

THE QUARTER



CASHLESS
VENDING
MACHINES
ARE ON THE WAY!

INSERT
\$1, \$5, \$10
DOLLARS
NOT



GROWING SECOND-CHANCE JACKPOT
FOR A SCRATCH-OFF? YES!



THE PRESIDENT'S CORNER

How is it that – in light of a global pandemic and lots of other issues 2020 threw at us – we've been able to achieve the highest sales in our more than three-decade history?

You. It's your efforts and work in less-than-ideal circumstances which have helped us achieve record results, making more funds than ever available for Kentucky students to attend college.

The pandemic has moved us forward in many ways. It's shown what we're capable of achieving. It's shown how our sales force was willing to change and adapt to help you succeed. And it's even shown how our use of technology has helped everyone rise to the occasion.

I want to thank you for keeping your machines full (a key part of increased sales), and for working with our sales staff when they call on the phone. I know it can be difficult to speak with them when you get that call with everything you have going on, and I so appreciate you meeting us in the middle so we can work together effectively.

In this issue, you'll find information about some of the new things we have heading your way to keep this positive trend moving. You'll learn about our initiative to convert vending machines to allow cashless transactions, and how a new Scratch-off ticket you're selling has a second-chance jackpot promotion unlike any we've ever offered that we believe your players will really enjoy.

We're on track to deliver more funds for college scholarship and grant programs than we've ever been able to provide, and you have played a huge role in that success! I so appreciate your help and hard work, and look forward to hopefully being in your store soon to say hello.



Mary Harville
Kentucky Lottery
President and CEO



THE QUARTER NAMED

BEST
RETAILER
MAGAZINE

IN NORTH AMERICA!

2020
Batchy Award
Best Retailer Newsletter
Kentucky
Lottery Corporation
The Quarter Retailer Magazine



During the annual meeting of the North American Association of State and Provincial Lotteries (NASPL, the trade group for all North American lotteries), The Quarter was once again named best retailer magazine! It beat more than 20 other entries in the competition, some from much larger organizations.

This marks the second time in three years the magazine has been named best in North America.

Many thanks to all our retailers for your continued support and work on this publication!



GOING CASHLESS

TOUCHSCREEN MACHINES WILL NOW ACCEPT DEBIT, CREDIT CARDS

By Mandy Wolf Detwiler, Contributing Writer

Players who opt to use touchscreen Kentucky Lottery vending machines will soon have the option to go cashless with the acceptance of debit and credit cards.

To incentivize retailers, the Kentucky Lottery Corporation (KLC) will cover swipe fees for these machines (but retailers are still responsible for fees over the counter). Pete Ramsey, vice president of corporate accounts and new business development, says retailers have been able to choose whether or not they accepted cards for lottery purchases, but as more Americans move away from using cash, especially in light of the COVID-19 pandemic, it has simply become the norm. Small-business loan processor Fundra estimates only 10 percent of Americans make their purchases using cash, and a whopping 80 percent prefer card payments over cash.

“For many years, independent retailers recognized that cashless transactions were on the rise, and some of our largest chains -- Circle K, Speedway, Kroger -- they started accepting debit and credit at the counter in the last few years, and they’ve seen significant sales growth over those years,” Ramsey says. “Nationally, we recognize that the use of cash is really going by the wayside.”

Last April, KLC began taking steps to reduce consumers' need for cash when buying lottery tickets by "getting our touchscreen machines, which are our latest and greatest machines, ramped up to be able to accept these new forms of payment," Ramsey says.

Last October, two locations in Louisville and one in Shelbyville with a combined total of five machines served as test devices for the cashless program. In all, the KLC utilizes a total of 1,470 touchscreen vending machines, with another 2,400 traditional front-facing button machines.

Rick Kelley, vice president of finance and administration, says the touchscreens have a lot of color, better advertising possibilities and will increase sales with the addition of card capabilities.

"We carry very little cash, if at all," Kelley says. "That's the way of the future. People use debit and credit cards everywhere and don't like carrying cash. It's easy for the player. It's a little bit of a challenge to get these things installed, but once we have them, we think people will utilize them heavily and will like them a lot."

"This was well in the works before the pandemic. It just happened to make it an even smarter decision," said Kelley.

Ramsey says KLC expects "a minimum 5% lift (per machine) by adding card capabilities to our machines." At the five test units, cashless purchases have grown steadily over the past few months ranging from five to 10 percent.

Installation on all machines should be completed by the end of June. Retailers with touchscreens should be notified about a week before techs will arrive to install the new software, which takes under two hours to install. The software update takes under two hours, and it's imperative that machines be left on at night to complete software updates and allow communication with the host network. Sales representatives will assist with training needs.

As an incentive for retailers, KLC will cover swipe fees at the machine (not at the counter) to accommodate the expected increase in use as more players become aware of cashless availability.

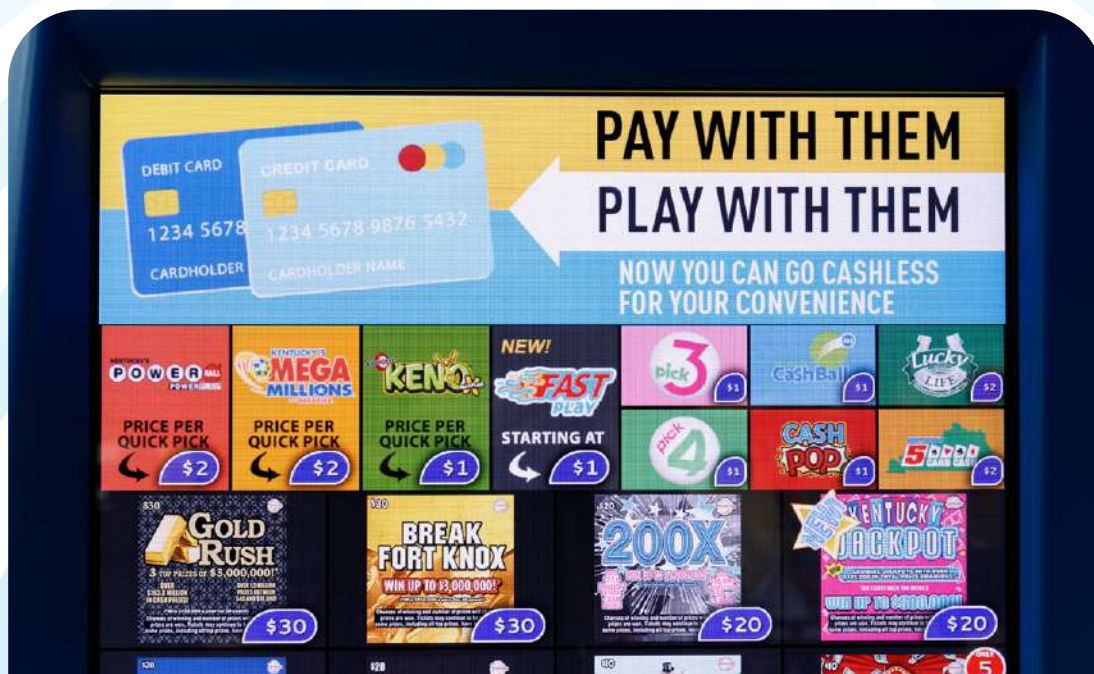
"We justify that because we anticipate not only is it a player convenience and player demand but the sales growth that we will see from having this available," Ramsey says.

Once the software has been installed in all 1,400-plus machines, the Lottery plans to do some interactive training with players to increase cashless awareness.

"It's a relatively painless process for the retailer and there's not much training for the retailer. It's really a player-facing device" Kelley says. "For anyone who has ever used a credit or debit card before, the experience will be what they're already used to."

"We expect a minimum 5% lift (per machine) by adding card capabilities to our machines."

— PETE RAMSEY
KY LOTTERY VP OF CORPORATE ACCOUNTS/
NEW BUSINESS DEVELOPMENT



LARGER THAN LIFE

KENTUCKY JACKPOT SCRATCH-OFF FAMILY DESIGNED TO GIVE PLAYERS MORE CHANCES TO WIN

By Mandy Wolf Detwiler, Contributing Writer

In a move designed to give Kentucky Lottery players even greater chances at winning, the new Kentucky Jackpot growing jackpot games offer more than \$325,000 in additional second chance prize money. That means greater traffic for your stores, more chances to win for your players and the potential for even more Fun Club members.

The new Kentucky Jackpot Scratch-off family launched January 8, 2021, and is available in \$1, \$2, \$5, \$10 and \$20 games.

"They all contribute to the same growing jackpot where if you don't win instantly on the (Scratch-off) ticket, you can enter a second-chance promotion at any of the price points," says Edie Frakes, vice president of marketing for the Kentucky Lottery Corporation (KLC).

Non-winning tickets are entered into the second-chance drawings via KLC's loyalty program. All entrants must be Fun Club members to win. A player's number of entries into the jackpot is based on the tickets' price points -- entries range from one chance at the \$1 price point up to 50 with a \$20 ticket. The promotion will run until the end of June.

"We felt like we just needed something that would get all of our players excited at whatever price point they play, and we had recently launched a terminal game called Fast Play," says Rhonda Zimmerman, KLC's director of Scratch games. "Part of that product featured a progressive growing jackpot, or a rolling jackpot, based on sales of that game. That was very well-received by our players."

Looking for a way to create a similar jackpot for Scratch-off players, Lottery officials found a similar growing jackpot Scratch-off in Georgia comprising multiple price points, "and it was going very well for them," Zimmerman adds. "It was basically a larger-than-life second chance promotion. So while we couldn't offer a rolling jackpot like the Fast Play category could, we could take some of the money from each of the games within this family to fund second-chance drawings that are much larger than anything we've been able to do in the past."

Unlike a traditional progressive jackpot based on sales, the Kentucky Jackpot drawings are set at pre-determined wins, with one grand-prize jackpot winner and five second-tier winners of \$500 each. The jackpot totals will include more than \$325,000 in giveaways. The total amounts given during each of the four drawings in 2021 will be advertised on machine touchscreens and the KLC website, with supplemental information in emails to Fun Club members.

"It's for much larger prizes than we've ever given away in second-chance drawings for Scratch-off games," Frakes says.



The Scratch-offs are standard key number matches with a bevy of multipliers packed in at all the price points. “This is the most popular play style for all of our players,” Zimmerman says.

Players may not win more than once during each drawing, and entries are not carried over to the next promo period.

“Because we’re offering the Kentucky Jackpot at various price points, it gives all of (retailers’) players the opportunity to participate in the promotion,” Zimmerman says. “A \$1 player is completely different from a \$20 player, but this gives players at both ends of the spectrum and throughout the opportunity to participate. It’s also going to give retailers the opportunity to increase the commission while they’re selling to their regular customers. We may get some trial-play customers as well. ... We think that this growing jackpot feature will capture some folks’ attention who may not normally be the standard lottery player.”

“Because of the play style and the multipliers, all of the games are loaded with mid-tier prizes ... there are loads and loads of mid-tier winners in all of the Kentucky Jackpot tickets. What that means is there’s a lot of winning going on in stores as well as a lot of cashing activity. We think that (retailers) will see the results that they’re looking for based on the amount of play that this Scratch-off family gets.”

Retailers are encouraged to upsell, as moving to a higher-priced ticket gives the player more entries into the second-chance drawings.

The extended 24-week promotion affords retailers plenty of time to increase customer play and encourage repeat ticket purchases, as players receive more entries into the drawing with each non-winning Scratch-off.

“Obviously, this is only available at retail, so our 3,000 partners are the ones we’re relying on,” Frakes says. The marketing department has given Kentucky Jackpot its own television campaign and point-of-sale materials are available to increase awareness. Retailers are encouraged to educate customers about the second-chance opportunities and the players’ Fun Club.

Says Frakes: “It’s sets the stage for our February game, Fastest Road to Three Million™.”

For more on that game, see page 12.

Through the first week of the promotion the KLC received over 750,000 eligible entries.



BY THE NUMBERS

SECOND-CHANCE DRAWING SINGLE GRAND PRIZE

Drawing 1 (February 23): \$31,834.20

Drawing 2 (April 6): \$63,668.60

Drawing 3 (May 18): \$95,502.90

Drawing 4 (June 29): \$127,337.20

SECOND-CHANCE DRAWING ENTRIES PER TICKET

\$1 ticket: 1 entry

\$2 ticket: 3 entries

\$5 ticket: 8 entries

\$10 ticket: 20 entries

\$20 ticket: 50 entries

MAKING SPIRITS (AND STORES) BRIGHT

In December, the Kentucky Lottery conducted a retailer holiday display contest. Retailers could use voided Holiday Lights Scratch-off tickets and other décor to create a fun display during the holidays. Many retailers said this increased their sales during this time!

The entries were published to the Kentucky Lottery website and posted on Facebook for voting. @kylottery social media followers loved showing support of their favorite retailers. More than 12,000 votes were cast!

GRAND PRIZE WINNER



Congrats to the **GRAND PRIZE WINNER**, Stop and Save #2 in Waynesburg, on winning a \$250 Lottery credit!

REGIONAL WINNERS

CENTRAL REGION

Bo's Smoke Shop
Store 5



BLUEGRASS REGION

Gasoline Alley 1/3



WESTERN REGION

Max Arnold & Sons—BP Cadiz 140



EASTERN REGION

McDowell Stop
and Shop



JEFFERSON REGION

SAV-A-STEP #50

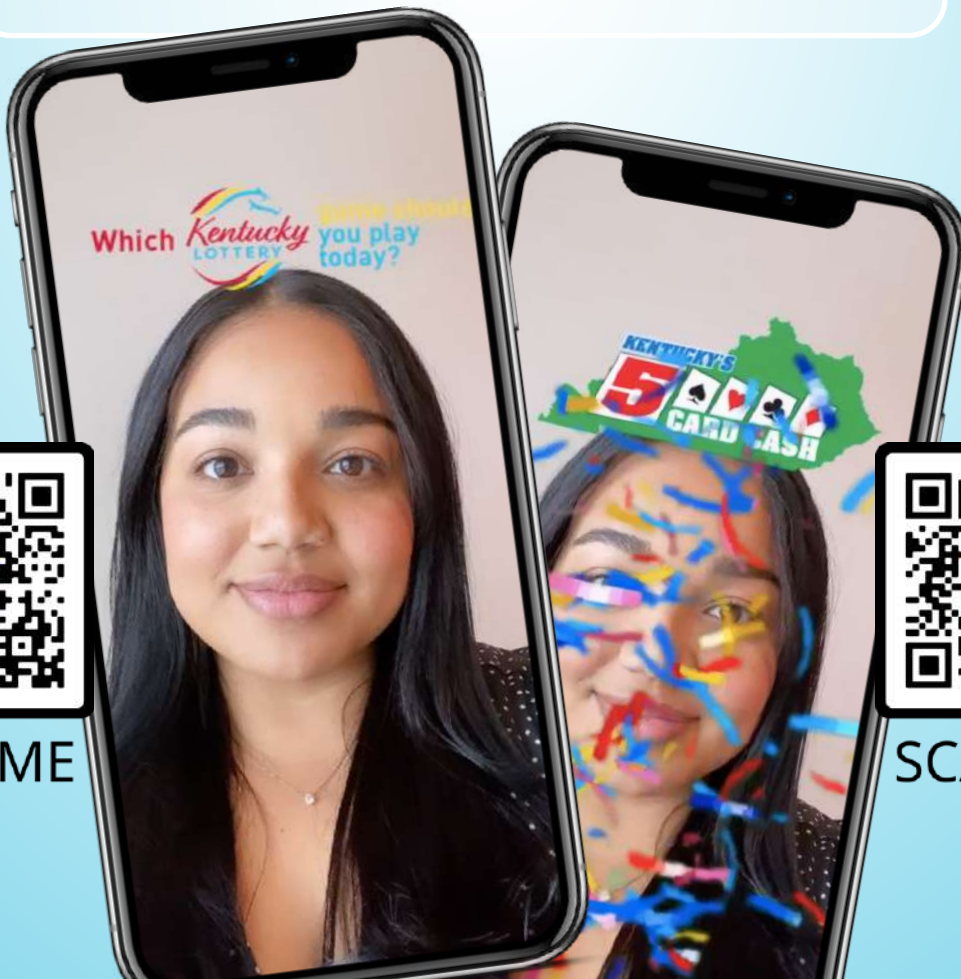


NEED HELP DECIDING WHAT TO PLAY?

The fun never ends with a new augmented reality (AR) game filter from the Kentucky Lottery! In this exciting filter, you can discover which KY Lottery game you should play! Don't forget to share your result with your friends on Facebook and/or Instagram. Simply Tap and hold record to start the game. Which game will it be? Scan this QR code to try it out now!



SCAN ME



SCAN ME

SCRATCH-OFFS UPDATE

By Rhonda Goodwin, Director of Scratch Games

Rev up your engines and get ready to enter life in the fast lane as players race to your stores to pick up the newest \$30 game – **FASTEST ROAD TO \$3 MILLION**, launching Friday, February 19!

This new ticket features **three top prizes of \$3,000,000*** (win \$150,000 a year for 20 years) and **up to 33 chances to win with over \$163.8 million in total cash prizes!** It's loaded with play value, multipliers, and \$100, \$200, and \$300

instant-win bonus spots. Not only does it offer a huge top prize, it's also full of mid-tier wins with **over 1.3 million prizes between \$40 and \$5,000**, most of which are cashable at retail which means more commissions and bonuses to boost your bottom line.

This is the first stand-alone \$30 game to launch, meaning it is NOT tied to a family of games as we've done in the past, but it does have two color pulses (purple followed by green) so ticket colors will change about halfway through the print run and when that occurs, you should see a spike in sales again with the fresh new look. Other states have had great success with this concept and we're sure it will be a big hit in Kentucky as well so be sure to keep plenty of stock on hand as we "drive" traffic to your stores looking to strike it rich!





APRIL SHOWERS BRING MORE THAN MAY FLOWERS!

With Spring in the air as we make our way toward the finish of FY21, we have a blockbuster schedule of games that are sure to be a huge win for you and your players! April 9 will be a three-game launch loaded with cash prizes!

ICY HOT 7'S, the latest \$1 offering has a chance to win up to \$7,000. This bright, fluorescent ticket features four color scenes in each pack and a simple "find" play style with a doubler feature.

BIG MONEY SPECTACULAR is a new \$2 game and offers **one of the biggest top prizes for this price point, giving players a chance to win up to \$30,000!** Not only does it feature a larger top prize, but it is also loaded with mid-tier prizes including a \$30 winner in every pack in addition to the guaranteed low-tier prizes.

Rounding out the April launch, is the \$5 game – **BIG CASH RICHES**. This strong money-themed game features a new ink treatment called "Lux Shimmer" that adds a very upscale, shimmering look to the ticket and not only does it look great, it's loaded with mid-tier prizes including a \$30, \$50 or \$100 winner in every pack and a chance to win up to \$80,000!



MAY 21 WILL BE THE FINAL LAUNCH OF THE YEAR AND WHAT A LINE-UP IT IS!

\$3 GOLD FISH® - offers a favorite extended play style that is hugely popular with this loyal core player group that will no doubt fly out of the dispensers. This is a limited run game so be sure to keep plenty of back stock while supplies last.

\$5 LADY LUCK - this game also uses a new print treatment called fluorescent pink ice so not only is it very bright, it also has a shiny sheen to it. Loaded with prizes including a \$30, \$50 or \$75 winner in every pack it also features a top prize of \$75,000!

\$10 - \$30 MILLION PAYOUT SPECTACULAR - also features "ice" ink in fluorescent yellow and is packed with mid-tier winners including a \$60 winner in every pack and a top prize of \$225,000!

And rounding out this blowout launch is the new \$20 game - **MAX-A-MILLION!** With its bright, fluorescent colors it is guaranteed to be a summer crowd pleaser with over **\$100 MILLION** in cash prizes, including **six top prizes of \$1 Million!** Not only is it loaded with prizes but **it's the first double-sided \$20 game we've ever offered** so it's loaded with play value with three games on the ticket back in addition to the bonus features on the front. Featuring **over 525,000 prizes from \$50 to \$5,000**, this is going to be one hot ticket so be sure to keep safety stock on-hand to meet the player demand!

DRAW GAMES AND FAST PLAY UPDATE

By Erica Williams, Director of Terminal Generated Games

NEW FAST PLAY GAMES ARE COMING IN MAY!

Three new Fast Play games are scheduled to launch on Monday, May 24th. The games are \$2 Whole Lotta 100s, \$5 Beat the Dealer, and \$10 Lucky 7s. We will also launch \$3 Blazing Bingo, which is simply a rebranded version of the Bingo game that launched in December.

These four games will join the Bluegrass Jackpot family that launched this past October. At the same time, we will be retiring \$2 Tic Tac Cash and \$5 Break the Bank that launched in March 2020, as well as the \$3 Blizzard Bingo game.

Like all other Fast Play games, these new games offer players the chance to win instantly, with each ticket eligible to win a percentage of the rolling jackpot based on the price point purchased:

- \$2 Whole Lotta 100s – 20% of the rolling jackpot
- \$3 Blazing Bingo – 30% of the rolling jackpot
- \$5 Beat the Dealer – 50% of the rolling jackpot
- \$10 Lucky 7s – 100% of the rolling jackpot

How to play information is printed on each ticket so players can determine immediately if they have won. Like all other Fast Play games, over 99% of prizes are cashable at retail.

These game names and play styles all tested well among players, so we believe players will enjoy the diversity of games offered in this launch!



TERMINAL GENERATED GAMES UPDATE

Reminder: The 1-OFF wager for Pick 3 and Pick 4 is no longer available.

If players attempt to wager 1-OFF with their Pick 3 and Pick 4 plays through either a play slip or through the Pick Your Own Numbers screens on the Touch vending machines, they will receive an error message. As a retailer, if you attempt to manually configure a 1-OFF wager at your terminal, attempt to run a play slip through your terminal, or use the Play it Again button to replay a 1-OFF wager, you will also receive an error message.

Approximately 97% of Pick 3 and Pick 4 wagers are generated at the terminal. To help reduce the amount of error messages you receive at the terminal when attempting to place a 1-OFF wager for a player, please inform players that 1-OFF is no longer available and do not accept play slips or tickets for Play it Again that contain a 1-OFF wager.

New play slips are currently being designed that will no longer contain the 1-OFF wager option and will be delivered in May. We will send terminal messages to alert you that a shipment containing new Pick 3 and Pick 4 play slips is on its way and what action is required to discard the play slips containing the 1-OFF wager option. In addition, the 1-OFF wager option will be removed from the Altura Pick 3 and Pick 4 wager builder screens and the Touch vending Pick Your Own Number screens in May.



WHAT'S ON THE HORIZON

Later this year, two multi-state games will be adding the number of drawings available, giving players more chances to win life changing prizes!

Lucky for Life will be moving to **daily** drawings with the first daily drawing scheduled to occur on Monday, July 19th. Currently drawings are held on Mondays and Thursdays. The move to daily drawings will allow us to re-energize this game by promoting these additional drawings.

Powerball will add a **third** drawing on Mondays with the first drawing scheduled to occur on Monday, August 23rd. Currently drawings are held on Wednesdays and Saturdays. While this does not leave much time between Saturday and Monday drawings, Monday is a slower sales day so this would help increase in-store foot traffic from players looking to purchase tickets for a Monday night drawing.



DON'T MISS THE MARK-ETING

By Edie Frakes, Vice President, Marketing

Congratulations to all our retailers on the success of the first and second quarters of FY21. Everyone is sharing in the glow of our great products and the players keep coming back to us for their fun breaks during the pandemic. Like an old reliable friend, we are providing a low-cost entertainment escape for our players while never losing site of our mission of funding education for the Commonwealth.

As we wrap up our third quarter and prepare for our fourth, here are some of the terrific marketing tools and plans we are using to drive traffic to your stores. We'll be promoting our brands with fresh and relevant marketing this spring, sure to hit all the marks!

\$30 ticket FASTEST ROAD TO \$3 MILLION - On Sale February 19

- Full in-store support with POS
- :15 and :30 ad campaign for broadcast.
- Digital support for February Scratch-off game launch

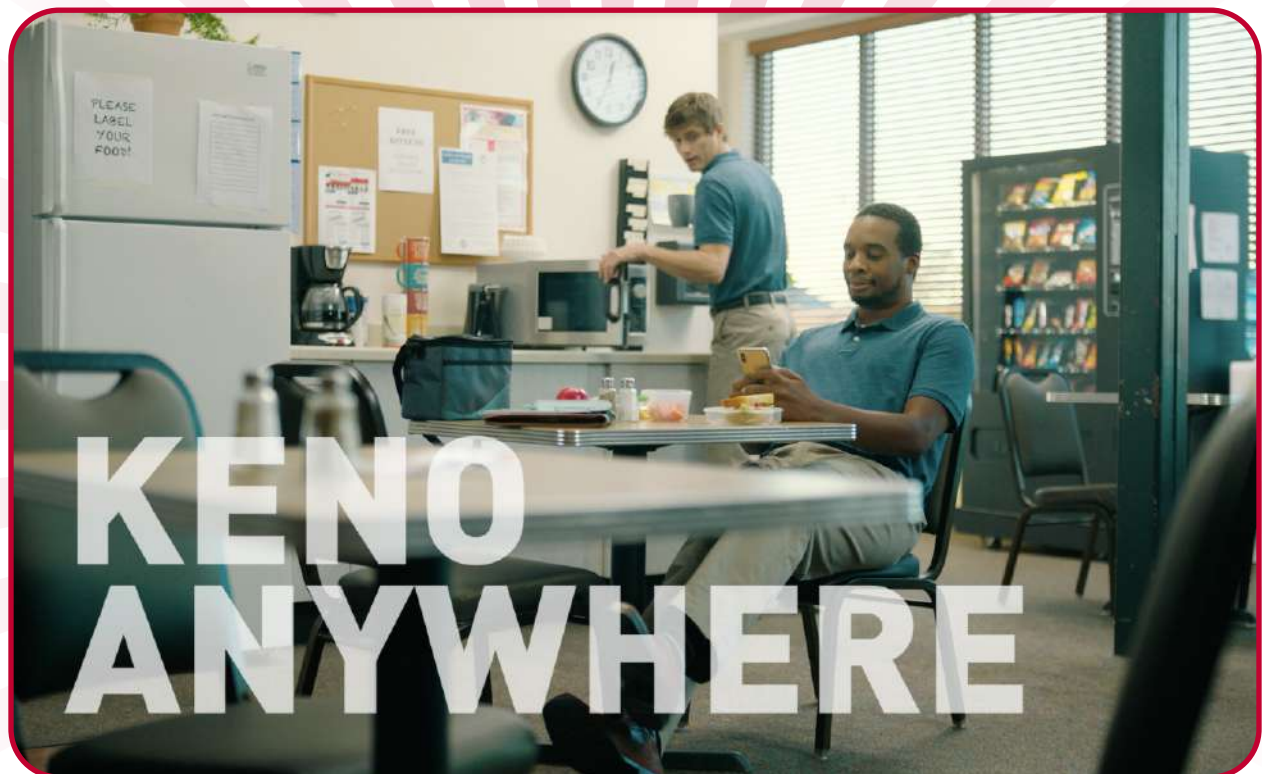
The exciting and unique concept behind these spots are sure to keep folks tuned in and should be very memorable. We are using a Woody Guthrie remake of "Car Song" that should become somewhat of an earworm as our players drive through a beautiful rolling Kentucky landscape and happen upon a C-store that helps them find their way to fun with the newest Scratch-off.



KENO – Advertising pivots here March 15

- :15 and :30 ad campaigns for broadcast using our Keno Everywhere campaign that speaks to availability everywhere - purchase from vending, at C-stores, typical bars and taverns (unfortunately hit hard by the pandemic).
- Digital support for Keno with our cross-functional ad campaign for play online and in stores.

March Madness became March Sadness in FY20 when the NCAA tournaments were canceled. It is our hope that pandemic improvements continue, and the planned NCAA basketball tournament will continue with TV rights still in-tact to broadcast and more shared togetherness and camaraderie. This will allow us to not only celebrate Kentucky's colleges in basketball but also our typical "Keno season" when the first signs of spring begin to bloom, after a winter thaw and people play our monitor style games more frequently and with more regularity in group settings.



APRIL - Coming your way, support of April's new Scratch-offs as well as some love for Cash Pop!

FUELING IMAGINATION, FUNDING EDUCATION:

HOW YOUR WORK SENDS PEOPLE TO COLLEGE

By Sara Westerman, Communications Specialist



Krystal Lozano spent most of her life in the foster-care system throughout the U.S. At the age of 17, she was adopted by a family in Kentucky to finish out high school. The Louisville resident was on her own at age 18 and didn't think she'd be able to attend college.

"I was in Kentucky the last semester of my Junior year, my entire Senior year and had my ACT scores," Lozano said. That provided her with KEES money. She was also eligible to receive money from the Lottery-funded College Access Program based on financial need. "Being on my own, I didn't think I'd be able to attend college," Lozano said. "With the Lottery-funded grants and scholarships, and with a few others, I'm able to attend school for my undergrad degree completely debt-free." Lozano is a freshman at Northern Kentucky University.

She is a pre-med major and hopes to one day become a cardiothoracic surgeon. "I've always loved science and I've always known I wanted to do something with science," Lozano said. "I know heart-related surgeries are expensive and place a financial burden on low-to-middle class families. Once I become an established surgeon and have a private practice, I'd like to provide my services to relieve the financial burden to families so they don't have to worry about the cost of saving a loved one. I'd like to provide affordable services to those who may not be able to afford it otherwise," Lozano said.

Speaking of family, Lozano says as far as she knows no one has ever attended college in her family - and she can go back six generations. She stays in contact with her younger siblings who were adopted into other families. "I can show my siblings, that school is super-important, I did it myself and they can do it too. I want to stop the generational cycle of poverty," Lozano said.



HOW ARE FAST PLAY GAMES CHOSEN?

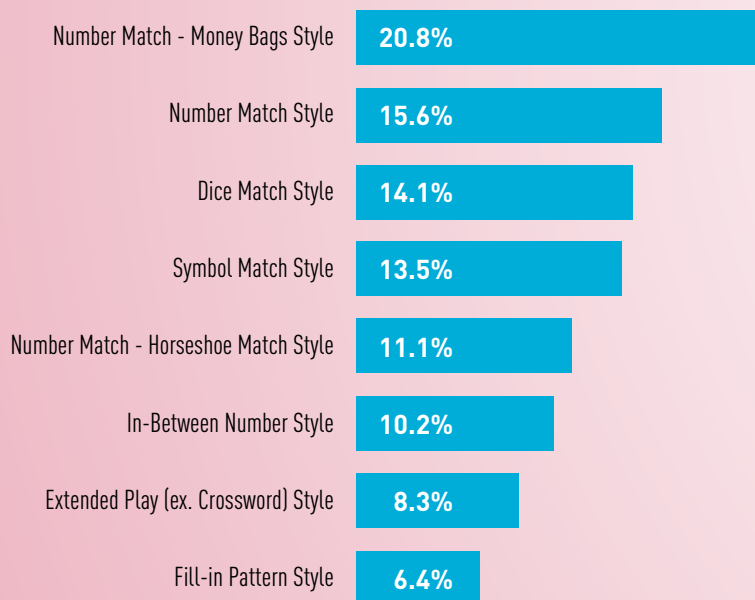
By Greg Wood, Research and Analytics Manager

In FY20, the Kentucky Lottery introduced a new instant-win lottery game called Fast Play. This is a series of games with instant cash prizes and a rolling jackpot that are printed from a lottery terminal (like a Powerball or Pick 3 ticket), yet instead of waiting for a drawing to take place, players immediately know if they've won a prize. With Fast Play, there is no playslip to fill out or numbers to pick – players just let a clerk at their local lottery retailer know they'd like a Fast Play ticket, and it's immediately printed at the terminal. Fast Play games can also be purchased from select Kentucky Lottery vending machines.

The rolling jackpot starts at \$10,000, grows with every Fast Play ticket sold, and has the current jackpot amount printed on each ticket. The amount of the jackpot to be won depends on the price point purchased by the player – a \$1 ticket wins 10% of the current jackpot, a \$2 wins 20%, a \$5 wins 50%, and a \$10 wins 100% of the jackpot. Unlike draw games that can only be won at specific times when drawings take place, Fast Play jackpots can be won as soon as a ticket is purchased. The Fast Play jackpot is only winnable in Kentucky and unlike the Powerball and Mega Millions jackpot, is not shared with other states.

Recently, the Kentucky Lottery surveyed Fun Club members about Fast Play and specifically which types of play styles they prefer the most. Respondents were shown several examples of different Fast Play ticket game styles and asked to rank their preferences.

FAST PLAY GAME STYLE PREFERENCES



“Number Match” game styles were ranked highest by the majority of respondents, with players appreciating their ease of play and understanding. “Dice” and “Symbol Match” playstyles also performed well, ranking ahead of extended-playstyle games such as “Crossword” and “Fill in the Pattern”.

And what about the rolling Jackpot? Does the current amount of the Jackpot influence play? A full 57.9% of respondents indicated that the jackpot amount either probably or definitely influences their play.

\$1 FAST PLAY \$50

LOADED WITH \$50 PRIZES

GAME	YOUR NUMBERS	WINNING NUMBER	PRIZE
1	9 3 17 12	10	\$50
2	4 13 22 36	11	\$10
3	40 1 24 18	21	\$50
4	24 33 20 7	33	\$10
5	15 39 34 2	25	\$4

HOW TO WIN
Match any of YOUR NUMBERS to the WINNING NUMBER, win prize shown for that GAME. Each GAME is played separately.

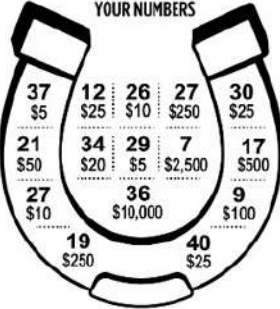
Horseshoe Ringer

WIN UP TO \$10,000

WINNING NUMBERS

37	25	11	1	31
29	33	8	5	26
24	35	16	4	38

YOUR NUMBERS



HOW TO WIN

Match any WINNING NUMBERS to YOUR NUMBERS, win prize shown for that number.

RINGER TOSS



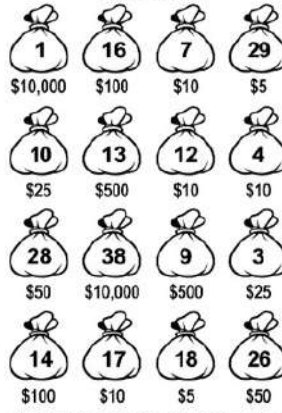
Match the RINGER TOSS NUMBER to any of YOUR NUMBERS, win double the prize shown for that number.

Overall Odds: 1 in 3.65
DO NOT MARK BELOW THIS LINE

CASH MULTIPLIER

WIN UP TO \$10,000

YOUR NUMBERS



WINNING NUMBERS

12 31 27 19 3 17

HOW TO WIN

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win prize shown for that number.

MULTIPLIER



Find a "2X" symbol, win 2 times any prize won above!
Find a "5X" symbol, win 5 times any prize won above!
Find a "10X" symbol, win 10 times any prize won above!
Find a "25X" symbol, win 25 times any prize won above!

Overall Odds: 1 in 3.49
DO NOT MARK BELOW THIS LINE

\$50,000 FORTUNE

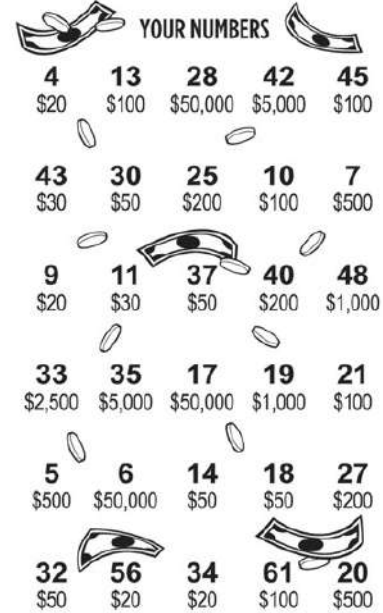
WIN UP TO \$50,000

31 Chances to Win!

WINNING NUMBERS

16 12 38 8
46 29 1 2

YOUR NUMBERS



HOW TO WIN

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown!

MATCH 3 BONUS



Match three WINNING NUMBERS to all three numbers shown in the MATCH 3 BONUS area, win PRIZE shown.

Overall Odds: 1 in 2.96
DO NOT MARK BELOW THIS LINE

WHEN PLAYING FAST PLAY, DOES THE CURRENT JACKPOT AMOUNT INFLUENCE YOUR PLAY?

Definitely yes 33.0%

Might or might not 25.4%

Probably yes 24.9%

Probably not 9.7%

Definitely not 6.9%

Feedback like this from our players is crucial in the lottery's ongoing effort to create the best and most exciting Fast Play opportunities for your customers. So as that rolling jackpot increases, be sure to remind your customers that **Fast Play** is the **Fast Lane to Cash!**

WINNERS WINNERS EVERYWHERE!

By Jennifer Cunningham, Communications Specialist



KENTUCKY LOTTERY WIN BITTERSWEET FOR ONE KENTON COUNTY MAN

Bryan Marsh of Elsmere has had his share of ups and downs in recent months. His wife passed away in October, leaving him to care for their four children. On the day Marsh picked up her remains, he stopped at Good Spirits Wine & Tobacco in Erlanger to buy a few Kentucky Lottery Scratch-off tickets.

One of the tickets Marsh purchased was a \$10 Bluegrass Blowout ticket. He told lottery officials he doesn't normally buy \$10 tickets, but this particular day he chose to buy just one.

After scratching off the ticket, Marsh didn't see where he had matched any of his numbers. He went back into the store to cash in another ticket he had won on and asked the clerk to scan the Bluegrass Blowout ticket just to double check it. That's when he was told the prize was more than the store could pay.

"I didn't even know how much I'd won. I hadn't even scratched off the prize amounts," Marsh said. He checked the ticket again when he saw \$200,000 show up on the scanner. "I just started yelling, 'It's two-hundred thousand, it's two-hundred thousand dollars!'"

"I was amazed. That's a lot of money," Marsh told lottery officials.

"This money will help prepare for the future. It's going to cover my wife's funeral expenses and take away my debt," he said.



BOYLE COUNTY WOMAN HITS IT BIG WITH A SECOND LOTTERY WIN

Rita Bailey of Perryville was already a Kentucky Lottery millionaire – but hit it big for a second time. After purchasing a Break Fort Knox scratch-off ticket at Mr. Miser Food Mart in Perryville, Bailey walked out of the store with a ticket worth \$100,000.

"I prayed about this," Bailey said. Her mother had taken ill, and prior to going into the store Bailey said she prayed for God to show her how she could help her mom.

Bailey went into the store and chose to buy the \$30 Break Fort Knox ticket. She told lottery officials she doesn't usually play Scratch-offs but on this day it was something she felt she should do. "I'm going to do this," she said.

After scratching off the ticket, Bailey thought she hadn't won anything. Just to be sure, she had the ticket scanned by the store clerk to be told it was for more than they could pay out. "He said, 'you didn't scratch it all off.' There's your number right there," the clerk said. It turns out she had matched the number three on the ticket, and located directly below it was the \$100,000 prize.

"I was just so excited knowing what I was going to use it (winnings) for," Bailey said.

This is the second time Bailey has had to make a trip to lottery headquarters to claim a large prize. In March 2007, she won a million-dollar prize in the Kentucky Lottery's first raffle game, Million Dollar Draw.



PIKE COUNTY WOMAN TURNS 2020 AROUND WITH KENTUCKY LOTTERY ONLINE WIN

On the evening of November 5th, Glenda of Pikeville got online to play the Instant Play game Holiday Market. She played the \$5 game a couple of times but wasn't winning, and was about to quit when she decided to play one more time. That decision ended up paying off in a big way when on her screen was a message that she won \$50,000.

"I was in awe, she said.

"I sat there a minute, but it (winnings) didn't go into my balance, so I started to get worried," Glenda told lottery officials.

Glenda contacted lottery customer service to find out what had happened. They confirmed she had won \$50,000 and told her to be on the lookout for an email with more information.

A couple of hours later, the email showed up and she was relieved to receive confirmation of her win. "It still didn't hit me it was real. I just never imagined this would happen to me," Glenda said.

"This shined a bright light on what has been a crazy 2020," Glenda told officials.



WINCHESTER MAN WINS BIG WITH BIG MONEY SCRATCH-OFF

David Whittemore of Winchester has won a large Scratch-off prize for a second time. He stopped at Go Time 4 in Winchester to play his Pick 3 numbers when he also purchased a \$5 Big Money Scratch-off, winning \$50,000.

"I saw a new ticket that was yelling at me," Whittemore said. It just so happens he bought the first ticket on the pack.

Whittemore scratched the ticket off in the store when he matched the number 26, and below it was a \$50,000 top prize.

"I was shaking. I was so excited," Whittemore told lottery officials.

He scanned the ticket on his phone using the Kentucky Lottery's app to verify his win. "That's for real," he said, after receiving confirmation.

This isn't the first time Whittemore has claimed a large prize on a scratch-off ticket. He told officials he won \$125,000 in 2009 on the Cold Hard Cash Scratch-off ticket.



UNEXPECTED PAID VACATION CAME FOR ONE LOUISVILLE FAMILY AFTER WINNING \$75,000 LOTTERY PRIZE

Alex Prunty of Louisville is a regular Kentucky Lottery Scratch-off player. He says he buys them often and plays them with his wife and mom.

Prunty says he picked the \$5 Break Fort Knox ticket because "it was purple and gold and it just caught my eye." He says the family usually scratches their tickets off together. "I scratched my numbers off first, I always scratch for big zeros. We saw them and we screamed, then my mom scratched the number beside it! We had to calm down! To win \$75,000 on a \$5 Scratch-off is just crazy, it's unreal," said Prunty.

The family won on the Scratch-off ticket the night before they were leaving for vacation. "Our vacation is paid for now!" exclaimed Prunty. The trip to Gatlinburg included Prunty, his wife, their four children, his mother and mother-in-law.

When asked about the ages of his children, Prunty said, "I have four kids, I know about the KEES scholarship and it's probably my main reason for playing. I certainly play to win but if I don't, I know where the money is going."



LOUISVILLE SPOTLIGHT

By Culee Jennings, Louisville Regional Sales Manager

The holiday season of 2020 was a very challenging and unique time. The Louisville region would like to thank all our retailers for being so accommodating during these unprecedented times. As you are aware most of the last quarter was spent working from home. Our success would never have been possible without the dedication and commitment of our retailers. The Louisville region looks forward to a very productive and exciting new year.

We began 2021 with our Kentucky Jackpot family release. Retailers should also be excited about the new cashless option about to be offered at vending machines. The Louisville region will be training our retail partners on this new feature in the upcoming weeks.

We look forward to making the best of our new normal work conditions, and hope conditions permit us to get back to in-person visits on a consistent basis. We are excited to get back to your stores and raise consumer awareness of our new games. We appreciate all the support we've received from our players and partners, and plan to have yet another successful fiscal year.

Top 3 retailers in the Louisville Region, Scratch sales percentage increase Q2 FY21 VS. Q2 FY20:

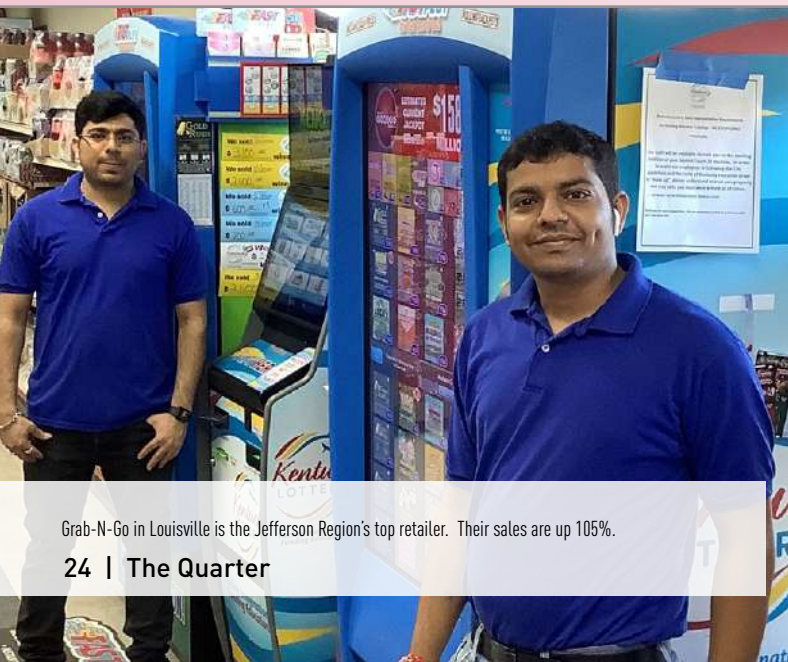
#1 KROGER L-763 FUEL
365.2%

#2 WALMART #7290
240.4%

#3 ATA K BADWAN
182.0%



Better Way Food Mart in Louisville is customer-focused and it's paying off - their sales are up 10% during the pandemic.



Grab-N-Go in Louisville is the Jefferson Region's top retailer. Their sales are up 105%.



Yash and Audra at Minit Mart in Louisville make sure they have plenty to offer their customers. They have 80 counter dispensers, a Touch 28 and a regular vending machine.



We welcome new retailer - SUPERMERCADO GUANAJUATO #3 in Louisville.



We also welcome new retailer - SUPERMERCADO GUANAJUATO # 2 in Louisville.



Sunny Singh, of the Terry Rd Valero, is a new retailer and has quickly learned best practices – activating new games on the first day and sticking to the plan-o-gram.



Cox's Smoker Outlet in Louisville is up 26% in sales. Kaylyn, Phyliss, and Stephanie are pictured.



Thorntons #24 in Louisville has seen an increase in Scratch-off sales of 59%. Doug Hake, store GM, keeps dispensers full, activates games on new game days and follows plan-o-grams. Their out-of-stock average is 2.4%.



Deeb, owner of River Road Shell in Louisville, has faced many hardships this past year. He hopes to become a 5 Star Retailer. The store's sales are up 17% for the fiscal year and they are working to decrease their out of stock average.

BLUEGRASS SPOTLIGHT

By Rusty Reid, Bluegrass Regional Sales Manager

What a wild and crazy ride 2020 was in the Bluegrass Region. Thanks to your efforts, we still ended 2020 as having one of the best years in Kentucky Lottery history. Despite the obstacles you faced, you found ways to adapt and be successful. We are so very thankful for your support - as are the students of Kentucky and our mission to fund education.

We have some exciting things on the horizon! Kentucky Jackpot family of Scratch games launched in January and features growing jackpots as a component of the game. We also have a new \$30 game coming in February with a \$3 million dollar top prize! The first half of 2021 looks to continue and build on the success of last year. Our goal is to support your business, drive sales and to make our partnership as successful as it possibly can. We look forward to seeing you all soon!

Top 3 retailers in the Bluegrass Region, Scratch sales percentage increase Q2 FY21 VS. Q2 FY20:

#1 WALMART #3894
350.9%

#2 YOGA FOOD MART
210.5%

#3 KROGER L-721 FUEL
171.5%



Scratch-off sales at the Yellow Rose Liquor Store in Cynthiana have increased 318% since they added a menu board at their drive-thru window. Owner Samir Patel even installed some LED lights to draw attention to their available games. Clerk T.J. Coleman is also pictured.



The Bluegrass Region wishes good luck to our colleague Sharon Francis who is retiring after almost 32 years of service with the Kentucky Lottery! Sharon started working with the Lottery March 1989, weeks before the first ticket was ever sold. Enjoy this new chapter, Sharon!



Redi Mart #8 in Berea was excited to take advantage of the corporate T-shirt day! Manager Crystal, Clerk Ann and Supervisor Tonya show off their Kentucky Lottery shirts.



Angela is the service desk manager at Kroger C-901 in Erlanger and a true Kentucky Lottery ambassador! Angela designed her own inventory logbook for her team so mistakes are avoided. She takes pride in keeping the Gemini full. They have one of the top selling machines and have always stayed under 5% in out of stocks. They are up 47% in Scratch-off sales and rising! Angela always says, "I'm so good with the Gemini, I could fill it up in my sleep." Her sales rep Richard says she truly could!



Jay Singh, owner of Stop & Shop Food Mart and Falls Creek BP in Georgetown, rewards his lottery customers by allowing them to earn rewards points for lottery purchases! They can use these points to earn discounts on favorite items in the store. Store Manager Chasity is in front of the sign.



The owners of the Elsmere Mini Mart, Aku and Nash Patel, were hesitant to bring in a vending machine but they finally agreed. After two weeks, Nash said he wished he would have gotten one years ago. Not only have sales increased over 83% on Scratch-offs but he no longer has people waiting in line and customers are extremely happy with how efficient the Elsmere store is now. Out of stocks are also under 2%.

CENTRAL SPOTLIGHT

By Lisa Murphy, Central Regional Sales Manager

The Central Region thanks all our retailers for your amazing efforts to make 2020 very successful during a very interesting and trying year. In November and December, your sales reps worked from home due to the rise in COVID cases. Once again, our awesome retailers stepped up and kept sales going for the funding of college scholarships and grants to benefit students in Kentucky.

We are all looking forward to a brighter and more prosperous 2021 and getting back out in the field. With new and exciting games coming in the second half of our fiscal year and the expansion of vending machines throughout the Central Region, we look forward to helping you reach your sales goals. We also thank each and every one of you for all you do every single day to make our partnership successful.

TOP 3 RETAILERS IN THE CENTRAL REGION, SCRATCH SALES PERCENTAGE INCREASE Q2 FY21 VS. Q2 FY20:

#1 RAILTON GENERAL STORE
588.8%

#2 WALMART #825
431.7%

#3 LANCASTER FOODMART
336.8%



Peyton and Nichole at Peter Cave Country Store and Cafe in Leitchfield created a tree, the star on top of the tree, a bow for the present and presents to go under the tree out of sample holiday tickets.



Kenny from Mahant 6250 in Cox's Creek recently relocated from NYC. He is very impressed with our quarterly magazine as they didn't have one in New York. He attributes his great sales to always keeping his dispensers and vending machine full.

28 | The Quarter



Raj and Bhavna Patel recently celebrated their year anniversary of owning and managing Raitlon General Store in the Smiths Grove area. Their dedication to customer service and keeping every dispenser filled has resulted in astonishing sales growth this year. Scratch-off sales for the second quarter have increased by 542%!



Sunita Patel at Laslie's Country Place in McDaniels proudly displays a new winner banner showing her location sold a \$75,000 Break Ft. Knox ticket. The winner of that big ticket is also pictured.



Danny at Y Not Stop in Buffalo says lottery sales have increased 18% this year. He attributes the growth to staying on plan-o-gram and keeping his dispensers full. He supports having point of sale items from curb to counter so that his customers know he has the latest new games.



PV&P Mart in Springfield is up 27% on Scratch-offs and 25% on draw game sales. Bob gives credit to great customer service and a great variety of Scratch-off games that keep the regulars coming back.



The Central Region wishes good luck to our colleague Bobby Newton who is retiring after 17 years of service! His team says Bobby is what they call in the South "good people" and he has a heart of gold. Enjoy this new chapter, Bobby!

EASTERN SPOTLIGHT

By Wes Hardin, Eastern Regional Sales Manager

As we watched 2020 fade away in our rearview mirror, we sped off into 2021 with hopes of a better future! And the Kentucky Lottery is right there with you, with the launch of our new and unique family of games called Kentucky Jackpot in January. These games offer a growing jackpot and a 2nd chance drawing. February continued to bring exciting offerings with a new \$30 game called Fastest Road to \$3 Million! We know these games will be some of the best we've offered to date.

Although 2020 was a challenging year, retailers set all-time sales records! The Eastern Region took home top honors in sales for the 2nd time in the past three years. 2021 is shaping up to be an even bigger sales year! Work with your Lottery Sales Rep to ensure that you are maximizing your sales potential by keeping our best-selling games in stock.

Thank you for all that you do to generate KEES Scholarship money for Kentucky students. Without you, many of our students could not afford to pursue educational opportunities beyond high school. Let's keep showing everyone that the Eastern Region has the best darned retailers in the entire state!

TOP 3 RETAILERS IN THE EASTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q2 FY21 VS. Q2 FY20:

#1 SMITTY'S CARRYOUT & TOBACCO
520.0%

#2 WINCHESTER SMOKE SHOP
354.9%

#3 SMOK'N JOES EXPRESS
246.3%



Lisa, Stephanie and Will at LuLu's in Mt. Sterling keep dispensers and the new Gemini touch full, out of stocks are practically non-existent and sales are up 70% as a result.



Jay, Raj and Jaya at BP Mini Mart in Flemingsburg do a great job promoting lottery by asking for the sale on every transaction. The dispensers are always full and on plan-o-gram resulting in a consistent sales growth.

30 | The Quarter



Chris at Kroger #783 In Ashland does a great job keeping the vending machine full and on plan-o-gram!



The LSR for the Extra Mile #501 in Pikeville placed the Holiday Lights POS and envelopes in the menu board in the high traffic drive-thru window to showcase our new games. Many stores have seen a big increase in drive-thru business due to the pandemic and customers feeling that is a safer option.



Pummy and Kathy from Rainu Mart in Clay City provide customers with great service including offering lottery tickets at their drive-thru window.



Gary Patel of Dhruvi Market in Corbin has been in business less than a year and is having great success. The store always displays winners, along with winner banners.



Brett Jones is the new manager of Mo's Speedco in Pine Knot. He found success using a tower for the holiday games this past season.



Kay and Trish are happy to showcase winners at Boone Ledge Mini Mart in Hazard.



Caroline and Miranda from Warfield Tobacco in Warfield were excited to win a goody bag and coupons from the early activation contest!



Lisa and Mae at Dry Fork Double Kwik in Whitesburg are always excited about promoting lottery. They consistently have the earliest new ticket activation, dispensers are always full and their sales continue to grow, up 22%.



Heather, manager of Ivel Double Kwik in Ivel, always keeps her dispensers and vending machine full. This is why she is up 58% on Scratch-off sales!



Allison Perry and Teresa Connolly of the Ermine Kwik Mart take great pride in their lottery. They are usually either the lowest or tied for lowest in out of stocks in all of the Double Kwik chain. This effort has paid off, the Ermine location is currently up 75% in sales.



Lynn at Super Food Mart in London stays on plan-o-gram and keeps her vending machine full by taping packs of tickets together.

WESTERN SPOTLIGHT

By Chris Green, Western Regional Sales Manager

Hello from the Western Region! We have had a lot of excitement in our area, including several big winners (such as a \$2,000,000 winner in Princeton at Max Fuel #110). We appreciate what each and every one of you do for us, as your sales translate into KEES scholarships and other programs to help students attend college in Kentucky. Our sales continue to grow, all because our retailers are really out there on the front lines serving the customers.

Currently we have exciting new games out there such as the newest Fast Play Bluegrass Jackpot, with the jackpot reaching \$300,000 at times. Remember we had our first \$290,000 winner in the Fast Play family in Paducah early after the game went on sale. We also now have a Scratch off family of games generating a lot of excitement, Kentucky Jackpot. If you need to add a family of game tower for the increase in traffic for this new game, just ask your sales rep. And remember to ask your rep for game-specific winner awareness to place in key strategic locations in your store so your players know about all your winners.

Many thanks to all our retailers for everything you do to support the Kentucky Lottery and Fueling Imagination and Funding Education.

TOP 3 RETAILERS IN THE WESTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q2 FY21 VS. Q2 FY20:

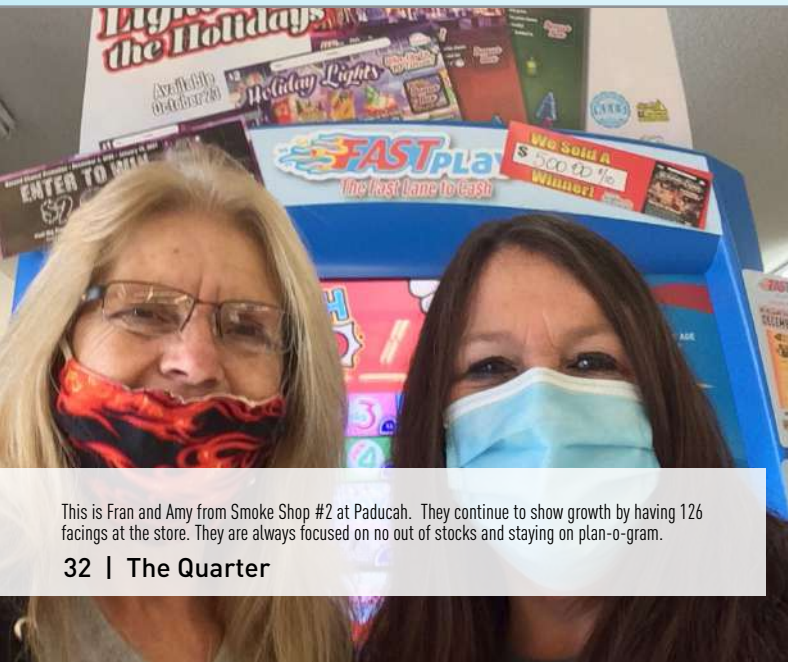
#1 STAR LIQUORS
269.5%

#2 FOOD GIANT #523
225.8%

#3 SUPER USA #4
211.1%



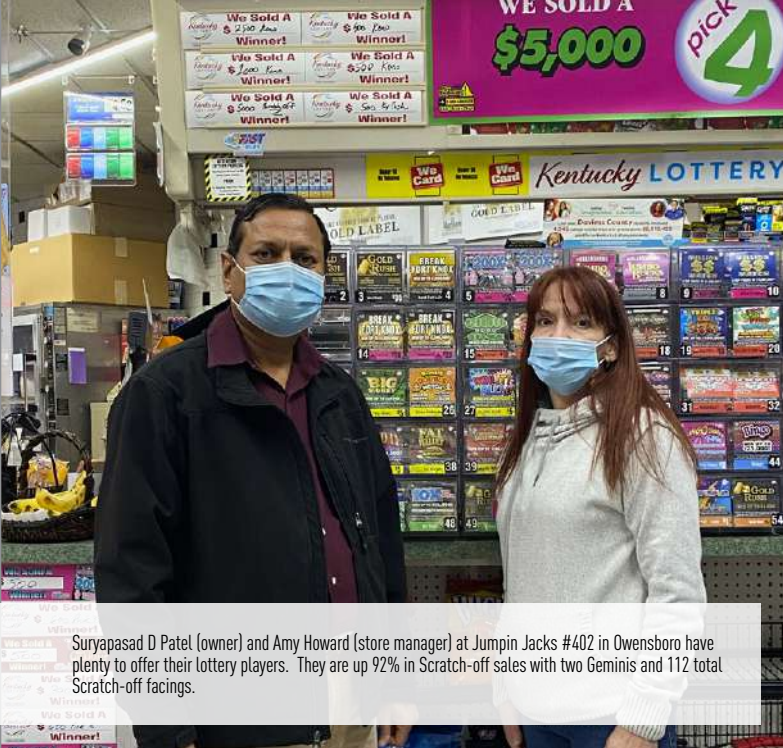
Huck's #307 employee Tracy and store manager Mary Beth were excited to have sold \$100,000 Gold Rush winner at their store. The Providence location has seen a 49% increase in Scratch-off sales compared to the same period last year. Mary Beth is a pro at resetting the plan-o-gram and activating new games on launch day.



This is Fran and Amy from Smoke Shop #2 at Paducah. They continue to show growth by having 126 facings at the store. They are always focused on no out of stocks and staying on plan-o-gram.



Charlie, Monica, Tony and Breanna at 101 Lotto in Oak Grove are pictured with their Game Touch Draw machine. They also have a total of 98 Scratch-off games in their store, between vending and counter. They are up 21% on Scratch-offs for the fiscal year by following practices of keeping to the plan-o-gram and having no out of stocks.



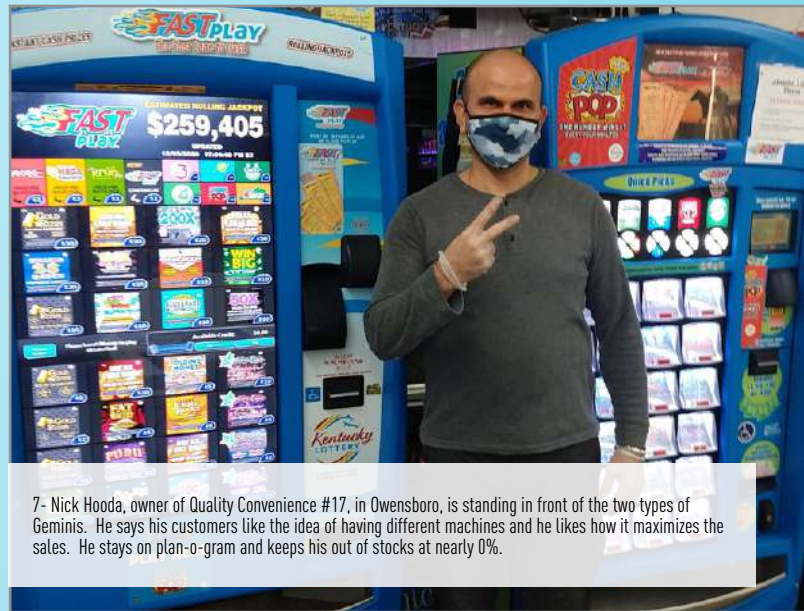
Suryapasad D Patel (owner) and Amy Howard (store manager) at Jumpin Jacks #402 in Owensboro have plenty to offer their lottery players. They are up 92% in Scratch-off sales with two Geminis and 112 total Scratch-off facings.



Theresa and Vic at Favourite Lotto in Guthrie are excited about their new Touch vending machines. They keep their players happy by ensuring the machines stay full and set to plan-o-gram. They have 176 total facings of Scratch-offs, including the two vending machines. Scratch-off sales having increased by 39% compared to last year.



This is Vernon Dennison at Tobacco Road in Owensboro. The store focuses on following the plan-o-gram and having no out of stocks and have seen a sales growth in Scratch-offs at 64%. Between two geminis and counter dispensers, they have 120 total facings.



7- Nick Hooda, owner of Quality Convenience #17, in Owensboro, is standing in front of the two types of Geminis. He says his customers like the idea of having different machines and he likes how it maximizes the sales. He stays on plan-o-gram and keeps his out of stocks at nearly 0%.



Akash, at 7 Points BP in Murray, recently got a new Touch 28 and increased his counter dispensers. His Scratch-off sales are up 18%.



Carmen, store manager for Five Star #2210 in Calvert City, has one of the lowest out of stock averages in the area. Scratch-off sales are up 23% as Carmen continues to make sure the store has adequate inventory and follows plan-o-gram.



RETAILER BURGLARIES ON THE RISE

By Greg Baird, Director of Security Operations

As we begin the new calendar year, many people are contemplating their New Year's resolutions and new goals for 2021. A suggested goal from the KLC Security Division to all retailers is to consider the strong importance of tracking your Scratch-off ticket inventory regularly during 2021.

Unfortunately, we have seen a dramatic increase in retail burglaries and thefts throughout the Commonwealth during the last several months of 2020 and into 2021. This means the urgency of daily, accurate tracking of Scratch-off tickets has never been more important.

We recommend that all retailers require an inventory to be conducted at the end of each shift and at closing for each game in their counter displays and/or any other dispensing mechanism they have, other than the vending machines.

The inventory process is simple – utilizing a ticket record log, record the EXACT GAME, PACK AND TICKET NUMBERS of the next ticket ready to be sold. Store this list in a safe, secure location away from the tickets, so that potential thieves won't have access to it. It is not acceptable to simply record the name of the game or which slot number in the dispenser the tickets were stolen from. This information will not be helpful to KLC Security investigators, nor to the retailer's potential for reimbursement. If you have any questions or need assistance with establishing your inventory process, please contact the KLC Security investigator assigned to your area.

Lastly, if you are approached by anyone representing themselves as employees of the KLC or IGT and you're not familiar with them, ALWAYS ask to see their company photo identification and credentials.

As always, if the individual cannot be identified to your satisfaction, contact the KLC Security Division at (502) 560-1804 Monday-Friday, 8am-5pm EST for assistance. Happy New Year from the KLC Security Division and STAY SAFE!

AMY'S

CLOSING THOUGHTS

WOW, a new year - with new sales record set in January! We were all looking forward to ushering the year we no longer mention (2020) out of our thoughts forever, but we must take a moment to honor the accomplishments of one of the hardest and unprecedented times in KLC history.

It wasn't all about the sales. We celebrated the holidays with the most creative ticket displays, and had winners from each region. This really lifted our player's and hopefully your spirits - thanks! Your consistent contribution to our success in November and December made it possible for many more Kentucky residents to continue their education.

We rang in the new year with the Kentucky Jackpot family of games and launched our third \$30 game in February. We look forward to our April and May Scratch-off line up that will no doubt continue to engage our players while driving sales and maximizing revenue.

Our product teams use your feedback to make sure players stay engaged. Pick 3 and Pick 4 draw games continue to see remarkable growth - and can you believe Mega Millions and Powerball? Wow! We are excited about the addition of new Fast Play games. Stay tuned for Lucky for Life and Powerball changes. Lots of excitement in 2021.

It's hard to believe we are already entering Spring 2021. It continues to be an honor to partner with the best Lottery retailers in the country. The Kentucky Lottery and the sales team - along with you, our retail partners - will continue to bring cutting-edge technology to our players. The cashless initiative will be in full swing by the end of June. This "new way to play" will surely increase traffic and revenue for you while increasing funding for college scholarship and grant programs like KEES in the Commonwealth.

Hopefully, we are on a path to a healthy spring/summer and are moving closer to "normal" daily. Until then, please stay safe and thank you for all you do.



Amy Drooker

Kentucky Lottery Vice President of Sales



HOW'D THEY DO IT?

“Every morning we check the inventory of our Touch 28. Making that a priority has helped reduce our out-of-stock percentage.”

**- Maria Kemplin,
Manager, Circle K #3321, Erlanger**

This store has reduced out-of-stocks from 12.8% to 5.95% in nine months, increasing weekly sales by \$1000 as a result.

