

## CA\$HOLA GAME RULES

*Last Amended January 17, 2007*

### **MWAP C\$ RULE 26—DEFINITIONS.**

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

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

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

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

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

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

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

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

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

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

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

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

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

*Amended July 14, 2006.*

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

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

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

## **MWAP C\$ RULE 28—PRIZE POOL**

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

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

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

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

*21, 2007 at 6 a.m. an amount equal to up to two and one half percent (2.5%) of Ca\$hola play shall be deducted from a Party Lottery's Grand Prize Pool and placed in trust in the Prize Reserve account until the Party Lottery's share of the Prize Reserve Account reaches the amounts designated by the Product Group. The maximum amount to be held in the Prize Reserve Account (PRA) shall be two million dollars (\$2,000,000).*

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

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

**30.1 Grand Prizes.** Grand prizes shall be paid, at the election of the Grand Prize winner at the time of prize claim, with either an annuity or cash payment. If the payment election is not made by the Grand Prize winner, then the prize shall be paid as an annuity prize. The election to take the cash payment or to receive an annuity payment must be made at the time of the prize claim. An election made at the time of prize claim is final and cannot be revoked, withdrawn or otherwise changed. During the operation of the Ca\$hola game and at the time of Grand Prize win, the JMS shall record both the cash amount in the Grand Prize Pool, and also the calculated annuity amount of the Grand Prize by multiplying the Grand Prize pool by the MUSL interest rate factor. The MUSL interest rate factor is the average interest rate of securities as obtained through a consultation with qualified, pre-approved brokers. The annuitized option prize shall be the amount which was recorded on the JMS as the Grand Prize annuity amount at the time of the prize win; the cash option prize shall be the amount which was recorded on the JMS as in the Grand Prize pool at the time of the Grand Prize win. In the event the Grand Prize winner elects annuity payment of their prize, the MUSL shall purchase securities sufficient for payment of such annuity from the Grand Prize pool using the best total price obtained through competitive bid of qualified, pre-approved brokers: any deficiencies in Grand Prize pool funds to purchase securities to pay the annuity amount of a Grand Prize shall be withdrawn from the Prize Reserve Account; any excess of funds in the Grand Prize pool needed to purchase securities to pay the annuity amount of a Grand Prize win shall be deposited in the Prize Reserve Account. In certain instances announced by the Product Group, the Grand Prize shall begin with a starting seed amount determined pursuant to Rule 30.4. Prior to 6 am ET March 4, 2007, all annuitized prizes shall be paid annually in twenty (20) payments with the initial payment being made in cash, to be followed by nineteen (19) payments funded by the annuity. All annuitized prizes shall be paid annually in twenty (20) equal payments. Effective at 6 am ET March 4, 2007, all annuitized prizes shall be paid annually in thirty (30) payments with the initial payment being made in cash, to be followed by twenty-nine (29) equal payments funded by the annuity. Prize payments may be rounded down to the nearest one thousand dollars (\$1,000). Annual payments after the initial payment shall be made by the lottery or the venue where the Grand Prize was won (at the election of the Party Lottery) on the anniversary date or if such date falls on a non-business day, then the first business day following the anniversary date of the Grand prize winning Ca\$hola play. Funds for the initial payment of an annuitized prize or the lump sum cash prize shall be made available by MUSL for payment by the Party Lottery or the venue where the Grand Prize was won (at the election of the Party Lottery) no earlier than the Tuesday following the Friday after the close of the Party Lottery's business weeks (or the next banking day Tuesday is a holiday) following the prize claim win. If necessary, when the due date for the payment of a prize occurs before the receipt of funds in the Grand Prize pool sufficient to pay the prize, the transfer of funds for the payment of the full lump sum cash amount may be delayed pending receipt of funds from the party lotteries. A Party Lottery

may elect to make the initial payment from its own funds after validation, with notice to MUSL. In the event of the death of a lottery winner during the annuity payment period, the Product Group, in its sole discretion, upon the petition of the estate of the lottery winner (the "Estate") to the state lottery of the state in which the deceased lottery winner made the winning Ca\$hola play, and subject to federal, state, or district applicable laws, may accelerate the payment of all of the remaining lottery proceeds to the Estate. If the Product Group makes such a determination, then securities and/or cash held to fund the deceased lottery winner's annuitized prize may be distributed to the Estate. The identification of the securities to fund the annuitized prize shall be at the sole discretion of the Product Group.

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

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

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

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

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

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

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

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

[Rule 32 reserved for future use.]

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

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

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

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

**MWAP C\$ RULE 34—APPLICABLE LAW.**

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