we're game
virginia lottery

DIRECTOR'S ORDER NUMBER TWENTY-TWO (14)

VIRGINIA'S COMPUTER-GENERATED GAME LOTTERY POWERBALL® FINAL RULES FOR GAME OPERATION.

In accordance with the authority granted by §§ 2.2-4002B (15) and 58.1-4006A of the *Code of Virginia*, I hereby promulgate the final rules for game operation in Virginia's Online Game Lottery "Powerball®". These rules amplify and conform to the duly adopted Virginia Lottery regulations for the conduct of lottery games.

The rules are available for inspection and copying during normal business hours at the Virginia Lottery headquarters, 900 East Main Street, Richmond, Virginia, and at each of the Virginia Lottery offices. A copy may be requested by mail by writing to: Director's Office, Virginia Lottery Department, 900 East Main Street, Richmond, Virginia 23219.

This Director's Order becomes effective with drawings beginning January 22, 2014, as set forth in the Multi-State "Powerball®" Official Game Rules, revised accordingly, and shall remain in full force and effect unless amended or rescinded by further Director's Order.

	January 13, 2014
Amy K. Dilworth, General Counsel	Date
	January 21, 2014
Paula I. Otto, Executive Director	Date

VIRGINIA'S ONLINE LOTTERY GAME
"POWERBALL®"
OFFICIAL RULES FOR GAME OPERATION
Revised January 21, 2014
to be effective with drawings beginning January 22, 2014

A. GENERAL REQUIREMENTS:

1. In addition to these specific Game Rules, all requirements in the Multi-State Powerball® Official Game Rules, the Virginia Lottery Computer-Generated Game regulations, and Virginia Lottery statutes apply to the operation of this Game.

2. Except as may be otherwise provided in **Section M** ("Disputes") herein, in the event of a conflict between any provision in the Multi-State Powerball® Official Game Rules and any Virginia Lottery law, rule or regulation, then, as to the Virginia Lottery, Virginia law, rule and regulation shall control.

3. Game Rules, Virginia Lottery regulations and Virginia Lottery statutes are on file at the Virginia Lottery headquarters.

B. DEFINITIONS (for purposes of this Game):

1. "Annual Payout Option" means that the manner in which the Jackpot Prize shall be paid is thirty (30) consecutive graduated annual installments. Refer to **Section H.4.a** ("Prize Structure").

2. "Cash Option" means that the manner in which the Jackpot Prize shall be paid is an initial cash payment followed shortly thereafter by a lump sum cash payment for the remaining portion of the Jackpot Prize. Refer to **Section H.4.b** ("Prize Structure").

3. "Claimant" means a Person who presents a Ticket that he/she presumes to win a prize.

4. "Claim Limitation" means the requirement that a Winning Ticket Prize must be claimed within 180 days of the valid Drawing date for which it was purchased.

5. "Computer-Generated Game" means a Virginia Lottery Game that is dependent upon the use of a Virginia Lottery Online Terminal in direct communication with an Online Game Mainframe computer operated by or at the direction of the Virginia Lottery.

6. "Director" means the Executive Director of the Virginia State Lottery Department as established in Chapter 40 of Title 58.1 (§58.1-4000 *et seq.*) of the *Code of Virginia* or any other employee(s) to whom the Executive Director's authority is lawfully delegated.

7. "Drawing" means a formal process of randomly selecting numbers in accordance with the Game Rules.

8. "Easy Pick" means a Game feature in which the Virginia Lottery computer system randomly selects numbers for the Player for an individual Play. The designation "EP" is printed on the Ticket to indicate an Easy Pick Play.

9. "Election" means the irrevocable decision that a Claimant makes within sixty (60) days of becoming entitled to the Prize to receive his/her prize under either the Annual Payout Option or Cash Option method of payment.

10. "Entitled to the Prize" means the day a Claimant has presented a Ticket to a Virginia Lottery office, and the Virginia Lottery has validated the Ticket as winning a Jackpot Prize, unless Internal Revenue Service policy provides a different definition, in which case the Internal Revenue Service definition shall prevail.

11. "Fixed Prizes" means a set amount awarded in the Powerball® Game.

12. "Future Play" means a Game feature which allows a Player to select numbers for any one (1) future Drawing scheduled after the next most immediate Drawing up to twenty-six (26) drawing days. A Future Play can be for one (1) drawing only.

13. "Game" means the game named in the title at the top of Page 1 of these rules.

14. "Game Rules" means these rules.

15. "Jackpot Prize" means the prize amount awarded for matching, in a single Play on a Powerball® Ticket, five (5) numbers selected from a field of fifty-nine (59) and one (1) number selected from a field of thirty-five (35).

16. "Lottery" means the Virginia State Lottery Department.

17. "Lottery Board" means the group of five (5) people, appointed by the Governor of Virginia, with the power to adopt regulations governing the establishment and operation of the Virginia Lottery and to perform other functions that are set out in the *Code of Virginia*.

18. "Lottery Express ("LE") Self-Service Terminal" means an interactive device by which a Player may select a game and purchase a Ticket without the help of a clerk at a Virginia Lottery Retailer or an employee at a Virginia Lottery office.

19. "Lottery Retailer", "Lottery Sales Retailer" or "Retailer" means a person or entity licensed by the Virginia Lottery to sell and dispense Virginia Lottery Tickets, materials and games.

20. "Multi-Draw" means a Game feature which allows a Player to select Plays for up to twenty-six (26) consecutive Drawings on one (1) ticket, starting with the next scheduled Drawing. The cost of a Multi-Draw Ticket depends on how many Draws and how many Plays are selected.

21. "Multi-State Lottery Association (MUSL)" means the association made up of certain member lotteries that oversees and administers the Powerball game.

22. " Non-MUSL Lotteries" means those lotteries that are not voting members of MUSL but that are licensed to sell Powerball® (CA, GA, IL, MD, MA, MI, NJ, NY, OH, TX, VA, and WA). Participating jurisdictions may change from time to time.

23. "Number of Drawings" means the number of Drawings for which a Multi-Draw Ticket is valid.

24. "Pari-Mutuel" means the total amount of sales allocated to pay prize Claimants, at the designated prize level, divided among the number of winning Powerball® Tickets.

25. "Partial Easy Pick" means a Game feature that allows the player to have the gaming system randomly select a portion of their numbers for an individual Play. There will be an "EP" printed on the Ticket to indicate a Partial Easy Pick Play.

26. "Person" means a natural person and may not extend to or be applied to a corporation, company, partnership, association or other entity.

27. "Play" means one (1) unique five (5)-digit number and one (1) unique Powerball® number purchased for a chance to win a Powerball® prize.

28. "Player" means a Person who is at least eighteen (18) years of age, who purchases or otherwise validly obtains a Ticket. Licensed Virginia Lottery Retailers and their employees may be Virginia Lottery Players.

29. "Playslip" means an optically readable card on paper stock issued by the Virginia Lottery that a Player uses to make a Powerball® Play.

30. "Plays per Ticket" means the number of Plays printed on a single Ticket. A Powerball® Ticket can have up to ten (10) Plays per Ticket. Plays will be marked "A" through "J" on the Ticket.

31. "Powerball® Cut-off" (or "Imminent") means the time after which Lottery Plays will not be accepted for that Drawing. The Imminent occurs on Wednesdays and Saturdays at 10:00 PM Eastern Time for each Powerball® Drawing.

32. "Powerball® Ticket" or "Ticket" means a valid Ticket produced by the Lottery's gaming system and is sold by the Virginia Lottery for this Game

33. "Power Play" means an add-on feature to the Powerball® Game that provides a chance to increase the amount of any non-jackpot prize won. The "Power Play" number will be randomly chosen from a field of thirty (30) numbers according to the following relative frequency: fifteen (15) number 2's, nine (9) number 3's, three (3) number 4's, and three (3) number 5's.

34. "Present at the Terminal" means that a Player remains physically present at the Virginia Lottery Terminal from the time the Player's order for Powerball® Tickets is accepted by the Virginia Lottery Retailer, through completion of the order processing, while the Ticket(s) is (are) paid for, and through the time that the Ticket(s) is (are) delivered to the Player. Players must be present at the Terminal for any Powerball® purchase.

35. "Prize or Prizes" means the winnings as defined in **Section H** ("Prize Structure").

36. "Prize Fund" means the number of dollars available to fund all Prizes.

37. "Prize Level" means the different prizes awarded for correctly selecting one (1) or more numbers which match numbers produced by the Drawing for the Drawing date for which the Play(s) was/were purchased.

38. "Prize Pool" means the respective number of dollars from the Prize Fund allocated to each of the Prize Levels.

39. "Prizewinner" means a Player who is entitled, as a result of successful Claimant verification and successful Play/Ticket validation, to receive a Prize under the rules of a Game.

40. "Terminal" means a device that is authorized by the Virginia Lottery to interact with the Virginia Lottery's central computer system to issue Virginia Lottery Tickets and to enter, receive and process Virginia Lottery transactions that may include issuing Tickets, validating Tickets and transmitting reports.

41. "Ticket Message" means a message that may appear on each Ticket that consists of up to seven (7) lines, thirty-six (36) characters per line.

42. "Unclaimed Prize" means any cash Prize for a Winning Powerball® Play that has not been presented for payment, along with the documentation, if any, required by these Rules, within 180 days of the Play's valid draw date.

43. "Winning Number(s)" means the five (5) different numbers (one (1) through fifty-nine (59) and one (1) number (one (1) through thirty-five (35)), randomly selected at each Drawing, that will be used to determine the Winning Play.

44. "Winning Play" means the Play that matches the Winning Numbers.

45. "Winning Ticket" means a Ticket that has passed all Lottery validation and security requirements and that contains the Winning Play. Each winning Ticket must meet Virginia Lottery validation requirements as defined in the Virginia Administrative Code and these Rules.

46. "Winning Ticket Validation" means the process used to validate a Winning Ticket following the purchase of a Winning Play as shown on the Powerball® Ticket. Refer to **Section L** ("Ticket Validation Requirements").

C. GAME DESCRIPTION: Powerball® is a multi-state lottery game in which Players select numbers that could potentially match those selected during a random Drawing for a chance to win Prizes. Refer to **Section H** ("Prize Structure").

D. GAME PURCHASE:

1. Eligible Players may purchase their Plays via Lottery Terminal at retail, Lottery Express Self-Service Terminal, or by any other method not prohibited by Virginia State Lottery Law, Rules and Regulations of the Virginia Lottery.

2. Price: Except as otherwise noted herein or as otherwise announced by MUSL, one (1) Powerball® Play costs two (2) dollars ($2.00).

3. By purchasing a Play, the Player agrees to comply with and abide by the Virginia State Lottery Law, all Rules and Regulations of the Virginia Lottery, all final decisions of the Virginia Lottery Director, and all procedures established by the Virginia Lottery Director for the conduct of the Game.

4. Minors Purchasing Plays or Redeeming Tickets: Persons under the age of eighteen (18) are not permitted to purchase Plays or redeem Virginia Lottery Tickets. No Ticket shall be given as a gift or otherwise to any Person under the age of eighteen (18) years. The transferee of any Ticket from a Person ineligible to purchase a Ticket is ineligible to receive any Prize.

5. Risk: In accordance with **Section G** ("Cancellation Policy") of these Rules, Plays for Powerball® cannot be voided or canceled. It shall be the sole responsibility of a Player to verify the accuracy of each Play or Plays printed on the Ticket (to include the cost, the numbers selected, and the date(s) of Play). The placing of Plays is done at a Player's own risk. The Player acknowledges that a Virginia Lottery Retailer shall be deemed to be acting on behalf of the Player in selecting numbers via the Virginia Lottery Terminal.

6. Players should sign the back of a Ticket after purchase. The Lottery shall not be responsible for any loss incurred as a result of a Player's failure to sign a Ticket.

E. HOW TO PLAY:

1. Powerball® tickets can be purchased for two dollars ($2) from an authorized selling agent. A Player must select five (5) numbers from a field of fifty-nine (59) numbers, and one (1) number from a field of thirty-five (35) numbers, or allow the random selection of numbers constituting a Play via Easy Pick or Partial Easy Pick by the Lottery's gaming system via Lottery Terminal, Lottery Express Self-Service Terminal, or by any other method not prohibited by Virginia State Lottery Law, Rules and Regulations of the Virginia Lottery.

2. Players must match their numbers to those drawn by MUSL on the designated Drawing date to win a prize.

3. Use of Playslips May Be Required: Virginia Lottery Retailers may require the use of Powerball® Playslips for those selections and options that can be executed on the Powerball® Playslip in order to minimize the risk of error in entering Players' number selections and to expedite service to all Virginia Lottery customers. Options not available on the Powerball® Playslip will be entered manually by the Virginia Lottery Retailer at the Player's request. The use of mechanical, electronic, computer generated or any other non-manual method of marking Playslips is prohibited. A Playslip has no pecuniary or Prize value and shall not constitute evidence of a Ticket purchase or of numbers selected.

4. Unaccepted Play: If for any reason the Player's Play is not accepted, the liability of the Virginia Lottery and its Retailer is limited to a refund of the amount paid for the Play.

5. Plays for a particular Drawing will be accepted by the computer system until approximately 10:45 PM Eastern Time on the day of that Drawing.

F. TICKET:

1. Ticket Data: A Powerball® ticket is acceptable evidence of play and consists of up to ten (10) game board(s), each having five (5) different numbers selected from a field of one (1) through fifty -nine (59) and one (1) number selected from a field of one (1) through thirty-five (35), which appear on a Ticket as a set of six (6) numbers.

   The front of the Ticket must show the logo for Powerball®, the date and time of purchase, the price of the Ticket, the game board(s), the Retailer and Terminal number that produced the Ticket, the security code, the Ticket serial number, and a bar code representation of the Ticket serial number.

   The back of the Ticket must contain a sequential Ticket stock number preceded or followed by two (2) alphabetic characters, and a synopsis of the game rules. The option to add a feature of a chance to increase non-jackpot winning prizes exists when "Power Play" is added for an additional one (1) dollar ($1.00) per Play.

2. Sample Printed Ticket:

G. CANCELLATION POLICY: Once printed, a Powerball® Ticket cannot be canceled.

1. Canceled Sales in Virginia: The Virginia Lottery Director has the right to cancel sales, of Tickets in Virginia on holidays, days of special importance, or on days when conditions make conducting sales impractical or inappropriate as determined by the Virginia Lottery Director .

2. Termination of Game: The Virginia Lottery Director may, at any time, announce a suspension or termination of a Game without advance notice and at his/her sole discretion, at which point no further Tickets will be sold and no additional Prizes shall be awarded. Neither the Virginia Lottery, the Virginia Lottery Director, nor any employee of the Virginia Lottery or member of the Virginia Lottery Board shall have any liability whatsoever for any such termination.

H. PRIZE STRUCTURE:

1. Prize Fund: The total Prize Fund for each Drawing is approximately fifty (50) percent of the money wagered by all Players for that draw. The Prize Levels are generated from the Prize Fund. Unless the provisions of **Section H.6** are applicable, the Jackpot Prize will be the only prize determined on a pari-mutuel basis. The Jackpot Prize Level will be determined by dividing the percentage of the Prize Fund allocated to the Jackpot Prize for the Drawing by the number of Winning Plays produced as a result of the Drawing. Except as otherwise provided in these Rules, other Prize Levels will be fixed as set forth in the following table:

POWERBALL® PRIZES AND ODDS Overall chances of winning a prize 1 in 32				Power Play Prizes (prizes below include the base prize amount) # OF BALLS IN PLAY			
				15 BALLS	9 BALLS	3 BALLS	3 BALLS
Level	**Match**	**Base Prize w/o Power Play**	**Odds 1 in**	**2X**	**3X**	**4X**	**5X**
1	5 + Powerball	Jackpot	175,223,510	Jackpot*	Jackpot*	Jackpot*	Jackpot*
2	5 (No Powerball)	$1,000,000	5,153,633	$2,000,000	$2,000,000	$2,000,000	$2,000,000
3	4 + Powerball	$10,000	648,976	$20,000	$30,000	$40,000	$50,000
4	4 (No Powerball)	$100	19,088	$200	$300	$400	$500
5	3 + Powerball	$100	12,245	$200	$300	$400	$500
6	3 (No Powerball)	$7	360	$14	$21	$28	$35
7	2 + Powerball	$7	706	$14	$21	$28	$35
8	1 + Powerball	$4	111	$8	$12	$16	$20
9	0 + Powerball	$4	55	$8	$12	$16	$20
	***Power Play does not apply to the POWERBALL® jackpot prize or Match 5 prizes of $2 Million.**						

2. Jackpot Prize Advertising: Prior to each Drawing, MUSL shall determine the annuitized Jackpot Prize amount to be advertised.

3. Minimum Jackpot Prize: The minimum annuitized Jackpot Prize amount shall be forty (40) million dollars as a starting jackpot, and each successive Jackpot Prize in the same roll cycle will be at least ten (10) million dollars more than the previously established jackpot paid in thirty (30) graduated payments, unless otherwise determined by MUSL.

4. Jackpot Prize Wins: If, in any Drawing, there are no Winning Plays that qualify for the Jackpot Prize category, the portion of the Prize Fund allocated to the Jackpot Prize shall remain in the Jackpot Prize Pool and be added to the amount allocated to the Jackpot Prize category in the next consecutive Drawing.

   If the annuitized Jackpot Prize divided by the number of Winning Plays is equal to or greater than one (1) million dollars, each Jackpot Prizewinner will be paid in thirty (30) installments unless the Prizewinner selects the Cash Option method of payment.

   If the annuitized Jackpot Prize divided by the number of Winning Plays is less than one (1) million dollars each Jackpot Prizewinner shall be paid an amount divided equally by the number of Jackpot Prizewinners. Each such Jackpot Prizewinner will be paid in a single cash payment.

   If the Cash Option is selected, no cash payment will be processed until the Claimant makes an Election by submitting a signed, notarized form irrevocably selecting the Cash Option method of payment.

If the Claimant does not make an Election of the Cash Option by the close of business on the sixtieth (60th) day following the date on which he/she first became entitled to the Jackpot Prize, the Claimant shall be paid the Jackpot Prize under the Annual Payout Option.

If multiple Claimants, acting as a group, claim a Jackpot Prize, the Election must be unanimous. If such multiple Claimants are unable to unanimously make an Election, the Prize shall be paid under the Annual Payout Option; however, the smallest annual pre-tax payment for each Claimant will not be less than five thousand one dollars ($5,001). If there are multiple Claimants acting as a group and the smallest annual pre-tax payment, or the smallest Cash Option payment, for an individual Claimant is less than five thousand one dollars ($5,001), the multiple Claimants must name a single recipient to whom the Virginia Lottery will issue payment.

a. Annual Payout Option: The Jackpot Prize shall be paid in thirty (30) consecutive graduated annual installments. The initial payment shall be paid after the validation process is completed, including all irrevocable elections and any other necessary validation requirements. The remaining twenty-nine (29) escalating payments will be issued annually on the schedule established at the time the claim is completed, generally on or about February 15, May 15, August 15, or November 15 of each year, whichever date is closest immediately preceding the anniversary date of the winning drawing on which the Jackpot Prize was won.

b. Cash Option: The Jackpot Prize shall be paid in an initial cash payment upon completion of internal validation procedures and the Prizewinner's notarized, irrevocable Election within the prescribed time period to receive the Jackpot Prize under the Cash Option method of payment. The Cash Option amount offered will be the Cash Equivalent/Grand Jackpot Prize as established under the Multi-State Powerball® Official Game Rules.

   The Prizewinner understands and agrees that he/she may not receive a payment until approximately seven (7) business days after the Election form is signed.

5. Other Prize Wins: Every Prize other than the Jackpot Prize shall be paid in one (1) payment.

6. Liability Cap: refers only to sales of the base Powerball® game and does not include Power Play wagers. The total Grand/Jackpot Prize liability for each Powerball® drawing shall be shared by each participating lottery (whether a MUSL lottery or a Non-MUSL Lottery) as follows: each participating lottery shall be responsible for an amount equal to a percentage of that entity's Powerball® sales, said percentage being the proportion of the total Grand/Jackpot Prize liability (as calculated and presented in the Powerball® Prize Settlement Report) to total Powerball® sales among all lotteries selling Powerball® for that drawing.

   Should total prize liability for all Non-MUSL Lotteries, except California which is prohibited from paying fixed prizes, exceed three hundred (300) percent of sales for all Non-MUSL Lotteries, except California, for the Drawing OR fifty (50) million dollars plus fifty (50) percent of sales for all Non-MUSL Lotteries, except California, for that Drawing (whichever is lower) (hereinafter collectively referred to as the "Liability Cap"), prize amounts in Prize Levels 2 through 9 may become pari-mutuel. However, in no event shall the pari-mutuel Prize be greater than the stated fixed Prize for that level.

   The amount to be used for the allocation of such pari-mutuel Prizes(hereinafter referred to as the Pari-Mutuel Prize Pool) shall be the Liability Cap less the amount paid for the Jackpot Prize and any excluded fixed prize levels, typically prize levels two (2) through nine (9). The Pari-Mutuel Prize Pool shall be allocated to prize levels two (2) through nine (9) on a pari-mutuel basis in accordance with the formula in the Finance and Operations Procedures. In addition, fixed Prize Levels may be adjusted based on the provisions included in the Multi-State Powerball® Official Game Rules and associated agreements.

7. For purposes of Prize calculation with respect to any pari-mutuel Prize other than the Jackpot Prize, the calculation shall be rounded down so that Prizes will be paid in multiples of one dollar ($1.00).

8. In a single Drawing, a Claimant may win in only one (1) Prize category per single Play and shall be entitled only to the highest Prize for that Winning Play.

9. Withholding from Prizes: State and federal withholding taxes, and any debts subject to the Virginia Setoff Debt Collection Act, shall be withheld from Powerball® Prizes by the Virginia Lottery in such amounts as may be required by law.

I. DRAWINGS:

1. Drawings will be held on Wednesdays and Saturdays at 11:00 PM Eastern Time, or at a time as determined by MUSL. Substitute Drawings will be held at the discretion of MUSL.

2. The process of selecting the Winning Numbers may be televised, either live or delayed, and the Virginia Lottery will report the results to selected news outlets to inform the public of the Winning Numbers. In the event these methods of informing the public of the results are prevented for any reason, the Virginia Lottery will use alternate means to inform the public at the earliest reasonable opportunity.

3. All Winning Numbers, even though announced, are subject to validation by the Virginia Lottery, including, if necessary, review by the Virginia Lottery Director, whose decision shall be final. The Virginia Lottery shall not be liable for media misprints or incorrectly announced Winning Numbers.

4. "Power Play" Draws: A separate random Power Play drawing will be conducted immediately before the Powerball® drawing and the results will be announced during each of the regular Powerball® draw shows. A single Power Play number of two (2), three (3), four (4), or five (5) shall be drawn. Refer to **Section H** (Prize Structure).

J. TICKET OWNERSHIP:

1. A Ticket is a Bearer Instrument. When a signature is written on the back of a Ticket, the Person whose signature appears in such area shall be the owner of the Ticket and shall be entitled to any Prize resulting from the Ticket. The Virginia Lottery shall pay the Claimant whose signature appears on the back of the Ticket.

2. If more than one (1) signature appears on the Ticket or there are multiple parties presenting one Ticket, **each** Prizewinner shall complete a Prizewinner's claim form to receive payment. Additionally, the Virginia Lottery may request that the parties complete a *Split Ownership/Proceeds Verification Form* which specifies how the total Prize will be divided. Certain restrictions may apply to the minimum amount of an individual Prizewinner's check.

3. Non-Responsibility: The Virginia Lottery shall not be responsible for lost, stolen, altered, forged or fraudulently made Tickets.

K. CLAIMANT VERIFICATION:

1. Methods used by the Virginia Lottery to establish and confirm a Claimant's identity include, but are not limited to:
   - viewing and/or copying the Claimant's valid government-issued photo identification
   - viewing and/or copying proof of taxpayer identification number (e.g. Social Security Number)
   - asking identity-verifying questions in the absence of the aforementioned document proof
   - viewing and/or retaining the information provided on a Virginia Lottery Winner Claim Form.

2. **In all cases involving a Game Prize greater than $100 claimed at a Lottery location**, the Lottery must be provided with the Claimant's valid government-issued photo identification and taxpayer identification number (e.g. Social Security Number). Payment will be delayed until such a number is provided and the Claimant shall not be entitled to interest on the Prize Funds attributable to such delay. Any Prize for which a taxpayer identification number has been requested but not furnished within 180 days of the date of the Drawing from which the winning Play resulted will be forfeited and treated as an Unclaimed Prize.

3. Eligibility: No officer, employee or Board member of the Virginia Lottery, or any officer or employee or board member of any vendor to the Virginia Lottery of online or instant ticket goods or services working directly on a contract with the Virginia Lottery for such goods or services, or any person residing in the same household of any such board member, officer or employee, or any person under the age of eighteen (18) years, shall be eligible to play Lottery Games in Virginia. The Virginia Lottery will not pay a Prize on a Ticket showing a Winning Play purchased by, for, or gifted to or transferred to anyone under eighteen (18) years of age, or to the transferee of such Person.

L. TICKET VALIDATION REQUIREMENTS:

1. To be a valid Ticket, all requirements unique to a particular Game and all requirements set out in regulation and statute must be met.

2. The Ticket must have been issued by the Virginia Lottery in an authorized manner. The Ticket must be intact and must not, in whole or in part, be defectively printed, produced in error, counterfeit, unreadable, incomplete, mis-registered, defective, torn, stolen, mutilated, altered, reconstituted, tampered with or previously paid.

3. The Ticket data must have been recorded in the Virginia Lottery's central computer system prior to cashing.

4. The information appearing on the Ticket must correspond precisely with the Virginia Lottery's computer records.

5. The serial number must appear in its entirety and must correspond to a matching serial number on the Virginia Lottery's validation file.

6. All information appearing on an apparent Winning Ticket must correspond to the Virginia Lottery's records of Winning Tickets, and no Prize based upon a Ticket with identical data shall be or have been paid.

7. The display printing on the Ticket must be regular in every respect, correspond precisely to the artwork on file at the Virginia Lottery, and must pass all other security criteria determined by the Virginia Lottery Director.

8. The Ticket must be validated in accordance with the provisions of the Rules and Regulations of the Virginia Lottery relating to procedures for claiming Prizes and for the payment thereof.

9. An apparent Winning Ticket shall be void unless the Ticket is printed on a paper stock roll issued by the Virginia Lottery and in use at the time of the Play and validly issued to the Virginia Lottery Retailer from whom the Ticket was purchased.

10. If a Ticket fails to pass all of the validation requirements set forth in these Game Rules or in the Virginia Lottery's Regulations, the Ticket shall be void and ineligible for any Prize and shall not be paid.

11. In the event of a dispute or other instance of doubt, the decision of the Virginia Lottery Director shall be final and binding. However, the Virginia Lottery Director may, solely at the Director's option, refund the purchase price of a ticket or replace an invalid, defective or otherwise erroneous Ticket with a Ticket of equivalent sale price from any current Virginia Lottery Game. Replacement of the Ticket shall be the bearer's or Claimant's sole and exclusive remedy.

M. DISPUTES: The Virginia Lottery Director may refrain from paying a Prize pending final determination under any of the following circumstances:

1. if a dispute related to any Prize occurred or if it appears that a dispute may occur;
2. if there is any question regarding the identity of the claimant; or
3. if there is any question regarding the validity of any Ticket presented for payment.

No liability for interest arising because of any such delay, or any delay beyond the Virginia Lottery's control, shall accrue to the benefit of the claimant pending payment of the claim. The Virginia Lottery is neither liable for, nor has it any responsibility to resolve, disputes between or among competing claimants.

In the event of a dispute or other instance of doubt, the decision of the Virginia Lottery Director shall be final and binding. However, the Virginia Lottery Director may, solely at the Director's option, refund the purchase price of a ticket or replace an invalid, defective or otherwise erroneous Ticket with a Ticket of equivalent sale price from any current Virginia Lottery Game. Replacement of the Ticket shall be the bearer's or Claimant's sole and exclusive remedy.

N. PRIZE CLAIMS:

1. For Plays purchased via Virginia Lottery Terminal or Virginia Lottery Express Self-Service Terminal, a Ticket shall be the only proof of a Play and submission of a Winning Ticket to the Virginia Lottery or its authorized Virginia Lottery Retailer shall be the sole method of claiming a Prize or Prizes.

2. All claims must be made within 180 days of the Drawing. Any cash Prize not claimed within the specified period shall be forfeited and revert to the Virginia State Literary Fund.

3. In accordance with the provisions of the Servicemembers Civil Relief Act, 50 U.S.C.S. app. §§ 501-596, any Person while in active military service may claim exemption from the 180-day claiming requirement. Any such Person must claim his/her Prize pursuant to the requirements set forth in these Rules no later than 180 days after discharge from active military service. Within thirty (30) days of presentation of such Prize claim, the Virginia Lottery Director shall verify the claim and direct payment in accordance with the Rules and Regulations then in effect regarding the manner of payment of Prizes to the holders of Winning Tickets or shares.

4. Employees of the Virginia Lottery, or of a licensed Virginia Lottery Retailer, shall verify the Ticket and, if valid, pay the amount due to the Claimant. If a claim form is required, the Claimant will be so advised. Unless otherwise specified in these Rules, no payment shall be made unless the Claimant presents a Winning Ticket as defined in these Rules.

5. A Claimant shall bear all risk of loss or damage incurred as a result of sending a Ticket through the mail.

6. **To claim a Prize of $600 or less,** a Claimant may do one of the following:

   - present the Winning Ticket to any Retailer licensed by the Virginia Lottery;

   - complete and sign the back of the Ticket and present it at any Virginia Lottery office; or

   - complete and sign the back of the Ticket and mail the signed Ticket to the Virginia Lottery, P. O.

Box 1254, Richmond, Virginia 23218-1254 (preferably by insured, registered, or certified mail, return receipt requested).

The Claimant should retain a copy of the front and back of the Ticket for his or her records.

7. **To claim a Prize of more than $600**, a Claimant may do one of the following**:**

   - complete and sign the back of the Ticket and present the Ticket at any Virginia Lottery office; or

   - complete and sign the back of the Ticket, and mail:

     - the Ticket;
     - a copy of his/her government issued photo identification; and
     - a copy of a document verifying the Claimant's taxpayer identification number (e.g. Social Security Number))

   to the Virginia Lottery, P. O. Box 1254, Richmond, Virginia 23218-1254 (preferably by insured, registered or certified mail, return receipt requested).

   The Claimant should retain a copy of the front and back of the Ticket for his or her records.

O. PRIZE PAYMENT:

1. When paying any Prize **in excess of $600**, the Virginia Lottery shall report the winnings or withhold taxes pursuant to rules established by the Internal Revenue Service and Virginia Department of Taxation and shall file the appropriate income reporting form(s) with the Internal Revenue Service and the Virginia Department of Taxation. Additionally, if the Prize is **more than $100,** claimed at a Lottery location**,** and subject to any set-off for delinquent debts, the Virginia Lottery shall withhold any monies due under the Commonwealth's Set-Off Debt Collection Act if the agency has registered such debt with the Virginia Department of Taxation and timely notice of the debt has been furnished by the Virginia Department of Taxation to the Virginia Lottery.

2. <u>One Prize</u>: Subject to the validation requirements contained herein, Players are eligible to receive only one (1) (the highest) applicable Prize for each winning Game Play.

3. No right of any Person to a Prize shall be assignable except that:

   a. the Virginia Lottery may pay any Prize according to the terms of a deceased Prizewinner's beneficiary designation or similar form filed with the Virginia Lottery, or to the estate of a deceased Prizewinner who has not completed such a form, and

   b. The Prize to which a Prizewinner is entitled may be paid as directed by an appropriate judicial order.

4. Each Prizewinner is legally required to include the value of the Prize, as well as any taxes paid by the Virginia Lottery on his/her behalf, in his/her taxable income for tax reporting purposes. As a result of accepting a Prize, and taking into account a Prizewinner's total taxable income for the year in which the Prize is accepted, a Prizewinner may fall into a higher tax bracket for his/her federal and state tax liabilities for the year in which the Prize is accepted.

5. A Prizewinner agrees to participate in a press conference, and agrees to the use of his/her name and/or photo for publicity, at the Virginia Lottery's Discretion. A press conference is an interview with Lottery, television, radio and/or newspaper reporters and photographers and/or cameramen. The press conference will be scheduled by the Lottery at a time reasonably convenient to the Player, who agrees to make himself/herself reasonably available during normal business hours. Examples of publicity include, but are not limited to, news releases, Internet, news media and signs at the Virginia Lottery Retailer locations. In addition, a Prizewinner agrees to participate in Virginia Lottery promotional efforts which may include his/her name, hometown, the amount of the Prize won, and the Game won through so-called "social media," which may include, but will not be limited to, YouTube®, Twitter®, Facebook®, or similar efforts, without additional consent from or compensation to the Prizewinner.

P. <u>MULTI-STATE AGREEMENT</u>:

Notwithstanding any other provision of these rules or the Multi-State Powerball® Official Game Rules, the terms of the Agreement entered into by MUSL and the Non-MUSL Lotteries to be effective with the January 22, 2014, Drawing (which may be amended from time to time) (the "Agreement"), shall be in full force and effect with the January 22, 2014, Drawing. To the extent any reconciliation or determination must be made as to the applicability of the several provisions of these revised rules, the Multi-State Powerball® Official Game Rules, and the Agreement, the decision of the Virginia Lottery Director shall be final and binding.

Q. AMERICANS WITH DISABILITIES ACT ("ADA"):

The Virginia Lottery is not responsible for any third party's compliance with ADA Rules and Regulations where applicable in connection with a Prize.