MUSL MEGA MILLIONS (M2G2) PRODUCT GROUP RULES

Adopted Dec 15, 2009; last amended June 25, 2013 effective with the drawing on October 22, 2013.

Effective for drawings beginning October 22, 2013

PART I — ADMINISTRATION

MM RULE 1—LICENSE ENTERED; DISPUTES, VOTING, ELECTIONS.

1.0 Cross-Selling Agreement; Terms Incorporated. The MUSL Board and the Powerball Product Group has entered into an Agreement with the twelve U.S. lotteries operating under an agreement to sell a game known as Mega Millions (the Mega Millions Lotteries) to permit the Party Lotteries of this Mega Millions Product Group (hereinafter "Product Group") to sell the Mega Millions lottery game. All provisions and requirements of that Cross-Selling Agreement, as it may be amended, are incorporated herein. Any conflict between the terms of these Rules and that Cross-Selling Agreement shall be interpreted in favor of that Cross-Selling Agreement. The Mega Millions Lotteries shall determine the Grand Prize amount (cash and annuity) prior to each drawing with the participation of the Product Group. The Game Rules and Finance and Operations Procedures of the Mega Millions Lottery Game as adopted and amended by the Mega Millions Lotteries are also incorporated herein. Any conflict between those Rules and Procedures and these Rules shall be interpreted in favor of the Mega Millions Lottery Game Rules and Operations Procedures.

Amended June 3, 2010 to be effective September 14, 2010; March 29, 2013.

1.1 First Review. The Product Group shall have the first opportunity to informally resolve any disputes arising between or among Party Lotteries regarding the Product Group, rules, policies, or guidelines. The Party Lottery seeking resolution of a dispute shall seek a remedy from the Product Group by filing a notice of dispute with the Product Group. Filing shall be done by certified mail, return receipt requested, addressed to the MUSL Executive Director. If the Product Group fails to resolve the dispute to the satisfaction of any party to the dispute within sixty (60) days after receiving notice of the dispute, the aggrieved Party Lottery may seek any other remedy authorized by the Multi-State Lottery Agreement (the MUSL Agreement), or the Cross-Selling Agreement with the Mega Millions Lotteries.

Amended March 29, 2013.

1.2 Voting. The Product Group shall use a dual system of voting. One (1) vote will be taken in which each Party Lottery has one (1) vote (member vote). A second vote will be taken in which each Party Lottery has a number of votes equivalent to its proportionate percentage of the total game's sales for the one-year period immediately previous to the vote (sales vote). If a Party Lottery has less than a one year history of sales, then that Party Lottery's vote for the period without sales will be calculated using average per capita sales applied to its total population (as per the most recent U.S. Census). In no case, however, shall a Party Lottery's sales vote exceed fifteen percent (15%) of the total sales vote. Unless a different percentage is provided in these rules, the percentage of votes necessary to allow action by the Product Group shall be more than fifty percent (50%) of the votes cast pursuant to both methods of voting. All sales voting percentages shall be calculated exclusive of Mega Millions Agreement Member Lottery sales.

Amended March 29, 2013.

1.3 Amendment of Rules. These Product Group Rules may be amended upon a vote of more than two-thirds (2/3) of the votes cast pursuant to both methods of voting.
Amended March 29, 2013.

1.4 Quorum. The quorum necessary to hold an official meeting of the Product Group shall be representation in person or by proxy from more than fifty percent (50%) of all members. If neither the Chair nor Vice-Chair can attend a scheduled meeting in person, then the meeting shall be rescheduled.
Amended March 29, 2013.

1.5 Elections. A Product Group Chair and Product Group Vice-Chair shall be elected for one-year terms starting July 1. The Chair shall appoint a Nominating Committee to recommend candidates to the Product Group. Nominations may also be made by motion and properly seconded.

[Rule 2 reserved for future use].

MM RULE 3—BUDGET.

3.1 Duties of Executive Director. Annually or on a more frequent basis, the Executive Director shall prepare and submit to the Product Group Chair a proposed budget and fees for the Party Lotteries to pay the Product Group for the services it renders to them and shall be paid as a fee for services by each of the Party Lotteries in accordance with estimated sales. An acceptable method of payment shall be determined by the Product Group, subject to approval by the Board.
Amended March 29, 2013.

MM RULE 4—DRAWING PROCEDURES.

The Executive Director shall establish, with Product Group approval, the minimum drawing procedures to be established for the drawing and shall work with the lottery conducting the drawing to implement the procedures. The drawing procedures shall provide that a minimum of fifteen (15) minutes elapse between the close of the game ticket sales and the time of the drawing for those tickets sold. All drawings shall be open to the public and shall be witnessed by an independent certified public accounting firm and other Party Lottery officials as may be required by jurisdictional laws or rule. Any equipment used in a drawing shall be inspected and tested by the draw officials in the presence of an independent certified public accounting firm, both before and after the drawing. All drawings, inspections, and tests shall be recorded.

[Rule 5 reserved for future use].

MM RULE 6—RECORDS MANAGEMENT.

6.1 Records Defined. "Records" shall mean any document, paper, photograph, or recording made or received in connection with the official business of the Product Group. Records do not include materials made or acquired for reference or exhibition purposes, or miscellaneous papers or correspondence without official significance.

6.2 Duties of Executive Director. The Executive Director shall maintain Product Group records in a secure and orderly manner.

6.3 Confidentiality. To the maximum extent practical, Product Group records shall be made available for public inspection in a reasonable and responsible manner through the Party Lotteries.

6.4 Records Retention. The Executive Director shall establish the minimum retention period for each record or class of record with Product Group approval. The Executive Director shall establish the criteria for the disposal of Product Group records.

[Rule 7 reserved for future use]

MM RULE 8—PETITION FOR ADMISSION.

8.1 Minimum ICS Standards. A Lottery seeking admission to the Product Group shall have a fully tested internal control system that meets or exceeds the minimum standards set forth in MUSL Rule 2 (Minimum ICS Standards) before ticket sales commence. The Security and Integrity Committee shall review the internal control systems of each lottery seeking admission to the Product Group for compliance with Rule 2 (Minimum ICS Standards) and shall issue a written report summarizing its findings.

Amended March 29, 2013.

8.2 Other Admission Requirements. The Product Group shall determine other admission requirements as allowed by the MUSL Agreement and in the Cross-Selling Agreement.

Comment. At its first meeting on December 9, 2009, it was decided that all members agreeing to sell before June 30 will have a vote for the development of these rules; once tickets go on sale anywhere, only selling lotteries will have a vote.

MM RULE 9—EXPULSION OF A PARTY LOTTERY.

The Product Group can expel a Party Lottery of the Product Group for cause as determined in the sole discretion of the Product Group with the consent of more than two-thirds (2/3) of the members pursuant to both methods of voting in conformance with the MUSL Agreement. If the Product Group votes to expel a Party Lottery as provided in the MUSL Agreement, the Party Lottery being considered for expulsion shall be excluded from the vote in that proceeding and in the voting calculations outlined in these Product Group Rules.

Amended March 29, 2013; June 25, 2013.

MM RULE 10—ADVERTISING.

10.1 Unfair Advertising. No Party Lottery may advertise, either directly or indirectly, that Mega Millions tickets sold in its jurisdiction offer better odds, better chances of winning, or better payoffs than Mega Millions tickets sold in other jurisdictions. This rule does not prohibit a Party Lottery from offering retailer promotions or other creative promotions designed to increase the sale of Mega Millions tickets.

10.2 Grand Prize Estimate. No Party Lottery may advertise an estimated Grand Prize amount that is different than the estimated Grand Prize amount provided to the Party Lotteries.

Amended March 29, 2013.

MM RULE 11—TICKET PRICE

11.1 Uniform Price. Each ticket shall be sold at retail for the price set by the Product Group.

11.2 Taxes. The ticket price set by the Product Group shall include all the applicable taxes that a Party Lottery may be required to collect.

Amended March 29, 2013.

11.3 Discounts, Rebates, and Promotions. A Party Lottery may offer tickets through discounts, rebates, or promotions, without Product Group approval for a period not to exceed ninety (90) days in any six-month period, as long as the full prize share is paid to the Product Group, without discount, and after a notice advising all Group members of the terms and dates of the offering.

Amended June 3, 2010 to be effective September 14, 2010; March 29, 2013.

11.4 Tickets as Prizes. Nothing in this rule shall prohibit a Party Lottery from offering tickets as a prize in any other non-MUSL game or promotion operated by the Party Lottery after advising all Group members of the terms and dates of the offering. A Selling Lottery may offer other discounts, rebates, or promotions as may be approved by the Product Group.

Amended June 3, 2010 to be effective September 14, 2010.

11.5 Contribution to Prize Pool. Party Lotteries that offer tickets as a prize or as part of an authorized discount, promotion, or rebate shall contribute to the prize pool the full amount assessed for a ticket sold at the uniform price.

Amended March 29, 2013.

Comment. Rules 11.3 and 11.4 are intended to require reporting only where the price of the Mega Millions ticket is reduced by a promotion or is given away for free. A Party Lottery need not report promotions that do not change the price of the ticket. Promotions that increase the "value" of a ticket or that offer other lottery games free or at a reduced price with the purchase of a Mega Millions ticket do not need to be reported. The intent of the rule is to advise contiguous lotteries when their players might find that they can get the same Mega Millions ticket at a reduced price from another lottery – not that they can get that other lottery's games at a reduced price.

MM RULE 12—SALE OF TICKETS

12.1 Authorized Agents. Mega Millions tickets sold through the Product Group shall be sold only through agents and means authorized by a Party Lottery.

12.2 Ticket Stock. Mega Millions tickets sold through the Product Group shall be sold through a Party Lottery and, other than ticketless transaction plays, shall be printed on ticket stock that meets the security requirements for ticket stock used in the Party Lottery's other games and other requirements adopted by the MUSL Board and the Product Group.

Amended March 29, 2013; June 25, 2013.

12.3 MUSL Markings. All play slips used in the game shall be conspicuously marked to indicate that the slip pertains to the game and shall contain other markings as may be required by the MUSL Board and the Product Group.

Amended March 29, 2013.

12.4 Game Sell Out Prohibited. No Party Lottery shall directly and knowingly sell a ticket or combination of tickets to any person or entity that would guarantee such purchaser a Grand Prize win.

Amended March 29, 2013.

12.5 Location and Method of Sales. An offer to buy and an offer to sell a Mega Millions ticket sold through the Product Group shall be made only at a location or only by a method that is licensed, certified, authorized, or contracted by the Party Lottery.
Amended March 29, 2013.

MM RULE 13—PRIZE PAYMENTS.

Except for winning tickets sold by the California Lottery, no Party Lottery may pay prizes that are less than or more than the prize amounts established by the Mega Millions Lotteries and the Product Group. The prize won cannot be indirectly increased by Party Lottery promotions or agent promotions that have the effect of increasing the designated Mega Millions prize.
Amended March 29, 2013.

Comment. The MUSL Party Lotteries and the Mega Millions Lotteries have agreed that if either group needs to pay pari-mutuel low-tier prizes under that games rules, then both sides will pay pari-mutuel low-tier prizes.

MM RULE 14—GRAND PRIZE ACCOUNT.

14.1 Grand Prize Funds Transferred to MUSL. Each Party Lottery shall transfer to the MUSL in trust an amount as determined by the MUSL and the Product Group to be its total proportionate share of the prize account less actual low-tier prize liability. If this results in a negative amount, the MUSL central office shall transfer funds to the Party Lottery. If a Party Lottery's share exceeds its statutorily mandated prize payout, the MUSL may adjust the transfer amounts over a period of time to permit the payment of the Party Lottery's full share in a manner complying with the Party Lottery's prize payout laws. In the event of a win at a MUSL Lottery, the Mega Millions Clearinghouse shall collect the total proportionate share of the Grand Prize pool from the Mega Millions Lotteries and shall transfer that amount to MUSL within 15 calendar days from the date of the winning draw.
Amended Dec 31, 2009.

Comment. The executive director may adjust a Party Lottery's transfer amounts as needed by permitting a Party Lottery to borrow any additional amounts needed from its reserve accounts. The Mega Millions Lottery's Mega Millions Clearinghouse is currently the Virginia Lottery.

14.2 Grand Prize Funds Transferred to Lottery. Grand Prize amounts held by MUSL shall be transferred to a Lottery having a winner in the Mega Millions game on a schedule approved by the Product Group and after MUSL has collected the prize pool shares from all participating lotteries selling the Mega Millions lottery game.
Amended Dec 31, 2009.

Comment. See Rule 19 for the approved schedule.

14.3 Unclaimed Prizes.

(a) All funds to pay a Grand Prize that went unclaimed shall be returned to Selling Lotteries in proportion to sales by Selling Lotteries for the Grand Prize in question after the claiming period set by the Selling Lottery selling the winning ticket expires. If after a winning Mega Millions ticket has not been claimed or redeemed and the corresponding prize monies have been returned to Party Lotteries pursuant to this Rule, a claim is made or redemption sought which a Party Lottery pays (i) as a result of the provisions of the Serviceman's Civil Relief Act (50 U.S.C.S. Appx. § 526); (ii) as a result of jurisdictional legislation adopted to satisfy the requirements of the Serviceman's Civil Relief Act; or (iii) as a result of jurisdictional legislation requiring such payment to a member of the armed forces who was engaged in active military service outside the paying Party Lottery jurisdiction when the usual permitted time period to make a claim or seek redemption expired, each other Party Lottery shall reimburse the paying Party Lottery in an amount equal to the amount such other Party Lottery would have contributed to the prize had the claim been made or redemption sought within the usual permitted time period for that claim or redemption. The provisions of this rule shall remain in force and effect and be binding upon the Party Lotteries without regard to whether the Mega Millions game remains in existence and/or whether the Party Lottery seeking reimbursement has withdrawn from the game at the time a Party Lottery seeks reimbursement pursuant to this rule.

Amended March 29, 2013.

(b) The return of unclaimed Grand Prize funds shall occur promptly upon the termination of the relevant claim period for the participating lottery in which the unclaimed Grand Prize Mega Millions ticket was purchased. Interest accretion on any securities purchased to fund the unclaimed Grand Prize will be reflected in market rates at the time of liquidation by the Purchaser of the securities. The Purchaser shall return interest earned on unclaimed cash Grand Prizes based on the interest yields realized on such funds during the claim period.

(c) By agreement with the Mega Millions Lotteries, the Product Group will not participate in the sharing of liabilities at the low-tier prize level (all prizes below the Grand Prize) and shall not reconcile unclaimed low-tier prizes with the Mega Millions Lotteries.

[Rules 15 through 18 reserved for future use]

MM RULE 19—FUNDS TRANSFER.

Funds shall be collected from each Party Lottery by wire transfer, electronic funds transfer, or by other means acceptable to the Product Group. The amount to be transferred shall be calculated in accordance with Product Group rules. The Product Group shall determine collection days. If MUSL is unable to collect all funds in a timely manner for the transfer to the winning lottery(ies), the MUSL may borrow the funds from other appropriate Mega Millions Product Group cash reserves, or from MUSL Operations Account, following notice to the Product Group Officers, the Finance & Audit Committee, and the Executive Committee. The borrowed funds shall be immediately replenished upon collection of prize funds from the party lotteries.

Amended March 29, 2013; May 13, 2013.

Comment. At its meeting on December 23, 2009, the Product Group determined that funds shall be collected weekly from the party lotteries on the Monday, or the first banking day, that is thirteen (13)

days from the applicable Tuesday drawing and ten (10) days from the applicable Friday drawing. By agreement with the Mega Millions Lotteries, MUSL will transfer the funds to the Mega Millions Lottery's Mega Millions Clearinghouse (currently the Virginia Lottery) within fifteen (15) calendar days from the date of the winning draw at a Mega Millions Lottery. The Mega Millions Lottery's Mega Millions Clearinghouse shall collect the funds from the Mega Millions Lotteries and shall transfer their jackpot prize share to MUSL within fifteen (15) calendar days of a winning draw at a MUSL Lottery. If funds are needed to pay a prize when due the MUSL may borrow the funds from other accounts of this Product Group, or the MUSL Operations Account, , after notice to the Product Group Officers, the Finance & Audit Committee, and the Executive Committee. The borrowed funds shall be immediately replenished upon collection of prize funds from the party lotteries. Comment added Dec 31, 2009; amended June 25, 2013.

[Rule 20 reserved for future use]

MM RULE 21—ADVANCE SALES.

Proceeds from advance sales may be held by the Party Lottery until the draw date for which the ticket applies.

[Rules 22 through 25 reserved for future use]

PART II MEGA MILLIONS GAME RULES

Last Amendment June 25, 2013; game changes effective with the drawing on October 22, 2013.

MM RULE 26—DEFINITIONS.

The following definitions apply unless the context requires a different meaning or is otherwise inconsistent with the intention of the rules adopted by the Product Group. Capitalized terms used but not defined in these rules shall have the meanings ascribed to them in the MUSL Agreement.

26.1 "Agent" or "retailer" means a person or entity authorized by a Party Lottery to sell lottery tickets.

26.2 "Drawing" means the formal process of selecting winning numbers that determine the number of winners for each prize level of the game.
Amended March 29, 2013.

26.3 "Computer pick" means the random selection of two-digit numbers by the computer system, that appear on a ticket and are played by a player in the game.
Amended March 29, 2013.

26.4 "Finance & Audit Committee" shall mean the committee established by the Multi-State Lottery Association Agreement.

26.5 "Game board" or "boards" means that area of the play slip, also known as a "panel", that contains two sets of numbered squares to be marked by the player, the first set containing seventy-five (75) squares, number one (1) through seventy-five (75) and the second set containing fifteen (15) squares, number one (1) through fifteen (15).
Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

26.6 "Game ticket" or "ticket" means an acceptable evidence of play, which is a ticket produced by a terminal that meets the specifications defined in the rules of each Party Lottery and Rule 31 (Ticket Validation) or is a properly and validly registered ticketless transaction play.
Amended March 29, 2013; June 25, 2013.

26.7 "Jackpot" or "Grand Prize" means the top prize of the Mega Millions game. The annuity Grand Prize is an amount that would be paid in thirty (30) graduated annual installments with the annual payments increasing by five percent (5%) each year.
Amended June 25, 2013 to be effective with the drawing on October 22, 2013.

26.8 "Mega Millions Finance Committee" means a Committee of the Mega Millions Lotteries that determines the Grand Prize Jackpot amount (cash and annuity).
Amended June 3, 2010 to be effective September 14, 2010; March 29, 2013.

26.9 "Mega Millions Lottery or Lotteries" means those lotteries that have joined under the Mega Millions Lottery Agreement; the group of lotteries that has reached a Cross-Selling Agreement with this MUSL Product Group for the selling of the Mega Millions Game.
Amended March 29, 2013.

26.10 "MUSL" means the Multi-State Lottery Association, a government-benefit association wholly owned and operated by the Party Lotteries.

26.11 "MUSL Board" means the governing body of the MUSL that is comprised of the chief executive officer of each Party Lottery.
Amended March 29, 2013.

26.121 "On-Line Lottery Game" means a lottery game wherein a player selects numbers out of a larger predetermined set or sets of numbers.

26.13 "Participating Lottery" or "Selling Lottery" means a state lottery or lottery of a political subdivision or entity that is participating in selling the Mega Millions game and that may be a member of either group.
Amended March 29, 2013.

26.14 "Party lottery" means a state lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of these Product Group Rules that has joined in selling the games offered by the MUSL Mega Millions Product Group.
Amended March 29, 2013.

26.15 "Play" or "bet" means the six (6) numbers, the first five (5) from a field of seventy-five (75) numbers and the last one (1) from a field of fifteen (15) numbers, that appear on a ticket as a single lettered selection and are to be played by a player in the game.
Amended June 25, 2013 to be effective with the drawing on October 22, 2013.

26.16 "Product Group" means the group of lotteries that has joined together to offer the Mega Millions lottery game product pursuant to the terms of its Cross-Selling Agreement with the Mega Millions Lotteries, the Multi-State Lottery Agreement and the Product Group's own rules.
Amended March 29, 2013.

26.17 "Play slip" or "bet slip" means a card used in marking a player's game plays and containing one or more boards.

26.18 "Set Prize" means all other prizes except the Grand Prize that are advertised to be paid by a single cash payment and, except in instances outlined in these rules, will be equal to the prize amount established by the MUSL Board for the prize level.

26.19 "Terminal" means a device authorized by a Party Lottery to function in an on-line, 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.

26.20 "Ticketless Transaction" shall include plays sold through subscription, internet, or non-standard terminals.
Adopted June 25, 2013.

26.21 "Winning numbers" means the six (6) numbers, the first five (5) from a field of seventy-five (75) numbers and the last one (1) from a field of fifteen (15) numbers, randomly selected at each drawing that shall be used to determine winning plays contained on a game ticket.
Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

MM RULE 27—GAME DESCRIPTION.

27.1 Mega Millions is a five (5) out of seventy-five (75) plus one (1) out of fifteen (15) on-line lottery game, drawn on the day(s), time(s) and location(s) as determined by the Mega Millions Lotteries, and that pays the Grand Prize, at the election of the player made in accordance with these rules or by a default election made in accordance with these rules, either on a graduated annual pari-mutuel basis or as a cash value option using a rate determined by the Mega Millions Finance Committee on a pari-mutuel basis. Except as provided in these rules, all other prizes are paid on a set cash basis. To play Mega Millions, a player shall select five (5) different numbers, from one (1) through seventy-five (75) and one (1) additional number from

one (1) through fifteen (15), for input into a terminal. The additional number may be the same as one of the first five numbers selected by the player. Tickets can be purchased for one dollar (U.S. $1.00), including any specific statutorily-mandated tax of a Party Lottery to be included in the price of a lottery ticket, either from a terminal operated by an agent (i.e., a clerk-activated terminal) or from a terminal operated by the player (i.e., a player-activated terminal). If purchased from an agent, the player may select a set of five numbers and one additional number by communicating the six (6) numbers to the agent, or by marking six (6) numbered squares in any one game board on a play slip and submitting the play slip to the agent or by requesting "computer pick" from the agent. The agent will then issue a ticket, via the terminal, containing the selected set or sets of numbers, each of which constitutes a game play. Tickets can be purchased from a player-activated terminal by use of a touch screen or by inserting a play slip into the machine. Tickets may also be purchased through a lottery ticketless transaction process system as provided in Rule 27.6.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

27.2 Claims. A ticket (subject to the validation requirements set forth in Rule 31 (Ticket Validation)) shall be the only proof of a game play or plays and the submission of a winning ticket to the issuing Party Lottery or its authorized agent 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 has no pecuniary or prize value and shall not constitute evidence of ticket purchase or of numbers selected.

27.3 Cancellations Prohibited. A ticket may not be voided or canceled by returning the ticket to the selling agent or to the lottery, including tickets that are printed in error. No ticket that can be used to claim a prize shall be returned to the lottery for credit. Tickets accepted by retailers as returned tickets and that cannot be re-sold shall be deemed owned by the bearer thereof.

Amended March 29, 2013.

Comment. Each member should check ticket numbers of returned tickets and report any returned tickets that contain a match for all of the numbers drawn to MUSL as non-winners after each draw. Tickets cannot be canceled. Good retailer relations may require a Party Lottery to compensate a retailer for tickets that are misprinted, illegible or, for other reason that may be acceptable to the Party lottery, cannot be sold by the retailer. This rule permits each Party Lottery, at its discretion, to compensate a retailer for a returned ticket that is not eligible to win a prize at the time it is returned to the Party Lottery. To avoid the appearance that a returned ticket is being canceled, the lottery should require that the ticket not be placed in transit until after the applicable drawing. Returned tickets are accepted only for a Party Lottery's auditing purposes and shall have no effect on the outcome of the drawing for which they were issued or reduce the Party Lottery's contribution to the jackpot prize pool. Tickets stolen by a retailer's hired clerk cannot be accepted by the lottery as canceled or returned tickets. Although the rule would permit a Party Lottery to compensate a retailer for the loss from theft if a lottery wishes to assume such a loss, the tickets cannot be canceled or returned to the lottery. The tickets are owned by, and winning tickets may be claimed by the retailer.

27.4 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 on-line agent that is acting on behalf of the player in entering the play or plays.

Amended March 29, 2013.

27.5 Entry of Plays. Plays may only be entered manually using the lottery terminal keypad or touch screen or by means of a play slip provided by the Party Lottery and hand-marked by the player or by such other means approved by the Party Lottery. Retailers 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 Party Lottery. Retailers shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the Party Lottery.

27.6 Registration of Plays. Ticketless transaction plays may be registered by the lottery at a lottery processing site that meets the requirements established by the Product Group and the Security and Integrity Committee.

Amended March 29, 2013; June 25, 2013.

27.7 Maximum Purchase. Except for a subscription play purchase, the maximum number of consecutive drawings on a single ticket purchase is twenty-six (26). The maximum number of consecutive drawings encompassed by a subscription play purchase is one hundred four (104).

27.8 In the event of a matrix change, the Party Lottery that issued the subscription will determine the option(s) available to subscription purchasers from that Party Lottery for the balance of plays remaining on their subscriptions effective as of the date of the matrix change.

Amended March 29, 2013.

27.9 Except as set forth in Section 27.8, and notwithstanding Section 27.3, game play information for a subscription may be edited by a Party Lottery's subscription coordinator only when an error in the numbers entered has been identified, a change in the frequency of drawings occurs, or a change in the game matrix occurs. A subscription may be edited to correct an error in the numbers entered before the time of the first drawing for which the subscription is effective. (Liability for any number entered in error is limited to the Party Lottery that entered the number in error.) For a change in the game matrix, or for errors in the numbers entered that are identified after the first drawing under the subscription, the subscription coordinator may correct the subscription game play prospectively for the remaining number of draws on the subscription. The only other condition under which subscription game play may be edited is to correct the subscription end date if there is a change in the frequency of Mega Millions drawings.

Amended March 29, 2013.

MM RULE 28—PRIZE POOL

28.1 Prize Pool. The prize pool for all prize categories offered by the Party Lotteries shall consist of up to fifty-five percent (55%) of each drawing period's sales, including any specific statutorily-mandated tax of a Party Lottery to be included in the price of a lottery ticket, after the prize reserve accounts are funded to the amounts set by the Product Group, but may be higher or lower based upon the number of winners at each prize level, as well as the funding required to meet a guaranteed Annuity Grand Prize as may be required by Rule 30.1(a). Any amount remaining in the prize pool or reserves and set aside for the Party Lotteries at the end of this game shall be carried forward to a replacement game or expended in a manner as directed by the Product Group in accordance with jurisdiction law.

Amended Dec 31, 2009; September 21, 2010 to be effective December 1, 2010.

28.2 Prize Pool Accounts and Prize Reserve Accounts. An amount up to five percent (5%) of a Party Lottery's sales, including any specific statutorily mandated tax of a Party Lottery to be included in the price of a lottery ticket, shall be added to a Party Lottery's Grand Prize Pool contribution and placed in trust in one or more prize pool accounts and prize reserve accounts held by the Product Group at any time that the prize pool accounts and Party Lottery's share of the prize reserve account is below the amounts designated by the Product Group.

The Product Group has established the following prize reserve account for the Mega Millions game: the Prize Reserve Account (PRA), which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason (subject to the limitations of these rules).

The Product Group has established the following prize pool account for the Mega Millions game; the Grand Prize pool, which is used to fund the immediate Grand Prize, the Set-Aside Account, which is used to guarantee payment of the minimum or starting Grand Prize; the Megaplier prize pool account, which is described in Part III of these rules; and the Low-Tier Prize Pool Account, which holds the temporary balances that may result from having fewer than expected winners in the low-tier set prize categories. The source of the Low-Tier Prize Pool is the Party Lottery's weekly prize contributions less actual set prize liability. The source of the Set-Aside Account funding is the difference between the amount in the Grand Prize Pool and the amount needed to fund Grand Prize payments as determined by the Mega Millions lotteries.

The Product Group, with approval of the Finance & Audit Committee, may establish a maximum balance for the prize pool accounts and prize reserve account.

The Product Group may determine to expend all or a portion of the funds in the prize pool accounts (except the Grand Prize pool account) and the prize reserve accounts (1) for the purpose of indemnifying the Party Lotteries and Licensee Lotteries in the payment of prizes to be made by the participating lotteries, subject to the approval of the Board; and (2) for the payment of prizes or special prizes in the game; subject to the approval of the Finance and Audit Committee. The prize reserve shares of a Party Lottery may be adjusted with refunds to the Party Lottery from the prize reserve account as may be needed to maintain the approved maximum balance and shares of the Party Lotteries. Any amount remaining in the prize pool accounts or prize reserve account at the end of this game shall be carried forward to a replacement game or expended in a manner as directed by the Members of the Product Group in accordance with jurisdiction law.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013; June 25, 2013.

Comment. The MUSL Mega Millions Game Group shall decide the amount to be deducted from the Grand Prize category, up to a maximum deduction of five percent (5%) to build a prize reserve for payment of prizes. On September 21, 2010, the Product Group determined to set the deduction at two and five-tenths percent (2.5%), effective December 1, 2010. The Mega Millions reserve accounts and any Mega Millions rollover monies, to the extent they exist, may be used to fund a deficiency in Megaplier prizes. On June 16, 2011, the Product Group determined to set the deduction at one and five-tenths percent (1.5%) effective beginning with the drawing of July 1, 2011. On January 31, 2013 the Product Group determined to set the deduction at one percent (1%) effective beginning with the drawing of April 2, 2013 (for a total prize pool of 51%). On March 22, 2013, the Product Group determined set the maximum PRA at forty-five million dollars ($45,000,000.00).

28.3 Expected Prize Payout Percentages. The Grand Prize shall be determined on a pari-mutuel basis. Except as provided in these rules and except for winning prizes sold by the California Lottery, all other prizes awarded shall be paid as set cash prizes with the following expected prize payout percentages, that does not include an additional amount held in prize reserves:

Number of Matches Per Play	Prize Payment	Prize Pool Percentage Allocated to Prize
All five (5) of first set plus one (1) of second set.	Grand Prize	65.154%
All five (5) of first set and none of second set.	$1,000,000.00	10.815%
Any four (4) of first set plus one (1) of second set.	$5,000.00	1.352%
Any four (4) of first set and none of second set.	$500.00	1.893%
Any three (3) of first set plus one (1) of second set.	$50.00	0.933%
Any three (3) of first set and none of second set.	$5.00	1.306%
Any two (2) of first set plus one (1) of second set.	$5.00	2.114%
Any one (1) of first set plus one (1) of second set.	$2.00	7.083%
None of first set plus one (1) of second set.	$1.00	9.350%

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

(a) The Grand Prize amount shall be divided equally by the number of Plays winning the Grand Prize.

Amended March 29, 2013.

(b) Except for winning prizes sold by the California Lottery, the prize pool percentage allocated to the set prizes (the cash prizes of one million dollars ($1,000,000.00) 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.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

(c) Pari-mutuel Prize Determinations.

(c)(1) Except as otherwise provided for in 28.3(c)(2):

(c)(1)(a) 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, including Megaplier prizes, awarded shall be drawn from the following sources, in the following order:

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

(ii) an amount from the PRA, if available, not to exceed forty million dollars ($40,000,000.00) per drawing.

(c)(1)(b) If, after these sources are depleted, there are not sufficient funds to pay the set prizes awarded, including Megaplier prizes, 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.

(c)(2) By agreement with the Mega Millions Lotteries, the Mega Millions Lotteries shall independently calculate their set pari-mutuel prize amounts. The Party Lotteries and the Mega Millions Lotteries shall than agree to set the pari-mutuel prize amount for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

Comment. The California Lottery is excluded from the Party Lotteries and other Licensee Lotteries pari-mutuel prize calculations.

(d) Except as may be required by Rule 30.1(a), the official advertised Grand Prize annuity amount is subject to change based on sales forecasts and/or actual sales.

Amended Dec 31, 2009; June 3, 2010 to be effective September 14, 2010.

(e) Subject to the laws and rules governing each Party Lottery, the number of prize categories and the allocation of the prize fund among the prize categories may be changed at the discretion of the Mega Millions Lotteries, for promotional purposes. Such change shall be announced by Mega Millions Lotteries.

MM RULE 29 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 Mega Millions. All prize winners sold by the California Lottery are paid on a pari-mutuel basis.

Number of Matches Per Ticket	Probability Distribution Winners	Probability	Probable/Set Prize Amount
All five (5) of first set plus one (1) of second set	1	1: 258,890,850	Grand Prize
All five (5) of first set and none of second set	14	1: 18,492,203.57	$1,000,000.00
Any four (4) of first set plus one (1) of second set	350	1: 739,688.14	$5,000.00
Any four (4) of first set and none of second set	4,900	1: 52,834.87	$500.00
Any three (3) of first set plus one (1) of second set	24,150	1: 10,720.12	$50.00
Any three (3) of first set and none of second set	338,100	1: 765.75	$5.00
Any two (2) of first set plus one (1) of second set	547,400	1: 472.95	$5.00
Any one (1) of first set plus one (1) of second set	4,584,475	1: 56.47	$2.00
None of first set plus one (1) of second set	12,103,014	1:21.39 $1.00	
Overall	17,602,404	1: 14.71	

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

MM RULE 30 PRIZE PAYMENT

30.1 Grand Prize

(a) The prize money allocated from the current Mega Millions prize pool for the Grand Prize, plus any previous portions of prize money allocated to the Grand Prize category in which no matching tickets were sold will be divided equally among all jackpot prize winning plays in all participating lotteries. The annuity Grand Prize amount will be paid in thirty (30) graduated annual installments. Grand Prizes won shall be funded by the Selling Lotteries in accordance with the formula set by the Mega Millions lotteries. The Mega Millions lotteries may set a minimum guaranteed annuity Grand Prize amount that shall be advertised by the selling lotteries as the starting guaranteed annuity Grand Prize amount.

Amended Dec 31, 2009; June 3, 2010 to be effective September 14, 2010; March 29, 2013; June 25, 2013.

Comment. The Mega Millions lotteries have set the guaranteed starting annuity Grand Prize amount at $12 million. Each successive Annuitized Grand Prize in the same roll cycle will be at least one million dollars ($1,000,000.00) more than the previously established annuity Grand Prize amount. Beginning with the October 22, 2013 drawing, the Mega Millions lotteries have set the guaranteed starting annuity Grand Prize amount at fifteen million dollars ($15,000,000.00). Each successive Annuitized Grand Prize in the same roll cycle will be at least five million dollars ($5,000,000.00) more than the previously established annuity Grand Prize amount.

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

Amended March 29, 2013.

(c) Unless there is a different Party Lottery rule, Grand prizes shall be paid, at the election of the player made no later than sixty (60) days after the player becomes entitled to the prize, with either a per winner annuity or cash payment. If the payment election is not made by the player within sixty (60) days after the player becomes entitled to the prize, then the prize shall be paid as an annuity prize. The election to take the cash payment may be made within sixty (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.

Amended March 29, 2013.

(d) In the event of a prize winner who selects the cash value option, the prize winner's share shall be paid in a single payment upon completion of internal validation procedures. The cash option shall be determined by the Product Group.

Amended Dec 31, 2009

Comment. On December 23, 2009, the Product Group determined that, unless a different method is required by a Mega Millions Lottery law or rule, the cash option amount shall be determined by the Grand Prize pool contribution percentage. In cases controlled by Mega Millions Lottery law or rule, the cash option may be determined by dividing the Grand Prize annuity amount by a rate established by the Mega Millions Finance Committee prior to each drawing divided by the number of total Grand Prize winning plays.

(e) Graduated annual payment option jackpot prizes shall be paid in thirty (30) graduated annual installments upon completion of internal validation procedures. The initial payment shall be paid upon completion of internal validation procedures. The subsequent twenty-nine (29) payments shall be paid graduated annually to coincide with the month of the Federal auction on date at which the bonds were purchased to fund the annuity, with graduated annual installments defined in the Mega Millions Lotteries' Finance and Operations Procedures. Payments shall escalate by a factor of five percent (5%) annually, and annual payments shall be rounded down to the nearest even one thousand dollar ($1,000.00) increment. All such payments shall be made within seven (7) days of the anniversary of the annual auction date.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

(f) If individual shares of the cash held to fund an annuity is less than two hundred fifty-thousand dollars ($250,000.00), the Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the Grand Prize pool.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

(g) Funds for the initial payment of an annuitized prize or the lump sum cash prize shall be made available by MUSL for payment by the Party Lottery on a schedule approved by the Product Group. If necessary, when the due date for the payment of a prize occurs before the receipt of funds in the prize pool trust sufficient to pay the prize, the transfer of funds for the payment of the full lump sum cash amount may be delayed pending receipt of funds from the Party Lotteries or other lotteries participating in the Mega Millions Game. A Party Lottery may elect to make the initial payment from its own funds after validation, with notice to MUSL.

Amended Dec 31, 2009.

Comment. On December 23, 2009, the Product Group approved a schedule to immediately transfer funds to a Party Lottery reporting a winner after the Party Lottery validates the prize claim, subject to the approved collection schedule for a transfer within fifteen (15) calendar days and the availability of funds to make the transfer. Grand Prize amounts held by MUSL shall be transferred to the Mega Millions Lottery's Mega Millions Clearinghouse, (currently the Virginia Lottery) within fifteen (15) calendar days after a Mega Millions Lottery reports a winner.

(h) In the event of the death of a lottery winner sold by a Party Lottery during the annuity payment period, the MUSL Finance & Audit Committee, in its sole discretion excepting a discretionary review by the Product Group, upon the petition of the estate of the lottery winner (the "Estate") to the lottery of the jurisdiction in which the deceased lottery winner purchased the winning ticket, and subject to federal, state, district or territorial applicable laws, may accelerate the payment of all of the remaining lottery proceeds to the Estate. If such a determination is made, then securities and/or cash held to fund the deceased lottery winner's annuitized prize may be distributed to the Estate. The identification of the securities to fund the annuitized prize shall be at the sole discretion of the Finance & Audit Committee or the Product Group.

Comment. This Rule is intended to provide players with the advantages offered by the changes made to 26 U.S.C.□§451. These rules should be interpreted in a manner that is consistent with the purposes, requirements, and restrictions of that code section. A Party Lottery's share of MUSL non-game earnings may be used to fund annuity payments, as may be needed, in a manner other than provided for in this rule, due to mandates of local laws.

30.2 Low-Tier Cash Prize Payments. All low-tier cash prizes (all prizes except the Grand Prize) shall be paid in cash or warrants through the Party Lottery that sold the winning ticket(s). A Party Lottery may begin paying low-tier cash prizes after receiving authorization to

pay from the MUSL central office.
Amended March 29, 2013.

30.3 Prizes Rounded. Annuitized payments of the Grand Prize or a share of the Grand Prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized Grand Prize win shall be added to the first cash payment to the winner or winners. 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.
Amended March 29, 2013.

30.4 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.

30.5 [Reserved for future use].

30.6 Limited to Highest Prize Won. The holder of a winning ticket may win only one (1) 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.
Amended March 29, 2013.

30.7 Prize Claim Period. Prize claims shall be submitted within the period set by the Party Lottery selling the ticket. If no such claim period is established, all grand prize claims shall be made within one hundred eighty (180) days after the drawing date.
Amended March 29, 2013.

MM RULE 31—TICKET VALIDATION.

31.1 To be a valid ticket and eligible to receive a prize, a ticket shall satisfy all the requirements established by a Party Lottery for validation of winning tickets sold through its on-line system and any other validation requirements adopted by the Product Group, the MUSL Board and published as the Confidential MUSL Minimum Game Security Standards. The MUSL and the Party Lotteries shall not be responsible for tickets that are altered in any manner.
Amended March 29, 2013.

31.2 Under no circumstances will a claim be paid for either the Grand Prize or the Second Prize without an official Mega Millions ticket (or subscription) matching all game play, serial number and other validation data residing in the selling Party Lottery's gaming system computer and such ticket (or subscription) shall be the only valid proof of the wager placed and the only valid receipt for claiming or redeeming such prize.

31.3 In addition to the above, in order to be deemed a valid, winning Mega Millions ticket, all of the following conditions must be met:

(a) 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;

(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 Mega Millions agent, sales agent

or retailer on official paper stock of the selling Party Lottery;
(f) The ticket must not have been stolen, to the knowledge of the Party Lottery;
(g) The ticket must be submitted for payment in accordance with Section 10 (Procedures for Claiming and Payment of Prizes);
(h) The ticket data must have been recorded on the 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 Party Lottery computer, the wager accepted by the Party Lottery computer 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 misregistered, defectively printed or printed or produced in error to an extent that it cannot be processed by the Party Lottery that issued the ticket;
(k) The ticket must pass validation tests using a minimum of three (3) of the five (5) validation methods as defined in the Mega Millions Finance and Operations Procedures, Section 15. In addition, the ticket must pass all other confidential security checks of the Party Lottery that issued the ticket;
(l) 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 Director of the Party Lottery that issued the ticket;
(m) There must not be any other breach of these Mega Millions Rules in relation to the ticket that, in the opinion of the Director of the Party Lottery that issued the ticket, justifies invalidation.
Amended March 29, 2013.
(n) The ticket must be submitted to the Party Lottery that issued it.
31.4 An Official Mega Millions Ticket submitted for validation that fails any of the preceding validation conditions shall be considered void, subject to the following determinations:
Amended March 29, 2013.
(a) In all cases of doubt, the determination of the Party Lottery that sold the Mega Millions ticket, shall be final and binding; however, the Party Lottery may, at their option, replace an invalid ticket with a Mega Millions ticket of equivalent sales price;
Amended March 29, 2013.
(b) In the event a defective ticket is purchased or in the event the Party Lottery determines to adjust an error, the Claimant's sole and exclusive remedy shall be the replacement of such defective or erroneous ticket(s) with a Mega Millions ticket of equivalent sales price;
(c) In the event a Mega Millions ticket is not paid by a Party Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Party Lottery may, at its option, replace the ticket as provided in paragraph (a) of this subsection. This shall be the sole and exclusive remedy of the Claimant unless the laws or regulations governing the Party Lottery provide for further administrative review.

MM RULE 32—TICKET RESPONSIBILITY.

32.1 Prize Claims. Prize claim procedures shall be governed by the rules of the selling lottery. The MUSL and the Selling Lotteries shall not be responsible for prizes that are not claimed following the proper procedures as determined by the selling lottery.
Amended March 29, 2013; June 25, 2013.

32.2 Reserved. *Amended June 25, 2013.*

32.3 Stolen Tickets. The Product Group, the MUSL and the Party Lotteries shall not be responsible for lost or stolen tickets.

32.4 Subscription Plays. A receipt for a ticketless transaction play has no value and is not evidence of a play. A ticketless transaction play is valid when registered with the lottery in accordance with lottery rules and the person or, if permitted by the lottery rules, the persons registering the play shall be the owner of the ticketless transaction play.
Amended June 25, 2013.

32.5 The Party Lotteries shall not be responsible to a prize claimant for Mega Millions tickets redeemed in error by a Mega Millions agent, sales agent or retailer.

32.6 Winners are determined by the numbers drawn and certified by the independent auditor responsible for auditing the Mega Millions draw. MUSL and the Party Lotteries are not responsible for Mega Millions winning numbers reported in error.

MM RULE 33—INELIGIBLE PLAYERS.

33.1 A ticket or share for a MUSL game issued by the MUSL or any of its Party Lotteries shall not be purchased by, and a prize won by any such ticket or share shall not be paid to:

(a) a MUSL employee, officer, or director;
Amended March 29, 2013.

(b) a contractor or consultant under agreement with the MUSL to review the MUSL audit and security procedures;
Amended March 29, 2013.

(c) 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; or
Amended March 29, 2013.

(d) an immediate family member (parent, stepparent, child, stepchild, spouse, or sibling) of an individual described in subsections (a), (b), and (c) and residing in the same household.

33.2 Those persons designated by a Party Lottery's law as ineligible to play its games shall also be ineligible to play the MUSL game in that Party Lottery's jurisdiction.

33.3 A ticket or share of the Mega Millions game may not be purchased in any lottery jurisdiction by any Party Lottery board member; commissioner; officer; employee; or spouse, child brother, sister or parent residing as a member of the same household in the principle place of residence of any such person. Prizes shall not be paid to any persons prohibited from playing Mega Millions in a particular jurisdiction by rules, governing law, or any contract executed by the Selling Lottery.

MM RULE 34—APPLICABLE LAW.

In purchasing a ticket, the purchaser agrees to comply with and abide by all applicable laws, rules, regulations, procedures, and decisions of the Party Lottery where the ticket was purchased, and by directives and determinations of the director of that Party Lottery. Additionally, the player shall be bound to all applicable provisions in the Mega Millions Finance and Operations Procedures. The player agrees, as its sole and exclusive remedy that claims arising out of a Mega Millions ticket can only be pursued against the Party Lottery of ticket purchase. Litigation, if any, shall only be maintained within the jurisdiction in which the Mega Millions ticket was purchased and only against the Party Lottery that issued the ticket. Nothing in this rule shall be construed as a waiver of any defense or claim a Party Lottery may have in the event a player pursues litigation against the Party Lottery, its officers, or employees. All decisions made by a Party Lottery, 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, but only in the jurisdiction where the Mega Millions ticket was issued.

PART III – SPECIAL GAME RULES: MEGA MILLIONS MEGAPLIER PROMOTION

Last amended June 25, 2011 with portions to be effective with the drawing on October 22, 2013.

MM RULE A — PROMOTION DESCRIPTION.

The Mega Millions Megaplier promotion is a limited extension of the Mega Millions game and is conducted in accordance with the Mega Millions game rules and other lottery rules applicable to the Mega Millions game except as may be amended herein. The promotion will begin at a time announced by the Party Lottery and will continue until discontinued by the lottery. The promotion will offer to the owners of a qualifying play a chance to multiply or increase the amount of any of the lump sum Set Prizes (the lump sum prizes normally paying one dollar ($1.00) to one million dollars ($1,000,000.00) won in a drawing held during the promotion. The Grand Prize is not a Set Prize and will not be multiplied or increased by means of the Megaplier promotion.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

MM RULE B — QUALIFYING PLAY.

A qualifying play is any single Mega Millions play for which the player pays an extra dollar for the Megaplier option play and that is recorded at the Party Lottery's central computer as a qualifying play.

Amended March 29, 2013.

MM RULE C — PRIZES TO BE MULTIPLIED OR INCREASED.

A qualifying play that wins one of the lump sum Set Prizes will be multiplied by the number selected, either two, three, four, or five (2, 3, 4, or 5), in a separate random Megaplier drawing announced in a manner approved by the Product Group.

Amended June 3, 2010 to be effective when promulgated by the lottery and September 21, 2010 to be effective to be effective December 1, 2010; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

MM RULE D — MEGAPLIER DRAWS.

MUSL will either itself conduct, or authorize a U.S. Lottery to conduct on its behalf, a separate random "Megaplier" drawing. Before each Mega Millions drawing a single number (2, 3, 4 or 5) shall be drawn. The Mega Millions Group may change one or more of the multiplier features for special promotions from time to time. In the event the multiplier drawing does not occur prior to the Mega Millions drawing, the multiplier number will be a 5 (five), which shall solely be determined by the lottery authorized to conduct the "Megaplier" drawing.

Amended September 21, 2010 to be effective December 1, 2010; October 25, 2011; June 25, 2013 to be effective with the drawing on October 22, 2013.

MM RULE E — PRIZE POOL.

E(1) Megaplier Prize Pool. The Megaplier Prize Pool for all prize categories offered by the Party Lotteries shall consist of up to fifty-five percent (55%) of each drawing period's sales, as determined by the Game Group, including any specific statutorily-mandated tax of a Party Lottery to be included in the price of a lottery ticket. The Megaplier prize pool shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the Megaplier prizes awarded in the current draw and held in the Megaplier Pool Account.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013; June 25, 2013.

Comment: On September 21, 2010, the Product Group determined to set the Megaplier Prize Pool at fifty-two and five-tenths percent (52.5%), effective December 1, 2010. On June 16, 2011, the Product Group determined to set the Megaplier Prize Pool at fifty-one and five-tenths percent (51.5%) effective beginning with the drawing of July 1, 2011. On January 31, 2013 the Product Group determined to set the Megaplier Prize Pool at fifty percent (50%) effective beginning with the drawing on April 2, 2013

E(2) Megaplier Prize Pool Account. Any amount not used to pay for multiplied prizes may be collected and placed in the Megaplier Prize Pool until the prize pool account reaches the amount designated by the Product Group. Any amount remaining in the Megaplier Prize Pool Account at the end of this game shall be carried forward to a replacement game or expended in a manner as directed by the Members of the Product Group in accordance with jurisdiction law.

Amended March 29, 2013; June 25, 2013.

E(3) Expected Prize Payout. Except as provided in these rules, all prizes awarded shall be paid as lump sum set prizes. Instead of the Mega Millions set prize amounts, qualifying Megaplier plays will pay the amounts shown below when matched with the Megaplier number drawn:

Prize Levels	Standard	With Megaplier Purchase			
Prize Levels with Megaplier Purchase and Multiplier					
	Standard	2x	3X	4X	5X
Match 5+0	$1,000,000.00	$2,000,000.00	$3,000,000.00	$4,000,000.00	$5,000,000.00
Match 4+1	$5,000.00	$10,000.00	$15,000.00	$20,000.00	$25,000.00
Match 4+0	$500.00	$1,000.00	$1,500.00	$2,000.00	$2,500.000
Match 3+1	$50.00	$100.00	$150.00	$200.00	$250.00
Match 3+0	$5.00	$10.00	$15.00	$20.00	$25.00
Match 2+1	$5.00	$10.00	$15.00	$20.00	$25.00
Match 1+1	$2.00	$4.00	$6.00	$8.00	$10.00
Match 0+1	$1.00	$2.00	$3.00	$4.00	$5.00
Multiplier numbers do not apply to the Mega Millions Grand Prize=.					

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

In certain rare instances, the Mega Millions set prize amount may be less than the amount shown. In such case, the Megaplier prizes will be a multiple of the changed Mega Millions prize amount announced after the draw. For example, if the Match 4+1 Mega Millions set prize amount of five thousand dollars ($5,000.00) becomes two thousand dollars ($2,000.00) under the rules of the Mega Millions game, then a Megaplier player winning that prize amount with a 4X multiplier would win eight thousand dollars ($8,000): two thousand dollars multiplied by four ($2,000.00 x 4).

Amended June 3, 2010 to be effective when promulgated by the lottery and September 21, 2010 to be effective December 1, 2010; October 25, 2011; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

MM RULE F — PROBABILITY OF WINNING.

The following table sets forth the probability of the various Megaplier numbers being drawn during a single Mega Millions drawing. The Product Group may elect to run limited promotions that may modify the multiplier features.

Megaplier			Probability of Prize Increase
5X	-	Prize Won Times 5	6 in 15
4X	-	Prize Won Times 4	3 in 15
3X	-	Prize Won Times 3	4 in 15
2X	-	Prize Won Times 2	2 in 15

Multiplier numbers do not apply to the Mega Millions Grand Prize.

Amended June 3, 2010 to be effective when promulgated by the lotteries and September 21, 2010 to be effective December 1, 2010; October 25, 2011; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

MM RULE G – LIMITATION ON PAYMENT OF MEGAPLIER PRIZES

G(1) Prize Pool Carried Forward. The prize pool percentage allocated to the Megaplier set prizes 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 or may be held in a prize reserve account.

G(2)(a) Pari-Mutuel Prizes—All Prize Amounts. Except as otherwise provided for in G(2)(b):

G(2)(a)(1) If the total of the original Mega Millions set prizes and the Megaplier prize amounts awarded in a drawing exceeds the percentage of the prize pools allocated to the set prizes, then the amount needed to fund the set prizes (including the Megaplier prize amounts) awarded shall be drawn from the following sources, in the following order:

(i) the amount allocated to the set prizes (including Megaplier prize amounts) and carried forward from previous draws, if any;

(ii) an amount from the Mega Millions Prize Reserve Account, if available in the account, not to exceed forty million dollars ($40,000,000.00) per drawing.

G(2)(a)(2) If, after these sources are depleted, there are not sufficient funds to pay the set prizes awarded (including Megaplier prize amounts), then the highest set prize (including the Megaplier prize amounts) 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, including the Megaplier prize amount, shall become a pari-mutuel prize. This procedure shall continue down through all set prizes 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 rule shall be divided among the winning plays in proportion to their respective prize percentages. Mega Millions and Megaplier prizes will be reduced by the same percentage.

Comment. By action on June 25 effective with the October 22, 2013 drawing, the Product Group agreed to combine the Mega Millions and Megaplier prize pools in the rare instance when the set prizes, including the Megaplier prizes, pursuant to the rules, are paid on a pari-mutuel basis.

G(2)(b) By agreement with the Mega Millions Lotteries, the Mega Millions Lotteries shall independently calculate their set pari-mutuel prize amounts, including the Megaplier prize amounts. The Party Lotteries and the Mega Millions Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

Comment. The California Lottery is excluded from the Party Lotteries and other Licensee Lotteries pari-mutuel prize calculations.

MM RULE H – PRIZE PAYMENT

H(1) Prize Payments. All Megaplier prizes shall be paid in one lump sum through the Party Lottery that sold the winning ticket(s). A Party Lottery may begin paying Megaplier prizes after receiving authorization to pay from the MUSL central office.

H(2) Prizes Rounded. Prizes that, under these rules, may become pari-mutuel prizes, may be rounded down so that prizes can be paid in whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013.