$2,600 \$100	If Straight hits If Box only				
Straight/Box (12)	\$2,700 \$200	If Straight hits If Box only				
Straight/Box (6)	\$2,900 \$400	If Straight hits If Box only				



Straight/Box (4)      \$3,100      If Straight hits  
                                 \$600      If Box only

<u>Bet Type</u>	<u>50 cents</u>	<u>\$1</u>	<u>\$2</u>	<u>\$3</u>	<u>\$4</u>	<u>\$5</u>
Combination (all types)	\$2,500	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000
Close Enough (straight match)	\$1,250	\$2,500				
Close Enough (1 digit, 1 off)	\$62	\$124				
Close Enough (2 digits, 1 off)	\$12	\$24				
Close Enough (3 digits, 1 off)	\$7	\$14				
Close Enough (4 digits, 1 off)	\$16	\$32				

Game odds:

Bet type	Odds
Straight	1:10,000
Box(24)	1:417
Box(12)	1:833
Box(6)	1:1,667
Box(4)	1:2,500
Front Pair	1:100
Back Pair	1:100
Straight/Box(24)	1:417
Straight/Box(12)	1:833
Straight/Box(6)	1:1,667
Straight/Box(4)	1:2,500
Combination(24)	1:417
Combination(12)	1:833
Combination(6)	1:1,667
Combination(4)	1:2,500
Close Enough (straight match)	1:10,000
Close Enough (1 digit, 1 off)	1:1,250
Close Enough (2 digits, 1 off)	1:417
Close Enough (3 digits, 1 off)	1:313
Close Enough (4 digits, 1 off)	1:625
Close Enough (overall; any prize)	1:123

(d) The purchaser may place a bet for the current day or for one or more days in advance for up to six successive drawings from the day of the transaction.

(e) To place a bet, a purchaser communicates the desired bet data (day, amount, bet type and bet number selections) to a game agent, who will issue a bet ticket. If desired, a purchaser may use the quick pick option for deciding bet number selections. When the quick pick option is used, the bet will be entered by computer in the next scheduled drawing as a straight bet in the amount of 50 cents and the numbers to be played will be randomly selected by computer. A purchaser using the quick pick option may specify such purchaser's own choice of drawing date (s), bet type or bet number. The agent enters the bet into a secure computer system via a computer terminal. Upon acceptance of and payment for the ticket issued by the agent, the transaction shall become binding and final.

(f) The commission reserves the right at any time, in the commission's sole discretion, to suspend play on any number(s) or to limit the number of bets made on any number(s) or combination(s).

(g) *Lucky Sum*. Lucky sum is a feature of the Win-4 game. Lucky sum shall determine winners from bet tickets by correctly matching the sum of the player's number selection against the sum of the winning numbers drawn by the lottery for that drawing.

(1) Lucky sum wagers shall not be placed with pairs or Close Enough wagers.

(2) To place a bet, a purchaser must communicate:

(i) the desired game bet data to an agent pursuant to subdivision (e) of this section; and

(ii) communicate to the agent that such purchaser's desire to add a lucky sum wager to the normal wager, who will issue a bet ticket. Such bet ticket will reflect the sum of the numbers played by the purchaser on that wager as the additional lucky sum wager.

(3) Up to 50 percent of the sales from each drawing will be allocated to a prize pool for that drawing.

(4) Prize structure and odds for this feature.

Sum of Number Picked	Number of Ways to Match a Number	Expected Odds	Prize
0	1	10,000	\$5,000.00
1	4	2,500	\$1,250.00
2	10	1,000	\$500.00



Sum of Number Picked	Number of Ways to Match a Number	Expected Odds	Prize
3	20	500	\$250.00
4	35	286	\$142.00
5	56	179	\$89.00
6	84	119	\$60.00
7	120	83	\$42.00
8	165	61	\$30.00
9	220	45	\$22.50
10	282	35	\$17.50
11	348	29	\$14.00
12	415	24	\$12.00
13	480	21	\$10.00
14	540	19	\$9.00
15	592	17	\$8.00
16	633	16	\$7.50
17	660	15	\$7.50
18	670	15	\$7.50
19	660	15	\$7.50
20	633	16	\$7.50
21	592	17	\$8.00
22	540	19	\$9.00
24	415	24	\$12.00
25	348	29	\$14.00
26	282	35	\$17.50
27	220	45	\$22.50
28	165	61	\$30.00
29	120	83	\$42.00
30	84	119	\$60.00
31	56	179	\$89.00
32	35	286	\$142.00
33	20	500	\$250.00



Sum of Number Picked	Number of Ways to Match a Number	Expected Odds	Prize
34	10	1,000	\$500.00
35	4	2,500	\$1,250.00
36	1	10,000	\$5,000.00

(5) Lucky Sum bets may be purchased for a minimum of \$1 per wager.

(h) A Win-4 type of bet or game feature may be added at the discretion of the commission, so long as such game feature is an alternative or additional method for playing the game within the same basic game design and a detailed description of the odds, prize structure, wager price, play instructions and any further information in regard to how a player may use such feature, if offered, shall be communicated to the public and set forth on the website for the New York Lottery in advance of offering such feature.

### **§ 5010.3. Drawings.**

(a) Win-4 drawings shall be held on a daily basis, Monday through Sunday, with the exception of certain holidays to be designated by the commission.

(b) The commission may postpone or revise the drawing schedule(s) and publicize the same if the commission finds, in the commission's sole discretion, that such postponement or rescheduling will serve to protect the public interest.

(c) The site and time of the Win-4 drawings, as specified in subdivision (a) of this section, will be at locations specified by the commission, publicly announced, and held in accordance with procedures promulgated by the commission.

(d) At such time as may be deemed appropriate, the director may issue a directive designating a "special Win-4 draw" where additional prizes may be awarded from the accumulated prize reserve monies.

(e) When any question shall arise as to the validity of a lottery drawing for any reason whatsoever, the commission shall make the determination as to the validity of said drawing on the basis of the information at the commission's disposal. The determination of the commission shall be a final determination.

## **PART 5011**

### **Pick-10**

#### **Section**

5011.1 Definitions

5011.2 Payment of prizes and chances of winning for Pick-10

5011.3 Ticket sales



- 5011.4 Prize funds
- 5011.5 Miscellaneous

### **§ 5011.1. Definitions.**

The definitions below apply to the Pick-10 game herein described:

(a) *Pick-10* is a game that has one field of 80 numbers from which a player selects 10 numbers.

(1) Prizes for the Pick-10 game shall be awarded for tickets on which various numbers of player selections match the winning numbers drawn. Prizes, payouts, and chances of winning are set forth in section 5011.2 of this Part.

(2) *Pick-10 play card* means a card that contains four game panels of numbered squares used by a player to select the game the player desires to play, the number of game panels to be played and the specific subset of numbers for each game selected. There is a separate play card for the Pick-10 game.

(b) *Pick-10 game panel* means the area of the Pick-10 play card that contains 80 squares numbered one through 80.

(c) *Net sales* means the sum of the dollar purchases (after cancellations) of Pick-10 tickets eligible for a particular Pick-10 game draw date.

(d) *Prize pool* means 40 percent of the net sales for a particular drawing that is allocated for the purpose of paying prizes in that game.

### **§ 5011.2. Payment of prizes and chances of winning for Pick-10.**

(a) Prizes will be paid for all tickets on which the player selections match the winning numbers drawn for the day or days played. The number of selections that must match the winning numbers drawn, and the prize won is shown in the chart below:

Winning numbers matched	Prize	Chances of winning
10	\$500,000	1 in 8,911,711
9	\$6,000	1 in 163,381
8	\$300	1 in 7,384
7	\$40	1 in 621
6	\$10	1 in 87
0	\$4	1 in 22

Overall chances of winning: 1 in 17

These odds have been rounded to the nearest whole number. For any drawing in which there are more than 10 tickets on which the player selections match 10 winning numbers, the total prize payments available for such winning tickets shall be limited to \$5,000,000; and the amount of the prize payable to the holder of each such ticket shall be determined by dividing the sum of \$5,000,000 by the number of such tickets.

(b) The holder of a winning ticket may win only one prize per game panel in connection with the winning numbers drawn for a particular Pick-10 game, but shall be entitled to the highest prize won by those numbers.

(c) A Pick-10 reserve will be created using the funds made available as a result of drawings in which the total prizes paid are less than the 40-percent prize pool. This reserve may be used, at the option of the director, to increase any or all prize levels. Such increases may be permanent or for a specific period of time.

### **§ 5011.3. Ticket Sales.**

(a) No person shall sell a Pick-10 ticket at a price greater than that fixed by the commission.

(b) The price of each game panel for the Pick-10 game is \$1. One-, two-, three- or four-game panels may be played on each play card.

(c) Bets may be placed either for the next scheduled drawing or for up to seven consecutive drawings. No other bet durations are available.

### **§ 5011.4. Prize funds.**

(a) Forty percent of net sales for each Pick-10 game draw date shall be paid into the New York Lottery prize account for allocation of prize winnings.

(b) In the event of termination of the Pick-10 game for any cause, any prize monies remaining unallocated in the New York State Lottery prize account will be disbursed for the sole benefit of winners of other lottery games at the total discretion of the commission.

### **§ 5011.5. Miscellaneous.**

(a) All number selections or other information appearing on a Pick-10 bet ticket shall be deemed to be made or given exclusively by the player. Where one person submits a ticket as agent or nominee for another person or persons, the commission shall not be deemed to have any knowledge of such transaction and all dealings of the commission will be conducted with the bearer of the ticket.

(b) The commission reserves the right to change the prize structure, frequency of draws, draw dates or the game itself.



- (c) If, for any reason, a bet ticket is not entirely legible or is misprinted or altered in any way, then the computer record created at the time of sale will be the sole method of validation of the ticket. The commission reserves the right to refuse payment if all validation tests are not successfully completed.
- (d) When any question shall arise as to the validity of a lottery drawing for any reason whatsoever, the commission shall make the determination as to the validity of said drawing on the basis of information at the commission's disposal. The determination of the commission shall be a final determination.
- (e) Neither the commission nor the commission's contractors shall be responsible for lost or stolen tickets or for tickets redeemed or cancelled in error.
- (f) Commission rules do not allow for the payment of prizes for previously redeemed or cancelled tickets. Accordingly, neither the commission nor the contractors shall be responsible for bet tickets inadvertently returned to a player following redemption or cancellation by an agent. In such cases, the computer file will be the sole method for determining whether the ticket has been previously redeemed or cancelled.

## PART 5012

### Take Five

#### Section

- 5012.1 Definitions
- 5012.2 Payment of prizes
- 5012.3 Ticket sales
- 5012.4 Prize funds
- 5012.5 Miscellaneous
- 5012.6 Determination of prizes
- 5012.7 Chances of winning

#### § 5012.1. Definitions.

The definitions below apply to the Take Five game herein described.

- (a) *Take Five* means a game played by placing five-digit number bets at agent locations.
- (b) *Take Five* is a game that has one field of 39 numbers from which a player selects five numbers.
- (c) *Take 5 play card* means a card that contains five game panels of numbered squares used by a player to select the games the player desires to play, the number of game panels to be played and the specific subset of numbers for each game selected.
- (d) *Take Five game panel* means the area of the Take Five play card that contains 39 squares numbered one through 39.

(e) *Gross sales* means the sum of the dollar purchases of Take Five tickets eligible for a particular Take Five drawing date.

(f) *Winning pool* means 50 percent of the gross sales for a particular Take Five game that is allocated for the purpose of paying prizes in that game.

### **§ 5012.2. Payment of prizes.**

(a) Prizes for all games shall be calculated as follows:

(1) The prize money allocated from the winning pool to the first prize category shall be divided equally by the number of game panels qualifying for a first prize. For any Take Five drawing in which there is no game panel qualifying for a first prize, the money allocated to the first prize category shall be added to the money allocated to the second prize category.

(2) The prize money allocated from the winning pool to the second prize category shall be divided equally by the number of game panels qualifying for a second prize. For any Take Five drawing in which there is no game panel qualifying for a second prize, the money allocated to the second prize category shall be added to the money allocated to the third prize category.

(3) The prize money allocated from the winning pool to the third prize category shall be divided equally by the number of game panels qualifying for a third prize.

(4) No prize money will be allocated from the winning pool to the fourth prize category. The fourth prize shall be a free play in a future drawing of the Take Five game to be awarded to each game panel that qualifies for a fourth prize.

(5) For the purpose of calculating any cash prize to be paid, the calculation shall be rounded down so that prize can be paid in multiples of 50 cents.

(6) The holder of a winning ticket may win only one prize per game panel in connection with the winning numbers drawn for a particular Take Five game, but shall be entitled to the highest prize won by those numbers.

### **§ 5012.3. Ticket sales.**

(a) No person shall sell a Take Five ticket at a price greater than that fixed by this Part.

(b) The minimum number of game panels that must be played for the Take Five game is one for \$1 and increments of one game panel thereafter. Two, three, four or five panels may be played for \$2, \$3, \$4 or \$5 respectively.



#### **§ 5012.4. Prize funds.**

(a) Fifty percent of gross sales for each Take Five game draw date shall be paid into the New York Lottery prize account for allocation of prize winnings.

(b) Not less than 50 percent of gross sales for a particular Take Five drawing shall be the amount allocated to the winning pool for that particular game, and not less than such amount shall form the basis upon which the payment of prizes for the particular game shall be computed.

(c) In the event of termination of the Take Five game for whatever cause, any prize monies remaining undistributed in the New York State Lottery prize account will be disbursed for the sole benefit of winners of other Lottery games at the total discretion of the commission.

#### **§ 5012.5. Miscellaneous.**

(a) All number selections or other information appearing on a Take Five bet ticket shall be deemed to be made or given exclusively by the player. Where one person submits a ticket as agent or nominee for another person or persons, the Lottery shall not be deemed to have any knowledge of such transaction, and all dealings of the commission will be conducted with the bearer of the ticket.

(b) Take Five bet tickets may be canceled, once issued, by the issuing computer terminal within the time permitted by the commission.

#### **§ 5012.6. Determination of prizes.**

For each Take Five game, five winning numbers shall be randomly selected at a public drawing from a field of 39 numbers from one to and including 39.

Any game panel on the bet ticket having the following shall be deemed to be a winning game panel:

The following shall be the prize categories:

The following shall be the percentage of the winning pool allocated to prize categories:

All five winning	First prize	20%
Any four winning	Second prize	30%
Any three winning	Third prize	50%
Any two winning	Fourth prize	0%

#### **§ 5012.7. Chances of winning.**

(a) *First prize.* Five winning numbers in one game panel. Chances of winning: 1 in 575,757.



(b) *Second prize*. Any four winning numbers in one game panel. Chances of winning: 1 in 3,387.

(c) *Third prize*. Any three winning numbers in one game panel. Chances of winning: 1 in 103.

(d) *Fourth prize*. Any two winning numbers in one game panel. Chances of winning: 1 in 9.6. Overall chances of winning a prize for a \$1 bet: 1 in 8.77.

## **PART 5013**

### **Quick Draw**

#### Section

5013.1 Definitions

5013.2 Payment of prizes; chances of winning

5013.3 Ticket sales

5013.4 Prize funds

#### **§ 5013.1. Definitions.**

The definitions below apply to the Quick Draw game herein described:

(a) *Quick Draw* means the Quick Draw game played at agent locations with television monitor and controller.

(1) *Quick Draw* is a game that has one field of 80 numbers from which a player selects from one to 10 numbers.

(2) Prizes for the Quick Draw game will be awarded for tickets on which various numbers of player selections match the winning numbers drawn. Prizes and payouts are set forth in section 5013.2 of this Part.

(b) *Quick Draw play card* means a card that contains four designated areas used by a player to select the number of spots (numbers) such player desires to play, the specific subset of numbers such player selects, the amount of money such player desires to play per draw and the specific number of consecutive draws such player desires to play. There is a separate play card for the Quick Draw game.

(c) *Quick Draw game panel* means the area of the Quick Draw play card that contains 80 bracketed areas numbered one through 80 plus the Quick Pick option.

(d) *Computer terminal with television monitor and controller* means the device at the agent location authorized by the commission for the placing of Quick Draw bets.

(e) *Draw* means the time at which the winning numbers are drawn for the Quick Draw game. Draw will be held daily at intervals during the hours designated by the

commission. If for any reason a drawing cannot be held, the next draw will take place at the next scheduled draw time.

(f) *Draw postponement* means that if for any reason a particular draw cannot be completed at the appropriate time, an issued bet ticket shall be valid for the next scheduled and completed draw.

(g) *Game number* is the six digit consecutive number assigned by the central computer system designating a particular draw.

(h) *Quick Draw wager options* means that on a single play card a player can select a number of spots (numbers) from one to 10, with a wager of \$1, \$2, \$3, \$4, \$5 or \$10 per draw and for one, two, three, four, five, 10 or 20 draws. A single play card total wager amount may not exceed \$100.

(i) *Exchange ticket* means a bet ticket issued if a winning ticket is redeemed prior to all drawings referred to thereon being completed.

(j) *Net sales* means the sum of the dollar purchases (after cancellation) of Quick Draw tickets eligible for a particular game draw.

(k) *Prize pool* means 60 percent of the net sales for a particular draw that is allocated for the purpose of paying prizes in that game.

(l) *Ticket Cancellation* means that a single draw Quick Draw ticket may be cancelled at the same terminal prior to the drawing only on the day of purchase. A multiple drawing ticket can be cancelled only prior to the Quick Draw ticket's first draw. Exchange tickets cannot be cancelled.

(m) *Spot* means the number of numbers a player chooses to play in the Quick Draw game. For example, in a 10-spot game, the player chooses 10 numbers; in a 9-spot game, the player chooses nine numbers; etc.

## **§ 5013.2. Payment of prizes; chances of winning.**

(a) Prizes will be paid for all tickets on which the player selections match the winning numbers drawn for the draw played. The number of selections that must match the winning numbers drawn, the prizes won for a \$1 bet, and the chances of winning are shown in the charts below:



### 10-Spot Game

Number Matched	Prize	Chance of Winning
10	\$100,000	1:8,911,711.18
9	\$5,000	1:163,381.37
8	\$300	1:7,384.47
7	\$45	1:620.68
6	\$10	1:87.11
5	\$2	1:19.44
0	\$5	1:21.84

Overall Chance of Winning in 10 Spot Game 1:9.05

### 9-Spot Game

Number Matched	Prize	Chance of Winning
9	\$30,000	1:1,380,687.65
8	\$3,000	1:30,681.11
7	\$125	1:1,690.11
6	\$20	1:174.84
5	\$5	1:30.67
0	\$2	1:15.69

Overall Chance of Winning in 9-Spot Game 1:9.74

### 8-Spot Game

Number Matched	Prize	Chance of Winning
8	\$10,000	1:230,114.61
7	\$550	1:6,232.27
6	\$75	1:422.53
5	\$6	1:54.64
0	\$2	1:11.33

Overall Chance of Winning in 8-Spot Game 1:9.17



### 7-Spot Game

Number Matched	Prize	Chance of Winning
7	\$5,000	1:40,979.31
6	\$100	1:1,365.98
5	\$20	1:115.76
4	\$2	1:19.16
0	\$1	1:8.23

Overall Chance of Winning in 7-Spot Game 1:5.46

### 6-Spot Game

Number Matched	Prize	Chance of Winning
6	\$1,000	1:7,752.84
5	\$55	1:323.04
4	\$6	1:35.04
3	\$1	1:7.70

Overall Chance of Winning in 6-Spot Game 1:6.19

### 5-Spot Game

Number Matched	Prize	Chance of Winning
5	\$300	1:1,550.57
4	\$20	1:82.70
3	\$2	1:11.91

Overall Chance of Winning in 5-Spot Game 1:10.34

### 4-Spot Game

Number Matched	Prize	Chance of Winning
4	\$55	1:326.44
3	\$5	1:23.12
2	\$1	1:4.70

Overall Chance of Winning in 4-Spot Game 1:3.86





### 3-Spot Game

Number Matched	Prize	Chance of Winning
3	\$23	1:72.07
2	\$2	1:7.21

Overall Chance of Winning in 3-Spot Game 1:6.55

### 2-Spot Game

Number Matched	Prize	Chance of Winning
2	\$10	1:16.63

Overall Chance of Winning in 2-Spot Game 1:16.63

### 1-Spot Game

Number Matched	Prize	Chance of Winning
1	\$2	1:4.00

Overall Chance of Winning in 1-Spot Game 1:4.00

(b) For any draw in which there are more than 50 wagers of \$1 in which the player selections match 10 winning numbers, the total prize amount available for payment of prizes on such winning wagers shall be limited to \$5,000,000; and the amount of the prize payable to the holder of each bet ticket for such a wager shall be determined by dividing \$5,000,000 by the number of such winning wagers of \$1.

(c) Valid winning tickets valued at \$600 or less and presented for payment may be presented to any agent for payment. Quick Draw tickets may be purchased only at a Quick Draw agent location.

(d) The holder of a winning ticket may win only one prize per game in connection with the winning numbers drawn for a particular Quick Draw draw, but shall be entitled to the highest prize won by those numbers.

(e) A Quick Draw reserve will be created using the funds made available as a result of draws in which the total prizes paid are less than the 60 percent prize pool. This reserve will be used to pay prizes for any draw in which the prize liability exceeds 60 percent of net sales for that draw and may be used, at the option of the Director, to increase any or all prize levels. Such increases may be permanent or for a specific period of time.

**§ 5013.3. Ticket sales.**

- (a) No person shall sell a Quick Draw ticket at a price greater than that fixed by the commission.
- (b) The price of each bet for the Quick Draw game is \$1, \$2, \$3, \$4, \$5, or \$10.
- (c) Bets may be placed either for the next scheduled draw or for two, three, four, five, 10 or 20 consecutive draws, except that the maximum bet on any Quick Draw play card shall be \$100. No other bet durations are available.
- (d) (1) No person shall sell a Quick Draw ticket to a person under the age of 18 years. No person under the age of 21 years may purchase a Quick Draw ticket on the premises of a licensee who holds a license issued pursuant to the Alcoholic Beverage Control Law to sell alcoholic beverages for consumption on the premises.  
  
(2) The commission shall penalize a licensee found to have violated paragraph (1) of this subdivision according to the provisions of paragraph (2) of this subdivision (c) of section 5001.27 of this Chapter.
- (e) Quick Draw tickets shall be sold only on premises satisfying the following:
  - (1) If the premises are not used for the sale of alcoholic beverages for consumption on the premises, the agent must have certified in writing that the premises comprise an area greater than 2,500 square feet.
  - (2) Exceptions. The provisions of paragraphs (1) and (2) of this subdivision relating to 2,500 square feet shall not be applicable to premises used as either:
    - (i) a commercial bowling establishment; or
    - (ii) a facility authorized under the Racing, Pari-Mutuel Wagering, and Breeding Law to accept pari-mutuel wagers.

**§ 5013.4. Prize funds.**

- (a) Sixty percent of sales receipts for each Quick Draw game draw shall be available for the payment of prizes.
- (b) In the event of termination of the Quick Draw game for any cause, any prize monies remaining may be used for prizes in other lottery games at the discretion of the commission.