

OKLAHOMA LOTTERY COMMISSION

PERMANENT RULES

EFFECTIVE 10/9/2016
(packet revised 10/9/2016)

The attached material includes all of the permanent rules for the Oklahoma Lottery Commission. A separate document is available on our web site (www.lottery.ok.gov) which shows the rule changes that were made effective 10/9/2016.

**TITLE 429. OKLAHOMA LOTTERY COMMISSION
CHAPTER 1. GENERAL ADMINISTRATION**

429:1-1-1. [RESERVED]

429:1-1-2. Applicability

This Chapter explains the nature and general operations of the Oklahoma Lottery Commission. The rules have been promulgated for the purpose of administering and enforcing the Oklahoma Education Lottery Act, Sections 701 et seq. of Title 3A of the Oklahoma Statutes. The Oklahoma Lottery Commission (OLC) Board of Trustees may amend these Rules and/or adopt new Rules as necessary to administer the Act. In the event of a conflict between the Act and these Rules, the Act will govern.

429:1-1-3. Definitions

In addition to terms defined in the Oklahoma Education Lottery Act, the following words or terms, when used in this Chapter, shall have the following meaning unless the context clearly indicates otherwise:

"Act" means the Oklahoma Education Lottery Act.

"Active Game" means a lottery game currently available for sale from the Oklahoma Lottery Commission.

"Activated Pack" means the status of a pack of tickets which indicates to the OLC that tickets are being sold from that pack.

"Altered Ticket" means any ticket intentionally changed by a player or by other persons or means in an attempt to make the ticket appear as a winning ticket.

"Authorized Location" means a business authorized by a contract with OLC to sell OLC Lottery products. **"Authorized Location"** and **"Authorized Retailer"** are synonymous terms.

"Automatic Win Symbol" means any symbol that, when revealed under the removable covering on an instant ticket, automatically wins a prize for the player.

"Breaks" means a gap of one or more numbered instant tickets in a pack number sequence.

"Cancelled Ticket" means any OLC ticket for which the ticket sale and/or validation information has been deleted from OLC records.

"Caption" means the letters appearing near the play symbols in the instant ticket play area that verify the correctness of play symbols.

"Certified Drawing" means a drawing in which the lottery and an independent accountant attests that the drawing equipment functioned properly and that a random selection of a winning combination has occurred.

"Claim Center" means an OLC authorized location available to pay claims for prizes of more than \$600. A "Claim Center" may also be a retailer authorized by the Board to pay prizes up to five thousand dollars (\$5,000.00) without regard to where the ticket or share was purchased, after performing validation procedures appropriate to the game and as specified by the Board.

"Claim Form" means the printed form authorized by OLC that a player shall complete and submit to OLC along with a ticket to determine eligibility for prize payment, in the event that such prize has not been validated and paid by an OLC retailer.

"Claimant" means a player who has submitted a claim for prize payment.

"Claim Period" means the period of time prescribed by the Act during which players must claim cash prizes. For instant games, the claim period is ninety (90) days

after the announced end of the game. For online games, the claim period is one hundred eighty (180) days after the drawing date.

"Computer Selected Items" means numbers or groups of numbers selected for a player by the computer in online games. Also known as auto picks, quick picks, or computer picks.

"Counterfeit Ticket" means any ticket not produced by an OLC authorized ticket printer or an OLC online games sales terminal.

"Defectively Printed Tickets" means the same as misregistered ticket.

"Display Printing" means the printing on the ticket not associated with the ticket game play.

"District Office" means an OLC claim center, if any, in various cities in Oklahoma.

"Disputed Ticket" means a ticket which the claimant believes is a prize winning ticket, but which fails OLC validation procedures.

"Doubler" means any method used on a ticket to double a prize amount.

"Draw Procedures" means the written document approved by OLC that specifies the process for selecting winners for a particular instant game or instant game promotion, if a drawing is designed as part of the game or promotion, and for each online game or online game promotion.

"Drawing" means the process by which the lottery randomly selects numbers or items in accordance with the specific game rules or game promotion rules for those games or game promotions requiring random selection of numbers or items.

"Duplicate Ticket" means a ticket produced by photograph, xerography or any other duplication method other than an authorized instant ticket printed for OLC or generated by an authorized online terminal.

"Electronic Funds Transfer" or "EFT" means the process by which the OLC transfers funds from a retailer authorized bank account to pay amounts due the OLC or by which OLC provides funds to a retailer for payment of prizes.

"Entry" means a lottery ticket or other OLC authorized document submitted to OLC or any OLC authorized party for participation in an OLC drawing.

"Executive Director" means the chief executive officer and administrator of the Oklahoma Lottery Commission.

"Finalist" means a person selected through a preliminary drawing for participation in a grand prize drawing.

"Floating Image Play Area" means the play area of each instant ticket which may print in a slightly different position on game tickets as a security measure.

"Game Board" means a pre-printed OLC form for use by players in selecting numbers for online games (see "Play Slip").

"Game Name" means the name of the Instant or Online game, as specified in the game procedures.

"Game Number" means the preprinted number on an instant ticket which identifies a particular game.

"Game Report" means a report prepared after a game end showing, at a minimum, the number of tickets sold and the number of prizes awarded in the game.

"Game Specifications Document" means the same as working papers.

"Grand Prize Drawing" means an event in which qualified players/contestants are awarded prizes in a random manner and as provided in OLC approved procedures.

"High-Tier Prize" means a prize of \$601 or more.

"Instant Game" means an instant ticket lottery game offered by OLC for sale to the public that is played by revealing a hidden play area on a ticket to display the play symbols.

"Instant Game Procedures" means the document summarizing the game specifications as provided in the working papers for each Instant Game.

"Instant Game Promotion Procedures" means the OLC approved procedures for player participation in any Instant Game Promotion.

"Jackpot" means a large prize; often the top prize in an online game.

"Lottery Retailer" or **"Retailer"** means a business entity contracted to OLC to sell lottery tickets.

"Low-Tier Prize" means a prize of twenty-five dollars (\$25) or less.

"Mid-Tier Prize" means a prize of \$25.01-\$600.

"Minor" means an individual younger than 18 years of age.

"Miscut Ticket" means a ticket cut during production such that the ticket is not whole and able to be validated.

"Misregistered Ticket" means any ticket on which printed data has been misprinted in such a manner as to prevent reading during the validation process.

"Mutilated Ticket" means any lottery ticket accidentally or intentionally damaged such that completion of OLC validation procedures is not possible.

"Non-Cash Prize" means merchandise prizes offered in lottery games or lottery promotions.

"Oklahoma Lottery Retailer Contract" means Parts 1 through 8 of the Lottery Retailer Sales Contract Application, Title 3A, Section 701 ff of the Oklahoma Statutes as amended, Emergency and Permanent Rules approved by the OLC Board. As used in these Rules the terms, **"Retailer Contract," "Oklahoma Ticket Sales Contract," "Lottery Retail Sales Contract,"** and **"Lottery Retailer Sales Contract"** all mean **"Oklahoma Lottery Retailer Contract"**.

"OLC" means the Oklahoma Lottery Commission.

"Online Game" means a game where tickets or shares are purchased through a network of sales terminals located at OLC authorized retail outlets through use of an OLC authorized play slip or manual retailer input of player requested numbers. "Online Game" does not include a game played via the Internet.

"Online Game Procedures" means the document summarizing game specifications for each online game offered for sale by OLC.

"Online Game Promotion Procedures" means the document summarizing promotion specifications for each online game promotion offered by OLC.

"Online Terminal" means the OLC authorized sales terminal used to sell various online lottery number games.

"Pack" or **"Pack Size"** means a package of instant tickets, each ticket with a different number. The number of tickets in a pack is generally from 60 to 500.

"Pack Number" means the unique number on the ticket that designates each pack of instant tickets in the game. Each pack number is unique within each instant game.

"Play Area" means the covered area of an instant ticket that contains the ticket play symbols.

"Play Central @ Lottery Kiosk" means a self-service ticket vending machine that allows the player to purchase instant tickets and/or online game tickets without any clerk assistance.

"Play Panel" means an area on an online game play slip or game board used by a player to select numbers for a single online game play.

"Play Slip" means a pre-printed OLC form for use by players in selecting numbers for online games (see game board).

"Play Spot" means an authorized area on an instant ticket containing one play symbol and one caption.

"Play Station" means a stand-alone unit provided by OLC for the display of lottery game brochures play slips, etc.

"Play Style" means the method of play to determine a winner for an individual game or game promotion.

"Play Symbol" means the printed data under the removable covering on the front of an instant ticket that is used to determine eligibility for a prize. The symbols for individual games will be specified in individual instant game procedures.

"Player-Selected Item" means a number or item or group of numbers or items selected by a player in connection with an online game.

"Point of Sale Material" or **"POS"** means flyers, brochures, posters and signage used within/at lottery retail locations to identify the products and games available for sale, as well as to provide general information (i.e. odds, jackpot amounts, prize levels and beneficiaries).

"Point of Purchase Material" or **"POP"** is synonymous with POS.

"Preliminary Drawing" means an event for the selection of contestants for a grand prize drawing.

"Price Point" means the retail selling price of an individual game ticket.

"Printer Omitted Tickets" means any tickets designated by OLC's instant ticket printer as having been omitted from the ticket order quantity for reasons stated by the ticket printer.

"Prize" means a cash amount or product (merchandise) that can be won in a lottery game or game promotion.

"Prize Drawing" means a method for determining game or game promotion winners, as defined in OLC procedures.

"Prize Structure" means the number, value, and odds of winning prizes for an individual game as approved by OLC in individual game procedures.

"Retailer" means a business which sells lottery tickets or shares on behalf of OLC pursuant to a retailer contract.

"Retailer Commission" means the amount of money paid to retailers for selling lottery products.

"Retailer Paid Prizes" means prizes which may be paid by retailers subject to OLC validation procedures.

"Retail Sales Price" means the OLC designated price OLC retailers must charge for a ticket when sold.

"Retailer Ticket Order Quantity" means the number of tickets or packs of tickets ordered by the retailer from OLC or its authorized distributor.

"Retailer Validation Code" means the code found under the covered area over the play symbols on the front of the instant ticket which the OLC retailer may use to verify and validate low-tier winners.

"Seasonal Retailer" means a business which sells Lottery tickets or shares on behalf of OLC pursuant to a retailer contract and whose business may be closed for some portion of the year and/or whose business hours may be significantly reduced for some portion of the year due to the seasonal nature of the business. Businesses that are closed temporarily for remodeling, change of ownership, or similar temporary closings will not be deemed to be seasonal retailers.

"Settled Pack" means the status of an activated pack of instant tickets when the OLC has invoiced the retailer based upon a pre-determined formula or schedule and the retailer has paid for the pack.

"Share" means any intangible evidence of participation in a lottery game.

"Ticket" means any tangible evidence issued by the lottery to provide participation in a lottery game or drawing authorized by the Act.

"Ticket Number" means the number on the ticket that refers to the ticket sequence within the pack.

"Ticket Order Quantity" means the number of tickets or packs of tickets ordered by OLC from the instant ticket printer.

"Unreadable Ticket" means any ticket on which any play data or other ticket validation information cannot be read as part of the prize validation procedure.

"Validation Number" means the unique data printed on a ticket that enables verification of the ticket as a valid winner.

"Validation Procedures" means the procedures utilized by OLC and/or its authorized vendors to determine if a claimed ticket is a valid winner.

"Valid Ticket" means a ticket which meets all OLC game specifications and OLC validation requirements.

"Variant" means a symbol used in conjunction with certain play styles and may include a symbol that serves as a "wild card" to complete a winning combination of play symbols.

"VIRN (Void If Removed Numbers)" means a series of numbers under the removable covering on an instant ticket to be used in the validation process.

"Wild" means a symbol or word, different from all the others in an instant game, used to complete a match on a winning ticket.

"Working Papers" means the written document approved by the OLC for instant game production that includes, among other things, the game name, the art work for the front and back of the ticket, how a prize is won, game prize structure, play style, ticket delivery schedule to OLC, and eligibility for a drawing, if any.

429:1-1-4. Public accountability

(a) The OLC and Board will operate pursuant to the Oklahoma Open Records Act and the Oklahoma Open Meeting Act.

(b) In the promulgation of rules, the Board shall be subject to the Administrative Procedures Act (75 OS, §250 et seq).

429:1-1-5. Procedures for retailer appeal to Board

(a) The provisions of this rule are provided to retailers who wish to appeal the cancellation, denial, revocation, temporary suspension, suspension or rejection of renewal of a lottery retailer contract by the executive director or designee.

(b) These rules shall be given the most reasonable meaning, taken in their total context, and will be construed to secure due process in the resolution of retailer appeals. They shall not be construed to limit legal rights or obligations of any party.

(c) The executive director shall designate a member of the Oklahoma Lottery Commission (OLC) staff to evaluate lottery retailer contracts. That designee may:

(1) Temporarily suspend a lottery retailer contract without prior notice pending any prosecution, hearing, or investigation, whether by a third party or by the OLC; or,

- (2) Cancel, suspend, deny, revoke, terminate, or reject renewal of a lottery retailer contract when it is in the best interest of the lottery, the public welfare, or the State of Oklahoma, and shall promptly notify the retailer of such action.
- (d) Retailers will be notified by certified mail at the last retailer address known to the OLC. The notification will outline the reasons for OLC's action and advise retailers of their right to appeal to the executive director.
- (e) Retailers shall have twenty (20) days from the date of the notice of the (1) temporary suspension or (2), cancellation, suspension, denial, revocation, termination, or rejection of renewal of a lottery retailer contract to appeal to the executive director. Appeals shall be filed and signed by the retailer and shall set out therein:
- (1) The name, address and retailer's certificate number;
 - (2) The argument and/or legal authority upon which each assignment of error is made;
 - (3) A statement of relief sought by the retailer; and
 - (4) A verification by the retailer that the statements and facts contained therein are true.
- (f) The executive director will consider the appeal of the (1) temporary suspension or (2) cancellation, suspension, , denial, revocation, or termination or rejection of renewal of a lottery retailer contract by the OLC designee and shall fix a date for a hearing.
- (1) The hearing date shall be set within thirty (30) days of the date the appeal is received.
 - (2) Notice of the time, date and location of the hearing will be sent to the parties.
 - (3) The executive director shall issue a written order after the hearing which shall be sent by certified mail to the retailer within thirty (30) days of the hearing date.
- (g) Any aggrieved party to the contract may appeal the order of the executive director to the Board of Trustees of the OLC by filing a notice of such appeal with the executive director within twenty (20) days of the mailing of the written order by the executive director. Such appeal must specify the grounds upon which the party alleges the executive director's order to be erroneous.
- (h) The Board of Trustees will hear the appeal of the order of the executive director and shall fix a date of hearing, at which time the Board shall be authorized and empowered to hear evidence pertinent to the appeal.
- (1) Notice of the time, date and location of the hearing will be sent to the parties.
 - (2) The Board may, in its discretion, vacate, modify, or affirm, in part or whole, the order of the executive director.
 - (3) The Board shall issue a written order in each case within sixty days of the hearing date.
- (i) Orders of the Board shall be subject to judicial review (3A OS, §730).

429:1-1-6. Officers

- (a) **Officers.** The officers of the Board of Trustees shall be a Chair, Vice Chair, Secretary and Treasurer. No member of the Board shall hold more than any one office at the same time.
- (b) **Terms of Officers.** Officers of the Board of Trustees shall be elected annually, prior to January 1st of each calendar year, to serve a term of one (1) year in the calendar year following their election. The affirmative vote of a majority of present and voting Board members shall be required for the election of each officer.
- (c) **Limit on Terms of Officers.** A Board member may not serve more than three consecutive years in the same office. For this purpose service of a partial year in calendar

year 2005 shall be counted as one of the three years. A Board member may serve in any other office following three years of service in the same office and may be elected for additional service in the same office after serving a three year term so long as there has been one full year in which that Board member did not serve in that office.

(d) **Vacancies.** In the event of a vacancy in any of the offices listed in (a) of this Section, the Board of Trustees shall elect a successor to such office to fill the unexpired term of the officer previously elected to such office. In the event of a vacancy in the office of Chair, the Vice Chair shall serve as Chair until election of a successor Chair. In the event of a vacancy in the office of Vice Chair, Secretary or Treasurer, the Chair may appoint from among the Board of Trustees a person to serve as such officer in the vacant office until election of a successor to that office.

**TITLE 429. OKLAHOMA LOTTERY COMMISSION
CHAPTER 10. RETAILER PROVISIONS**

429:10-1-1. [RESERVED]

429:10-1-2. Definitions

In addition to terms defined in the Oklahoma Education Lottery Act, the following words or terms, when used in this Chapter, shall have the following meaning unless the context clearly indicates otherwise:

"Act" means the Oklahoma Education Lottery Act.

"Active Game" means a lottery game currently available for sale from the Oklahoma Lottery Commission.

"Activated Pack" means the status of a pack of tickets which indicates to the OLC that tickets are being sold from that pack.

"Altered Ticket" means any ticket intentionally changed by a player or by other persons or means in an attempt to make the ticket appear as a winning ticket.

"Authorized Location" means a business authorized by a contract with OLC to sell OLC Lottery products. **"Authorized Location"** and **"Authorized Retailer"** are synonymous terms.

"Automatic Win Symbol" means any symbol that, when revealed under the removable covering on an instant ticket, automatically wins a prize for the player.

"Breaks" means a gap of one or more numbered instant tickets in a pack number sequence.

"Cancelled Ticket" means any OLC ticket for which the ticket sale and/or validation information has been deleted from OLC records.

"Caption" means the letters appearing near the play symbols in the instant ticket play area that verify the correctness of play symbols.

"Certified Drawing" means a drawing in which the lottery and an independent accountant attests that the drawing equipment functioned properly and that a random selection of a winning combination has occurred.

"Claim Center" means an OLC authorized location available to pay claims for prizes of more than \$600. A "Claim Center" may also be a retailer authorized by the Board to pay prizes up to five thousand dollars (\$5,000.00) without regard to where the ticket or share was purchased, after performing validation procedures appropriate to the game and as specified by the Board.

"Claim Form" means the printed form authorized by OLC that a player shall complete and submit to OLC along with a ticket to determine eligibility for prize payment, in the event that such prize has not been validated and paid by an OLC retailer.

"Claimant" means a player who has submitted a claim for prize payment.

"Claim Period" means the period of time prescribed by the Act during which players must claim cash prizes. For instant games, the claim period is ninety (90) days after the announced end of the game. For online games, the claim period is one hundred eighty (180) days after the drawing date.

"Computer Selected Items" means numbers or groups of numbers selected for a player by the computer in online games. Also known as auto picks, quick picks, or computer picks.

"Counterfeit Ticket" means any ticket not produced by an OLC authorized ticket printer or an OLC online games sales terminal.

"Defectively Printed Tickets" means the same as misregistered ticket.

"Display Printing" means the printing on the ticket not associated with the ticket game play.

"District Office" means an OLC claim center, if any, in various cities in Oklahoma.

"Disputed Ticket" means a ticket which the claimant believes is a prize winning ticket, but which fails OLC validation procedures.

"Doublor" means any method used on a ticket to double a prize amount.

"Draw Procedures" means the written document approved by OLC that specifies the process for selecting winners for a particular instant game or instant game promotion, if a drawing is designed as part of the game or promotion, and for each online game or online game promotion.

"Drawing" means the process by which the lottery randomly selects numbers or items in accordance with the specific game rules or game promotion rules for those games or game promotions requiring random selection of numbers or items.

"Duplicate Ticket" means a ticket produced by photograph, xerography or any other duplication method other than an authorized instant ticket printed for OLC or generated by an authorized online terminal.

"Electronic Funds Transfer" or **"EFT"** means the process by which the OLC transfers funds from a retailer authorized bank account to pay amounts due the OLC or by which OLC provides funds to a retailer for payment of prizes.

"Entry" means a lottery ticket or other OLC authorized document submitted to OLC or any OLC authorized party for participation in an OLC drawing.

"Executive Director" means the chief executive officer and administrator of the Oklahoma Lottery Commission.

"Finalist" means a person selected through a preliminary drawing for participation in a grand prize drawing.

"Floating Image Play Area" means the play area of each instant ticket which may print in a slightly different position on game tickets as a security measure.

"Game Board" means a pre-printed OLC form for use by players in selecting numbers for online games (see "Play Slip").

"Game Name" means the name of the Instant or Online game, as specified in the game procedures.

"Game Number" means the preprinted number on an instant ticket which identifies a particular game.

"Game Report" means a report prepared after a game end showing, at a minimum, the number of tickets sold and the number of prizes awarded in the game.

"Game Specifications Document" means the same as working papers.

"Grand Prize Drawing" means an event in which qualified players/contestants are awarded prizes in a random manner and as provided in OLC approved procedures.

"High-Tier Prize" means a prize of \$601 or more.

"Instant Game" means an instant ticket lottery game offered by OLC for sale to the public that is played by revealing a hidden play area on a ticket to display the play symbols.

"Instant Game Procedures" means the document summarizing the game specifications as provided in the working papers for each Instant Game.

"Instant Game Promotion Procedures" means the OLC approved procedures for player participation in any Instant Game Promotion.

"Jackpot" means a large prize; often the top prize in an online game.

"Lottery Retailer" or **"Retailer"** means a business entity contracted to OLC to sell

lottery tickets.

"Low-Tier Prize" means a prize of twenty-five dollars (\$25) or less.

"Mid-Tier Prize" means a prize of \$25.01-\$600.

"Minor" means an individual younger than 18 years of age.

"Miscut Ticket" means a ticket cut during production such that the ticket is not whole and able to be validated.

"Misregistered Ticket" means any ticket on which printed data has been misprinted in such a manner as to prevent reading during the validation process.

"Mutilated Ticket" means any lottery ticket accidentally or intentionally damaged such that completion of OLC validation procedures is not possible.

"Non-Cash Prize" means merchandise prizes offered in lottery games or lottery promotions.

"Oklahoma Lottery Retailer Contract" means Parts 1 through 8 of the Lottery Retailer Sales Contract Application, Title 3A, Section 701 ff of the Oklahoma Statutes as amended, Emergency and Permanent Rules approved by the OLC Board. As used in these Rules the terms, **"Retailer Contract," "Oklahoma Ticket Sales Contract," "Lottery Retail Sales Contract,"** and **"Lottery Retailer Sales Contract"** all mean **"Oklahoma Lottery Retailer Contract"**.

"OLC" means the Oklahoma Lottery Commission.

"Online Game" means a game where tickets or shares are purchased through a network of sales terminals located at OLC authorized retail outlets through use of an OLC authorized play slip or manual retailer input of player requested numbers. "Online Game" does not include a game played via the Internet.

"Online Game Procedures" means the document summarizing game specifications for each online game offered for sale by OLC.

"Online Game Promotion Procedures" means the document summarizing promotion specifications for each online game promotion offered by OLC.

"Online Terminal" means the OLC authorized sales terminal used to sell various online lottery number games.

"Pack" or **"Pack Size"** means a package of instant tickets, each ticket with a different number. The number of tickets in a pack is generally from 60 to 500.

"Pack Number" means the unique number on the ticket that designates each pack of instant tickets in the game. Each pack number is unique within each instant game.

"Play Area" means the covered area of an instant ticket that contains the ticket play symbols.

"Play Central ® Lottery Kiosk" means a self-service ticket vending machine that allows the player to purchase instant tickets and/or online game tickets without any clerk assistance.

"Play Panel" means an area on an online game play slip or game board used by a player to select numbers for a single online game play.

"Play Slip" means a pre-printed OLC form for use by players in selecting numbers for online games (see game board).

"Play Spot" means an authorized area on an instant ticket containing one play symbol and one caption.

"Play Station" means a stand-alone unit provided by OLC for the display of lottery game brochures play slips, etc.

"Play Style" means the method of play to determine a winner for an individual game or game promotion.

"Play Symbol" means the printed data under the removable covering on the front of an instant ticket that is used to determine eligibility for a prize. The symbols for individual games will be specified in individual instant game procedures.

"Player-Selected Item" means a number or item or group of numbers or items selected by a player in connection with an online game.

"Point of Sale Material" or **"POS"** means flyers, brochures, posters and signage used within/at lottery retail locations to identify the products and games available for sale, as well as to provide general information (i.e. odds, jackpot amounts, prize levels and beneficiaries). **"Point of Purchase Material"** or **"POP"** is synonymous with POS.

"Preliminary Drawing" means an event for the selection of contestants for a grand prize drawing.

"Price Point" means the retail selling price of an individual game ticket.

"Printer Omitted Tickets" means any tickets designated by OLC's instant ticket printer as having been omitted from the ticket order quantity for reasons stated by the ticket printer.

"Prize" means a cash amount or product (merchandise) that can be won in a lottery game or game promotion.

"Prize Drawing" means a method for determining game or game promotion winners, as defined in OLC procedures.

"Prize Structure" means the number, value, and odds of winning prizes for an individual game as approved by OLC in individual game procedures.

"Retailer" means a business which sells lottery tickets or shares on behalf of OLC pursuant to a retailer contract.

"Retailer Commission" means the amount of money paid to retailers for selling lottery products.

"Retailer Paid Prizes" means prizes which may be paid by retailers subject to OLC validation procedures.

"Retail Sales Price" means the OLC designated price OLC retailers must charge for a ticket when sold.

"Retailer Ticket Order Quantity" means the number of tickets or packs of tickets ordered by the retailer from OLC or its authorized distributor.

"Retailer Validation Code" means the code found under the covered area over the play symbols on the front of the instant ticket which the OLC retailer may use to verify and validate low-tier winners.

"Seasonal Retailer" means a business which sells Lottery tickets or shares on behalf of OLC pursuant to a retailer contract and whose business may be closed for some portion of the year and/or whose business hours may be significantly reduced for some portion of the year due to the seasonal nature of the business. Businesses that are closed temporarily for remodeling, change of ownership, or similar temporary closings will not be deemed to be seasonal retailers.

"Settled Pack" means the status of an activated pack of instant tickets when the OLC has invoiced the retailer based upon a pre-determined formula or schedule and the retailer has paid for the pack.

"Share" means any intangible evidence of participation in a lottery game.

"Ticket" means any tangible evidence issued by the lottery to provide participation in a lottery game or drawing authorized by the Act.

"Ticket Number" means the number on the ticket that refers to the ticket sequence within the pack.

"Ticket Order Quantity" means the number of tickets or packs of tickets ordered by OLC from the instant ticket printer.

"Unreadable Ticket" means any ticket on which any play data or other ticket validation information cannot be read as part of the prize validation procedure.

"Validation Number" means the unique data printed on a ticket that enables verification of the ticket as a valid winner.

"Validation Procedures" means the procedures utilized by OLC and/or its authorized vendors to determine if a claimed ticket is a valid winner.

"Valid Ticket" means a ticket which meets all OLC game specifications and OLC validation requirements.

"Variant" means a symbol used in conjunction with certain play styles and may include a symbol that serves as a "wild card" to complete a winning combination of play symbols.

"VIRN (Void If Removed Numbers)" means a series of numbers under the removable covering on an instant ticket to be used in the validation process.

"Wild" means a symbol or word, different from all the others in an instant game, used to complete a match on a winning ticket.

"Working Papers" means the written document approved by the OLC for instant game production that includes, among other things, the game name, the art work for the front and back of the ticket, how a prize is won, game prize structure, play style, ticket delivery schedule to OLC, and eligibility for a drawing, if any.

429:10-1-3. Retailer compensation

(a) Retailers will earn six-percent (6%) for each dollar of ticket sales plus three-quarters of one-percent (.75%) for each dollar of prizes \$600.00 or less paid by the retailer.

(b) In the event OLC designates certain retailers to pay prizes of up to \$5,000, pursuant to the Act and 429:10-1-7(b) (relating to payment of prizes), retailers so designated shall earn six-percent (6%) for each dollar of ticket sales plus three-quarters of one-percent (.75%) for each dollar of prizes \$5,000 or less paid by the retailer; retailers so designated will receive \$10 for each prize claim processed and forwarded to OLC for payment.

(c) Retailers may earn a bonus payment for selling a winning PowerBall or Hot Lotto ticket as provided herein:

(1) Powerball Jackpot prize ticket (6 of 6), not more than \$25,000;

(2) PowerBall second level prize ticket (5 of 5 white balls with no PowerBall) , not more than \$5,000;

(3) Hot Lotto Jackpot prize ticket (6 of 6) , not more than \$5,000;

(4) Hot Lotto second level prize ticket (5 of 5 white balls with no Hot Ball) , not more than \$1,000;

(5) MegaMillions Jackpot prize ticket (6 of 6) , not more than \$25,000;

(6) MegaMillions second level prize ticket (5 of 5 white balls with no MegaBall) , not more than \$5,000;

(d) This bonus payment will be paid to the retailer in a manner as determined by the Oklahoma Lottery Commission regardless of whether the winning prize ticket is claimed by the apparent winner or not. All bonus payment programs shall be approved by the Board of Trustees of the Oklahoma Lottery Commission prior to implementation.

429:10-1-4. Retailer selection criteria

In addition to the retailer selection criteria in the Act, OLC will consider the criteria enumerated herein:

- (1) It is the intent of OLC that all retailers sell both instant and online (computerized or pick-you-own numbers) games, thus retailer selection criteria for retailers of instant tickets and retailers of online (computerized or pick-your-own numbers) games are identical.
- (2) Retailer applicants shall, at the time of application, consent to the requirements of the Act and the requirements enumerated herein, which may be revised and/or amended by the OLC subject to Board approval and notification to retailers.
- (3) Persons applying to become lottery retailers shall be charged a uniform application fee of \$95. The OLC may designate a portion of this fee as a non-refundable application fee and the remaining portion to cover the retailer bonding requirements;
- (4) All lottery retailer contracts may be renewable annually from the date of issuance at the discretion of the OLC, unless sooner canceled or terminated.
- (5) No certificate of authority to act as a lottery retailer shall be issued to any applicant doing business or who holds a license to do business as a pawnbroker, supervised lender, or deferred deposit lender, also known as a payday lender, or whose primary business is categorized as a check casher.

429:10-1-5. Acceptance and return of instant lottery tickets

- (a) All instant lottery tickets ordered by retailer and accepted from OLC or its authorized distributor are deemed to be purchased by retailer at the price established by OLC, less appropriate retailer commissions and/or OLC approved adjustments.
- (b) Retailers will accept only complete ticket orders and will not be allowed to accept a part of the ticket order delivered to them.
- (c) Retailers shall be responsible for lost, stolen, missing, damaged or destroyed active packs of instant tickets and will be charged the full price of the tickets minus any applicable commissions, unless the tickets are recovered by OLC. If a retailer notifies the OLC within 24 hours of any active pack of tickets becoming lost, stolen, missing, damaged or destroyed and files a police report, in instances when packs are stolen, and cooperates in the investigation by the OLC, the OLC may reduce the retailer's costs to \$25.00 for each active pack.
- (d) Retailers are responsible for lost, stolen, missing, damaged or destroyed inactive instant tickets. If a retailer notifies the OLC within 24 hours of any inactive pack of tickets becoming lost, stolen, missing, damaged or destroyed and files a police report, in instances when packs are stolen, and cooperates with OLC in the investigation by OLC, the OLC may waive any retailer cost for each inactive pack.
- (e) The OLC will accept full inactive pack returns only as follows:
 - (1) after the official notification to retailers announcing an end of game, retailers shall have six (6) weeks after the official end date to return all full and inactivated packs of tickets to a lottery representative; or,
 - (2) within ten (10) days of termination, suspension, cancellation, revocation or non-renewal of the retailer's contract with the OLC.
- (f) The OLC will accept partial pack returns only as follows:
 - (1) within six (6) weeks of the termination, suspension, cancellation, revocation or non-renewal of the retailer's contract with the OLC.

(2) within the specific time frames established by OLC as a part of an official game ending procedure.

(3) A maximum of four (4) breaks in ticket number sequence per pack will be allowed.

(4) The tickets must be returned to a designated OLC representative.

(g) The OLC will accept the return of all instant tickets damaged prior to delivery acceptance by the retailer. These tickets must be returned to a designated OLC representative within one week of receipt of the tickets. The OLC may, at their sole discretion, elect to accept the return of tickets damaged after delivery.

(h) Retailers shall keep sufficient inventory to support all sales between a two week delivery cycle. Retailers who frequently require emergency or special orders may be assessed a delivery charge at the discretion of the OLC.

429:10-1-6. Acceptance of online tickets

(a) Retailers shall agree that all online tickets cannot be cancelled once printed.

(b) Retailers shall utilize the online game sales confirmation screen or prompt to advise players of the cost of the player's ticket selection cost whenever the total cost exceeds \$25.00, or whenever multiple draw tickets are requested or multiple tickets are requested for a single draw; for each individual transaction, this player confirmation will occur prior to actual printing and sale of the tickets.

429:10-1-7. Payment of prizes

(a) During the retailer's normal business hours, retailers are required to pay prizes \$600.00 or under. Retailers are encouraged to pay in cash, but they may pay mid-tier prizes (\$25.01 to \$600) with a business check or money order if this is disclosed in advance to the claimant. Consistent reported failure to pay prizes to claimants or the issuance of a non-sufficient funds (NSF) check to claimants may be sufficient grounds to suspend or terminate the retailer contract.

(b) OLC may authorize designated retailers to pay prizes up to five-thousand dollars (\$5,000.00), without regard to where the ticket or share was purchased, after performing validation procedures appropriate to the game and as specified by the Board.

(c) Before attempting to validate a ticket, the Retailer should instruct the Claimant to print their name on the back of the ticket and sign their name in the space provided.

(d) Retailer must establish that the ticket is a winning ticket by using the OLC validation procedures/system. If the retailer does not receive the appropriate authorization to pay, the ticket should be returned to the claimant with instructions to file a claim with OLC.

(e) After validating and paying a winning instant game ticket, the retailer should deface the ticket in a manner sufficient to prevent subsequent attempts to claim the ticket prize amount.

(f) For prizes greater than \$600, retailers will provide claimants with OLC claim forms, if available, or direct them to an authorized claim center, the OLC office, or the OLC website.

(g) A retailer shall not charge any player or claimant a fee for selling a ticket, validating a winning ticket, paying a winning ticket, verifying a non-winning ticket, providing a claim form, or for any other assistance not authorized by OLC.

(h) If a claimant of a winning ticket is less than 18 years of age, retailers must instruct the claimant that the Act prohibits prize payment to any person 18 year of age or under and return the ticket to the claimant.

429:10-1-8. Minimum sales requirement

(a) The OLC will establish minimum weekly instant and/or online sales requirements which will be communicated to retailers. Failure to achieve these minimum weekly sales levels may result in suspension or cancellation of the retailer's contract at the sole discretion of OLC.

(b) In order to promote and maintain the availability of lottery retailers in remote and/or sparsely populated areas of the state, and to provide for the continuing operation of seasonal retailers, OLC may waive these minimum sales requirements at OLC's sole discretion.

429:10-1-9. Merchandising

(a) Each retailer shall offer all available instant games for sale to the public.

(b) The retailer shall use ticket dispensers provided by OLC for the sale of lottery tickets, and shall place the dispenser and online game lottery sales terminal(s) in a prominent location in the retail establishment near the cash register or check-out area.

(c) The retailer shall prominently display point-of-sale materials supplied by the OLC, which may include door decals, game posters, display tickets, danglers, change mats, lighted interior signs, banners, odds of winning, or any other items provided by the OLC unless the OLC agrees otherwise in writing.

(d) Retailer must agree to make available to potential lottery customers player information supplied by OLC, to explain game rules, to provide adequate supplies of claim forms, game or game promotion entry envelopes, play selection slips, and to provide adequate space for a play station.

429:10-1-10. Settlement and retailer invoicing

(a) The accounting period for purposes of preparing retailer invoices shall be weekly from Saturday at 12:00 midnight through the following Saturday at 11:59:59 p.m.

(b) All packs of instant tickets activated in an accounting period and for which the prize validation requirements specified in (c) of this Section have occurred, and all sales of online game tickets occurring within the accounting period will be invoiced to the retailer, less any retailer commissions and/or OLC authorized adjustments. The retailer invoice will be available through the OLC lottery sales terminal after 4:00 a.m. on Monday, immediately following the end of the accounting period.

(c) For instant games, retailers may select one of the following three (3) settlement options. Retailers may select a settlement option during the initial contract process and may change the option only on their annual renewal date and only if they advise the OLC of their desire to change the option no later than two (2) weeks prior to their annual renewal date.

(1) Settlement Option 1: all ticket packs activated by the retailer or by the OLC on behalf of the retailer for which eighty percent (80%) of the winning low-tier tickets contained in the pack have been validated by the end of the previous accounting period will be included in the current retailer weekly invoice. Any pack which has been activated for a period of thirty (30) days will be invoiced to the retailer, even if eighty percent (80%) of the pack's winning low-tier tickets have not been validated. In the event a retailer activates concurrently two or more instant game packs from the same game, the first pack activated will be included in the current retailer weekly invoice regardless of how many low-tier tickets have been validated from the first, except in situations where the retailer has two or more selling locations within the same retail business, in which case the first pack activated will be included in the

current retailer weekly invoice when the third or subsequent pack of that game is activated, regardless of how many low-tier tickets have been validated from the first pack.

(2) Settlement Option 2: all ticket packs will be settled 21 days after activation, at which time such settled packs will be included on the weekly invoice for the week in which they were settled.

In the event a retailer activates concurrently two or more instant game packs from the same game, the first pack activated will be included in the current retailer weekly invoice, except in situations where the retailer has two or more selling locations within the same retail business, in which case the first pack activated will be included in the current retailer weekly invoice when the third or subsequent pack of that game is activated.

(3) Settlement Option 3: all ticket packs will be settled immediately on activation, at which time such settled packs will be included on the weekly invoice for the week in which they were settled.

(d) The retailer invoice will provide a calculation of the proceeds due the OLC. The proceeds will be equal to the retail value of instant game ticket packs, plus the retail value of on-line ticket sales, less applicable sales or cashing commissions, less any winning tickets paid by the retailer during the accounting period, plus or minus any adjustments to the retailer account authorized by OLC.

(e) For purposes of calculating the retailer invoice, free ticket prizes validated by the retailer shall have the same value as the applicable retail value of free ticket(s) provided to the claimant.

429:10-1-11. Banking, deposits and payment requirements

(a) The Act requires each retailer to establish a separate bank account in an institution insured by the Federal Deposit Insurance Corporation (FDIC) and to provide the OLC with authorization to transfer lottery proceeds from this account using Electronic Funds Transfer (EFT). All funds due the OLC shall be considered State funds until paid to the OLC and are to be deposited into this separate bank account no later than the close of the next banking day after the date of their collection by the retailer.

(b) The OLC will provide notification of the amount of the accounting period EFT by way of an invoice to the retailer. Lottery proceeds due the OLC, as calculated on the invoice for an accounting period, will be transferred from the retailer bank account to the OLC on the Tuesday morning following the accounting period. When the Monday immediately preceding a scheduled Tuesday EFT transfer is a legal holiday, the transfer will occur on Wednesday morning.

(c) On the EFT funds transfer day (Tuesday morning), if all net lottery proceeds as detailed on the retailer invoice are not in the separate retailer bank account and this results in a non-sufficient funds (NSF) sweep, the retailer will be deemed to be in default. OLC will immediately contact the retailer and:

(1) If it is a first NSF default, require the retailer to deposit the required funds into the EFT lottery account to enable a wire transfer to be completed that day. A \$25.00 NSF fee will be charged as an adjustment to the retailer account.

(2) If a second NSF default occurs within a 6 month period, OLC may immediately suspend the retailer's terminal operation until the required funds are brought to OLC or received by an OLC representative. A \$25.00 NSF fee will be charged as an adjustment to the retailer account.

(3) If a third NSF default occurs within the same 6 month period provided in paragraph 2 of this subsection, the OLC may terminate the retailer contract immediately and commence collection proceedings on all money due to OLC.

429:10-1-12. Damage to OLC provided equipment

(a) Retailers shall exercise due diligence in protecting OLC provided equipment from damage.

(b) Retailers shall report any damaged equipment to OLC or OLC's authorized representative as soon as practical.

(c) Failure to report damaged equipment in a timely manner or repeated instances of equipment damage may be cause for cancellation or suspension of the retailer's contract.

**TITLE 429. OKLAHOMA LOTTERY COMMISSION
CHAPTER 15. INSTANT GAMES**

429:15-1-1. [RESERVED]

429:15-1-2. Definitions

In addition to terms defined in the Oklahoma Education Lottery Act, the following words or terms, when used in this Chapter, shall have the following meaning unless the context clearly indicates otherwise:

"Act" means the Oklahoma Education Lottery Act.

"Active Game" means a lottery game currently available for sale from the Oklahoma Lottery Commission.

"Activated Pack" means the status of a pack of tickets which indicates to the OLC that tickets are being sold from that pack.

"Altered Ticket" means any ticket intentionally changed by a player or by other persons or means in an attempt to make the ticket appear as a winning ticket.

"Authorized Location" means a business authorized by a contract with OLC to sell OLC Lottery products. **"Authorized Location"** and **"Authorized Retailer"** are synonymous terms.

"Automatic Win Symbol" means any symbol that, when revealed under the removable covering on an instant ticket, automatically wins a prize for the player.

"Breaks" means a gap of one or more numbered instant tickets in a pack number sequence.

"Cancelled Ticket" means any OLC ticket for which the ticket sale and/or validation information has been deleted from OLC records.

"Caption" means the letters appearing near the play symbols in the instant ticket play area that verify the correctness of play symbols.

"Certified Drawing" means a drawing in which the lottery and an independent accountant attests that the drawing equipment functioned properly and that a random selection of a winning combination has occurred.

"Claim Center" means an OLC authorized location available to pay claims for prizes of more than \$600. A "Claim Center" may also be a retailer authorized by the Board to pay prizes up to five thousand dollars (\$5,000.00) without regard to where the ticket or share was purchased, after performing validation procedures appropriate to the game and as specified by the Board.

"Claim Form" means the printed form authorized by OLC that a player shall complete and submit to OLC along with a ticket to determine eligibility for prize payment, in the event that such prize has not been validated and paid by an OLC retailer.

"Claimant" means a player who has submitted a claim for prize payment.

"Claim Period" means the period of time prescribed by the Act during which players must claim cash prizes. For instant games, the claim period is ninety (90) days after the announced end of the game. For online games, the claim period is one hundred eighty (180) days after the drawing date.

"Computer Selected Items" means numbers or groups of numbers selected for a player by the computer in online games. Also known as auto picks, quick picks, or computer picks.

"Counterfeit Ticket" means any ticket not produced by an OLC authorized ticket printer or an OLC online games sales terminal.

"Defectively Printed Tickets" means the same as misregistered ticket.

"Display Printing" means the printing on the ticket not associated with the ticket game play.

"District Office" means an OLC claim center, if any, in various cities in Oklahoma.

"Disputed Ticket" means a ticket which the claimant believes is a prize winning ticket, but which fails OLC validation procedures.

"Doubler" means any method used on a ticket to double a prize amount.

"Draw Procedures" means the written document approved by OLC that specifies the process for selecting winners for a particular instant game or instant game promotion, if a drawing is designed as part of the game or promotion, and for each online game or online game promotion.

"Drawing" means the process by which the lottery randomly selects numbers or items in accordance with the specific game rules or game promotion rules for those games or game promotions requiring random selection of numbers or items.

"Duplicate Ticket" means a ticket produced by photograph, xerography or any other duplication method other than an authorized instant ticket printed for OLC or generated by an authorized online terminal.

"Electronic Funds Transfer" or **"EFT"** means the process by which the OLC transfers funds from a retailer authorized bank account to pay amounts due the OLC or by which OLC provides funds to a retailer for payment of prizes.

"Entry" means a lottery ticket or other OLC authorized document submitted to OLC or any OLC authorized party for participation in an OLC drawing.

"Executive Director" means the chief executive officer and administrator of the Oklahoma Lottery Commission.

"Finalist" means a person selected through a preliminary drawing for participation in a grand prize drawing.

"Floating Image Play Area" means the play area of each instant ticket which may print in a slightly different position on game tickets as a security measure.

"Game Board" means a pre-printed OLC form for use by players in selecting numbers for online games (see "Play Slip").

"Game Name" means the name of the Instant or Online game, as specified in the game procedures.

"Game Number" means the preprinted number on an instant ticket which identifies a particular game.

"Game Report" means a report prepared after a game end showing, at a minimum, the number of tickets sold and the number of prizes awarded in the game.

"Game Specifications Document" means the same as working papers.

"Grand Prize Drawing" means an event in which qualified players/contestants are awarded prizes in a random manner and as provided in OLC approved procedures.

"High-Tier Prize" means a prize of \$601 or more.

"Instant Game" means an instant ticket lottery game offered by OLC for sale to the public that is played by revealing a hidden play area on a ticket to display the play symbols.

"Instant Game Procedures" means the document summarizing the game specifications as provided in the working papers for each Instant Game.

"Instant Game Promotion Procedures" means the OLC approved procedures for player participation in any Instant Game Promotion.

"Jackpot" means a large prize; often the top prize in an online game.

"Lottery Retailer" or **"Retailer"** means a business entity contracted to OLC to sell lottery tickets.

"Low-Tier Prize" means a prize of twenty-five dollars (\$25) or less.

"Mid-Tier Prize" means a prize of \$25.01-\$600.

"Minor" means an individual younger than 18 years of age.

"Miscut Ticket" means a ticket cut during production such that the ticket is not whole and able to be validated.

"Misregistered Ticket" means any ticket on which printed data has been misprinted in such a manner as to prevent reading during the validation process.

"Mutilated Ticket" means any lottery ticket accidentally or intentionally damaged such that completion of OLC validation procedures is not possible.

"Non-Cash Prize" means merchandise prizes offered in lottery games or lottery promotions.

"Oklahoma Lottery Retailer Contract" means Parts 1 through 8 of the Lottery Retailer Sales Contract Application, Title 3A, Section 701 ff of the Oklahoma Statutes as amended, Emergency and Permanent Rules approved by the OLC Board. As used in these Rules the terms, **"Retailer Contract," "Oklahoma Ticket Sales Contract," "Lottery Retail Sales Contract,"** and **"Lottery Retailer Sales Contract"** all mean **"Oklahoma Lottery Retailer Contract"**.

"OLC" means the Oklahoma Lottery Commission.

"Online Game" means a game where tickets or shares are purchased through a network of sales terminals located at OLC authorized retail outlets through use of an OLC authorized play slip or manual retailer input of player requested numbers. "Online Game" does not include a game played via the Internet.

"Online Game Procedures" means the document summarizing game specifications for each online game offered for sale by OLC.

"Online Game Promotion Procedures" means the document summarizing promotion specifications for each online game promotion offered by OLC.

"Online Terminal" means the OLC authorized sales terminal used to sell various online lottery number games.

"Pack" or **"Pack Size"** means a package of instant tickets, each ticket with a different number. The number of tickets in a pack is generally from 60 to 500.

"Pack Number" means the unique number on the ticket that designates each pack of instant tickets in the game. Each pack number is unique within each instant game.

"Play Area" means the covered area of an instant ticket that contains the ticket play symbols.

"Play Central @ Lottery Kiosk" means a self-service ticket vending machine that allows the player to purchase instant tickets and/or online game tickets without any clerk assistance.

"Play Panel" means an area on an online game play slip or game board used by a player to select numbers for a single online game play.

"Play Slip" means a pre-printed OLC form for use by players in selecting numbers for online games (see game board).

"Play Spot" means an authorized area on an instant ticket containing one play symbol and one caption.

"Play Station" means a stand-alone unit provided by OLC for the display of lottery game brochures play slips, etc.

"Play Style" means the method of play to determine a winner for an individual game or game promotion.

"Play Symbol" means the printed data under the removable covering on the front of an instant ticket that is used to determine eligibility for a prize. The symbols for individual games will be specified in individual instant game procedures.

"Player-Selected Item" means a number or item or group of numbers or items selected by a player in connection with an online game.

"Point of Sale Material" or **"POS"** means flyers, brochures, posters and signage used within/at lottery retail locations to identify the products and games available for sale, as well as to provide general information (i.e. odds, jackpot amounts, prize levels and beneficiaries). **"Point of Purchase Material"** or **"POP"** is synonymous with POS.

"Preliminary Drawing" means an event for the selection of contestants for a grand prize drawing.

"Price Point" means the retail selling price of an individual game ticket.

"Printer Omitted Tickets" means any tickets designated by OLC's instant ticket printer as having been omitted from the ticket order quantity for reasons stated by the ticket printer.

"Prize" means a cash amount or product (merchandise) that can be won in a lottery game or game promotion.

"Prize Drawing" means a method for determining game or game promotion winners, as defined in OLC procedures.

"Prize Structure" means the number, value, and odds of winning prizes for an individual game as approved by OLC in individual game procedures.

"Retailer" means a business which sells lottery tickets or shares on behalf of OLC pursuant to a retailer contract.

"Retailer Commission" means the amount of money paid to retailers for selling lottery products.

"Retailer Paid Prizes" means prizes which may be paid by retailers subject to OLC validation procedures.

"Retail Sales Price" means the OLC designated price OLC retailers must charge for a ticket when sold.

"Retailer Ticket Order Quantity" means the number of tickets or packs of tickets ordered by the retailer from OLC or its authorized distributor.

"Retailer Validation Code" means the code found under the covered area over the play symbols on the front of the instant ticket which the OLC retailer may use to verify and validate low-tier winners.

"Seasonal Retailer" means a business which sells Lottery tickets or shares on behalf of OLC pursuant to a retailer contract and whose business may be closed for some portion of the year and/or whose business hours may be significantly reduced for some portion of the year due to the seasonal nature of the business. Businesses that are closed temporarily for remodeling, change of ownership, or similar temporary closings will not be deemed to be seasonal retailers.

"Settled Pack" means the status of an activated pack of instant tickets when the OLC has invoiced the retailer based upon a pre-determined formula or schedule and the retailer has paid for the pack.

"Share" means any intangible evidence of participation in a lottery game.

"Ticket" means any tangible evidence issued by the lottery to provide participation in a lottery game or drawing authorized by the Act.

"Ticket Number" means the number on the ticket that refers to the ticket sequence within the pack.

"Ticket Order Quantity" means the number of tickets or packs of tickets ordered by OLC from the instant ticket printer.

"Unreadable Ticket" means any ticket on which any play data or other ticket validation information cannot be read as part of the prize validation procedure.

"Validation Number" means the unique data printed on a ticket that enables verification of the ticket as a valid winner.

"Validation Procedures" means the procedures utilized by OLC and/or its authorized vendors to determine if a claimed ticket is a valid winner.

"Valid Ticket" means a ticket which meets all OLC game specifications and OLC validation requirements.

"Variant" means a symbol used in conjunction with certain play styles and may include a symbol that serves as a "wild card" to complete a winning combination of play symbols.

"VIRN (Void If Removed Numbers)" means a series of numbers under the removable covering on an instant ticket to be used in the validation process.

"Wild" means a symbol or word, different from all the others in an instant game, used to complete a match on a winning ticket.

"Working Papers" means the written document approved by the OLC for instant game production that includes, among other things, the game name, the art work for the front and back of the ticket, how a prize is won, game prize structure, play style, ticket delivery schedule to OLC, and eligibility for a drawing, if any.

429:15-1-3. Ticket responsibility

- (a) A ticket is a bearer instrument until signed on the back by the ticket holder.
- (b) The OLC will not be responsible for lost, stolen, or destroyed tickets.
- (c) The OLC will not be responsible for mutilated, altered, unreadable tickets or tickets tampered with in any manner.
- (d) The OLC will not be responsible for tickets claimed by a player in error for a lower prize at a retailer.
- (e) The OLC may not pay prizes to any claimant who purchases a ticket from an unauthorized retailer or unauthorized person.

429:15-1-4. Sale of instant game tickets

- (a) Only retailers who have a current contract with OLC are authorized to sell Instant Game tickets and tickets may be sold only at the authorized location.
- (b) Each Instant Game ticket shall be sold for the retail sales price authorized by OLC and stated in the Instant Game Procedures.

429:15-1-5. Determination of prize winner

- (a) The play symbols shall be used by a player to determine eligibility for instant game prizes.
- (b) A player's eligibility to win a prize is subject to OLC ticket validation requirements.
- (c) For each individual game, the player shall uncover the play area on the front of the ticket to reveal the play symbols. Eligibility to win a prize is based on the approved play style provided in the OLC Instant Game Procedures, and which may include:
 - (1) Match Three. If three identical play symbols are revealed on the ticket, the player shall win the prize indicated.
 - (2) Match Three with Specific Match Variant. The player shall win the prize indicated in either of the following ways:

- (A) The player matches three identical play symbols; or
 - (B) The player matches two identical play symbols and the variant as specified in the Instant Game Procedures.
- (3) Three Match Three. If three identical play symbols or numbers are revealed across one of the three lines, the player shall win the prize indicated.
 - (4) Add Up. If the player adds up all of the play numbers printed on the ticket and the amount is greater than or equal to the required total amount printed on the ticket, the player shall win the prize indicated.
 - (5) Three in Line. If the player finds three identical play symbols, either diagonally, vertically, or horizontally, on the same ticket, the player shall win the prize indicated.
 - (6) Key Number Match. If the player finds a play number or symbol that matches the designated key number play numbers or symbols, the player shall win the prize indicated.
 - (7) Your Number(s) Beat Their Number(s). If the player finds a play number(s) designated as "yours" that is greater than the play number(s) designated as "theirs," the player shall win the prize indicated.
 - (8) Three Consecutive Numbers or Symbols in Sequence. If the player finds three play numbers or symbols in a specified consecutive order among the play numbers or symbols, the player shall win the prize indicated.
 - (9) Doubler. If the player finds a play symbol designated as a doubler, the player prize won shall double in amount.
 - (10) Any other play style developed by OLC.

429:15-1-6. Ticket validation requirements

- (a) Each Instant Game ticket shall be validated according to OLC validation procedures prior to payment of a prize.
- (b) An Instant Game ticket shall comply with all of the following:
 - (1) The ticket shall not be stolen or appear on any list of printer omitted tickets on file with the OLC;
 - (2) The ticket shall not be counterfeit or forged, in whole or in part;
 - (3) The ticket shall not be mutilated, altered, or unreadable;
 - (4) The ticket shall have been issued by the OLC in an authorized manner;
 - (5) The ticket shall pass the confidential OLC validation and security tests appropriate to the applicable play style;
 - (6) The validation number of an apparent winning ticket shall appear on the OLC's official file of validation numbers of winning tickets. A ticket with that validation number shall not have been paid previously;
 - (7) The ticket shall be intact, and not miscut, and have exactly one play symbol and exactly one caption in each of the play spots, exactly one pack number, exactly one ticket number, exactly one retailer validation code, and exactly one validation number on the ticket;
 - (8) The game, pack, ticket, and validation numbers must be present in their entirety and be fully legible. The validation numbers shall correspond, using the OLC's files, to the play symbols on the ticket;
 - (9) The play symbols, captions, validation number, retailer validation code, pack number, and ticket number must be right side up and not reversed in any manner;
 - (10) The ticket must not be blank or partially blank, misregistered, defective, or printed or produced in error;

(11) Each of the play symbols must be exactly one of those described in the Instant Games Procedures, and each of the captions must be exactly one of those described in the Instant Games Procedures;

(12) Each of the play symbols on the ticket must be printed in the correct symbol font and correspond precisely to the artwork on file at the OLC. Each of the captions must be printed in the caption font and must correspond precisely to the artwork on file at the OLC. The retailer validation code must be printed in the retailer validation code font and must correspond precisely to the artwork on file at the OLC. The validation number must be printed in the validation number font and must correspond precisely to the artwork on file at the OLC;

(13) The display printing must be regular in every respect and correspond precisely with the artwork on file at the OLC.

(c) Any ticket not passing all of the validation tests and requirements is void and ineligible for any prize and shall not be paid. The OLC may, in its sole discretion, reimburse the player for the cost of the void ticket. This shall be the claimant's only remedy.

(d) If a defective ticket is purchased by a player, the only OLC liability shall be reimbursement for the cost of the defective ticket.

429:15-1-7. Disputed ticket

If a dispute arises between the OLC and a ticket claimant concerning whether the ticket is a winning ticket and if the ticket prize has not been paid, the OLC may, exclusively at OLC's determination, reimburse the claimant for the cost of the disputed ticket. This shall be the claimant's only remedy.

429:15-1-8. Game end date or game promotion end date and prize claim period

(a) The OLC, at any time, may announce the game end date for an individual game or game promotion.

(b) No tickets shall be sold past the game end date.

(c) Instant Game prizes shall be claimed no later than 90 days after the game end date of the individual game.

(d) Instant Game Promotion end dates and related promotion entry dates will be provided in the Instant Game Promotion Procedures for each Instant Game Promotion.

429:15-1-9. Governing law

In purchasing a ticket, the customer agrees to comply with, and abide by, the Act, and all rules and final decisions of the OLC, and all procedures and instructions established by the OLC for the conduct of the game or game promotion.

429:15-1-10. Required prize withholding

All prizes are subject to applicable federal tax withholdings, state income tax, and other required state withholdings, or delinquent state debt.

429:15-1-11. Game report

Following the time period in which prizes may be claimed after termination of a game, the OLC shall prepare a report that shows, at a minimum, the total number of tickets sold and the number of prizes awarded in the game. Such report shall be completed within forty-five (45) days of the expiration date of the game's prize claim period and shall be posted on the OLC web-site.

429:15-1-12. Grand prize drawing

- (a) This section shall apply to individual games that provide for a grand prize drawing, if any.
- (b) Game drawing procedures shall be provided to retailers and the public.
- (c) Eligibility for a grand prize drawing shall be determined by, but not limited to, a direct entry to a grand prize drawing or an entry into a preliminary draw as provided in Instant Game Procedures or Instant Game Promotion procedures. The OLC shall determine any prizes to be awarded and the method of payment which shall be stated in the Instant Game Procedures or Instant Game Promotion Procedures.
- (d) Preliminary draws and grand prize drawings shall be conducted at times and places and pursuant to the methods stated in the OLC Instant Game Procedures or Instant Game Promotion Procedures.
- (e) An entry to a preliminary or grand prize drawing submitted by a player in accordance with the applicable procedures is eligible to be included in a drawing.
- (f) Entries to a preliminary or grand prize drawing shall be delivered to the address or location designated by OLC no later than the last day of the time frame specified.
- (g) The number of preliminary draw and grand prize drawing winners selected to advance or to win a prize shall be specified. The odds of winning an entry into these drawings for a prize of a specific amount need not be uniform throughout the game and are subject to change by the OLC, depending on the number of entries received.
- (h) Each grand prize drawing finalist shall submit a completed claim form and the ticket, if appropriate, to the OLC within the required claim filing period. Failure to submit these items within the claim filing period and failure to have a valid ticket will be cause for ineligibility to the grand prize drawing.
- (i) Each grand prize drawing finalist will be notified by the OLC of the date of his/her appearance, if any, at the grand prize drawing.
- (j) If a dispute arises between the OLC and a ticket claimant concerning whether the ticket is a winning ticket and if the ticket prize has not been paid, the OLC may, at its sole discretion, reimburse the claimant for the cost of the disputed ticket. This shall be the claimant's exclusive remedy.

429:15-1-13. Instant Game Procedures

- (a) The OLC shall make available to retailers and the public Instant Game Procedures for each Instant Game prior to it being introduced for sale to the public.
- (b) The Instant Game Procedures for each game shall contain, at a minimum, the following:
 - (1) game number;
 - (2) game name;
 - (3) retail sales price;
 - (4) play style;
 - (5) pack size;
 - (6) play symbols
 - (7) captions or play symbol captions;
 - (8) number and value of prizes;
 - (9) retailer paid prizes;
 - (10) prize drawings, if any.
- (c) The play style for an individual game shall be fully described in the Instant Game Procedures and may take the form of one or more of the following methods of play:

- (1) Match Three – like amounts or symbols;
 - (2) Match Three with Specific Match Variant;
 - (3) Three Match Three;
 - (4) Add Up;
 - (5) Three In Line;
 - (6) Key Number Match;
 - (7) Your Number(s) Beats Their Number(s);
 - (8) Three Consecutive Numbers or Symbols in Sequence;
 - (9) Doubler; or
 - (10) Any other play style developed by OLC.
- (d) Instant game procedures will follow the format provided as an example only in Appendix A.

429:15-1-14. Instant Game Promotion Procedures

- (a) OLC shall make available to retailers and the public specifics for each Instant Game Promotion prior to the promotion being introduced to the public for participation.
- (b) The Instant Game Promotion Procedures shall contain, at a minimum, the following:
 - (1) Game promotion name;
 - (2) Retail sales price, if any;
 - (3) Play style;
 - (4) Odds;
 - (5) Prize levels;
 - (6) Method of player entry;
 - (7) Prize drawings or winner selection method; and
 - (8) Deadline for player entry.
- (c) Instant Game Promotion Procedures will follow the format provided as an example only in Appendix B.

APPENDIX A. INSTANT GAME PROCEDURES

The following information is provided as an example only.

Oklahoma Lottery Commission

**INSTANT GAME PROCEDURES
INSTANT GAME NO. 01 "GAME NAME"**

Date

1. **Instant Game Number:**
2. **Game Name:**
3. **Retail Sales Price:**
4. **Overall Odds:**
5. **Play Style:**
6. **Pack Size:**
7. **Play Symbols:**
8. **Captions or Play Symbol Captions:**

PLAY SYMBOL

CAPTION

9. **Prize Levels:**

Prize Levels

10. **Retailer Paid Prizes:**

11. **Prize Drawings (if any):**

Approved

James R. Scroggins
EXECUTIVE DIRECTOR

Date

APPENDIX B. INSTANT GAME PROMOTION PROCEDURES [NEW]

The following information is provided as an example only.

Oklahoma Lottery Commission

**INSTANT GAME PROMOTION PROCEDURES
INSTANT GAME NO. 01 "GAME NAME"**

Date

1. **Game Promotion Name:**
2. **Retail Sales Price, if any:**
3. **Play Style:**
4. **Odds:**
5. **Prize Levels:**
6. **Method of Player Entry:**
7. **Prize drawings or winner selection method:**
8. **Deadline for player entry:**

Approved

James R. Scroggins
EXECUTIVE DIRECTOR

Date

TITLE 429. OKLAHOMA LOTTERY COMMISSION
CHAPTER 20. ONLINE GAMES

429:20-1-1. [RESERVED]

429:20-1-2. Definitions

In addition to terms defined in the Oklahoma Education Lottery Act, the following words or terms, when used in this Chapter, shall have the following meaning unless the context clearly indicates otherwise:

"Act" means the Oklahoma Education Lottery Act.

"Active Game" means a lottery game currently available for sale from the Oklahoma Lottery Commission.

"Activated Pack" means the status of a pack of tickets which indicates to the OLC that tickets are being sold from that pack.

"Altered Ticket" means any ticket intentionally changed by a player or by other persons or means in an attempt to make the ticket appear as a winning ticket.

"Authorized Location" means a business authorized by a contract with OLC to sell OLC Lottery products. **"Authorized Location"** and **"Authorized Retailer"** are synonymous terms.

"Automatic Win Symbol" means any symbol that, when revealed under the removable covering on an instant ticket, automatically wins a prize for the player.

"Breaks" means a gap of one or more numbered instant tickets in a pack number sequence.

"Cancelled Ticket" means any OLC ticket for which the ticket sale and/or validation information has been deleted from OLC records.

"Caption" means the letters appearing near the play symbols in the instant ticket play area that verify the correctness of play symbols.

"Certified Drawing" means a drawing in which the lottery and an independent accountant attests that the drawing equipment functioned properly and that a random selection of a winning combination has occurred.

"Claim Center" means an OLC authorized location available to pay claims for prizes of more than \$600. A "Claim Center" may also be a retailer authorized by the Board to pay prizes up to five thousand dollars (\$5,000.00) without regard to where the ticket or share was purchased, after performing validation procedures appropriate to the game and as specified by the Board.

"Claim Form" means the printed form authorized by OLC that a player shall complete and submit to OLC along with a ticket to determine eligibility for prize payment, in the event that such prize has not been validated and paid by an OLC retailer.

"Claimant" means a player who has submitted a claim for prize payment.

"Claim Period" means the period of time prescribed by the Act during which players must claim cash prizes. For instant games, the claim period is ninety (90) days after the announced end of the game. For online games, the claim period is one hundred eighty (180) days after the drawing date.

"Computer Selected Items" means numbers or groups of numbers selected for a player by the computer in online games. Also known as auto picks, quick picks, or computer picks.

"Counterfeit Ticket" means any ticket not produced by an OLC authorized ticket printer or an OLC online games sales terminal.

"Defectively Printed Tickets" means the same as misregistered ticket.

"Display Printing" means the printing on the ticket not associated with the ticket game play.

"District Office" means an OLC claim center, if any, in various cities in Oklahoma.

"Disputed Ticket" means a ticket which the claimant believes is a prize winning ticket, but which fails OLC validation procedures.

"Doubler" means any method used on a ticket to double a prize amount.

"Draw Procedures" means the written document approved by OLC that specifies the process for selecting winners for a particular instant game or instant game promotion, if a drawing is designed as part of the game or promotion, and for each online game or online game promotion.

"Drawing" means the process by which the lottery randomly selects numbers or items in accordance with the specific game rules or game promotion rules for those games or game promotions requiring random selection of numbers or items.

"Duplicate Ticket" means a ticket produced by photograph, xerography or any other duplication method other than an authorized instant ticket printed for OLC or generated by an authorized online terminal.

"Electronic Funds Transfer" or **"EFT"** means the process by which the OLC transfers funds from a retailer authorized bank account to pay amounts due the OLC or by which OLC provides funds to a retailer for payment of prizes.

"Entry" means a lottery ticket or other OLC authorized document submitted to OLC or any OLC authorized party for participation in an OLC drawing.

"Executive Director" means the chief executive officer and administrator of the Oklahoma Lottery Commission.

"Finalist" means a person selected through a preliminary drawing for participation in a grand prize drawing.

"Floating Image Play Area" means the play area of each instant ticket which may print in a slightly different position on game tickets as a security measure.

"Game Board" means a pre-printed OLC form for use by players in selecting numbers for online games (see "Play Slip").

"Game Name" means the name of the Instant or Online game, as specified in the game procedures.

"Game Number" means the preprinted number on an instant ticket which identifies a particular game.

"Game Report" means a report prepared after a game end showing, at a minimum, the number of tickets sold and the number of prizes awarded in the game.

"Game Specifications Document" means the same as working papers.

"Grand Prize Drawing" means an event in which qualified players/contestants are awarded prizes in a random manner and as provided in OLC approved procedures.

"High-Tier Prize" means a prize of \$601 or more.

"Instant Game" means an instant ticket lottery game offered by OLC for sale to the public that is played by revealing a hidden play area on a ticket to display the play symbols.

"Instant Game Procedures" means the document summarizing the game specifications as provided in the working papers for each Instant Game.

"Instant Game Promotion Procedures" means the OLC approved procedures for player participation in any Instant Game Promotion.

"Jackpot" means a large prize; often the top prize in an online game.

"Lottery Retailer" or **"Retailer"** means a business entity contracted to OLC to sell lottery tickets.

"Low-Tier Prize" means a prize of twenty-five dollars (\$25) or less.

"Mid-Tier Prize" means a prize of \$25.01-\$600.

"Minor" means an individual younger than 18 years of age.

"Miscut Ticket" means a ticket cut during production such that the ticket is not whole and able to be validated.

"Misregistered Ticket" means any ticket on which printed data has been misprinted in such a manner as to prevent reading during the validation process.

"Mutilated Ticket" means any lottery ticket accidentally or intentionally damaged such that completion of OLC validation procedures is not possible.

"Non-Cash Prize" means merchandise prizes offered in lottery games or lottery promotions.

"Oklahoma Lottery Retailer Contract" means Parts 1 through 8 of the Lottery Retailer Sales Contract Application, Title 3A, Section 701 ff of the Oklahoma Statutes as amended, Emergency and Permanent Rules approved by the OLC Board. As used in these Rules the terms, **"Retailer Contract," "Oklahoma Ticket Sales Contract," "Lottery Retail Sales Contract,"** and **"Lottery Retailer Sales Contract"** all mean **"Oklahoma Lottery Retailer Contract"**.

"OLC" means the Oklahoma Lottery Commission.

"Online Game" means a game where tickets or shares are purchased through a network of sales terminals located at OLC authorized retail outlets through use of an OLC authorized play slip or manual retailer input of player requested numbers. "Online Game" does not include a game played via the Internet.

"Online Game Procedures" means the document summarizing game specifications for each online game offered for sale by OLC.

"Online Game Promotion Procedures" means the document summarizing promotion specifications for each online game promotion offered by OLC.

"Online Terminal" means the OLC authorized sales terminal used to sell various online lottery number games.

"Pack" or **"Pack Size"** means a package of instant tickets, each ticket with a different number. The number of tickets in a pack is generally from 60 to 500.

"Pack Number" means the unique number on the ticket that designates each pack of instant tickets in the game. Each pack number is unique within each instant game.

"Play Area" means the covered area of an instant ticket that contains the ticket play symbols.

"Play Central @ Lottery Kiosk" means a self-service ticket vending machine that allows the player to purchase instant tickets and/or online game tickets without any clerk assistance.

"Play Panel" means an area on an online game play slip or game board used by a player to select numbers for a single online game play.

"Play Slip" means a pre-printed OLC form for use by players in selecting numbers for online games (see game board).

"Play Spot" means an authorized area on an instant ticket containing one play symbol and one caption.

"Play Station" means a stand-alone unit provided by OLC for the display of lottery game brochures play slips, etc.

"Play Style" means the method of play to determine a winner for an individual game or game promotion.

"Play Symbol" means the printed data under the removable covering on the front of an instant ticket that is used to determine eligibility for a prize. The symbols for individual games will be specified in individual instant game procedures.

"Player-Selected Item" means a number or item or group of numbers or items selected by a player in connection with an online game.

"Point of Sale Material" or **"POS"** means flyers, brochures, posters and signage used within/at lottery retail locations to identify the products and games available for sale, as well as to provide general information (i.e. odds, jackpot amounts, prize levels and beneficiaries).

"Point of Purchase Material" or **"POP"** is synonymous with POS.

"Preliminary Drawing" means an event for the selection of contestants for a grand prize drawing.

"Price Point" means the retail selling price of an individual game ticket.

"Printer Omitted Tickets" means any tickets designated by OLC's instant ticket printer as having been omitted from the ticket order quantity for reasons stated by the ticket printer.

"Prize" means a cash amount or product (merchandise) that can be won in a lottery game or game promotion.

"Prize Drawing" means a method for determining game or game promotion winners, as defined in OLC procedures.

"Prize Structure" means the number, value, and odds of winning prizes for an individual game as approved by OLC in individual game procedures.

"Retailer" means a business which sells lottery tickets or shares on behalf of OLC pursuant to a retailer contract.

"Retailer Commission" means the amount of money paid to retailers for selling lottery products.

"Retailer Paid Prizes" means prizes which may be paid by retailers subject to OLC validation procedures.

"Retail Sales Price" means the OLC designated price OLC retailers must charge for a ticket when sold.

"Retailer Ticket Order Quantity" means the number of tickets or packs of tickets ordered by the retailer from OLC or its authorized distributor.

"Retailer Validation Code" means the code found under the covered area over the play symbols on the front of the instant ticket which the OLC retailer may use to verify and validate low-tier winners.

"Seasonal Retailer" means a business which sells Lottery tickets or shares on behalf of OLC pursuant to a retailer contract and whose business may be closed for some portion of the year and/or whose business hours may be significantly reduced for some portion of the year due to the seasonal nature of the business. Businesses that are closed temporarily for remodeling, change of ownership, or similar temporary closings will not be deemed to be seasonal retailers.

"Settled Pack" means the status of an activated pack of instant tickets when the OLC has invoiced the retailer based upon a pre-determined formula or schedule and the retailer has paid for the pack.

"Share" means any intangible evidence of participation in a lottery game.

"Ticket" means any tangible evidence issued by the lottery to provide participation in a lottery game or drawing authorized by the Act.

"Ticket Number" means the number on the ticket that refers to the ticket sequence within the pack.

"Ticket Order Quantity" means the number of tickets or packs of tickets ordered by OLC from the instant ticket printer.

"Unreadable Ticket" means any ticket on which any play data or other ticket validation information cannot be read as part of the prize validation procedure.

"Validation Number" means the unique data printed on a ticket that enables verification of the ticket as a valid winner.

"Validation Procedures" means the procedures utilized by OLC and/or its authorized vendors to determine if a claimed ticket is a valid winner.

"Valid Ticket" means a ticket which meets all OLC game specifications and OLC validation requirements.

"Variant" means a symbol used in conjunction with certain play styles and may include a symbol that serves as a "wild card" to complete a winning combination of play symbols.

"VIRN (Void If Removed Numbers)" means a series of numbers under the removable covering on an instant ticket to be used in the validation process.

"Wild" means a symbol or word, different from all the others in an instant game, used to complete a match on a winning ticket.

"Working Papers" means the written document approved by the OLC for instant game production that includes, among other things, the game name, the art work for the front and back of the ticket, how a prize is won, game prize structure, play style, ticket delivery schedule to OLC, and eligibility for a drawing, if any.

429:20-1-3. Ticket responsibility

- (a) A ticket is a bearer instrument until signed on the back by the ticket holder.
- (b) The OLC will not be responsible for lost, stolen, or destroyed tickets.
- (c) The OLC will not be responsible for mutilated, altered, unreadable tickets, or tickets tampered with in any manner.
- (d) The OLC will not be responsible for tickets claimed by a player in error for a lower prize at a retailer.
- (e) The OLC may not pay prizes to any claimant who purchases a ticket from an unauthorized retailer or unauthorized person.

429:20-1-4. Sale of Online Game tickets

- (a) Only retailers who have a current contract with OLC are authorized to sell Online Game tickets, and tickets may be sold only at the authorized location.
- (b) Each Online Game ticket shall be sold for the retail sales price authorized by OLC and stated in the Online Game Procedures.

429:20-1-5. Determination of prize winner

- (a) The numbers appearing on an Online ticket shall be used by the player to determine eligibility for Online Game prizes.
- (b) A player's eligibility to win a prize is subject to the OLC ticket validation requirements.
- (c) Eligibility to win a prize is based on the approved play style provided in the Online Game Procedures.
- (d) An online game play may only be claimed for the highest prize category won.
- (e) For purposes of calculation of any prize to be paid in any Online game, the winning prize amount shall be rounded down to the nearest dollar.

429:20-1-6. Ticket validation requirements

- (a) Each Online game ticket shall be validated according to OLC validation procedures prior to payment of a prize.
- (b) An Online game ticket shall comply with all of the following:
 - (1) The ticket validation number shall be present in its entirety and shall correspond to the prize validation file and with the data printed on the ticket;
 - (2) The ticket shall not be mutilated, altered, unreadable, or tampered with in any manner;
 - (3) The ticket shall not be counterfeit or a duplicate of another winning ticket;
 - (4) The ticket shall have been issued by the lottery through an authorized Online game sales terminal in an authorized manner;
 - (5) The ticket shall be validated in accordance with confidential OLC procedures for claiming, validating and payment of prizes;
 - (6) The ticket shall have been recorded in the OLC central computer system or recording media before the drawing and the ticket shall match this OLC record in every aspect;
 - (7) The validation number data and the drawing date of an apparent winning ticket shall appear on the official file of winning tickets and a single play grid with the exact data and the ticket may not have been previously paid;
 - (8) The ticket may not be misregistered or defectively printed to an extent that it cannot be validated by the lottery;
 - (9) The ticket shall pass all other confidential security tests of OLC.
- (c) Any ticket not passing all of the validation tests and requirements is void and ineligible for any prize and shall not be paid. The OLC may, in its sole discretion, reimburse the player for the cost of the void ticket. This shall be the claimant's only remedy.
- (d) If a defective ticket is purchased by a player, the only OLC liability shall be reimbursement for the cost of the defective ticket.

429:20-1-7. Disputed ticket

If a dispute arises between OLC and a ticket claimant concerning whether the ticket is a winning ticket and if the ticket prize has not been paid, the OLC may, exclusively at OLC's determination, reimburse the claimant for the cost of the disputed ticket. This shall be the claimant's only remedy.

429:20-1-8. Game end date or game promotion end date and prize claim period

- (a) The OLC, at any time, may announce the end date for an individual game.
- (b) No tickets shall be sold past the game end.
- (c) Online game prizes shall be claimed no later than 180 days after the drawing date of the individual game.
- (d) Online Game Promotion end dates and related promotion entry dates will be provided in the Online Game Promotion Procedures for each online game promotion.

429:20-1-9. Draw procedures

Drawings procedures for online games and Online Game promotions will be defined in an OLC approved and secure draw procedures document.

429:20-1-10. Governing law

In purchasing a ticket, the player agrees to comply with, and abide by, the Act, and all rules and final decisions of the OLC, and all procedures and instructions established by the OLC for the conduct of the game or game promotion.

429:20-1-11. Prize withholdings

All prizes are subject to applicable federal tax withholdings, state income tax, and other required state withholdings, or delinquent state debt.

429:20-1-12. Game report

Following the time period in which prizes may be claimed after termination of a game, the OLC shall prepare a report that shows, at a minimum, the total number of tickets sold and the number of prizes awarded in the game. Such report shall be completed within forty-five (45) days of the expiration date of the game's prize claim period and shall be posted on the OLC web-site.

429:20-1-13. Prize amounts for online games

- (a) The total amount of prize money allocated to the winnings pool for online games shall be a minimum of forty-five percent (45%) of the total gross Online Game sales.
- (b) The allocation of the Online Game winnings to the prize pool categories shall be provided in the Online Game Procedures.
- (c) All online game prizes shall be paid in a lump sum cash payment, except prizes of one-million dollars (\$1,000,000) or more which may be paid as provided in (d) and (e) of this section.
- (d) First prize.
 - (1) The amount allocated to the first prize prize pool in an online large-jackpot game may be used to purchase securities or an annuity for each winning ticket.
 - (2) The first prize will be payable to winning ticket holders by an initial cash payment plus equal payments as established by OLC.
 - (3) Any winning ticket owned by multiple owners shall be funded as outlined in Paragraph 1 and 2 of this section to the owners as declared on the claim form for claiming the online prize.
 - (4) The first prize may be payable to winning ticket holder(s) in a lump sum cash payment equal to the cash value of the first prize prize pool. The decision to accept a lump sum payment must be unanimously agreed to by all owners of the winning ticket.
- (e) In the event that a prize of one-million dollars (\$1,000,000) or more is owned by multiple owners and the resulting prize amount payable to each owner is less than one-million dollars (\$1,000,000), each owner of the prize amount will be paid in a lump sum cash amount.

429:20-1-14. Game sell-out prohibited

No OLC office or OLC retailer shall directly and knowingly sell a ticket or combination of tickets to any person or entity which would guarantee such a purchaser a prize in an online game or online game promotion.

429:20-1-15. Entry of plays

- (a) Online Game plays may only be entered manually using the authorized lottery sales terminal or by means of a playslip provided by the OLC and hand-marked by the player or by other means approved by the OLC.
- (b) Retailers shall not permit facsimile playslips, copies of playslips, or other materials not printed or approved by the OLC to be inserted into the sales terminal's playslip reader.
- (c) Retailers shall not permit any device to be connected to a lottery sales terminal to enter plays, except as approved by OLC.

429:20-1-16. Online Game Procedures

- (a) OLC shall make available to retailers and the public specifics for each Online Game prior to the game being introduced to the public for sale.
- (b) The Online Game Procedures shall contain at a minimum the following:
 - (1) The game name;
 - (2) The retail sales price;
 - (3) The game play style;
 - (4) The game odds;
 - (5) The game prize levels;
 - (6) The retailer paid prize levels; and
 - (7) The method of prize drawings.
- (c) This section shall also apply to any multi-state game offered for sale by OLC.
- (d) Online Game Procedures will follow the format provided as an example only in Appendix C.

429:20-1-17. Online Game Promotion Procedures

- (a) OLC shall make available to retailers and the public specifics for each Online Game Promotion prior to the promotion being introduced to the public for participation.
- (b) The Online Game Promotion Procedures shall contain, at a minimum, the following:
 - (1) The game promotion name;
 - (2) Retail sales price, if any;
 - (3) Play style;
 - (4) Odds;
 - (5) Prize levels;
 - (6) Method of player entry;
 - (7) Method of prize drawings; and
 - (8) Promotion entry deadlines.
- (c) This section shall also apply to any multi-state game promotion offered by OLC.
- (d) Online Game Promotion Procedures will follow the format provided as an example only in Appendix D.

APPENDIX A. ONLINE GAME PROCEDURES

The following information is provided as an example only.

Oklahoma Lottery Commission

ONLINE GAME PROCEDURES

Date

1. **Game Name:**
2. **Retail Sales Price:**
3. **Play Style:**
4. **Odds:**
5. **Prize Levels:**
6. **Retailer Paid Prize Levels:**
7. **The Method of Prize Drawings:**

Approved

James R. Scroggins
EXECUTIVE DIRECTOR

Date

APPENDIX B. ONLINE GAME PROMOTION PROCEDURES

The following information is provided as an example only.

**Oklahoma Lottery Commission
ONLINE GAME PROMOTION PROCEDURES**

Date

1. **Game Promotion Name:**
2. **Retail Sales Price (if any):**
3. **Play Style:**
4. **Odds:**
5. **Prize Levels:**
6. **Method of Player Entry:**
7. **Prize Drawings or Winner Selection Method:**
8. **Promotion Entry Deadlines:**

Approved

James R. Scroggins
EXECUTIVE DIRECTOR

Date

TITLE 429. OKLAHOMA LOTTERY COMMISSION
CHAPTER 30. PROBLEM GAMBLING VOLUNTARY SELF-EXCLUSION
PROGRAM [NEW]

429:30-1-1. [RESERVED]

429:30-1-2. Definitions [NEW]

In addition to terms defined in the Oklahoma Education Lottery Act, the following words or terms, when used in this Chapter, shall have the following meaning unless the context clearly indicates otherwise:

"Claim Center" means an OLC authorized location available to pay claims for prizes of more than \$600. A "Claim Center" may also be a retailer authorized by the Board to pay prizes up to five thousand dollars (\$5,000.00) without regard to where the ticket or share was purchased, after performing validation procedures appropriate to the game and as specified by the Board.

"Drawing" means the process by which the lottery randomly selects numbers or items in accordance with the specific game rules or game promotion rules for those games or game promotions requiring random selection of numbers or items.

"Entry" means a lottery ticket or other OLC authorized document submitted to OLC or any OLC authorized party for participation in an OLC drawing.

"Executive Director" means the chief executive officer and administrator of the Oklahoma Lottery Commission.

"High-Tier Prize" means a prize of \$601 or more.

"Non-Cash Prize" means merchandise prizes offered in lottery games or lottery promotions.

"OLC" means the Oklahoma Lottery Commission.

"Prize" means a cash amount or product (merchandise) that can be won in a lottery game or game promotion.

"Prize Drawing" means a method for determining game or game promotion winners, as defined in OLC procedures.

"Problem Gambler" means a person who classifies themselves as someone who exhibits gambling behavior patterns that compromise, disrupt or damage personal, family or vocational pursuits.

"Retailer" means a business which sells lottery tickets or shares on behalf of OLC pursuant to a retailer contract.

429:30-1-3. Self-exclusion Program [NEW]

The OLC may offer a "Self-exclusion Program" (hereinafter "SEP") as a voluntary, lifetime program for those who classify themselves as a problem gambler. The program is designed to offer such individuals the option to voluntarily exclude themselves from collecting any lottery prize greater than \$600 and thus provide a disincentive for playing lottery games.

429:30-1-4. Agreement [NEW]

The Executive Director will develop a legal document with the assistance of the Office of the Attorney General. This document will serve as the legal, binding agreement between the person wishing to exclude themselves and the OLC. The SEP Agreement (hereinafter "Agreement") shall be presented to and approved by the Board of Trustees, and any amendments thereto shall be presented to the Board of Trustees for approval.

429:30-1-5. Contents of Agreement [NEW]

The SEP Agreement shall at a minimum include the following information:

- (a) A clear statement that the person wishing to exclude themselves is doing so on a voluntary basis;
- (b) A clear statement that the Agreement is valid for the lifetime of the person entering into the Agreement, or until the OLC Board of Trustees cancels the SEP;
- (c) A clear statement that it is the responsibility of the person wishing to enter into the Agreement to not purchase lottery products and not enter into any lottery drawing and that it is not the responsibility of the State, the OLC, any Lottery employee or any Lottery retailer to prevent such person from purchasing lottery products or from entering into lottery drawings;
- (d) A clear statement that it is the responsibility of the person entering into an Agreement to inform the OLC if they are the recipient of any marketing information through email, so the OLC can remove their contact information from any marketing list;
- (e) A clear statement that the person entering into the Agreement releases the aforementioned from any liability relating to the Agreement;
- (f) A clear statement that the Agreement applies to any lottery prize valued in excess of \$600;
- (g) A clear statement that in the event that a person who has executed an Agreement with the OLC attempts to claim an applicable cash or non-cash prize at Lottery headquarters or any authorized Claim Center, the prize shall be forfeited and placed into the Unclaimed Prize Fund and used according to state law, or, if a prize in an applicable multi-state jackpot game is being claimed, the prize shall be handled according to the rules of the multi-state game;
- (h) Appropriate information properly identifying the person wishing to enter into the Agreement including but not limited to the following: full name; addresses; phone numbers; email addresses; birthdate; government issued ID numbers; physical description.

429:30-1-6. Lottery Commission Procedures [NEW]

On approval of the SEP, the Lottery Commission shall:

- (a) Publish information related to the SEP on the Lottery Commission web site;
- (b) Make SEP information available to appropriate responsible gambling and problem gambling treatment entities;
- (c) Include appropriate links to responsible gambling and problem gambling treatment entities on the Lottery Commission web site;
- (d) Maintain a confidential list of persons who have entered into an Agreement and use that list to:
 - (1) disallow collection of prizes valued greater than \$600;
 - (2) disallow the entry of such persons into drawings conducted by the OLC;
 - (3) remove such persons from any marketing lists used by the OLC.