

## MWAP GROUP RULES

*Adopted May 10, 2006, Last Amended June 15, 2011*

### PART I — ADMINISTRATION

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

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

**1.2 Voting.** The Product Group shall use a single-method system of voting. Each Party Lottery shall have one vote (member vote). Unless a different percentage is provided in these rules, the percentage of votes necessary to allow action by the Product Group shall be more than fifty percent of the votes cast pursuant.

**1.3 Amendment of Rules.** The Product Group's Rules may be amended upon a vote of two-thirds or more of the votes cast.

**1.4 Quorum.** The quorum necessary to hold an official meeting of the Product Group shall be representation in person or by proxy from more than fifty percent of all members. If neither the Chair or Vice-Chair can attend a scheduled meeting in person, then the meeting shall be rescheduled.

**1.5 Elections.** A Product Group Chair and Product Group Vice-Chair shall be elected for one-year terms (ending at fiscal year-end). The Chair shall appoint a Nominating Committee to recommend candidates to the Product Group. Nominations may also be made by motion and properly seconded.

[Rule 2 Reserved for future use].

#### MWAP RULE 3—BUDGET.

**3.1 Duties of Executive Director.** By April 1st of each year, the Executive Director shall prepare and submit to the Product Group Chair, a budget of the estimated expenditures of the Product Group for the fiscal year beginning July 1st, and estimate the portion of the total budget to be paid to the MUSL by each of the Party Lotteries in accordance with estimated sales. An acceptable method of payment shall be determined by the Product Group, subject to approval by the Board.

[Rule 4, 5 reserved for future use]

**MWAP RULE 6—RECORDS MANAGEMENT.**

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

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

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

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

[Rule 7 reserved for future use]

**MWAP RULE 8—PETITION FOR ADMISSION.**

**8.1 Minimum Standards.** A Lottery seeking admission to the Product Group shall meet all requirements of MWAP Rule 2, and any minimum standards set forth in MUSL Rule 2 which are specifically attributable to video lottery game systems. The Security and Integrity Committee shall review the lottery seeking admission to the Product Group for compliance with Rule 2 and shall issue a written report summarizing its findings.

*Amended June 15, 2011*

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

**MWAP RULE 9—EXPULSION OF A PARTY LOTTERY.**

The Product Group can expel a Party Lottery of the Product Group for cause as determined in the sole discretion of the Product Group with the consent of more than two-thirds of the members and the confirmation vote of the MUSL Board as set forth in section 19 of the Agreement. If the Product Group votes to expel a Party Lottery as provided in the Agreement, the Party Lottery being considered for expulsion shall be excluded from the vote in that proceeding and in the voting calculations outlined in these Rules.

*Amended June 15, 2011*

**MWAP RULE 10—ADVERTISING.**

**10.1 Unfair Advertising.** No Party Lottery may advertise, or permit its venues to advertise, either directly or indirectly, that any MWAP game in its state offers better odds, better chances of winning, or better payoffs than an MWAP game in other states. This rule does not prohibit a Party Lottery or its venues from offering promotions or other creative promotions designed to increase the play of MWAP games.

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

**MWAP RULE 11—QUALIFYING WAGER**

**11.1 Uniform Price.** Each qualifying wager amount shall be set by the Product Group.

**11.2 Taxes.** The qualifying wager amount set by the Product Group shall include all the applicable taxes which a Party Lottery may be required to collect.

**11.3 Discounts, Rebates, and Promotions.** A Party Lottery may reduce the cost of a qualifying wager through discounts, rebates, or promotions, without Product Group approval, for a period not to exceed 90 days in any six-month period. A Party Lottery may offer other discounts, rebates, or promotions as may be approved by the Product Group.

**11.4 Qualifying wagers as Prizes.** Nothing in this rule shall prohibit a Party Lottery from offering qualifying wagers as a prize in any other non-MUSL game or promotion operated by the Party Lottery.

**11.5 Contribution to Prize Pool.** Party lotteries which offer qualifying wagers as a prize or as part of an authorized discount, promotion, or rebate shall contribute to the prize pool the full amount assessed for a qualifying wager sold at the uniform price.

**MWAP RULE 12—MWAP VENUES**

**12.1 Authorized Venues.** An MWAP game may only be offered at venues and through means authorized by a Party Lottery.

**12.2 VLT Markings.** All MWAP participating video lottery terminals (VLTs) shall be conspicuously marked to indicate that they participate in the particular MWAP game and shall contain other markings as may be required by the MUSL Board and the Group.

**MWAP RULE 13—PRIZE PAYMENTS.**

No Party Lottery may pay MWAP grand prizes that are less than or more than the prize amounts established by the Group.

**MWAP RULE 14—GRAND PRIZE ACCOUNT.**

**14.1 Grand Prize Funds Transferred to MUSL.** Each Party Lottery shall transfer to the MUSL in trust an amount as determined by the MUSL and the Product Group to be its total proportionate share of the Grand prize account.

**14.2 Grand Prize Funds Transferred to Party Lottery.** Grand Prize amounts held by MUSL shall be transferred to the Party Lottery or the venue where the Grand Prize was won (at the election of the Party Lottery) immediately after the Party Lottery or venue where the Grand Prize was won (at the election of the Party Lottery) validates the grand prize claim and after MUSL has collected the grand prize pool shares from all member lotteries.

**14.3 Unclaimed Grand Prizes.** All funds to pay a Grand Prize that go unclaimed shall be returned to Party Lotteries in proportion to sales by Party Lotteries for the Grand Prize in question after the claiming period set by the Party Lottery selling the winning MWAP game play expires.

[Rules 15 through 18 reserved for future use]

**MWAP RULE 19—FUNDS TRANSFER.**

Funds shall be collected from each Party Lottery weekly by wire transfer or other means acceptable to the Product Group. The amount to be transferred shall be calculated in accordance with game rules. The Product Group shall determine collection days.

*Comment. Funds are to be collected weekly from the party lotteries Friday after the close of their business week (or the next banking business day if Friday is a banking holiday). If funds are needed to pay a Grand Prize, the MUSL may borrow the funds from the Prize Reserve Account. The borrowed funds shall be immediately replenished upon collection of prize funds from the party lotteries.*

[Rules 20 through 25 reserved for future use]

## **PART II MWAP - CA\$HOLA GAME RULES**

*Last Amended January 17, 2007 (comment change June 15, 2011)*

### **MWAP C\$ RULE 26—DEFINITIONS.**

The following definitions apply unless the context requires a different meaning or is otherwise inconsistent with the intention of the rules adopted by the Product Group.

**26.1** "Base Game Prize" means all other prizes except the Grand Prize that are advertised to be paid on a Ca\$hola designated VLT as established by the Party Lottery.

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

**26.3** "MUSL Board" means the governing body of the MUSL which is comprised of the chief executive officer of each Party Lottery.

**26.4** "Party lottery" means a state lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of these Product Group Rules, which has joined in offering the Ca\$hola game.

**26.5** "Product Group" means a group of lotteries which has joined together to offer a product pursuant to the terms of the Multi-State Lottery Agreement and the Group's own rules.

**26.6** "Qualifying Wager" or "Qualifying Play" shall mean a single play on a Ca\$hola designated video lottery terminal for \$2.25 (two dollars and twenty-five cents). Cumulative plays on a Ca\$hola designated video lottery terminal totaling \$2.25 shall not be a qualifying wager.

**26.7** "Venue" means an establishment authorized by a Party Lottery to offer the Ca\$hola game.

**26.8** "VLT" shall mean a video lottery terminal, which is a device authorized by a Party Lottery to function in an on-line, interactive mode with the lottery's jackpot management system for the purpose of offering play of video lottery games.

**26.9** "Winning Combination" shall mean five (5) Ca\$hola symbols aligning on a designated winning formation on a Ca\$hola designated VLT when a qualifying wager has been made.

### **MWAP C\$ RULE 27—GAME DESCRIPTION.**

**27.1** Ca\$hola is a multi-jurisdiction progressive Grand Prize (jackpot) game offered in conjunction with a base video lottery game. The base video lottery game prizes and payouts operate independent of the Ca\$hola game. The Ca\$hola Grand Prize game is won when a Winning Combination of Ca\$hola symbols align in a designated winning formation on a Ca\$hola designated VLT when a qualifying wager has been made. The Ca\$hola game shall be offered continuously during the operational hours of Party Lottery venues. When the Ca\$hola Grand Prize is won, the Grand Prize is paid out at the election of the player made in accordance with these rules or by a default election made in accordance with these rules, either on an annuitized basis or as a cash lump sum payment of the total cash held for this prize pool. All other prizes offered on a Ca\$hola designated VLT operate independently of the Ca\$hola game and shall be operated and paid in accordance with Party Lottery rules. To play Ca\$hola, a player shall make a qualifying wager of \$2.25 on a single play on a Ca\$hola designated VLT. If the winning combination of Ca\$hola symbols aligns, that player has won the Ca\$hola Grand Prize.

*Comment. The Ca\$hola game ceased play with the jackpot win on May 15, 2011.*

**27.2 Claims.** The player playing the Ca\$hola game on the Ca\$hola participating VLT which has the proper Grand Prize symbol alignment at the time of the Grand Prize win shall be the sole winner of the Ca\$hola Grand Prize amount. Verification of the winning Ca\$hola prize and player shall be through verification of the VLT or venue dispensed Ca\$hola Grand Prize claim ticket (if applicable), the Ca\$hola Jackpot Management System (JMS), venue security videotape and venue employee witnesses or otherwise as prescribed by the Party Lottery. Unless the laws of the Party Lottery jurisdiction provide otherwise, Ca\$hola players must claim the Ca\$hola prize themselves and are not permitted to transfer the claim of their Grand Prize win to any other persons or entities.

*Amended July 14, 2006.*

**27.3 Grand Prize Amount.** In the event that a Ca\$hola Grand Prize is won the amount won shall be the amount as recorded on the Ca\$hola JMS, regardless of whether that amount recorded on the JMS is accurately reflected on the Ca\$hola jackpot signage or Ca\$hola VLT jackpot meters. If a Ca\$hola jackpot is won following another Ca\$hola jackpot win, but before jackpot signage has been reset, the subsequent Ca\$hola jackpot amount shall be the reset jackpot amount as recorded on the JMS.

**27.4 Player Responsibility.** It shall be the sole responsibility of the player to verify the accuracy of the game play. The placing of plays is done at the player's own risk through the Ca\$hola VLT at the venue.

**27.5 Entry of Plays.** Plays may only be entered manually by the player using the Ca\$hola VLT or by such other means approved by the Party Lottery.

## **MWAP C\$ RULE 28—PRIZE POOL**

**28.1 Prize Pool.** The prize pool for the Ca\$hola Grand Prize shall consist of four percent (4%) of each Ca\$hola play, after the prize reserve accounts are funded to the amounts set by the Product Group. Any amount remaining in the prize pool at the end of this game shall be carried forward to a replacement game or expended in a manner as directed by the Product Group in accordance with state law.

**28.2 Prize Reserve Accounts.** An amount as determined by the Group shall be deducted from a Party Lottery's Grand Prize Pool and placed in trust in the Prize Reserve Account until the Party Lottery's share of the Prize Reserve Account reaches the amounts designated by the Product Group. Once the Party Lottery's share of the Prize Reserve Account exceeds the designated amounts, the excess shall first be used to repay the Party Lottery(s) for their initial Prize Reserve Account contributions and then to repay the Party Lottery(s) for any additional extraordinary jackpot contribution requirements, and after those have been paid shall become part of the Grand Prize pool. The Product Group, with approval of the Finance & Audit Committee, may establish a maximum balance for the prize reserve account. The Product Group may determine to expend all or a portion of the funds in the accounts for the payment of prizes or special prizes in the game; subject to the approval of the Finance and Audit Committee. The shares of a Party Lottery may be adjusted with refunds to the Party Lottery from the prize reserve account as may be needed to maintain the approved maximum balance and shares of the Party Lotteries. Any amount remaining in a prize reserve account at the end of this game shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the Product Group in accordance with state law.

*Amended July 14, 2006; December 19, 2006; January 17, 2007.*

*Comment. At its January 17, 2007 meeting, the Group determined that prior to 6 a.m. ET on January 21, 2007 an amount equal to 2 percent (2.0%) of Ca\$hola play shall be deducted from a Party Lottery's Grand Prize Pool and placed in trust in the Prize Reserve account until the Party Lottery's share of the Prize Reserve Account reaches the amounts designated by the Product Group, and that effective January*

21, 2007 at 6 a.m. an amount equal to up to two and one half percent (2.5%) of Ca\$hola play shall be deducted from a Party Lottery's Grand Prize Pool and placed in trust in the Prize Reserve account until the Party Lottery's share of the Prize Reserve Account reaches the amounts designated by the Product Group. The maximum amount to be held in the Prize Reserve Account (PRA) shall be two million dollars (\$2,000,000). At its June 13, 2007 meeting, the Group agreed to temporarily raise the maximum amount to be held in the Prize Reserve Account (PRA) to \$2,750,000 until such time as that reserve amount is met, and then, following refund of the original jackpot seed contributions to the Membership (\$250,000 each totaling \$750,000), to return the maximum amount to be held in the Prize Reserve Account (PRA) to \$2,000,000. The \$2,750,000 Prize Reserve Account was reached in October, 2007 and the original jackpot seed contributions by the Membership were refunded, reducing the Prize Reserve Account maximum to \$2,000,000. At its November 14, 2007 meeting, the Group agreed that effective the next time the Prize Reserve Account reached its maximum, that an amount equal to up to one and one half percent (1.5%) of Ca\$hola play shall be deducted from a Party Lottery's Grand Prize Pool and placed in trust in the Prize Reserve account until the Party Lottery's share of the Prize Reserve Account reaches the amounts designated by the Product Group. At its January 21, 2011 meeting, the Group agreed that the Prize Reserve Account maximum should be set to \$2,100,000 effective immediately. At its meeting on June 15, 2011, the Group agreed that after the MegaHits game begins operations, the Ca\$hola and MegaHits games shall (1) share the PRA; (2) one hundred thousand dollars (\$100,000) shall be utilized as the initial seed for the MegaHits Grand Prize; and (3) the maximum combined Ca\$hola and MegaHits games PRA shall be two million dollars (\$2 million). After the Ca\$hola game pays out all prizes won in the Ca\$hola game, the amount remaining in the PRA shall be solely held by the MegaHits game.

**MWAP C\$ RULE 29 PROBABILITY OF WINNING.** The probability of winning the Ca\$hola Grand Prize on a single qualifying wager is 1:7,000,000 (one in seven million).

### **MWAP C\$ RULE 30 PRIZE PAYMENT**

**30.1 Grand Prizes.** Grand prizes shall be paid, at the election of the Grand Prize winner at the time of prize claim, with either an annuity or cash payment. If the payment election is not made by the Grand Prize winner, then the prize shall be paid as an annuity prize. The election to take the cash payment or to receive an annuity payment must be made at the time of the prize claim. An election made at the time of prize claim is final and cannot be revoked, withdrawn or otherwise changed. During the operation of the Ca\$hola game and at the time of Grand Prize win, the JMS shall record both the cash amount in the Grand Prize Pool, and also the calculated annuity amount of the Grand Prize by multiplying the Grand Prize pool by the MUSL interest rate factor. The MUSL interest rate factor is the average interest rate of securities as obtained through a consultation with qualified, pre-approved brokers. The annuitized option prize shall be the amount which was recorded on the JMS as the Grand Prize annuity amount at the time of the prize win; the cash option prize shall be the amount which was recorded on the JMS as in the Grand Prize pool at the time of the Grand Prize win. In the event the Grand Prize winner elects annuity payment of their prize, the MUSL shall purchase securities sufficient for payment of such annuity from the Grand Prize pool using the best total price obtained through competitive bid of qualified, pre-approved brokers: any deficiencies in Grand Prize pool funds to purchase securities to pay the annuity amount of a Grand Prize shall be withdrawn from the Prize Reserve Account; any excess of funds in the Grand Prize pool needed to purchase securities to pay the annuity amount of a Grand Prize win shall be deposited in the Prize Reserve Account. In certain instances announced by the Product Group, the Grand Prize shall begin with a starting seed amount determined pursuant to Rule 30.4. Prior to 6 am ET March 4, 2007, all annuitized prizes shall be paid annually in twenty (20) payments with the initial payment being made in cash, to be followed by nineteen (19) payments funded by the annuity. All annuitized prizes shall

be paid annually in twenty (20) equal payments. Effective at 6 am ET March 4, 2007, all annuitized prizes shall be paid annually in thirty (30) payments with the initial payment being made in cash, to be followed by twenty-nine (29) equal payments funded by the annuity. Prize payments may be rounded down to the nearest one thousand dollars (\$1,000). Annual payments after the initial payment shall be made by the lottery or the venue where the Grand Prize was won (at the election of the Party Lottery) on the anniversary date or if such date falls on a non-business day, then the first business day following the anniversary date of the Grand prize winning Ca\$hola play. Funds for the initial payment of an annuitized prize or the lump sum cash prize shall be made available by MUSL for payment by the Party Lottery or the venue where the Grand Prize was won (at the election of the Party Lottery) no earlier than the Tuesday following the Friday after the close of the Party Lottery's business weeks (or the next banking day Tuesday is a holiday) following the prize claim win. If necessary, when the due date for the payment of a prize occurs before the receipt of funds in the Grand Prize pool sufficient to pay the prize, the transfer of funds for the payment of the full lump sum cash amount may be delayed pending receipt of funds from the party lotteries. A Party Lottery may elect to make the initial payment from its own funds after validation, with notice to MUSL. In the event of the death of a lottery winner during the annuity payment period, the Product Group, in its sole discretion, upon the petition of the estate of the lottery winner (the "Estate") to the state lottery of the state in which the deceased lottery winner made the winning Ca\$hola play, and subject to federal, state, or district applicable laws, may accelerate the payment of all of the remaining lottery proceeds to the Estate. If the Product Group makes such a determination, then securities and/or cash held to fund the deceased lottery winner's annuitized prize may be distributed to the Estate. The identification of the securities to fund the annuitized prize shall be at the sole discretion of the Product Group.

*Amended July 14, 2006; January 17, 2007.*

**30.2 Prizes Rounded.** Annuitized payments of the Grand Prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized Grand Prize win shall be added to the first cash payment to the winner or winners.

**30.3 Rollover.** The Grand Prize shall continue to accumulate until finally won, or the game is discontinued by the Party Lotteries.

**30.4 Grand Prize Seeding..** The Product Group may start Grand Prize jackpots with a seed amount. The Seed amount shall be withdrawn from the Prize Reserve Account. If the Prize Reserve Account is insufficient to fund the starting seed amount, each Party Lottery shall make an equal extraordinary Prize Reserve Account contribution sufficient to fund the starting seed amount.

*Comment. The initial starting seed amount for all Grand Prizes shall be \$250,000 present cash value. At its meeting on January 17, 2007 the Group determined that with the first jackpot seeding after 6 am ET on March 4, 2007, the starting seed amount for all Grand Prizes shall be \$165,000.*

**30.5 Prize Claim Period.** Prize claims shall be submitted within the period set by the Party Lottery selling the qualifying play.

### **MWAP C\$ RULE 31—QUALIFYING PLAY VALIDATION.**

To be valid a winning Ca\$hola Grand Prize play must satisfy all validation requirements established by a Party Lottery and any other validation requirements adopted by the Product Group, the MUSL Board and published as the Confidential MUSL Minimum Game Security Standards.

[Rule 32 reserved for future use.]



**MWAP C\$ RULE 33—INELIGIBLE PLAYERS.**

**33.1** The Ca\$hola game shall not be played by, and a prize won by participation in the Ca\$hola game shall not be paid to:

- (a) a MUSL employee, officer, or director,
- (b) a contractor or consultant under agreement with the MUSL to review the MUSL audit and security procedures,
- (c) an employee of an independent accounting firm under contract with MUSL to observe drawings or site operations and actually assigned to the MUSL account and all partners, shareholders, or owners in the local office of the firm, or
- (d) an immediate family member (parent, stepparent, child, stepchild, spouse, or sibling) of an individual described in subsections (a), (b), and (c) and residing in the same household.

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

**MWAP C\$ RULE 34—APPLICABLE LAW.**

In playing the Ca\$hola game, the participant agrees to comply with and abide by all applicable laws, rules, regulations, procedures, and decisions of the Party Lottery where the qualifying play was purchased.

## PART III MWAP - MEGAHITS® GAME RULES

*Adopted: June 15, 2011*

### MWAP MH RULE 26—DEFINITIONS.

The following definitions apply unless the context requires a different meaning or is otherwise inconsistent with the intention of the rules adopted by the Product Group.

**26.1** "Base Game Prize" means all other prizes except the Grand Prize that are advertised to be paid on a MegaHits designated VLT as established by the Party Lottery.

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

**26.3** "MUSL Board" means the governing body of the MUSL which is comprised of the chief executive officer of each Party Lottery.

**26.4** "Party lottery" means a state lottery or lottery of a political subdivision or entity which has joined the MUSL and, in the context of these Product Group Rules, which has joined in offering the MegaHits game.

**26.5** "Product Group" means a group of lotteries which has joined together to offer a product pursuant to the terms of the Multi-State Lottery Agreement and the Group's own rules.

**26.6** "Qualifying Wager" or "Qualifying Play" shall mean a single play on a MegaHits designated video lottery terminal at the amount as indicated on the VLT. Cumulative plays on a MegaHits designated video lottery terminal totaling the required amount indicated on the VLT shall not be a qualifying wager.

**26.7** "Venue" means an establishment authorized by a Party Lottery to offer the MegaHits game.

**26.8** "VLT" shall mean a video lottery terminal, which is a device authorized by a Party Lottery to function in an on-line, interactive mode with the lottery's jackpot management system for the purpose of offering play of video lottery games.

**26.9** "Winning Combination" shall mean the designated combination of symbols aligning in a designated winning formation on a participating MegaHits designated VLT when a qualifying wager has been made. VLT's offering the same progressive jackpot may be of different denominations and/or have different minimum wagers or symbol alignments required to win the progressive jackpot, *provided* that the probability of winning the progressive jackpot is directly proportional to the minimum wager required to win that jackpot. For example, if on the same link, a nickel VLT requires 20 coins (a \$1.00 wager), a quarter VLT requires eight coins (a \$2.00 wager), and a dollar VLT requires three coins (a \$3.00 wager) to win the progressive jackpot, then the probability of a winning wager must be three times more likely on a linked dollar VLT than on the linked nickel VLT, and twice more likely on a linked quarter VLT than on the linked nickel VLT. Similarly, if among linked quarter denomination VLT's, the first required two coins (a \$.50 wager), the second required four coins (a \$1.00 wager) and the third required eight coins (a \$2.00 wager) to play for the progressive jackpot, then on each handle pull, the probability of winning the jackpot would be twice more likely on the second machine than on the first machine, and four times more likely on the third machine than on the first machine. The "Winning Combination" must be clearly indicated on the participating VLT.

**MWAP MH RULE 27—GAME DESCRIPTION.**

**27.1** MegaHits is a multi-jurisdiction progressive Grand Prize (jackpot) game offered in conjunction with a base video lottery game or games. The base video lottery game prizes and payouts operate independent of the MegaHits game. The MegaHits Grand Prize game is won when a Winning Combination of MegaHits symbols align in a designated winning formation on a MegaHits designated VLT when a qualifying wager has been made. The MegaHits game shall be offered continuously during the operational hours of Party Lottery venues. When the MegaHits Grand Prize is won, the Grand Prize is paid out in accordance with these rules as a cash lump sum payment of the total cash held for this prize pool. All other prizes offered on a MegaHits designated VLT operate independently of the MegaHits game and shall be operated and paid in accordance with Party Lottery rules. To play MegaHits, a player shall make a qualifying wager on a single play on a MegaHits designated VLT. If the winning combination of MegaHits symbols aligns, that player has won the MegaHits Grand Prize.

**27.2 Claims.** The player playing the MegaHits game on the MegaHits participating VLT which has the proper Grand Prize symbol alignment at the time of the Grand Prize win shall be the sole winner of the MegaHits Grand Prize amount. Verification of the winning MegaHits prize and player shall be through verification of the VLT or venue dispensed MegaHits Grand Prize claim ticket (if applicable), the MegaHits Jackpot Management System (JMS), venue security videotape and venue employee witnesses or otherwise as prescribed by the Party Lottery. Unless the laws of the Party Lottery jurisdiction provide otherwise, MegaHits players must claim the MegaHits prize themselves and are not permitted to transfer the claim of their Grand Prize win to any other persons or entities.

**27.3 Grand Prize Amount.** In the event that a MegaHits Grand Prize is won the amount won shall be the amount as recorded on the MegaHits JMS, regardless of whether that amount recorded on the JMS is accurately reflected on the MegaHits jackpot signage or MegaHits VLT jackpot meters. If a MegaHits jackpot is won following another MegaHits jackpot win, but before jackpot signage has been reset, the subsequent MegaHits jackpot amount shall be the reset jackpot amount as recorded on the JMS.

**27.4 Player Responsibility.** It shall be the sole responsibility of the player to verify the accuracy of the game play. The placing of plays is done at the player's own risk through the MegaHits VLT at the venue.

**27.5 Entry of Plays.** Plays may only be entered manually by the player using the MegaHits VLT or by such other means approved by the Party Lottery.

**27.6 Malfunctions.** Malfunctions in a participating MegaHits VLT shall void all prizes and plays without liability or compensation to the player.

**MWAP MH RULE 28—PRIZE POOL**

**28.1 Prize Pool.** The prize pool for the MegaHits Grand Prize shall consist of zero point seventy-four percent (0.74%) of each MegaHits play, after the prize reserve accounts are funded to the amounts set by the Product Group. Any amount remaining in the prize pool at the end of this game shall be carried forward to a replacement game or expended in a manner as directed by the Product Group in accordance with state law.

**28.2 Prize Reserve Accounts.** An amount as determined by the Group shall be deducted from a Party Lottery's Grand Prize Pool and placed in trust in the Prize Reserve Account until the Party Lottery's share of the Prize Reserve Account reaches the amounts designated by the Product Group. Once the Party Lottery's share of the Prize Reserve Account exceeds the designated amounts, the excess shall become part of the Grand Prize pool. The Product Group, with approval of the Finance & Audit Committee, may establish a maximum balance for the prize reserve account. The Product Group may determine to expend all or a portion of the funds in the accounts for the payment of prizes or special prizes in the game; subject to the approval of the Finance and Audit Committee. The shares of a Party Lottery may be adjusted with refunds to the Party Lottery from the prize reserve account as may be needed to maintain the approved maximum balance and shares of the Party Lotteries. Any amount remaining in a prize reserve account at the end of this game shall be carried forward to a replacement prize reserve account or expended in a manner as directed by the Product Group in accordance with state law.

*Comment. At its meeting on June 15, 2011, the Group determined that an amount equal to twenty-four hundredths of one percent (0.24%) of MegaHits play shall be deducted from a Party Lottery's Grand Prize Pool and placed in trust in the Prize Reserve account until the Party Lottery's share of the Prize Reserve Account reaches the amounts designated by the Product Group. The maximum amount to be held in the Prize Reserve Account (PRA) shall be two million dollars (\$2,000,000), which shall be shared with the Ca\$hola game until that game ceases operations and all Ca\$hola game prizes are paid out, at which time the held amount in the PRA shall only be held for the MegaHits game.*

**MWAP MH RULE 29 PROBABILITY OF WINNING.** The probability of winning the MegaHits Grand Prize on a single qualifying wager shall be substantially equivalent between qualifying wagers and shall be approximately one in 17 million on a \$3.00 qualifying wager (see "Winning Combination" above).

### **MWAP MH RULE 30 PRIZE PAYMENT**

**Grand Prizes.** Grand prizes shall be paid in a single lump sum cash payment. During the operation of the MegaHits game and at the time of Grand Prize win, the JMS shall record the cash amount in the Grand Prize Pool. In certain instances announced by the Product Group, the Grand Prize shall begin with a starting seed amount determined pursuant to Rule 30.4. Funds for lump sum cash prize shall be made available by MUSL for payment by the Party Lottery or the venue where the Grand Prize was won (at the election of the Party Lottery) no earlier than the Tuesday following the Friday after the close of the Party Lottery's business weeks (or the next banking day Tuesday is a holiday) following the prize claim win. If necessary, when the due date for the payment of a prize occurs before the receipt of funds in the Grand Prize pool sufficient to pay the prize, the transfer of funds for the payment of the full lump sum cash amount may be delayed pending receipt of funds from the party lotteries. A Party Lottery may elect to make the initial payment from its own funds after validation, with notice to MUSL.

#### **30.2 [Reserved for future use].**

**30.3 Rollover.** The Grand Prize shall continue to accumulate until finally won, or the game is discontinued by the Party Lotteries.

**30.4 Grand Prize Seeding.** The Product Group may start Grand Prize jackpots with a seed amount. The Seed amount shall be withdrawn from the Prize Reserve Account. If the Prize Reserve Account is insufficient to fund the starting seed amount, each Party Lottery shall make an equal extraordinary Prize Reserve Account contribution sufficient to fund the starting seed amount.

*Comment. At its meeting on June 15, 2011 the Group established that the initial starting seed amount for all Grand Prizes shall be one hundred thousand dollars (\$100,000).*

**30.5 Prize Claim Period.** Prize claims shall be submitted within the period set by the Party Lottery selling the qualifying play.

### **MWAP MH RULE 31—QUALIFYING PLAY VALIDATION.**

To be valid a winning MegaHits Grand Prize play must satisfy all validation requirements established by a Party Lottery and any other validation requirements adopted by the Product Group, the MUSL Board and published as the Confidential MUSL Minimum Game Security Standards.

[Rule 32 reserved for future use.]

### **MWAP MH RULE 33—INELIGIBLE PLAYERS.**

**33.1** The MegaHits game shall not be played by, and a prize won by participation in the MegaHits game shall not be paid to:

- (a) a MUSL employee, officer, or director,
- (b) a contractor or consultant under agreement with the MUSL to review the MUSL audit and security procedures,
- (c) an employee of an independent accounting firm under contract with MUSL to observe drawings or site operations and actually assigned to the MUSL account and all partners, shareholders, or owners in the local office of the firm, or
- (d) an immediate family member (parent, stepparent, child, stepchild, spouse, or sibling) of an individual described in subsections (a), (b), and (c) and residing in the same household.

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

### **MWAP MH RULE 34—APPLICABLE LAW.**

In playing the MegaHits game, the participant agrees to comply with and abide by all applicable laws, rules, regulations, procedures, and decisions of the Party Lottery where the qualifying play was purchased.