

## POWERBALL GROUP RULES

*Adopted June 6, 1996;*

*Last Amended May 22, 2015 and June 25, 2015 to be effective with the October 7, 2015 drawing.*

**By vote of the Product Group on May 7, 2015, changes are effective with the drawing on October 7, 2015**

### PART I — ADMINISTRATION

#### PB RULE 1—DISPUTES, VOTING, ELECTIONS.

**1.1 First Review.** The Product Group shall have the first opportunity to informally resolve any disputes arising among Party Lotteries and Licensee Lotteries regarding the Product Group, rules, policies, or guidelines. The Selling 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 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 Selling Lottery may seek any other remedy authorized by the Multi-State Lottery Agreement.

*Amended December 8-9, 2009; November 15, 2012.*

**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 Licensee Lottery sales.

*Amended September 9, 1998; December 8-9, 2009; November 15, 2012.*

**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 November 15, 2012.*

**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 November 15, 2012.*

**1.5 Elections.** A Product Group Chair and Product Group Vice-Chair shall be elected for one-year terms to begin with the fiscal year starting July 1, 2005. The Chair shall appoint a Nominating Committee to recommend candidates to the Product Group. Nominations may also be made by motion and properly seconded.

*Amended April 24, 1997. Amended May 13, 1998; September 14, 2005.*

[Rule 2 reserved for future use]. *Repealed June 20, 2006.*

**PB RULE 8—PETITION FOR ADMISSION / LOTTERY LICENSE.**

**8.1 Minimum ICS Standards.** A Lottery seeking admission to the Product Group, or seeking a license to sell the game, 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 play sales commence. The Security and Integrity Committee shall review the internal control systems of each lottery seeking admission to the Product Group, or seeking to become a Licensee Lottery selling a game of the Product Group, for compliance with Rule 2 (Minimum ICS Standards) and shall issue a written report summarizing its findings.

*Amended November 15, 2012; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**8.2 Other Admission Requirements.** The Product Group shall determine other admission or licensing requirements as allowed by the Agreement.

*Amended December 8-9, 2009; November 15, 2012.*

**PB RULE 9—EXPULSION OF A PARTY LOTTERY / TERMINATION OF A LICENSEE LOTTERY**

**9.1** 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 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 November 15, 2012; June 25, 2013.*

**9.2** The Product Group can terminate the license of a Licensee Lottery 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.

*Adopted December 8-9, 2009; Amended November 15, 2012.*

**RULE 10—ADVERTISING.**

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

*Amended May 22, 2015 to be effective with the October 7, 2015 drawing.*

**10.2 Grand Prize Estimate.** No Selling Lottery may advertise an estimated or guaranteed Grand Prize amount that is different than the estimated or guaranteed Grand Prize amount provided to the Selling Lottery by the Product Group.

*Adopted February 1, 2006; Amended December 8-9, 2009; November 15, 2012; December 10, 2014.*

**12.5 Location and Method of Sales.** An offer to buy and an offer to sell a Powerball play shall be made only at a location or only by a method that is licensed, certified, authorized, or contracted by the Selling Lottery.

*Adopted February 1, 2006; Amended December 8-9, 2009; November 15, 2012; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**RULE 13—PRIZE PAYMENTS.**

No Selling Lottery may pay prizes that are less than or more than the prize amounts established by the Product Group. The prize won cannot be indirectly increased by Selling Lottery promotions or agent promotions that have the effect of increasing the designated Powerball prize. Notwithstanding the foregoing, any Selling Lottery which, due to jurisdictional law requirements, separately determines its low-tier prize amounts and does not share prize liability with other lotteries, will be exempt from this rule with respect to any low tier prize amounts.

*Adopted February 1, 2006; Amended December 8-9, 2009; November 15, 2012; June 5, 2014.*

*Comment: Due to its jurisdictional law requirements, on November 15, 2012, the Powerball Group concluded that the California Lottery shall be exempt from this Rule with respect to any low-tier prize amounts.*

**PB RULE 14—GRAND PRIZE ACCOUNT.**

**14.1 Grand Prize Funds Transferred to MUSL.**

**14.1(a) Party Lotteries.** Each Party Lottery shall transfer to the MUSL in trust an amount as determined by the Product Group to be its total proportionate share of the Powerball prize pool less actual low-tier Powerball prize liability. If this results in a negative amount, the MUSL central office shall transfer funds from the appropriate prize account to the Party Lottery.

*Adopted September 10, 1998; Amended December 8-9, 2009; November 15, 2012; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**14.1(b) Licensee Lotteries.** Licensee Lotteries shall adhere to PB Rule 14.1(a) unless a different process is approved by the Product Group.

*Adopted December 8-9, 2009; Amended November 15, 2012.*

*Comment. At its meeting on December 8-9, 2009, the Product Group agreed to exclude the Licensed Lotteries involved in the cross-selling initiative of Powerball and Mega Millions from PB Rule 14.1(a) and such Licensee Lotteries shall transfer to the MUSL in trust an agreed-upon amount as its total proportionate share of a Grand Prize or Match 5 Bonus Prize amounts. At its meeting on June 24, 2011, the Product Group agreed to eliminate the Match 5 Bonus Prize beginning with the draw on January 18, 2012, ending the need for a Match 5 Bonus Prize transfer.*

**14.2 Grand Prize Funds Transferred to Selling Lottery.** Grand Prize amounts held by MUSL shall be transferred to the Selling Lottery immediately after the Selling Lottery validates the prize claim and after MUSL has collected the prize pool shares from all Selling Lotteries.

*Adopted September 9, 1998; Amended March 5, 2003; December 8-9, 2009; June 24, 2011 to be effective for draws beginning January 18, 2012; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**PART II POWERBALL GAME RULES**

*Last Amended May 22, 2015 to be effective with the October 7, 2015 drawing*

**By vote of the Product Group on May 7, 2015, changes are effective with the drawing on October 7, 2015.**

**PB RULE 26—DEFINITIONS.**

The following definitions apply to all Parts of these rules unless the context requires a different meaning or is otherwise inconsistent with the intention of these 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.

*Amended December 8-9, 2009; November 15, 2012.*

**26.1** “Advertised Grand Prize” shall mean the estimated annuitized Grand Prize amount as determined by the MUSL Central Office by use of the MUSL Annuity Factor and communicated through the Selling Lotteries prior to the Grand Prize drawing. The “Advertised Grand Prize” is not a guaranteed prize amount and the actual Grand Prize amount may vary from the advertised amount, except in circumstances where there is a guaranteed Grand Prize amount as described in Rule 30.5.

*Adopted May 22, 2015 to be effective with the October 7, 2015 drawing.*

**26.2** “Agent” or “retailer” means a person or entity authorized by a Selling Lottery to sell lottery plays.

*Amended May 22, 2015 to be effective with the October 7, 2015 drawing.*

**26.3** A “Drawing” refers collectively to the formal draw event for randomly selecting the winning indicia that determine the number of winners for each prize level of the Powerball game and the Power Play multiplier. Winning indicia include the Winning Numbers for the Powerball game, and the Power Play multiplier.

*Amended November 15, 2012; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**26.4** “Computer pick” means the random selection of indicia by the computer that appear on a ticket or ticketless transaction and are played by a player in the game.

*Amended November 15, 2012; December 10, 2014; December 30, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**26.5** “Game board” or “boards” means that area of the Play Slip, also known as a “panel,” that contains sets of numbered squares to be marked by the player.

*Amended July 5, 2002; May 4, 2005; August 20, 2008; June 14, 2011 and effective for draws beginning January 18, 2012; November 15, 2012; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**26.6** “Game ticket” or “ticket” means an acceptable evidence of play, which is a ticket produced in a manner that meets the specifications defined in the rules of each Selling Lottery and Rule 31 (Ticket Validation) and is a physical representation of the play or plays sold to the player or is a properly and validly registered ticketless transaction play.

*Amended October 5, 2004; November 15, 2012; June 25, 2013; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**26.7** “Grand Prize” shall refer to the top prize in the Powerball game.

*Adopted December 10, 2014. Amended May 22, 2015 to be effective with the October 7, 2015 drawing.*

**26.17** "Terminal" means a device authorized by a Selling Lottery to function in an on-line, interactive mode with the gaming computer system for the purpose of issuing lottery tickets and entering, receiving, and processing lottery transactions, including making purchases, validating tickets, and transmitting reports.

*Amended December 8-9, 2009; November 15, 2012; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**26.18** "Ticketless Transaction" shall include plays sold through subscription, internet, or non-standard terminals.

*Amended June 25, 2013*

**26.19** "Winning Numbers" means the indicia randomly selected during a Drawing event which shall be used to determine winning plays for the Powerball game contained on a game ticket or ticketless transaction.

*Amended December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**26.20** Reserved. *Approved May 22, 2015 to be effective with the October 7, 2015 drawing.*

### **PB RULE 27—POWERBALL GAME DESCRIPTION.**

**27.1** Powerball is a five (5) out of sixty-nine (69) plus one (1) out of twenty-six (26) numbers lottery game drawn every Wednesday and Saturday as part of the Powerball drawing event, which 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 an annuitized pari-mutuel basis or as a single lump sum payment of the total funding held in the Grand Prize Pool for the winning drawing on a pari-mutuel basis. Except as provided in these rules, all other prizes are paid on a single payment basis. Powerball Winning Numbers applicable to determine Powerball prizes will be determined in the Powerball Drawing event.

To play Powerball, a player shall select (or computer pick) five (5) different numbers, from one (1) through sixty-nine (69) and one (1) additional number from one (1) through twenty-six (26). The additional number may be the same as one of the first five numbers selected by the player.

Plays can be purchased for two dollars (U.S. \$2.00), including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a play. Plays may be purchased from a Selling Lottery approved sales outlet in a manner as approved by the Selling Lottery and in accordance with MUSL Rules

The Drawing Procedures shall include procedures for randomly selecting the Powerball game Winning Numbers and the Power Play multiplier.

*Amended December 21, 1998, February 3, 2002; July 5, 2002; May 4, 2005; August 20, 2008; December 8-9, 2009; June 14, 2011 and effective for draws beginning January 18, 2012; November 15, 2012; June 25, 2013; June 5, 2014; December 10, 2014; December 30, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**27.2 Claims.** Unless otherwise permitted by a selling lottery, a ticket (subject to the validation requirements set forth in Rule 31 (Ticket Validation)) or properly registered ticketless transaction shall be the only proof of a game Play or Plays and the submission of a winning ticket to the issuing Selling 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 play purchase or of numbers selected. A terminal-produced paper receipt has no pecuniary or prize value and shall not constitute evidence of play purchase or of numbers selected.

*Amended October 5, 2004; December 8-9, 2009; November 15, 2012; June 5, 2014; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**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 or contained in a ticketless transaction. The placing of Plays is done at the player's own risk through the agent that is acting on behalf of the player in entering the Play or Plays. The purchaser of a Play or Plays through a ticketless transaction has the sole responsibility for verifying the accuracy and condition of the data at the time of purchase.

*Amended November 15, 2012; June 5, 2014; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**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 Selling Lottery and hand-marked by the player or by such other means approved by the Selling 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 Selling Lottery. Retailers shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the Selling Lottery.

*Amended December 8-9, 2009; December 10, 2014*

**27.6 Registration of Plays.** Ticketless transaction plays may be registered by the Selling Lottery at a lottery processing site that meets the requirements established by the Product Group and the MUSL Board.

*Adopted October 5, 2004; Amended December 8-9, 2009; November 15, 2012; June 25, 2013; December 10, 2014*

## **PB RULE 28—POWERBALL PRIZE POOL**

**28.1 Powerball Prize Pool.** The prize pool for all prize categories shall consist of fifty percent (50%) of each drawing period's sales, inclusive of any specific statutorily mandated tax of a Selling Lottery to be included in the price of a play, after the prize pool accounts and prize reserve accounts are funded to the amounts set by the Product Group. Any amount remaining in the prize pool at the end of this game shall be returned to all lotteries participating in the prize pool after the end of all claim periods of all Selling Lotteries, carried forward to a replacement game or expended in a manner as directed by the Members of the Product Group in accordance with jurisdiction statute.

*Amended August 20, 2008; December 8-9, 2009; November 15, 2012; June 25, 2013; December 10, 2014; December 30, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**28.2(a) Powerball 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 play, shall be deducted from a Party Lottery's Grand Prize Pool contribution and placed in trust in one or more Powerball 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(s) is below the amounts designated by the Product Group.

The Product Group has established the following prize reserve accounts for the Powerball game: the Powerball 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; and the Powerball Set Prize Reserve Account (SPRA), which is used to fund deficiencies in low-tier Powerball prize payments (subject to the limitations of these rules).

**MULTI-STATE LOTTERY ASSOCIATION – POWERBALL GROUP RULES**

*Comment last modified May 22, 2015 to be effective with the October 7, 2015 drawing.*

**28.2(b) Licensee Lotteries.** Licensee Lotteries shall adhere to PB Rule 28.2(a) unless a different process is approved by the Product Group.

*Adopted December 8-9, 2009.*

*Comment. At its meeting on December 8-9, 2009, and under the terms of the Cross-Selling Agreement, the Product Group agreed to exclude the Licensed Lotteries from contributing to the prize pool accounts (other than the Grand Prize pool) and prize reserve accounts with the agreement of the Licensed Lotteries to be responsible for the payment of their shares of all prizes won.*

**28.3 Expected Powerball Prize Payout Percentages.**

(1) The Grand Prize payout shall be determined on a pari-mutuel basis. Except as otherwise mandated by jurisdiction statute or judicial requirements, or provided for in these rules, all other prizes awarded shall be paid as set single payment prizes with the following expected prize payout percentages:

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	68.0131%
All five (5) of first set and none of second set.	\$1,000,000	8.5558%
Any four (4) of first set plus one (1) of second set.	\$50,000	5.4757%
Any four (4) of first set and none of second set.	\$100	0.2738%
Any three (3) of first set plus one (1) of second set.	\$100	0.6899%
Any three (3) of first set and none of second set.	\$7	1.2074%
Any two (2) of first set plus one (1) of second set.	\$7	0.9981%
Any one (1) of first set plus one (1) of second set.	\$4	4.3489%
None of first set plus one (1) of second set.	\$4	10.4373%

*Amended June 14, 2011 and July 24, 2011 and effective for draws beginning January 18, 2012; November 15, 2012, June 25, 2013 to be effective October 1, 2013; June 5, 2014; December 10, 2014; December 30, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

*Comment: Due to jurisdictional law requirements, on November 15, 2012, the Powerball Group concluded that the California Lottery shall separately determine the low-tier cash prize values for that jurisdiction and that it shall not participate in the Power Play multiplier.*

*Comment last modified December 10, 2014.*

(a) The prize money allocated to the Grand Prize category shall be divided equally by the number of plays winning the Grand Prize.

*Amended June 25, 2013 effective October 1, 2013; December 10, 2014*

(b) **Powerball Set Prize Pool Carried Forward.** For Party Lotteries, the Powerball Set Prize pool (for single payment 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 Powerball Set Prizes awarded in the current draw.

*Amended June 25, 2013; June 5, 2014; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**(2) Licensee Lotteries.** Licensee Lotteries shall adhere to PB Rule 28.3(1)(c)(1)(a) and (b) unless a different process is approved by the Product Group.

*Adopted December 8-9, 2009. Amended June 25, 2013 to be effective October 1, 2013; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

*Comment. The California Lottery is excluded from the Party Lotteries' and other Licensee Lotteries' pari-mutuel prize calculations. At its meeting on December 8-9, 2009, and under the terms of the Cross-Selling Agreement, the Product Group agreed to exclude the Licensed Lotteries from contributing to the prize pool accounts (other than the Grand Prize pool) and prize reserve accounts with the agreement of the Licensed Lotteries to be responsible for the payment of their shares of all prizes won subject to the agreement noted in 28.3(1)(c)(1)(c).*

*Comment last modified May 22, 2015 to be effective with the October 7, 2015 drawing.*

**PB RULE 30 POWERBALL PRIZE PAYMENT**

**30.1 Grand Prizes.** 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 single lump sum payment (which may be referred to as the “cash option”). If the payment election is not made at the time of purchase and 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. An election for an annuity payment made by a player before ticket purchase or by system default or design may be changed to a cash option payment at the election of the player until the expiration of sixty (60) days after the player becomes entitled to the prize. The election to take the cash option payment may be made at the time of the prize claim or 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.

Shares of the Grand Prize shall be determined by dividing the funds available in the Grand Prize pool equally among all winning plays of the Grand Prize. Winner(s) who elect a cash option payment shall be paid their share(s) in a single lump sum payment. The annuitized option prize shall be determined by multiplying a winner’s share of the Grand Prize pool by the MUSL Annuity Factor. The MUSL Annuity Factor is determined through a process as approved by the Finance and Audit Committee. Neither MUSL nor the Selling Lotteries shall be responsible or liable for changes in the advertised or estimated annuity prize amount and the actual amount purchased after the prize payment method is actually known to MUSL.

In certain instances announced by the Product Group, the Grand Prize shall be a guaranteed amount and shall be determined pursuant to Rule 30.5.

If individual shares of the Grand Prize Pool funds held to fund an annuity is less than \$250,000.00, the Product Group, in its sole discretion, may elect to pay the winners their share of the funds held in the Grand Prize pool.

All annuitized prizes shall be paid annually in thirty (30) payments with the initial payment being made in a single payment, to be followed by twenty-nine (29) payments funded by the annuity. Except as may be controlled by a Selling Lottery’s governing statute, all annuitized prizes shall be paid annually in thirty (30) graduated payments (increasing each year) by a rate as determined by the Product Group. Prize payments may be rounded down to the nearest one thousand dollars (\$1,000.00). Annual payments after the initial payment shall be made by the lottery on the anniversary date or if such date falls on a non-business day, then the first business day following the anniversary date of the selection of the Grand Prize Winning Numbers.

Funds for the initial payment of an annuitized prize or the lump sum cash option prize payment shall be made available by MUSL for payment by the Selling Lottery no earlier than the fifteenth calendar day (or the next banking day if the fifteenth day is a holiday) following the drawing. 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 option amount may be delayed pending receipt of funds from the Selling Lotteries. A paying lottery may elect to make the initial payment from its own funds after validation, with notice to MUSL.

**30.3 Powerball 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 payment to the winner or winners. Prizes other than the Grand Prize, which, under these rules, may become single-payment, pari-mutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Except with regards to low-tier prizes paid by a Selling Lottery which separately determines its low-tier prize amounts pursuant to Rule 30.2, breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

*Amended November 15, 2012; June 5, 2014; December 10, 2014.*

*Comment: Due to jurisdictional law requirements, on November 15, 2012, the Powerball Group concluded that the California Lottery shall separately determine the low-tier prize values for that jurisdiction.*

**30.4 Powerball Prize 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.

*Amended July 5, 2002; June 24, 2011 and effective for draws beginning January 18, 2012; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**30.5 Funding of Guaranteed Powerball Prizes.** The Product Group may offer guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount between drawings or make other changes in the allocation of prize money where the Product Group finds that it would be in the best interest of the game. If a minimum Grand Prize amount or a minimum increase in the Grand Prize amount between drawings is offered by the Product Group, then the Grand Prize shares shall be determined as follows: If there are multiple Grand Prize winners during a single drawing, each selecting the annuitized option prize, then a winner's share of the guaranteed annuitized Grand Prize shall be determined by dividing the guaranteed annuitized Grand Prize by the number of winning plays. If there are multiple Grand Prize winners during a single drawing and at least one (1) of the Grand Prize winners has elected the annuitized option prize, then the best bid submitted by MUSL's pre-approved qualified brokers shall determine the cash pool needed to fund the guaranteed annuitized Grand Prize. If no winner of the Grand Prize during a single drawing has elected the annuitized option prize, then the amount of cash in the Grand Prize pool shall be an amount equal to the guaranteed annuitized amount divided by the MUSL Annuity Factor. Changes in the allocation of prize money shall be designed to retain approximately the same prize allocation percentages, over a year's time, set out in these rules. Minimum guaranteed prizes or increases may be waived if the alternate funding mechanism set out in Rule 28.3(b) becomes necessary. Approval of the Group is required to change the guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount. Any reduction in the guaranteed minimum Grand Prize amount or reduction in the minimum increases to the Grand Prize amount shall not become effective until after a Grand Prize win following the action taken by the Group.

*Amended November 15, 2012; June 25, 2013 to be effective October 1, 2013; December 10, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

*Comment: A Set-Aside Account with a cap of \$20 million dollars is established to fund guaranteed minimum Grand Prize amounts and minimum increases between draws. The Group has determined that the minimum Grand Prize shall be \$20 million annuity and the minimum increases in the Grand Prize shall be \$5 million annuity between draws. Beginning with the \$2 game, with the first drawing planned for Wednesday, January 18, 2012, the Product Group has determined that the minimum Grand Prize shall be \$40 million annuity and the minimum increases in the Grand Prize shall be \$10*

**PB RULE 33—INELIGIBLE PLAYERS.**

**33.1** A play 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 play or share shall not be paid to:

- (a) a MUSL employee, officer, or director;
- (b) a contractor or consultant under agreement with the MUSL to review the MUSL audit and security procedures;
- (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
- (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.

*Amended September 30, 1996; November 15, 2012; May 22, 2015 to be effective with the October 7, 2015 drawing.*

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

**PB RULE 34—APPLICABLE LAW.**

In purchasing a play, the purchaser agrees to comply with and abide by all applicable laws, rules, regulations, procedures, and decisions of the Selling Lottery where the play was purchased.

*Amended May 22, 2015 to be effective with the October 7, 2015 drawing.*

**PB RULE D — POWER PLAY DRAWS.**

MUSL will conduct a separate random “Power Play” drawing and announce results during each of the regular Powerball drawings held during the promotion. During each Power Play drawing a single number (2, 3, 4, 5 and sometimes 10) shall be drawn. The ten (10X) multiplier shall be available for all drawings in which the advertised Grand Prize amount is one hundred fifty million dollars (\$150,000,000.00) or less. The Powerball Group may modify the multiplier features for special promotions from time to time.

*Amended June 25, 2013 to be effective for the drawing on January 22, 2014; June 5, 2014; May 22, 2015 and June 26, 2015 to be effective with the October 7, 2015 drawing.*

**PB RULE E — PRIZE POOL.**

**E(1) Power Play Prize Pool.** As per Rule E(2), in drawings where the ten (10X) multiplier is available, the expected payout for all prize categories shall consist of up to forty-nine and nine hundred sixty-nine thousandths percent (49.969%) of each drawing period's sales, including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a lottery ticket. In drawings where the “ten (10)” multiplier is not available, the expected payout for all prize categories shall consist of up to forty-five and nine hundred thirty-four thousandths percent (45.934%) of each drawing period's sales, including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a lottery ticket.

The prize payout percentage per draw may vary. The Power Play Prize Pool shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the Power Play prizes awarded in the current draw and held in the Power Play Pool Account.

*Amended May 4, 2005; August 20, 2008; December 8-9, 2009; June 24, 2011 effective for draws beginning January 18, 2012; November 15, 2012; June 25, 2013 to be effective with the drawing on January 22, 2014; May 22, 2015 and June 25, 2015 to be effective with the October 7, 2015 drawing.*

**E(2) Power Play Pool Account.**

In drawings where the “ten (10)” multiplier is available, an additional thirty-one thousandths percent (0.031%) of sales, including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a lottery ticket, may be collected and placed in trust in the Power Play pool account, for the purpose of paying Power Play prizes. In drawings where the “ten (10)” multiplier is not available, four and sixty-six thousandths percent (4.066%) of sales, including any specific statutorily mandated tax of a Selling Lottery to be included in the price of a lottery ticket, may be collected and placed in trust in the Power Play pool account, for the purpose of paying Power Play prizes.

Any amount remaining in the Power Play pool account when the Product Group declares the end of this game shall be returned to the lotteries participating in the account after the end of all claim periods of all Selling Lotteries, carried forward to a replacement game, or otherwise expended in a manner at the election of the individual Members of the Product Group in accordance with jurisdiction statute.

*Amended June 24, 2011 effective for draws beginning January 18, 2012; November 15, 2012; June 25, 2013 to be effective for the drawing on January 22, 2014; June 5, 2014; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**When the 10x multiplier is not available:**

<b>Power Play</b>	<b>Probability of Prize Increase</b>	<b>Chance of Occurrence</b>
10X - Prize Won Times 10	0 in 42	0.00%
5X - Prize Won Times 5	2 in 42	4.7619%
4X - Prize Won Times 4	3 in 42	7.1429%
3X - Prize Won Times 3	13 in 42	30.9523%
2X - Prize Won Times 2	24 in 42	57.1429%

Power Play does not apply to the Grand Prize. Except as provided in Rule E(4), a Power Play Match 5 prize is set at two million dollars (\$2 million), regardless of the multiplier selected.

*Amended June 25, 2013 to be effective with the drawing on January 22, 2014; June 5, 2014; May 22, 2015 and June 25, 2015 to be effective with the October 7, 2015 drawing.*

**PB RULE G — LIMITATIONS ON PAYMENT OF POWER PLAY PRIZES.**

**G(1) Prize Pool Carried Forward.** For Party Lotteries, the prize pool percentage allocated to the Power Play 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.

*Amended December 8-9, 2009; May 22, 2015 to be effective with the October 7, 2015 drawing.*

**G(2)(a) Pari-Mutuel Prizes—All Prize Amounts.** Except as provided for in in (G)(2)(c), for Party Lotteries:

**G(2)(a)(1)** If the total of the original Powerball set prizes and the Power Play prizes 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 Power Play prize amounts) 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 Powerball Set-Prize Reserve Account, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing; and
- (iii) other amounts as agreed to by the Product Group in their sole discretion.

*Part IV Repealed May 22, 2015.*