

**KENTUCKY LOTTERY CORPORATION  
MUSL POWERBALL PRODUCT GROUP RULES**

**POWERBALL OFFICIAL GAME RULES**

**THIRD AMENDED ADDENDUM**

1. Retailer cashing bonuses for the sale of a grand prize ticket shall be one percent (1%) of the Powerball tickets sold in Kentucky for each drawing commencing with the first drawing occurring after the immediately prior grand prize ticket was sold up to and including the drawing in which the grand prize ticket in question was sold. However, the amount of the retailer cashing bonus shall at no time exceed \$100,000.
2. The President of the Kentucky Lottery Corporation shall have the authority to interpret and apply, and if necessary, amend or modify the MUSL Powerball Product Group Rules in order to comply with the laws of the Commonwealth of Kentucky and to implement sales of the Powerball Game.
3. Powerball tickets may be purchased from authorized Kentucky Lottery retailers or through the KLC's website at [kylottery.com](http://kylottery.com), and all such purchases are governed by the KLC's Rules for the iLottery Purchase of Draw Games and the iLottery Terms of Use. An iLottery Draw Game Ticket means an electronic or virtual ticket or play, and is purchased only through the KLC's website. The purchase of an iLottery Draw Game Ticket is a "ticketless transaction" under the Powerball Game Rules.
4. Powerball Quick Pick plays may also be purchased through a Lottery Card purchased at one of KLC's authorized lottery retailers, and all such purchases are governed by the rules and procedures for Lottery Cards set forth in paragraph 9 below.
5. The Powerball Game Rules do not include the Comments, which reflect the determinations of the Product Group.
6. The definition of "Play Slip" includes the digital or virtual Play Slip created by a player using the KLC's mobile application installed on the player's mobile device. A player using a digital or virtual Play Slip has the sole responsibility for verifying the accuracy of the data submitted by the player in order to purchase a Ticket.
7. Procedures for Claiming and Paying of Prizes (Excluding Wagers Placed through Lottery Card Purchases)
  - (a) Prizes won on Tickets purchased at a Sales Retailer shall be claimed in the same manner as other draw game prizes as set forth below. If a Ticket contains multiple Drawings in which prizes were won on separate days, each prize still must be claimed within one hundred and eighty (180) days

following the date of the specific Drawing in which the prize was won.

- (b) Tickets having a total cash prize value of Fifty Dollars (\$50.00) or less may be claimed by:
  - (i) presenting the Ticket at any Retailer, provided that such Retailer has sufficient funds available for payment, or at any authorized KLC Cashing Agent;
  - (ii) presenting the Ticket at the Lexington Regional Office;
  - (iii) presenting the Ticket at Lottery headquarters located at 1011 West Main Street, Louisville, Kentucky 40202; or
  - (iv) mailing the signed winning Ticket and an official Lottery claim form to: Kentucky Lottery Corporation, Claims Dept. 100, Louisville, Kentucky 40287-0001.
- (c) Tickets having a total cash prize value of over Fifty Dollars (\$50.00) and up to Six Hundred Dollars (\$600.00).
  - (i) Tickets having a total cash prize value of over Fifty Dollars (\$50.00) and up to Six Hundred Dollars (\$600.00) may be claimed within ninety (90) days following the date of the Drawing in which the prize was won by presenting the Ticket in any manner specified in subsection (b) of this section.
  - (ii) Tickets having a total cash prize value of over Fifty Dollars (\$50.00) and up to Six Hundred Dollars (\$600.00) which are not claimed within the ninety (90) day period, must be claimed within one hundred eighty (180) days following the date of the Drawing in which the prize was won by presenting the Ticket in any manner specified in subsection (b) (2), (3) or (4) of this section;
- (d) Tickets having a total cash prize value of over Six Hundred Dollars (\$600.00) and up to Five Thousand Dollars (\$5,000).
  - (i) Tickets having a total cash prize value of over Six Hundred Dollars (\$600.00) and up to Five Thousand Dollars (\$5,000) may be claimed within ninety (90) days following the date of the Drawing in which the prize was won by presenting the Ticket at any Retailer location that is an authorized cashing agent or in any manner specified in subsection (b) (ii), (iii) or (iv) of this section.
  - (ii) Tickets having a total cash prize value of over Six Hundred Dollars (\$600.00) and up to Five Thousand Dollars (\$5,000) not claimed

within the ninety (90) day period must be claimed within one hundred eighty (180) days following the date of the Drawing in which the prize was won by presenting the Ticket in the manner specified in subsection (b) (2), (3) or (4) of this section.

- (e) Tickets having a total cash prize value of over Five Thousand Dollars (\$5,000) and up to Ninety Nine Thousand Nine Hundred Ninety Nine Dollars (\$99,999) may be claimed at the Lexington Regional Office or the Lottery headquarters located at 1011 West Main Street, Louisville, Kentucky 40202. Designated cashing agents may be authorized to cash prizes up to \$25,000.00.
- (f) Tickets having a total cash prize value of One Hundred Thousand Dollars (\$100,000) or over must be claimed at the Lottery headquarters located at 1011 West Main Street, Louisville, Kentucky.
- (g) In the event a single Ticket contains multiple wins, the prize amounts shall be added together and shall be paid in accordance with the prize payment limits specified in subsections (b) through (f) of this section.
- (h) The payment of prizes to persons under eighteen (18) years of age and to those persons who may die before receiving any or all of a particular prize shall be paid in accordance with KRS 154A.110 (relating to prizes payable after the death of a prize winner and payment to persons under eighteen (18) years of age), and rules promulgated with respect thereto.
- (i) The Lottery shall be discharged of any and all liability after payment of prizes as provided in KRS 154A.110(4) (relating to discharge of Lottery liability upon payment).

8. Procedures for “Play at the Checkout” Wagers placed through Lottery Card Purchases

- (a) “Lottery Card” means a card sold at authorized Kentucky Lottery retailers and other authorized retailers in Kentucky which enables a player to place a Powerball Quick Pick wager upon activating the card or reusing the card within the geographic boundaries of the state of Kentucky.
- (b) “Lottery Card play” means a Quick Pick wager placed for the next available drawing by activating a Lottery Card or reusing the Lottery Card. A Lottery Card play is a ticketless transaction.
- (c) “Activation Number” means the six-digit scratch code under latex on the back of the Lottery Card.
- (d) “Short Code Number” means the six-digit number on the card to which a player sends a text containing the Activation number.

- (e) “Registered Cell Phone Number” means the cell phone number associated with the mobile device used to activate the Lottery Card.
- (f) “Registered Name” means the name provided with the registered cell phone number.
- (g) Lottery Cards will be sold in denominations of ten dollars (\$10) and twenty dollars (\$20) at participating Kentucky Lottery retailers or other authorized retailers in Kentucky. Each Lottery Card purchase is subject to an eighty-nine cent (89 cent) convenience fee which shall be paid by the player.
- (h) Players are subject to and agree to the Terms of Use for the Lottery Card upon purchase of the Lottery Card.
- (i) To place a Powerball Quick Pick wager with a Lottery Card, after purchase, a player texts the Activation Number to the Short Code number on the card to activate the card and to register the player’s cell phone number and name with the card. The player will receive a SMS text message to the Registered Cell Phone Number with the player’s wager information (the “Lottery Card play”). If the player purchased a ten dollar (\$10) Lottery Card, the player will receive a text with five (5) Quick Pick plays for the next drawing. If the player purchased a twenty dollar (\$20) Lottery Card, the player will receive a text with ten (10) Quick Pick plays for the next drawing. Standard message and data rates may apply.
- (j) The player must secure the Lottery Card associated with the Registered Cell Phone Number. A player should also secure the text message, or a screen shot of the text message containing the Lottery Card play. However, the text message or any copy of the text message is not a traditional lottery ticket, is not a bearer instrument, has no cash value, and is not evidence of the right to win a prize. The Registered Cell Phone Number and Registered Name used to place the Lottery Card wager, together with the Lottery Card associated with the Registered Cell Phone number, is the only valid proof of ownership of the Lottery Card play.
- (k) Lottery Cards do not support wagers for Power Play, or multi-draw. Lottery Cards do not allow the player to place single Quick Pick wagers for multiple drawings. At the time of activation of the Lottery Card, all Lottery Card play wagers are placed for the next available drawing (5 plays for a \$10 Card, 10 plays for a \$20 Card). Lottery Card plays cannot be cancelled.
- (l) After the initial activation of the Lottery Card, a player can take the Lottery Card to a participating Kentucky Lottery retailer or other authorized retailers in Kentucky and make additional Powerball Quick Pick wagers by loading additional funds onto the Lottery Card in increments of ten dollars

(\$10) or twenty dollars (\$20). Upon loading the Card with additional funds, no new activation is necessary. The player will receive a SMS text message on the Registered Cell Phone Number with the player's wager information containing the Lottery Card Quick Pick plays for the next drawing after purchase (5 plays for a \$10 reload, 10 plays for a \$20 reload).

- (m) **Geo-Location Technology:** A player must be physically located in Kentucky to place a Powerball wager through activating a Lottery Card. By purchasing a Lottery Card and placing a wager by activating the card, a player consents to have the player's location verified by geo-location technology. If it is determined that a player placed a wager through a Lottery Card while located outside of Kentucky, we reserve the right to deem the player's wager invalid, refuse to award a prize, recover a prize that has been awarded, and refer the matter to law enforcement where applicable.
- (n) **Limits:** Card Product purchase shall be limited to \$200.00 per Registered Cell Phone Number per day.
- (o) **Claiming Prizes:** There is a presumption that the owner of the mobile device associated with the Registered Cell Phone Number together with the person having physical possession of the Lottery Card is the owner of the Lottery Card play and is the winner of any prize won by that play.
  - (i) **Prizes of \$600 or Less:** Total prizes of \$600 or less won through a Lottery Card play will automatically be credited to the player's PayPal account associated with the Registered Cell Phone Number. A player must have a PayPal account in order to claim a prize under \$600.
  - (ii) **Prizes of \$601 or More:** Total prizes of \$601 or more won through a Lottery Card play must be claimed directly from the Kentucky Lottery. Claimants must appear in person at the Lottery Headquarters with the mobile device associated with the Registered Cell Phone number, the Lottery Card, and a valid form of government-issued identification acceptable to the Lottery. The Registered Name must match the name on the government identification provided by the player. The player will receive a one-time use code via SMS text to the Registered Cell Phone Number. The player will be prompted to enter that one-time use code into a Winner Verification Pad located at the Lottery Headquarters. Once the Lottery Card play is validated, the player will claim the prize through the standard Lottery claims procedures. If the Lottery cannot validate the Lottery Card play, it will deny the claim and notify the player.

- (p) **Validation and Authentication:** In addition to other requirements specified in the rules and regulations for validating and authenticating winning plays, the following also apply to validating and authenticating winning Lottery Card plays:
- (i) The Lottery Card play data must have been recorded in the Lottery's central gaming system prior to the Draw;
  - (ii) The transaction must have been completed and the Lottery Card play legally obtained by a qualified person from an authorized lottery retailer or other authorized retailer, pursuant to applicable Lottery rules and regulations;
  - (iii) A winning play that is associated with the player's Registered Cell Phone Number and the Lottery Card must have been recorded on the central computer system prior to the drawing and the player's play data must match this computer data in every respect; the player's numbers, the validation data, and the drawing date of an apparent winning play must appear on the official file of winning plays and a play with that exact data must not have been previously paid; the play must not be misregistered, defectively produced or communicated in error;
  - (iv) The name on the player's valid government-issued identification must match the Registered Name; and
  - (v) The player's mobile device and/or Lottery Card must not be damaged so as to prevent the Lottery from applying the criteria described herein.

Effective Date: October 15, 2018  
Version 4.0

  
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President & CEO

10-10-18  
Date

  
\_\_\_\_\_  
Executive Vice President & COO

10/10/18  
Date

  
\_\_\_\_\_  
Sr. VP, General Counsel, & Corporate Secretary


10/10/18  
Date

  
\_\_\_\_\_  
Vice President of Sales

10-10-18  
Date

  
\_\_\_\_\_  
Vice President of Marketing


10/10/18  
Date

  
\_\_\_\_\_  
Interactive Content Director

10/10/18  
Date

  
\_\_\_\_\_  
Draw Product Manager

10/10/18  
Date

  
\_\_\_\_\_  
Chairman of the Board

10/11/18  
Date

[https://klc.sharepoint.com/teams/LegalDepartment/Shared Documents/Online - Draw Games/Powerball/2018 Changes - Linq3/PB Third Amended Addendum Lottery Card CLEAN for OCT Board Mtg \(002\) \(002\).docx](https://klc.sharepoint.com/teams/LegalDepartment/Shared Documents/Online - Draw Games/Powerball/2018 Changes - Linq3/PB Third Amended Addendum Lottery Card CLEAN for OCT Board Mtg (002) (002).docx)