

Minutes of the Lottery Advisory Commission
October 7, 2025, Meeting

A meeting of the Lottery Advisory Commission (Commission) was held from 12:58 p.m. to 1:45 p.m. on October 7, 2025, at the North Dakota Lottery Office.

Chairman Mike Rud was absent. Representative Karla Rose Hanson, Senator Jeff Barta, Senator Clarie Cory and Mr. Rus Hanson participated remotely.

Representing the North Dakota Lottery (Lottery) were Mr. Thomas Lawler, Director; Mr. Ryan Kopyy, sales and marketing manager; Mr. Matt Anderson, account budget specialist; and Ms. Jessica Seibel, administrative assistant II, attended in person. Mr. Mark Rauhauser, customer service specialist, and Ms. Julie Thompson, security officer, joined remotely.

Claire Ness, Chief Deputy Attorney General, participated in person. Representing Scientific Games LLC was Dan Moran, general manager of North Dakota participated in person. Representing GA Law Group were Amy Cleary and Levi Andrist participated remotely.

Since Chairman Rud was absent, Commissioner Russ Hanson was the acting Chairman. Chief Deputy Attorney General, Claire Ness let the Lottery Advisory Commission know how well everyone worked together with getting this conversion going and when the Lottery/IT ran into a few issues all worked together to get it resolved quickly as possible. Director, Thomas Lawler welcomed Senator Claire Cory to the commission. She took Representative Emily O'Brien's spot.

Approval of Minutes

Commissioner Karla Rose Hanson made a motion to approve the minutes of the July 28, 2025, meeting. Commissioner Cory seconded the motion. The motion passed 4-0.

Chief Deputy Attorney General, Claire Ness left at 1:09 p.m.

Update about the Public Hearing Held on September 17, 2025

Thomas Lawler presented this section.

A July 29, 2025, notification of a public hearing and availability of proposed rules was publicized during August 5 – August 11, 2025, in all North Dakota newspapers that are qualified to publish any public notice. The notification was also posted on the North Dakota newspaper association public notice website. A copy of the proposed rules was provided to each member of the Lottery Advisory Commission and the chairman of the Administrative Rules Committee. Copies of the proposed rules were available at the public hearing, Lottery's office, Lottery's website, and to the public on request. A terminal message was sent informing retailers.

The North Dakota Lottery conducted a public hearing on September 17, 2025, in Bismarck. Mr. Thomas Lawler, Director, Lottery Division, acted as the hearing officer. No interested individuals from the public attended. The comment period ended September 29, 2025.

North Dakota Lottery submitted:

- a. Article 10-16 - Multi-State Lottery
 - (1) Throughout Article 10-16 the trademark references of registered trademark (®) and trademark (™) are used.

- (2) Change requested: To clean up our rules, the Lottery is asking to add or remove various trademark symbols throughout the rules. The Lottery is asking to use standards of the General Rule Section of A Guide to the ® and ™ Symbols | GovFacts. “Use the appropriate symbol with the first or most prominent appearance of the trademark in any document, webpage, or advertisement. Subsequent mentions in the same document don’t need the symbol.”

b. Subsection 3 of Section 10-16-08.1. Pick & Click ~~online~~ Lottery play. (Effective through February 21, 2026)

- (1) An individual shall provide the following information when registering as a player, ~~or a member of a group~~, for the ~~lottery online~~ Lottery play service:
- (2) Currently, group play is allowed. After the system conversion, group play will no longer be allowed.
- (3) Change requested: An individual shall provide the following information when registering as a player, ~~or a member of a group~~, for the ~~lottery online~~ Lottery play service:

c. Subsection 4 of Section 10-16-08.1. Pick & Click ~~online~~ Lottery play. (Effective through February 21, 2026)

- (1) An individual, whether individually or as a member of a group, must be physically located within the borders of North Dakota and shall pass all verification processes used by the lottery during the player's registration process.
- (2) Currently, group play is allowed. After the system conversion, group play will no longer be allowed.
- (3) Change requested: An individual, whether individually or as a member of a group, must be physically located within the borders of North Dakota and shall pass all verification processes used by the lottery during the player's registration process.

d. Subsection 7 of Section 10-16-08.1. Pick & Click ~~online~~ Lottery play. (Effective through February 21, 2026)

- (1) The owner of an ~~online~~ Lottery play is the individual whose name is validly and properly registered with the lottery. However, the lottery may split a prize among two or more individuals who are registered members of a group play.
- (2) Currently, group play is allowed. After the system conversion, group play will no longer be allowed.
- (3) Change requested: The owner of an ~~online~~ Lottery play is the individual whose name is validly and properly registered with the lottery. ~~However, the lottery may split a prize among two or more individuals who are registered members of a group play.~~

Final approval for the proposed Administrative Rule changes

Commissioner Barta motioned to approve, and Commissioner Karla Rose Hanson seconded the motion. The motion passed unanimously.

(Proposed amendments attached.)

Overview of Financial Information (Unaudited)

Mr. Anderson presented fiscal year 2026, first quarter (July - September 2025) sales.

Total ticket sales for the quarter ended September 30, 2025, increased \$3,999,864 or 56.94% compared to same period in 2024. The reason for the increase was the Powerball jackpot reached \$1.787 billion during quarter end 9/30/25 compared to \$258 million for quarter end 9/30/24. The Mega Millions jackpot reached \$451 million during quarter end 9/30/25 compared to \$800 million for quarter end 9/30/24. The 2by2 instant win promo ran in 2024 but none ran during the quarter end 9/30/25 which is why 2by2 sales decreased.

Marketing Activity and Short-Term Marketing Plans

Mr. Kopp presented an overview of marketing activity and short-term marketing plans.

Players Club

The North Dakota Lottery Players Club currently has 64,622 registered members as of September 27, 2025. There were 4,405 unique monthly active users with activity or funded an account, purchased, or entered tickets in the Club.

Several Points for Drawings (PFD) prizes were given to players in recent promotions. On August 6, 2025, five winners received Ninja Slushi Makers, two winners received the Massage Therapy Bundles. On September 3, 2025, five winners received LEGO® Architecture Bundles and one winner received the Ultimate Golf Bundle.

Three PFD promotions are currently in progress: one Super Chexx Bubble Hockey Table, two Ariens Snowblower and five Omaha Steaks Bundle. Although, the Ariens Snowblower and Omaha Steaks Bundle closed on October 6, 2025. Upcoming PFD promotion are the Skylight Smart Calendars and Sony Entertainment Bundles that will run through the beginning of December 2025.

Cash Dash Retailer Promotion

The Cash Dash promotion that was tentatively planned to run Sunday, November 2 through Saturday, November 29, 2025, was cancelled. This was due to a short turnaround from system conversion to the planned dates. The Cash Dash promotion was “hard coded” into the old system terminals. With the new Wave8 terminals, extensive testing will need to be done.

2by2 Instant Win Promotion

The 2by2 Instant Win Promotion is tentatively scheduled to run Sunday, May 31 through Saturday, June 27, 2026. Qualifying purchase will be a single play, 7-draw 2by2 ticket for \$7. With the qualifying purchase, players will be eligible to instantly win a free 7-draw 2by2 ticket or \$500; winners will be chosen at random. Advertising budget is set at \$60,000 and prize expense is budgeted at \$47,000.

As we’ve done in the past, we are also planning to include a 2nd Chance Drawing with this 2by2 promotion. Details as follows:

- 2by2, single play, seven (7) draw (\$7) tickets, purchased May 31 – June 27, will be eligible to enter the 2nd Chance Drawing to win one of ten \$500 second chance cash prizes.
- Entries will be made via the Enter Ticket page through the North Dakota Lottery Players Club website or scanned with the mobile app.
- Entry Timeline: May 31 – June 27, 2026.
- The 2nd Chance Drawing for the ten individual winners will be conducted by SGI Draw Services at a date that is yet to be determined. A player may only win one \$500 second chance cash prize.

North Dakota Lottery/Players Club Websites Update/Refresh

The Players Club website update went live around 1pm CT on Sunday, September 28, 2025. This incorporated the website/branding refresh that the NDL website will undergo later this year. Odney completed the work on the NDL website update/refresh in late July and sent the template files to the ND Lottery. Due to system conversion testing, launch of the new LOTTERY.ND.GOV website has been pushed back. No timeline has been set, but we are looking to have the new website up and running no later than December 2025.

2025 Drug Task Force Benefactor Supplemental Campaign

The supplemental campaign ran September 1 through September 28, 2025. This campaign supplemented the initial campaign that ran May 19, 2025, through June 29, 2025. Budget for supplemental media campaign and production costs was \$95,000. This covered minor production changes to graphics (replaced BCI Logo with BCI Badge), and TV ads (updated Polic Chief Stugelmeyer’s title) along with ad placement.

Player Research and Survey

The tentative plan for market research/survey in late 2024/early 2025 had been postponed until late 2025/early 2026. Ryan and Thomas had an initial sit down discussion with Odney on September 4. Initial discussions covered platform to conduct the survey, timeframe, and budget. Initial plan is to use phone calls as the platform with a shorter, more focused questionnaire with a budget around \$40,000. More information will be available at the next Lottery Advisory Commission meeting.

System Overview

Mr. Dan Moran presented this section.

System Incident

Mr. Moran gave summary of incidents that occurred from October 2024 to August 2025.

- October 11, 2024, system overloaded brought down the iCore system and the impact of this was high.
- November 12, 2024, 2by2 free promo code was sent to 13,000 player, this had a low impact on business.
- February 10, 2025, TXE1 domain reset after reboot had a high impact on business.
- April 5, 2025, iCore sales started at 7:45 on 5MEGA install night high impact on business.
- May 10, 2025, Shared services CPU maxed out. Server was searing for 5MEG which wasn’t in the configuration. This had a medium impact on business.

- May 16, 2025, after a DA purge, servers overloaded looking for Hot Lotto and Wildcard because it kept looking for these games. This had low impact on business.
- July 4, 2025, Tanium updates on the RDB caused a connection issue. Selling started on time. Low impact on business.
- July 7, 2025, The backup drive was removed from the primary RDB. This caused EOD to not be able to complete. Low impact on business.
- August 20, 2025, CFE keeps crashing during the download of a FLEX release. We only have one CFE at this time, and it's not handling the traffic. High impact on business. We are now off of this and won't have this issue again. We are also off of physical servers and now on virtual servers which will make it easier to fix when an issue should arise.

Completed & Outstanding Requests

Secure Search Terminal offsets are currently in development. CGS firewall changes, SciGuard game setup, check processor logging, and O/S upgrade are all completed. HMAC cashing is now more secure. SciCore promotions are ongoing year-round. Mega Millions game change was done in March; it's now 5Mega. Switched the LIMs to HTML. The Give a Gift option has been deleted from the new system and changed to Promo voucher for players to still be able to redeem.

SGI Employee Changes

Mr. Moran presented the Scientific Games staffing report. Most of the employee turnover is related to changes in the management team. Most management changes were due to opportunities for promotions within the company while other vacancies were due to leaving the position.

Lottery Staff Changes

Mr. Thomas Lawler presented this section.

Mr. Scott Tarno retired in August. His position, customer service specialist will be a temporary position, and we have also opened another position for the Security officer.

Adjournment

Commissioner Barta made a motion to adjourn the meeting. Commissioner Cory seconded the motion. The motion passed 4-0. The meeting was adjourned at 1:45 p.m.

NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules.
~~Strikethrough~~ represents proposed deletions to the present rules.

ARTICLE 10-16
MULTI-STATE LOTTERY

Chapter	
10-16-01	General Rules
10-16-02	Retailer
10-16-03	Conduct and Play
10-16-04	POWERBALL Game
10-16-05	HOT LOTTO Game [Repealed]
10-16-06	WILD CARD 2 Game [Repealed]
10-16-07	2BY2 Game
10-16-08	MEGA MILLIONS Game
10-16-09	North Dakota Lottery Players Club Points for Prizes
10-16-10	North Dakota Lottery Players Club Points for Drawings
10-16-11	LUCKY FOR LIFE Game [Repealed] <u>(Effective February 22, 2026)</u>
10-16-12	LOTTO AMERICA Game
10-16-13	<u>MILLIONAIRE FOR LIFE Game (Effective after February 21, 2026)</u>

CHAPTER 10-16-01 GENERAL
RULES

Section	
10-16-01-01	Definitions
10-16-01-02	Advertising
10-16-01-03	Debt Offset <u>Setoff</u> of Prize
10-16-01-04	Audit of Security [Repealed]
10-16-01-05	Restrictions, Requirements, and Authorizations

10-16-01-01. Definitions.

As used in this article:

1. “Achievement reward program” means a marketing strategy that recognizes and incentivizes rewards program members for reaching specific goals within a given timeframe.
- ~~4-2.~~ "Applicant's agent" means a general manager, sole proprietor, partner of a partnership, or, for a corporation, an officer or director who is primarily responsible for financial affairs or a shareholder who owns ten percent or more of the common stock, of a business that is applying for or renewing a license. A general manager is an individual who regularly is onsite and primarily responsible and accountable for managing and controlling the day-to-day operation of the business.
- ~~2-3.~~ "Cash voucher" means a voucher generated by the lottery's player-activated terminal that can be validated for cash at the retailer's lottery terminal.
- ~~3-4.~~ “Central gaming system” means a computer system designed to control, monitor,

communicate with a terminal, and record play transactions and accounting data.

- 4.5. "Draw" means the formal process of randomly selecting winning numbers, letters, or symbols that determine the number of winning plays for each prize level of a game.
- 5.6. ~~"Deposit account" means the account to which funds are deposited and from which online play purchases are made.~~
- 6.7. "Game" means an on-line game authorized by the lottery.
- 7.8. "Game group" means a group of lotteries that have joined together to offer a game on a multi-state basis according to the terms of the MUSL or the game group's rules or both.
- 8.9. "Grand prize" means the top prize that can be won in a game.
- 9.10. "Group play" means two or more individuals sharing a purchase made.
- 10.11. "iLottery play" means the purchase of a draw game play via the internet or mobile app.
- 11.12. "Lottery" means the North Dakota lottery.
13. "Mobile payment service" means the use of mobile technology to facilitate transactions for purchasing lottery tickets.
- 13.14. "Multi-state lottery" means a lottery game that spans the individual borders of a state, jurisdiction, province, district, commonwealth, territory, or country.
- 14.15. "MUSL" means the multi-state lottery association.
- 15.16. "North Dakota Lottery Players Club®" means a program that players can join to earn exclusive benefits and rewards.
16. ~~"Online gaming system" means a computer system designed to control, monitor, communicate with a terminal, and record play transactions and accounting data.~~
17. ~~"Online" means the purchase of a draw game play for drawing up to one year.~~
- 18.17. ~~"Pick & Click" means the name of the online play service formerly known as subscriptions~~application used to purchase iLottery plays.
- 19.18. "Play" means the numbers, letters, or symbols that are on a ticket or properly and validly registered online play to be played by a player in a draw, excluding a lottery promotion.
- 20.19. "Play area" means the area of a play slip that contains one or more sets of numbered squares to be marked by a player for a game. Each ~~set~~play area contains a certain number of numbers, letters, or symbols that correspond to the game.
- 21.20. "Play slip" means a physical or electronic means by which a player communicates their intended play selection to ~~the~~a retailer as defined and approved by the lottery or at a Player self-service terminal as defined and approved by the lottery.
- 22.21. ~~"Player-activated terminal~~self-service terminal" means a device authorized by the lottery and operated by a player to function in an online, interactive mode with the lottery's ~~computer-system~~CGS to receive and process lottery transactions, including the purchase and issuance of a ticket, the validation of a ticket, and the issuance of a cash voucher.

- ~~23-22.~~ "Points for Drawings™®" means a program where players can enter second chance drawings by using points ~~received~~accumulated during registration or from the submission of valid entry of valid tickets.
- ~~24-23.~~ "Points for Prizes®" means a rewards program where players can earn points by becoming registered members of the Players Club and ~~submitting~~entering valid tickets to purchase items from the store.
- ~~25-24.~~ "Quick pick" means ~~a random~~the selection of numbers, letters, or symbols by a ~~computer-system~~certified random number generator that are printed on a ticket or properly and validly registered ~~online~~iLottery play and played by a player for a draw in a game.
- ~~26-25.~~ "Retailer fraud" means an owner or employee of a licensed retailer who knowingly and intentionally:
- a. Fails to properly validate a player's winning ticket;
 - b. Fails to pay the player the proper prize amount on a winning ticket;
 - c. Fails to provide the player the proper exchange ticket on a winning multi-draw ticket; or
 - d. Performs any other act that causes financial harm to a player in violation of the lottery law or rules.
- ~~27-26.~~ "Set prize" means all prizes, except the grand prize for a game that are to be paid by a single cash payment and, except as provided by rule, will be equal to the prize amount established by the MUSL and/or the game group for the prize level of the game.
- ~~28-27.~~ "Terminal" means a device authorized by the lottery and operated by a retailer or the lottery to function in an on-line, interactive mode with the lottery's ~~computer~~central gaming system to issue a ticket and enter, receive, and process a lottery transaction, including a purchase, validation of a ticket, and issuance of a report.
- ~~29-28.~~ "Ticket holder" means an individual who has signed a ticket or possesses an unsigned ticket.
- ~~30-29.~~ "Top prize" means the ~~first~~highest tier prize that can be won in a game.
- ~~31-30.~~ "Validation" means the process of determining whether a ticket presented for a prize is a winning ticket.
31. "Wager account" means the account to which funds are deposited and from which iLottery play purchases are made.
32. "WebCash voucher" means a digital funding option for iLottery.
- ~~32-33.~~ "Winning account" means the account to which ~~online~~iLottery play winnings are deposited and from which player withdrawals are made.
- ~~33-34.~~ "Winning numbers" means the numbers, letters, or symbols randomly selected in a draw to determine a winning play contained on a ticket or properly and validly registered ~~online~~iLottery play or randomly selected in a lottery promotion to determine a winning prize stated on a ticket or coupon.

History: Effective February 1, 2004; amended effective April 1, 2006; July 1, 2008; July 6, 2014; January 31, 2016; February 1, 2016; October 29, 2017; May 14, 2018; July 1, 2019; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-01-05. Restrictions, requirements, and authorizations.

1. An employee of the lottery or a member of the immediate family or an individual who regularly resides in the same household of the employee may not receive a gift, gratuity, or other thing of value, excluding food, nonalcoholic beverage, or incidental item, from an applicant for a license, licensed retailer, or online gaming system or advertising vendor.
2. The lottery may waive a rule when it is in the best interest of the state, lottery industry, or public.
3. In applying subdivision d of subsection 1 of North Dakota Century Code section 53-12.1-11, personal information on a winning player does not include an amount won or the player's city or state of residence. If the player signs a release, the lottery may disclose or publish personal information that the player authorizes to be released. Subdivision d of subsection 1 of North Dakota Century Code section 53-12.1-11 does not apply to cash, merchandise, an ~~online~~Lottery play, ~~gift certificate~~, or ticket that the lottery awards as a prize in a promotion.
4. If a lottery rule conflicts with an official or updated MUSL or game group rule or game rule, the official or updated MUSL or game group rule or game rule supersedes the lottery rule. The official MUSL or game group rule or game rule governs the administration of a game.
5. The lottery may conduct a promotion that includes a prize and shall prescribe promotional rules. The prize may be cash, ~~gift certificate~~, ticket, ~~online~~Lottery play, or merchandise.
6. The lottery may immediately withdraw a lottery terminal, equipment, and supplies from a retailer's site if the retailer's license is inactive, suspended, revoked, or the retailer's license was not renewed.

History: Effective February 1, 2004; amended effective April 1, 2006; July 1, 2006; April 1, 2008; May 14, 2018; July 1, 2019; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-08, 53-12.1-11, 53-12.1-13

NORTH DAKOTA LOTTERY

Underling represents proposed additions to the present rules.
~~Strikethrough~~ represents proposed deletions to the present rules.

**CHAPTER 10-16-02
RETAILER**

Section

10-16-02-01	License Application and Fee
10-16-02-02	Criteria for Selecting an Applicant
10-16-02-03	Record and Credit Checks
10-16-02-04	Change in Business Location, Ownership, or Name
10-16-02-05	Training
10-16-02-06	Duties
10-16-02-07	Sales Commission and Bonus
10-16-02-08	Bank Account and Electronic Funds Transfer
10-16-02-09	Recordkeeping [Repealed]
10-16-02-10	Denial, Suspension, or Revocation of a License
10-16-02-11	Monetary Fine

10-16-02-01. License application and fee.

1. An applicant shall initially apply for a license for a site on a form prescribed by the lottery and remit an application fee of fifty dollars that is not refundable. The licensing fiscal year is October first through September thirtieth. An applicant may apply for a license for more than one site. A separate application is required for each site. Approval of an applicant is within the sole discretion of the lottery. Only one retailer may have a license for a specific site. A retailer shall apply for a renewal license for a site before October first of each year.
2. If the lottery approves an applicant for licensure for a site, the applicant shall remit a license fee of five hundred dollars for the applicant's first year for that site within fourteen days of when the applicant is notified by the lottery of its pending licensure. This fee is not prorated or refundable unless an applicant is disqualified according to section 10-16-02-03 before the applicant sells a ticket or a new owner purchases or leases a site and applies for a license before the former owner sells a ticket. After the first partial or full year of licensure, the annual license renewal fee for the site is one hundred fifty dollars and is not prorated or refundable on or after October first.
3. If a licensed alcoholic beverage establishment and an organization that is licensed under North Dakota Century Code chapter 53-06.1 to conduct a game of chance at that site both apply for a license for the site, the establishment has the first privilege. If the establishment does not apply and the organization does apply for a license, the organization shall obtain written authorization from the establishment and provide the authorization with the application. If the organization is issued a license, the establishment's authorization is valid as long as the organization is licensed to conduct a game of chance at that site.
4. A license allows a retailer to sell a ticket for all authorized games.
5. The lottery may license a retailer on a seasonal or temporary basis for a special event or lottery promotion. A special event is an infrequent, significant, and identifiable activity in the community, such as a fair. The director of the lottery may waive the application or license fee, or both, for a temporary site for a presently licensed or new retailer that sells a ticket on a temporary basis at the site for a special event or lottery promotion.

6. The lottery may issue a conditional license to an applicant, shall designate the time period for which the license is valid, and may impose any conditions related to:
 - a. Determining whether an applicant or retailer is eligible for a license;
 - b. Issuing a license to an applicant or retailer whose regular license has been relinquished, suspended, or revoked;
 - c. Applying a minimum sales quota on an applicant or retailer;
 - d. Requiring an applicant or retailer to reimburse the lottery for the lottery's net cost of installing and maintaining the terminal and telecommunications equipment at a business if the applicant or retailer does not meet or maintain a mutually agreed minimum sales quota; or
 - e. Accessibility of a retailer to an individual who is disabled.
7. A license is a privilege and an applicant or retailer does not have a vested or legal right to the license.
8. Except as provided by subsection 5, an applicant's site must be a permanent business location.
9. The lottery may require a security deposit from an applicant or retailer.
10. If required by law, an applicant must be currently registered with the secretary of state.
11. A license may not be sold, transferred, assigned, pledged, or otherwise conveyed from a retailer to another person.
12. A retailer shall provide the lottery a thirty-day written notice of the retailer's intent to sell or otherwise transfer ownership of the retail business to another person. The acquiring person shall apply for a new license for that site if the person desires to be a retailer.
13. If a license becomes lost or destroyed, a retailer shall apply for a duplicate license and explain to the lottery what happened to the original license.
- ~~14. If the lottery denies an applicant a license, the lottery shall notify the applicant and state the reason for the denial.~~
15. ~~14.~~ If a license is revoked and reinstated within the same licensing fiscal year, no additional license fee is due.

History: Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-06, 53-12.1-07, 53-12.1-13

10-16-02-02. Criteria for selecting an applicant.

The lottery shall consider criteria in selecting an applicant for licensure or relicensure as a retailer, including:

1. Geographic or strategic location of a business in a town or city, and its location in relation to population, highways, and traffic patterns;
2. Accessibility of a business to the public and an unrestricted public access policy;
3. Regular contact with a significant number of individuals and the average number of customer sales transactions per day;
4. Normal business hours and days of the week that the business is open;

5. Number of years the business has been operating at its present location;
6. Historical gross sales of nonlottery products or expected gross sales of lottery tickets of a business, or both;
7. Physical security of a business, safety of the money derived from selling a ticket, and whether the business has a video surveillance or alarm system;
8. Financial condition, financial responsibility, and creditworthiness of the business;
9. Criminal history record, character, and reputation of the applicant's agent;
10. Sufficiency of an existing retailer to serve the public convenience in an applicant's town or city;
11. Anticipated or proven capability of a business to best serve the public interest by actively promoting the sale of a ticket, including displaying or providing point-of-sale promotional items to the public;
12. Initial or incremental cost of installing and maintaining a terminal and telecommunications equipment at a business or difficulty of using preferred telecommunications equipment;
13. Type of business and type of product, service, or entertainment offered at a site and whether it is acceptable to the general public and does not adversely impact the credibility, reputation, or image of the lottery. An applicant's primary retail business may not be to sell a lottery ticket. An eligible applicant may not be a pawnbroker, bank, check cashing or cash advance outlet, currency exchange business, credit union, consumer finance company, collection agency, or mortgage broker;
- ~~14. Type and volume of state government services available at a business, including fishing and hunting licenses;~~
15. 14. Recommendation of the lottery's online gaming system vendor;
16. 15. Accessibility of a business to an individual who is disabled;
17. 16. Type of building housing the business; and
18. 17. Site inspection.

History: Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; July 1, 2019; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-06, 53-12.1-07, 53-12.1-13

10-16-02-06 Duties.

A retailer shall:

1. Comply with the lottery law, rules, promotional rules, and terms of a license agreement prescribed by the lottery;
2. Display a lottery license in an area visible, but not accessible, to the public where a ticket is sold and redeemed. A retailer shall prominently display signage and promotional and point-of-sale items provided by the lottery. A retailer may advertise and use, display, or make available other appropriate promotional and point-of-sale items. On request of the lottery, a retailer shall discontinue an advertisement or promotion that the lottery determines is in noncompliance with

subsections 2 and 3 of section 10-16-01-02;

3. Display a problem gambling helpline telephone number;
4. Provide a secure operating space for a terminal at a location approved by the lottery or its online gaming system vendor. A retailer may not move the terminal to a different location at a site without written authorization from the lottery. If the retailer desires to have the terminal relocated at the site, only a qualified representative of the lottery's online gaming system vendor may relocate the terminal;
5. Provide dedicated alternating current to a duplex electrical receptacle for lottery equipment, including a terminal. Only lottery equipment may be on the circuit. A retailer shall pay the installation cost of the receptacle and monthly costs of electricity to operate the lottery equipment. The lottery shall provide the retailer with a schematic of the required amperage, voltage, and wiring of the receptacle;
6. As requested by the lottery, have an employee attend a training session sponsored by the lottery, review training material, complete a terminal-based ~~tutorial~~ Learning training, or notify the lottery if a new employee needs training on operating a terminal;
7. Exercise care in operating a terminal and immediately notify the lottery's online gaming system vendor of a terminal malfunction, including the issuance of an invalid ticket, inability to sell or redeem a ticket, and nonissuance of a ticket. Except to clear a paper jam, the retailer may not perform mechanical or electrical maintenance on the terminal. Unless approved by the lottery, a retailer may not attach or adhere any stickers, decals, or advertisements on a terminal;
8. Replace ticket stock and clear a paper jam as necessary in a terminal;
9. Monitor the supply of game brochures, point-of-sale items, ticket stock, and play slips and notify the lottery or its online gaming system vendor when an item is in short supply;
10. Actively promote and sell a ticket and redeem a winning ticket during the retailer's core business hours on the days that the retailer is open and when a terminal is operating. If the retailer's core business hours are earlier or later, or both, than the hours that the terminal is operating, the retailer shall post the hours during which an individual may redeem a winning ticket;
11. Prohibit an individual under age eighteen from buying a ticket or redeeming a winning ticket;
12. Not extend credit to a player or accept a credit card from a player for the purchase of a ticket or accept a ~~food stamp~~ Supplemental Nutritional Assistance Program (SNAP) or ~~food coupon~~ Electronic Benefits Transfer (EBT) as consideration for a ticket. A player shall pay for a ticket when the ticket is bought from a retailer. If a retailer delivers a ticket to a player's residence, the player shall prepay or pay for the ticket upon delivery. A retailer may not loan money to or accept a postdated check from a player;
13. Accept debit cards or mobile payment services through the lottery system or the retailer's point-of-sale system. If a retailer chooses to use its point-of-sale system, the retailer will be responsible for related processing fees;
14. Maintain a level of ticket sales set by the lottery based on a minimum sales program;
15. Be financially responsible and personally liable to the lottery for money derived from the sale of a ticket, less money related to a sales commission and money paid on a redeemed winning ticket. The retailer shall allow money from the sale of a ticket that is deposited by the retailer in a bank account to be transferred to the lottery by electronic funds transfer on a weekly basis or other period prescribed by the lottery;

16. Store ticket stock, supplies, terminal, and related equipment in a safe place to prevent loss, theft, or damage;
17. ~~Prominently post the winning numbers for a draw and estimated grand prize of the next draw of a game where a ticket is sold as soon as reasonably possible after the draw for the game;~~
18. 17. Redeem a winning ticket and may pay a prize of up to five hundred ninety-nine dollars in cash or by business check, regardless of which retailer sold the ticket. The retailer may not charge a fee for redeeming a ticket and may not refuse to redeem a winning ticket sold by another retailer;
19. 18. File a claim for credit for a printed defective ticket as prescribed by the lottery;
20. ~~19.~~ Permit an employee or agent of the lottery who has first shown proper identification to the retailer to review the retailer's accounting records and inspect, maintain, replace, or remove lottery equipment, supplies, ticket stock, or a record or recorded video from the site without prior notice during the retailer's normal hours of operation;
21. ~~20.~~ Notify the lottery in writing thirty days before there is a change of the bank account maintained for electronic funds transfer;
22. 21. Make it convenient for the public to buy and redeem a ticket. A retailer may sell a ticket through a drive-up window;
22. ~~Have a copy of the lottery law and rules at the site available near the terminal for review by any individual;~~
23. ~~22.~~ Incur the loss from theft of a ticket;
24. 23. Defend, indemnify, and hold harmless the lottery and state of North Dakota from any claim of any nature, including all costs, expenses, and attorney's fees, that may result from or arise out of an agreement with the lottery, except for a claim that results from or arises out of the state's sole negligence;
25. ~~24.~~ Upon revocation, relinquishment, or nonrenewal of a license, immediately return all lottery-related equipment and supplies, including unused ticket stock. The retailer is liable for money still owed the lottery; and
26. 25. Maintain complete and accurate records and retain them for one year related to the sale and redemption of a lottery ticket. Records must include weekly terminal-issued reports of electronic funds transfers transactions.

History: Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; July 6, 2014; July 1, 2019; July 1, 2025; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-13

10-16-02-07. Sales commission and bonus. (Effective through February 21, 2026)

1. The lottery shall credit a retailer's account for:
 - a. A sales commission of five percent of the retail price of a ticket sold or otherwise issued by the retailer; and
 - b. ~~A sales commission of five percent of the amount of an online play sale that is transacted through the North Dakota Lottery Players Club® when a player chooses a specific retailer. The retailer must be currently licensed when the online play is purchased; and~~

c. b. A sales bonus for selling a ticket with a winning play, for a game as stated below. However, the retailer must be currently licensed when a draw is conducted that results in the winning play of a ticket. If the winning play for POWERBALL® has the ~~power-play~~ Power Play option, or the winning play for LOTTO AMERICA® has the All Star Bonus® option, the retailer's account must also be credited for an additional bonus as stated below:

<u>Prize</u>	<u>Bonus</u>	<u>Additional Bonus</u>
POWERBALL®		
Grand prize	\$50,000	Additional \$50,000 with power-play <u>Power Play</u>
\$1,000,000	\$5,000	Additional \$5,000 with power-play <u>Power Play</u>
\$50,000	\$1,000	Additional \$1,000 with power-play <u>Power Play</u>
MEGA MILLIONS®		
<u>Base Prize (before multiplier)</u>		
Grand prize	\$100,000	
\$1,000,000	\$10,000	
\$10,000	\$1,000	
LUCKY FOR LIFE®		
\$7,000/week for life	\$25,000	
\$25,000/year for life	\$2,500	
\$5,000	\$250	
2BY2®		
Grand prize		
\$22,000	\$500	
\$44,000*	\$1,000	
*Tuesday draw double grand prize winning play on a qualifying multi-draw ticket.		
LOTTO AMERICA®		
Grand prize	\$5,000	Additional \$5,000 with All Star Bonus®
\$20,000	\$500	Additional \$500 with All Star Bonus®

2. The lottery may credit a retailer's account for a fixed or graduated sales commission or bonus for a special promotion, including ~~power-play~~ Power Play and All Star Bonus®, that the lottery conducts for a certain period of time based on parameters set by the lottery.

History: Effective February 1, 2004; amended effective January 1, 2006; January 3, 2008; January 31, 2010; January 15, 2012; October 19, 2013; July 6, 2014; October 4, 2015; February 25, 2016; October 29, 2017; May 14, 2018; July 1, 2019; April 5, 2025; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-13

10-16-02-07. Sales commission and bonus. (Effective after February 21, 2026)

1. The lottery shall credit a retailer's account for:
 - a. A sales commission of five percent of the retail price of a ticket sold or otherwise issued by the retailer and
 - b. A sales bonus for selling a ticket with a winning play, for a game as stated below. However, the retailer must be currently licensed when a draw is conducted that results in the winning play of a ticket. If the winning play for POWERBALL® has the Power Play option, or the winning play for LOTTO AMERICA® has the All Star Bonus® option, the retailer's account must also be credited for an additional bonus as stated below:

<u>Prize</u>	<u>Bonus</u>	<u>Additional Bonus</u>
POWERBALL		
Grand prize	\$50,000	Additional \$50,000 with Power Play
\$1,000,000	\$5,000	Additional \$5,000 with Power Play
\$50,000	\$1,000	Additional \$1,000 with Power Play
MEGA MILLIONS®		
<u>Base Prize (before multiplier)</u>		
Grand prize	\$100,000	
\$1,000,000	\$10,000	
\$10,000	\$1,000	
LUCKY FOR LIFE®/MILLIONAIRE FOR LIFE™		
\$7,000 \$1,000,000/ week year for life	\$25,000 \$50,000	
\$25,000 \$100,000/year for life	\$2,500 \$10,000	
\$5,000 \$7,500	\$250 \$500	
2BY2®		
Grand prize		
\$22,000	\$500	
\$44,000*	\$1,000	
*Tuesday draw double grand prize winning play on a qualifying multi-draw ticket.		
LOTTO AMERICA		
Grand prize	\$5,000	Additional \$5,000 with All Star Bonus
\$20,000	\$500	Additional \$500 with All Star Bonus

2. The lottery may credit a retailer's account for a fixed or graduated sales commission or bonus for a special promotion, including Power Play and All Star Bonus, that the lottery conducts for a certain period of time based on parameters set by the lottery.

History: Effective February 1, 2004; amended effective January 1, 2006; January 3, 2008; January 31, 2010; January 15, 2012; October 19, 2013; July 6, 2014; October 4, 2015; February 25, 2016; October 29, 2017; May 14, 2018; July 1, 2019; April 5, 2025; February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-13

NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules.
~~Strikethrough~~ represents proposed deletions to the present rules.

**CHAPTER 10-16-03
CONDUCT AND PLAY**

Section

10-16-03-01	Games Authorized
10-16-03-02	Ineligible Player
10-16-03-03	Play Slip
10-16-03-04	Multiple Draw
10-16-03-05	Sale or Gift of a Ticket
10-16-03-06	Ownership of a Ticket
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10-16-03-08	Claim of a Prize
10-16-03-08.1	Pick & Click Online <u>Lottery</u> Play
10-16-03-09	Payment of a Prize to an Individual's Estate
10-16-03-10	Counterfeit or Theft of a Ticket or Gift Certificate
10-16-03-11	Remedy for a Defective Ticket and Dispute Resolution
10-16-03-12	Delay of Paying a Prize

10-16-03-01. Games authorized. (Effective through February 21, 2026)

The lottery may conduct online games of POWERBALL®, MEGA MILLIONS®, LOTTO AMERICA®, 2BY2®, and LUCKY FOR LIFE®.

10-16-03-01. Games authorized. (Effective after February 21, 2026)

The lottery may conduct online games of POWERBALL®, MEGA MILLIONS®, LOTTO AMERICA®, 2BY2®, and ~~LUCKY FOR LIFE®~~MILLIONAIRE FOR LIFE™.

History: Effective February 1, 2004; amended effective November 8, 2005; July 1, 2008; January 31, 2010; January 31, 2016; February 25, 2016; October 29, 2017; July 1, 2019; February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-13

10-16-03-02. Ineligible player.

A ticket issued by a retailer or an ~~online~~Lottery play may not be bought by, or a prize won by that ticket or ~~online~~Lottery play or lottery-related promotion may not be paid or issued to:

1. An employee, officer, or director of the lottery's ~~online~~central gaming system vendor or the MUSL;
2. An individual who regularly resides in the same household of an individual described in subsection 1; or
3. A minor.

History: Effective February 1, 2004; amended effective November 8, 2005; April 1, 2008; January 1, 2011; May 14, 2018; July 1, 2019; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-08, 53-12.1-13

10-16-03-05. Sale or gift of a ticket. (Effective after September 27, 2025)

1. Only a retailer may sell a ticket and only at the site listed on a license. The sales price of a ticket is exempt from sales tax. Except as authorized by the lottery or for a lottery promotion, or delivery of a ticket by a retailer, a complete sales transaction between the retailer and a player must occur at a terminal or a ~~player-activated~~ self-service terminal, including the exchange of money, exchange of a play slip if the player uses it, and exchange of the ticket. The retailer shall accept mobile payment services, cash or debit card and may accept a check from a player. The retailer may not extend credit to a player or accept a ~~food stamp~~ Supplemental Nutritional Assistance Program (SNAP) or ~~food coupon~~ Electronic Benefits Transfer (EBT card) as consideration for a ticket. A player shall pay for a ticket when the ticket is bought from a retailer. A retailer may not loan money to a player or accept a postdated check from the player. A retailer is responsible for a check that is not collectible for any reason. This subsection does not prevent an individual who may lawfully buy a ticket from giving a gift of the ticket to another individual, or prevent a business or organization from purchasing a ticket and providing it as a gift or prize to an individual, except to an individual under age eighteen or an ineligible player according to section 10-16-03-02.
2. An individual may buy a ticket on behalf of another individual or group of individuals, provided that the individual provides the ticket without charging a procurement fee and the other individual is not, or the group of individuals does not include, an individual under age eighteen or an ineligible player according to section 10-16-03-02.
3. Except for a ~~subscription~~ iLottery play, a player shall place a play through a retailer that acts as an agent for the player in entering the play. The player shall place a play by using and hand-marking a play slip provided by the retailer or requesting the retailer to place a quick pick. The retailer may assist and train a player how to complete a play slip. It is the sole responsibility of the player to verify the accuracy of a game play and other data printed on a ticket. The retailer may not use a copy of a play slip or other material in a terminal's play slip reader or permit a device to be connected to a terminal to enter a play.
4. A retailer shall use a terminal to issue a ticket containing the selected sets of numbers, letters, or symbols each set of which is a play. A retailer's sale of a ticket is final. A player may not void or cancel a ticket by returning the ticket to the retailer and the retailer may not buy back a ticket from a player. If data printed on a ticket is incorrect, a ticket is printed in error, an employee, volunteer, or agent of a retailer steals a ticket from the retailer, or if any other issued ticket can be used to claim a prize, the retailer cannot void or cancel the ticket or return the ticket to the lottery for credit. If the retailer cannot sell the ticket, the retailer owns the ticket and may redeem a winning ticket. However, the lottery may credit a retailer's account for a ticket that is illegible, mutilated, or otherwise defective as it was printed and that because of its physical condition cannot be sold. A retailer shall comply with a policy of the lottery related to criteria for sending a claim for credit of a defective ticket to the lottery. The retailer may not send a defective ticket to the lottery until after the draw for the game for which the ticket was issued.
5. A retailer shall sell a ticket only for the standard price of the ticket. However, a retailer may do a promotion for a period not to exceed ninety consecutive days in any six-month period in which a retailer offers a ticket for sale through a discount provided that the retailer accounts for the standard price of the ticket to the lottery. A discount includes, for example, selling six tickets for the price of five tickets, selling two tickets for the price of one ticket, and selling a ticket for one-half price. A retailer may buy a ticket for the standard price of the ticket and offer it, at no charge, to an individual. A recipient of a ticket in a promotion may not be under age eighteen or an ineligible player according to section 10-16-03-02. A retailer may conduct other promotions, including:

- a. Second chance drawings of winning or nonwinning tickets or other entry forms provided that an individual may not be required to purchase anything to participate in the drawing;
 - b. Giving away a ticket with the purchase of a product or service;
 - c. Giving away or discounting a product or service with the sale of a ticket or return of a number of nonwinning tickets; and
 - d. With the purchase of a ticket, an individual may spin a wheel, for example, to select a free prize, product, or service.
6. An individual who buys or accepts a ticket, attempts to redeem a ticket for a prize, or otherwise participates in a draw agrees to comply with and abide by the lottery law, rules, procedures, policy, MUSL or game group rule or game rule, and decision of the lottery.
7. An individual who buys or accepts a ticket, attempts to redeem a ticket for a prize, or otherwise participates in a draw agrees to accept the decision of the lottery regarding the validity of the ticket, and any prize payment determinations relating to that ticket, and to release the state, lottery, MUSL, game group, and their officers, employees, agents, representatives, and contractors from any liability regarding that ticket or payment of that prize and are not responsible or liable for:
- e. A lost or stolen ticket or incorrectly read play slip; or
 - f. Paying a prize related to a damaged, destroyed, erroneous, illegible, or mutilated ticket.

History: Effective February 1, 2004; amended effective November 8, 2005; July 1, 2008; July 6, 2014; July 1, 2019; July 1, 2025; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-07, 53-12.1-08, 53-12.1-13, 57-39.2-04

10-16-03-07. Validation of a ticket or cash voucher.

1. A retailer shall use a terminal to validate a ticket or cash voucher before the retailer may pay a prize on the ticket or cash voucher. A retailer that pays a player a prize without first validating the ticket or cash voucher assumes the financial risk that the ticket is not an actual winning ticket, the ticket was previously redeemed, or that the cash voucher was previously redeemed. The lottery may not reimburse a retailer for a prize paid in error by the retailer. A ticket that does not pass validation is invalid and ineligible for a prize. A cash voucher that does not pass validation is invalid for cashing. Except as provided by subsection 18 of section 10-16-03-08, an original ticket is the only proof of a game play and submitting a winning ticket to the retailer or lottery is the only method of claiming a prize. A play slip, a copy or photo of a winning ticket, or a copy or photo of a cash voucher do not have monetary or prize value and are not evidence of a ticket bought or of numbers selected for a draw. A ticket must have been bought from a North Dakota retailer and meet the following validation requirements:
- a. A retailer must have issued the ticket in an authorized manner;
 - b. The play, including the combination of numbers, letters, or symbols selected by a player or quick picked, evidenced by the ticket, must reach and be accepted and recorded by the lottery's ~~online~~central gaming system before the cutoff time for a draw. The draw for a game is held on the days determined by the game group. Even if a player intends for a retailer to enter the player's play before the cutoff time for the present draw, the play is only eligible for the draw that is printed on the ticket;
 - c. The ticket or cash voucher must not have been previously paid or voided by the lottery;
 - d. The ticket or cash voucher must not have been stolen, or be counterfeit, altered, mutilated, reconstructed, unreadable, illegible, irregular, partly blank, incomplete, defective, or an

exact duplicate of another winning ticket. The game group, MUSL, and lottery are not responsible for a ticket that is altered in any manner;

- e. A ticket or cash voucher is void unless the ticket is printed on a paper stock roll that was validly issued to and used by the retailer that sold the ticket;
 - f. The ticket or cash voucher validation number must be legible, intact, presented in its entirety, and correspond, based on the lottery's computer validation file, exactly to the date and selected numbers printed on the apparent winning ticket that was sold at a specific site;
 - g. The ticket or cash voucher may not be marked in any way, except by a player to place a signature on the back side of the ticket to claim a prize or by a retailer to deface or void the ticket after it was redeemed, with the intent to commit fraud;
 - h. If the total prize value of all plays of a winning ticket is ~~five~~^{fifty} thousand dollars or more, the ticket must pass a confidential security check by the lottery;
 - i. Upon request by the lottery, a claimant of an apparent winning ticket shall disclose to the lottery the name of the retailer from whom the claimant bought the ticket, date of purchase, and approximate time; and
 - j. A validation requirement adopted by the MUSL or game group.
2. After a retailer validates a winning ticket or cash voucher, the retailer shall, if sufficient funds are available, pay the player the prize value. However, a retailer shall redeem a winning ticket or cash voucher that has a prize value of fifty dollars or less. A retailer shall return the winning ticket or cash voucher and the player copy of the terminal receipt to the player and retain the retailer copy of the terminal receipt for recordkeeping purposes. After a retailer validates a nonwinning ticket, the retailer shall return the nonwinning ticket and player copy of the terminal receipt to the player. The player may discard a redeemed winning or nonwinning ticket and player copy of the terminal receipt.
 3. The lottery shall credit a retailer's account for a prize actually paid by the retailer on a validated redeemed winning ticket or cash voucher.
 4. The lottery's determination on a contested validation is final.

History: Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; July 6, 2014; July 1, 2025; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-09, 53-12.1-13

10-16-03-08. Claim of a prize. (Effective through February 21, 2026)

A prize for a validated winning ticket must be claimed as follows:

1. A prize may not be awarded and the lottery is not liable for a ticket not submitted for validation or for an announcement or dissemination by the lottery or any other individual of an incorrect number, letter, or symbol drawn.
2. A ticket bought or used to claim a prize in violation of federal or state law, or bought in violation of the lottery law or rules, is void and may not be used to claim a prize.
3. A ticket for a prize must be received or presented at the lottery office within one hundred eighty days after the date of a draw for the game for which the ticket was issued. If the final day of the claim period is a Saturday, Sunday, or state holiday, the claim period is extended to the next business day. An unclaimed prize is forfeited and retained by the lottery. However, if the grand prize for the game of POWERBALL®, MEGA MILLIONS®, or LOTTO AMERICA® is unclaimed,

then MUSL shall administer the grand prize money. If the top prize or second prize for LUCKY FOR LIFE® is unclaimed, the lottery's liability for that prize expires and no settlement of funds will be scheduled. If a lower tier prize for LUCKY FOR LIFE® is unclaimed, the lottery's liability for that prize expires and is allocated back to the lottery in relation to the sale's percent for the specific drawing.

4. An individual who owns or redeems a winning ticket:
 - a. Agrees to be bound by the lottery law, rules, procedure, policy, validation requirements, dispute resolution, and game group game rules related to the game for which the ticket was issued; and
 - b. Agrees that the state, lottery, the MUSL, game group, and their officers, employees, agents, representatives, and contractor are discharged from any liability upon payment of a prize on a ticket.
5. The owner of a winning ticket may win only one prize per play for the winning numbers, letters, or symbols drawn and is entitled only to the prize won by those numbers in the highest matching prize category.
6. A retailer may redeem a ticket only at the business address listed on the license. The retailer may pay a prize in cash or by business check, certified or cashier's check, money order, or combination of methods.
7. An individual may redeem a winning ticket for a prize only during the normal business hours of a retailer provided that the lottery's ~~online computer~~ central gaming system is operating and a ticket ~~may can~~ be validated. If the retailer is normally open for business before or after the hours when the lottery's ~~on-line computer~~ central gaming system operates, the retailer shall post the hours at the site when an individual may redeem a ticket.
8. To claim a prize for an apparent winning ticket of less than six hundred dollars, a player may:
 - a. Present the ticket to a retailer, regardless of which retailer sold the ticket; or
 - b. Complete the back side of the ticket by entering the individual's full name and address and signing the ticket, and present or mail the ticket to the lottery's office.
9. If a ticket has a prize value of less than six hundred dollars, is owned by one individual, and is presented to a retailer, the retailer may redeem the ticket and pay the prize to the individual who physically possesses an unsigned ticket or to the individual whose signature is shown on the ticket. If an individual desires to redeem a winning ticket that is signed, the retailer shall request evidential proof of identity from the player before the retailer may validate or pay the prize. If the player does not provide proof of identity, the retailer may not validate the ticket or pay the player a prize and shall return the ticket to the player. For an unsigned ticket or a signed ticket in which the ticket holder is the identified owner, the retailer shall validate the ticket and, for a winning ticket, pay the prize to the player. If the retailer is unable to validate a ticket, the retailer shall provide the ticket holder with a prize claim form and instruct the ticket holder how to file a claim with the lottery.
10. If an apparent winning ticket has a total prize value of all plays of six hundred dollars or more and one individual signed or claims ownership of the ticket, a retailer may not redeem the ticket and shall provide the ticket holder with a prize claim form and instruct the ticket holder how to file a claim with the lottery. The ticket holder shall complete and sign the form and back side of the ticket and present or mail the form and ticket to the lottery. For a validated winning ticket, the lottery shall present or mail a check to the player for the amount of the prize, less withholding of income tax required by federal or state law and any debt setoff according to section 10-16-01-03, unless the payment is delayed according to section 10-16-03-12. The lottery shall pay the prize to the individual whose name is on the ticket, notwithstanding the name on the claim

form. For a nonwinning ticket, the lottery shall deny the claim, notify the claimant, and return the ticket.

11. If more than one individual signed or claims ownership of an apparent winning ticket, the retailer shall provide the claimant with a prize claim form and instruct the claimant how to file a claim with the lottery, as follows:
 - a. Each individual who claims part ownership of the ticket shall complete and sign the prize claim form and designate the individual's percentage of ownership and, if subdivision d applies, the one authorized payee;
 - b. At least one of the individuals who claim ownership shall sign the ticket and that signature must be on the prize claim form;
 - c. The prize claim form and ticket must be presented or mailed to the lottery;
 - d. For a validated ticket, if the amount of the prize allocated to each claimant is six hundred dollars or more, the lottery shall present or mail a separate prize check to each claimant. The lottery shall present or mail a check to each claimant for the amount of each player's prize, less withholding of income tax required by federal or state law and any debt setoff according to section 10-16-01-03, unless the payment is delayed according to section 10-16-03-12. If the prize allocated to each claimant is less than six hundred dollars, at the claimant's request, the lottery shall issue a single prize check to the individual designated and authorized on the prize claim form to receive payment of the prize on behalf of all the claimants or present or mail a check to each claimant for the amount of each player's prize; and
 - e. Notwithstanding subdivision d, if the claimants desire to designate one individual in whose name the entire claim may be made and list the individuals to whom the winnings are taxable, the claimants may file, along with a ~~claim~~ prize claim form, internal revenue service form 5754 (statement by person(s) receiving gambling winnings) with the lottery.
12. The lottery shall pay a prize to a player within a reasonable time after the player's winning ticket is validated by the lottery.
13. Except as provided by rule, if two or more plays win the grand prize, the prize money must be divided equally among the players whose tickets won. Except as provided by rule, for a set prize, each player wins the set amount of a prize regardless of whether two or more players have winning tickets for the prize.
14. The lottery is not liable for a ticket not delivered to the correct address of the lottery or a delay in delivery of a ticket or damage to a ticket while being delivered to the lottery.
15. A player who redeems a winning ticket is solely responsible for any federal or state income tax liability related to the prize.
16. An individual's right to a prize is assignable and payment of a prize may be made to an individual pursuant to an appropriate judicial order.
17. A prize may not be payable to a trust until after the lottery conducts a debt setoff on the beneficiaries of the trust.
18. If a player redeems an original multi-draw ticket before the ticket's last draw and a retailer returns the original ticket, rather than an issued exchange ticket, to the player, the lottery may not pay another prize on the original ticket until after the exchange ticket expires and has not been redeemed.
19. A winning ticket with a total prize value of all plays of six hundred dollars or more may not be paid to an individual who is identified as being in the United States illegally.

History: Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; January 31, 2010; January 1, 2011; October 19, 2013; January 31, 2016; February 25, 2016; October 29, 2017; July 1, 2019; July 1, 2025; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-09, 53-12.1-13

10-16-03-08. Claim of a prize. (Effective after February 21, 2026)

A prize for a validated winning ticket must be claimed as follows:

1. A prize may not be awarded and the lottery is not liable for a ticket not submitted for validation or for an announcement or dissemination by the lottery or any other individual of an incorrect number, letter, or symbol drawn.
2. A ticket bought or used to claim a prize in violation of federal or state law, or bought in violation of the lottery law or rules, is void and may not be used to claim a prize.
3. A ticket for a prize must be received or presented at the lottery office within one hundred eighty days after the date of a draw for the game for which the ticket was issued. If the final day of the claim period is a Saturday, Sunday, or state holiday, the claim period is extended to the next business day. An unclaimed prize is forfeited and retained by the lottery. However, if the grand prize for the game of POWERBALL, MEGA MILLIONS, or LOTTO AMERICA is unclaimed, then MUSL shall administer the grand prize money. If the top prize or second prize for LUCKY FOR LIFE or MILLIONAIRE FOR LIFE, is unclaimed, the lottery's liability for that prize expires and no settlement of funds will be scheduled. If a lower tier prize for LUCKY FOR LIFE or MILLIONAIRE FOR LIFE, is unclaimed, the lottery's liability for that prize expires and is allocated back to the lottery in relation to the sale's percent for the specific drawing.
4. An individual who owns or redeems a winning ticket:
 - a. Agrees to be bound by the lottery law, rules, procedure, policy, validation requirements, dispute resolution, and game group game rules related to the game for which the ticket was issued; and
 - b. Agrees that the state, lottery, the MUSL, game group, and their officers, employees, agents, representatives, and contractor are discharged from any liability upon payment of a prize on a ticket.
5. The owner of a winning ticket may win only one prize per play for the winning numbers, letters, or symbols drawn and is entitled only to the prize won by those numbers in the highest matching prize category.
6. A retailer may redeem a ticket only at the business address listed on the license. The retailer may pay a prize in cash or by business check, certified or cashier's check, money order, or combination of methods.
7. An individual may redeem a winning ticket for a prize only during the normal business hours of a retailer provided that the lottery's central gaming system is operating and a ticket can be validated. If the retailer is normally open for business before or after the hours when the lottery's central gaming system operates, the retailer shall post the hours at the site when an individual may redeem a ticket.
8. To claim a prize for an apparent winning ticket of less than six hundred dollars, a player may:
 - a. Present the ticket to a retailer, regardless of which retailer sold the ticket; or
 - b. Complete the back side of the ticket by entering the individual's full name and address and signing the ticket, and present or mail the ticket to the lottery's office.

9. If a ticket has a prize value of less than six hundred dollars, is owned by one individual, and is presented to a retailer, the retailer may redeem the ticket and pay the prize to the individual who physically possesses an unsigned ticket or to the individual whose signature is shown on the ticket. If an individual desires to redeem a winning ticket that is signed, the retailer shall request evidential proof of identity from the player before the retailer may validate the ticket or pay the player a prize. If the player does not provide proof of identity, the retailer may not validate the ticket or pay the player a prize and shall return the ticket to the player. For an unsigned ticket or a signed ticket in which the ticket holder is the identified owner, the retailer shall validate the ticket and, for a winning ticket, pay the prize to the player. If the retailer is unable to validate a ticket, the retailer shall provide the ticket holder with a prize claim form and instruct the ticket holder how to file a claim with the lottery.
10. If an apparent winning ticket has a total prize value of all plays of six hundred dollars or more and one individual signed or claims ownership of the ticket, a retailer may not redeem the ticket and shall provide the ticket holder with a prize claim form and instruct the ticket holder how to file a claim with the lottery. The ticket holder shall complete and sign the form and back side of the ticket and present or mail the form and ticket to the lottery. For a validated winning ticket, the lottery shall present or mail a check to the player for the amount of the prize, less withholding of income tax required by federal or state law and any debt setoff according to section 10-16-01-03, unless the payment is delayed according to section 10-16-03-12. The lottery shall pay the prize to the individual whose name is on the ticket, notwithstanding the name on the claim form. For a nonwinning ticket, the lottery shall deny the claim, notify the claimant, and return the ticket.
11. If more than one individual signed or claims ownership of an apparent winning ticket, the retailer shall provide the claimant with a prize claim form and instruct the claimant how to file a claim with the lottery, as follows:
 - a. Each individual who claims part ownership of the ticket shall complete and sign the prize claim form and designate the individual's percentage of ownership and, if subdivision d applies, the one authorized payee;
 - b. At least one of the individuals who claim ownership shall sign the ticket and that signature must be on the prize claim form;
 - c. The prize claim form and ticket must be presented or mailed to the lottery;
 - d. For a validated ticket, if the amount of the prize allocated to each claimant is six hundred dollars or more, the lottery shall present or mail a separate prize check to each claimant. The lottery shall present or mail a check to each claimant for the amount of each player's prize, less withholding of income tax required by federal or state law and any debt setoff according to section 10-16-01-03, unless the payment is delayed according to section 10-16-03-12. If the prize allocated to each claimant is less than six hundred dollars, at the claimant's request, the lottery shall issue a single prize check to the individual designated and authorized on the prize claim form to receive payment of the prize on behalf of all the claimants or present or mail a check to each claimant for the amount of each player's prize; and
 - e. Notwithstanding subdivision d, if the claimants desire to designate one individual in whose name the entire claim may be made and list the individuals to whom the winnings are taxable, the claimants may file, along with a prize claim form, internal revenue service form 5754 (statement by person(s) receiving gambling winnings) with the lottery.
12. The lottery shall pay a prize to a player within a reasonable time after the player's winning ticket is validated by the lottery.
13. Except as provided by rule, if two or more plays win the grand prize, the prize money must be divided equally among the players whose tickets won. Except as provided by rule, for a set prize,

each player wins the set amount of a prize regardless of whether two or more players have winning tickets for the prize.

14. The lottery is not liable for a ticket not delivered to the correct address of the lottery or a delay in delivery of a ticket or damage to a ticket while being delivered to the lottery.
15. A player who redeems a winning ticket is solely responsible for any federal or state income tax liability related to the prize.
16. An individual's right to a prize is assignable and payment of a prize may be made to an individual pursuant to an appropriate judicial order.
17. A prize may not be payable to a trust until after the lottery conducts a debt setoff on the beneficiaries of the trust.
18. If a player redeems an original multi-draw ticket before the ticket's last draw and a retailer returns the original ticket, rather than an issued exchange ticket, to the player, the lottery may not pay another prize on the original ticket until after the exchange ticket expires and has not been redeemed.
19. A winning ticket with a total prize value of all plays of six hundred dollars or more may not be paid to an individual who is identified as being in the United States illegally.

History: Effective February 1, 2004; amended effective April 1, 2006; April 1, 2008; January 31, 2010; January 1, 2011; October 19, 2013; January 31, 2016; February 25, 2016; October 29, 2017; July 1, 2019; July 1, 2025; February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-09, 53-12.1-13

10-16-03-08.1. Pick & Click ~~online~~Lottery play. (Effective through February 21, 2026)

1. A player shall purchase an ~~online~~Lottery play only from, and the financial transaction for that online play must be only with, the lottery through the North Dakota Lottery Players Club® website and payment processor. A player may use automated clearinghouse, debit card, or authorized credit card, mobile payment services or WebCash voucher to pay for an ~~online~~Lottery play.
2. An individual must be at least eighteen years of age.
3. An individual shall provide the following information when registering as a player, ~~or a member of a group,~~ for the ~~lottery~~ ~~online~~Lottery play service:
 - a. Name;
 - b. Address;
 - c. Date of birth;
 - d. Telephone number;
 - e. Valid email address; and
 - f. Last four digits of their social security number.
4. An individual, ~~whether individually or as a member of a group,~~ must be physically located within the borders of North Dakota and shall pass all verification processes used by the lottery during the player's registration process.
5. A player may purchase one or more ~~online~~Lottery plays for one or more games. Each ~~online~~Lottery play is limited to one play for a draw for one game. A player may purchase an

~~online Lottery~~ play for up to ~~fifty-two weeks~~ twenty-eight days. An ~~online Lottery~~ play is not refundable or cancelable by a player unless the game group makes a matrix change to the game at which time, the ~~online Lottery~~ play would be canceled by the lottery and funds used to purchase the ~~online Lottery~~ play would be refunded to the player's ~~deposit/wager~~ account through the ~~lottery's online Lottery~~ play service, based on the number of draws actually held under the former game matrix in relation to the total number of draws purchased.

6. To be valid, an ~~online Lottery~~ play must be properly and validly registered with the lottery on its player data base at its central computer site which meets the requirements established by the product group and MUSL security and integrity committee. All data on a player is confidential.
7. The owner of an ~~online Lottery~~ play is the individual whose name is validly and properly registered with the lottery. ~~However, the lottery may split a prize among two or more individuals who are registered members of a group play.~~
8. After the lottery properly and validly registers an online play, the lottery shall send a confirmation email to the player. The confirmation email is the player's evidence of an actual play in a draw and there is no actual ticket. The confirmation email must include:
 - a. Name of game. For the game of POWERBALL®, indication of whether the play has the power play option. For the game of LOTTO AMERICA®, indication whether the play has the All Star Bonus® option;
 - b. Number of and starting and ending dates of the draws;
 - c. Numbers, letters, or symbols of the play;
 - d. The player is responsible for ensuring that all player information and game play numbers, letters, or symbols are correct; and
 - e. Explanation of how a prize will be awarded.
9. Except as provided by subsection 10, an online play is valid for only the date range of draws specified in the confirmation email. The effective date of a new online play will be valid for the present draw in the game, if it is purchased by 8:30 p.m. central time for LUCKY FOR LIFE® or by 8:58 p.m. central time for POWERBALL®, LOTTO AMERICA®, MEGA MILLIONS®, and 2BY2®.
10. If the value of a prize on a winning POWERBALL®, LOTTO AMERICA®, MEGA MILLIONS®, LUCKY FOR LIFE®, or 2BY2® ~~online Lottery~~ play for a draw is:
 - a. Less than six hundred dollars, the lottery shall automatically deposit the funds into the player's winning account.
 - b. Equal to or more than six hundred dollars, the lottery shall contact the player by email and phone to arrange payment of the prize, less withholding of income tax required by federal or state law and any debt setoff according to North Dakota Century Code section 53-12.1-12.
11. The registered winner of an iLottery play with a value of six hundred dollars or greater must complete the required claim process within one hundred eighty days of the date of the draw for which the prize was won. If the winner does not complete the claim process as prescribed, the prize will expire.
- ~~11.12.~~ If the owner of an ~~online Lottery~~ play changes the owner's name, the owner shall provide the lottery with a notarized letter of the change. If the owner of an ~~online Lottery~~ play dies, the lawful representative of the owner's estate shall provide the lottery with a notarized statement of the

death and the lottery shall change the ownership of the ~~online~~iLottery play to "The Estate of" the owner.

History: Effective November 8, 2005; amended effective January 3, 2008; November 1, 2008; July 1, 2010; October 19, 2013; July 6, 2014; January 31, 2016; February 1, 2016; October 29, 2017; May 14, 2018; July 1, 2019; July 1, 2025; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-01, 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-13

10-16-03-08.1. Pick & Click iLottery play. (Effective after February 21, 2026)

1. A player shall purchase an iLottery play only from, and the financial transaction for that online play must be only with, the lottery through the North Dakota Lottery Players Club® website and payment processor. A player may use automated clearinghouse, debit card, or authorized credit card, mobile payment services or WebCash voucher to pay for an iLottery play.
2. An individual must be at least eighteen years of age.
3. An individual shall provide the following information when registering as a player for the iLottery play service:
 - a. Name;
 - b. Address;
 - c. Date of birth;
 - d. Telephone number;
 - e. Valid email address; and
 - f. Last four digits of their social security number.
4. An individual must be physically located within the borders of North Dakota and shall pass all verification processes used by the lottery during the player's registration process.
5. A player may purchase one or more iLottery plays for one or more games. Each iLottery play is limited to one play for a draw for one game. A player may purchase an iLottery play for up to twenty-eight days. An iLottery play is not refundable or cancelable by a player unless the game group makes a matrix change to the game at which time, the iLottery play would be canceled by the lottery and funds used to purchase the iLottery play would be refunded to the player's wager account through the iLottery play service, based on the number of draws actually held under the former game matrix in relation to the total number of draws purchased.
6. To be valid, an iLottery play must be properly and validly registered with the lottery on its player data base at its central computer site which meets the requirements established by the product group and MUSL security and integrity committee. All data on a player is confidential.
7. The owner of an iLottery play is the individual whose name is validly and properly registered with the lottery.
8. After the lottery properly and validly registers an online play, the lottery shall send a confirmation email to the player. The confirmation email is the player's evidence of an actual play in a draw and there is no actual ticket. The confirmation email must include:
 - a. Name of game. For the game of POWERBALL, indication of whether the play has the power play option. For the game of LOTTO AMERICA, indication whether the play has the All Star Bonus option;
 - b. Number of and starting and ending dates of the draws;

- c. Numbers, letters, or symbols of the play;
 - d. The player is responsible for ensuring that all player information and game play numbers, letters, or symbols are correct; and
 - e. Explanation of how a prize will be awarded.
9. Except as provided by subsection 10, an online play is valid for only the date range of draws specified in the confirmation email. The effective date of a new online play will be valid for the present draw in the game, if it is purchased by ~~8:30 p.m. central time for LUCKY FOR LIFE or~~ by 8:58 p.m. central time for POWERBALL, LOTTO AMERICA, MEGA MILLIONS, MILLIONAIRE FOR LIFE and 2BY2.
 10. If the value of a prize on a winning POWERBALL, LOTTO AMERICA, MEGA MILLIONS, LUCKY FOR LIFE or MILLIONAIRE FOR LIFE, or 2BY2 iLottery play for a draw is:
 - a. Less than six hundred dollars, the lottery shall automatically deposit the funds into the player's winning account.
 - b. Equal to or more than six hundred dollars, the lottery shall contact the player by email and phone to arrange payment of the prize, less withholding of income tax required by federal or state law and any debt setoff according to North Dakota Century Code section 53-12.1-12.
 11. The registered winner of an iLottery play with a value of six hundred dollars or greater must complete the required claim process within one hundred eighty days of the date of the draw for which the prize was won. If the winner does not complete the claim process as prescribed, the prize will expire.
 12. If the owner of an iLottery play changes the owner's name, the owner shall provide the lottery with a notarized letter of the change. If the owner of an iLottery play dies, the lawful representative of the owner's estate shall provide the lottery with a notarized statement of the death and the lottery shall change the ownership of the iLottery play to "The Estate of" the owner.

History: Effective November 8, 2005; amended effective January 3, 2008; November 1, 2008; July 1, 2010; October 19, 2013; July 6, 2014; January 31, 2016; February 1, 2016; October 29, 2017; May 14, 2018; July 1, 2019; July 1, 2025; February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-01, 53-12.1-02, 53-12.1-03, 53-12.1-08, 53-12.1-13

10-16-03-10. Counterfeit or theft of a ticket ~~or gift certificate.~~

1. An individual may not make, alter, pass, counterfeit, or present, with intent to defraud, a ticket ~~or gift certificate~~ to a retailer or the lottery.
2. An individual may not steal a ticket or ~~gift certificate~~ or knowingly possess, redeem, or attempt to redeem a stolen ticket ~~or gift certificate.~~

History: Effective February 1, 2004; amended effective April 1, 2006; July 1, 2019; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-08, 53-12.1-13

NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules.
~~Strikethrough~~ represents proposed deletions to the present rules.

**CHAPTER 10-16-04
POWERBALL GAME**

Section

10-16-04-01	Game Description
10-16-04-02	Expected Prize Pool Percentages and Odds
10-16-04-03	Probability of Winning [Repealed]
10-16-04-04	Prize Pool and Payment
10-16-04-05	Prize Payment [Repealed]
10-16-04-06	Power Play Option

10-16-04-01. Game description.

To play POWERBALL®, a player selects five different white numbers, between one and sixty-nine, and one additional red number (~~powerball~~Powerball) between one and twenty-six. The additional number may be the same as one of the first five numbers selected. The price of a play is two dollars. A grand prize is paid, at the election of a winning player or by a default election made according to these rules, either on an annuitized pari-mutuel basis or as a cash lump sum payment of the total cash held for the prize pool on a pari-mutuel basis. A set prize (cash prize of one million dollars or less) is paid on a single-payment cash basis. Draws are held every Monday, Wednesday, and Saturday.

History: Effective February 1, 2004; amended effective November 8, 2005; January 4, 2009; January 15, 2012; October 4, 2015; August 23, 2021; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-04-06. Power ~~play~~Play option.

1. The ~~power play~~Power Play option is a limited extension of the POWERBALL® game and is conducted according to the game group's game rules. The option offers the owner of a qualifying play a chance to multiply or increase the amount of a set prize.
2. A qualifying play is a single POWERBALL® play for which the player pays an extra one dollar for the ~~power play~~Power Play option. ~~Power play~~Power Play does not apply to the grand prize.
3. A qualifying play which wins one of the seven lowest set prizes (excluding the match 5+0 prize) will be multiplied by the number selected, two through five or sometimes ten, in a separate random ~~power play~~Power Play drawing. The match 5+0 prize, for players selecting the ~~power play~~Power Play option, shall be paid two million unless a higher limited promotional dollar amount is announced by the game group or unless a lower dollar amount is announced by the game group under its limitation of liability rules.
4. A prize awarded must be paid as a lump sum set prize. Instead of the normal set prize amount, a qualifying ~~power play~~Power Play will pay the amounts shown below when matched with the ~~power play~~Power Play number drawn:

POWERBALL® Pays Instead

<u>Matches Per Play</u>	<u>Set Prize Amount</u>	<u>Prize Amount With Power Play Purchase</u>				
		<u>10X</u>	<u>5X</u>	<u>4X</u>	<u>3X</u>	<u>2X</u>
5 white + 0 red	\$1,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
4 white + 1 red	\$50,000	\$500,000	\$250,000	\$200,000	\$150,000	\$100,000
4 white + 0 red	\$100	\$1,000	\$500	\$400	\$300	\$200
3 white + 1 red	\$100	\$1,000	\$500	\$400	\$300	\$200
3 white + 0 red	\$7	\$70	\$35	\$28	\$21	\$14
2 white + 1 red	\$7	\$70	\$35	\$28	\$21	\$14
1 white + 1 red	\$4	\$40	\$20	\$16	\$12	\$8
0 white + 1 red	\$4	\$40	\$20	\$16	\$12	\$8

Rarely, under the game group's limitation of liability rules, a set prize amount may be less than the amount shown. In that case, the eight lowest ~~power play~~ Power Play prizes will be changed to an amount announced after the draw. For example, if the match 4+1 set prize amount of fifty thousand dollars becomes twenty-five thousand dollars under the game group's rules, a ~~power play~~ Power Play player winning that prize amount when a "5" has been drawn would win one hundred twenty-five thousand dollars (\$25,000 x 5).

5. The following table reflects the probability of the ~~power play~~ Power Play numbers being drawn: When the 10X multiplier is available:

<u>Power Play</u>	<u>Probability of Prize Increase</u>
10X - Prize won times 10	1 in 43
5X - Prize won times 5	2 in 43
4X - Prize won times 4	3 in 43
3X - Prize won times 3	13 in 43
2X - Prize won times 2	24 in 43

When the 10X multiplier is not available:

<u>Power Play</u>	<u>Probability of Prize Increase</u>
10X - Prize won times 10	0 in 42
5X - Prize won times 5	2 in 42
4X - Prize won times 4	3 in 42
3X - Prize won times 3	13 in 42
2X - Prize won times 2	24 in 42

6. The 10X multiplier for the seven lowest prize levels shall at a minimum be available for all drawings in which the advertised grand prize amount is one hundred fifty million dollars or less.

~~Power play~~ Power Play does not apply to the grand prize. A ~~power play~~ Power Play match of 5+0 prize is set at two million dollars, regardless of the multiplier selected. The game group may elect to run limited promotions that may modify the multiplier features.

History: Effective February 1, 2004; amended effective November 8, 2005; April 1, 2008; January 4, 2009; November 1, 2010; January 15, 2012; January 19, 2014; October 4, 2015; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

NORTH DAKOTA LOTTERY

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CHAPTER 10-16-07
2BY2 GAME

Section

10-16-07-01	Game Description
10-16-07-02	Expected Prize Pool Percentage and Odds
10-16-07-03	Prize Pool and Payment
10-16-07-04	Tuesday Draw Double Prize Feature

10-16-07-01. Game description.

To play 2BY2®, a player selects two different red numbers, between one and twenty-six, and two additional different white numbers, between one and twenty-six. The numbers for the second (white) set of two numbers may be the same as the numbers for the first (red) set of two numbers. The price of a play is one dollar. The grand prize is paid on a single-payment cash or single-payment cash pari-mutuel basis and a set prize (cash prize of one hundred dollars or less) is paid on a single-payment cash basis. Draws are held every Sunday, Monday, Tuesday, Wednesday, Thursday, Friday, and Saturday.

History: Effective November 8, 2005; amended effective February 22, 2008.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-07-02. Expected prize pool percentage and odds.

Except as provided by subsection 3 of section 10-16-07-03 or by section 10-16-07-04, the grand prize is twenty-two thousand dollars. All prizes awarded must be paid as set cash prizes or free ticket prizes with the following expected prize payout percentages:

<u>Matches Per Play</u>	<u>Prize</u>	<u>Prize Pool Percentage Allocated to Prize</u>	<u>Odds*</u>
2 red + 2 white	Grand prize	41.18%	1:105,625
2 red + 1 white	\$100	8.99%	1:1,100
1 red + 2 white	\$100	8.99%	(3 matches)
2 red + 0 white	\$3	1.55%	1:37
0 red + 2 white	\$3	1.55%	(2 matches)
1 red + 1 white	\$3	12.94%	
1 red + 0 white	Free ticket	12.40%	1:4
0 red + 1 white	Free ticket	12.40%	(1 match)

Overall odds of winning a prize on a one dollar play are 1:3.59.

*Reflects the odds of winning and a combined distribution probability of winning plays, based on the total number of possible combinations.

History: Effective November 8, 2005; amended effective February 22, 2008; July 6, 2014.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-07-03. Prize pool and payment.

1. The prize pool for all prize categories must consist of fifty-one percent of each draw period's sales after the prize reserve account is funded.
2. The prize pool percentage allocated to prizes must be carried forward to a subsequent draw if all or a portion of it is not needed to pay the prizes awarded in the current draw.
3. If there are more than ten grand prize winning plays in a draw, the following applies:
 - a. For a draw on Sunday, Monday, Wednesday, Thursday, Friday, and Saturday, the maximum grand prize liability is two hundred twenty thousand dollars which is paid on a pari-mutuel basis among all grand prize winning plays.
 - b. For a draw on Tuesday, the maximum grand prize liability is four hundred forty thousand dollars which is paid on a pari-mutuel basis among the grand prize winning plays based on each type of prize. For example, if there are seven standard grand prize winning plays (\$22,000) and four Tuesday double grand prize winning plays (\$44,000), each standard winning play would be allocated \$20,000 and each Tuesday double grand prize winning play would be allocated \$40,000, computed as follows:

	Standard Prize	Tuesday Double Prize
Value of each grand prize winning play	\$22,000	\$44,000
Number of grand prize winning plays	x7	x4
Total value of grand prize winning plays	<hr/> \$154,000	<hr/> \$176,000
Maximum number of grand prize winning plays	10	
Actual number of grand prize winning plays	<hr/> 11	
Ratio of maximum number to actual number	<hr/> .909090	<hr/> .909090
Total pari-mutuel amount available for prizes	\$140,000	\$160,000
Number of grand prize winning plays	÷7	÷4
Pari-mutuel amount of each winning play	<hr/> \$20,000	<hr/> \$40,000

4. A "free ticket" prize must be a free quick pick 2BY2® ticket for the next upcoming draw.
5. The lottery may not pay a grand or set cash prize until after it receives authorization from the MUSL. The lottery may pay the prize before it receives the funds from the MUSL.

History: Effective November 8, 2005; amended effective February 22, 2008; January 1, 2026.
General Authority: NDCC 53-12.1-13**Law Implemented:** NDCC 53-12.1-13

10-16-07-04. Tuesday draw double prize feature.

If a player purchases an online play for seven draws, in increments of seven, or a multi-draw ticket of one or more plays for 7, 14, 21, 28, 35, or 42 consecutive draws, the value of the player's prize, including the grand prize, that is won on a Tuesday draw automatically doubles in value.

History: Effective February 22, 2008; amended effective July 6, 2014; May 14, 2018.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1.13

NORTH DAKOTA LOTTERY

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**CHAPTER 10-16-08
MEGA MILLIONS GAME**

Section

10-16-08-01	Game Description
10-16-08-02	Expected Prize Pool Percentages and Odds
10-16-08-03	Prize Pool and Payment
10-16-08-04	Megaplier Option [Repealed]
10-16-08-05	Random Multiplier, Frequency and Odds

10-16-08-05. Random multiplier, frequency and odds.

1. A randomly determined multiplier must be applied to all prize levels except the grand prize.
2. The multiplier must be printed directly on a ticket sold by a retailer or be applied on each Pick & Click online play. Multipliers may repeat due to frequency and limited multiplier levels.
 - a. Multi-draw tickets must receive the same multiplier for a play for the duration of the draws purchased from a retailer.
 - b. A series of plays in a Pick & Click ~~online Lottery~~ play will ~~must receive a new multiplier with each play as each play is entered individually prior to the draw~~ the same multiplier for a play for the duration of the draws purchased.
3. The multiplier frequency and odds are as follows:

<u>Multiplier</u>	<u>Frequency</u>	<u>Odds</u>
10X	1	32.00
5X	2	16.00
4X	4	8.00
3X	10	3.20
2X	15	2.13
Field of:	32*	3.00**

* Total of frequencies.

** Average multiplier value.

History: Effective April 5, 2025; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

NORTH DAKOTA LOTTERY

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CHAPTER 10-16-09
NORTH DAKOTA LOTTERY PLAYERS CLUB POINTS FOR PRIZES

Section

10-16-09-01	General
10-16-09-02	Eligibility for Points
10-16-09-03	Registration
10-16-09-04	Points for Prizes Points
10-16-09-05	Submitting Tickets
10-16-09-06	Points for Prizes Store
10-16-09-07	Item Selection
10-16-09-08	Additional Conditions

10-16-09-01. General.

1. The North Dakota Lottery and its designated agents Scientific Games ~~International, Inc., LLC,~~ and MDI Entertainment, LLC, a subsidiary of Scientific Games ~~International, Inc., LLC,~~ shall operate the Points for Prizes® program.
2. Points for Prizes® program is a rewards program that is part of the North Dakota Lottery's North Dakota Lottery Players Club®. Players may earn points by becoming registered members of the program and submitting valid tickets at club.lottery.nd.gov. Players may redeem their points for items at the Points for Prizes® store on the North Dakota Lottery Players Club® website.
3. The Points for Prizes® program is void where prohibited by law.
4. The North Dakota Lottery reserves the right to change Points for Prizes® in any way and at any time or to terminate Points for Prizes® entirely upon reasonable and appropriate public notice.
5. By submitting a ticket to earn Points for Prizes® points, an entrant agrees to and is bound by the Points for Prizes® rules, the North Dakota Lottery Players Club® terms of service, all other applicable North Dakota Lottery rules and laws, and the laws of the state of North Dakota.
6. The North Dakota Lottery may use, without limitation, an entrant's name, hometown, likeness, and/or voice in any promotions, research, marketing, publications, or other advertising media including, but not limited to, North Dakota Lottery websites, without compensation or additional release.
7. An individual player's data, including point balance, point earnings, and use of points for Points for Prizes® merchandise, promotions, and drawings is confidential except for purposes outlined in the chapter, unless otherwise released by the player. Aggregated point data of multiple players may be disclosed. Player names and addresses are confidential except as authorized in this chapter.
8. The North Dakota Lottery reserves the right to use the names, addresses, and telephone numbers of all entrants for research and marketing purposes.

History: Effective July 6, 2014; amended effective October 4, 2015; May 14, 2018; July 1, 2025; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-09-02. Eligibility for points.

1. A terminal ticket or player-activated terminal ticket eligible for points is any ticket that includes a ~~twenty-five digit alphanumeric draw game code printed~~ twenty-one digit serial number on the ticket.
2. Any online play purchase will automatically receive points after confirmation of purchase. No entry code is generated nor is entry of any code required. Players will receive notification of points earned for an online play purchase.
3. Exchange tickets ~~will not print an entry code~~ are not eligible for entry for points. ~~Entry codes are only printed once on~~ for points is limited to the original ticket only.
4. North Dakota Lottery Players Club® members must be at least eighteen years old and have a valid United States address in order to register as a member of the North Dakota Lottery Players Club® and participate in Points for Prizes®.
5. Players will be limited to earn up to ~~seven hundred fifty~~ one thousand two hundred fifty points per week as part of the North Dakota Lottery's North Dakota Lottery Players Club®. A week is defined as Sunday at midnight until the following Saturday at 11:59:59 p.m. central time. North Dakota Lottery reserves the right to change, without notice, the limit on the amount of points that can be earned weekly.
6. The North Dakota Lottery reserves the right to discontinue eligibility for any game.
7. Entries for Points for Prizes® may also automatically receive entry into other promotions.
8. Once the ~~seven hundred fifty~~ one thousand two hundred fifty point-per-week maximum is reached, players will still be eligible to enter tickets for second chance drawings or any additional ticket entry eligible promotion. These tickets will not earn points.

History: Effective July 6, 2014; amended effective May 14, 2018; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-09-03. Registration.

1. To access Points for Prizes®, a player must first register to become a North Dakota Lottery Players Club® member and establish a North Dakota Lottery Players Club® account at club.lottery.nd.gov.
2. Once registered, a player will be able to log in to submit entries or participate in other North Dakota Lottery Players Club® programs that may be provided from time to time. Members can earn additional points or prizes by reaching parameters as set within the achievement reward program.
3. Registration to be a member of the North Dakota Lottery Players Club® requires the player to provide their birth date, email address, password, last four digits of social security number, and contact information.
4. Failure to fully provide required information will cause a player's request to register to be rejected.
5. The North Dakota Lottery, Scientific Games ~~International, Inc., LLC~~, and MDI Entertainment, LLC, assume no responsibility for incorrect information provided by a player on the registration form. After completing registration, a player is responsible for updating account information as needed by logging in and going to their account page.
6. A player may have no more than one account. A player is not permitted to create additional accounts in the event that their email or other relevant information changes. The player may log

in with their existing account credentials and make any desired changes at any time.

History: Effective July 6, 2014; amended effective May 14, 2018; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-09-06. Points for Prizes store.

1. Points may be redeemed for items listed ~~at store.lottery.nd.gov~~ on the North Dakota Lottery Players Club@ website in the Points for Prizes@ store. Points may also be used to purchase Points for Drawings™ entries.
2. Points required for redemptions vary. The number of points required to be redeemed for a particular item shall be determined by the North Dakota Lottery and be posted on the North Dakota Lottery Players Club@ website. The North Dakota Lottery may, in its sole discretion, change the points required for redemption of any item at any time.
3. The North Dakota Lottery may, in its sole discretion, discontinue offering an item at any time.
4. If an item is not readily available for any reason, the North Dakota Lottery reserves the right, in its sole discretion, to substitute another item of similar value, or credit a player's account at its sole discretion.
5. Prizes are nontransferable and nonrefundable unless otherwise authorized by the North Dakota Lottery.
6. The awarding of all prizes is subject to eligibility verification.

History: Effective July 6, 2014; amended effective July 1, 2025; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-09-08. Additional conditions.

1. The North Dakota Lottery does not warrant or guarantee product quality or availability of products.
2. The North Dakota Lottery is not responsible for any prizes lost, damaged, or stolen during shipment, pickup, or use.
3. The North Dakota Lottery is not responsible for any damages, injury, or loss of life resulting from any item awarded.
4. Players are responsible for any applicable taxes.
5. Players are solely responsible for maintaining and keeping account information current or accurate. The North Dakota Lottery assumes no responsibility or liability whatsoever for technical or computer malfunctions or for the player's failure to keep account information current.
6. By participating in the North Dakota Lottery Players Club@, each player and their heirs, legal representatives, and assignees agree to indemnify, defend, release, and discharge the North Dakota Lottery, ~~Scientific Games International, Inc., LLC~~, MDI Entertainment, LLC, the state of North Dakota, their employees, officers, and directors, from and against any loss, claim, damage, suit, or injury arising out of or relating to the North Dakota Lottery Players Club@ products or any action taken pursuant to these rules.
7. No one under eighteen years of age and no one otherwise prohibited by North Dakota Century Code section 53-12.1-08 from playing North Dakota Lottery games are eligible to participate in the Points for Prizes@ program.

History: Effective July 6, 2014; amended effective May 14, 2018; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules.
~~Strikethrough~~ represents proposed deletions to the present rules.

CHAPTER 10-16-10
NORTH DAKOTA LOTTERY PLAYERS CLUB POINTS FOR DRAWINGS

Section

- 10-16-10-01 General
- 10-16-10-02 Eligibility
- 10-16-10-03 Submitting Entries into Points for Drawings
- 10-16-10-04 Additional Conditions

10-16-10-01. General.

1. The North Dakota Lottery and its designated agents Scientific Games ~~International, Inc., LLC,~~ and MDI Entertainment, LLC, a subsidiary of Scientific Games ~~International, Inc., LLC,~~ shall operate the Points for Drawings™ @ program.
2. Points for Drawings™ is part of the Points for Prizes® program that is part of the North Dakota Lottery's North Dakota Lottery Players Club®. Players may enter drawings by using some or all points received from submission of eligible tickets or online play purchases at club.lottery.nd.gov. Members can earn additional points or prizes by reaching parameters as set within the achievement reward program.
3. Drawing entries may be submitted on the North Dakota Lottery Players Club® website.
4. The Points for Drawings™ program is void where prohibited by law.
5. The North Dakota Lottery reserves the right to change Points for Drawings™ in any way and at any time or to terminate Points for Drawings™ entirely upon reasonable and appropriate public notice.
6. By submitting an entry into Points for Drawings™, an entrant agrees to and is bound by the Points for Drawings™ rules, the Points for Prizes® rules, the North Dakota Lottery Players Club® terms of use, all other applicable North Dakota Lottery rules and laws, and the laws of the state of North Dakota.
7. North Dakota Lottery may use, without limitation, an entrant's name, hometown, likeness, and/or voice in any promotions, research, marketing, publications, or other advertising media including, but not limited to, North Dakota Lottery websites, without compensation or additional release.
8. An individual player's data, including point balance, point earnings, and use of points for Points for Drawings™ promotions, and drawings is confidential except for purposes outlined in the chapter, unless otherwise released by the player. Aggregated point data of multiple players may be disclosed. Player names and addresses are confidential except as authorized in this chapter.
9. The North Dakota Lottery reserves the right to use the names, addresses, and telephone numbers of all entrants for research and marketing purposes.

History: Effective July 6, 2014; amended effective October 4, 2016; May 14, 2018; July 1, 2025; September 28, 2025.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-10-02. Eligibility.

1. Only points accumulated within ~~the Points for Prizes® program~~ in the player's North Dakota Lottery Players Club® account may be used to enter any Points for Drawings™ drawing.
2. Entrants must have a valid U.S. address in order to register and participate.

History: Effective July 6, 2014; amended effective May 14, 2018; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-10-04. Additional conditions.

1. The North Dakota Lottery does not warrant or guarantee product quality or availability of products.
2. The North Dakota Lottery is not responsible for any prizes lost, damaged, or stolen during shipment, pickup, or use.
3. The North Dakota Lottery is not responsible for any damages, injury, or loss of life resulting from any item awarded.
4. The North Dakota Lottery is not responsible for the electronic misdelivery, late delivery, or failure to receive entry information entered electronically, risk of loss remains with the entrant regardless of the cause of the transmission failure.
5. If required, a player will receive a W-2G form for prizes, either cash or merchandise.
6. The prize winner is responsible for all applicable state and federal taxes.
7. Winners' cash prizes are subject to debt setoff of certain governmental debts. Unless otherwise noted on the North Dakota Lottery Players Club® website, if a winner fails to satisfy an outstanding debt within thirty days of notification of the debt, the North Dakota Lottery may, at its sole discretion, disqualify the winner, and the next alternate will become the winner.
8. Players are solely responsible for maintaining and keeping account information current and accurate. The North Dakota Lottery assumes no responsibility or liability whatsoever for technical or computer malfunctions or for the player's failure to keep account information current.
9. By accepting the prize, each winner, their heirs, legal representatives, and assignees agree to indemnify and hold harmless, defend, release, and discharge the North Dakota Lottery, ~~Scientific Games International, Inc., LLC~~, MDI Entertainment, LLC, the state of North Dakota, their employees, officers, and directors, from and against any loss, claim, damage, suit, or injury arising out of or relating to the acceptance of the prize.
10. The North Dakota Lottery is not responsible for any rules, regulations, or restrictions imposed by its promotional partners. The North Dakota Lottery is not responsible for and has no obligation regarding the condition, quality, defects, or other attributes of the prizes awarded during a promotion and expressly disclaims all warranties, expressed or implied, including, but not limited to, all implied warranties of merchantability and fitness for particular purpose.
11. The North Dakota Lottery reserves the right, in its sole discretion, to modify, suspend, postpone, or cancel, with or without notice, any portion of this promotion at any time and for any reason, including the award of any prize with the approval of the North Dakota Lottery's director or the director's designee.
12. In the event that interpretation of these rules is necessary, the decision of the North Dakota Lottery's director or designee, after legal consultation with the assistant attorney general, if

necessary, will be final.

13. No one under eighteen years of age and no one otherwise prohibited by North Dakota Century Code section 53-12.1-08 from playing North Dakota Lottery games are eligible to participate in this promotion or win any prize.
14. A Points for Drawings™ winner's name, city, and state of residence must be released to the public. Subdivision d of subsection 1 of North Dakota Century Code section 53-12.1-11 does not apply to cash, merchandise, an ~~online~~ Lottery play, ~~gift certificate~~, or ticket that the North Dakota Lottery awards as a prize in a promotion.

History: Effective July 6, 2014; amended effective May 14, 2018; July 1, 2025; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules.
~~Strikethrough~~ represents proposed deletions to the present rules.

CHAPTER 10-16-11
LUCKY FOR LIFE GAME
[Repealed effective February 22, 2026]

Section

- ~~10-16-11-01 Game Description~~
- ~~10-16-11-02 Prizes and Odds~~
- ~~10-16-11-03 Prize Pool and Payment~~
- ~~10-16-11-04 Prize Liability Limits~~

~~10-16-11-01. Game description.~~

~~To play LUCKY FOR LIFE®, a player selects five different numbers, between one and forty-eight, and one additional number (Lucky Ball) between one and eighteen. The additional number may be the same as one of the first five numbers selected. The price of a play is two dollars. Draws are held every day of the week.~~

~~**History:** Effective January 31, 2016; amended effective October 29, 2017; July 19, 2021.~~

~~**General Authority:** NDCC 53-12.1-13~~

~~**Law Implemented:** NDCC 53-12.1-13~~

~~10-16-11-02. Prizes and odds.~~

~~The top prize is seven thousand dollars a week for life. Except as provided by rule, a set prize must be paid according to these matches per play and prize amounts:~~

<u>Matches Per Play</u>	<u>Prize</u>	<u>Odds</u>
5 of 5 + Lucky Ball	\$7,000/week for life*	1:30,821,472
5 of 5	\$25,000/year for life*	1:1,813,028
4 of 5 + Lucky Ball	\$5,000*	1:143,356
4 of 5	\$200	1:8,433
3 of 5 + Lucky Ball	\$150	1:3,413
3 of 5	\$20	1:204
2 of 5 + Lucky Ball	\$25	1:250
2 of 5	\$3	1:15
1 of 5 + Lucky Ball	\$6	1:50
Lucky Ball	\$4	1:32

~~Overall odds of winning a prize on a two dollar play are 1:7.769.~~

~~*Prize amounts may be split if there are multiple winners, in accordance with the provisions established in these rules. Split prizes may be lower than the published prize amounts.~~

History: Effective January 31, 2016.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-11-03. Prize pool and payment.

1. The prize pool for all prize categories consists of approximately fifty-nine and one-half percent of each draw period's sales.
2. All annuitized payments must be made for a minimum of twenty years.
3. All low-tier set prizes, all prizes except the top prize and second prize, must be paid in a single lump-sum cash payment.

History: Effective January 31, 2016.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-11-04. Prize liability limits.

There are ten prize levels in the game.

1. Except as provided in these rules, the top prize must be annuitized and based on a top prize liability that will be split equally among the number of winning game tickets. A top prize winner may request the cash option, the amount of which is to be established by the game group for a defined period of drawings. Notice of the amount of and changes to the cash option must be posted on the game's website. Under certain circumstances, as detailed below, the top prize is required to be paid in a single lump-sum cash payment and no annuitized payment option is available.
 - a. One top prize winner. If there is one top prize winner, the annuitized prize value will be seven thousand dollars per week for life. As an alternative to the annuitized payment option, the top prize winner may request the top prize cash option.
 - b. Two to fourteen top prize winners. If there are between two and fourteen top prize winners, the annuitized prize option, based on an annuitized prize value of seven thousand dollars per week, will be divided by the total number of top prize winners. Any of these two to fourteen top prize winners may choose the cash option as an alternative to the annuitized payment option. The amount of the cash option for this category will be the amount of the top prize cash option divided by the total number of top prize winners.
 - c. Fifteen or more top prize winners. If there are fifteen or more top prize winners, the top prize liability will be capped at seven million one hundred twenty-five thousand dollars, must be split equally among all top prize winners, and paid in a single lump-sum cash payment without an annuitized payment option.
 - d. The winner or winners of the top prize who do not request the cash option must be paid their appropriate top prize share on an annual basis for a minimum period of twenty years. The first top prize payment will be made when the prize is claimed at the lottery's office.
 - e. Measuring life. For a single wager, the measuring life of a top prize winner used to determine the duration over which the top prize is paid, shall be the natural life of the individual determined by the lottery to be the top prize winner. If the top prize under a single wager is being claimed by more than one individual or by a trust, the measuring life for that top prize winner shall be twenty years.
 - f. If paid in a single lump-sum cash payment, top prize amounts will be rounded to the nearest whole dollar.

- ~~2. Except as provided in these rules, the second prize winner will be paid twenty five thousand dollars a year for life. A second prize winner may request the cash option, the amount of which is to be established by the game group for a defined period of drawings. Notice of the amount of and changes to the cash option must be posted on the game's website. Under certain circumstances, as detailed below, the second prize is required to be paid in a single lump sum cash payment and no annuitized payment option is available.
 - ~~a. One to twenty second prize winners. If there are between one and twenty second prize winners, the annuitized prize value will be twenty five thousand dollars per year for life. Any of these one to twenty second prize winners may choose the second prize cash option as an alternative to the annuitized payment option.~~
 - ~~b. Twenty one or more second prize winners. If there are twenty one or more second prize winners, the second prize liability is capped at nine million four hundred thousand dollars, must be split equally among all second prize winners, and paid in a single lump sum cash payment without an annuitized payment option.~~
 - ~~c. The winner or winners of the second prize who do not request the cash option must be paid their appropriate second prize share on an annual basis for a minimum period of twenty years. The initial second prize payment will be made when the prize is claimed at the lottery's office; subsequent second prize payments will be made annually thereafter.~~
 - ~~d. Measuring life. For a single wager, the measuring life of a second prize winner used to determine the duration over which the second prize is paid, is the natural life of the individual determined by the lottery to be the second prize winner. If the second prize under a single wager is being claimed by more than one individual or by a trust, the measuring life for that second prize winner is twenty years.~~
 - ~~e. If paid in a single lump sum cash payment, second prize amounts will be rounded to the nearest whole dollar.~~~~
- ~~3. Except as provided in these rules, the third prize will be paid as a five thousand dollar set prize. If there are more than one thousand winners of this prize level in a single drawing, the total prize liability of five million dollars will be split equally among the winners. Under no circumstances, however, will the value of the third prize fall below a minimum prize value of two hundred dollars per winner regardless of the number of winners. Third prizes will be rounded to the nearest whole dollar and paid in a single lump sum cash payment.~~

History: Effective January 31, 2016; amended effective February 1, 2016; July 1, 2019.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules.
~~Strikethrough~~ represents proposed deletions to the present rules.

CHAPTER 10-16-12
LOTTO AMERICA GAME

Section	
10-16-12-01	Game Description
10-16-12-02	Expected Prize Pool Percentages and Odds
10-16-12-03	Prize Pool and Payment
10-16-12-04	All Star Bonus Option

10-16-12-01. Game description.

To play LOTTO AMERICA®, a player selects five different red/white numbers, between one and fifty-two, and one additional blue/white number (star ball) between one and ten. The additional number may be the same as one of the first five numbers selected. The price of a play is one dollar. A grand prize is paid, at the election of a winning player or by a default election made according to these rules, either on an annuitized pari-mutuel basis or as a cash lump sum payment of the total cash held for the prize pool on a pari-mutuel basis. A set prize (cash prize of twenty thousand dollars or less) is paid on a single-payment cash basis. Draws are held every Monday, Wednesday, and Saturday.

History: Effective November 12, 2017; amended effective July 1, 2019; July 18, 2022.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-12-02. Expected prize pool percentages and odds.

The grand prize will be determined and announced by the game group. The grand prize is paid on a pari-mutuel basis. Except as provided by rule, a set prize must be paid according to these matches per play and prize amounts with these expected prize payout percentages:

<u>Matches Per Play</u>	<u>Prize</u>	<u>Prize Percentage Allocated to Prize</u>	<u>Odds*</u>
5 red/white + 1 blue/white	Grand prize	23.10%	1:25,989,600
5 red/white + 0 blue/white	\$20,000	0.69%	1:2,887,733
4 red/white + 1 blue/white	\$1,000	0.90%	1:110,594
4 red/white + 0 blue/white	\$100	0.81%	1:12,288
3 red/white + 1 blue/white	\$20	0.83%	1:2,404
3 red/white + 0 blue/white	\$5	1.87%	1:267
2 red/white + 1 blue/white	\$5	3.12%	1:160
1 red/white + 1 blue/white	\$2	6.86%	1:29
0 red/white + 1 blue/white	\$2	11.80%	1:17

Overall odds of winning a prize on a one dollar play are 1:9.63.

*Reflects the odds of winning and probable distribution of winning tickets in and among each prize tier, based on the total number of possible combinations.

History: Effective November 12, 2017; amended effective April 9, 2020.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-12

10-16-12-03. Prize pool and payment.

1. The prize pool for all prize categories must consist of fifty percent of each draw period's sales after the prize pool accounts and prize reserve accounts are funded.
2. The prize money allocated to the grand prize pool must be divided equally by the number of plays that win the grand prize. If the grand prize is not won in a draw, subject to any restrictions by the game group, the prize money allocated for the grand prize must roll over and be added to the grand prize pool for the next draw.
3. If there are multiple grand prize winning plays during a draw, each player selecting the annuitized option prize, then a winning play's share of the guaranteed annuitized grand prize must be determined by dividing the guaranteed annuitized grand prize by the number of winning plays.
4. A grand prize must be paid, at the election of the winning player made within sixty days after the player becomes entitled to the prize, with either a per winning player annuity or cash payment. If the payment election is not made by the player within sixty days after the player becomes entitled to the prize, then the prize must be paid as an annuity prize. An election for an annuity payment made by a player may be changed to a cash payment at the election of the player until the expiration of sixty days after the player becomes entitled to the prize. Otherwise, the payment election is final. Shares of the grand prize must be determined by dividing the cash available in the grand prize pool equally among all winning plays of the grand prize. A player who elects a cash payment must be paid the share in a single cash payment. A player who elects an annuitized prize must be paid annually in thirty graduated payments with the initial payment being made in cash, followed by twenty-nine payments, increasing each year, by a rate determined by the game group funded by the annuity. Annual payments after the initial payment must be made by the lottery on the anniversary date or if this date falls on a nonbusiness day, then the first business day following the anniversary date of the draw of the grand prize winning numbers.
5. The lottery may not pay a grand or set cash prize until after it receives authorization from the MUSL. The lottery may pay the prize before it receives the funds from the MUSL.
6. The prize pool percentage allocated to set prizes must be carried forward to a subsequent draw if all or a portion of it is not needed to pay the set prizes awarded in the current draw.

History: Effective November 12, 2017.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-12-04. All Star Bonus option.

1. The All Star Bonus® option is a limited extension of the LOTTO AMERICA® game and is conducted according to the game group's game rules. The option offers the owner of a qualifying play a chance to multiply or increase the amount of a set prize.
2. A qualifying play is a single LOTTO AMERICA® play for which the player pays an extra one dollar for the All Star Bonus® option. All Star Bonus® does not apply to the grand prize.
3. A qualifying play which wins one of the eight lowest set prizes will be multiplied by the number selected, two through five, in a separate random All Star Bonus® drawing.
4. A prize awarded must be paid as a lump sum set prize. Instead of the normal set prize amount, a qualifying All Star Bonus® will pay the amounts shown below when matched with the All Star

Bonus[®] number drawn:

LOTTO AMERICA[®] Pays Instead

<u>Matches Per Play</u>	<u>Set Prize Amount</u>	<u>Prize Amounts With All Star Bonus[®]-Purchase</u>			
		<u>5X</u>	<u>4X</u>	<u>3X</u>	<u>2X</u>
5 red/white + 0 blue/white	\$20,000	\$100,000	\$80,000	\$60,000	\$40,000
4 red/white + 1 blue/white	\$1,000	\$5,000	\$4,000	\$3,000	\$2,000
4 red/white + 0 blue/white	\$100	\$500	\$400	\$300	\$200
3 red/white + 1 blue/white	\$20	\$100	\$80	\$60	\$40
3 red/white + 0 blue/white	\$5	\$25	\$20	\$15	\$10
2 red/white + 1 blue/white	\$5	\$25	\$20	\$15	\$10
1 red/white + 1 blue/white	\$2	\$10	\$8	\$6	\$4
0 red/white + 1 blue/white	\$2	\$10	\$8	\$6	\$4

Rarely, under the game group's limitation of liability rules, a set prize amount may be less than the amount shown. In that case, the eight lowest All Star Bonus[®] prizes will be changed to an amount announced after the draw. For example, if the match 4+1 set prize amount of one thousand dollars becomes five hundred dollars under the game group's rules, an All Star Bonus[®] player winning that prize amount when a "5" has been drawn would win two thousand five hundred dollars (\$500 x 5).

5. The following table reflects the probability of the All Star Bonus[®] numbers being drawn:

<u>All Star Bonus[®]</u>	<u>Probability of Prize Increase</u>
5X - Prize won times 5	3 in 32
4X - Prize won times 4	4 in 32
3X - Prize won times 3	10 in 32
2X - Prize won times 2	15 in 32

All Star Bonus[®] does not apply to the grand prize. The game group may elect to run limited promotions that may modify the multiplier features.

History: Effective November 12, 2017; amended effective July 1, 2019; January 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules.

CHAPTER 10-16-13
MILLIONAIRE FOR LIFE

Section

<u>10-16-13-01</u>	<u>Game Description</u>
<u>10-16-13-02</u>	<u>Prizes and Odds</u>
<u>10-16-13-03</u>	<u>Prize Pool and Payment</u>
<u>10-16-13-04</u>	<u>Prize Liability Limits</u>

10-16-13-01. Game description.

To play MILLIONAIRE FOR LIFE™, a player selects five different numbers, between one and fifty-eight, and one additional number between one and five. The additional number may be the same as one of the first five numbers selected. The price of a play is five dollars. Draws are held every day of the week.

History: Effective February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-13-02. Prizes and odds.

The top prize is one million dollars a year for life. Except as provided by rule, a set prize must be paid according to these matches per play and prize amounts:

<u>Matches Per Play</u>	<u>Prize</u>	<u>Odds</u>
<u>5 of 5 + 1</u>	<u>\$1,000,000/year for life*</u>	<u>1:22,910,580</u>
<u>5 of 5</u>	<u>\$100,000/year for life*</u>	<u>1:5,727,645</u>
<u>4 of 5 + 1</u>	<u>\$7,500</u>	<u>1:86,455</u>
<u>4 of 5</u>	<u>\$500</u>	<u>1:21,614</u>
<u>3 of 5 + 1</u>	<u>\$250</u>	<u>1:1,663</u>
<u>3 of 5</u>	<u>\$50</u>	<u>1:416</u>
<u>2 of 5 + 1</u>	<u>\$25</u>	<u>1:98</u>
<u>2 of 5</u>	<u>\$8</u>	<u>1:24</u>
<u>1 of 5 + 1</u>	<u>\$8</u>	<u>1:16</u>

Overall odds of winning a prize on a five dollar play are 1:8.47.

*Prize amounts may be split if there are multiple winners, in accordance with the provisions established in these rules. Split prizes may be lower than the published prize amounts.

History: Effective February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-13-03. Prize pool and payment.

1. The prize pool for all prize categories consists of approximately fifty-five percent of each draw period's sales.
2. All annuitized payments must be made for a minimum of twenty years.
3. All low-tier set prizes, except the top prize and second prize, must be paid in a single lump sum cash payment.

History: Effective February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-13-04. Prize liability limits.

There are nine prize levels in the game.

1. Except as provided in these rules, the top prize must be annuitized and based on a top prize liability that will be split equally among the number of winning game tickets. A top prize winner may request the cash option, the amount of which is to be established by the game group for a defined period of drawings. Notice of the amount of and changes to the cash option must be posted on the game's website. Under certain circumstances, as detailed below, the top prize is required to be paid in a single lump sum cash payment and no annuitized payment option is available.
 - a. One top prize winner. If there is one top prize winner, the annuitized prize value will be one million dollars a year for life. As an alternative to the annuitized payment option, the top prize winner may request the top prize cash option.
 - b. Two to twenty top prize winners. If there are between two and twenty top prize winners, the annuitized prize option, based on an annuitized prize value of one million dollars a year for life, will be divided by the total number of top prize winners. Any of these two to twenty-one top prize winners may choose the cash option as an alternative to the annuitized payment option. The amount of the cash option for this category will be the amount of the top prize cash option divided by the total number of top prize winners.
 - c. Twenty-one or more top prize winners. If there are twenty-one or more top prize winners, the top prize liability must be split equally among all top winners and paid in a single lump sum cash payment without an annuitized payment option.
 - d. The winner or winners of the top prize who do not request the cash option must be paid their appropriate top prize share on an annual basis for a minimum period of twenty years. The first top prize payment will be made when the prize is claimed at the lottery's office.
 - e. Measuring life. For a single wager, the measuring life of a top prize winner used to determine the duration over which the top prize is paid, shall be the natural life of the individual determined by the lottery to be the top prize winner. If the top prize under a single wager is being claimed by more than one individual or by a trust, the measuring life for that top prize winner shall be twenty years.
 - f. If paid in a single lump sum cash payment, top prize amounts will be rounded to the nearest whole dollar.
2. Except as provided in these rules, the second prize winner will be paid one hundred thousand dollars a year for life. A second prize winner may request the cash option, the amount of which is to be established by the game group for a defined period of drawings. Notice of the amount of and changes to the cash option must be posted on the game's website. Under certain circumstances, as detailed below, the second prize is required to be paid in a single lump sum

cash payment and no annuitized payment option is available.

- a. One to twenty second prize winners. If there are between one and twenty second prize winners, the annuitized prize value will be one hundred thousand dollars per year for life. Any of these one to twenty second prize winners may choose the second prize cash option as an alternative to the annuitized payment option. The amount of the cash option will be the amount of the second prize cash option as determined by the Selling Lotteries.
 - b. Twenty-one or more second prize winners. If there are twenty-one or more second prize winners, the second prize liability is capped at an amount determined by the Selling Lotteries and must be split equally among all second prize winners, and paid in a single lump sum cash payment without an annuitized payment option. The minimum prize value for this category must not be less than the lowest tier prize paid in that respective drawing.
 - c. The winner or winners of the second prize who do not request the cash option must be paid their appropriate second prize share on an annual basis for a minimum period of twenty years. The initial second prize payment will be made when the prize is claimed at the lottery's office; subsequent second prize payments will be made annually thereafter.
 - d. Measuring life. For a single wager, the measuring life of a second prize winner used to determine the duration over which the second prize is paid, shall be the natural life of the individual determined by the lottery to be the second prize winner. If the second prize under a single wager is being claimed by more than one individual or by a trust, the measuring life for that second prize winner is twenty years.
 - e. If paid in a single lump sum cash payment, second prize amounts will be rounded to the nearest whole dollar.
3. Except as provided in these rules, the third through ninth prize winner will be paid as a set prize. Third through ninth prizes will be rounded to the nearest whole dollar and paid in a single lump sum cash payment in accordance with the information below.
- a. Third Prize - \$7,500
 - b. Fourth Prize - \$500
 - c. Fifth Prize - \$250
 - d. Sixth Prize - \$50
 - e. Seventh Prize - \$25
 - f. Eight Prize - \$8
 - g. Ninth Prize - \$8

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