

**MINNESOTA STATE LOTTERY
GAME PROCEDURES FOR THE LOTTO GAME
AMENDED
“HOT LOTTO®”**

AS OF: MAY 12, 2013

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“HOT LOTTO®”**

1.0. Name of Game

The name of the MUSL 5 of 47 PLUS 1 OF 19 Lotto Game in Minnesota is "HOT LOTTO®".

1.1. Definitions

- A. "Advertised Grand Prize" means the amount determined and publicly announced by the MUSL Hot Lotto Product Group to be the Grand Prize for the drawing. The "Advertised Grand Prize" amount is not the Gross Grand Prize Value. The Advertised Grand Prize amount shall be the minimum cash amount which would be paid as a "Withholding Taxes Paid" prize to the Grand Prize winner(s), on a pari-mutuel basis, after calculating the federal and state withholding taxes to the Gross Grand Prize Value.
- B. "Director" means the Director of the Minnesota State Lottery.
- C. "Drawing" means the formal process of randomly selecting winning numbers that determine the number of winners for each prize category of the game.
- D. "Game Board" or "Boards" mean that area of the play slip that contains two sets of numbered squares to be marked by the player, the first set containing forty-seven (47) squares numbered one (01) through forty-seven (47) and the second set containing nineteen (19) squares numbered one (01) through nineteen (19).
- E. "Game Ticket" or "Ticket" means an acceptable evidence of play, which is a ticket produced by a Retailer Terminal or a validly registered Subscription Play for the "HOT LOTTO®" game.
- F. "Gross Prize Value" means the prize value prior to deductions for applicable federal and state withholding taxes.
- G. "Guaranteed Grand Prize" means the guarantee by the MUSL Hot Lotto Product Group with respect to the "Gross Grand Prize Value" amount. The "Advertised Grand Prize" is not a guaranteed prize amount.
- H. "Lottery" means the Minnesota State Lottery.
- I. "Lottery Retailer" or "Retailer" means a person or entity that is authorized by the Lottery to sell lottery tickets.

- J. "MUSL" means the Multi-State Lottery Association, a government-benefit association wholly owned and operated by the Party Lotteries.
- K. "MUSL Hot Lotto Product Group" or "Hot Lotto Product Group" mean the group of lotteries that have joined together to offer the "HOT LOTTO" lottery game pursuant to the terms of the MUSL Agreement and the Hot Lotto Product Group rules.
- L. "Lotto Game" means a lottery game wherein a player selects numbers out of a larger predetermined set or sets of numbers.
- M. "Terminal" means a device authorized by the Lottery to function in an interactive mode with the Lottery's computer system for the purpose of issuing lottery tickets and entering, receiving and processing lottery transactions including purchases, validating tickets and transmitting reports.
- N. "Pari-Mutuel Prize" means a prize that is a share of a prize pool for a specified prize category.
- O. "Play" means one set of six (6) two-digit numbers, reading horizontally from left to right, the first five (5) numbers from a field of forty-seven (47) numbers from one (01) through forty-seven (47) and the last number from a field of nineteen (19) from one (01) through nineteen (19) that appear on a ticket to be played by a player in the "HOT LOTTO" game.
- P. "Play Slip" means a card used in marking a player's game plays and containing one or more boards.
- Q. "Quick Pick" means the random selection of two-digit numbers by the computer system that appears on a ticket and is played by a player in the game.
- R. "Set Prize" means a prize that is advertised to be paid by a single cash payment and, except in instances outlined in these procedures, will be equal to the prize amount established by these procedures for the prize category.
- S. "Winning Numbers" mean the six (6) two-digit numbers, the first five (5) from a field of forty-seven (47) numbers from one (01) through forty-seven (47) and the last number from a field of nineteen (19) from one (01) through nineteen (19) randomly selected at each official drawing conducted by the MUSL Hot Lotto Product Group that shall be used to determine winning plays contained on a game ticket.
- T. "Subscription ACH Process" or "ACH Process" means the process where funds are electronically transferred from a player's Minnesota bank account to the Lottery's bank account to purchase a Subscription Play.
- U. "Subscription Account Activation Email" or "Account Activation Email" means the electronic correspondence sent to a player from the Lottery confirming that the player has successfully registered for the Subscription Service.

- V. "Subscription Claim Form" means the claim form that must be completed by the player and submitted to the Lottery to claim a prize from a Subscription Play of \$600.00 or more.
- W. "Subscription Effective Start Date" "or "Effective Start Date" means the first drawing date for which a Subscription Play is effective.
- X. "Subscription Expiration Date" or "Expiration Date" means the last drawing date for which a Subscription Play is effective.
- Y. "Subscription Group" or "Group" means two or more individuals sharing a Subscription Play.
- X. "Subscription Group Manager" or "Group Manager" means the individual designated on a Group Subscription Play as the person acting on behalf of the Group.
- AA. "Subscription Play" means a play for the Lotto Game purchased through the Subscription Service.
- BB. "Subscription Purchase Receipt Email" or "Purchase Receipt Email" means the electronic correspondence sent to the player from the Lottery confirming the Subscription Plays for each Lotto Game played through the Subscription Service, the Effective Start Date of the Plays, the Expiration Date for each Play and the Game Numbers selected for each Play.
- CC. "Subscription Service" means the service provided by the Lottery that permits a player to purchase a Lotto Game play for a period of time via the Lottery's website subject to the terms and conditions of the Subscription Service Terms of Service.
- DD. "Subscription Wallet" or "Wallet" means the account that the player has with the Lottery where the balance remaining from winnings less than \$600.00 is listed.
- EE. "Wallet Check Request Confirmation Email" means the electronic correspondence sent to the player from the Lottery confirming that the player has requested to receive a check for the total value in the player's Wallet.
- FF. "Withholding Taxes Paid Prizes" means prizes where the Lottery pays the prize winner a net prize amount, which consists of the Lottery withholding and depositing on behalf of the prize winner the required federal and state withholding taxes on the "gross prize value" with the residual amount paid to the prize winner.

2.0. Game Description

The "HOT LOTTO" game is a five (5) out of forty-seven (47) plus one (1) out of nineteen (19) Lotto game that pays a grand prize and set prizes as provided in

these procedures. To play the "HOT LOTTO" game, a player selects five (5) different numbers between one (01) and forty-seven (47) and one (1) additional number from one (01) through (19) for input into a terminal operated by a lottery retailer. The player may select each set by communicating the six (6) numbers to the retailer by marking six (6) numbered squares in any one game board on a play slip and submitting the play slip to the retailer or by requesting a quick pick from the retailer. The lottery retailer will then issue a ticket, via the terminal, containing the elected set or sets of numbers, each of which constitutes a game play. Tickets may also be purchased via the Subscription Service.

2.1. Claims

A ticket shall be the only proof of a game play or plays and the submission of a winning ticket to the Lottery or a lottery retailer shall be the sole method of claiming a prize or prizes. A play slip has no pecuniary or prize value and shall not constitute evidence of ticket purchase or of numbers selected. A Terminal produced paper receipt or a Subscription purchase receipt produced by the Subscription Service has no pecuniary or prize value and shall not constitute evidence of a Ticket purchase or of numbers selected.

2.2. Cancellation Prohibited

A ticket may not be voided or canceled by returning the ticket to the Lottery or the selling lottery retailer, including tickets that are printed in error.

2.3. Player Responsibility

It shall be the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. The placing of plays is done at the player's own risk through the lottery retailer who is acting on behalf of the player in entering the play or plays.

2.4. Price of Game Ticket

The price of each "HOT LOTTO" ticket shall be \$1.00 and shall contain one play.

2.5. Play Slip and Ticket Characteristics and Restrictions

- A. The player shall select, or request selection by the terminal, five numbered squares on a play slip. Play slips shall be available at no cost to the player. The minimum entry shall be \$1.00. A play slip has no pecuniary or prize value and does not constitute evidence of purchase or numbers selected.
- B. To purchase a ticket, players shall, in addition to the purchase price, submit a completed play slip or request number selection by quick pick to an authorized lottery retailer to have issued a standard game ticket that shall contain the six number selections played in each game grid, the drawing date, dollar amount wagered, validation number data and the number of draws selected. This standard game ticket shall be the only valid proof of the

play and the only valid receipt for claiming a prize. The standard game ticket shall only be valid for the drawing date or dates printed on the ticket. Tickets may also be purchased via the Subscription Service.

- C. If play slips are unavailable, the play may also be given to a lottery retailer in groups of six number selections for each \$1.00 wagered. The selections shall be manually entered into the terminal by the retailer.
- D. A player may select numbers for up to fourteen (14) drawings, specifically the next drawing and the thirteen (13) subsequent drawings.
- E. No ticket may be purchased or issued for a drawing after 9:00 p.m. Central Time on Wednesday and Saturday for tickets for that night's drawing, provided the Director may change the time within which a ticket may be purchased without notice.
- F. Plays may only be entered manually or by means of a play slip provided by the Lottery and hand-marked by the player or such other means as approved by the Lottery.
- G. A lottery retailer may 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 Lottery.
- H. A lottery retailer may not permit any device to be connected to the terminal to enter plays except as approved by the Lottery.

2.6 Time, Place and Manner of Conducting the Drawing

- A. "HOT LOTTO" drawings will be held on Wednesday and Saturday at 10:00 p.m. Central Time provided that the Director or the MUSL Hot Lotto Product Group may change the time of the drawing without notice.
- B. "HOT LOTTO" drawings will be conducted by MUSL in places designated by the MUSL Hot Lotto Product Group.
- C. MUSL will draw, at random, five (5) numbers between one (01) through forty-seven (47) and one (1) number between one (01) and nineteen (19) with the aid of mechanical drawing equipment that will be known as the winning numbers.

2.7. Purchase of "HOT LOTTO®" Through the Subscription Service

- A. The Subscription Service permits an eligible player to purchase plays for "HOT LOTTO®" for a number of consecutive drawings over a stated period of time from the Lottery's website. To purchase a Subscription Play for "HOT LOTTO®", a player must register on the Lottery's web site at www.mnlotterysubscription.com. In order to register, a player must be at

least 18 years of age or older, have a Minnesota mailing address and be a resident of the United States.

- B. To register for the Subscription Service, a player must enter the information listed below on the registration page on the Lottery's website, www.mnlotterysubscription.com. The address provided by the player must be within the State of Minnesota.
- 1) First and last name
 - 2) Street address
 - 3) City and state
 - 4) Zip code
 - 5) Phone number
 - 6) Date of birth
 - 7) Last four (4) digits of their social security number
 - 8) Email address
- C. Once the player has entered his or her personal information, the player will be required to select one (1) of twelve (12) site key images with text identifier and create a unique username and password. After a site key image has been selected and username and password created, the Lottery will send an Account Activation Email to the player. A player will be required to acknowledge receipt of the Account Activation Email in order to complete the Subscription registration. After the player has received and responded to the Subscription Account Activation Email, in order to finalize the Subscription registration the player must set a weekly spending limit at an amount between \$10.00 and \$50.00 per week. This spending limit may be changed at any time, although, if the spending limit is increased, it will not be effective for 24 hours after the change is made. Weekly limits are defined by Subscription Plays occurring each week, not the full value of the Subscription purchase.
- D. A player may ban themselves from purchasing any Subscription Purchases for a period of one (1) year, two (2) years, three (3) years or permanently by so indicating on the profile page. Once the player enters the appropriate information on the profile page, the player will not be able to purchase any Subscription Plays for the period indicated by the player. The Lottery will not be liable if the player circumvents the system and purchases Subscription Plays despite the exclusionary period entered by the player.
- E. A Subscription Registration may be rejected by the Lottery if the player does not provide all of the information required by this section, the player does not have a mailing address within the State of Minnesota, is not a resident of the United States, is under 18 years of age or the Lottery cannot verify that the person is 18 years of age or older.
- F. To make a Subscription Play for the purchase of a Ticket for the "HOT LOTTO®" Lotto Game, the player must select the "HOT LOTTO®" Lotto Game, the type of play (Group or individual), the desired numbers or Quick

Pick, the amount wagered per draw and the number of weeks of the subscription (between six weeks and one year). Once a purchase of a Subscription Play is completed, the numbers selected for the Subscription Play may not be changed. Before the Subscription Play is processed, the system will confirm that the player is making the purchase from a computer located within the State of Minnesota. Additionally, the player must verify that he/she is within the State of Minnesota.

- G. Once the player has designated all of his/her Subscription Plays, the player will be required to enter certain bank account information, including the player's bank account number and routing number. The player's bank account must be from a bank located within the State of Minnesota. Purchases of Subscription Plays will only be permitted through the ACH Process. Purchase of Subscription Plays via credit or debit cards is not permitted. Once the purchase of the Subscription Play is completed, the player may not cancel the Subscription Play or change any of the Game Numbers that are a part of that Subscription Play. Any amount paid to the Lottery for a Subscription Play is nonrefundable.
- H. The Effective Start Date for any Subscription Play will be within 48 hours after completion of the purchase. The purchase of a Subscription Play will be denied if the player does not provide all of the required information or if the purchase is being made from a computer not located within the State of Minnesota. If the Subscription Play is accepted by the Lottery, the player will receive a Subscription Purchase Receipt Email from the Lottery. The player should contact the Lottery if he or she does not receive a Subscription Purchase Receipt Email. If a payment attempt is denied by a bank for insufficient funds, the account was closed or for any other reason, the Lottery may charge the player a fee of \$30.00.
- I. A Subscription Play may be suspended by the Lottery if the payment is denied by the bank for insufficient funds or any other reason. Once a Subscription Play has been suspended, individual plays or wagers for that Subscription Play will no longer be placed by the Lottery. If a Subscription Play is suspended, the Lottery may, at its discretion, cancel the remaining wagers or Plays within that Subscription Play or reinstate the wagers or Plays if the player makes full payment of the amount owed, including any fees. If the Subscription Play is reinstated, the Subscription will be extended. During the period of any suspension, no further Subscription Play purchases will be allowed from that player.
- J. The Lottery may terminate subsequent plays included in a Subscription Play if the "HOT LOTTO®" Lotto Game is changed so as to make the Subscription Play ineffective. In such event, the player may elect to receive a refund of the value of the remaining "HOT LOTTO®" Lotto Game plays to the player or apply the value of the remaining plays to the player's Wallet.
- K. The Lottery will make every attempt to ensure transactions are processed. If there are system problems, neither the Lottery nor its vendors will be liable

for the failure of an individual Subscription Play being processed. In such an instance, the Subscription will be extended.

- L. Subscription Plays may not be transferred to another player.
- M. To purchase Subscription Plays for a Group, the Group Manager must indicate the number of persons in the Group and list the name (first and last) of each member of the Group. The Group Manager must verify that each Group member is 18 years of age or older. Once a Group Subscription is purchased, the Group Manager may not change or delete members of the Group. A Group Manager is responsible for disbursing any funds in the Group Manager's Wallet to Group members

3.0. Prize Pool

The prize pool for all prize categories shall consist of fifty percent (50%) of each drawing period's sales. Any amount remaining in the prize pool at the end of this game shall be carried forward to a replacement game or expended in a manner as directed by the MUSL Hot Lotto Product Group.

3.1. Prize Reserve Accounts

At the direction of the MUSL Hot Lotto Product Group, there shall be deducted from the grand prize pool an amount equal to no more than 2% of total sales that shall be placed in trust in one or more prize reserve accounts until the prize reserve accounts reach the amounts designated by the Hot Lotto Product Group. Once the prize reserve accounts exceed the designated amounts, the excess shall become part of the prize pool. Any amount remaining in a prize reserve account at the end of this game shall be carried forward to a replacement game prize reserve account or expended in a manner as directed by the MUSL Hot Lotto Product Group.

3.2. Expected Prize Payout Percentages

- A. The grand prize payment amounts shall be determined on a pari-mutuel basis. Except as provided in these procedures, all other prizes awarded shall be paid as set prizes with the following expected prize payout percentages:

Number of Matches Per Prize Category	Prize Payment	Prize Pool Allocated to the Prize
All five (5) of the first set plus one (1) of the second set	Grand Prize	52.1187%
All five (5) of the first set and none of the second set	\$ 30,000.00	3.7056%
Any four (4) of the first set plus one (1) of the second set	\$ 3,000.00	4.3232%
Any four (4) of the first set and none of the second set	\$100.00	2.5939%
Any three (3) of the first set plus one (1) of the second set	\$ 50.00	2.9542%
Any three (3) of the first set and none of the second set	\$ 6.00	6.3811%
Any two (2) of the first set plus one (1) of the second set	\$ 6.00	4.7267%
Any one (1) of the first set plus one (1) of the second set	\$ 3.00	11.5214%
None of the first set plus one (1) of the second set	\$ 2.00	11.6750%

- B. The prize money allocated to the grand prize category shall be divided equally by the number of Plays winning the grand prize.
- C. The prize pool percentage allocated to the set prizes (the cash prizes of \$30,000.00 or less) shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the set prizes awarded in the current draw. If the total of the set prizes awarded in a drawing exceeds the percentage of the prize pool allocated to the set prizes, then the amount needed to fund the set prizes awarded shall be drawn from the following sources in the following order: (1) the amount allocated to the set prizes and carried forward from previous draws, if any; (2) an amount from the set prize reserve account, if available, not to exceed the balance of that account. If, after these sources are depleted, there are not sufficient funds to pay the set prizes awarded, then the highest set prize shall become a pari-mutuel prize. If the amount of the highest set prize, when paid on a pari-mutuel basis, drops to or below the next highest set prize and there are still not sufficient funds to pay the remaining set prizes awarded, then the next highest set prize shall become a pari-mutuel prize. This procedure shall continue down through all set prize

levels, if necessary, until all set prize levels become pari-mutuel prize levels. In that instance, the money available from the funding sources listed in this paragraph shall be divided among the winning plays in proportion to their respective prize percentages.

3.3. Probability of Winning

The overall odds of winning a prize in the "HOT LOTTO" game are 1:17.217787. 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 of plays in the game.

Number of Matches Per Play	Probability Distribution	Prize Amount
All five (5) of the first set \$7,594,954.50 plus one (1) of the second set	1:29,144,841	Grand Prize
All five (5) of the first set and none of the second set	1:1,619,157.833333	\$30,000.00
Any four (4) of the first set plus one (1) of the second set	1:138,784.957143	\$ 3,000.00
Any four (4) of the first set and none of the second set	1:7,710.275397	\$100.00
Any three (3) of the first set plus one (1) of the second set	1:3,384.998955	\$ 50.00
Any three (3) of the first set and none of the second set	1:188.055497	\$6.00
Any two (2) of the first set plus one (1) of the second set	1:253.874922	\$6.00
Any one (1) of the first set plus one (1) of the second set	1:52.076907	\$ 3.00
None of the first set plus one (1) of the second set	1:34.261123	\$ 2.00

3.4. Grand Prizes

A. Grand prizes shall be paid in a single cash payment.

- B. In certain instances announced by the Hot Lotto Product Group, the grand prize shall be a guaranteed amount and shall be determined pursuant to Section 3.10.
- C. For past HOT LOTTO grand prize winners who had elected an annuity payout of their grand prize, in the event of the death of a lottery prizewinner and upon petition of the estate of the lottery prizewinner, the MUSL Hot Lotto Product Group may accelerate payment of all remaining proceeds from the winning ticket to the estate of the lottery winner by transferring to the estate the securities and/or cash being held to satisfy the prize requirements or paying the estate the present value of the remaining payments of the lottery winner's prize. The valuation of the securities and determination of the present value of the accelerated lottery payments shall be at the sole discretion of the MUSL Hot Lotto Group.
- D. A grand prizewinner shall receive a "Withholding Taxes Paid Prize", as defined herein. Federal and state withholding tax rates are subject to change and will be determined at the time the prize is awarded. The "Withholding Taxes Paid" prize amount reported to the federal and state revenue authorities by the Lottery as subject to income taxation shall reflect the amount paid to the prizewinner and also the amount remitted as withholding taxes to the federal and state authorities by the Lottery on behalf of the prize winner. The Lottery and MUSL are not responsible for additional income or other taxes applicable in excess of the amount withheld and remitted by the Lottery that may be due when the prizewinner files all tax returns for the year the prize is claimed. Prizewinners should verify individual personal tax liability with a financial adviser.

3.5 Prize Payments

All prizes will be paid by the Lottery in cash after receiving authorization from MUSL.

3.6. Limited to Highest Prize Won

The holder of a winning ticket may win in only one prize per play in connection with the winning numbers drawn and shall be entitled only to the prize won by those numbers in the highest matching prize category.

3.7. Prizes Rounded

Prizes other than the grand prize that, 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. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

3.8. Prize Claim Period

Prize claims must be submitted within one year of the drawing date. If the one year deadline is a Saturday, Sunday or a legal holiday, a claim must be submitted by the close of business the following business day.

3.9. Rollover

If the grand prize is not won in a drawing, the prize money allocated for the grand prize shall roll over and be added to the grand prize pool for the following drawing.

3.10. Funding of Prizes

Prior to a drawing, the MUSL Product Group shall determine and publicly announce the “Advertised Grand Prize” amount for that drawing. The Gross Grand Prize Value amount that is used to determine the Advertised Grant Prize amount, shall be a guaranteed amount and the MUSL Hot Lotto Product Group may offer guaranteed minimum Gross Grand Prize Value amounts or minimum increases in the Gross Grand Prize Value amount between drawings or make other changes in the allocation of prize money where the Hot Lotto Product Group finds that it would be in the best interest of the game. Guaranteed Gross Grand Prize Value amounts shall be funded as determined by the MUSL Hot Lotto Product Group. Grand prizewinner shares shall be determined as follows: If there are multiple grand prizewinners during a single drawing, then a winner’s share of the grand prize shall be determined by dividing Gross Grand Prize Value by the number of winners. Each grand prize winner’s share shall be paid as a “Withholding Taxes Paid” prize with applicable federal and state withholding amounts reducing the amount of cash paid to the prize winner(s). Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism set out in Section 3.2.B. becomes necessary.

3.11. Procedures for Claiming a Prize

- A. To claim a prize of five hundred and ninety-nine dollars (\$599.00) or less, a player must sign the back of the winning ticket in the space designated on the ticket and present the winning ticket to any lottery retailer, any Lottery Regional Office or the Lottery Headquarters or mail the ticket to the Minnesota State Lottery, P.O. Box 131000, Roseville, MN 55113. The retailer shall verify the claim through use of the terminal and, if valid, make payment of the amount due the player. In the event the retailer cannot verify the claim, the retailer shall provide the player with a claim form and instruct the player on how to file a claim with the Lottery. If the claim is validated by the Lottery, a check shall be forwarded to the player in the amount due. In the event the claim is not validated, the claim shall be denied and the player shall be notified promptly.
- B. To claim a prize of less than thirty thousand and one dollars (\$30,001.00) but greater than five hundred and ninety-nine dollars (\$599.00), the player must sign the back of the winning ticket in the space designated on the ticket, fill out a claim form and present both at any Lottery Regional Office or at the Lottery's main office in Roseville, Minnesota or mail both to the Minnesota

State Lottery, P.O. Box 131000, Roseville, MN 55113. If the claim is validated by the Lottery, a check in the appropriate amount will be forwarded to the player less any applicable federal and state withholding tax and debt owed under Minnesota Statutes 270A.03. In the event that the claim is not validated by the Lottery, the claim shall be denied and the player shall be notified promptly.

- C. To claim a prize of greater than thirty thousand dollars (\$30,000.00), the player must sign the back of the winning ticket in the space designated on the ticket, fill out a claim form and present both at the Lottery's main office in Roseville, Minnesota. If the claim is validated by the Lottery, a check in the appropriate amount will be forwarded to the player less any applicable federal and state withholding tax and debt owed under Minnesota Statutes 270A.03. In the event that the claim is not validated by the Lottery, the claim shall be denied and the player shall be notified promptly.
- D. Prizes from a "HOT LOTTO®" Lotto Game Ticket purchased through the Subscription Service less than \$600.00 will be paid to the person who had submitted the Subscription Play and had registered with the Subscription Service. The player will be notified by email and the amount won will be listed in the player's Subscription Wallet. A player may elect to receive cash for the balance remaining in the player's Wallet by so indicating on the Wallet page on the Subscription website. Once the election has been made, the player will receive a Wallet Check Request Confirmation Email and the Lottery will issue a check to the player for the total amount in the player's Wallet. A player may apply some or all of the funds in his/her wallet toward the purchase of future Subscription Plays. Money in a player's Wallet will not earn any interest. If there is no activity in a player's Subscription account for a period of three (3) years and there is a balance in the player's Wallet, the Lottery will notify the player regarding the player's balance. If there is no response from the player within thirty (30) days of such notification, the amount in the player's Wallet will be treated as unclaimed property under Minnesota law. The Lottery reserves the right to collect from a player's Wallet any amount owed to the Lottery due to nonpayment for a Subscription Play purchased by the player.
- E. To claim a prize less than thirty thousand and one dollars (\$30,001.00), but greater than five hundred and ninety nine (\$599.00) from a "HOT LOTTO®" Ticket purchased through the Subscription Service, the player must, fill out a Subscription Claim Form and mail it to the Minnesota State Lottery, P.O. Box 131000, Roseville, MN 55113. If the claim is validated by the Lottery, the check in the appropriate amount will be forwarded to the player less any applicable federal and state withholding tax and debt owed under Minnesota Statutes 270A.03. In the event that the claim is not validated by the Lottery, the claim shall be denied and the player shall be notified promptly.
- F. To claim a prize greater than thirty thousand dollars (\$30,000.00) from a "HOT LOTTO®" Ticket purchased through the Subscription Service, the

player must fill out a Subscription Claim Form and present it at the Lottery's main office in Roseville, Minnesota. If the claim is validated by the Lottery, the check in the appropriate amount will be forwarded to the player less any applicable federal and state withholding tax and debt owed under Minnesota Statutes 270A.03. In the event that the claim is not validated by the Lottery, the claim shall be denied and the player shall be notified promptly.

4.0. Ticket Responsibility

- A. A "HOT LOTTO" prize claim is deemed to be submitted by the person whose name appears on the back of the ticket or, in the case of a ticket not completed with the name, by the person holding the ticket.
- B. The Lottery will not be responsible for lost or stolen "HOT LOTTO" tickets.
- C. The purchaser of a "HOT LOTTO" ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.
- D. The Lottery will not be responsible for "HOT LOTTO" tickets redeemed in error by a player from a retailer.
- E. When a Subscription Play is validly and properly registered with the Lottery, the person who has registered the Subscription Play shall be the owner of the ticket and shall be entitled to any prize attributable thereto.

4.1. Ticket Validation Requirements

- A. To be a valid "HOT LOTTO" ticket, the following conditions must be met:
 - 1. The ticket validation number must be present in its entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.
 - 2. The ticket must be intact.
 - 3. The ticket may not be mutilated, altered, reconstituted or tampered with.
 - 4. The ticket may not be counterfeit or an exact duplicate of another winning ticket.
 - 5. The ticket must have been issued by the Lottery in an authorized manner.
 - 6. The ticket must not have been stolen.
 - 7. The ticket data must have been recorded on the Lottery's central computer system prior to the drawing and the ticket data must match this computer record in every respect.

8. The player selected or terminal selected numbers, the validation number data and the drawing date of an apparent winning ticket must appear on the official file of winning tickets and a ticket with that exact date may not have been previously paid.
 9. The ticket must not be misregistered, defectively printed or printed or produced in error to an extent that it cannot be processed by the Lottery.
 10. The ticket must pass other confidential security checks by the Lottery.
 11. A Ticket produced through the Subscription Service must meet all of the Lottery's confidential security checks.
- B. A ticket not passing the validation requirements and checks specified in Paragraph A. above will be considered invalid and a prize will not be paid for that ticket.
- C. In cases of doubt regarding the validity of a ticket, the determination of the Director is final and binding.
- D. If a defective ticket is purchased or if the Director determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

4.2. Allowances for Delay of Payment

- A. The Lottery may delay payment of a prize pending a final determination by the Director under the following circumstances:
1. if a dispute occurs or it appears likely that a dispute may occur regarding the prize;
 2. if there is any question regarding the identity of the claimant;
 3. if there is any question regarding the validity of the ticket presented for payment; or
 4. if the claim is subject to any setoff for delinquent debts owed by the claimant under Minnesota Statutes, Section 349A.08, Subdivision 8.
- B. No liability for interest for any delay shall accrue to the benefit of the claimant pending payment of the claim.

4.3. Payment of Prizes to Person Under the Age of 18

No prize in the "HOT LOTTO" game may be paid to a person under the age of 18 years.

4.4. Ticket Ownership

- A. Until such time as a Subscription Play is properly and validly registered with the Lottery, or until such time as a signature is placed on the back portion of a ticket in the space designated therefor, a ticket shall be owned by the physical possessor of said ticket or for a Ticket purchased through the Subscription Service, the person who submitted the Subscription Play. When a Subscription Play is validly and properly registered with the Lottery, or when a signature is placed on the back of the ticket in the space designated therefor, the player who has registered the ticket for a Ticket purchased through the Subscription Service, or whose signature appears in that area shall be the owner of the ticket and shall be entitled to any prize attributable thereto.
- B. If more than one (1) person's name appears on the back of the ticket and the prize being claimed is for a prize of less than \$600.00, the Director will require that one (1) of the persons whose name appears on the back of the ticket or is a party to a prize sharing agreement be designated to receive payment of the full amount of the prize.
- C. If more than one (1) person's name appears on the back of the ticket or there is an agreement to share the prize and the prize being claimed is greater than \$599.00, the Director may make payment to each person whose name appears on the back of the ticket or who is a party to a valid prize sharing agreement. Each person sharing a prize must submit a claim form to the Lottery.
- D. The Lottery will not be responsible for lost or stolen tickets.
- E. For Tickets purchased by a Group through the Subscription Service, the Director will make payment to each person listed in the Group Subscription Play, so long as the prize being claimed is more than \$599.00. If the prize from a Group Subscription Play is less than \$600.00, the prize will be listed in the Group Manager's Wallet. If the prize to be shared is the Grand Prize, each person's share of the prize will be determined under Section 3.4, and each person must make an election as to the method of payment as provided by that section. If the prize to be shared is the Grand Prize, each member of the Group must designate whether their share of the prize will be paid via an annuity or a single cash payment as provided under Section 3.4.

5.0. Ineligible Players

A "HOT LOTTO" game ticket may not be purchased from the Lottery or a lottery retailer and a prize won by any such ticket may not be paid to:

1. a MUSL employee, officer or director;
2. a contractor or consultant under agreement with MUSL to review the MUSL audit and security procedures;
3. 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;
4. an immediate family member of an individual described in Clauses 1, 2, and 3 above and residing in the same household;
5. a person prohibited by Minnesota law; or
6. a person prohibited by contract.

6.0 Retailer Conduct, Bulk Purchase Restrictions

- A. A lottery retailer may not enter into any special agreement with any person, group of persons or agent thereof for the purchase of over \$500.00 of "HOT LOTTO" tickets for any one draw.
- B. A retailer must immediately report to the Lottery any attempt made by any person, group of persons or an agent thereof to purchase more than 50% of the number combinations for the "HOT LOTTO" game for any one draw.
- C. A retailer must obtain the name and address of any person purchasing more than \$5,000.00 in "HOT LOTTO" tickets for any one draw and report the information to the Lottery before the sale.

7.0. Governing Law

In purchasing a "HOT LOTTO®" ticket, the player agrees to comply with and abide by these procedures for the "HOT LOTTO®" game; Minnesota Statutes, Chapter 349A (the State Lottery Law); the Lottery's Prize Payment Rules; MUSL Rules; MUSL Hot Lotto Product Group Rules; and all final decisions of the Director. In addition, if a Ticket is purchased through the Subscription Service, the player agrees to comply with and abide by the terms of service for the Subscription Service.