

SOUTH CAROLINA

MUSL MEGA MILLIONS® (M2G2) PRODUCT GROUP RULES

Adopted Dec 15, 2009; last amended June 15, 2017 to be effective with the drawing on October 31, 2017.

Comments last updated June 15, 2017.

The MEGA MILLIONS® Game Rules are comprised of, and the game is governed by: (1) Act 59 of 2001, as and if amended; (2) 24A S.C. Code Ann. Regs. 44-100 (Supp. 2012); (3) the agreements entered into by the Multi-State Lottery (MUSL) Association (and the controlling documents relating to the Mega Millions® Game cited in Rule 1.0; (4) the material presented in this document I; (5) the Software Functional Specifications ("game specifications"); and (6) any practices, policies and/or procedures used by the South Carolina Education Lottery (SCEL), or the Mega Millions® Product Group.

The documents enumerated above are incorporated into these Game Rules by reference and are binding as if printed herein. Each document referenced shall have equal weight unless there is an ambiguity or inconsistency between or among the documents, in which case the document enumerated first shall control. As the official custodian of all documents related to this game, the copies on file with Mega Millions® and MUSL are controlling. Amendments to these rules may be made at any time but must be made in writing. The annotation(s) regarding adoption of, or amendment to, a section or specific provision refer to the date that item was approved by the Mega Millions® Product Group and/or MUSL. The comments presented herein are incorporated as information and are not necessarily binding.

The Mega Millions Just the Jackpot Promotion is a limited extension of the Mega Millions game and is conducted in accordance with the MUSL Mega Millions Product Group game rules. The South Carolina Education Lottery (SCEL) has elected not to offer the Just the Jackpot Promotion at this time. Just the Jackpot will impact the amount of the Grand Prize in the Mega Millions game, and participants in the Just the Jackpot Promotion in other lottery jurisdictions may win the Mega Millions Grand Prize. (See PART IV– SPECIAL GAME RULES: MEGA MILLIONS® JUST THE JACKPOT™ PROMOTION, p. 33.)

PART I — ADMINISTRATION

MM RULE 1—LICENSE ENTERED; DISPUTES, VOTING, ELECTIONS.

1.0 Cross-Selling Agreement; Terms Incorporated. The MUSL Board and the Powerball Product Group has entered into an Agreement with the U.S. lotteries operating under an agreement to sell a game known as Mega Millions (the Mega Millions Lotteries) to permit the Party Lotteries of this Mega Millions Product Group (hereinafter “Product Group”) to sell the Mega Millions lottery game. All provisions and requirements of that Cross-Selling Agreement, as it may be amended, are incorporated herein. Any conflict between the terms of these Rules and that Cross-Selling Agreement shall be interpreted in favor of that Cross-Selling Agreement. The Mega Millions Lotteries shall determine the Grand Prize amount (cash value option and annuity) prior to each drawing with the participation of the Product Group. The Game Rules and Finance and Operations Procedures of the Mega Millions Lottery Game as adopted and amended

by the Mega Millions Lotteries are also incorporated herein. Any conflict between those Rules and Procedures and these Rules shall be interpreted in favor of the Mega Millions Lottery Game Rules and Operations Procedures.

Amended June 3, 2010 to be effective September 14, 2010; March 29, 2013; June 5, 2014.

1.1 First Review. The Product Group shall have the first opportunity to informally resolve any disputes arising between or among 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 MUSL Executive Director. If the Product Group fails to resolve the dispute to the satisfaction of any party to the dispute within sixty (60) days after receiving notice of the dispute, the aggrieved Party Lottery may seek any other remedy authorized by the Multi-State Lottery Agreement (the MUSL Agreement), or the Cross-Selling Agreement with the Mega Millions Lotteries.

Amended March 29, 2013.

1.2 Voting. The Product Group shall use a dual system of voting. One (1) vote will be taken in which each Party Lottery has one (1) vote (member vote). A second vote will be taken in which each Party Lottery has a number of votes equivalent to its proportionate percentage of the total game's sales for the one-year period immediately previous to the vote (sales vote). If a Party Lottery has less than a one-year history of sales, then that Party Lottery's vote for the period without sales will be calculated using average per capita sales applied to its total population (as per the most recent U.S. Census). In no case, however, shall a Party Lottery's sales vote exceed fifteen percent (15%) of the total sales vote. Unless a different percentage is provided in these rules, the percentage of votes necessary to allow action by the Product Group shall be more than fifty percent (50%) of the votes cast pursuant to both methods of voting. All sales voting percentages shall be calculated exclusive of Mega Millions Agreement Member Lottery sales.

Amended March 29, 2013.

1.3 Amendment of Rules. These Product Group Rules may be amended upon a vote of more than two-thirds (2/3) of the votes cast pursuant to both methods of voting.

Amended March 29, 2013.

1.4 Quorum. The quorum necessary to hold an official meeting of the Product Group shall be representation in person or by proxy from more than fifty percent (50%) of all members. If neither the Chair nor Vice-Chair can attend a scheduled meeting in person, then the meeting shall be rescheduled.

Amended March 29, 2013.

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

MM Rule 2 Reserved.

MM RULE 3—BUDGET.

3.1 Duties of Executive Director. Annually or on a more frequent basis, the Executive Director shall prepare and submit to the Product Group Chair a proposed budget and fees for the Party Lotteries to pay the Product Group for the services it renders to them and shall be paid as a fee for services 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.

If a lottery withdraws from participation in the product group without giving proper notice of such withdrawal before approval of the group's budget, then that Participating Lottery shall not be entitled to a refund of its contributions to the budget.

If the Product Group terminates before the end of a fiscal year, all unspent funds shall be returned to the lotteries, which contributed to the Group's budget, however Group contributions to MUSL overhead expenses shall not be refunded.

Amended March 29, 2013; June 5, 2014; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE 4—DRAWINGS.

The Executive Director shall establish, with Product Group approval, the minimum drawing procedures to be established for the drawing of winning numbers and shall work with the lottery conducting the drawing to implement the procedures. The Drawing Procedures shall include procedures for randomly selecting the Winning Numbers and the Megaplier® multiplier.

Drawings shall be held at the times and places established by the Product Group and the results shall be subsequently announced to the public. All drawings shall be open to the public and shall be witnessed by an independent certified public accounting firm and other Selling Lottery officials as may be required by jurisdiction statute.

The Party Lottery Director shall determine the time for the end of sales prior to the drawings, which shall not be less than a minimum of fifteen (15) minutes between the close of the game Play sales and the time of the drawing for those Plays sold. Terminals shall not process plays for that drawing after the time established by the Party Lottery Director.

The Product Group shall designate or delegate the type of drawing equipment to be used and any equipment used in a drawing shall be inspected and tested by the draw officials in the presence of an independent certified public accounting firm before the drawing. All drawings, inspections, and tests shall be recorded.

Amended June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM Rule 5 Reserved.

MM RULE 6—RECORDS MANAGEMENT.

6.1 Records Defined. "Records" shall mean any document, paper, photograph, or recording made or received, in whatever form, 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.

Amended June 15, 2017 to be effective with the drawing on October 31, 2017

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 inspection by Party Lotteries in a reasonable and responsible manner.

Amended June 14, 2016.

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.

MM Rule 7 Reserved.

MM RULE 8—PETITION FOR ADMISSION.

8.1 Minimum ICS Standards. A Lottery seeking admission to the Product Group shall have a fully tested internal control system that meets or exceeds the minimum standards set forth in MUSL Rule 2 (Minimum ICS Standards) before sales of Plays commence. The Security and Integrity Committee shall review the internal control systems of each lottery seeking admission to the Product Group for compliance with Rule 2 (Minimum ICS Standards) and shall issue a written report summarizing its findings.

Amended March 29, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017

8.2 Other Admission Requirements. The Product Group shall determine other admission requirements as allowed by the MUSL Agreement and in the Cross-Selling Agreement.

Comment. At its first meeting on December 9, 2009, it was decided that all members agreeing to sell before June 30 will have a vote for the development of these rules; once Plays go on sale anywhere, only selling lotteries will have a vote.

Comment Amended June 14, 2016.

MM 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 (2/3) of the members pursuant to both methods of voting in conformance with the MUSL Agreement. If the Product Group votes to expel a Party Lottery as provided in the MUSL Agreement, the Party Lottery being considered for expulsion shall be excluded from the vote in that proceeding and in the voting calculations outlined in these Product Group Rules.

Amended March 29, 2013; June 25, 2013.

MM RULE 10—ADVERTISING.

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

Amended June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

10.2 Grand Prize Estimate. No Party Lottery may publicize an advertised Grand Prize amount or guaranteed Grand Prize amount that is different than the estimated Grand Prize amount provided to the Party Lotteries by the Product Group.

Amended March 29, 2013; June 14, 2016.

MM RULE 11—TICKET PRICE

11.1 Uniform Price. Each Play shall be sold at retail for the price set by the Product Group.

Amended June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

11.2 Taxes. The Play price set by the Product Group shall include all the applicable taxes that a Party Lottery may be required to collect.

Amended March 29, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

11.3 Discounts, Rebates, and Promotions. A Party Lottery may offer Plays through discounts, rebates, or promotions, without Product Group approval for a period not to exceed ninety (90) days in any six-month period, as long as the full prize share is paid to the Product Group, without discount, and after a notice advising all Group members of the terms and dates of the offering.

Amended June 3, 2010 to be effective September 14, 2010; March 29, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

11.4 Plays as Prizes. Nothing in this rule shall prohibit a Party Lottery from offering Plays as a prize in any other non-MUSL game or promotion operated by the Party Lottery after advising all Group members of the terms and dates of the offering. A Selling Lottery may offer other discounts, rebates, or promotions as may be approved by the Product Group.

Amended June 3, 2010 to be effective September 14, 2010; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

11.5 Contribution to Prize Pool. Party Lotteries that offer Plays 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 Play sold at the uniform price.

Amended March 29, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. Rules 11.3 and 11.4 are intended to require reporting only where the price of the Play is reduced by a promotion or is given away for free. A Party Lottery need not report promotions that do not change the price of a Play. Promotions that increase the “value” of a Play or that offer other lottery games free or at a reduced price with the purchase of a Play do not need to be reported. The intent of the rule is to advise contiguous lotteries when their players might find that they can get the same Play at a reduced price from another lottery – not that they can get that other lottery’s games at a reduced price.

Comment last amended June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE 12—SALE OF PLAYS

12.1 Authorized Agents. Plays shall be sold only through agents and means authorized by a Party Lottery.

Amended June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

12.2 Ticket Stock. Plays sold through the Product Group shall be sold through a Party Lottery and, other than ticketless transaction Plays, shall be printed on ticket stock that meets the security requirements for ticket stock used in the Party Lottery's other games and other requirements adopted by the MUSL Board and the Product Group.

Amended March 29, 2013; June 25, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

12.3 MUSL Markings. All Play Slips used in the game shall contain registered game trademarks and shall communicate other information as may be required by the MUSL Board and the Product Group.

Amended March 29, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

12.4 Game Sell Out Prohibited. No Party Lottery shall directly and knowingly sell a Play or combination of Plays to any person or entity that would guarantee such purchaser a Grand Prize win.

Amended March 29, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

12.5 Location and Method of Sales. An offer to buy and an offer to sell a Play sold through the Product Group shall be made only at a location or only by a method that is licensed, certified, authorized, or contracted by the Party Lottery.

Amended March 29, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE 13—PRIZE PAYMENTS.

No Party Lottery may pay prizes that are less than or more than the prize amounts established by the Mega Millions Lotteries and the Product Group. The prize won cannot be indirectly increased by Party Lottery promotions or agent promotions that have the effect of increasing the designated prize.

Amended March 29, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. The MUSL Party Lotteries and the Mega Millions Lotteries have agreed that if either group needs to pay pari-mutuel low-tier prizes under that games rules, then both sides will pay pari-mutuel low-tier prizes.

MM RULE 14—MEGA MILLIONS PRIZE POOL TRANSFERS.

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 Mega Millions prize pool less actual Mega Millions low-tier prize liability and its total proportionate share of the Just the Jackpot™ prize pool. If this results in a negative amount, the MUSL central office shall transfer funds from the appropriate prize pool to the Party Lottery.

In the event of a win at a MUSL Lottery, the Mega Millions Clearinghouse shall collect the total proportionate share of the Grand Prize pool from the Mega Millions Lotteries and shall transfer that amount to MUSL within 15 calendar days from the date of the winning draw.

Amended Dec 31, 2009; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. The Mega Millions Lottery's Mega Millions Clearinghouse is currently the Virginia Lottery.

Comment last amended June 14, 2016.

14.2 Grand Prize Funds Transferred to Lottery. Grand Prize amounts held by MUSL shall be transferred to a Party Lottery having a winner in the Mega Millions game on a schedule approved by the Product Group and after MUSL has collected the prize pool shares from all Participating Lotteries selling the Mega Millions lottery game.

Amended Dec 31, 2009; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. See Rule 19 for the approved schedule.

14.3 Unclaimed Prizes.

(a) All funds to pay a Grand Prize that went unclaimed shall be returned to Selling Lotteries in proportion to sales by Selling Lotteries for the Grand Prize in question after the claiming period set by the Selling Lottery selling the winning Play expires.

If after a winning Play has not been claimed or redeemed and the corresponding prize monies have been returned to Party Lotteries pursuant to this Rule, a claim is made or redemption sought which a Party Lottery pays (i) as a result of the provisions of the Servicemembers Civil Relief Act (50 U.S.C. App. §3901 et seq. as amended) (SCRA); (ii) as a result of jurisdictional legislation adopted to satisfy the requirements of the SCRA; or (iii) as a result of jurisdictional legislation requiring such payment to a member of the armed forces who was engaged in active military service outside the paying Party Lottery jurisdiction when the usual permitted time period to make a claim or seek redemption expired, each other Party Lottery, that was a Party Lottery at the time of the drawing, shall reimburse the paying Party Lottery in an amount equal to the amount such other Party Lottery would have contributed to the prize had the claim been made or redemption sought within the usual permitted time period for that claim or redemption. The provisions of this rule shall remain in force and effect and be binding upon the Party Lotteries without regard to whether the Mega Millions game remains in existence and/or whether the Party Lottery seeking reimbursement has withdrawn from the game at the time a Party Lottery seeks reimbursement pursuant to this rule.

Amended March 29, 2013; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

(b) The return of unclaimed Grand Prize funds shall occur promptly upon the termination of the relevant claim period for the Participating Lottery in which the unclaimed Grand Prize Play was purchased. Interest accretion on any securities purchased to fund the unclaimed Grand Prize will be reflected in market rates at the time of liquidation by the Purchaser of the securities. The Purchaser shall return interest earned on unclaimed cash value option Grand Prizes based on the interest yields realized on such funds during the claim period.

Amended June 5, 2014; June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

(c) By agreement with the Mega Millions Lotteries, the Product Group will not participate in the sharing of liabilities at the low-tier prize level (all prizes below the Grand Prize) and shall not reconcile unclaimed low-tier prizes with the Mega Millions Lotteries.

MM Rules 15 through 18 Reserved.

MM RULE 19—FUNDS TRANSFER.

Funds shall be collected from each Party Lottery by wire transfer, electronic funds transfer, or by other means acceptable to the Product Group. The amount to be transferred shall be calculated in accordance with Product Group rules. The Product Group shall determine collection days. If MUSL is unable to collect all funds in a timely manner for the transfer to the winning lottery(ies), the MUSL may borrow the funds from other appropriate Mega Millions Product Group cash reserves, or from the MUSL Operations Account, following notice to the Product Group Officers, the Finance & Audit Committee, and the Executive Committee. The borrowed funds shall be immediately replenished upon collection of prize funds from the party lotteries.

Amended March 29, 2013; May 13, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. At its meeting on December 23, 2009, the Product Group determined that funds shall be collected weekly from the Party Lotteries on the Monday, or the first banking day, that is thirteen (13) days from the applicable Tuesday drawing and ten (10) days from the applicable Friday drawing. By agreement with the Mega Millions Lotteries, MUSL will transfer the funds to the Mega Millions Lottery's Mega Millions Clearinghouse (currently the Virginia Lottery) within thirteen (13) calendar days from the date of the winning draw at a Mega Millions Lottery. The Mega Millions Lottery's Mega Millions Clearinghouse shall collect the funds from the Mega Millions Lotteries and shall transfer their Grand Prize prize share to MUSL within fourteen (14) calendar days of a winning draw at a MUSL Lottery. If funds are needed to pay a prize when due the MUSL may borrow the funds from other accounts of this Product Group, or the MUSL Operations Account, after notice to the Product Group Officers, the Finance & Audit Committee, and the Executive Committee. The borrowed funds shall be immediately replenished upon collection of prize funds from the party lotteries.

Comment last updated June 15, 2017 to be effective with the drawing on October 31, 2017.

MM Rule 20 Reserved.

MM RULE 21—ADVANCE SALES.

Proceeds from advance sales may be held by the Party Lottery until the draw date for which the Play applies.

Amended June 14, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM Rules 22 through 25 Reserved.

PART II MEGA MILLIONS GAME RULES

Last Amendment June 15, 2017 to be effective with the drawing on October 31, 2017. Comments last updated June 15, 2017 to be effective with the drawing on October 31, 2017.

MM 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. Capitalized terms used but not defined in these rules shall have the meanings ascribed to them in the MUSL Agreement.

26.1 “Advertised Grand Prize”. “Advertised Grand Prize” shall mean the estimated annuitized Grand Prize amount as determined by the Mega Millions Finance Committee and communicated through the Selling Lotteries prior to the Grand Prize drawing. The “Advertised Grand Prize” is not a guaranteed prize amount and the actual Grand Prize amount may vary from the advertised amount, except in circumstances where there is a guaranteed Grand Prize amount as described in Rule 30.1(a).

Adopted June 14, 2016 to be effective with the drawing on October 18, 2016; Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

26.2 "Agent" or "retailer" means a person or entity authorized by a Party Lottery to sell lottery Plays.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

26.3 "Drawing" refers collectively to the formal draw event for randomly selecting the winning indicia that determine the number of winners for each prize level of the Mega Millions game. Winning indicia include the Winning Numbers for the Mega Millions game

Amended March 29, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016.

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

Amended March 29, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016.

26.5 “Finance & Audit Committee” shall mean the committee established by the Multi-State Lottery Association Agreement.

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

Amended March 29, 2013; June 25, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

26.7 “Jackpot” or “Grand Prize” shall refer to the top prize in the Mega Millions game.

Amended June 25, 2013 to be effective with the drawing on October 22, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

26.8 “Just the Jackpot™ Plays” (“JJ Plays”) shall refer to a purchased wager which includes two (2) JJ Plays as part of the Just the Jackpot promotion as described in Part IV of these Rules.

Adopted June 15, 2017 to be effective with the drawing on October 31, 2017

26.9 “Mega Millions Finance Committee” means a Committee of the Mega Millions Lotteries that determines the Grand Prize amount (cash value option and annuity).

Amended June 3, 2010 to be effective September 14, 2010; March 29, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016.

26.10 “Mega Millions Lottery or Lotteries” means those lotteries that have joined under the Mega Millions Lottery Agreement; the group of lotteries that has reached a Cross-Selling Agreement with this MUSL Product Group for the selling of the Mega Millions Game.

Amended March 29, 2013.

26.11 “Mega Millions Plays” (MM Plays) shall refer to Plays purchased as part of the Mega Millions game, but shall not include JJ Plays or Megaplier Plays.

Adopted June 15, 2017 to be effective with the drawing on October 31, 2017.

26.12 “Megaplier” shall refer to the Megaplier Promotion described in Part III of these Rules.

Adopted June 15, 2017 to be effective with the drawing on October 31, 2017.

26.13 “Megaplier Plays” shall refer to Plays purchased as part of the Megaplier Promotion described in Part III of these Rules.

Adopted June 15, 2017 to be effective with the drawing on October 31, 2017.

26.14 “MUSL” means the Multi-State Lottery Association, a government-benefit association wholly owned and operated by the Party Lotteries.

26.15 “MUSL Board” means the governing body of the MUSL that is comprised of the chief executive officer of each Party Lottery.

Amended March 29, 2013.

26.16 “Participating Lottery” or “Selling Lottery” means a state lottery or lottery of a political subdivision or entity that is participating in selling the Mega Millions game and that may be a member of either MUSL or the Mega Millions Lotteries.

Amended March 29, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

26.17 “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 that has joined in selling the games offered by the MUSL Mega Millions Product Group.

Amended March 29, 2013.

26.18 “Play” or “Bet” means a set of six (6) numbers, the first five (5) from a field of seventy (70) numbers and the last one (1) from a field of twenty-five (25) numbers, that appear on a ticket or ticketless transaction as a single lettered selection and are to be played by a player in the game. Each Play is played separately in determining matches to winning numbers and prize amounts.

As used in these Rules, unless otherwise specifically indicated, “Play” or “Bet” includes both MM Plays and JJ Plays.

“Megaplier Plays” are separately described in Part III of these Rules.

Amended June 25, 2013 to be effective with the drawing on October 22, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

26.19 "Play Slip" or "Bet Slip" means a physical or electronic means by which a player communicates their intended play selection to the retailer as defined and approved by the Selling Lottery.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

26.20 “Product Group” or “the Group” means the group of lotteries that has joined together to offer the Mega Millions lottery game product pursuant to the terms of its Cross-Selling Agreement with the Mega Millions Lotteries, the Multi-State Lottery Agreement and the Product Group’s own rules.

Amended March 29, 2013; June 5, 2014.

26.21 "Set Prize", also referred to as “low-tier prize”, means all other prizes except the Grand Prize and, except in instances outlined in these rules, will be equal to the prize amount established by the MUSL Board for the prize level.

Amended June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016.

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

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

26.23 “Ticketless Transaction” shall include Plays sold through subscription, internet, or non-standard terminals.

Adopted June 25, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

26.24 "Winning numbers" means the indicia randomly selected during a Drawing event which shall be used to determine winning Plays for the Mega Millions game contained on a game ticket or ticketless transaction.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE 27—GAME DESCRIPTION.

27.1 (a) Mega Millions is a five (5) out of seventy (70) plus one (1) out of twenty-five (25) lottery game, drawn on the day(s), time(s) and location(s) as determined by the Mega Millions Lotteries, and which pays the Grand Prize, at the election of the player made in accordance with these rules or by a default election made in accordance with these rules, either on a graduated annuitized annual pari-mutuel basis or as a cash value option using a rate determined by the Mega Millions Finance Committee on a pari-mutuel basis. Except as provided in these rules, all other prizes are paid on a single payment basis.

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(b) Mega Millions winning numbers applicable to determine Mega Millions prizes will be determined on the day(s), time(s) and location(s) as determined by the Mega Millions Lotteries. During the drawing event, five (5) numbers shall be drawn from the first set of seventy (70) numbers, and one (1) number shall be drawn from the second set of twenty-five (25) numbers, which shall constitute the Winning Numbers.

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(c) To play Mega Millions, a player shall select (or computer pick) five (5) different numbers, from one (1) through seventy (70) and one (1) additional number from one (1) through twenty-five (25). The additional number may be the same as one of the first five numbers selected by the player.

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(d) MM Plays can be purchased for two dollars (U.S. \$2.00), including any specific statutorily-mandated tax of a Party Lottery to be included in the price of a lottery Play.

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(e) Plays may be purchased from a Party Lottery approved sales outlet in a manner as approved by the Party Lottery and in accordance with MUSL Rules.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

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

Amended June 5 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

27.3 Cancellations Prohibited. A Play may not be voided or canceled by returning the Play to the selling agent or to the lottery, including tickets that are printed in error. A Selling Lottery may develop an approved method of compensating retailers for plays that are not transferred to a player for a reason acceptable to the Selling Lottery. No Play that can be used to claim a prize shall be returned to the lottery for credit. Plays accepted by retailers as returned Plays and that cannot be re-sold shall be deemed owned by the bearer thereof.

Amended March 29, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. Each member should check ticket numbers of returned Plays and report any returned Plays that contain a match for all of the numbers drawn to MUSL as non-winners any returned Plays that contain a match for all of the Winning Numbers drawn. Plays cannot be canceled. Good retailer relations may require a Party Lottery to compensate a retailer for tickets that are misprinted, illegible or, for other reason that may be acceptable to the Party lottery, cannot be sold by the retailer. This rule permits each Party Lottery, at its discretion, to compensate a retailer for a returned Play that is not eligible to win a prize at the time it is returned to the Party Lottery. To avoid the appearance that a returned Play is being canceled, the lottery should require that the ticket not be placed in transit until after the applicable drawing. Returned Plays are accepted only for a Party Lottery's auditing purposes and shall have no effect on the outcome of the drawing for which they were issued or reduce the Party Lottery's contribution to the Grand Prize prize pool. Plays stolen by a retailer's hired clerk cannot be accepted by the lottery as canceled or returned Plays. Although the rule would permit a Party Lottery to compensate a retailer for the loss from theft if a lottery wishes to assume such a loss, the Plays cannot be canceled or returned to the lottery. The Plays are owned by, and winning plays may be claimed by the retailer.

Comment last amended June 15, 2017 to be effective with the drawing on October 31, 2017.

27.4 Player Responsibility. It shall be the sole responsibility of the player to verify the accuracy of the game Play or Plays and other data printed on the ticket or contained in a ticketless transaction. The placing of Plays is done at the player's own risk through the agent that is acting on behalf of the player in entering the Play or Plays. The purchaser of a Play or Plays through a ticketless transaction has the sole responsibility for verifying the accuracy and condition of the data at the time of purchase.

Amended March 29, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

27.5 Entry of Plays. Plays may only be entered manually using the lottery terminal keypad or touch screen or by means of a Play Slip as approved by the Party Lottery or by such other means as approved by the Party Lottery. Retailers shall not permit the use of Play Slips that are not approved by the Party Lottery. Retailers shall not permit any device to be physically or wirelessly connected to a lottery terminal to enter Plays, except as approved by the Party Lottery.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

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

Amended March 29, 2013; June 25, 2013; June 14, 2016 to be effective with the drawing on October 18,

2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

27.7 Maximum Purchase. Except for a ticketless transaction Play purchase when the Party Lottery has a process in place to allow players to make changes to their Play purchases in the event of a game change, the maximum number of consecutive drawings on a single Play purchase is twenty-six (26). The maximum number of consecutive drawings encompassed by a ticketless transaction Play purchase when the Party Lottery has a process in place to allow players to make changes to their Play purchases in the event of a game change is one hundred four (104).

Amended June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

27.8 In the event of a matrix change, the Party Lottery that issued the ticketless transaction will determine the option(s) available to ticketless transaction purchasers from that Party Lottery for the balance of Plays remaining on their ticketless transactions effective as of the date of the matrix change.

Amended March 29, 2013; June 5, 2014; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE 28—MEGA MILLIONS PRIZE POOL

28.1 Mega Millions Prize Pool. The prize pool for all prize categories offered by the Party Lotteries shall consist of up to fifty-five percent (55%) of each drawing period's sales, inclusive of any specific statutorily-mandated tax of a Party Lottery to be included in the price of a lottery MM Play, and inclusive of contributions to the prize pool accounts and prize reserve accounts, but may be higher or lower based upon the number of winners at each prize level, as well as the funding required to meet a guaranteed Annuity Grand Prize as may be required by Rule 30.1(a).

Amended Dec 31, 2009; September 21, 2010 to be effective December 1, 2010; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

28.2 Mega Millions Prize Pool Accounts and Prize Reserve Accounts. The Product Group shall set the contribution rates to the prize pool and prize reserve accounts established by this rule.

- (a) The following prize reserve accounts for the Mega Millions game are hereby established:
 - (i) The Prize Reserve Account (PRA) which is used to guarantee the payment of valid, but unanticipated, Grand Prize claims that may result from a system error or other reason, to fund deficiencies in the Set-Aside Pool, and to fund pari-mutuel prize deficiencies as defined and limited in Rules 28.3(c)(1)(a) and G(2)(a)(1).
- (b) The following prize pool accounts for the Mega Millions game are hereby established:
 - (i) The Grand Prize Pool (GPP), which is used to fund the current Grand Prize;
 - (ii) The Set Prize Pool (SPP), which is used to fund the Set Prizes. The SPP shall hold the temporary balances that may result from having fewer than

expected winners in the Set Prize (aka low-tier prize) categories. The Source of the SPP is the Party Lottery's weekly prize contributions less actual Set Prize liability; and

- (iii) The Set-Aside Pool (SAP) which is used to fund the payment of the awarded minimum starting annuity Grand Prizes and the minimum annuity Grand Prize increase, if necessary (subject to the limitations in these rules), as may be set by the Product Group. The source of the SAP funding shall accumulate from the difference between the amount in the Grand Prize Pool at the time of a Grand Prize win and the amount needed to fund Grand Prize payments as determined by the Mega Millions lotteries.

- (c) The above prize reserve accounts shall have maximum balance amounts or balance limiter triggers that are set by the Product Group and are detailed in the Comments to this Rule.

The maximum balance amounts and balance limit triggers are subject to review by the MUSL Board Finance and Audit Committee. The Finance and Audit Committee shall have two weeks to state objections, if any, to the approved maximum balance amounts or balance limiter triggers. Approved maximum balance amounts or balance limiter triggers shall become effective no sooner than two weeks after notice is given to the Finance and Audit Committee and no objection is stated or sooner if the Committee affirmatively approves the maximum balance amounts or balance limiter triggers. The Group may appeal the Committee's objections to the full Board. Group approved changes in the maximum balance amounts or balance limiter triggers set by the Product Group shall be effective only after the next Grand Prize win.

- (d) The contribution rate to the GPP from MM Plays shall be 37.6509% of sales.

An amount up to five percent (5%) of a Party Lottery's sales, including any specific statutorily mandated tax of a Party Lottery to be included in the price of a lottery play, shall be added to a Party Lottery's Mega Millions Prize Pool contribution and placed in trust in one or more prize pool and prize reserve accounts held by the Product Group at any time that the Party Lottery's share of the PRA is below the amounts designated by the Product Group. Details shall be noted in the Comments to this Rule.

- (e) The Product Group may determine to expend all or a portion of the funds in the prize pools (except the GPP) and the prize reserve accounts:
 - (i) for the purpose of indemnifying the Party Lotteries in the payment of prizes to be made by the Selling Lotteries; and

- (ii) for the payment of prizes or special prizes in the game, limited to prize pool and prize reserve contributions from lotteries participating in the special prize promotion, subject to the approval of the Board's Finance & Audit Committee or that Committee's failure to object after given two weeks' notice of the planned action, which actions may be appealed to the full Board by the Product Group.
- (f) The prize reserve shares of a Party Lottery may be adjusted with refunds to the Party Lottery from the prize reserve account(s) as may be needed to maintain the approved maximum balance and sales percentage shares of the Party Lotteries.
- (g) A Party Lottery may contribute to its sales percentage share of prize reserve accounts over time, but in the event of a draw down from a reserve account, a Party Lottery is responsible for its full sales percentage share of the prize reserve account, whether or not it has been paid in full.
- (h) Any amount remaining in the Mega Millions prize pool accounts or prize reserve accounts when the Product Group declares the end of the game shall be returned to the lotteries participating in the prize pool and prize reserve accounts after the end of all claim periods of all Selling Lotteries, carried forward to a replacement game, or otherwise expended in a manner at the election of the individual Members of the Product Group in accordance with jurisdiction statute.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013; June 25, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. The Mega Millions reserve accounts and any Mega Millions rollover monies, to the extent they exist, may be used to fund a deficiency in Megaplier prizes.

As required by Rule 28.2(a)(iii), on March 22, 2013, the Product Group set the maximum PRA balance amount at forty-five million dollars (\$45,000,000.00). On ____ the Product Group set the maximum PRA balance at TBD.

On September 21, 2010, the Product Group determined to set the additional prize reserve contribution for MM Plays at two and five-tenths percent (2.5%), effective December 1, 2010. On June 16, 2011, the Product Group determined to set the additional prize reserve contribution for MM Plays at one and five-tenths percent (1.5%) effective beginning with the drawing of July 1, 2011. On January 31, 2013 the Product Group determined to set the additional prize reserve contribution for MM Plays at one percent (1%) effective beginning with the drawing of April 2, 2013 (for a total prize pool of 51%). On ____ the Product Group determined to set the additional prize reserve contribution for MM Plays at TBD (TBD %) effective beginning with the drawing of October 31, 2017 (for a total prize pool of TBD %).

The prize reserve contribution shall be used to fund the prize reserve account until it reaches its maximum balance amounts. Once prize reserve account shares reach the Party Lottery's maximum balance amounts, prize reserve contributions will not be collected from those Party Lotteries.

Approval of the Group is required to change the prize pool and prize reserve deduction percentages, maximum balances and balance limit trigger levels.

Comment last Amended June 14, 2016 to be effective with the drawing on October 18, 2016.

28.3 Expected Prize Payout Percentages. The Grand Prize payout shall be determined on a pari-mutuel basis. Except as otherwise provided in these rules all other prizes awarded by Party Lotteries shall be paid as single payment prizes. All prize payouts are made with the following expected prize payout percentages, which does not include any additional amount contributed to or held in prize reserves, although the prize payout percentages per draw may vary:

Number of Matches Per MM Play	Prize Payment	MM Prize Pool Percentage Allocated to Prize	MM Sales Percentage Allocated to Prize
All five (5) of first set plus one (1) of second set.	Grand Prize	75.3018%*	37.6509%
All five (5) of first set and none of second set.	\$1,000,000.00	7.9319%	3.9659%
Any four (4) of first set plus one (1) of second set.	\$10,000.00	1.0742%	0.5371%
Any four (4) of first set and none of second set.	\$500.00	1.2889%	0.6445%
Any three (3) of first set plus one (1) of second set.	\$200.00	1.3749%	0.6875%
Any three (3) of first set and none of second set.	\$10.00	1.6498%	0.8249%
Any two (2) of first set plus one (1) of second set.	\$10.00	1.4436%	0.7218%
Any one (1) of first set plus one (1) of second set.	\$4.00	4.4752%	2.2376%
None of first set plus one (1) of second set.	\$2.00	5.4597%	2.7298%

** The Grand Prize shall include the MM Prize Pool percentage allocated to the Grand Prize combined with JJ Prize Pool percentage allocated to the Grand Prize.*

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

(a) The Grand Prize amount shall be divided equally by the number of MM Plays and JJ Plays winning the Grand Prize.

Amended March 29, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

(b) The SPP (for payment of single payment prizes of one million dollars (\$1,000,000.00) or less) shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the set prizes awarded in the current draw.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

(c) Pari-mutuel Prize Determinations.

(c)(1) Except as otherwise provided for in 28.3(c)(2):

(c)(1)(a) If the total of the Mega Millions Set Prizes (as multiplied by the respective Megaplier multiplier if applicable) awarded in a drawing exceeds the percentage of the prize pool allocated to the Mega Millions Set Prizes, then the amount needed to fund the Mega Millions Set Prizes, including Megaplier prizes, awarded shall be drawn from the following sources, in the following order:

Amended June 14, 2016 to be effective with the drawing on October 18, 2016.

(i) the amount available in the SPP and the Megaplier Prize Pool, if any;

Amended June 14, 2016 to be effective with the drawing on October 18, 2016.

(ii) an amount from the PRA, if available, not to exceed forty million dollars (\$40,000,000.00) per drawing.

(c)(1)(b) If, after these sources are depleted, there are not sufficient funds to pay the Set Prizes, including Megaplier prizes, then the highest Set Prize shall become a pari-mutuel prize. If the amount of the highest Set Prize, including Megaplier prizes, when paid on a pari-mutuel basis, drops to or below the next highest Set Prize and there are still not sufficient funds to pay the remaining Set Prizes awarded, then the next highest Set Prize shall become a pari-mutuel prize. This procedure shall continue down through all Set Prize levels, if necessary, until all Set Prize levels become pari-mutuel prize levels. In that instance, the money available from the funding sources listed in this Rule shall be divided among the winning MM Plays in proportion to their respective prize percentages. Mega Millions and Megaplier prizes will be reduced by the same percentage.

Amended June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016.

(c)(2) By agreement with the Mega Millions Lotteries, the Mega Millions Lotteries shall independently calculate their set pari-mutuel prize amounts. The Party Lotteries and the Mega Millions Lotteries shall then agree to set the pari-mutuel prize amount for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

Comment. The California Lottery is excluded from the Party Lotteries and other Licensee Lotteries pari-mutuel prize calculations.

(d) Except as may be required by Rule 30.1(a), the official advertised Grand Prize annuity amount is subject to change based on sales forecasts and/or actual sales.

Amended Dec 31, 2009; June 3, 2010 to be effective September 14, 2010.

(e) Subject to the laws and rules governing each Party Lottery, the number of prize categories and the allocation of the prize fund among the prize categories may be changed at the discretion of the Mega Millions Lotteries, for promotional purposes. Such change shall be announced by Mega Millions Lotteries.

MULTI STATE LOTTERY ASSOCIATION – MEGA MILLIONS GROUP (M2G2) RULES

MM RULE 29 PROBABILITY OF WINNING MEGA MILLIONS PRIZES. The following table sets forth the probability of winning and the probable distribution of winners in and among each prize category for MM Plays sold by Party Lotteries, based upon the total number of possible combinations in Mega Millions.

Number of Matches Per MM Play	Probability Distribution		Probable/Set Prize Amount
	Winners	Probability	
All five (5) of first set plus one (1) of second set	1	1:302,575,350	Grand Prize
All five (5) of first set and none of second set	24	1:12,607,306	\$1,000,000.00
Any four (4) of first set plus one (1) of second set	325	1:931,001	\$10,000.00
Any four (4) of first set and none of second set	7,800	1:38,792	\$500.00
Any three (3) of first set plus one (1) of second set	20,800	1:14,547	\$200.00
Any three (3) of first set and none of second set	499,200	1:606	\$10.00
Any two (2) of first set plus one (1) of second set	436,800	1:693	\$10.00
Any one (1) of first set plus one (1) of second set	3,385,200	1:89	\$4.00
None of first set plus one (1) of second set	8,259,888	1:37	\$2.00
Overall	12,610,038	1:24.0	

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE 30 PRIZE PAYMENT

30.1 Grand Prize

(a) The prize money allocated from the current Mega Millions prize pool for the Grand Prize, plus any previous portions of prize money allocated to the Grand Prize category in which no matching MM Plays or JJ Plays were sold will be divided equally among all Grand Prize winning MM Plays and JJ Plays in all Participating Lotteries. The annuity Grand Prize amount will be paid in thirty (30) graduated annual installments. Grand Prizes won shall be funded by the Selling Lotteries in accordance with the formula set by the Mega Millions lotteries. The Mega Millions lotteries may set a minimum guaranteed annuity Grand Prize amount that shall be advertised by the selling lotteries as the starting guaranteed annuity Grand Prize amount.

Amended Dec 31, 2009; June 3, 2010 to be effective September 14, 2010; March 29, 2013; June 25, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. The Annuitized Grand Prize amount and cash value Grand Prize amount shall be as determined by the Mega Millions Lotteries. The Mega Millions Lotteries have set the guaranteed starting annuity Grand Prize amount at \$12 million. Each successive Annuitized Grand Prize in the same roll cycle will be at least one million dollars (\$1,000,000.00) more than the previously established annuity Grand Prize amount. Beginning with the October 22, 2013 drawing, the Mega Millions lotteries have set the guaranteed starting annuity Grand Prize amount at fifteen million dollars (\$15,000,000.00); Each successive Annuitized Grand Prize in the same roll cycle will be at least five million dollars (\$5,000,000.00) more than the previously established annuity Grand Prize amount. Beginning with the October 31, 2017 drawing, the Mega Millions lotteries have set the guaranteed starting annuity Grand Prize amount at forty million dollars (\$40,000,000.00); Each successive Annuitized Grand Prize in the same roll cycle will be at least five million dollars (\$5,000,000.00) more than the previously established annuity Grand Prize amount

The prize amount of a Grand Prize winner electing the annuitized payout shall be the Annuitized Grand Prize amount, as determined by the Mega Millions Lotteries, divided by the number of total Grand Prize winning MM Plays and JJ Plays.

Comment last updated June 15, 2017 to be effective with the drawing on October 31, 2017.

(b) **Rollover.** If, in any Mega Millions drawing there are no MM Plays or JJ Plays that qualify for the Grand Prize category, the portion of the prize fund allocated to such Grand Prize category shall remain in the Grand Prize category and be added to the amount allocated for the Grand Prize category in the next consecutive Mega Millions drawing

Amended March 29, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

(c) Unless there is a different Party Lottery rule, Grand Prizes shall be paid, at the election of the player made no later than sixty (60) days after the player becomes entitled to the prize, with either a per winner annuity or cash payment. If the payment election is not made by the player within sixty (60) days after the player becomes entitled to the prize, then the prize shall be paid as an annuity prize. The election to take the cash value option may be made within sixty (60) days after the player becomes entitled to the prize. An election made after the winner becomes entitled to the prize is final and cannot be revoked, withdrawn or otherwise changed.

Amended March 29, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016.

(d) In the event of a prize winner who selects the cash value option, the prize winner's share shall be paid in a single payment upon completion of internal validation procedures. The cash value option shall be determined by the Mega Millions Lotteries.

Amended Dec 31, 2009; June 5 2014; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. The prize amount of a Grand Prize winner electing the cash value payout shall be the Grand Prize annuity amount, as determined by the Mega Millions Lotteries, divided by a rate established by the Mega Millions Finance Committee prior to each drawing, divided by the number of total Grand Prize winning MM Plays and JJ Plays.

Comment last updated June 15, 2017 to be effective with the drawing on October 31, 2017.

(e) Graduated annual payment option Grand Prizes shall be paid in thirty (30) graduated annual installments upon completion of internal validation procedures. The initial payment shall be paid upon completion of internal validation procedures. The subsequent twenty-nine (29) payments shall be paid graduated annually to coincide with the month of the Federal auction on date at which the bonds were purchased to fund the annuity, with graduated annual installments defined in the Mega Millions Lotteries' Finance and Operations Procedures. Payments shall escalate by a factor of five percent (5%) annually, and annual payments shall be rounded down to the nearest even one thousand dollar (\$1,000.00) increment. All such payments shall be made within seven (7) days of the anniversary of the annual auction date.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016.

(f) If individual shares of the Grand Prize Pool funds held to fund an annuity is less than two hundred fifty-thousand dollars (\$250,000.00), the Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the Grand Prize pool.

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5, 2014.

(g) Funds for the initial payment of an annuitized prize or the cash value option prize shall be made available by MUSL for payment by the Party Lottery on a schedule approved by the Product Group. If necessary, when the due date for the payment of a prize occurs before the receipt of funds in the prize pool trust sufficient to pay the prize, the transfer of funds for the payment of the full cash value option amount may be delayed pending receipt of funds from the Party Lotteries or other lotteries participating in the Mega Millions Game. A Party Lottery may elect to make the initial payment from its own funds after validation, with notice to MUSL.

Amended Dec 31, 2009; June 5, 2014.

Comment. On December 23, 2009, the Product Group approved a schedule to immediately transfer funds to a Party Lottery reporting a winner after the Party Lottery validates the prize claim, subject to the approved collection schedule for a transfer within fifteen (15) calendar days and the availability of funds to make the transfer. Grand Prize amounts held by MUSL shall be transferred to the Mega Millions Lottery's Mega Millions Clearinghouse, (currently the Virginia Lottery) within fifteen (15) calendar days after a Mega Millions Lottery reports a winner.

(h) In the event of the death of a lottery winner sold by a Party Lottery during the annuity payment period, unless prohibited by jurisdictional law, the MUSL Finance & Audit Committee, in its sole discretion excepting a discretionary review by the Product Group, upon the petition of the estate of the lottery winner (the "Estate") to the lottery of the jurisdiction in which the deceased lottery winner purchased the winning Play, and subject to federal, state, district or territorial applicable laws, may accelerate the payment of all of the remaining lottery proceeds to the Estate. If such a determination is made, 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 Finance & Audit Committee or the Product Group.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. This Rule is intended to provide players with the advantages offered by the changes made to 26 U.S.C. §451. These rules should be interpreted in a manner that is consistent with the purposes, requirements, and restrictions of that code section. A Party Lottery's share of MUSL non-game earnings may be used to fund annuity payments, as may be needed, in a manner other than provided for in this rule, due to mandates of local laws.

(i) If a Party Lottery purchases or holds the prize payment annuity for a prize won in that jurisdiction, that Party Lottery's game rules, and any prize payment agreement with the prize winner, shall indicate that the prize winner has no recourse on the MUSL or any other Party Lottery for payment of that prize.

30.2 Prize Payments. All prizes shall be paid through the Selling Lottery that sold the winning Plays, and at the discretion of the Selling Lottery may be paid by cash, checks, warrants or electronic transfers.

A Party Lottery may begin paying low-tier prizes after receiving authorization to pay from the MUSL central office.

Amended March 29, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

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

Prizes other than the Grand Prize that, under these rules, may become single-payment, pari-mutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

Amended March 29, 2013; June 5, 2014.

30.4 Reserved.

30.5 Reserved.

30.6 Limited to Highest Prize Won. The holder of a winning MM Play may win only one (1) prize per Play in connection with the winning numbers drawn, and shall be entitled only to the prize won by those numbers in the highest matching prize category. A JJ Play is not eligible to win non-Grand Prizes / non-Jackpot prizes. All liability for a Mega Millions prize are discharged upon payment of a prize claim.

Amended March 29, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

30.7 Prize Claim Period. Prize claims shall be submitted within the period set by the Party Lottery selling the Play. If no such claim period is established, all grand prize claims shall be made within one hundred eighty (180) days after the drawing date.

Amended March 29, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE 31—PLAY VALIDATION.

31.1 To be a valid Play and eligible to receive a prize, a Play’s ticket or ticketless transaction shall satisfy all the requirements established by a Party Lottery for validation of winning Plays sold through its computer gaming system and any other validation requirements adopted by the Product Group, the MUSL Board and published as the Confidential MUSL Minimum Game Security Standards. The MUSL and the Party Lotteries shall not be responsible for Plays that are altered in any manner.

Amended March 29, 2013; June 5 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

31.2 Under no circumstances will a claim be paid for either the Grand Prize or the Second Prize without an official Mega Millions ticket (or validly registered ticketless transaction) matching all game Play, serial number and other validation data residing in the selling Party Lottery’s computer gaming system and such ticket (or validly registered ticketless transaction) shall be the only valid proof of the wager placed and the only valid receipt for claiming or redeeming such prize.

Amended June 5, 2014; June 15, 2017 to be effective with the drawing on October 31, 2017.

31.3 In addition to the above, in order to be deemed a valid, winning Play, unless the Play is a validly registered ticketless transaction, all of the following conditions must be met:

- (a) The validation data must be present in its entirety and must correspond, using the computer validation file, to the number selections printed on the ticket for the drawing date(s) printed on the ticket;
- (b) The ticket must be intact;
- (c) The ticket must not be mutilated, altered, reconstituted, or tampered with in any manner;
- (d) The ticket must not be counterfeit or an exact duplicate of another winning ticket;
- (e) The ticket must have been issued by an authorized Mega Millions agent, selling agent or retailer on official paper stock of the selling Party Lottery or otherwise printed in compliance with MUSL Rule 2;

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

- (f) The ticket must not have been stolen, to the knowledge of the Party Lottery;
- (g) The ticket must be submitted for payment in accordance with Section 10 of the Mega Millions Lotteries Game Rules (Procedures for Claiming and Payment of Prizes);
- (h) The Play data must have been recorded on the computer gaming system prior to the drawing and the Play data must match this computer record in every respect. In the event of a contradiction between information as printed on the ticket and as accepted by the Party Lottery’s computer gaming system, the wager accepted by the Party Lottery’s computer gaming system shall be the valid wager;

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(i) The player or computer pick number selections, validation data and the drawing date(s) of an apparent winning Play must appear on the official file of winning Plays, and a Play with that exact data must not have been previously paid;

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(j) The play must not be misregistered, and the Play's ticket must not be defectively printed or printed or produced in error to an extent that it cannot be processed by the Party Lottery that issued the Play;

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(k) The Play must pass validation tests using a minimum of three (3) of the five (5) validation methods as defined in the Mega Millions Finance and Operations Procedures, Section 15. In addition, the Play must pass all other confidential security checks of the Party Lottery that issued the Play;

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(l) In submitting a Play for validation, the claimant agrees to abide by applicable laws, all rules and regulations, instructions, conditions and final decisions of the Director of the Party Lottery that issued the Play;

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(m) There must not be any other breach of these Mega Millions Rules in relation to the Play that, in the opinion of the Director of the Party Lottery that issued the Play, justifies invalidation.

Amended March 29, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

(n) The Play must be submitted to the Party Lottery that issued it.

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(o) Ticketless transaction Plays must meet the validation requirements of the Party Lottery that issued the Play.

Amended June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

31.4 A Play submitted for validation that fails any of the preceding validation conditions shall be considered void, subject to the following determinations:

Amended March 29, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

(a) In all cases of doubt, the determination of the Party Lottery that sold the Play, shall be final and binding; however, the Party Lottery may, at its option, replace an invalid Play with a Play of equivalent sales price;

Amended March 29, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

(b) In the event a defective ticket is purchased or in the event the Party Lottery determines to adjust an error, the Claimant's sole and exclusive remedy shall be the replacement of such defective or erroneous ticket(s) with a Play of equivalent sales price;

Amended June 15, 2017 to be effective with the drawing on October 31, 2017.

(c) In the event a Play is not paid by a Party Lottery and a dispute occurs as to whether the Play is a winning Play, the Party Lottery may, at its option, replace the Play as provided in paragraph (a) of this subsection. This shall be the sole and exclusive remedy of the Claimant unless the laws or regulations governing the Party Lottery provide for further administrative review.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE 32—PLAY RESPONSIBILITY.

32.1 Prize Claims. Prize claim procedures shall be governed by the rules of the Selling lottery. The MUSL and the Selling Lotteries shall not be responsible for prizes that are not claimed following the proper procedures as determined by the selling lottery.

Amended March 29, 2013; June 25, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

32.2 Reserved.

32.3 Stolen Plays. The Product Group, the MUSL and the Party Lotteries shall not be responsible for lost or stolen Plays.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

32.4 Ticketless Transactions. A receipt for a ticketless transaction Play has no value and is not evidence of a play. A ticketless transaction Play is valid when registered with the lottery in accordance with lottery rules and the person or, if permitted by the lottery rules, the persons registering the Play shall be the owner of the ticketless transaction play.

Amended June 25, 2013; June 5, 2014; June 15, 2017 to be effective with the drawing on October 31, 2017.

32.5 The Party Lotteries shall not be responsible to a prize claimant for Plays redeemed in error by a selling agent or retailer.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

32.6 Winners are determined by the numbers drawn and certified by the independent auditor responsible for auditing the Mega Millions draw. MUSL and the Party Lotteries are not responsible for Mega Millions winning numbers reported in error.

MM RULE 33—INELIGIBLE PLAYERS.

33.1 A Play or share for a MUSL game issued by the MUSL or any of its Party Lotteries shall not be purchased by, and a prize won by any such Play or share shall not be paid to:

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

(a) a MUSL employee, officer, or director;

Amended March 29, 2013.

(b) a contractor or consultant under agreement with the MUSL to review the MUSL audit and security procedures;

Amended March 29, 2013.

(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

Amended March 29, 2013.

(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.

33.3 A Play or share of the Mega Millions game may not be purchased in any lottery jurisdiction by any Party Lottery board member; commissioner; officer; employee; or spouse, child, brother, sister or parent residing as a member of the same household in the principle place of residence of any such person. Prizes shall not be paid to any persons prohibited from playing Mega Millions in a particular jurisdiction by rules, governing law, or any contract executed by the Selling Lottery.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE 34—APPLICABLE LAW.

In purchasing a Play, or attempting to claim a prize, purchasers and prize claimants agree to comply with and abide by all applicable laws, rules, regulations, procedures, and decisions of the Party Lottery where the Play was purchased, and by directives and determinations of the director of that Party Lottery.

Additionally, the player shall be bound to all applicable provisions in the Mega Millions Finance and Operations Procedures.

A prize claimant agrees, as its sole and exclusive remedy that claims arising out of a Play can only be pursued against the Party Lottery which issued the Play. Litigation, if any, shall only be maintained within the jurisdiction in which the Play was purchased and only against the Party Lottery that issued the Play. No claim shall be made against any other Party Lottery or against the MUSL.

Nothing in these Rules shall be construed as a waiver of any defense or claim the Party Lottery which issued the Play, any other Party Lottery, or MUSL may have in any litigation, including in the event a player or prize claimant pursues litigation against a Party Lottery or MUSL, or their respective officers, directors or employees.

All decisions made by a Party Lottery, including the declaration of prizes and the payment thereof and the interpretation of Mega Millions Rules, shall be final and binding on all Play purchasers and on every person making a prize claim in respect thereof, but only in the jurisdiction where the Play was issued.

Unless the laws, rules, regulations, procedures, and decisions of the Party Lottery which issued the Play provide otherwise, no prize shall be paid upon a Play purchased, claimed or sold in violation of these Rules or the laws, rules, regulations, procedures, and decisions of that Party Lottery; any such prize claimed but unpaid shall constitute an unclaimed prize under these Rules and the laws, rules, regulations, procedures, and decisions of that Party Lottery.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

PART III – SPECIAL GAME RULES: MEGA MILLIONS® MEGAPLIER® PROMOTION

Last amended June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE A — PROMOTION DESCRIPTION.

The Mega Millions Megaplier Promotion is a limited extension of the Mega Millions game and is conducted in accordance with the Mega Millions game rules and other lottery rules applicable to the Mega Millions game except as may be amended herein. The promotion will begin at a time announced by the Party Lottery and will continue until discontinued by the lottery. The Promotion will offer to the owners of a qualifying Megaplier Play a chance to multiply or increase the amount of any of the Set Prizes (the prizes normally paying two dollars (\$2.00) to one million dollars (\$1,000,000.00) won in a drawing held during the Promotion. The Grand Prize is not a Set Prize and will not be multiplied or increased by means of the Megaplier Promotion or the Just the Jackpot promotion.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5, 2014; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE B — QUALIFYING PLAY.

A qualifying Megaplier Play is any single Mega Millions Play for which the player pays an extra one dollar (\$1.00) for the Megaplier option and that is recorded on the Party Lottery's computer gaming system as a qualifying Megaplier Play. The purchase of Just the Jackpot Plays do not qualify to purchase a Megaplier Play.

Amended March 29, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE C — PRIZES TO BE INCREASED.

Except as provided in these rules, a qualifying Megaplier Play that wins one of the Set Prizes will be multiplied by the number drawn, either two, three, four, or five (2, 3, 4, or 5), in a separate random Megaplier drawing announced in a manner approved by the Product Group.

Amended June 3, 2010 to be effective when promulgated by the lottery and September 21, 2010 to be effective to be effective December 1, 2010; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5, 2014; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE D — MEGAPLIER DRAWS.

MUSL will either itself conduct, or authorize a U.S. Lottery to conduct on its behalf, a separate random "Megaplier" drawing. Before each Mega Millions drawing a single number (2, 3, 4 or 5) shall be drawn. The Product Group may change one or more of the multiplier features for special promotions from time to time. In the event the multiplier drawing does not occur prior to the Mega Millions drawing, the multiplier number will be a 5 (five), which shall solely be determined by the lottery authorized to conduct the "Megaplier" drawing.

Amended September 21, 2010 to be effective December 1, 2010; October 25, 2011; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5, 2014.

MM RULE E — PRIZE POOL.

E(1) Megaplier Prize Pool.

(a) The Megaplier Prize Pool (MPP) is hereby created, and shall be used to fund Megaplier prizes. The MPP shall hold the temporary balances that may result from having fewer than expected winning Megaplier Plays. The source of the MPP is the Party Lottery's weekly prize contributions less actual Megaplier Prize liability.

(b) Up to fifty-five percent (55%) of each drawing period's sales, as determined by the Game Group, including any specific statutorily-mandated tax of a Party Lottery to be included in the price of a lottery ticket, shall be collected for the payment of Megaplier prizes.

(c) Prize payout percentages per draw may vary. The MPP shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the Megaplier prizes awarded in the current draw and held in the MPP.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013; June 25, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment: On September 21, 2010, the Product Group determined to set the Megaplier Prize Pool at fifty-two and five-tenths percent (52.5%), effective December 1, 2010. On June 16, 2011, the Product Group determined to set the Megaplier Prize Pool at fifty-one and five-tenths percent (51.5%) effective beginning with the drawing of July 1, 2011. On January 31, 2013 the Product Group determined to set the Megaplier Prize Pool at fifty percent (50%) effective beginning with the drawing on April 2, 2013. On _____ the Product Group determined to set the Megaplier Prize Pool at TBD (TBD %) effective beginning with the drawing on October 31, 2017.

E(2) End of Game. Any amount remaining in the MPP when the Product Group declares the end of this game shall be returned to the lotteries participating in the account after the end of all claim periods of all Selling Lotteries, carried forward to a replacement game or otherwise expended in a manner at the election of the individual Members of the Product Group in accordance with jurisdiction law.

Amended March 29, 2013; June 25, 2013; June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016.

MULTI STATE LOTTERY ASSOCIATION – MEGA MILLIONS GROUP (M2G2) RULES

E(3) Expected Prize Payout. Except as provided in these rules, all prizes awarded shall be paid as single payment set prizes. Instead of the Mega Millions set prize amounts, qualifying Megaplier Plays will pay the amounts shown below when matched with the Megaplier number drawn:

Prize Levels	Standard	With Megaplier Purchase			
Prize Levels with Megaplier Purchase and Multiplier					
	Standard	2x	3X	4X	5X
Match 5+0	\$1,000,000.00	\$2,000,000.00	\$3,000,000.00	\$4,000,000.00	\$5,000,000.00
Match 4+1	\$10,000.00	\$20,000.00	\$30,000.00	\$40,000.00	\$50,000.00
Match 4+0	\$500.00	\$1,000.00	\$1,500.00	\$2,000.00	\$2,500.00
Match 3+1	\$200.00	\$400.00	\$600.00	\$800.00	\$1,000.00
Match 3+0	\$10.00	\$20.00	\$30.00	\$40.00	\$50.00
Match 2+1	\$10.00	\$20.00	\$30.00	\$40.00	\$50.00
Match 1+1	\$4.00	\$8.00	\$12.00	\$16.00	\$20.00
Match 0+1	\$2.00	\$4.00	\$6.00	\$8.00	\$10.00
The Megaplier Promotion and multiplier numbers do not apply to the Mega Millions Grand Prize.					

Amended March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 5, 2014; June 15, 2017 to be effective with the drawing on October 31, 2017.

In certain rare instances, the Mega Millions set prize amount may be less than the amount shown. In such case, the Megaplier prizes will be a multiple of the changed Mega Millions prize amount announced after the draw. For example, if the Match 4+1 Mega Millions set prize amount of ten thousand dollars (\$10,000.00) becomes two thousand dollars (\$2,000.00) under the rules of the Mega Millions game, then a Megaplier player winning that prize amount with a 4X multiplier would win eight thousand dollars (\$8,000): two thousand dollars multiplied by four (\$2,000.00 x 4).

Amended June 3, 2010 to be effective when promulgated by the lottery and September 21, 2010 to be effective December 1, 2010; October 25, 2011; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE F — PROBABILITY OF WINNING.

The following table sets forth the probability of the various Megaplier numbers being drawn during a single Mega Millions drawing. The Product Group may elect to run limited promotions that may modify the multiplier features.

Megaplier	Probability of Prize Increase
5X - Prize Won Times 5	1 in 15
4X - Prize Won Times 4	3 in 15
3X - Prize Won Times 3	6 in 15
2X - Prize Won Times 2	5 in 15

The Megaplier Promotion and multiplier numbers do not apply to the Mega Millions Grand Prize.

Amended June 3, 2010 to be effective when promulgated by the lotteries and September 21, 2010 to be effective December 1, 2010; October 25, 2011; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013; June 15, 2017 to be effective with the drawing on October 31, 2017.

MM RULE G – LIMITATION ON PAYMENT OF MEGAPLIER PRIZES

G(1) Prize Pool Carried Forward. The prize pool percentage allocated to the Megaplier set prizes shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the set prizes awarded in the current draw or may be held in a prize reserve account.

G(2)(a) Pari-Mutuel Prizes—All Prize Amounts. Except as otherwise provided for in G(2)(b):

G(2)(a)(1) If the total of the original Mega Millions set prizes and the Megaplier prize amounts awarded in a drawing exceeds the percentage of the prize pools allocated to the set prizes, then the amount needed to fund the Set Prizes (including the Megaplier prize amounts) awarded shall be drawn from the following sources, in the following order:

- (i) the amount available in the SPP and the MPP , if any;
- (ii) an amount from the PRA, if available in the account, not to exceed forty million dollars (\$40,000,000.00) per drawing.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016.

G(2)(a)(2) If, after these sources are depleted, there are not sufficient funds to pay the Set Prizes awarded (including Megaplier prize amounts), then the highest Set Prize (including the Megaplier prize amounts) shall become a pari-mutuel prize. If the amount of the highest Set Prize, when paid on a pari-mutuel basis, drops to or below the next highest Set Prize and there are still not sufficient funds to pay the remaining Set Prizes awarded, then the next highest Set Prize (including the Megaplier prize amount) shall become a pari-mutuel prize. This procedure shall continue down through all Set Prizes levels, if necessary, until all Set Prize levels become pari-mutuel prize levels. In that instance, the money available from the funding sources listed in this rule shall be divided among the winning MM Plays in proportion to their respective prize percentages. Mega Millions and Megaplier prizes will be reduced by the same percentage.

Amended June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

Comment. By action on June 25 effective with the October 22, 2013 drawing, the Product Group agreed to combine the Mega Millions and Megaplier prize pools in the rare instance when the set prizes, including the Megaplier prizes, pursuant to the rules, are paid on a pari-mutuel basis. Monies from the GPP may not be used to fund Mega Millions Set Prizes or Megaplier prize payments.

Comment amended June 14, 2016 to be effective with the drawing on October 18, 2016.

G(2)(b) By agreement with the Mega Millions Lotteries, the Mega Millions Lotteries shall independently calculate their set pari-mutuel prize amounts, including the Megaplier prize amounts. The Party Lotteries and the Mega Millions Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013; June 25, 2013 to be effective with the drawing on October 22, 2013.

Comment. The California Lottery is excluded from the Party Lotteries and other Licensee Lotteries pari-mutuel prize calculations.

MM RULE H – PRIZE PAYMENT

H(1) Prize Payments. All Megaplier prizes shall be paid in one single payment through the Party Lottery that sold the winning Megaplier Play(s). A Party Lottery may begin paying Megaplier prizes after receiving authorization to pay from the MUSL central office.

Amended June 5, 2014; June 14, 2016 to be effective with the drawing on October 18, 2016; June 15, 2017 to be effective with the drawing on October 31, 2017.

H(2) Prizes Rounded. Prizes that, under these rules, may become pari-mutuel prizes, may be rounded down so that prizes can be paid in whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the MPP for the next drawing.

Amended September 21, 2010 to be effective December 1, 2010; March 29, 2013; June 14, 2016 to be effective with the drawing on October 18, 2016.

PART IV– SPECIAL GAME RULES: MEGA MILLIONS® JUST THE JACKPOT™ PROMOTION

Adopted June 15, 2017 to be effective with the drawing on October 31, 2017.

Party Lotteries have the individual discretion whether to offer the Just the Jackpot Promotion. Party Lotteries offering the Just the Jackpot promotion agree to adhere to the following Rules.

MM RULE JJ 1 — PROMOTION DESCRIPTION.

JJ1.1 The Mega Millions Just the Jackpot Promotion is a limited extension of the Mega Millions game and is conducted in accordance with the Mega Millions game rules and other lottery rules applicable to the Mega Millions game except as may be amended herein, and any other lottery rules applicable to this Promotion. All rules applicable to the Mega Millions Game in Parts I and II of these rules are applicable to the Just the Jackpot Promotion unless otherwise indicated.

JJ1.2 The Promotion will begin at a time announced by the Party Lottery and will continue until discontinued by the lottery.

The Promotion will offer to players a chance to purchase two (2) Just the Jackpot Plays (JJ Plays) for three dollars (\$3.00); Each JJ Play purchased will qualify the player for a chance to win the Grand Prize, and no other prize levels.

A JJ Play must match exactly all of the Mega Millions Grand Prize winning numbers in order to win the Mega Millions Grand Prize. A JJ Play is not eligible to win non-Grand Prizes / non-Jackpot prizes in the Just the Jackpot Promotion.

JJ1.3 Just the Jackpot winning Plays will be paid the Mega Millions Grand Prize, at the election of the player made in accordance with these rules or by a default election made in accordance with these rules, either on a graduated annuitized annual pari-mutuel basis or as a cash value option using a rate determined by the Mega Millions Finance Committee on a pari-mutuel basis. All provisions in Parts (I) and (II) of these Rules regarding payment of the Mega Millions Grand Prize are applicable to Just the Jackpot winning Play(s). The Grand Prize amount shall be divided equally by the number of MM Plays and JJ Plays winning the Grand Prize.

JJ1.4 The winning numbers for Just the Jackpot Promotion shall be the winning numbers for the Grand Prize drawn in the Mega Millions drawing. Mega Millions winning numbers applicable to determine Just the Jackpot prizes will be drawn on the day(s), time(s) and location(s) as determined by the Mega Millions Lotteries.

JJ1.5 To play Just the Jackpot, a player shall select (or computer pick) two (2) sets of five (5) different numbers, from one (1) through seventy (70) and one (1) additional number from one (1) through twenty-five (25). The additional number may be the same as one of the first five numbers selected by the player. Each set of numbers shall constitute a single lettered selection, or single “Play” as that term is defined in Rule 26.15. The two (2) sets of numbers

selected in each three dollar (\$3.00) JJ Plays purchase may be the same between the Plays. The two (2) Plays for each three dollar (\$3.00) JJ Plays purchase shall be for the same drawing, although a lottery may sell multi-draw JJ Plays as well.

JJ1.6 The purchase price of JJ Plays shall be three dollars (US \$3.00) for two (2) single lettered selection of JJ Plays, including any specific statutorily-mandated tax of a Party Lottery to be included in the price of lottery JJ Plays. JJ Plays may be purchased from a Party Lottery approved sales outlet in a manner as approved by the Party Lottery and in accordance with MUSL Rules. Except for ticketless transactions, JJ Plays must be printed on separate tickets from MM Plays and must clearly indicate the Plays are for the Just the Jackpot Promotion. Each JJ Play is played separately in determining matches to winning numbers and prize amounts.

JJ1.7 The Grand Prize will not be multiplied or increased by means of the Megaplier Promotion.

MM RULE JJ 2 — Reserved.

MM RULE JJ 3 — Reserved.

MM RULE JJ4 — Reserved.

MM RULE JJ 5 — PRIZE POOL CONTRIBUTIONS.

JJ5.1 Mega Millions Prize Pool. The prize pool for JJ Plays shall consist of up to fifty-five percent (55%) of each drawing period's sales, inclusive of any specific statutorily-mandated tax of a Party Lottery to be included in the price of a lottery's JJ Play, and inclusive of contributions to the prize pool accounts and prize reserve accounts, but may be higher or lower based on the funding required to meet a guaranteed annuity Grand Prize as may be required by Rule 30.1(a).

JJ5.2 Mega Millions Prize Pool Account and Prize Reserve Account contributions. The Product Group shall set the contribution rates to the Just the Jackpot prize pool and prize reserve accounts established by this rule.

- (i) The contribution rate for JJ Plays to the GPP shall be 50.2012% of sales.

An amount up to five percent (5%) of a Party Lottery's JJ Play sales, including any specific statutorily mandated tax of a Party Lottery to be included in the price of a lottery's JJ Play, shall be added to a Party Lottery's Just the Jackpot Prize Pool contribution and placed in trust in one (1) or more prize pool and prize reserve accounts held by the Product Group at any time that the Party Lottery's share of the PRA is below the amounts designated by the Product Group; details shall be noted in the Comments to this Rule.

All provisions regarding the GPP and PRA as described in Rule 28 and otherwise in Part II of these Rules are applicable to JJ Play contributions to the GPP and PRA.

Comment: On ____ the Product Group determined to set the additional prize reserve contribution for JJ Plays at TBD percent (TBD %) effective beginning with the drawing of October 31, 2107 (for a total prize pool of 50.2012 + TBD %).

The prize reserve contribution shall be used to fund the PRA until it reaches its maximum balance amounts. Once PRA shares reach the Party Lottery's maximum balance amounts, prize reserve contributions will not be collected from those Party Lotteries.

Approval of the Product Group is required to change the prize pool and prize reserve deduction percentages, maximum balances and balance limit trigger levels.

MULTI STATE LOTTERY ASSOCIATION – MEGA MILLIONS GROUP (M2G2) RULES

MM RULE JJ5.3 — Expected Prize Payout Percentage. The Mega Millions Grand Prize payout shall be determined on a pari-mutuel basis. All prize payouts are made with the following expected prize payout percentages, which does not include any additional amount contributed to or held in prize reserves:

Number of Matches Per JJ Play	Prize Payment	JJ Prize Pool Percentage Allocated to Prize	JJ Sales Percentage Allocated to Prize
All five (5) of first set plus one (1) of second set.	Grand Prize	100%*	50.2012%
All other matching combinations	No Prize	0%	0%

** JJ Prize Pool percentage allocated to the Grand Prize shall be combined with MM Prize Pool percentage allocated to the Grand Prize.*

(a) The Grand Prize amount shall be divided equally by the number of MM Plays and JJ Plays winning the Mega Millions Grand Prize.

PART V — AMENDMENTS

The SCEL Executive Director, as authorized by the Board of Commissioners, consistent with the Mega Millions® Product Group, may, from time to time, revise or amend the MEGA MILLIONS® Game Rules.

_____/s/_____
Hogan Brown, Interim Executive Director

October 25, 2017
Date